

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (“Agreement”) is entered into by and between Jim Hood, Attorney General of the State of Mississippi *ex rel.* The State of Mississippi (“the State”), and Global Tel*Link Corporation (“GTL”) through their authorized representatives, hereinafter collectively referred to as “the Parties.”

RECITALS

WHEREAS, the State entered into a contract with GTL on or about December 13, 2005, wherein GTL would provide the State with inmate phone services to multiple MDOC facilities. In 2007 and 2011, the State renewed the contract with GTL. The State and GTL continue to have a contract in place, wherein GTL provides inmate phone services to multiple MDOC facilities. The State and GTL had a dispute and in accordance with the Agreement, the State and GTL have resolved this dispute.

WHEREAS, the State has asserted various claims against GTL arising out of its procurement and/or retention of public contracts with the Mississippi Department of Corrections (“MDOC”) in an action filed on February 8, 2017, and captioned *Jim Hood, Attorney General of the State of Mississippi ex rel. The State of Mississippi v. Global Tel*Link Corporation; Christopher B. Epps; Sam Waggoner and Defendant Does 1 through 5*, Civil Action No.: 61CH1:17-cv-00027-JHE (Cir. Ct., Rankin Cty.) (the “Action”);

WHEREAS, GTL has denied the State’s allegations and, specifically, has denied that it violated any applicable law or regulation or breached any legal duty to the State in connection with its procurement and/or retention of public contracts with MDOC, including oversight, management, marketing, supplying or selling of inmate telephone communications and payment systems;

WHEREAS, the Parties wish to fully and finally resolve the Action and enter into a settlement to fully resolve all claims that the State may have against GTL related to its procurement and/or retention of public contracts with MDOC, including oversight, management, marketing, supplying or selling of inmate telephone communications and payment systems, on the terms and conditions set forth below.

The Parties, therefore, for good and valuable consideration, and intending to be legally bound, agree as follows:

1. **RELEASE AND DISCHARGE BY THE STATE.** In consideration of the obligations of GTL in this Agreement and conditioned upon GTL's full payment of the Settlement Amount, defined in Paragraph 3 below, the State (on behalf of itself, its officers, agents, agencies and departments) releases and forever discharges, to the fullest extent permitted by the law, GTL, together with GTL's predecessors, current and former parents, direct and indirect subsidiaries, divisions, transferees, successors and assigns, and any GTL affiliates and entities, and all of their current and former partners, corporate owners, directors, officers, employees, agents, contractors, affiliates, stockholders, insurers, and attorneys (collectively, the "GTL Released Parties") of and from the following: all civil, criminal, or administrative claims, charges, causes of action, damages, punitive damages, liens, restitution, fines, costs, expenses, attorneys' fees, and penalties, whether arising from, in or through law, equity, administrative procedures, subrogation or any other source that the State asserted or could have asserted against the GTL Released Parties by reason of any conduct that occurred any time through and including the Effective Date of this Agreement, as defined in Paragraph 8 below, arising from or relating to the procurement and/or retention of public contracts with MDOC, including oversight, management, marketing, supplying or selling of inmate telephone communications and payment

systems (hereinafter the "GTL Released Claims"). In consideration of the obligations of GTL as set forth in this Agreement, and conditioned upon GTL's payment of the Settlement Amount, the State agrees to fully and finally release GTL based on the conduct covered by the GTL Released Claims.

2. **DISMISSAL OF ACTION.** Within seven (7) business days following the execution of this Agreement, the Parties will file with the Rankin County Circuit Court a proposed Order of Dismissal with Prejudice in the Action, in the form attached hereto as Exhibit A, seeking the dismissal of the Action, including dismissal with prejudice of this action as to GTL. Except as otherwise provided herein, each Party to this Agreement will bear its own legal and other costs incurred in connection with the Action, including investigation and prosecution thereof, as well as the preparation and performance of this Agreement.

3. **PAYMENT BY GTL.** In consideration for the agreement, promises and releases provided in this Agreement, GTL shall pay the State the total sum of Two Million Five Hundred Thousand Dollars (\$2,500,000.00) ("Settlement Amount"). The payment shall be made by GTL to the State within seven (7) business days following the effective date of this Agreement, as defined in Paragraph 8 below. The payment shall be made by GTL in accordance with the wiring or other instructions provided to GTL in writing by the State at least seven (7) days before such payment is due.

4. **NO ADMISSION OF LIABILITY.** Nothing in this Agreement is to be construed as an admission of liability on the part of GTL. GTL expressly denies liability and denies that the State's claims are valid. The State will not urge or seek to admit this Agreement as evidence of any fault or liability of the GTL Released Parties.

5. **MATERIALS.** During the investigation of this matter, the State has created and obtained certain notes, interviews and other documents that the State asserts are protected from disclosure pursuant to the attorney-client privilege and work-product doctrine. The State does not, nor will it, voluntarily waive any such privileges.

6. **WARRANTY OF CAPACITY TO EXECUTE AGREEMENT.**

The individual signing this Agreement on behalf of GTL represents and warrants that he or she is authorized by GTL to execute this Agreement. The undersigned State signatory represents and warrants that he is signing this Agreement in his official capacity and that he is authorized to execute this Agreement on behalf of the State through his respective agency and department. There is no other understanding or agreement, verbal or otherwise, in relation thereto, between the Parties except those herein expressly set forth. The undersigned signatories represent that no interest in any claim herein released has been assigned to any third party. No oral representations, warranties or inducements have been made to any Party concerning this Agreement other than the representations, warranties and covenants contained and memorialized herein. In addition, the Parties represent and warrant that they are not relying on any representations or warranties not contained in this Agreement.

7. **ASSISTANCE OF COUNSEL.** The Parties represent that they have had the assistance of counsel in negotiating, reviewing and executing this Agreement and that they appreciate and understand the legal significance of this Agreement and the legal significance of stipulating to a dismissal with prejudice of the Action, all of which have been explained to them by their attorneys. The State understands the terms of this Agreement, understands its finality, and understands that it will never again, in any court anywhere, make any claim against GTL for any declaratory or equitable relief, for any sums of money, or for any other form of

compensation for the GTL Released Claims, except as otherwise specifically provided in this Agreement. The State represents that it is not under duress or pressure from any source and it has executed this Agreement knowledgeably and freely by and with the advice of its attorneys. GTL understands the terms of this Agreement, understands its finality, and understands that the State will never again, in any court anywhere, make any claim against GTL for any declaratory or equitable relief, for any sums of money, or for any other form of compensation for the GTL Released Claims, except as otherwise specifically provided in this Agreement. GTL represents that it is not under duress or pressure from any source and it has executed this Agreement knowledgeably and freely by and with the advice of its attorneys. This Agreement shall not be construed more strictly against one Party than another merely by virtue of the fact that it, or any part of it, may have been prepared by counsel for one of the Parties, it being recognized that this Agreement is the result of arm's-length negotiations between the Parties and all Parties have contributed substantially and materially to the preparation of this Agreement.

8. **INVALIDITY.** The Parties agree that should any nonmaterial portion or portions of this Agreement be found void, unenforceable or otherwise invalid by any court of competent jurisdiction, after the exhaustion of all rights to appeal, this entire Agreement shall not be nullified and such invalid portion or portions shall be severed from this Agreement, and the remainder of the Agreement shall be enforced.

9. **EFFECTIVE DATE.** The "Effective Date" of this Agreement shall be the date of the last signature of the last signatory to this Agreement.

10. **GOVERNING LAW AND CHOICE OF FORUM.** It is understood and agreed by the Parties that this document shall be governed and interpreted in accordance with the laws of the State of Mississippi. Any dispute concerning the meaning, interpretation or

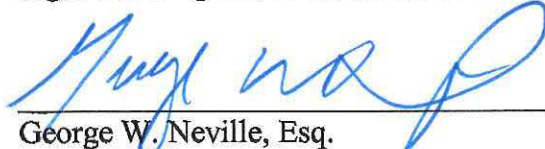
enforcement of this Agreement shall be resolved by the Circuit Court of Rankin County, Mississippi, which shall be the exclusive trial court forum for all proceedings involving or arising out of this Agreement.

11. **ENTIRE AGREEMENT.** This document contains the entire agreement between the Parties with regard to the matters set forth herein, and shall be binding upon and inure to the benefit of all the successors, transferees, heirs and assigns of the Parties. This Agreement is the exclusive, final and complete agreement between the State and GTL. In executing this Agreement, each party represents and warrants that he or it is not relying on any representation that is not explicitly set forth in this Agreement.


12. **EXECUTION IN COUNTERPARTS.** This Agreement may be executed in counterparts, each of which constitutes an original, and all of which constitute one and the same Agreement. The Parties agree that facsimile signatures shall be deemed as effective as original signatures.

13. **ACTS NECESSARY TO EFFECTUATE AGREEMENT.** Each Party agrees to perform such further acts and to execute and to deliver such further documents as may reasonably be necessary to carry out this Agreement.

Signed and Agreed to on the date below:



Date: 6-7-17
George W. Neville, Esq.
Special Assistant Attorney General
On Behalf of Jim Hood, Attorney General of the State of Mississippi, *ex rel.* The State of Mississippi



Date: 8-3-17
Name: Brian Oliver
Position: CEO
On Behalf of Global Tel*Link Corporation

EXHIBIT A

IN THE CIRCUIT COURT OF RANKIN COUNTY, MISSISSIPPI

JIM HOOD, ATTORNEY GENERAL OF
THE STATE OF MISSISSIPPI, *ex rel.*
THE STATE OF MISSISSIPPI,
Plaintiff,

v.

GLOBAL TEL*LINK
CORPORATION; CHRISTOPHER
B. EPPS; SAM WAGGONER and
DEFENDANT DOES 1 through 5,
Defendants.

CASE NO. 61CI1:17-cv-00027-JHE

FINAL ORDER OF DISMISSAL WITH PREJUDICE

This cause is before the Court on the *ore tenus* motion of the State of Mississippi (“the State”) for entry of a Final Order of Dismissal with Prejudice, and the Court having been advised that the case has been settled as to the above case, so that there remain no issues to be tried or determined by this Court, and the Court being otherwise fully advised in the premises, hereby dismisses this case with prejudice.

IT IS, THEREFORE, ORDERED AND ADJUDGED that the Complaint be dismissed with prejudice with each party to bear its own costs.

SO ORDRED AND ADJUDGED, this the _____ day of _____, 2017.

CIRCUIT COURT JUDGE

AGREED TO:

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