INMATE TELECOMMUNICATIONS AGREEMENT
ADDENDUM NUMBER 4

July 10, 2018, between Pitt County and the Sheriff of Pitt County of the one part, hereinafter “Sheriff,” and Pay Tel Communications, Inc. of the other part, hereinafter “Pay Tel” modifies the Inmate Telecommunications Agreement dated November 14, 2001 as amended by Addendum 1 dated October 13, 2004; Addendum 2 dated January 26, 2007; Addendum 3 dated February 15, 2012; and the Regulatory Compliance Amendment dated January 15, 2014 (hereafter collectively referred to as the “Agreement”).

For and in consideration of the mutual promises and covenants contained herein, Pay Tel and Sheriff hereby agree to modify the Agreement as follows:

1. **3.1 Term.** The current term ending January 15, 2019 shall be extended through July 15, 2019. This Agreement may only be extended upon written request from Sheriff.

All other Agreement terms shall remain unchanged.

**PITT COUNTY SHERIFF, NC:**

By:

By: R. Neil Eikis (Printed)
Authorized Agent for Pitt County

Date: 7-10-2018

Attest:

**PAY TELECOMMUNICATIONS, INC.:**

By: Vincent Townsend (Printed)
President, Pay Tel Communications, Inc.

Date: 7/26/18

Attest:

This document has been reviewed and final approval has been given by Pitt County Manager.

County Manager - Pitt County

“**This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.”**

Bill Blashill

Page 1 of 1
E-VERIFY CERTIFICATION
PURSUANT TO NORTH CAROLINA GENERAL STATUTE 143-133.3

Name of Contractor: PAYTEL COMMUNICATIONS, INC

Pursuant to North Carolina General Statute 153A-449, no county may enter into a contract unless the contractor and the contractor’s subcontractors comply with the E-verify requirements of Article 2 of Chapter 64 of the North Carolina General Statutes.

In accordance with North Carolina General Statute 143-133.3, the undersigned hereby certifies, and incorporates into its contract with Pitt County, that the Contractor named herein, and the Contractor’s subcontractors, comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes.

The undersigned hereby certifies that he or she is authorized by the Contractor named above to make the foregoing certification.

[Signature]

Date: 7/26/18

[Printed Name] VINCENT TOWNSEND

[Title] PRESIDENT
INMATE TELEPHONE AGREEMENT Addendum Number 3

This Addendum, entered into the 15th of February 2012, between Pitt County and the Sheriff of Pitt County of the one part, hereinafter “Sheriff,” and Pay Tel Communications, Inc. of the other part, hereinafter “Pay Tel,” modifies the Inmate Telecommunications Agreement dated November 14, 2001, Inmate Telephone Agreement Addendum Number 1 dated October 13, 2004 and Inmate Telephone Agreement Addendum Number 2 dated January 26, 2007 (hereafter referred to as the “Agreement”).

For and in consideration of the mutual promises and convenants contained herein, Pay Tel and County, parties to an existing Agreement, hereby agree to modify the Agreement as follows:

1. **3. TERM.** The current term ending January 15, 2014 will be extended five (5) years to and including January 15, 2019. At the end of this renewal term, this contract may be extended for additional one-year terms by mutual written agreement of the parities.

2. **4.0 COMMISSIONS.** The commission payment shall be the following percentages of gross billable revenues: forty-five percent (45%) of the local collect calls, forty-five percent (45%) of intra-lata collect calls, forty-five percent (45%) of the inter-lata intra-state collect calls, and forty-five percent (45%) of the inter-lata inter-state collect calls. The commission percentage will be effective upon the signing of this Agreement.

PITTCOUNTYJAIL:

By: D. Scott Elliston (Seal)

By: D. Scott Elliston (Printed)
Authorized Agent for County

Attest: Kimberly Williams

Date: 2/23/12

PAY TEL COMMUNICATIONS, INC.:

By: Vincent Townsend (Seal)

By: Vincent Townsend (Printed)

Attest: J. Roche

Date: 3/2/2012

Account Representative: Phil Ellis

This document has been approved as to form.

Gallagher; Pitt County Attorney
INMATE TELECOMMUNICATIONS AGREEMENT
Regulatory Compliance Amendment

This Amendment, entered into the 15th of January, 2014, between Pitt County and the Sheriff of Pitt County of the one part, hereinafter collectively "Sheriff," and Pay Tel Communications, Inc. of the other part, hereinafter "Pay Tel," modifies the Inmate Telecommunications Agreement dated November 14, 2001, and Addendums dated October 13, 2004, January 26, 2007, and February 15, 2012 (hereafter referred to as the "Agreement"). In anticipation of mandated changes to regulations governing Inmate Telephone Service and in consideration of the mutual promises and covenants contained herein, Pay Tel and Sheriff hereby agree to modify the Agreement as follows:

1. Section 5.3 of the Agreement is hereby deleted in its entirety and replaced with the following:

5.3 The parties acknowledge that the Agreement is subject to the provisions of governing state and federal law and regulations, and Pay Tel agrees to provide Services in full compliance with all applicable rules and regulations of the Federal Communications Commission and any applicable State regulatory agency. In the event that such laws or regulations conflict with or are inconsistent with the terms of this Agreement, the provisions of applicable law shall control and supersede the contrary provisions of this Agreement. Pay Tel will provide twenty (20) days prior written notice of any such required changes which shall be deemed incorporated into this Agreement by reference unless objected to in writing by Sheriff within twenty (20) days after receipt of notice, in which case Sheriff’s objection will be resolved by application of the dispute resolution provision of Section 6.2.

2. Section 6.2 of the Agreement is hereby deleted in its entirety and replaced with the following:

6.2 In addition to disputes arising under Section 5.3, in the event that any state or federal legislative, regulatory, judicial or other legal action (a) materially affects any terms of this Agreement or the ability of Pay Tel to perform any terms of this Agreement, or (b) would make Pay Tel’s compliance with its obligations under this Agreement, in Pay Tel’s reasonable judgment, no longer economical or feasible, Pay Tel may provide written notice of such facts to Sheriff and the parties shall renegotiate in good faith such mutually acceptable new terms as may be required. In the event negotiations are not resolved within forty-five (45) days of notice, either party may submit the dispute for resolution pursuant to the dispute resolution provisions of this Agreement or alternatively, Pay Tel may terminate this agreement on thirty (30) days’ notice to Sheriff.

3. Except as expressly modified by this Regulatory Compliance Amendment, the provisions and conditions of the Agreement, including all Exhibits shall remain in full force and effect.

PITT COUNTY, NORTH CAROLINA
By: [Signature] (Seal)
By: [Signature] (Seal)
Authorized Agent for Sheriff

PAY TEL COMMUNICATIONS, INC.
By: [Signature] (Seal)
By: [Signature] (Printed)

Date: 2/14/14
Date: 2/24/14
Atttest: [Signature]
Atttest: [Signature]

Account Representative: [Signature]

APPROVED AS TO FORM

County Attorney

Finance Officer
Pay Tel Communications, Inc.
Rate Schedule as of January 10, 2014

<table>
<thead>
<tr>
<th>CALL TYPE</th>
<th>COLLECT</th>
<th>DEBIT</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Surcharge</td>
<td>Per Minute</td>
</tr>
<tr>
<td>Local</td>
<td>$1.71</td>
<td>N/A</td>
</tr>
<tr>
<td>Intralata</td>
<td>$1.85</td>
<td>$.60</td>
</tr>
<tr>
<td>Interlata</td>
<td>$1.85</td>
<td>$.60</td>
</tr>
<tr>
<td>Interstate</td>
<td>$3.00</td>
<td>$.85</td>
</tr>
<tr>
<td>10 Digit International</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Mexico</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>International</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

All call types above will also have a $.25 per call charge added except Local Calls for JLG.
INMATE TELEPHONE AGREEMENT Addendum Number 2

This Addendum, entered into the 26th of January 2007, between Pitt County and the Sheriff of Pitt County of the one part, hereinafter "Sheriff," and Pay Tel Communications, Inc. of the other part, hereinafter "Pay Tel," modifies the Inmate Telecommunications Agreement dated November 14, 2001 and Inmate Telephone Agreement Addendum Number 1 dated October 13, 2004 (hereafter referred to as the "Agreement").

For and in consideration of the mutual promises and convenants contained herein, Pay Tel and County, parties to an existing Agreement, hereby agree to modify the Agreement as follows:

1. **3. TERM.** The initial term ending January 15, 2008 will be extended six (6) years to and including January 15, 2014. At the end of this renewal term, this contract may be extended for additional one-year terms by mutual written agreement of the parities.

2. **4.0 COMMISSIONS.** The commission payment shall be the following percentages of gross billable revenues: forty percent (40%) of the local collect calls, forty percent (40%) of the intra-lata collect calls, forty percent (40%) of the inter-lata intra-state collect calls, and forty percent (40%) of the inter-lata inter-state collect calls. As additional consideration for the extension of this Agreement, in December 2007, Pay Tel shall contribute the sum of $100,000.00 towards the capital project budget for the Detention Center expansion as approved by the Sheriff.

PITT COUNTY JAIL:

By: D. Scott Elliott 5-18-07 (Seal)
By: [Printed Name], Authorized Agent for County
Attest: [Printed Name]
Date: May 18, 2007

PAY TEL COMMUNICATIONS, INC.:

By: [Printed Name], (Seal)
By: [Printed Name], (Signed)
Attest: [Printed Name]
Date: May 23, 2007

Account Representative: Phil Ellis

APPROVED
Pitt County Legal Department
Date: 5-11-07
By: [Printed Name], Attorney
INMATE TELEPHONE AGREEMENT Addendum Number 1

This Addendum, entered into the 13th of October 2004, between Pitt County Jail and the Sheriff of Pitt County of the one part, hereinafter "Sheriff," and Pay Tel Communications, Inc. of the other part, hereinafter "Pay Tel," modifies the Inmate Telecommunications Agreement (hereafter referred to as the "Agreement") dated November 14, 2001.

For and in consideration of the mutual promises and covenants contained herein, Pay Tel and County, parties to an existing Agreement, hereby agree to modify the Agreement as follows:

1. 3. TERM. The initial term ending January 15, 2005 will be extended three (3) years to and including January 15, 2008. At the end of this renewal term, this contract may be extended for additional one-year terms by mutual written agreement of the parties.

2. 4.0 COMMISSIONS. The commission payment shall be the following percentages of gross billable revenues: forty percent (40%) of the local collect calls, forty percent (40%) of intra-lata collect calls, forty percent (40%) of the inter-lata intra-state collect calls, and forty percent (40%) of the inter-lata inter-state collect calls.

3. 5.9 EQUIPMENT. Pay Tel will agree to install equipment to provide the Sheriff with the ability to back up recording on internal hard drives.

PITT COUNTY JAIL:

By: [Signature]
(Seal)

By: [Signature]
(Printed)
Authorized Agent for County

Attest: [Signature]

Date: 11-1-04

PAY TEL COMMUNICATIONS, INC.:

By: [Signature]
(Seal)

By: [Signature]
(Printed)

Attest: [Signature]

Date: 11/18/04

Account Representative: Phil Ellis

Approved
Pitt County Legal Department
Date: 10/22/04

By: [Signature]

"This Instrument has been preaudited
in the manner required by the Local
Government Budget and Fiscal
Control Act."

Finance Officer
ACORD CERTIFICATE OF LIABILITY INSURANCE

PRODUCER
Insurance Center of NC, Inc
717 Green Valley Rd. Ste. 102
P.O. Box 20058
Greensboro NC 27420
Phone: 336-378-9141 Fax: 336-274-9881

INSURED
Pay Tai Communications, Inc.
P.O. Box 8179
Greensboro NC 27419

INSURERS AFFORDING COVERAGE
INSURER A: Federal Insurance Company
INSURER B:
INSURER C:
INSURER D:
INSURER E:

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR. LIR. TYPE OF INSURANCE POLICY NUMBER POLICY EFFECTIVE DATE (MM/DD/YY) POLICY EXPIRATION DATE (MM/DD/YY) LIMITS

A GENERAL LIABILITY
X COMMERCIAL GENERAL LIABILITY
CLAIMS MADE X OCCUR

73105448
03/21/01
03/21/02

EACH OCCURRENCE $1,000,000
FIRE DAMAGE (Any one fire) $300,000
MED EXP (Any one person) $10,000
PERSONAL & ADV INJURY $1,000,000
GENERAL AGGREGATE $2,000,000
PRODUCTS - COMP/OP AGG $2,000,000

GENL. AGGREGATE LIMIT APPLIES PER: POLICY PROJECT LOC

A AUTOMOBILE LIABILITY
X ANY AUTO
ALL OWNED AUTOS
SCHEDULED AUTOS
HIRED AUTOS
NON-OWNED AUTOS

BAP (02) 73254708
03/21/01
03/21/02

COMBINED SINGLE LIMIT (Ea accident) $1,000,000
BODILY INJURY (Per person)
BODILY INJURY (Per accident)
PROPERTY DAMAGE (Per accident)

A EXCESS LIABILITY
X OCCUR
CLAIMS MADE

79773615
03/21/01
03/21/02

EACH OCCURRENCE $2,000,000
AGGREGATE $2,000,000

DEDUCTIBLE $ RETENTION $ W.C. STATUTORY LIMITS

A WORKERS COMPENSATION AND EMPLOYERS' LIABILITY
X OCCUR

(02) 71649778
03/21/01
03/21/02

E.L. EACH ACCIDENT $500,000
E.L. DISEASE - EA EMPLOYEES $500,000
E.L. DISEASE - POLICY LIMIT $500,000

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

CERTIFICATE HOLDER N ADDITIONAL INSURED; INSURER LETTER:
PITTC-1

Pitt County
124 New Hope Road
Greenville NC 27834

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL Endeavor to MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

© ACORD CORPORATION 1988
Exhibit D

DESCRIPTION OF THE PAY-TEL SERVICE LIAISON PROGRAM

The primary responsibilities of the Liaison are:

1. To act as a client relations coordinator between the confinement facility and Pay-Tel ensuring an effective and open line of communications for the day to day operations of the inmate telephone system.
2. To analyze and handle complaints generated by inmates or staff as they pertain to the inmate telephones.
3. To proved the minor repair and replacement work necessary to ensure the inmate telephones are working properly, and assist in determining the need for additional technical assistance.
4. Will request spare parts from Pay Tel so that an adequate inventory is available.

Pay Tel Communications Inc. will provide:

1. The persons selected for this position will be fully trained and equipped with a tool kit by Pay Tel. An inventory of spare parts will be provided for storage on-site to assist in the timely repair of the inmate telephones.
2. Additional train as needed for current staff or new staff.
Exhibit C

PAY-TEL INMATE TELEPHONE RATE AND SURCHARGE SCHEDULE

RATES - NORTH CAROLINA - SPRINT

SURCHARGES:

<table>
<thead>
<tr>
<th></th>
<th>Surcharge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local</td>
<td>$0.85 Per Call</td>
</tr>
<tr>
<td>IntraLata</td>
<td>$1.25</td>
</tr>
<tr>
<td>InterLata</td>
<td>$2.25</td>
</tr>
<tr>
<td>Interstate</td>
<td>$3.00</td>
</tr>
</tbody>
</table>

USAGE:

<table>
<thead>
<tr>
<th></th>
<th>Day 1st</th>
<th>Day Add'l</th>
<th>Eve 1st</th>
<th>Eve Add'l</th>
<th>Nite 1st</th>
<th>Nite Add'l</th>
</tr>
</thead>
</table>
| IntraLata
Miles up to |         |           |         |           |          |            |
| 10    | 0.16    | 0.10      | 0.1200  | 0.0750    | 0.080    | 0.050      |
| 16    | 0.20    | 0.14      | 0.1500  | 0.1050    | 0.100    | 0.070      |
| 22    | 0.23    | 0.16      | 0.1725  | 0.1200    | 0.115    | 0.080      |
| 30    | 0.27    | 0.19      | 0.2025  | 0.1425    | 0.135    | 0.095      |
| 40    | 0.37    | 0.23      | 0.2775  | 0.1725    | 0.185    | 0.115      |
| 70    | 0.45    | 0.28      | 0.3375  | 0.2100    | 0.225    | 0.140      |
| 124   | 0.47    | 0.33      | 0.3525  | 0.2475    | 0.235    | 0.165      |
| 196   | 0.51    | 0.35      | 0.3625  | 0.2625    | 0.255    | 0.175      |
| 9999  | 0.51    | 0.35      | 0.3625  | 0.2625    | 0.255    | 0.175      |

<table>
<thead>
<tr>
<th></th>
<th>Day 1st</th>
<th>Day Add'l</th>
<th>Eve 1st</th>
<th>Eve Add'l</th>
<th>Nite 1st</th>
<th>Nite Add'l</th>
</tr>
</thead>
</table>
| InterLata
Miles up to |         |           |         |           |          |            |
| 10    | 0.16    | 0.11      | 0.1275  | 0.0825    | 0.1071   | 0.0693     |
| 16    | 0.19    | 0.14      | 0.1675  | 0.1050    | 0.1323   | 0.0882     |
| 22    | 0.19    | 0.17      | 0.1700  | 0.1200    | 0.1500   | 0.1071     |
| 30    | 0.21    | 0.18      | 0.1700  | 0.1400    | 0.1600   | 0.1134     |
| 55    | 0.23    | 0.23      | 0.1700  | 0.1700    | 0.1600   | 0.1330     |
| 70    | 0.23    | 0.23      | 0.1900  | 0.1900    | 0.1700   | 0.1404     |
| 124   | 0.23    | 0.23      | 0.2100  | 0.2100    | 0.1800   | 0.1540     |
| 292   | 0.23    | 0.23      | 0.2100  | 0.2100    | 0.1900   | 0.1550     |
| 9999  | 0.23    | 0.23      | 0.2100  | 0.2200    | 0.1900   | 0.1800     |

<table>
<thead>
<tr>
<th></th>
<th>Day 1st</th>
<th>Day Add'l</th>
<th>Eve 1st</th>
<th>Eve Add'l</th>
<th>Nite 1st</th>
<th>Nite Add'l</th>
</tr>
</thead>
</table>
| Interstate
Miles up to |         |           |         |           |          |            |
| ALL   | 0.65    | 0.65      | 0.65    | 0.65      | 0.65     | 0.65       |
Exhibit B

Prepared for: Pitt County

Commissions Agreement

PAY TEL PROMISES TO PAY COMPETITIVE COMMISSIONS BASED ON CHARGING RATES THAT WILL NOT DRIVE YOUR CUSTOMERS AWAY

<table>
<thead>
<tr>
<th>COMMISSION PAYMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Graduated %*</td>
</tr>
</tbody>
</table>

GROSS COIN RECEIPTS

OPERATOR SERVICE PROVIDER
REVENUES RECEIVED  (BASED ON COIN REVENUE)  Graduated %

* PAYPHONE AVERAGE MONTHLY LEASE PAYMENT

<table>
<thead>
<tr>
<th>GROSS COIN RECEIPTS</th>
<th>PERCENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>$000-$100</td>
<td>00%</td>
</tr>
<tr>
<td>$101-$125</td>
<td>10%</td>
</tr>
<tr>
<td>$126-$150</td>
<td>15%</td>
</tr>
<tr>
<td>$151-$175</td>
<td>20%</td>
</tr>
<tr>
<td>$176-$200</td>
<td>25%</td>
</tr>
<tr>
<td>$201-$300</td>
<td>30%</td>
</tr>
<tr>
<td>$301+</td>
<td>35%</td>
</tr>
</tbody>
</table>

The percent paid will be determined by totaling the gross coin receipts for payphones producing greater than $100 in coin revenue and dividing by that number of payphones. This figure equals the PAYPHONE AVERAGE MONTHLY GROSS COIN.

*Phones producing less than $100 in coin revenue in any given month will not be included in calculating average coin revenue for that month and will not be eligible for any commissions for that month.

The coin commission percentage will also apply to Operator Service Provider revenue received.

During the term of this Agreement, the Commission percentages listed above are subject to adjustment should the provisions of the Telecommunications Act of 1996 and the subsequent FCC Orders implementing the Act be overturned or modified by the Federal Courts, the FCC, or the State Public Service Commission.

A COMPLETE ACCOUNTING OF ALL REVENUE IS AVAILABLE MONTHLY INCLUDING BRINKS VERIFIED COUNT OF SEALED COIN BOXES AND OPERATOR SERVICE CALL DETAIL RECORDS.
EXHIBIT A

PROPERTY DESCRIPTION

The Premises which are the subject of the Agreement dated 11/4/81

Pitt County Detention Center
124 New Hope Road
Greenville, NC 27834
8.7 Pay Tel Communications Inc. agrees to install and operate three (3) coin-operated pay telephones at the Pitt County Detention Center at locations designated by the jail administrator.

8.8 Pay Tel agrees to hold Sheriff harmless for all costs and expenses including, without limitation, attorneys fees, for and against any acts, law suits or other actions caused by or arising out of the actions of any Pay Tel employees or agents.

8.9 Pay Tel Communications Inc. agrees to provide toll-free local telephone service to at least twenty (20) local telephone numbers, upon written request of the jail administrator. Toll-free local telephone numbers will be deleted, added or otherwise changed within ninety-six (96) hours.

8.10 Pay Tel Communications Inc. agrees to provide two (2) TDDs (Telecommunication Device for the Deaf) to the Pitt County Detention Center for use by deaf inmates.

8.11 During the term of this Agreement Pay Tel will maintain a minimum insurance coverage as follows: one (1) million dollars General Liability, one (1) million dollars Automobile, two (2) million excess liability and worker's comp. Pitt County will be named insured and will be notified of cancellations within 10 days.

This Agreement entered into as of the day and year first written above.

SHERIFF OF PITTCOUNTY:

By: Mac E. Manning (Seal)

By: Mac E. Manning, Sheriff of Pitt County

Date: 11/14/01

Attest: Antoinette Johnson

Detention Administrator Timothy Copeland
Address: Pitt County Detention Center
124 New Hope Road
Greenville, North Carolina 27834

Phone: 252-830-4650
Fax: 252-830-4628

PAY TEL COMMUNICATIONS, INC.:

By: Vincent Townsend (Seal)

By: Vincent Townsend, President

Date: 11/05/01

Attest: Mary Erickson

Account Representative: Phil Ellis
Address: Pay Tel Communications Inc.
Post Office Box 8179
Greensboro, North Carolina 27419

Phone: 336-852-7419 or 800-729-8355
Fax: 336-854-0496 or 800-776-8423

Pitt County:

By: Susan J. Banks (Seal)

By: David Hammond (Printed)

Chairman, Board of Commissioners

Pitt County Government
1717 West Fifth Street
Greenville, North Carolina 27834

APPROVED
Pitt County Legal Department
Date: 12/20
By: [Signature]
5.7 Pay Tel agrees to maintain the equipment in good operating condition. Pay Tel shall have the right during normal business hours to enter the Premises to examine the equipment for purposes of inventory control and to perform necessary maintenance and repairs. Sheriff shall notify Pay Tel of any malfunctions or loss of equipment.

5.8 Pay Tel agrees to conform with all applicable local, state and federal requirements concerning the provision of Services to those with disabilities as defined by the Americans With Disabilities Act (hereinafter the "ADA"). Sheriff shall cooperate with Pay Tel to ensure compliance with all access requirements contained in applicable local, state and federal regulations relating to those with disabilities as defined in the ADA.

6.0 TERMINATION

6.1 Sheriff may terminate this Agreement in the event that Pay Tel materially fails to perform its obligations under this Agreement and said material failure shall continue for thirty (30) days after written notice to Pay Tel of said failure is given pursuant to Paragraph 8.1.

6.2 Pay Tel may terminate this Agreement at any time upon thirty (30) days written notice to Sheriff in the event that regulations governing the operation of the Services prevent Pay Tel from performing its obligations under this Agreement.

7.0 SUCCESSORS IN INTEREST

7.1 Sheriff agrees that Pay Tel shall have the right to assign its financial rights and interests under this Agreement and that Pay Tel shall have the right to grant a security interest in this Agreement and in any of Pay Tel’s equipment on the Premises including any and all telephones and their enclosures and/or pedestals, or other equipment associated with Pay Tel’s Services. Pay Tel shall not sell, transfer or assign this Agreement or any of its contractual rights or obligations hereunder, other than to a wholly owned subsidiary whose performance it shall guarantee, without the prior written approval of the Sheriff, whose approval shall not be unreasonably withheld. This Agreement shall be binding upon the successors and assigns of both Sheriff and Pay Tel, including, without limitation, any financial institution providing financial accommodations to the County or Pay Tel.

8.0 MISCELLANEOUS PROVISIONS

8.1 All notices required to be given under this Agreement and the attached exhibits shall be sent to Pay Tel and to Sheriff addressed as shown on the signature page of this Agreement. Notices shall be sent by certified mail, return receipt requested. The date of mailing shall be deemed to be the date of giving such notice.

8.2 This written document, including Exhibit A and others, shall constitute the entire understanding of the parties and all prior agreements and understandings are merged herein. This Agreement shall not be modified, changed or altered in any respect except in writing signed by Sheriff and Pay Tel. The following additional Exhibits, Addenda or Riders, if any, are hereby incorporated by reference into this Agreement:

8.3 This Agreement shall be construed in accordance with the laws of the State of North Carolina.

8.4 In the event that any paragraph or part of the agreement is held to be void or unenforceable under any law or regulation, all other paragraphs and subparagraphs hereof shall be deemed severable and remain in full force and effect.

8.5 The plural number as used herein shall equally include the singular and the masculine, feminine, and neuter genders are interchangeable as required by context.

8.6 Any and all claims or disputes arising out of or relating to this Agreement or the breach thereof shall be decided by mediation. Venue for such mediation shall be Greenville, North Carolina unless otherwise agreed by the parties.
4.0 COMMISSIONS

4.1 The commission payment shall be the following percentages of gross billable revenues: thirty-eight percent (38%) of the local collect calls, thirty-eight percent (38%) of intra-lata collect calls, thirty-eight percent (38%) of the inter-lata intra-state calls, and thirty-eight percent (38%) of the inter-lata inter-state calls. Commission will be paid to the County within thirty (30) days after the end of the billing cycle. The billing cycle is defined as a period of sixty (60) days after the end of the month the calls were made. Pay Tel will pay to the Pitt County Detention Center two hundred dollars ($200.00) per month for the Detention Center participation in the Pay Tel Service Liaison Program. (See Exhibit D attached.)

4.2 Sheriff shall not be responsible for any losses due to fraudulent calls. Sheriff agrees to assist Pay Tel in any efforts to prevent such fraud and further agrees to aid in the prosecution of any perpetrators of fraudulent calls.

4.3 Sheriff acknowledges and agrees that the aforesaid commission rates are based on revenue projections calculated by reference to usage during normal inmate awake hours and Sheriff agrees that no action will be taken unreasonably to impede such usage.

5.0 EQUIPMENT AND SERVICES PROVIDED BY PAY TEL

5.1 Pay Tel will provide, install and operate equipment, including but not limited to coinless inmate telephones, which Pay Tel may operate now or in the future at the Premises.

5.2 The quantity and the placement of the equipment to be provided at the Premises shall be determined by Pay Tel in consultation with the Sheriff and may be adjusted as agreed by the parties.

5.3 Pay Tel agrees to provide Services in full compliance with all applicable rules and regulations of the North Carolina Public Utilities Commission and the Federal Communications Commission.

5.4 All of the Services will be provided by Pay Tel at its expense and Sheriff hereby authorizes Pay Tel to contact the local telephone company in accordance with the attached "Agency Agreement" in order to arrange for removal of existing telephone equipment and the provision of Pay Tel Services. Sheriff will provide space and a dedicated 24-hour 120 volt electrical service line to the equipment in connection with the provision of Services. Pay Tel shall pay all line and other charges imposed by any telephone company with respect to the Services.

5.5 Sheriff hereby grants to Pay Tel the exclusive right and authority to contract with a long distance carrier to handle all inmate long distance calls at the Premises during the term of this agreement. Pay Tel agrees to charge operator assisted rates for inmate phone calls that are equal to or less than the tariffs regulated by the North Carolina Public Utilities Commission and the Federal Communications Commission. Pay Tel agrees to only increase the rates of collect calls after written approval is given from the Sheriff. (See Exhibit C attached.)

5.6 Any equipment provided hereunder and all telephones and their enclosures and/or pedestals, and other equipment associated with their operation are agreed by Sheriff to be personal property and not fixtures and it is the express intention of both Sheriff and Pay Tel that such equipment described herein are personal property of Pay Tel. All equipment installed by Pay Tel at the Premises, except two (2) PC workstations, shall remain the property of Pay Tel. Upon termination of this Agreement for any reason including, without limitation, termination of this Agreement pursuant to § 6.1 hereof, Pay Tel shall have the absolute right to enter upon the Premises at any reasonable time to remove its equipment. Pay Tel shall repair any and all damage to the Premises by reason of removal of Pay Tel's equipment. Pay Tel agrees that two (2) workstations PCs associated with the inmate telephone system become the property of Pitt County Detention Center at the termination of this Agreement.
INMATE TELECOMMUNICATIONS AGREEMENT

This Inmate Telecommunications Agreement (hereinafter "Agreement"), made and entered into this ___ day of November, 2001, by and between Pitt County and the Sheriff of Pitt County of the one part, hereinafter collectively "Sheriff," and Pay Tel Communications, Inc. of the other part, hereinafter "Pay Tel."

WHEREAS, Sheriff and Pay Tel desire to enter into a long term relationship pursuant to which Pay Tel will act as the exclusive agent and provider of inmate telecommunications equipment and services (hereinafter sometimes "Services"); and

WHEREAS, Sheriff understands the financial commitment on the part of Pay Tel in providing equipment associated with such services and agrees to cooperate and assist Pay Tel as set forth below.

NOW THEREFORE, in consideration of the mutual promises and obligations hereunder, the parties to this Agreement do hereby agree as follows:

1.0 AUTHORITY TO CONTRACT

1.1 Sheriff warrants that he/she has the exclusive authority over the Premises, and has been delegated the authority on behalf of the County which owns the Premises in order to enter into this Agreement.

2.0 Location

2.1 This Agreement is for Services at or connected to the premises at the location or locations described in Exhibit A attached hereto (the "Premises").

3.0 Term

3.1 The term of the Agreement shall commence upon the installation of the inmate telephone equipment and shall continue for a period of three (3) years. At the end of the initial term, this contract may be extended for additional one-year terms by mutual written agreement of the parties.

3.2 During the original or any renewed term of this Agreement, Sheriff shall not grant the right of installing Services upon the Premises to any other company or person. If during the original or any renewed term of this Agreement Sheriff commences operations at any location other than Premises described herein, Pay Tel shall have the exclusive right to provide Services at such new location(s) in accordance with the terms and conditions of this Agreement.

3.3 In addition to Services, Pay Tel shall have the exclusive right to provide all inmate telecommunication Services upon the Premises.