

INMATE TELEPHONE AGREEMENT

This Inmate Telephone Agreement (the "Agreement") is made as of the July 1, 2012, by and between Garfield County Sheriff's Office and BOARD OF COUNTY COMMISSIONERS GARFIELD COUNTY, WASHINGTON (collectively, the "Customer") and Consolidated Telecom, Inc. ("CTEL Telecom").

1. **Utilization of Facility.** The Customer, for and in consideration of the payment of the Commission (as hereinafter defined) and the services to be provided by CTEL, grants CTEL the exclusive right and license to install and maintain an Inmate Telephone System and inter related hardware and software, inmate pay telephones and inter-related equipment (collectively, the "Equipment") within all facilities owned, operated, or controlled by the customer during the term of this agreement (collectively the "Facility"), upon the terms and conditions set forth in this Agreement. The Customer covenants and agrees to make the Facility available to CTEL for complete installation and operation of the Equipment as soon as possible after the date hereof.

During the term of this Agreement, CTEL shall have the right, from time to time, to replace any portions of the Equipment installed at the Facility, or to increase or decrease the number of items of Equipment within the Facility as is mutually agreed upon by the Customer and CTEL. The Customer shall provide appropriate locations within the living quarters and day rooms of the Facility for installation of the Equipment, to insure the inmates within the Facility have ready access to the Equipment to allow maximum daily usage thereof. The Customer agrees not to take any action of any kind that would adversely affect the inmates' accessibility to the Equipment and usage thereof, other than as required for the security and operation of the Facility.
2. **Compensation.** In consideration of the right to install and operate the Equipment within the Facility, CTEL agrees to pay the Customer 58% commission on all revenue. All commissions based upon true gross or usage from utilization of the Equipment through calls made by inmates within the Facility (the "Commission"). Gross billable calls are defined as all of the completed billable calls. The Commission shall be paid by CTEL to the Customer on a monthly basis, as set forth in Section 3 below. (See section; item G for specific payment details).
3. **Payment and Accounting.** CTEL agrees to pay the Customer the Commission on a monthly basis, but in no event later than forty-five (45) days following the month in which revenue was generated from the Equipment during the term of this Agreement. Each payment made by CTEL to the Customer will be accompanied by a report showing dates of collection and amounts collected from each pay telephone comprising the Equipment. All commission payments shall be final and binding upon the Customer unless written objection thereto is received by CTEL within thirty days of mailing of the commission payment to Customer by CTEL.
4. **Licenses.** All Licenses required by any state, county, city or other governmental authority shall be secured by CTEL, at its sole cost and expense.
5. **Title to Equipment.** During the term of this Agreement, the Equipment installed in the Facility pursuant to this Agreement shall remain the sole and exclusive property of CTEL.
6. **Maintenance and Repair.** During the term of this Agreement, CTEL shall repair and maintain the Equipment in good operating condition, including without limitation, furnishing all parts and labor, at its sole cost and expense. The costs shall include repairs to Equipment caused by any misuses, destruction, damage, vandalism, criminal actions or facility failures. CTEL will provide continuing and ongoing maintenance to the Equipment at its sole cost and expense, and all such maintenance services will be conducted in a timely manner. The Customer shall permit employees or contractors of CTEL reasonable access to the Facility at all times, in order to service, repair and maintain the Equipment. The Customer shall notify CTEL in writing of any misuse, destruction, damage or vandalism to the Equipment, as soon as practicable after ascertaining same.
7. **Liability.** In no event shall the Customer be liable for any damage or destruction to any item of Equipment.

8. **Term of Agreement.** For the convenience of the Parties, the Agreement shall commence on the date of execution by the Customer ("Commencement Date"), and shall automatically terminate, unless renewed in accordance with the terms hereof, at the end of the Customer's fiscal year during which this Agreement is commenced (the "Initial Term"). In addition to the Initial Term, the Customer shall have and is hereby granted a four (4) year Agreement. Commencement Date to renew this Agreement for a term not to exceed one (1) fiscal year, all upon the same terms and conditions hereof, by either giving written notice of intent to renew, not less than ninety (90) days nor more than one hundred twenty (120) days prior to the termination of this Agreement.
9. **Event of default, Termination of Agreement.** In the event either party defaults in the performance of any of its obligations under this Agreement, the non-defaulting party shall give the defaulting party written notice of default setting forth with specificity the nature of the event of default. In the event the defaulting party fails to cure such event of default within thirty days from receipt of said notice of default, the non-defaulting party shall have the right to terminate this Agreement and pursue all other remedies available to the non-defaulting party, either at law or in equity. If the performance of this Agreement or any obligation hereunder, is interfered with by reason of any circumstances beyond the reasonable control of the parties, including without limitation, fire, explosion, riots, civil unrest, power failures, injunctions, or acts of God, then the party affected shall be excused from such performance on a day-to-day basis to the extent of such interference, provided the party so affected shall use reasonable efforts to remove such cause of no-performance. In the event any governmental tariff or regulation prevents CTEL from providing services, or such tariffs or regulations make continuation of this agreement impractical for economic reasons or otherwise, then CTEL, at its sole discretion, may terminate this Agreement without liability. In the event of a termination of this Agreement for any reason, the Customer agrees to allow CTEL access to the facility in order to remove the Equipment. CTEL agrees to remove the Equipment within thirty days after termination of this Agreement.
10. **Authority.** Each party to this Agreement warrants and represents that they have the unrestricted right and requisite authority to enter into and execute this Agreement, to bind the respective party, and to authorize the installation and operation of the Equipment.
11. **Miscellaneous.**
- A. Any notice to be given hereunder shall be in writing and shall be delivered by certified mail, postage prepaid, return receipt requested, addressed to the respective addresses of the parties set forth below, and all such notices shall be deemed received when delivered in the manner set forth above

If to Consolidated Telecom: Consolidated Telecom, Inc.

1320 Greenway Dr. Suite #450

Irving, TX 75038

Tel: 972-239-2182 Fax: 972-239-2358

If to Customer: Garfield County Jail

787 West Main

Pomeroy, Washington 99347-0338

Tel: 509-843-3494