

4-2007/08/09/10/4-2011

C11107

CENTRAL TELEPHONE
CALL PROCESSING UNIT LEASE

This lease between Klickitat County Corrections Facility, hereinafter referred to as "Jail" located at the following address 205 S. Columbus Ave MS-CH6, Goldendale, WA 98620, hereinafter referred to as Proprietor and Central Telephone Inc. hereinafter referred to as CTI, establishes the right of CTI to place a Call Processing Unit ("CPU") at the Jail.

IN CONSIDERATION of mutual covenants contained herein, the parties agree as follows:

CTI agrees to supply the Jail with a CPU, service the equipment and keep same in repair at its own expense during the terms of this lease. CTI further agrees to pay all telephone line charges imposed by Embarq with respect to the CPU and pay the Proprietor 50% of the Gross Revenue Received. "Gross Revenue Received" is defined as: revenue billed and collected from collect calls and calling cards after billing and prepaid card expenses.

CTI agrees that it will provide accounting on a monthly basis to proprietor showing how CTI calculated proprietor's percentage of the gross revenue.

CTI's CPU will have the following system features: Custom voice prompts, PIN and PAN administration, phone control, call blocking, third party call detection, investigative alerts, call recording, reverse lookup, call detail, one time name recording, automated bank card collect, prepaid debit cards, and network monitoring. CTI will provide Proprietor training on the call processing unit and features.

Proprietor agrees: (a) To report promptly to CTI any failure of the call processing unit to function properly and/or any other condition which might affect the profitable operation of the said CPU; (b) that CTI has exclusive rights to CPUs and no CPUs other than Vendor's shall be installed or operated on Proprietor's premises, and; (c) that the aforementioned CPUs and any replaced equipment remains the property of CTI and that Proprietor will not permit anyone other than authorized agents of CTI to remove or tamper with said CPU. Should CTI elect to remove CPU, CTI will return phone system as it was prior to CTI's installation of the CPU.

This lease shall continue in force for a period of four years from the date hereof, and shall continue in force thereafter for succeeding periods of two years each unless notice of cancellation in writing is delivered not less than 60 days prior to the termination of any current lease period.

Proprietor may also terminate the lease by giving CTI a 60-day written notice only if CTI has breached its obligation under this lease. Proprietor shall notify CTI of such breach (es) and if CTI does not cure breach(es) within the 60-day period, CTI shall

terminate. Written notice should be provided via first class mail to CTI, P.O. Box 25, Goldendale, WA 98620.

In the event of any litigation between the parties to declare or enforce any provision of this lease, the prevailing party shall be entitled to recover from the losing party, in addition to any other recovery and costs, reasonable attorney fees incurred in such litigation, in both the trial and all appellate courts. This lease shall be subject to and governed by the laws of the State of Washington, and any proceeding brought by either party shall be filed in the Superior Court for Klickitat County, Washington.

Neither party may transfer or assign this lease or its rights under this lease without written consent of the other party, which will not unreasonable be withheld. The assumption of the Lease by a successor entity to either party, however, shall not be deemed a transfer or assignment for purposes of this section. This Lease shall be binding upon all and shall inure to the benefit of the parties hereto and their respective successors and assigns.

Each party shall indemnify and hold the other party, its officers, agents and employees, harmless from and against any claims or causes of action for personal injury or death to persons or loss or damage to property (including but not limited to personal injury or property damage suffered by either party's own employees or agents, including third parties working or performing services under the direction or control of the indemnifying party), to the extent the result directly or indirectly, from the indemnifying party's negligence or intentional misconduct. The Proprietor shall indemnify, defend and hold harmless CTI from any claims of personal or property damage made against CTI by parties who have worked or performed services under this Agreement under the direction and control of Proprietor. CTI shall indemnify, defend and hold harmless Proprietor from any claims for personal or property damage made against Proprietor by parties who have worked or performed services under this Lease under the direction and control of CTI.

All notices require or permitted under this Agreement shall be in writing and shall be deemed delivered when delivered in person or deposited in the United States mail, postage prepaid, addressed as follows:

Provider:

Central Telephone Inc.
P.O. Box 25
Goldendale, WA 98620

Klickitat County Jail:

Tom Hawes, Jail Superintendent
Klickitat County Jail
205 S Columbus Ave MSCH-6
Goldendale, WA 98620

Such address may be changed from time to time by either party by providing written notice to the other in the manner set forth above.

If any provision of this Lease Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

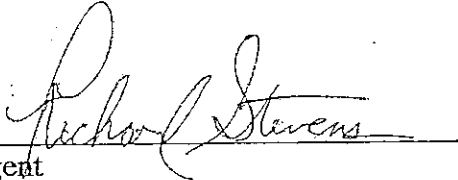
The failure of either party to enforce any provision of this Agreement shall not be construed as a waiver of limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.

Should a dispute arise between the CTI and Proprietor, the matter will be arbitrated pursuant to the Washington Mandatory Rules of Arbitration and the Local Rules of Arbitration for Klickitat County Washington. Any arbitration proceedings will be held in Klickitat County.

IT IS FURTHER AGREED THAT: (a) This agreement contains the entire contract between the parties hereto and its terms may not be modified unless in writing and signed by the parties hereto, and (b) if CTI deems it necessary to remove its property due to tampering, vandalism, improper uses or non profitability, it may do so, thus terminating this lease.

Entered into agreement this 10th day of April 2007

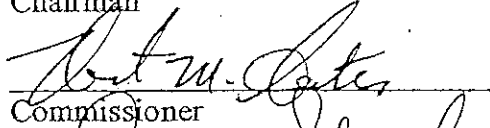
CENTRAL TELEPHONE, INC.:

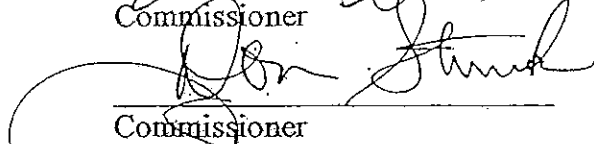



Agent
P.O. Box 25
Goldendale, WA 98620
(509) 773-4472

Klickitat County Board
Commissioners

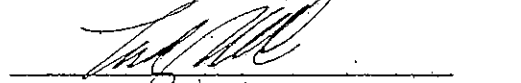

Chairman


Commissioner


Commissioner

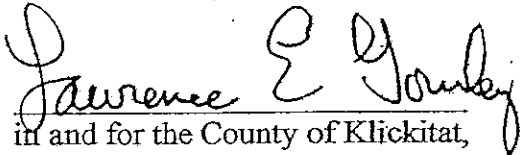

Rick McComas
Klickitat County Sheriff

APPROVED AS TO FORM:


Timothy S. O'Neill
Klickitat County Prosecuting Attorney

ATTEST:

Clerk of the Board



in and for the County of Klickitat,
State of Washington