



CANTEEN SERVICES, INC.
COMMISSARY DELIVERY SERVICES AGREEMENT

AGREEMENT, effective 09/23/2019 between Canteen Services, Inc. a Michigan Corporation ("Canteen"), and Grand Traverse County Sheriff's Office ("Client").

A: FINANCIAL ARRANGEMENTS - Canteen will operate its Commissary Delivery Services for Client on the basis of 12 monthly (52 weeks) accounting periods. Prices for Products sold through Canteen's Commissary Service shall be determined by mutual consent between Canteen and Client, provided, however, that in the event of material cost changes, whether taxes, labor, merchandise or otherwise, it is understood that Canteen shall have the right unilaterally to adjust said prices to reflect said increases.

B: COMMISSION – Canteen will pay Client a commission of 30% on net sales of all products to inmates except: kits, indigent kits, hygiene kits, stamps, stamped envelopes, magazines, and any sales directly to the jail. Commission will be paid within 30 days of applicable month-end close. Commissions are based on the existing federal, state, and local tax structure, including but not limited to sales taxes and any other tax or levy by any level of government which affects the Commissary Delivery Services. In the event of an increase in said taxes or levies, or a change in said tax structure which increases Canteen's liability, increases will be passed on to inmates of Client as increased per item costs.

C: SOFTWARE AND KIOSK – Canteen will provide Client with an inmate accounting system; phone ordering, debit calling, and debit release software programs at no cost. Kiosk services will be provided and detailed under a separate agreement which is incorporated herein by reference and made a part hereof as if fully set forth in the Agreement.

D: Term Notices	
If to Client	If to Canteen
Attention: Sheriff	Attention: Jeffrey Tiggelman
Grand Traverse County Sheriff's Office	Canteen Services, Inc.
320 Washington St.	905 N. Church St.
Traverse City, MI 49684	Tekonsha, MI 49092

E: Premises

Grand Traverse County Jail
320 Washington St.
Traverse City, MI 49684

In Witness Whereof, the parties hereto have executed this Agreement as of the date first above written.		
Provider: Canteen Services, Inc.	Client:	
	Grand Traverse County Sheriff's Office	Grand Traverse County Board of Commissioners
By:	By:	By:
Name: Jeffrey Tiggelman	Name: Thomas J. Bensley	Name: Robert Hentschel
Title: President	Title: Sheriff	Title: Chairman
Date:	Date: 9/24/19	Date: 9/23/19

SECTION 1

CLIENT'S GRANT TO CANTEEN

Client grants to Canteen, as an independent contractor, the exclusive right to deliver packaged commissary items, except for on-site items as specified by Client, to the stated correctional facility location shown on the face of this contract (such location hereinafter referred to as the "Premises"), and the exclusive right to deliver to such Premises food products, non-alcoholic beverages, and other such articles ("Products") as shall be approved by the Client.

SECTION 2

CANTEEN'S RESPONSIBILITIES

- A. Pursuant to the provisions of the Agreement, Canteen will deliver commissary items to the premises on a mutually agreed upon basis.
- B. Canteen shall hire all employees necessary for the performance of this Agreement. All persons employed by Canteen will be the employees of Canteen, and not the Client. Canteen agrees that no employees of the Client will be hired by Canteen without permission of the Client for a period of one (1) year after termination of their employment with Client. Canteen, in performing work required by this Agreement, shall not discriminate against any employee or applicant for employment because of race, creed, sex, color, national origin or age, in violation of federal, state or local law.
- C. Canteen agrees that no supervisory employees of Client will be hired by Canteen without specific written permission of Client for the period of this Agreement and one (1) year thereafter. Client agrees that, without specific written permission of Canteen, supervisory employees of Canteen will neither be hired by Client for the period of this Agreement and one (1) year thereafter, nor will Client permit supervisory employees of Canteen to be employed in the Client's food service operation for a period of one (1) year subsequent to the termination of this Agreement (unless such employees were formerly employees of Client).
- D. All records shall be kept on file by Canteen for a period of three (3) years from the date the record is made, and Canteen shall, upon reasonable notice, give the Client or its authorized representative the privilege at a reasonable time of inspecting, examining and auditing, during normal business hours, such of Canteen's business records which are directly relevant to the financial arrangement set forth in Item(s) A - C. The cost of such inspection, examination and audit shall be the sole expense of the Client, and such inspection, examination and audit shall be conducted at the Canteen location where said records are normally maintained, unless otherwise mutually agreed.
- E. Canteen agrees that Canteen's employees and agents shall comply with and observe all applicable rules and regulations concerning conduct on the Premises which Client imposes upon Client's employees and agents.

SECTION 3

CLIENT'S RESPONSIBILITIES

- A. Client shall maintain its facilities where the Commissary Delivery is performed in a safe operating condition such that no Canteen employee is exposed to or subjected to any unsafe situation which would violate the Occupational Safety and Health Act, including but not limited

to the general duty and the specific duty clauses thereof, or any similar federal, state or local law or regulation to the extent it is within the Client's control.

- B. Client shall make payment to Canteen Services, Inc. within 30 days unless alternate timetable is mutually agreed to.

SECTION 4

INDEMNIFICATION: INSURANCE

- A. Canteen shall indemnify Client against any loss, damage, injury or death caused by Canteen's negligent acts or omissions or the negligent acts or omissions of Canteen's agents or employees, or losses, damages, injuries or death caused by Canteen's negligence and arising out of the consumption or use of the Products sold, provided, however, that nothing contained herein shall require Canteen to defend or indemnify Client for losses, damages, injuries or death arising out of the negligence of Client, its agents or employees.
- B. Canteen's obligation to hold the Client harmless pursuant to this Agreement shall depend upon the Client promptly notifying Canteen, in writing, of any such claims or losses against either Canteen or Client, but in no event later than thirty (30) days after the date Client first received notice of such claim or lawsuit, and forwarding to Canteen the summons, complaint and all other documents which relate to said claim or lawsuit no later than thirty (30) days after the Client was served with such documents. Failure of Client to notify Canteen of such claims or lawsuit within said thirty (30) day period shall release Canteen of any and all responsibilities and liabilities under this Agreement to indemnify and hold Client harmless.
- C. Canteen shall procure and maintain the following insurance:

- 1) Worker's Compensation Insurance as prescribed by the laws of the State of Michigan;
- 2) Automobile and Comprehensive General Liability Insurance, including products and contractual liability, of \$1,000,000.00 for any occurrence in which bodily injury or property damage are alleged.

SECTION 5

COMMENCEMENT AND TERMINATION

This Agreement shall become effective as is stated on the face of this contract and shall remain in force through December 31, 2023, unless sooner terminated as herein provided.

If either party shall refuse, fail or be unable to perform or observe any of the terms or conditions of this Agreement for any reason other than Excused Performance reasons stated in Section 6 hereof, the party claiming such failure shall give the other party a written notice of such breach. If, within sixty (60) days from such notice the failure has not been corrected, the injured party may cancel the Agreement effective ten (10) days after the end of said sixty (60) day period.

Client further agrees that if, upon notification in writing by Canteen, Canteen's Commissary Services are not returning a fair and equitable profit, Client and Canteen fail to agree upon new financial arrangements satisfactory to Canteen and Client within thirty (30) days of said

notification, the Agreement may thereupon be terminated by Canteen effective ten (10) days after the end of the thirty (30) day period.

SECTION 6

EXCUSED PERFORMANCE

In case of performance of any terms or provisions hereof (other than the payment of monies) shall be delayed or prevented because of compliance with any law, decree, or order of any governmental agency or authority, either local, state, or federal, or because of war, public disturbances, fires, floods, Acts of God, or any other reason whatsoever which is interfered with and which, by the exercise of reasonable diligence said party is unable to prevent, the party so suffering may at its option suspend, without liability, the performance of its obligations hereunder (other than the payment of monies) during the period such case continues.

SECTION 7

ASSIGNMENT

Neither Canteen nor Client may assign or transfer this Agreement, or any part thereof, without the written consent of the other party.

SECTION 8

ENTIRE AGREEMENT: WAIVER

This Agreement constitutes the entire Agreement between the parties with respect to the provision of Delivery Services, and there are no other or further written or oral understandings or agreements with respect thereto. No variation or modification of this Agreement and no waiver of its provisions shall be valid unless in writing and signed by the duly authorized officers of Canteen and Client.

SECTION 9

MICHIGAN STATE LAW

This Agreement shall be governed by, construed and enforced by the laws of the State of Michigan.

SECTION 10

TITLE

Client shall have access to Canteen's accounting software program eXpress Command including the Debit Release Program (the "Software").

Client acknowledges that Canteen is the sole owner of all intellectual property rights in and to the Software provided by Canteen for use, especially the eXpress Command software, and including, but not limited to the structure, organization, design, algorithms, methods, templates, data models, data structures, flow charts, logic flow, screen displays, and report formats associated with the Software. Except as expressly authorized in this Agreement, Client will not use, copy, modify, distribute, sublicense, transfer, display, rent or unbundle the Software. In addition, Client will not reverse engineer, decompile or disassemble the Software, and will not otherwise attempt to reconstruct or discover the source code for the Software. Canteen reserves all rights in the Software not expressly granted to Client in this Agreement.



Kiosk Services Agreement

Addendum I to the Commissary Delivery Services Agreement

This Kiosk Services Agreement ("Agreement"), an addendum to the Commissary Delivery Services Agreement dated 09/23/2019, as amended, is by and between Grand Traverse County Sheriff's Office (Client) and Canteen Services, Inc., ("Canteen").

Recitals

Whereas, as a part of and in conjunction to the Commissary Services provided by Canteen, Client desires that Canteen provide and perform Kiosk Services; and,

Whereas, Canteen agrees to provide and perform Kiosk Services for Client and its arrestees, detainees, and prisoners housed in the jail ("Inmates") and third parties using the Kiosk(s) on behalf of Inmates ("Inmate Associates") collectively referred to as "Kiosk Users".

Now, therefore, in consideration of the mutual agreements and covenants contained in these Recitals and the terms of this Agreement, the parties agree as follows:

Terms of Agreement

1. **Installation.** Client shall designate the location for installation and placement of the Kiosk(s). Client shall prepare the location for the Kiosk(s), according to Canteen's reasonable instruction. Power and Internet connections shall be provided by Client. Client shall be responsible for the security and protection of the Kiosk(s).

2. **Equipment and Use.** Canteen shall provide to Client the following equipment ("Equipment"):

One (1) Kiosk Solution located in the main lobby of the Grand Traverse County Jail
One (1) Kiosk Solution located in the booking area of the Grand Traverse County Jail

Kiosk Users may use Kiosk(s) to deposit cash or otherwise make payments that will be credited to Inmate's account for commissary spending, for Inmate's Bond, or to be applied, fully or partially, as allowed by law, towards Inmate's debt. Transactions to be credited for use as a Bond shall not be used for any other purpose.

3. **Service, Maintenance and Repair.** Canteen represents that the time taken to credit the Inmate's account after successful completion at the Kiosk(s) will be almost instantaneous. After receiving notice of an undesirable Kiosk event or outage, Canteen will respond on-site within 24 hours after notification to facilitate necessary repairs and/or resolve the issue. Canteen shall maintain the Equipment in good operating condition, ordinary wear and tear excepted, including without limitation, furnishing all parts and labor. Except as otherwise provided, all maintenance and repairs shall be done at Canteen's expense. Client shall be responsible for, and reimburse Canteen for, repairs or maintenance to Kiosk(s) that are a result of any misuse, destruction, damage, or vandalism. Client shall promptly notify Canteen in writing of any misuse, destruction, damage, or vandalism.

4. **Kiosk Fees.** Canteen charges a transaction fee from the Kiosk User for each Kiosk transaction, which is automatically collected when the transaction is made. The transaction fee shall be charged at the time a deposit is made to an Inmate's account. The portion of the deposit that is designated for the Inmate shall be credited to the Inmate's trust account. The portion of the deposit designated as a transaction fee will be credited to Client. Canteen shall invoice Client on a weekly basis to collect the transaction fee. The transaction fee will be charged as follows:

Cash Deposit (Lobby Kiosk only)

<i>Transaction Amount</i>	<i>Convenience Fee paid by Depositor</i>
\$0.01 - \$100.99	\$3.00
\$101.00 and above	\$4.00

Credit Card Deposit (Lobby Kiosk or Web)

<i>Transaction Amount</i>	<i>Convenience Fee paid by Depositor*</i>
\$0.01 - \$30.00	\$4.50
\$30.01 - \$50.00	\$5.95
\$50.01 - \$70.00	\$6.95
\$70.01 - \$100.00	\$7.95
\$100.01 - \$200.00	\$4.00 + 4% of total transaction
\$200.01 and over	8% of total transaction

*\$2.00 additional fee for operator assisted transactions by phone

Cash Bond (Lobby Kiosk only)

<i>Transaction Amount</i>	<i>Convenience Fee paid by Depositor</i>
ALL AMOUNTS	6% of bond amount, minimum \$4.00

Credit Card Bond (Lobby Kiosk only)

<i>Transaction Amount</i>	<i>Convenience Fee paid by Depositor</i>
\$0.01 - \$2,000.99	\$10.00 + 7% of total transaction
\$2,001.00 and above	7% of total transaction

Credit Card Bond (Web or Phone)

<i>Transaction Amount</i>	<i>Convenience Fee paid by Depositor*</i>
\$0.01 - \$2,000.99	\$10.00 + 8% of total transaction
\$2,001.00 and above	8% of total transaction

* \$2.00 additional fee for operator assisted transactions by phone

Cash Deposits (Booking Kiosk only)

<i>Transaction Amount</i>	<i>Convenience Fee paid by Depositor</i>
ALL AMOUNTS \$14.00 and above	\$2.00

Canteen may charge Client interest on any undisputed overdue fees, charges, or expenses at a rate equal to the lesser of 1.5% per month or the highest rate permitted by law. Overdue shall be deemed to mean more than sixty (60) days past due. Client will reimburse Canteen for all reasonable costs and expenses incurred (including reasonable attorneys' fees) in collecting any undisputed overdue amounts. If Client does not pay undisputed fees, charges, or expenses when due, then Canteen may require reasonable advance payments as a condition to providing Products and Services. Canteen shall first provide a written demand for immediate payment to Client for any overdue balance prior to charging any overdue fee, charge, or expense.