

FACILITY TELEPHONE TELECOMMUNICATIONS AGREEMENT

This Facility Telephone Telecommunications Agreement (the “Agreement”) is made and entered into between TKC TeleCom LLC, a Delaware limited liability company, and Alamosa County Sheriff Office, a county correctional facility in the State of Colorado (the “Facility”).

This Agreement is effective as of the most recent date set on the signature page to this Agreement (the “Effective Date”).

RECITALS

WHEREAS, TKC TeleCom provides integrated telephone telecommunications equipment and services that include proprietary (and patented) software capabilities (access, monitoring, recording, and archiving), automated back-office data processing, resale of intra-state and inter-state telephone telecommunications, management of relationships with underlying telephone telecommunication carriers and providers, provision and maintenance of related equipment, and help desk functions (collectively, the “TeleCom Services”).

WHEREAS, TKC TeleCom is affiliated with (i.e., under common control with) T.W. Vending, Inc. (d/b/a/ TurnKey Corrections);

WHEREAS, TurnKey provides: (i) inmate booking and release systems to correctional facilities, (ii) family and friends of inmate’s the online ability to deposit funds for the benefit of inmates, (iii) integrated point-of-sale equipment and services to correctional facilities that facilitate commissary sales and inventory management, payment processing, and automated accounting, and (iv) inmates the ability to purchase perishable and non-perishable goods, interactive video communications, email, and text messaging services (collectively, the “TurnKey Services”);

WHEREAS, the Facility desires to receive the TeleCom Services together with, or separate from, the TurnKey Services;

NOW THEREFORE, in consideration good and valuable consideration, TKC TeleCom and the Facility hereby agree as follows:

AGREEMENT

Section 1. Telephone Systems Integration. TKC TeleCom agrees to provide the Facility the TeleCom Services. In consideration for the TeleCom Services, the Facility will pay TKC TeleCom \$0.12 for each telephone minute all inmates use during the Term (as defined below) of this Agreement. This payment will not be reduced by sales taxes resulting from the final charge to inmates for using such services.

The Facility can elect to charge inmates per-minute telephone rates higher than \$0.12 per minute, however the Facility will not charge rates above \$0.25 per minute without thirty (30) days prior written notice to TKC TeleCom, and not without TKC TeleCom's prior written approval. In the event the Facility charges inmates per-minute telephone rates higher than \$0.12 per minute, the Facility will retain the differential between \$0.12 and \$0.25. However, in all instances, the differential shall be reduced by applicable sales taxes calculated on the final charge to inmates.

Subject to the preceding paragraph, TKC TeleCom will be responsible for remitting all sales taxes, and federal and state telephone telecommunication taxes.

Section 2. Equipment and Installation. TKC TeleCom will install up to 17 corrections grade inmate telephones within the Facility at mutually agreed upon locations, and mutually agreed upon equipment and installation pricing. The price for such equipment and installation shall be as set forth in an invoice prepared and sent by TKC TeleCom to the Facility, which invoice shall be acknowledged and accepted in writing (including through email) by an authorized official of the Facility. The Facility agrees that the TeleCom Services cannot begin until the Facility acknowledges and accepts the equipment pricing.

Section 3. Training. TKC Telecom agrees to train the Facility staff how to administer and operate the Telecom Services effectively. It is mutually agreed that, within reason, the Facility staff will learn and apply procedures that allow the TeleCom Services to be effectively implemented and operated within the Facility.

Section 4. TeleCom Service Payment Terms. In consideration for the provision of services set forth in Section 1, the Facility will make payment to TKC TeleCom on a "net 30-day" basis determined from the date of each invoice TKC TeleCom provides the Facility.

Section 5. Contract Term. The initial term for this Agreement begins on the Effective Date, and shall be for a period of four (4) years. This Agreement shall automatically renew for successive one-year terms, provided that, beginning in the final year of the initial term, either TKC TeleCom or the Facility may avoid the initial annual extension by delivering written notice to the other party not less than 60 days prior to the termination date. Thereafter, either TKC TeleCom or the Facility may terminate this Agreement for any reason by delivery of written notice to the other Party not less than 60 days prior to the then-effective one-year term. The "Term" of this Agreement includes the initial term, and all annual extensions thereafter.

Pursuant to the Local Government Budget Law, Colo. C.R.S. 29-1-101, TKC TeleCom and Facility agree this Agreement will NOT automatically renew at the end of any annual term (or shorter initial period if Facility's fiscal year ends prior to the 12-month anniversary of the Term Initiation Date) unless sufficient appropriated funds are budgeted by the Alamosa County Board of County Commissioners for such services. Facility represents and warrants that it has sufficient appropriations or other funds available to pay all amounts due hereunder for the current fiscal year, and reasonably believes that funds can be obtained sufficient to make all payments during the initial term. Facility hereby covenants that it will do all things reasonably within its power to obtain funds from which the payments may be made, including making

provision for such payments to the extent necessary in each budget submitted for the purpose of obtaining funding and using its bona fide best efforts to have such portion of the budget approved.

In the event no funds or insufficient funds are appropriated and budgeted, or are otherwise not available in any fiscal year for payments due under this Agreement, then Facility will immediately provide written notice of such occurrence and this Agreement shall terminate on the last day of the fiscal year for which appropriations were received, without penalty or expense to Facility of any kind whatsoever. Nothing in this Section 1 shall allow Facility to withhold or refuse payment of any money due and payable TKC TeleCom provided in compliance with this Agreement.

Facility agrees it will segregate inmate funds it collects from inmates for services and products purchase by inmates pursuant to this Agreement, and will not encumber such funds, and will not otherwise remit such funds to anyone other than the TKC TeleCom.

Section 6. Miscellaneous.

(a) Integration. This Agreement encompasses the entire agreement, whether oral or written, between TKC TeleCom and the Facility.

(b) Amendment; Modification. This Agreement may not be modified or amended, in whole or in part, except by a writing signed by duly authorized officials of TKC TeleCom and the Facility.

(c) No Third-Party Beneficiaries. The provisions of this Agreement are not intended to be for the benefit of or enforceable by any third party.

(d) Governing Law. This Agreement, the validity, construction and enforcement hereof, and all disputes relating hereto, shall be governed by and construed in accordance with the laws of the State of Wisconsin without regard to any conflicts of law rules that would result in the application of the law of any other jurisdiction. TKC TeleCom and the Facility agree that venue for any litigation between them shall be exclusively in the state district court of Alamosa County, Colorado, or the United States District Court for the District of Colorado, and TKC TeleCom and the Facility agree to submit to personal jurisdiction therein.

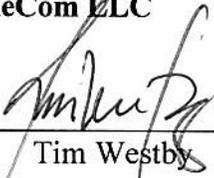
(e) Counterparts. This Agreement may be executed in any number of counterparts and, when so executed, all of such counterparts shall constitute a single instrument binding upon both parties notwithstanding the fact that both parties are not signatory to the original or to the same counterpart.

[signature page follows]

IN WITNESS WHEREOF, duly authorized officials of each party have executed this Agreement, and it is effective as of the Effective Date.

TKC TeleCom LLC

By: _____



Tim Westby

Its: Chief Financial Officer

Alamosa County Sheriff Office Correctional Facility

By: _____



Title: Alamosa County Commissioner
A Duly Authorized Official