

FIRST AMENDMENT TO PUBLIC COMMUNICATIONS SERVICES INMATE PHONE SERVICES AGREEMENT

This First Amendment (“First Amendment”) has an effective date of May 16, 2016 (“First Amendment Effective Date”), amends and revises that certain Public Communications Services Inmate Phone Services Agreement, entered into on May 16, 2013, by and between EL DORADO COUNTY SHERIFF’S OFFICE (“Client”) and PUBLIC COMMUNICATIONS SERVICES, INC.¹ (“PCS”), an Idaho corporation.

RECITALS

WHEREAS, Client and PCS entered into an Inmate Phone Services Agreement (“Agreement”) with a term of May 16, 2013 through May 15, 2016; and,

WHEREAS, the Federal Communications Commission (FCC) issued its Second Report and Order and Third Further Notice of Proposed Rulemaking in WC Docket No. 12-375 on November 5, 2015 (“FCC Order”), which mandated rates and charges for inmate telephone services, certain transaction fees, and other requirements; and

WHEREAS, Client and PCS have agreed to amend the Agreement to, among other things, extend the term of the agreement, and implement the FCC-mandated calling rates and fees;

NOW THEREFORE, in consideration of the mutual covenants herein, and for other good and valuable consideration, the sufficiency of which is acknowledged by the parties’ signatures, Client and PCS hereby agree as follows:

1. Any reference to “commission” shall be amended to revenue share.
2. The following paragraphs of **Section 3. Compensation** shall be amended as follows:

Paragraph 1:

Effective May 16, 2013, PCS shall pay Client a revenue share of forty-five percent (45%) calculated on all Gross Revenue, which shall be defined as revenue generated by and through the ITS and shall include, but not be limited to, all collect, debit, pre-paid inmate telephone calls, and coin operated telephones located at the Facilities. Gross Revenue consists of all compensation, earnings, gain, income, generated revenue, payment, proceeds or receipts paid to or received by PCS and in any way connected to the provision of service pursuant to the Agreement. Gross Revenue includes, by way of example and not limitation, the following: all surcharges, per minute fees and any additional fees and/or charges generated by the completion of all calls (including any combination of collect, debit, and pre-paid local, Intralata/Intrastate, Intralata/Interstate, Interlata/Intrastate, Interlata/Interstate and International calls), additional fees and/or charges added to the total cost of a call or any other compensation received by PCS. PCS shall pay a revenue share on total Gross Revenue (as defined above) before any deductions are made for unbillable calls, bad debt, uncollectible calls, fraudulent calls, LEC adjustments, or any other PCS expense.

1. Effective August 2010, Public Communication Services Inc. (“PCS”) is a wholly owned subsidiary of Global Tel* Link (“GTL”).

Paragraph 2:

Effective with the June 2015 traffic period (defined as May 26, 2015 through June 25, 2015) and until June 19, 2016, PCS shall pay Client a revenue share of **forty-nine percent (49%)** on all Gross Revenue (as defined above). In the event the Agreement is not executed by May 26, 2015, PCS shall pay Client a revenue share of **forty-nine percent (49%)** effective with the traffic period immediately following the date of the last signature found on page 9 of the Agreement. Effective June 20, 2016, PCS shall pay Client a revenue share equal to **twelve cents (\$0.12)** for each minute of use generated by inmate telephone calls and contributing to Gross Revenue (as define above), excluding as set forth in paragraph 10.

Paragraph 6:

Effective June 20, 2016:

Pre-Paid Collect Fees. Pre-paid collect fees are defined as fees imposed on called parties who fund (either at set up or at a later time) a pre-paid collect account with PCS to accept calls. The amount of the pre-paid collect fees approved by Client are specified below.

Pre-paid collect funding fee (IVR, Web, Etc.) - \$3.00

Pre-paid collect funding fee (live operator) - \$5.95

Paragraph 7:

Effective June 20, 2016:

Monthly Collect Billing Fee. The billing statement fee is defined as a fee charged by PCS to called parties for providing an optional paper billing statement. The amount of the billing statement fee approved by Client is specified below.

Monthly billing statement fee - \$2.00

Paragraph 10:

Effective February 5, 2014, the monthly revenue share of Gross Revenue for Interlata/Interstate traffic was changed to **zero percent (0%)**. Effective June 20, 2016, the monthly revenue share of Gross Revenue for Interlata/Interstate traffic shall be **zero cents (\$0.00)** for each minute of use generated by inmate telephone calls and contributing to Gross Revenue. Gross Revenue for all other call types shall remain unchanged. Should a federal, state or local regulatory agency issue a ruling which lowers the calling rates or compensation in this Agreement, PCS and Client will negotiate in good faith to adjust the calling rates and compensation in this Agreement and make them in compliance with the rates implemented by the regulatory agency or either party may terminate the Agreement without penalty so that Client may select another inmate telephone service provider. The telephone rate structure and surcharge rates shall not exceed the maximum rates as authorized the FCC.

3. The following paragraphs shall be added to **Section 3. Compensation** of the Agreement:

Paragraph 12:

As soon as reasonably practicable following the First Amendment Effective Date, PCS will add a prepaid calling option which allows PCS to offer consumers the ability to accept collect calls without having to fund a pre-paid account. This new option, AdvancePay One Call (APOC) permits the consumer to use prepaid calling at the per-minute-of-use rate for the prepaid call. Consumers using an Automated Payment method (§64.6020(b)(1)) to make an APOC may be charged up to three Dollars (\$3.00) per use. Should there be a change in law, including FCC regulations, barring the use of APOC in the manner contemplated by this Agreement, then APOC calls will be removed to comply with the changed law.

4. **Section 4. TERM AND TERMINATION** is hereby amended to extend the expiration date of the Agreement from **May 15, 2016** through **January 31, 2017**. Client, at its sole option, shall have the right to terminate the Agreement at any time during this extension with sixty (60) days written notice to PCS without penalty. For the avoidance of doubt, Client shall not be entitled, and PCS shall not owe or pay any renewal or extension bonus in connection with the extension of the Agreement contemplated by this First Amendment. Client shall have the option to extend this Agreement on a month to month basis with thirty (30) days written notice to PCS. This Agreement will not automatically renew.
5. **On June 20, 2016, Exhibit 1 of the Agreement** shall be deemed deleted in its entirety and replaced with the following:

Exhibit 1

Client Calling Rates

INMATE TELEPHONE CALLING RATES		
Call Type	Collect	Pre-Paid Collect & Debit
	Per Minute Rate	Per Minute Rate
Local	\$0.35	\$0.35
Intralata/Intrastate	\$0.40	\$0.40
Interlata/Intrastate	\$0.40	\$0.40
Interlata/Interstate	\$0.25	\$0.21
Domestic International (US Territories)	\$0.25	\$0.21
International (Excluding US Territories)	N/A	\$0.75

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The rates charged are exclusive of taxes, and other amounts collected by PCS on behalf of, or paid to, third 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, and any costs incurred by Company in connection with such programs.

FEES

Funding Fee (as defined in paragraph 6 of Section 3. Compensation) for payments using an automated payment method	\$3.00 per deposit
Funding Fee (as defined in paragraph 6 of Section 3. Compensation) for payment using live operator	\$5.95 per deposit
Fee for paper bill/statement (as defined in paragraph 7 of Section 3. Compensation)	\$2.00 per paper bill/statement
Fee for use of third-party money transmitter (e.g., MoneyGram, Western Union, other Third Party)	The exact fee from the third-party provider passed through directly to customer with no markup
Applicable Required Taxes (Federal Universal Service Fee, and etc.)	Varies (100% Pass-Through/No Markup Allowed)
All Other Fees:	Not Allowed

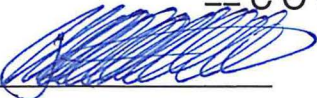
6. **In the event of any inconsistencies between the terms and conditions contained in the Agreement and the terms and conditions contained herein, the terms and conditions contained herein shall control. Except as expressly modified by this First Amendment, the provisions and conditions of the original Agreement are unchanged and shall remain in full force and effect. The original Agreement, as expressly modified this First Amendment, is the complete agreement of the parties and supersedes all prior or contemporaneous agreements and representations, whether written or oral and may not be further modified or amended except by written amendment. This First Amendment may be executed in multiple counterparts, each of which shall be an original, and all of which shall be one and the same contract. Original signatures transmitted by facsimile or electronic mail shall be effective to create such counterparts. Each person whose signature appears below warrants and represents that they have the requisite authority to execute this First Amendment on behalf of the entity for which they are signing.**

Signature Page Follows

1. Effective August 2010, Public Communication Services Inc. ("PCS") is a wholly owned subsidiary of Global Tel* Link ("GTL").

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates indicated below.

== COUNTY OF EL DORADO ==

By: 

Dated: 8/30/16


Chair Ron Mikulaco
Board of Supervisors
"County"

ATTEST:
James S. Mitrison
Clerk of the Board of Supervisors

By: 
Deputy Clerk

Dated: 8/30/16

PUBLIC COMMUNICATIONS SERVICES, INC.


Jeffrey B. Haidinger

9/18/16
Date

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