



INMATE TELEPHONE SERVICE AGREEMENT

This Agreement is made and entered into by and between Lattice Incorporated ("Lattice"), a Delaware corporation, and Grays Harbor County ("Customer") with a principal place of business at 100 W. Broadway, Suite 3, Montesano, WA 98563 for the provision of inmate telephone service (Inmate Telephones) and ancillary inmate communications (equipment) as defined herein ("Agreement"). For purposes of clarity, inmate telephones will be referred to as "Telephones" in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants made herein, the parties agree as follows:

1. **TERM.** This Agreement is effective on the latest signature date and shall continue in effect for a period of Five (5) years ("Initial Term") from the Effective Date. Upon completion of the Initial Term, this Agreement shall be automatically renewed for successive periods of one (1) year each under the same terms and conditions, unless terminated by either party upon ninety (90) days advance written notice prior to the end of the Initial term or the current renewal period.

2. SCOPE OF AGREEMENT

2.1. In consideration of compensation provided herein, Customer grants to Lattice exclusive right to install and maintain Telephones within its building or on its private property at Grays Harbor County, WA 98563 during the term of this Agreement. Lattice reserves the right to establish rates for telephone services. This Agreement applies to all Telephone(s) currently installed ("existing") and to all future installations ("new").

2.2. This Agreement includes only the Grays Harbor County Jail Facility premises now existing (if a competing provider has a contract and equipment at such premises, the clause applies at the earliest termination opportunity) or subsequently acquired inmate correctional facility acquired inmate correctional facility under the control of the Customer.

2.3 In consideration of the compensation paid to Customer under this Agreement, Customer expressly waives carrier selection rights, where applicable, and Lattice expressly reserves the right to select and/or contract for the local, intraLATA and interLATA carrier selections for the telephones subject to this Agreement and intended for placement at Customer locations.

3. RESPONSIBILITY OF LATTICE

Lattice agrees to:

3.1. Install Telephones at locations mutually agreed upon by both parties.

3.2. Jointly determine with Customer the appropriate number of Telephones to be installed at each location.

3.3 Service and repair Telephones provided by Lattice at Lattice's expense, except as otherwise agreed upon herein.

3.4. Comply with the Americans with Disabilities Act (ADA) as it relates to the Lattice –provided equipment.

3.5 Provide an **annual review** of revenue performance, facility service needs, expansion requirements will be assessed and discussed and appropriate mutually agreed to adjustment



in County site provider compensation will be provided and determined during the contract period.

3.6 Provide visitation monitoring, recording, and storage of all recording for use by designated County personnel at no charge to the County for the duration of the agreement.

4. RESPONSIBILITY OF CUSTOMER

Customer agrees to:

4.1. Provide adequate space for Telephones and easy accessibility for use during the normal operating hours of Customer. In the event Customer is not the owner of the premises, Customer shall, where necessary, obtain permission from the building owner or owner's agent for the placement of Lattice's Telephones, and shall be responsible for any fees for use of required riser cable and electric power.

4.2. Maintain the area around the Telephones and ensure safe and ready access to the users of the Telephones and to Lattice.

4.3. Allow Lattice access to perform maintenance during the established hours of accessibility jointly agreed to by Customer and Lattice, except when access must be denied to ensure the safety of Lattice service personnel and/or to maintain institutional control.

4.4. Customer agrees to allow Lattice access to and use of house cable and inside wire at no cost, in order to install and provide telephone service. Any new house cable or inside wire required during the contract term will be at the sole expense of the Customer, unless otherwise negotiated with Lattice. Light fiber is not defined as house cable or inside wire. Any expense incurred as a result of the expected use of light fiber will be at the sole expense of the Customer unless otherwise negotiated with Lattice.

4.5. Any relocation, expansion, addition, or deletion of Telephones and equipment, for reasons other than safety, resulting in extraordinary expense and expected to be paid for by Lattice, must be agreed to by Lattice in advance of the cost being incurred or alternatively, the cost be paid by Customer.

4.6. Exercise reasonable care to prevent the loss through theft and any damage to the Telephones from any source.

4.7. Customer may, at its option, purchase and provide enclosures at their own expense for Telephones. In the event Customer elects to provide enclosures, Customer shall be responsible for installation and maintenance of said enclosures.

4.8. Customer warrants that it has the authority to enter into this Inmate Telephone Service Agreement with Lattice. Customer further warrants that the Telephones as mentioned in Schedule A, attached hereto and incorporated herein by this reference, are on property owned by the Customer or if Customer is not the owner of the premises, Customer has obtained permission from the building owner or owner's agent to enter into this Agreement.

5. **OWNERSHIP.** Lattice is and shall remain the owner of the Telephones provided by Lattice whether or not physically attached to real estate.

6. **FURTHER LOCATIONS AND TELEPHONES.** The parties may add location(s) and Telephone(s) to this Agreement, but additions will not be made without the express agreement of the parties. Additions may be evidenced by a written memorandum between the parties, but



Lattice's business office records, unless clearly erroneous, will be binding on the parties. Additions will not change the initial or any renewal terms or the expiration date of this Agreement.

7. **COMMISSION.** Lattice agrees to pay Customer a commission in accordance with Schedule A, page 6, attached hereto and incorporated herein by this reference. Payment shall be in the form of commission checks made payable to Customer.

8. **REMOVAL OF TELEPHONES.** Lattice reserves the right, at its sole discretion, to remove any or all Telephones, in the event that placement at Customer location(s) is not economically viable. Lattice shall provide Customer thirty (30) days written notice of its election to remove any or all Telephones. If Lattice removes Telephones under this paragraph, Customer shall not be liable for termination charges for the Telephones removed. Customer shall be entitled to receive any commissions earned before the Lattice removal of such Telephones.

9. **LIMITATION OF LIABILITY.** In the event of a service interruption caused by Lattice, Lattice liability shall be limited to the use of reasonable diligence under the circumstances, for restoration of service. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR INCIDENTAL, SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES, INCLUDING LOST STATION REVENUES, LOSS OF PROFITS OR OTHER COMMERCIAL OR ECONOMIC LOSS ARISING OUT OF THE PERFORMANCE OF THIS AGREEMENT, INCLUDING WITHOUT LIMITATION NEGLIGENT PERFORMANCE OR FAILURE TO PERFORM, EXCEPT AS SET FORTH UNDER THE TERMINATION LIABILITY PROVISION HEREIN.

10. **EXCUSED PERFORMANCE.** Customer shall not be subject to Termination Liability if the cause of removal is directly related to the cessation of Customer's business operations. Neither party shall be held liable for any delay or failure in performance of any part of this Agreement caused by circumstances beyond the reasonable control of the party affected, including, but not limited to, acts of the elements or natural disasters, strikes, power failures, civil or military emergencies or acts of legislative, judicial or other civil authorities.

11. **DEFAULT.** If either party fails to perform its obligations under this Agreement, failure shall constitute default and, in such event, written notice shall be given to provide an opportunity to remedy such default. Should the defaulting party fail to remedy such default within 10 days from date of such notice, the non-defaulting party shall have the right, in addition to all other rights and remedies available at law or in equity, to terminate this Agreement in whole or in part.

12. **ADVERTISING/PUBLICITY.** Customer may make any disclosure to any other person or any public announcement regarding this Agreement or any relation between Lattice (and/or any of its affiliate's) without Lattice's prior written consent, unless required by law.

Lattice shall have the right to terminate this Agreement and any other agreements between the parties if Customer violates this provision.

13. **INSURANCE.** At all times during the term of this Agreement, Lattice and its subcontractors shall maintain in effect the following types and amounts of Insurance:

- i. Employers' Liability Insurance - \$5,000,000 per incident and \$1,000,000 per person.
- ii. Commercial General Liability Insurance with Bodily Injury Liability and Property Damage Liability Combined Single Limit
 - \$5,000,000 per incident and
 - \$1,000,000 per person.



- iii. Commercial Automobile Liability as follows: Combined Bodily Injury and Property Damage Single Limit - \$5,000,000 combined single limit for each incident and \$1,000,000 per person.
- iv. Workers' Compensation – Lattice shall comply with all Workers' Compensation requirements in the states in which Lattice will provide services to Space Provider under this agreement.

14. **INDEMNIFICATION.** It is agreed by and between the parties that it is the responsibility of Customer to maintain the area around the Telephones and to maintain enclosures if provided by Customer. Customer specifically agrees to defend and indemnify Lattice from any claims that may result from Customer's failure to properly maintain the area or enclosure except to the extent that such failure is due to the sole negligence or willful acts of Lattice's employees or agents. Lattice agrees to defend and indemnify Customer from any claims that result from Lattice's failure to properly maintain or service Telephones, except to the extent that such claim results from the sole negligence or willful acts of Customer's employees or agents.

15. **NOTICES.** Any notices or other communications to be given under this Agreement shall be sent to the following persons:

FOR CUSTOMER:

ATTN: Sheriff Mike Whelan
PO Box 630
Montesano, WA 98563
360-249-3711

FOR LATTICE:

ATTN: Gerry Sargeant Account Executive
Lattice Incorporated
6666 NW Lynch Lane
Redmond, OR 97756

Copy: Lattice Incorporated
7150 N. Park Drive
Suite 500
Pennsauken, NJ 08109

16. **REGULATORY.** The parties acknowledge that underlying telecommunications services may be provided by regulated telecommunications providers and, where applicable, provider tariffs, catalogs and price lists may apply.

17. **LAWFULNESS OF AGREEMENT.** The parties acknowledge that this Agreement is subject to applicable federal, state, and local laws, rules, regulations, court orders, and governmental agency orders governing the provision of inmate telecommunications services.

18. **NONWAIVER.** The failure of either party to enforce strict performance of any provision of this Agreement shall not be construed as a waiver of its right to assert or rely upon such provision or any other provision of this Agreement.

19. **GOVERNING LAW.** This Agreement shall be interpreted, construed and enforced in all aspects in accordance with the laws of the State in which the inmate telephone service is provided.

20. **SUCCESSORS AND ASSIGNS.** This Agreement shall be fully binding upon, inure to the benefit of and be enforceable by each party, their successors and assigns. No assignment of any right or interest in this Agreement (whether by contract, operation of law or otherwise) shall release or relieve either party of any of its obligations or liabilities under this Agreement.



21. **ASSIGNMENT.** Neither party shall assign its rights nor delegate its duties under this Agreement without the prior written consent of the other party; except, either party may assign this Agreement to a parent, subsidiary or affiliated company by providing thirty (30) days written notice to the other party.

22. **AMENDMENTS AND MODIFICATIONS.** Amendments and modifications to this Agreement, except for additions or deletions of Telephones as described above, must be in writing and signed by an authorized representative of each Party.

23. **SEVERABILITY.** In the event that a court, governmental agency, or regulatory body with proper jurisdiction determines that this Agreement or a provision of this Agreement is unlawful, this Agreement, or that provision of the Agreement to the extent it is unlawful, shall terminate. If a provision of this Agreement is terminated but the parties can legally, commercially and practicably continue without the terminated provision, the remainder of this Agreement shall continue in effect.

24. **ENTIRE AGREEMENT.** This Agreement, including all schedules, amendments and exhibits, constitutes the entire Agreement between the parties and supersedes all prior agreements and oral or written representations with respect to the subject matter hereto.

Customer
Albert A. Carter
Signature
Albert A. Carter
Name Printed/Typed
Chairman
Title

Date: 05/24/10

Lattice Incorporated
Terry Whiteside
Signature
TERRY WHITESIDE
Name Printed/Typed
G.M.
Title

Date: 06/03/10



**SCHEDULE A
COMMISSION SCHEDULE
FOR**

Lattice agrees to pay Customer compensation for Inmate Telephone Service based upon (64%) percent of billed local, intraLATA, interLATA, and interstate collect and prepaid call revenue as billed by Lattice's underlying telecommunications providers, exclusive of calls where no billing and collection agreements exist.

Commission checks are to be mailed to the following address:

UNITED STATES POSTAL SERVICE



First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

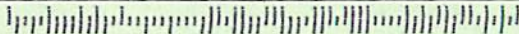
- Sender: Please print your name, address, and ZIP+4 in this box •



Prison Legal News

P.O. Box 1151

Lake Worth, FL 33460



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Administrative Asst. Renee Farmer
 Grays Harbor County Jail
 100 West Broadway
 Montesano, WA 98563

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *[Handwritten Signature]*

- Agent
 Addressee

B. Received by (Printed Name)

[Handwritten Name]

C. Date of Delivery

- D. Is delivery address different from item 1?
 If YES, enter delivery address below:
- Yes
 No



3. Service Type

- Certified Mail
 Registered
 Insured Mail
- Express Mail
 Return Receipt for Merchandise
 C.O.D.

4. Restricted Delivery? (Extra Fee)

- Yes

2. Article Number

(Transfer from service label)

7012 3460 0001 3812 8280