

**ARKANSAS DEPARTMENT OF CORRECTION and
ARKANSAS COMMUNITY CORRECTION (AR)
A003081**

**SECOND AMENDMENT
TO
MASTER SERVICES AGREEMENT**

This **SECOND AMENDMENT** ("Second Amendment") is effective as of the last date signed by either party ("Second Amendment Effective Date") and amends and supplements that certain Master Services Agreement by and between Securus Technologies, Inc. ("we," "us," or "Provider") and the Arkansas Department of Correction (ADC) and Arkansas Community Correction (ACC) ("Agencies" or "Customer") dated April 17, 2015, as subsequently amended by the First Amendment dated April 26, 2016 (collectively, the "Agreement"). This Second Amendment is entered into solely by the Arkansas Department of Correction (ADC) and not Arkansas Community Correction (ACC). Nothing herein shall in any way amend the Master Services Agreement as it applies to any agreement between the Provider and ACC.

WHEREAS Customer and Provider are parties to the Agreement and desire to amend the terms as stated herein;

NOW, THEREFORE, as of the Second Amendment Effective Date and in consideration of the mutual promises and covenants contained herein, the parties agree as follows:

- A. **Scope of Work.** This Second Amendment shall pertain to a turn-key tablet program for the Arkansas Department of Correction (ADC) only.
- B. **Term.** This Second Amendment shall commence on the Second Amendment Effective Date and shall remain in effect through the Term of the Agreement. Notwithstanding anything to the contrary, the terms and conditions of the Agreement shall continue to apply for so long as we continue to provide the Applications to you after the expiration or earlier termination of this Agreement.
- C. **SecureView Tablet Solution.** We will provide Customer with our SecureView tablet Solution in accordance with the following terms and conditions.
1. **Wireless Network Installation.** Provider will install and maintain a secure wireless network to operate the Tablet Solution at no cost to Customer during the Term of the Agreement.
 2. **Tablet Categories and Applications.** We will provide the following categories of tablets, with associated tablet applications:
 - a. **Inmate Tablets.**
 - ✓ GOOD GRID (WHEN AVAILABLE)
 - ✓ EDOVO
 - ✓ INMATE HANDBOOKS
 - ✓ PREA GUIDES
 - ✓ SECURUS PHONE APPLICATION
 - ✓ KEEFE MAIL APPLICATION (WHEN AVAILABLE)
 - ✓ ACCESS TO 10,000+ BOOKS AND RELIGIOUS BOOKS
 - ✓ ACCESS TO EDUCATIONAL PODCASTS
 - ✓ ACCESS TO RELIGIOUS PODCASTS
 - ✓ LEXIS NEXIS OR CASE MAKER LAW LIBRARY
 - ✓ STREAMING MUSIC (10 RADIO STATIONS)
 - ✓ SOLITAIRE
 - ✓ SUDOKU
 - ✓ TWENTY FORTY-EIGHT
 - ✓ ABILITY TO LISTEN TO CURRENT ADC TV (WHEN AVAILABLE)
 - ✓ LEXIS NEXIS OR CASE MAKER LAW LIBRARY
 - b. **Command and Control Tablets.**
 - ✓ BEHAVIOR MODIFICATION – THE ABILITY TO FULLY CONTROL AN INMATE TABLET, A GROUP OF INMATE TABLETS, OR ALL INMATE TABLETS BY REMOVING A SINGLE APPLICATION OR ALL APPLICATIONS.
 - ✓ DASHBOARD – THE ABILITY TO SEE INMATES WHO HAVE A TABLET, THE ASSIGNED LOCATION OF THE TABLET, AND THE STATE OF THE TABLET(S).
 - ✓ ASSIGN / REASSIGN – THE ABILITY TO ASSIGN OR REASSIGN A TABLET TO A NEW INMATE IF NEEDED AS WELL AS THE ABILITY TO ESTABLISH HIERARCHICAL PREFERENCES TO SELECT COMMAND AND CONTROL TABLETS.

- ✓ INMATE ELIGIBILITY – THE ABILITY FOR THE ADC TO MARK AN INMATE AS AN ELIGIBLE OR INELIGIBLE CANDIDATE FOR THE SECUREVIEW TABLET.
- ✓ TABLET SERVICES – THE ABILITY FOR APPROVED ADC STAFF TO SEND A MESSAGE TO A SPECIFIC TABLET, A GROUP OF TABLETS, OR ALL TABLETS.

3. Tablets Provided. At Customer's request, we will provide Customer with the following at no cost to Customer:
 - a. Up to 1,000 free Inmate Tablets for re-entry and step-down inmates at ADC.
 - b. Up to 200 Command and Control tablets for use by Customer.
 - c. Up to 100 dedicated Tablets with only the Lexis Nexis or Case Maker law library applications installed.
4. Inmate Tablet Controls. We will provide Customer with the ability to control all Inmate Tablet applications by inmate, location, facility, or agency. In addition, we will provide Customer with the ability to control Inmate Tablet application functionality by time of day. During periods where Customer chooses to utilize the EDOVO application during specific daily time periods, all other applications installed on the Inmate Tablets will be non-functional.
5. Additional Tablet Applications/Functionality Requested by Customer. At Customer's request, we will add additional applications or functionality to the Inmate Tablets at no cost to Customer on the following terms:
 - a. The requested additional applications/functionality must function on the Inmate Tablets. To the extent necessary, we will use our best efforts to work with Customer and/or third-party vendors to deliver and maintain the requested additional applications/functionality. However, the parties understand and agree that there is no guarantee that the requested additional applications/functionality can be made to work on the Inmate Tablets.
 - b. The requested additional applications/functionality will not compromise the security of the Inmate Tablet and/or the tablet network. The parties understand and agree that decisions regarding whether the requested additional applications/functionality will compromise the security of the Inmate Tablets and/or the tablet network will be made by Provider in good faith and its sole discretion.
 - c. If Provider incurs significant costs associated with the developments and/or implementation of additional applications/functionality, Customer agrees to negotiate in good faith on a mutually agreeable means for Provider to recoup its costs.
6. Additional Tablet Applications Developed by Provider. Over time, Provider will develop additional applications or functionality for the Inmate Tablets. Customer agrees to allow Provider the opportunity to deploy such applications/functionality. Provider agrees that it will not deploy any additional applications/functionality without direct approval from Customer, which approval will not be unreasonably withheld. Customer understands and agrees that the deployment of additional applications/functionality developed by Provider may be contingent upon Provider being compensated for the additional applications/functionality.
7. Tablet Rentals. Customer agrees that Provider may offer inmate friends and family the opportunity to rent Inmate Tablets for Class 1 and Class 2 inmates at the following pricing:
 - a. A rental fee of \$14.99 per month for the calendar year of 2017.
 - b. A rental fee of \$24.99 per month starting January 1, 2018.
 - c. A \$200 tablet replacement fee.
 - d. The rentals shall be month-to-month, paid in advance. If an inmate becomes ineligible to participate in the tablet program, the rental agreement shall terminate at the end of the existing month's agreement, and there shall be no pro rata refund of the unused portion of the monthly rental fee. However, if an otherwise eligible inmate is transferred to a facility of the Customer at which the tablet program is not available, Provider shall offer a pro rata refund to the lessee. Provider shall provide a full and accurate disclosure of the terms and conditions of the rental program to the prospective lessee prior to the execution of any rental agreement and prior to charging or collecting any rental fee.
8. Class 1 and Class 2 Inmate Population Assumptions. Customer acknowledges that Provider understands that the combined Class 1 and Class 2 inmate population typically averages approximately 80% of the total inmate, and that Provider's agreement on tablet rental fees is based on this understanding.
9. Expansion of Tablet Program. After the first full 12 months following the Second Amendment Effective Date, Customer agrees to consider a possible expansion of the tablet rental program to inmates beyond the Class 1 and Class 2 populations.
10. Commission Escrow. To assist Provider in recouping its costs for the development and maintenance of the tablet network and Tablet Solution, Customer agrees to the following:

- a. Provider shall escrow commission payments owed to Customer under the Agreement in accordance with the following schedule:

Contract Dates	Monthly Escrow	Annual Escrow Total	Escrow Payment Following Renewal*
April 2017 to March 2018	\$200,000.00	\$2,400,000.00	
2018-2019 Renewal			\$2,400,000.00
April 2018 to March 2019	\$150,000.00	\$1,800,000.00	
2019-2020 Renewal			\$1,800,000.00
April 2019 to March 2020	\$100,000.00	\$1,200,000.00	
2020-2021 Renewal			\$1,200,000.00
April 2020 to March 2021	\$50,000.00	\$600,000.00	
2021-2022 Renewal			\$600,000.00
* Plus accrued interest			

- b. Escrowed commissions will earn simple interest at the rate of 0.75% per year.
- c. If Customer elects to exercise its renewal options in the Agreement for the 2018, 2019, 2020, or 2021 contract years, Provider will tender to Customer the applicable Escrow Payment specified in the above schedule and any accrued interest in the first month following the renewal. For example, if Customer elects to renew the Agreement for the 2018-2019 contract year, Provider will pay Customer the \$2,400,000.00 in escrowed commissions and any accrued interest in April of 2018 or earlier. If Customer elects to renew early in any year, the escrowed amount and accrued interest will be paid and the escrowing for the remainder of that contract year will be suspended.
- d. If Customer declines to exercise its renewal options in the Agreement for the 2018, 2019, 2020, or 2021 contract years, Provider shall retain the Escrow Payment amount specified in the above schedule, plus any accrued interest, to recoup its cost for development and maintenance of the tablet network and Tablet Solution. For example, if Customer declines to renew the Agreement for the 2018-2019 contract year, Provider will retain the \$2,400,000.00 in commissions escrowed through March of 2018, plus any accrued interest. In the event that the Customer declines to exercise its renewal option in the Agreement for any applicable year, and Provider retains any escrow amount and any accrued interest, the Customer shall acquire ownership of any and all tablet-related equipment and hardware related to the tablet program placed upon any premises of the Customer prior to the Customer's notice to the Provider of its election to decline renewal of the Agreement. The forgoing notwithstanding, Customer acknowledges and agrees that it shall not be entitled to any ownership of any Provider or third-party software (including applications installed on the Tablets) or intellectual property pursuant to renewal non-election and Provider escrow-retention.
- e. If the Agreement is terminated during its then-current Term, Provider will be entitled to retain the amount of commissions escrowed by Provider, and any accrued interest, up through and including the date of termination.
- f. The Customer's agreement to the Commission Escrow provisions set out in this agreement is subject to and dependent upon Provider's compliance with the following tablet program installation schedule:
1. Within 90 business days of the effective date of the agreement, the Provider will make the tablet program fully operational and available to eligible inmates at no fewer than ten (10) Customer facilities; and,
 2. Within 180 business days of the effective date of this agreement, the Provider will make the tablet program fully operational and available to eligible inmates at all Customer facilities designated by the Customer for participation in the tablet program.
 3. If at any time the Provider is not in full compliance with any part of the tablet program installation schedule outlined above, the Provider shall not be entitled to escrow any amount for the month in which such non-compliance occurs or continues. Escrow for that month is waived and shall not be later recouped. This provision is subject to the Force Majeure provisions set out in paragraph 16 of the Master Services Agreement.

11. Messaging Application. Provider and Customer agrees to use their best efforts to arrange an agreement between Provider and Keefe to place Keefe's messaging solution on the Inmate Tablets to assist in partially offsetting offset Provider's costs through a negotiated price per message.
12. Limitation of Liability. Provider shall have no liability to Customer for any loss or injury arising out of or in connection with the SecureView Tablet Solution or Customer's or inmates' use thereof. If, notwithstanding the foregoing, liability can be imposed on Provider, Customer agrees that Provider's aggregate liability for any and all losses or injuries arising out of any act or omission of Provider in connection with the SecureView Tablet Solution, regardless of the cause of the loss or injury, and regardless of the nature of the legal or equitable right claimed to have been violated, shall never exceed \$100.00. Customer covenants and promises that it will not seek to recover from Provider an amount greater than such sum even if Customer was advised of the possibility of such damages.
13. Most Favored Nation Status. If, during the Term of the Agreement, Provider enters into an agreement with any other state correctional agency that includes a tablet program whose overall terms are more favorable than the terms provided by the Agreement, when considering all economic, financial, market, and other conditions (including, without limitation, the specific terms of the tablet program, the terms and/or duration of any related inmate telephone service agreement, Provider's costs of capital or capital expenditures, and general competitive or market conditions), Provider agrees to negotiate with Customer in good faith on modifications to the Agreement that would ensure that the terms of the tablet program being offered to Customer are more favorable than the tablet program(s) offered to any other state correctional agency.

D. Except as expressly amended by this Second Amendment, all of the terms, conditions and provisions of the Agreement shall remain in full force and effect.

EXECUTED as of the Second Amendment Effective Date.

<p><u>CUSTOMER:</u> Arkansas Department of Correction (ADC)</p> <p>By: <u>Wendy Kelley</u> Name: <u>Wendy Kelley</u> Title: <u>Director</u> Date: <u>5/26/17</u></p> <p>Arkansas Community Correction (ACC)</p> <p>By: <u>NOT APPLICABLE</u> Name: _____ Title: _____ Date: _____</p>	<p><u>PROVIDER:</u> Securus Technologies, Inc.</p> <p>By: <u>[Signature]</u> Name: Robert Pickens Title: President Date: <u>5-8-17</u></p>
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Please return signed contract to:

Securus Technologies
14651 Dallas Parkway, Sixth Floor
Dallas, Texas 75254
Attention: Contracts Administrator
Phone: (972) 277-0300

