

# CONTRACT AMENDMENT

**Project Name:** Inmate Telephone System

**Contractor:** Public Communication Services, Inc.

**Contract No.:** B21318B

**Address:** 11859 Wilshire Blvd, Suite 600

**Amendment Date:** November 2010

Los Angeles, CA 90025

**Amendment No.:** 1

1.0 King County (the "County") and Public Communication Services, Inc. (PCS), entered into Contract No. B2131B. Said Contract provides that it may be changed by a Contract Amendment. This form and any attachments hereto, shall serve as a Contract Amendment.

2.0 A novation agreement was executed effective November 10, 2010, among the County, PCS, and Global Tel\* Link Corp. This novation agreement shall serve as "Attachment 1" to this Amendment.

The parties agree to amend as follows:

3.0 This Amendment shall modify the term "Contractor" on page 1 of the Contract changing "Public Communication System, Inc." to "Global Tel\*Link Corp."

IN WITNESS WHEREOF, each party has caused this Amendment to be executed effective on the date of signature by King County.



King County, Washington

By           Claudia M. Balacci           For

Title           Director Designee          

Date           12/1/10          

Contractor



By           Jeffrey B. Haidinger          

Title           President, Services          

Date           11/24/10

## Novation Agreement

The following parties referred to by name referenced below or as "Party" or collectively as "Parties" enter into this Novation ("Agreement") effective as of November 10, 2010.

Public Communication Services, Inc. (PCS), a corporation duly organized and existing under the laws of the California with its principal office at Los Angeles, CA; Federal Tax ID 95-4615444 (hereinafter "Assignor") and,

Global Tel\* Link, Corp. (GTL), a corporation duly organized and existing under the laws of Delaware, with its principal office at 2609 Cameron Street, Mobile, AL 36607 Federal Tax ID 63-1071001 (hereinafter "Assignee") and,

King County, Washington, a home rule charter county and a political subdivision of the State of Washington (hereinafter "County").

(a) The parties agree to the following facts:

- (1) The County has entered into a certain contract with Assignor, namely: PCS, awarded by Contract B21318B, entered into as of November 2008. The term "Contract," as used in this Agreement, means the above contract and the related purchase orders including all modifications, made between the County and Assignor before the effective date of this Agreement (whether or not performance and payment have been completed and releases executed if the County or Assignor has any remaining rights, duties, or obligations under this Contract and purchase orders). Included in the term "Contract" are also all modifications made under the terms and conditions of the Contract and its purchase orders between the County and Assignees, on or after the effective date of this Agreement.
- (2) As of November 10, 2010 ("Novation Date"), Assignor has transferred to Assignee certain assets including the Contract and the underlying intellectual property, including those specified in Contract B21318B by virtue of a Purchase Agreement effective on the Novation Date between Assignor and Assignee.
- (3) Assignee has assumed all obligations and liabilities of Assignor under the Contract by virtue of the above purchase, whether or not performance has been completed, releases have been executed, and payment has been made under the Contract
- (5) Assignee is in a position to fully perform all obligations that may exist under the Contract.
- (6) It is consistent with the County's interest to recognize Assignee as the successor Party to the Contract.

(b) In consideration of these facts, the parties agree that by this Agreement—

- (1) Assignor confirms the sale of certain assets, including Contract B21318B, to Assignee, and waives any claims and rights against the County that it now has or may have in the future in connection with the Contract.
- (2) Assignee agrees to be bound by and to perform the Contract in accordance with the conditions contained in the Contract. Assignee also assumes all obligations and liabilities of, and all claims against, the Assignor under the Contract as if Assignee were the original Party to the Contract.
- (3) Assignee ratifies all previous actions taken by Assignor with respect to the Contract, with the same force and effect as if the action had been taken by Assignees.
- (4) The County recognizes Assignee as Assignor's successor in interest in and to the Contract. Assignee is entitled to all rights, titles, and interests of Assignor in and to the Contract as if Assignee was the original Party to the Contract. Following the effective date of this Agreement, the term "Contractor," as used in the Contract, shall refer to Assignee.
- (5) Except as expressly provided in this Agreement, nothing in it shall be construed as a waiver of any rights of the County against Assignor.

- (6) All payments and reimbursements previously made by the County to Assignor, and all other previous actions taken by the County under the Contract, shall be considered to have discharged those parts of the County's obligations under the Contract. All payments and reimbursements made by the County after the date of this Agreement in the name of or to Assignor shall have the same force and effect as if made to Assignee, and shall constitute a complete discharge of the County's obligations under the Contract, to the extent of the amounts paid or reimbursed.
  - (7) Assignor and Assignee agree that the County is not obligated to pay or reimburse either of them for, or otherwise give effect to, any costs, taxes, or other expenses, or any related increases, directly or indirectly arising out of or resulting from the transfer or this Agreement, other than those that the County in the absence of this transfer or Agreement would have been obligated to pay or reimburse under the terms of the Contract.
  - (8) Assignor and Assignee agree that it will reimburse King County for any costs, taxes, or other expenses, directly or indirectly arising out of or resulting from the transfer of this Agreement other than ordinary administrative expenses of facilitating Novation and the necessary Amendment to the Contract.
  - (8) Assignor guarantees payment of all liabilities and the performance of all obligations that the Assignees —
    - (i) Assumes under this Agreement; or
    - (ii) May undertake in the future should the Contract be modified under its terms and conditions. Assignor waives notice of, and consents to, any such future modifications.
- The Contract shall remain in full force and effect, except as modified by this Agreement. This Novation Agreement will be attached as Attachment 1 to the Contract Amendment.

(c) Assignee shall:

- (1) execute an amendment to the Contract, incorporating this Agreement fully which will be attached to Contract B21318B;
  - (2) provide certificates of insurance and endorsements consistent with the obligations contained in Contract B21318B; and W-9, Taxpayer Identification Number and Certification.
  - (3) provide disclosure of any conflict of interest pursuant to the terms of the Contract.
  - (4) execute the Equal Benefits Compliance Declaration form as required by the Contract, which will be incorporated into the Contract by Amendment:
- (d) In consideration of the terms and conditions of this Agreement, the County hereby consents to the foregoing transfer and assignment by Assignor and the novation of the Contract.
- (e) The Contract shall remain in full force and effect, except as modified by the Agreement. Each party has executed this Agreement as of the day and year first above written.

**IN WITNESS WHEREOF**, the Parties hereto have caused this Agreement to be executed by their respective authorized officers or representatives.

**KING COUNTY**  
 By *Claudia M. Balducci*  
 Name *Claudia M. Balducci*  
 Title *Director Resignee*

**Public Communication Services, Inc.**  
 By *Jeffrey B. Haidinger*  
 Name Jeffrey B. Haidinger \_\_\_\_\_  
 Title President, Services \_\_\_\_\_

**GLOBAL TEL\*LINK, CORP.**  
 By *Jeffrey B. Haidinger*  
 Name: Jeffrey B. Haidinger \_\_\_\_\_  
 Title President, Services \_\_\_\_\_