

ADDENDUM #4 TO INMATE TELEPHONE SERVICE AGREEMENT

THIS ADDENDUM 4 ("Addendum 4") dated as of the date signed by all the parties listed in this preamble, shall amend and revise that certain Inmate Calling Program Agreement (the "Agreement"), dated on November 1, 2003, as amended, by and between **Global Tel*Link Corporation**, having its principal place of business at 2609 Cameron Street, Mobile, Alabama 36607 ("Company"), and **Mecklenburg County Sheriff's Office**, North Carolina, with an address of 801 East Fourth Street, Charlotte, North Carolina 28202 and any of its agents and employees (singularly and/or collectively hereafter referred to as "The Sheriff"). Company and The Sheriff may be referred to herein individually as the "Party" and collectively as the "Parties." All capitalized terms not defined herein shall have the definitions set forth in the Agreement.

WHEREAS, the Parties have agreed to extend the Agreement and to certain other changes, as further provided below.

NOW THEREFORE, in consideration of the promises and covenants set forth in this Addendum 4, and for good and valuable consideration, the sufficiency of which is acknowledged by the Parties' signatures, the Parties agree as follows:

1. **Term.** Upon the completion of the current term, the Agreement will renew for an additional five (5) years, expiring on December 1, 2019.
2. **Video Visitation.** As soon as reasonably practicable, but no later than six months after agreement by the Parties on the applicable statement of work, Company will install at The Sheriff facilities Company's onsite video visitation system, powered by Renovo ("Video Visitation System"). The system will include visit scheduler, within-facility and remote video visitation capabilities with up to three (3) months of recording storage (remote capabilities will be supplied at a later date, as may be agreed upon by Company and The Sheriff), and up to 63 video visitation units (in total, including both visitor and inmate units) with enclosures. The Video Visitation System is more specifically described in Exhibit A of this Amendment.
 - 2.1 **Company Obligations.** Company will be responsible for all installation (including all wiring and cabling) of all equipment/hardware and software necessary for the satisfactory performance of the Video Visitation System. Company shall also be responsible for all maintenance of such equipment/hardware and software in order to assure prompt and timely service of the Video Visitation System to The Sheriff and all third party users of the Video Visitation System ("Users"). All maintenance for the Video Visitation System will be performed by the Company, on-site at The Sheriff's facility, and at no cost or expense to The Sheriff. Company will insure that all User transactions are processed in a timely fashion and that all necessary records for tracking User payment balances are maintained up to date on a daily basis. Company shall respond to User inquiries regarding their respective balances

or service issues no later than the next business day (Monday-Friday, exclusive of holidays) following submission. Any refunds owed to Users shall be processed and issued by the Company no later than 5 business days after confirmation such refund is owed to User.

The Company shall maintain a qualified on-site representative for The Sheriff, who shall be present at The Sheriff's location no less than 40 hours per week, available to assist with maintenance or any other issues that arise regarding GTL matters and services. The Company will make it clear to the representative that the representative is strictly an employee of the Company and shall not be deemed an employee of The Sheriff or Mecklenburg County and is not entitled to any benefits afforded employees of The Sheriff or Mecklenburg County. Duties of the Company on-site representative shall include, but not be limited to, ensuring that all maintenance and other issues with regard to Company services provided to The Sheriff are resolved on a timely basis. In addition to maintaining all equipment and hardware, the Company shall install and maintain all cabling and wiring necessary for the operation of the Video Visitation System.

2.2 The Sheriff Obligations. The Sheriff will:

- 2.2.1 Supply the appropriate space, power, and ventilation, including heating and cooling for the Video Visitation System; as well as adequate space for the GTL on-site representative;
- 2.2.2 Take reasonable measures to protect the Video Visitation System equipment, and will be responsible for loss or damage to the equipment to the extent such is caused by the willful, intentional action or gross negligence of employees or authorized agents of The Sheriff;
- 2.2.3 Promptly report to Company any known damage to the Video Visitation System equipment, service failures or known hazardous conditions;
- 2.2.4 Permit reasonable access to its respective facilities without charge or prejudice to Company employees or representatives provided such employees or representatives comply with all safety and security rules and policies pertaining to the respective facility they are entering;
- 2.2.5 Refrain from disconnecting or moving the Video Visitation System (or any of its components) from the location in which it is installed;

- 2.2.6 Supply Company, at no cost to Company, necessary data files from The Sheriff's Jail Management System (JMS) for operation of the Video Visitation System and visit scheduler. The Sheriff will be solely responsible for creating back-ups of its data prior to submission of the data to Company for conversion, and provided Company uses reasonable safety and security measures, Company will not have any responsibility or liability for any lost data, whether prior to, during, or after completion of any conversion services;
- 2.2.7 Use the visit scheduler component of the Video Visitation System to schedule all inmate visits, whether the visits are through the use of Video Visitation System or other means;
- 2.2.8 Limit free on-premise inmate visits (whether in-person or through the use of the Video Visitation System) to one (1) free thirty (30) minute visit each week ("Free Visit");
- 2.2.9 Ensure that there are no other parties supplying video visitation services at any of The Sheriff's jail facilities during the term of this Addendum 4 to the Agreement, provided Company remains in full compliance with the terms and conditions of the Agreement and any Addendum thereto, including without limitation, maintaining operational the Video Visitation System in accordance with its obligations under the Agreement.

2.3 Video Visitation Charges. Except in the case of a Free Visit, inmates, their attorney, their family or friend will be charged a flat amount of fifteen Dollars (\$15) for up to fifteen (15) visitation minutes, and One Dollar (\$1) for each visitation minute extending beyond the first fifteen minutes for remote video visitation, exclusive of taxes, and regulatory and transaction fees. There will be no charges assessed for on-site visitation. No commission will be paid to The Sheriff on revenue billed or collected by Company in connection with video visits. The Company has the sole and exclusive responsibility for correctly assessing and charging any taxes, regulatory and or transaction fees required or permitted by applicable laws, rules or regulations.

2.4 Title to Video Visitation System. Title to the Video Visitation System hardware will be, and at all times will remain, in the Company, except as specifically set forth otherwise herein. Furthermore, all software, documentation, and other intellectual property (collective the "IP") in connection with the Video Visitation System is provided on a term license only basis, as long as the Agreement is in effect, and will not constitute a sale of that IP. Nothing in this Agreement or through Company's performance thereunder will constitute a transfer of right, title, or interest in or to the IP, which are retained by Company or its licensors. The Company hereby

warrants and represents to The Sheriff that the Company is the sole and exclusive owner of every component of the Video Visitation System/ IP and/or has the lawful right to distribute/license/sell use of the Video Visitation System/IP as a whole or any part thereof. The Company further hereby indemnifies and holds harmless Mecklenburg County and The Sheriff from and against any and all allegations, assertions or claims that MCSO is infringing upon any third party's proprietary rights by MCSO's use of the Video Visitation System/ IP in accordance with its intended use and indemnifies and holds harmless The Sheriff from and against any damages, liabilities, costs and expenses (including without limitation, attorneys' fees and court costs as they are incurred) of any kind or nature that are in any way attributable to such claim. This indemnity shall survive termination of the Agreement and any Addendum thereto in connection with use of the Video Visitation System prior to termination.

During the term of the Agreement, Company grants The Sheriff a non-exclusive, non-transferable, license or right, at no charge, to use the Video Visitation System/ IP solely for accessing the products and services supplied by Company in the manner contemplated by this Agreement. The Sheriff will not: (a) make available or distribute all or part of the IP to any third party by assignment, sublicense or by any other means; (b) copy, adapt, reverse engineer, decompile, disassemble, or modify, in whole or in part, any of the IP; or (c) use the IP to operate in or as a time-sharing, outsourcing, or service bureau environment, or in any way knowingly allow third party access to the IP. The Sheriff will further use reasonable efforts to protect from disclosure the IP and all confidential information regarding the Video Visitation System. The use of software is supplied in object code only, and nothing herein will be construed as granting any license whatsoever to the underlying source code that is used to generate the software, or creating an implied license in any IP.

2.5 Early Termination Reimbursement. If the Agreement terminates earlier than anticipated, Company will have significant un-recouped investment in the Video Visitation System at The Sheriff facilities. Accordingly, in the event the Agreement terminates before December 1, 2019, for any reason other than breach by Company. The Sheriff will pay Company an amount based on the schedule provided below.

<u>Termination During</u>	<u>Amount Due</u>
▪ Year One	- \$1,685,000.00
▪ Year Two	- \$1,348,000.00
▪ Year Three	- \$1,011,000.00
▪ Year Four	- \$674,000.00

▪ Year Five - \$337,000.00

The amounts listed above will be reduced by Twenty Eight Thousand and Eighty Three Dollars (\$28,083.00) for each calendar month the Agreement remains in effect during the applicable period. There will be no proration or reduction for partial months. In the event this Agreement is terminated prior to December 1, 2019, under conditions that activate the above payment schedule, the Company shall transfer to The Sheriff, unencumbered by any liens or encumbrances of any kind or nature, and The Sheriff shall become the sole and exclusive owner of, all the cabling, conduits, and visitation units related to the Video Visitation System, provided, however, The Sheriff shall have no right whatsoever to the IP, or any other equipment associated with the Video Visitation System, and shall cease using the IP and such equipment as of the termination date. The Sheriff shall further provide Company a reasonable opportunity to remove the IP and all other equipment from The Sheriff's premises within a reasonable period following the termination.

- 3. Law on Telephone and Video Monitoring and Recording.** Company has no responsibility to advise The Sheriff with respect to any law, regulation, or guideline that may govern or pertain to telephone call or video visitation recordation or monitoring by The Sheriff, or compliance therewith. The Sheriff has its own legal counsel to advise it concerning any and all such law, regulation, or guideline, and compliance therewith, and makes its own determination on when and how to use the inmate call and video visitation monitoring and recording capabilities supplied through the Agreement. Company disclaims any responsibility to provide, and in fact has not provided, The Sheriff any legal advice concerning such applicable law, regulation, or guideline, or compliance therewith. Company is solely and exclusively responsible for Company's compliance with any law, regulation or guideline pertaining to any of Company's business operations, including without limitation, any sale, transfer, permitted use of and or licensing of any product, equipment or software supplied to The Sheriff pursuant to the Agreement and any addendums thereto. The Sheriff will be solely responsible for any liability arising out of The Sheriff's failure to comply with such law, regulation, or guideline. All call and video visitation detail records (DRs) and call and video visitation recordings contained in the equipment provided by Company to The Sheriff are and shall at all times remain the sole and exclusive property of The Sheriff. However, the Company will have the right to use the DRs and recordings for the sole purposes of a) responding to lawful and enforceable legal requests b) to provide the services under the Agreement, and c) for other lawful purposes (provided Company use for other lawful purposes does not interrupt the operations of The Sheriff's Office and the Company's use of the DRs and recordings are at all times in compliance with all applicable laws, regulations and guidelines, including without limitation, all applicable privacy laws).

4. **Rates for Interstate Calling Services.** As a result of the Federal Communication Commission order (“Order”) concerning Rates for Interstate Inmate Calling Services (WC Docket Number 12-375; FCC 13-113, dated August 9, 2013, and released September 26, 2013) and effective February 11, 2014, Company will cease to pay commission on all state-to-state calls. GTL will change the rates for state-to-state calling according to the rate changes listed below.

4.1 Rate Change Type: State-to-State rate changes according to FCC Order.

4.1.1 Collect Call: \$0.25 per minute

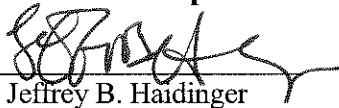
4.1.2 Debit, PIN Debit and Prepaid: \$0.21 per minute

5. **Commission.** Effective February 11, 2014, GTL will increase the Mecklenburg County Sheriff’s Office Inmate Telephone System (ITS) commission for all call types except state-to-state calls (see section 4 above) to 66% to be paid in accordance with *Addendum 3 to Inmate Telephone Service Agreement*.
6. Except as set forth above, there are no other revisions or amendments to the Agreement or to the obligations of Company or The Sheriff.
7. In the event of any inconsistencies between the terms and conditions contained in the Agreement and the terms and conditions contained herein, the terms and conditions contained herein shall control.

Signature Page Follows

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, have duly executed this Addendum 4 as of the last date provided below.

Company:
Global Tel*Link Corporation

By: 
Name: Jeffrey B. Haidinger
Title: President and COO
Date: 8/12/14

The Sheriff:
Mecklenburg County Sheriff's Office

By: _____
Name: Daniel E. Bailey, Jr.
Title: Sheriff
Date:

Approved as to legal form only:

Marilyn D. Porter, Sheriff's Attorney

EXHIBIT A VIDEO VISITATION SYSTEM

Software

- Visitation Scheduling
 - Unlimited number of user licenses for the GTL Scheduling Software
 - Facility Registration and Scheduling
 - Public Web-Based Registration and Scheduling
 - Multilingual web interface (English, Spanish, Creole)
 - Professional Web-Based Registration and Scheduling
 - Visitor Kiosk Registration and Scheduling
 - Automated Updates and Cancellation Notices
- Face-to-Face, On-Premise, and Remote Visitation Management
 - Manage non-contact and contact room visits
 - Establish set schedules for non-contact visits and contact room visits
 - Officer video check-in prior to visitation start
 - Live monitoring and remote control
 - Recording, monitoring, & interrupt
 - Managed hosting
- Fully Configurable Policies
 - Quotas for inmates and visitors, by day or by week, ability to set different quotas for different housing units
 - Assign staff users to user groups with specific privileges
 - Inmate and visitor restrictions
- JMS/OMS Integration
 - One-way data transfer, XML view, or Database View (The Sheriff decides)
 - Import inmate events, visitors, restrictions and approved visitors from the software
- Cancellation Notifications
 - Automated Inmate Updates and Cancellation Notices
 - Cancellation notices via email and automated phone messages
- Data Reports
 - Upcoming visitation reports for an entire facility or specific housing unit
 - Who visited whom and how many times (day, week, month, etc.)
 - Visitation types (e.g. normal, professional, etc.)
 - Visitations by housing unit, day of the week, or specific time, location
 - Housing Unit Reports- which station an inmate needs to be at, and at what time
 - Formats include PDF, XLS, and HTML
 - Total visitations by day, week, month, etc.
- Visitor Warrant Check Application
 - Allows facility to export visitor registration information for 3rd party warrant check services and import warrant check results

- Conflict Checking
 - Inmate and Station Availability
 - Event Management
 - Inmate and Visitor Quotas
 - Housing Unit Schedules
 - Inmate and Visitor Restrictions
 - Visitation Center Hours
 - Number of Visitors Per Visit

Hardware

(2) ID card reader

- To expedite the registration and check-in process.

On-Site and Remote Servers

Video Visitation Stations

- 17" Color LCD Flat Panel Monitor
- Renovo VisStation Codec
- Fully adjustable 720p HD webcam
- Distortion-eliminating, angled camera mount
- Field-replaceable components
- Spill protection seal-and-drain system
- Corrections-grade steel construction
- Lexan® polycarbonate
- Corrections-grade handset and steel lanyard
- Built in, heavy duty surge protector

Mounting Options

- Wall mount (default option)
- Single station pedestal mount
- Dual station pedestal mount
- Triple station pedestal mount
- Quad station pedestal mount