

COMMISSARY SERVICE AGREEMENT

THIS AGREEMENT made the 14th day of September 2016 by and between **Brown County Sheriff's Office**, hereinafter referred to as "CLIENT", with home offices located at 1050 W. Commerce, Brownwood, Texas 76801 and "**Lone Star Commissary**", hereinafter referred to as "**Lone Star Commissary**", with home offices located at 3664 State Hwy 19 Huntsville, Texas 77320 for provision of commissary services to one (1) adult correctional facility located in the State of Texas at the following location:

Brown County Sheriff's Office
1050 W. Commerce
Brownwood, Texas 76801

WHEREAS, the CLIENT desires to avail itself of LONE STAR COMMISSARY services, and WHEREAS, LONE STAR COMMISSARY desires to provide commissary services for the CLIENT, now here fore, in consideration of the mutual covenants and agreements hereinafter set forth, the parties, intended to be legally bound hereby, agree as follows:

I. CLIENT'S GRANT TO LONE STAR COMMISSARY

The Client grants unto Lone Star Commissary, as an independent contractor, the exclusive right to sell commissary products to inmates in the above referenced jail.

II. LONE STAR COMMISSARY'S RESPONSIBILITIES

- A.) Pursuant to the provisions of the Agreement, Lone Star Commissary will purchase, and maintain at high standards of quality, such mutually agreed number and type of inventory items at mutually agreed locations for the sales of food products, non-alcoholic beverages, and other such articles and will keep the inventory adequately serviced and supplied with appropriate merchandise in good quality. Lone Star Commissary warrants that prices are subject to ordinary price increases that might, from time to time be necessary due to market factors beyond the control of Lone Star Commissary, during the term of this contract.
- B.) Lone Star Commissary agrees to comply with all applicable Federal, State and Local laws and regulations pertaining to wages and hours of employment.

October 3, 2016
(Exhibit #11)

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III. FACILITIES AND EQUIPMENT

- A.) The Client has the option to select and designate a mutually agreeable time and place of service and type of products sold. Lone Star Commissary guarantees that all equipment installed will be new or like new and have the approval of the local health offices and that the equipment will meet the specifications published by the United States Public Health Federation and National Sanitation Foundation.
- B.) It is hereby agreed that neither the Sheriff nor the Brown County Sheriff's Office assumes any responsibility whatsoever for any damage to the equipment while on its premises, unless the equipment is willfully abused or misused.

IV. INDEMNIFICATION

- A.) Lone Star Commissary shall indemnify The Client against any loss, damage, injury or death caused by Lone Star Commissary negligent acts or omissions or the negligent acts of Lone Star Commissary agents or employees, or losses, damages, injuries or death caused by Lone Star Commissary negligence and arising out of the consumption or use of the Products sold; provided, however, that nothing contained herein shall require Lone Star Commissary to defend or indemnify The Client for losses, damages, injuries or death arising out of the negligence of The Client, its agents or employees.
- B.) Lone Star Commissary's obligation to hold The Client harmless pursuant to the agreement shall be dependent upon The Client promptly notifying Lone Star Commissary in writing of any such claims or lawsuits against either Lone Star Commissary or The Client, but in no event not later than thirty (30) days after the date The Client first receives notification.

V. MENUS AND SERVICE SPECIFICATIONS:

The Client and Lone Star Commissary, will mutually agree on prices and services specification.

VI. LICENSES, PERMITS AND TAXES:

Lone Star Commissary will be responsible for all federal, state and local license, taxes and permits in connection with the commissary it provides for the Brown County Detention Center, except that Lone Star Commissary will have no liability for real estate or other taxes levied on property or equipment owned by the Client.

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VII. INSURANCE:

Lone Star Commissary agrees to provide Workmen's Compensation, Comprehensive (including Product Liability), Bodily Injury and Property Damage Liability Insurance for the amounts to be sufficient minimum insurance for mutual protection of The Brown County Sheriff's Office and Lone Star Commissary. Lone Star Commissary will furnish to The Brown County Sheriff's Office certificates of insurance indicating that such coverage is in effect, and will annually furnish to The Brown County Sheriff's Office, certificates of insurance indicating that such coverage is in effect and there has been no lapse of coverage.

VIII. FINANCIAL ARRANGEMENT

- A.) Lone Star Commissary will be reimbursed on a weekly basis from monies generated from the Inmate Trust Fund. This responsibility is to be monitored by The Brown County Sheriff's Office. Outstanding balances greater than 30 days may be subject to interest @10%, per annum.
- A.) The commission check will be due by the 20th of each month for the prior month's activity for all invoices paid by the Client. The commission to be paid to The Brown County Inmate Trust Fund shall be 30 % of the sum of Total Gross Sales (inclusive of Sales Tax) less all Sales Taxes less any or all agreed upon items to be excluded from the Sales Total as listed below:
1. U.S. Postage
 2. Postage Products
 3. Phone Cards
 4. Tobacco Products

IX. INDEPENDENT CONTRACTOR RELATIONSHIP:

It is mutually understood and agreed, and it is the intent of the parties that subject where applicable, to the terms and conditions set forth in the direct sales to the Client's financial arrangement, if such is used, an independent contractor relationship is hereby established under the terms and conditions of this Agreement, that employees of Lone Star Commissary are not nor shall they be deemed to be employees of The Client and, that employees of The Client are not nor shall they be deemed to be employees of Lone Star Commissary.

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X. LONE STAR COMMISSARY TITLE TO SOFTWARE & HARDWARE

- A.) All software installed by Lone Star Commissary pursuant to the provisions of this Agreement are and shall at all times remain the property of Lone Star Commissary, with title vested in Lone Star Commissary, and The Client shall have no property interest in said software. The Client agrees to permit only employees and agents of Lone Star Commissary to remove, open, copy, or tamper with said software of Lone Star Commissary. There shall be no unauthorized copies or modifications made to the software without the expressed written consent by an officer of Lone Star Commissary.
- B.) All hardware installed by Lone Star Commissary shall remain the property of Lone Star Commissary.
- C.) All Maintenance, Repair, or Replacement of hardware shall be the responsibility of Lone Star Commissary under normal operating conditions. Lone Star Commissary will not be responsible if equipment is abused or used for other purposes other than commissary functions.

XI. COMMENCEMENT AND TERMINATION

This Agreement shall become effective as of or around October 1st 2016, and shall remain in effect for 1 year. With the option to renew for four (4) additional one (1) year terms or until either party gives notice of termination in writing by registered mail at least sixty (60) days prior to the expiration of this Agreement, or any renewal term hereof.

- A.) If either party refuse, fail or be unable to perform or observe any of the terms or conditions of this agreement for any reason other than excused performance reasons stated in Section XII hereof, the party claiming such failure shall give the other party a written notice of such breach. If within (30) days from such notice the failure has not been corrected, the injured party may cancel this agreement.
- B.) Until the termination or expiration of this Agreement, Lone Star Commissary shall as soon thereafter as is feasible, remove its software and hardware.

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XII. EXCUSED PERFORMANCE

In case performance of any terms or provisions hereof (other than the payment of monies) shall be delayed or prevented because of compliance with any law, decree or order of any governmental agency or authority; either Local, State or Federal or because of riot, war, public disturbance, strikes, lockouts differences with workman, fires, flood, acts of God, or any other reason whatsoever which is not within the control of reasonable diligence said party is unable to prevent, the party so suffering may at its option suspend, without liability, the performance of its obligation hereunder (other than the payment of monies) during the period of such suspension of performance of duties hereunder.

XIII. NOTICES:

All notices to The Brown County
Sheriff's Office shall be addressed to it at:
1050 W. Commerce
Brownwood, Texas 76801

All notices to Lone Star Commissary shall
Be addressed to it at:
3664 State Hwy 19
Huntsville, Texas 77320

GOVERNING LAW:

This Agreement shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals of the day and year first above written.

**THE BROWN COUNTY
SHERIFF'S OFFICE**

BY: _____

George M. Caldwell
George M. Caldwell
Sheriff

DATED: _____

10/3/2012

LONE STAR COMMISSARY

BY: _____

Tim Calcote
Tim Calcote
Chief Operating Officer

DATED: _____

9-7-16