

GLOBAL TEL*LINK CORPORATION

2609 Cameron Street
Mobile, Alabama 36607
Tel. 251 479 4500
Tel. 800 489 4500
Fax 251 375 2049
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INMATE TELEPHONE SERVICE AGREEMENT

This Inmate Telephone Service Agreement ("Agreement") is made by and between Global Tel*Link Corporation, having its principal place of business at 2609 Cameron Street, Mobile, Alabama 36607 ("Company") and Rhode Island Department of Corrections, having its principal place of business at 40 Howard Avenue, Cranston, RI 02920 ("Premise Provider").

1. Reference. This agreement relates to a State concessions award under RFP #7003587. Except where otherwise stipulated in this document, the parties agree to abide by the provisions of the RFP and the Company's response to that RFP.

2. Term. This Agreement shall be in effect for three (3) years, beginning on August 1, 2007. This Agreement may be renewed, at the discretion of the Premise Provider, for two (2) additional three (3) year terms.

3. Equipment. This Agreement applies to the installation, management, operation and maintenance of inmate telephones, enclosures, and related equipment furnished by the Company as listed on Exhibit A at the time of execution of the Agreement or during the term of this Agreement, whether existing, newly installed or renovated, located at various correctional facilities on the John O. Pastore Government Center in Cranston RI (Facility) and all other facilities under the control of Premise Provider.

The term "Equipment" is defined herein as the inmate telephone set(s) and related equipment, including but not limited to guard posts, concrete pads, mast poles, and site preparation. Where guard posts, concrete pads, enclosures, pedestals, bumper pads, or other property of the Company are installed upon the premises owned or controlled by Premise Provider or any of its agencies or affiliates, such property shall remain in all respects that of the Company. The Company reserves the right to remove or relocate equipment which is subjected to recurring vandalism or insufficient traffic and/or revenue to warrant the continuation of service. The Company shall not exercise such a right of removal or relocation unreasonably. The Company will notify the Premise Provider in writing of its intention to remove or relocate prior to such action. Upon removal of equipment by the Company, the Company shall restore said premise to its original condition, ordinary wear and tear excepted. However, the Company shall not be liable for holes placed in walls, pillars, or floors or other conditions on the premises which resulted from the proper installation of equipment described herein. The Premise Provider may not make alterations or attachments to the Equipment provided under this agreement, unless otherwise mutually agreed upon by all parties.

4. Services. At no cost to the Premise Provider, the Company shall provide all management services necessary to implement this Agreement; and shall be responsible for

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furnishing, installing, repairing and servicing the Equipment; the establishment (if and to the extent required by the Company) and compliance with all tariffs and all rules, regulations, orders and policies of federal and state regulatory authorities applicable to the payphone and automated operator services provided by the Company; the establishment and maintenance of all billing and payment arrangements with the local and interexchange carriers; the processing of all telephone call records; the performance (alone or through others) of all validation, billing, outclearing and collection services; and the handling of all billing and other inquiries, fraud control, and all other services essential to the performance of the Company's obligations under this Agreement. The Company reserves the right to control unbillables, bad debt and fraud.

5. Rates. The telephone rate structure and surcharge rates, as indicated below, shall not exceed the maximum rates as authorized by the state's telecommunication regulatory authority and the Federal Communications Commission (FCC). Rates do not include taxes and tax related surcharges; credits; billing and billing recovery fees and any amount the Company collects for, or pays to 3rd parties, including, but not limited to payments in support of statutory or regulatory programs mandated by governmental or quasi-governmental authorities such as the Federal Universal Service fee. Any rate changes mandated by the state/local regulatory authority and/or the FCC which adversely affect this Agreement shall entitle the Company to, at its option, renegotiate or cancel this Agreement in accordance with Paragraph 18 below.

GLOBAL TEL*LINK INMATE CALLING RATES

RI DOC - Rate Scenarios

| Proposed Collect Option 1 | | | | |
|--|-------------------------------|-------------------------------|-------------------------------|----------------------|
| Single LATA State | | | | |
| Local | IntraLata | InterLata | InterState | International |
| \$0.35 Plus \$0.03 per minute | \$0.35 Plus \$0.03 per minute | \$0.35 Plus \$0.03 per minute | \$1.30 Plus \$0.30 Per minute | \$1 MOU |
| Proposed Collect Option 2 | | | | |
| Single LATA State | | | | |
| Local | IntraLata | InterLata | InterState | International |
| \$0.70 Flat | \$0.70 Flat | \$0.70 Flat | \$1.30 Plus \$0.30 Per minute | \$1 MOU |
| Inmate Debit Calling 10% Discount Rate | | | | |
| Domestic Pre-Paid Card \$5.00 Card @ \$0.50 Per Minute | | | | |

Until further written notification by the Premise Provider, Company will bill in accordance with Option 2 above.

6. Records & Confidentiality. The Company shall maintain records sufficient to permit proper determination of funds due the Premise Provider. Such records shall be made available to the Premise Provider for review upon request. During and after the term of this Agreement, including any renewal period(s), the Company shall recognize and protect the

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confidentially of all information regarding the inmate telephone station location provided by Premise Provider, including revenue and remuneration paid to the Premise Provider, and shall not disclose such information to any party other than the Premise Provider and the Company, except through the express, written consent of the Premise Provider.

The revenue payment and reporting cycle will be a maximum of 45 days following the end of the previous month. Both summary and detail reports will be provided. The original reports and payment will be mailed directly to the Premise Provider. The following information will be provided for each location by telephone number:

- Total Calls
- Total minutes of use
- Type of call
- Total usage and revenue

7. Further Assurances. During the term of this Agreement, including any renewal period(s), Premise Provider agrees to:

(a) Reasonably protect the Equipment against willful abuse and promptly report any damage, service failure or hazardous conditions to the Company.

(b) Provide, at its expense, necessary power and power source, and provide suitable space, accessible to the users.

(c) Permit reasonable access to its respective facilities without charge or prejudice to Company employees or representatives, patrons, or consignees.

(d) Premise Provider represents and warrants that he/she has legal authority to enter into this Agreement and to make all decisions concerning the providing of space and the installation and use of the Equipment at the Facility; and agrees that during the term of this Agreement, including any renewal period(s), the Company shall have the exclusive right to provide inmate and/or payphone service at the Facility provided, however, that the Company may choose not to exercise this exclusive right.

(e) During the term of this agreement, Premise Provider agrees it will not allow other pay telephones or inmate telephones to either remain or be installed at the facility's property. This is to include any additional inmate telephones required to facilitate Premise Provider's expansion at its present or future location(s) during the term of this Agreement and any extensions of this Agreement.

8. Title. Title to Equipment hereunder shall be and at all times remain in the Company.

9. Relocation. Equipment shall not be disconnected or moved by Premise Provider from the location in which it is installed. By agreement of all parties, installed Equipment may be relocated by the Company.

10. Notices. Any notice, demand, request, approval or other communication (a "notice") which, under the terms of this Agreement or by law, must or may be given by either party, must be in writing, and must be given by personally delivering or mailing the same by registered or certified mail, return receipt requested, to the respective parties as follows:

To Company:

Global Tel*Link Corporation

2609 Cameron Street

Mobile, AL 36607

Phone: (251) 479-4500

Fax: (251) 375-2049

ATTN: Dorothy Cukier

To Premise Provider:

Rhode Island Department of Corrections

40 Howard Avenue

Cranston, RI 02920

Phone: 401-462-0871

Fax: 401-462-1481

ATTN: Richard Frechette

11. Governing Law. The construction, interpretation and performance of this agreement and all transactions under it shall be governed by the domestic laws of the State of Rhode Island.

12. Indemnification & Consequential Damages. Each party shall indemnify the other from any loss, cost, damage, expense, or liability arising out of the performance of this Agreement and caused, in whole or in part, by the acts or omissions, negligence or fault, of the indemnifying party, except to the extent such loss, cost, damage, expense, or liability arises from the acts of omissions, negligence or fault of the other party; provided, however, that the Company shall not be liable for interruption of telephone service from any cause.

Neither party hereunder shall be liable to the other for any consequential or indirect loss, including but not limited to loss of profits, telephone or business interruption, howsoever caused and even if due to the negligence, breach of contract or other fault of the respective parties. Contractor's liability under this Contract shall in no event exceed the total Contract value or \$500,000, whichever is lesser.

13. Risk of Loss. The Company and its insurers, if any, shall relieve Premise Provider of all risks of loss or damage to the Equipment during the periods of transportation, installation and operation of the Equipment. However, Premise Provider shall be responsible for loss or damage to Equipment in its possession caused by fault or negligence of Premise Provider or its employees. Company will provide Premise Provider with a certificate of insurance naming the State of Rhode Island as Certificate Holder and Additional Insured.

14. Default. In the event any party shall be in breach or default of any terms, conditions, or covenants of this agreement and such breach or default shall continue for a period of thirty (30) days after the giving of written notice thereof to any party by the other, then in addition to all other rights and remedies of law or equity or otherwise, the offended party shall have the right to cancel this agreement without charge of liability.

15. Assignment. This agreement shall inure to the benefit of and be binding upon the parties and their respective successors and assigns; provided, however, that neither party shall assign this Agreement or any interest herein without the other's prior written consent, except that the Company shall have the right to assign this Agreement or any interest herein at any time to any parent, successor, subsidiary, or affiliate of the Company without the consent of the Premise Provider.

16. Independent Contractor. The Company acknowledges that it is an independent contractor and that nothing contained in this Agreement or the relationship of the parties is

intended to or shall create a partnership or joint venture or agency relationship of any kind between the parties. This agreement shall not be constructed as a contract of agency or employment. Company shall be solely responsible and liable for compliance with all laws, rules and regulations and payment of all wages, unemployment, social security and other payroll taxes relating to Company's employees including contribution from such persons, when required by law.

17. Solicitation. The Premise Provider acknowledges that no officer or employee of the Company has been employed, induced, or directed by Premise Provider to solicit or secure this agreement with the Company upon agreement, offer, understanding, or implication involving any form of remuneration whatsoever. Premise Provider agrees, in the event of an allegation of substance (the determination of which will be solely made by the Company) that there has been a violation hereof, Premise Provider will cooperate in every reasonable manner with the Company in establishing whether the allegation is true. Notwithstanding any provisions of this agreement to the contrary, if a violation of this provision is found to have occurred and is deemed material by the Company, the Company may terminate this agreement.

18. Force Majeure. Neither party to this Agreement shall be responsible or liable to the other for delays or inability to act or perform their obligations under this contract due to circumstances, events or acts of others beyond their reasonable control, including, but not limited to, acts of God, fire, flood, storm, hurricane, tornado, theft of equipment, or changes in regulatory rules or regulations affecting the ability of either party to reasonably carry out its obligations under this Agreement. It is agreed and understood that this Agreement will be subject to termination by either party upon sixty (60) days notice to the other should there be imposed upon Premise Provider or Company any rule or regulation by any state, federal or local regulatory agency which would substantially adversely affect the operation of the equipment or services provided hereunder.

19. Governing Law. This Agreement and the rights and obligations of the parties hereunder shall in all respects be governed by the substantive law of the State of Rhode Island including all matters of construction, validity and performance, but without giving the effect of choice-of-law principles.

20. Dispute Resolution. Premise Provider and Company agree that any disputes or claims arising under this Agreement shall be resolved through alternative dispute resolution means in the following manner:

- (a) Initially, the parties shall engage in non-binding mediation. Mediation shall be held in Providence, RI, USA or such other site as is mutually agreed to by the parties. The mediator shall be jointly appointed by the parties and shall have expertise in commercial dispute resolution.
- (b) In the event the dispute or claim is not satisfactorily resolved through mediation within 90 (ninety) days of notice of such claim or dispute by a party, the parties agree to submit such dispute or claim to binding arbitration. Arbitration shall be held in Providence, RI, USA or such other site as is mutually agreed to by the parties. If Premise Provider is a foreign (non-US) corporation and delivery of the goods under this agreement is to a foreign (non-US) destination, then the commercial arbitration rules of the International Chamber of Commerce shall apply. In all other instances the commercial arbitration rules of the American Arbitration Association shall apply. Any judgment, decision or award by the arbitrators shall be final and binding on the parties and may be enforced in any court having jurisdiction over a party against whom any such judgment, decision or award is to be enforced. The parties

Exhibit A

Adult Correctional Institutions, Rhode Island Department of Corrections
Facility Name

40 Howard Avenue
Facility Address

Cranston, RI 02920
City, State, Zip Code

Actual on-site equipment:

The installation of software and/or hardware on Company provided Equipment is not approved. System conditions can change and become unstable with the addition of software other than that installed by the Company. The Company does not warranty, troubleshoot, or maintain any system that contains software installed by a third party. The Company assumes no liability for any data stored on the Equipment which is not directly related to the Services provided under this Agreement.

Company also does not furnish, maintain or provide consumables for peripheral equipment associated with the Inmate Telephone System. Consumables consist of items such as printer paper, cassette tapes, compact disks, etc.

List of On Site Equipment

LazerPhone Platform with Full Contract Term Storage

5 years online storage

Full-time Service Administrator On Site

\$15,000 cap for JMS Interface

3 Workstations

13 VPN Licenses

10 Laptops

9 TDDs

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RECORDING DISCLAIMER

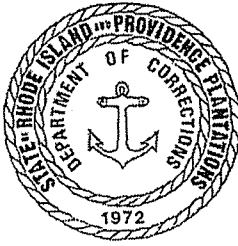
Company and Premise Provider agree and stipulate that Company has no responsibility to advise Premise Provider with respect to any applicable law, regulation, or guideline that may govern or control telephone call recordation or monitoring by Premise Provider, or compliance therewith. Premise Provider has its own legal counsel to advise it concerning any and all such applicable law, regulation, or guideline, and compliance therewith. Company disclaims any responsibility to provide, and in fact has not provided, Premise Provider any legal advice concerning such applicable law, regulation, or guideline, or compliance therewith. Premise Provider agrees to indemnify, defend, and hold Company harmless from any liability, claims, suits, proceedings, damages, costs, and expenses (including attorney's fees) relating to any claims made against Company by any person arising out of failure of Premise Provider to comply with such applicable law, regulation or guideline.

Premise Provider and Company also agree and acknowledge that all call detail records (CDRs) and call recordings contained in the inmate telephone system equipment provided by Company to Premise Provider are the exclusive property of the Premise Provider for the term of this Agreement and any resulting extensions of this Agreement.

ATTEST:

By: 
Richard J. Frechette

Its:



Rhode Island Department of Corrections
Office of the Director
40 Howard Avenue
Cranston, RI 02920
Voice (401) 462-2611
Fax (401) 462-2630

To whom it may concern:

We have entered into an agreement with **Global Tel*Link, Corp.**, private pay phone vendor, to act as our communications representative with Verizon, Inc., local telephone exchange carrier, for inmate telephone services located at the various correctional institutions located at the John O. Pastore Government Center.

Under the terms of this agreement and by this letter, we do hereby authorize **Global Tel*Link, Corp.** to do the following:

- request disconnection of existing coin telephones
- install pay phones on their own behalf

This authorization does not preclude our ability to act in our own behalf when we deem necessary.

Richard J. Frechette
Interdepartmental Policy Coordinator for Prisoner Reentry
RI Department of Corrections
401-462-0871
Richard.Frechette@doc.ri.gov