

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 Elbert County, a political subdivision of the State of Colorado, on behalf of the Elbert County correctional facility (the "Facility").

This Agreement is effective as of May 17, 2018 (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 9 corrections grade inmate telephones in designated areas in the 5 Pods, inmate phones in booking and mobile phone for medical) 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. (a) Contract Term. The initial term for this Agreement begins on the Effective Date, and shall expire Dec. 31, 2018, which represents the end of Facility's current fiscal year. Thereafter, this Agreement shall automatically renew for three (3) successive one-year terms Facility may terminate this Agreement solely on the basis set forth in Section 5(b), or both TKC TeleCom and Facility may otherwise terminate this Agreement upon their mutual, written agreement. The "Term" of this Agreement includes the initial term, and all annual extensions thereafter.

(b) Non-Appropriations Clause. Pursuant to The Taxpayer's Bill of Rights, Colo. Rev. Stat. Ann. §§ X-20, and C.R.S. 21-1-110, 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 Effective Date) unless sufficient appropriated funds are budgeted by the Elbert 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 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, including but not limited to any amounts described as liquidated damages for loss of bargain, except as to the portions of payments herein agreed upon for which funds shall have been appropriated and budgeted, or are otherwise available. Facility agrees that it (1) will not give priority in the application of funds to any other functionally similar equipment or services during the term of this Agreement, and (2) will segregate inmate funds it collects from inmates pursuant to Section (2), will not encumber such funds, and will not otherwise remit such funds to anyone other than TKC TeleCom.

Section 6. Miscellaneous.

(a) TKC TeleCom Audio Record Retention; Regulatory Production. While TKC TeleCom maintains the recordings on its servers, Facility is the owner and legal custodian of all audio (and other) recordings. Facility is the owner TKC TeleCom will use reasonable commercial efforts to maintain audio recordings resulting from, or involving, TeleCom Services for 2 years from their origination. TKC TeleCom will delete such audio recordings, in its discretion, after such 2-year period unless the Facility provides TKC TeleCom at least 15-days' written notice prior to the end of such 2-year period of audio recordings it desires to maintain.

TKC TeleCom is authorized to provide copies of audio recordings to any governmental agency pursuant to court order or valid subpoena, which such determination shall be made by TKC TeleCom in good faith, without consultation with the Facility. Unless prohibited by law, TKC TeleCom will provide notice to Facility of its provision of recordings pursuant to court order or valid subpoena to any governmental agency.

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

(c) 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.

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

(e) 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 Iowa 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 Elbert 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.


(f) Indemnification. Provider agrees to defend, indemnify, and hold the Facility, its employees and officials harmless from any third-party claims, demands, actions or causes of action, including reasonable attorneys' fees and expenses, resulting directly from Provider's negligence and/or intentional wrongdoing on the part of Provider and its subcontractors, including any of their agents or employees, in the performance of the work and services to be performed or furnished by Provider under the terms of this Agreement

(g) 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.

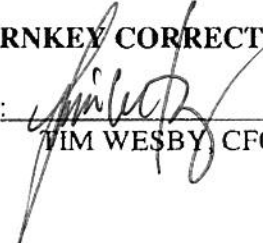
[signature page set for below]

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

ELBERT COUNTY MANAGER

By: 
Stan Albrecht
5/17/2018

TURNKEY CORRECTIONS

By: 
TIM WESBY CFO