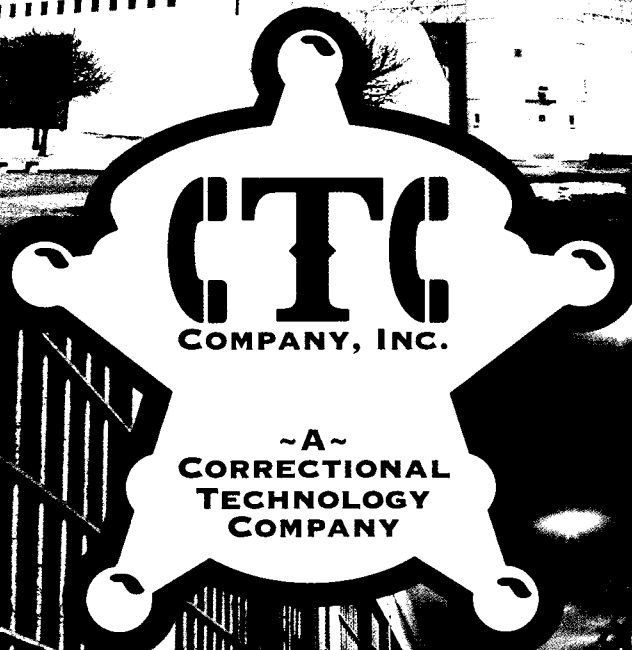


SINCE
1986



November 14, 2016
(Exhibit # 2)



CTC Company, Inc.
4501 Marlena Street
Bossier City, LA 71111
www.citytelecoin.com

October 15, 2016

Brown County Sheriff's Office
Sheriff George M. Caldwell
1050 West Commerce
Brownwood, TX 76801
325.646.5510 (Office)

RE: Proposal for Inmate Phone System
Brown County Jail, Brownwood, TX

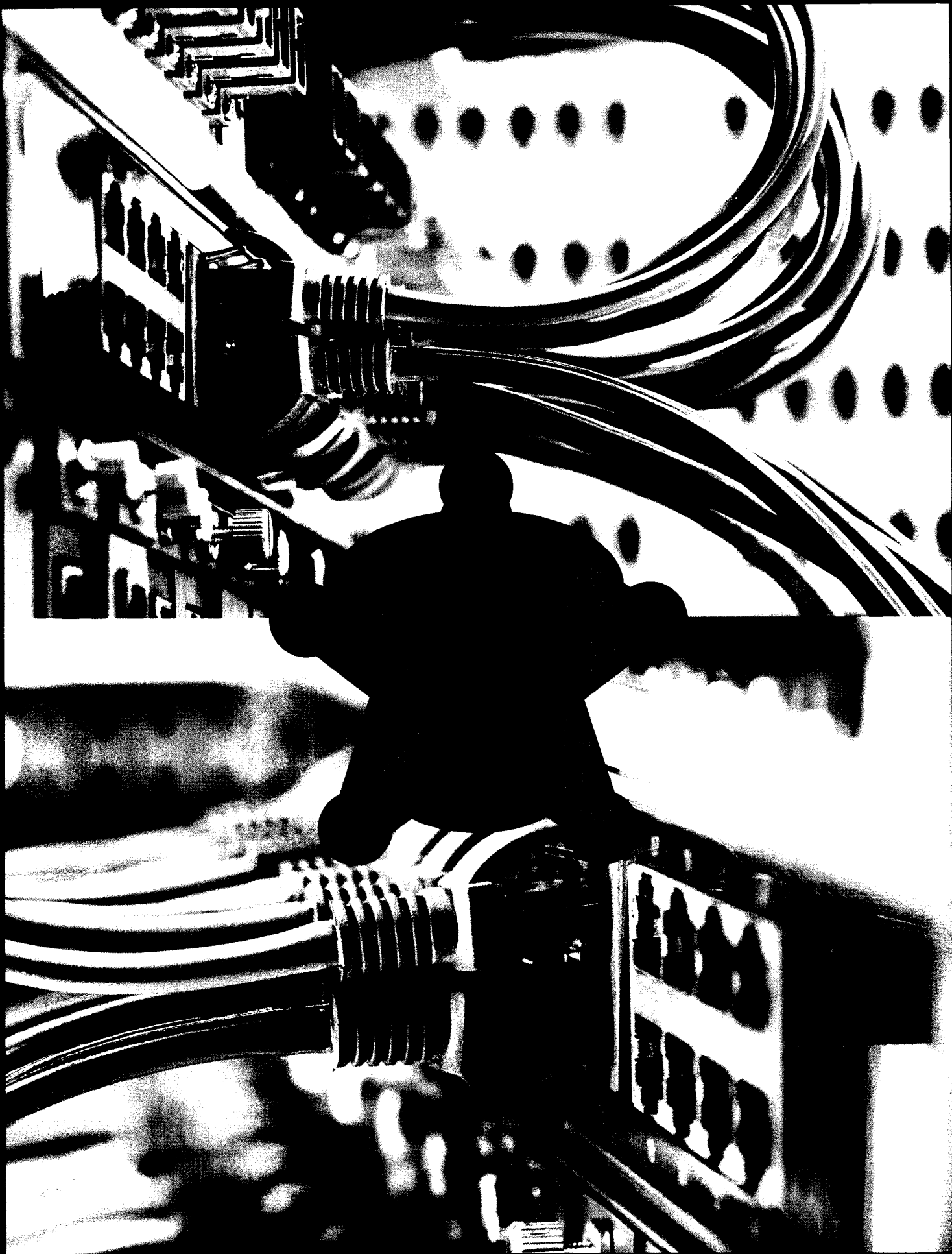
Commission Offer: 40% True Commission (All Call types, Total Gross Revenue)

\$80,000.00 Cash Tech. Bonus for Jail expansion surveillance

\$500.00 Cash Tech. Bonus for Net-Data JMS Integration

\$2500.00 Annual Prepaid Inmate Calling Card Bonus

- ❖ Family owned and operated, our inmate phone software (**Phone Manager**) is written and maintained in house. We do not 3rd party any of our Inmate Phone System.
- ❖ CTC Does not participate in any deceptive billing practices or promotional rates that hide revenue from agencies. (**See Attached**)
- ❖ FCC approved and recommended **RATES (See Attached)**
 - No surcharges
 - No excessive first minute charges
- ❖ Commission will also be paid on **Interstate Calls** which is in compliance with FCC regulations. (**Some Companies are NOT** currently paying commission for these calls.)
- ❖ Booking Desk and Lobby Kiosk's (Optional Equipment available for purchase)
 - **Lobby** - Completely integrated with **Commissary** Banking System. Deposits show up instantly on the inmate account.
 - With over 300 kiosks deployed across the country, the kiosk is unparalleled in reliability. The oldest units have been operating seamlessly for over five years.
 - A single kiosk in the lobby of your facility will totally eliminate the time-consuming task of receiving inmate deposits.
 - **Booking** - With the passing of counterfeit currency on the rise, casino-grade readers ensure the integrity of each bill deposited at your facility.
 - Cash entered into the machine is immediately available to the inmate for spending.
 - The inmate phones can be used for ordering commissary with no paper and no staff involvement.
 - No more staff involvement in answering the same questions over and over. The interactive voice response system also provides inmates with balance, deposit, and debit information.
 - **Swipe at booking technology** - Patent pending technology that allows inmate credit cards to be stored at booking and accessed via the inmate phones for adding money to an account or bonding out.



Since 1986

City Tele Coin, Inc. **17**

Phone
Emails
Commissary
Interviews
Scheduling
Medical

City Tele Coin, Inc. **27**

Law Library

A technology company providing service and equipment to correctional facilities and County Jails.

Family owned regional company providing service for over 260 facilities in 9 states.





• Video Arraignment Systems
• Video Conferencing Systems
• 911 & Dispatch Recording
• Designed and solely operates its own phone and software.

• All systems are internet based and accessible from any computer, TABLET or SMARTPHONE.

• Superior customer service and flexible calling solutions resulting in more completed calls and higher revenues.

• CTC offers transparency in revenue reporting by providing Facility Administrator Access to real time RATES, REVENUE, and USAGE.

• CTC is a family owned regional company serving over 260 facilities in 9 states.

• What sets CTC aside from its competitors?

• **Inmate Hotline:** Live operators to assist inmates and families set up accounts as well as provide quality control and dispute resolutions.

• **Investigative**

Features & Alerts:

Investigative monitoring through alerts for criminal and facility cases. Flagged Inmates or Numbers can be set up to alert any phone for live monitoring and intervention.

SERVICE & HONESTY

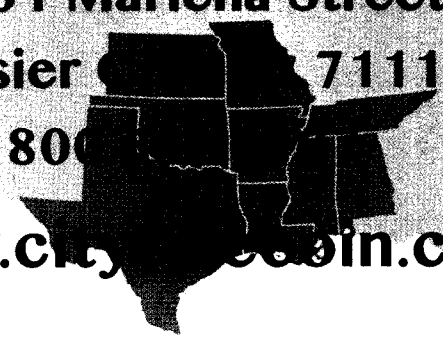
CTC Company, Inc.

4501 Marlena Street

Bossier City, LA 71111

800

WWW.CITYCOUNCIL.COM



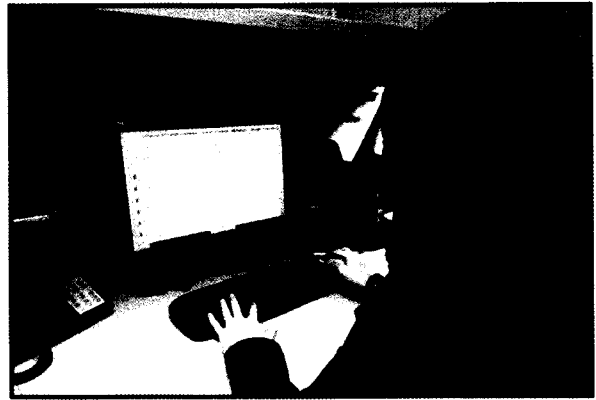
CUSTOMER SERVICES

Accessible 24/7 from any location or handheld device with internet access, our call platform – the CTC Phone Manager – is a highly developed, web-based system structured to support all areas of inmate calling and facility control. State-of-the-art technology and uncomplicated features are inherent aspects of the CTC Phone Manager so that it represents an advanced yet practical solution to all your needs.

We built our system from the ground up. By working very closely with law enforcement agencies across the U.S. for many years now, we've been thorough in considering your daily routine, listening to your needs, and asking you for your thoughts. Your ideas have been used as the fundamental base from which our own private team of technicians and programmers built our new system almost two years ago. Understanding that naturally, times change, our system is readily expandable and extremely flexible; implementing unique functions into our system based on your individual needs and wants is simply one phone call away. Google, map tracking, notes and alert features were created from our customers' input.



City Tele Coin takes the extra step to maintain healthy relationships with all our customers and deliver to them, personally, our utmost attention. We don't ever forget that you are just as important to the success of our product as the programming that goes into it; that is why we feel that the CTC Phone Manager is the solution to your inmate calling needs.



EQUIPMENT

CALL PROCESSING EQUIPMENT

The CTC Phone Manager is structured to route calls through any one of our many, centralized servers. The calls are routed "round robin" and the routing of calls is independent of the site from which the call originates, keeping open the call process and inmate phone traffic should any one server, or more, go down at any given time. Inmate traffic stays wide open at all times in that we have provisioned a number of extremely powerful servers so that none are overpowered by call volume in the event of a failure.



All of our servers are located on our premises inside a "safe" room at our principal physical location in Bossier City, LA. Our premise and specifically our safe room is monitored 24/7 - 365 through use of a multi-coverage camera system and entry into the safe room is restricted to those high-level company personnel who have been granted key-pass access rights to the room. All system components and information (internal and external, in-house and facility based), reside inside the safe room. In the event of a full power outage in our area, City Tele Coin is protected by a 150 kilowatt Kohler generator which provides an extra layer of protection to the sensitive equipment housed in the safe room. The temperature in the safe room is kept at 65 degrees to protect the equipment from heat and/or cold related issues.

All of our servers are physically maintained on a constant basis by in-house technicians and remotely by outside technicians. System checks and diagnostics are run on a scheduled basis, to include coordinated bandwidth checks with service technicians from our bandwidth service provider. Our generator has monthly maintenance, and actual trial tests are performed automatically each Monday.



If at any time one of our system servers fails, traffic will not be interrupted.

The CTC Phone Manager routes calls "round robin" through several high powered servers. If a connection is lost the call is disconnected automatically. When the system is incapable of reaching a synthetic dial tone from any one server, the system automatically reroutes the call to one of several other servers. In the event of power failure at the facility, our Adtran equipment will automatically shut down and lose its synthetic dial-tone disallowing any calls from being placed from an inmate phone. Once power is restored, the Adtran will automatically power back up and the synthetic dial-tone will be restored. At this point, normal inmate phone traffic may resume.

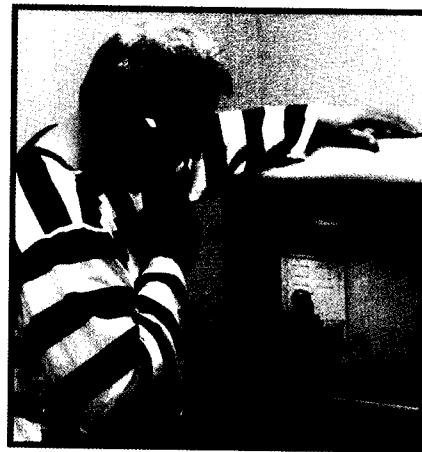
INMATE TELEPHONE HARDWARE

VIDEO VISITATION & ARRAIGNMENT

In today's world of facilities having to find ways to streamline operations in an effective and efficient manner without sacrificing any integrity or security, the use of Video Visitation & Arraignment Systems are becoming more prevalent. CTC had the vision of technology to come in this industry and built its platform to become one of the first Internet based platforms in the nation. Knowing the needs of law enforcement and correction facilities, we built video in as an inherent piece of our solution. CTC is not one of the "Johnny Come Lately" companies: it is an innovator and visionary.

— BENEFITS:

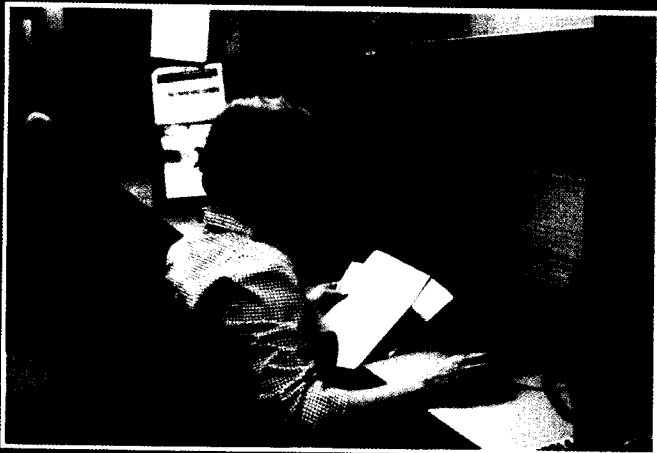
- Allow facilities to reduce movement of inmates
- Reduces or eliminates contraband from entering the facility
- Reduces foot traffic at the facility
- Easy to use scheduling software
- Generates extra revenue from offsite home or attorney visits
- Saves on labor cost involved in conducting traditional face to face visitation at the facility
- Secure platform provides recording and monitoring of all video applications
- Reduce recidivism by allowing more visits by inmates and relieving the family and friends from travel and visiting a correctional facility



To schedule a demonstration from one of our video professionals or an onsite visit to engineer the specifications for your facility, please contact us at

City Tele Coin Company, Inc.
4501 Marlena St.
Bossier City, LA 71111
800.682.0707

OFFSITE/MANAGEMENT



ON-SITE & OFF-SITE SYSTEM MANAGEMENT

Accessible 24/7 from any location or handheld device with internet access, The CTC Phone Manager is a secure, web-based platform that allows single-site, user-level access by only those authorized individuals who have been assigned privileges and specific entry rights into any single site. User-level access is based on a hierarchy scheme in that system features are open to, hidden from, or otherwise locked based on the authorization rights assigned to individual users. Administrative functions of the CTC Phone Manager are dependent exclusively on the user, independent of terminal, point of access, location, or device through which the CTC Phone Manager is accessed.

The CTC Phone Manager requires the user to login as a Site Administrator, Site User, or a Site User (PINS only). Only Site Administrators can control call functionality, have the ability to set up new users, and view real-time revenue reports. Site Users have capabilities much like the Site Administrators but cannot set up a new user, control the inmate phones or view the inmate phone revenue for the facility. Site Users (PINS only) have only two capabilities involving functions of PIN set-up and entry.

Facility Administrators, Investigators, and/or authorized users may access call controls or call records and recordings remotely from locations other than the onsite workstation computer quickly and efficiently in order to perform any or all of the administrative or investigative functions permitted by the individual's security level. The user interface and system functions available via remote access are identical to those of the on-site workstation; all functionality and feature components of the CTC Phone Manager remain the same.

All functions assigned to the individual user are accessible by a single entry password. Access to call controls, administrative functions, call detail records, and call recordings are password protected to prevent unauthorized access. Assigned passwords dictate which features, functions, and data will be accessible to each user. The CTC Phone Manager times out after a short period of inactivity; therefore re-entry into the system requires that the user re-enter their password.

Site Administrators may at any time, from any location, listen to, download, playback recorded calls, view attempted calls, allow and disallow destination numbers and PINs, search for a particular inmate based on various criteria, limit inmate privileges by phone, PIN, destination number, set up alerts, monitor calls in progress, view real time revenue on any phone located within your facility for all call types, view real-time "Top 25s," physically shut off/turn on any telephone located within your facility, and edit user rights.

Changes made inside the CTC Phone Manager are recognized and implemented instantly. Commands and functions of the Site Administrator are tied in directly to our on-site equipment and CTC Phone Manager. Changing a function at your site is as quick as changing it on our server. Changes are made in real-time and there is no delay.

The CTC Phone Manager allows a Site Administrator to operate their inmate phone system via on-line facility access. Phones are listed inside the CTC Phone Manager so that the Site Administrator can easily discern which pod, dorm, and/or area the individual phone belongs to so that parameters may be placed appropriately. Manual on/off switches that control service to all inmate telephones, individually and by area, are installed at the same time as the system.

Inmate Phones may be controlled individually, per pod, dorm, area, and system wide as follows:

- Temporarily suspend selected phones from inmate use
- Program the length of an inmate's conversation (Audible warnings at 90, 60 and 30 seconds remaining)
- Restrict inmate calls to particular hours each day
- Schedule inmate calls to particular hours each day
- Apply restrictions based on day and time of day
- Set parameters based on individual phone, pod, dorm, area, destination number, or PIN

CTC PHONE MANAGER

Site Administration & Management REAL-TIME ON-SITE & OFF-SITE ADMINISTRATION & MANAGEMENT OF YOUR PHONE SYSTEM

- Secure, Web-based Platform
- User Level Access Security
- Accessible 24/7 from any Computer Location or Handheld Device with Internet Access
- Effortless On-site & Off-site Site Administration
- Complete Phone System Management & Control
- Individualized PIN Control
- Advanced Call Recording
- Live Call Monitoring
- Number Alert & Notification Forwarding
- Record Storage & Retrieval of Calls or Video
- Customized Telephone Control
- Customizable Call Detail Reports
- Real-time Revenue Verification
- Live Customer Support
- High Level Technical Support & Maintenance
- Options for Inmates & End-users
- Advanced Technology & Equipment

GENERAL SERVICES 1

MAINTENANCE & TECHNICAL SUPPORT

City Tele Coin directly hires and maintains our own staff and we employ our own technicians located strategically throughout the U.S. in states where we provide service. We are a single source provider of services and no portions of our operations are outsourced. City Tele Coin prides itself on the level of service and support we provide to our facility partners. When a problem or issue arises, you can be sure that we want it resolved as quickly as possible. Our personnel are certified and trained to respond to any maintenance call. Be assured that we will do everything possible to resolve all issues within a timely manner.

SERVICE & SUPPORT

24 Hours per Day, 365 Days per Year, CTC offers Technical Support and repair and maintenance assistance. CTC's technicians are always on call. If a general problem should arise, our customer service representatives are available between the hours of 7:00 a.m. and 11:00 p.m., 7 days a week. After normal operating hours, the Sheriff and/or his designated administrators may contact any of our technicians as they are all set up to conduct web-based facility functions from their homes. We provide all our technicians with an array of testing equipment, tools, and stock items which are necessary for installation of new and/or additional phones, modifications to phone locations, visitation phones and equipment, as well as other ancillary equipment needed to maintain a productive and fluent system. All of CTC's technicians are equipped with devices (PCs, handheld devices) that allow them to trouble-shoot and resolve system software problems remotely. Our technicians are available 24/7 via cellular phone and between 7:00 a.m. and 11:00 p.m., 7 days a week via a local line or toll free number. We can easily and quickly access your facility site and diagnose, report problems and resolve issues from inside our master CTC Phone Manager.

REPAIR

Notifications are sent automatically to our City Tele Coin "Support Group" upon any instance of line failure at a facility. We immediately assume the responsibility of coordinating efforts with the telephone company to reestablish lost line service to your facility. Repair and/or maintenance on any of the phones located inside the facility will be handled by one of our technicians located within close proximity of the facility location. While CTC employs numerous in-house service technicians, we utilize a small number of contract-labor technicians located throughout the United States who we highly trust and who are readily available to assist us when an emergency repair must be handled within a time frame too small for dispatching one of our in-house technicians. Unlike many other vendors, CTC understands the necessity of keeping equipment, phones, tools, and replacement items "on-hand." We have a warehouse devoted to stocking such items and we keep our contract technicians stocked with "on-hand" items from our warehouse at all times. We employ an in-house technician whose primary job function is inventory control and quality assurance; at no single time are we ever without a working replacement item. Every piece of our inventory (from phones, to keypads) is thoroughly checked and tested upon arrival, before being placed on one of our stock shelves.

MAINTENANCE & UPDATES

Whenever there is a need for new software, hardware on our end, or expansions and/or upgrades to the system, it is conducted and/or downloaded during the "off" hours of the inmate phone system. Most functions of enhancement take place without interruption of inmate telephone traffic. Because we employ a network of inside and outside technicians, we are able to detect a system problem immediately. Because our equipment is located at our office, all service and maintenance is handled from our Bossier City location. Updating and maintenance are done on an as needed basis when new and improved features are implemented.

PIN & CALL MANAGEMENT

PINs may be entered automatically into the CTC Phone Manager via batch file from your existing booking system, or CTC can issue a request to our team of supervisors to have the numbers added manually. The Site Administrator, at the time of booking or whenever a number needs to be reissued, creates and assigns PINs from directly inside the CTC Phone Manager for their site. CTC can interface with the existing jail management system so that PINs are automatically populated into the CTC Phone Manager. As soon as an inmate is released from booking, their PIN is automatically deactivated inside the CTC Phone Manager.

The Site Administrator will have the ability to choose the number of digits (1-10) included in an inmate's PIN and may use any unique number, booking ID number or the inmate's social security number as their PIN. The PIN may be stored permanently and can be reactivated if the inmate returns to the facility.

Site Administrators may totally or partially restrict an inmate's calling ability for any specified period of time through the use of PINs. Phone privileges, via the inmate's PIN and for any number of inmates, may be manipulated without affecting the rest of the inmate population. The restrictions can be put in place or removed at any time using the CTC Phone Manager. Restrictions include allow lists and temporary usage suspensions.

The CTC Phone Manager allows for the storage of a pre-recorded name, based on the inmate's PIN. Anytime the inmate places a call from any phone within the facility, it is a function of our system to require that the inmate PIN be entered before a call is processed. The inmate will not be prompted to state his name during a call after his PIN has been properly created; his name is automatically stored and will be relayed to the end-user by the automated operator.

Inmate calls processed by the CTC Phone Manager are subject to the following:

- Call Branding (the name of the facility is announced at the beginning of each call)
- PIN Recognition (the name of the inmate is announced automatically based on PIN)
- Inmates hear music until an end-user positively accepts a call
- Warning Announcements (that call is being recorded, and remaining time for call)
- Connection Delay (acceptance of a call is not allowed until the menu plays through)
- End User Options (Accept/Reject call, hear charges for call, check Prepaid Balance, Replay Menu Options)
- Disallowance of 800/900/Information/Operator Calls

Inmates may elect automated instructions in English or Spanish. Upon initiating a call, inmates are offered a complete list of options including the following:

- Time of day
- Prepaid Inmate Calling Card balance
- Funds transfer of left over units onto newly purchased prepaid inmate calling card
- Instructions for placing different call types
- Directions on contacting CTC toll free
- Automatic connection to ICE
- Automatic connection to the Commissary
- Snitch line
- Emergency or PREA number

GENERAL SERVICES 2

RECORDS

RECORDING

The CTC Phone Manager monitors and records all inmate phone traffic on a 24/7/365 basis. Recording a call starts when the inmate phone is taken off hook and does not end until the inmate phone is placed back on hook. Whether a call is accepted, rejected, treated as inmate hung up, or otherwise terminated or not answered, the call is recorded and stored. Functions for disallowing the recording feature are available but belong exclusively to the CTC Group Administrator. Unless otherwise directed to disallow the recording status of a phone number, the record and live monitor functions will by default be turned on.

STORAGE

Call recordings are stored on record servers in duplicate in that they are stored in two locations, independent of each other. The servers are scheduled to automatically perform self back-ups every 15 minutes, 24/7 – 365. They are structured so that in the event of hard drive failure, data is still retrievable. Recordings may be retrieved from any computer location or hand held device with internet access and quickly stored locally to a hard drive or any type of recordable media so that permanent storage is achieved. The CTC Phone Manager treats each recording as a sovereign piece of data in that the recording may be saved instantly without prior or full review. Use of a specific hard drive for permanent on-line retention of records is an option available to each site; otherwise, recordings are stored for 365 days.

RETRIEVAL

Locating recorded conversation(s) from any location (remote or on-site) is achievable by following two simple steps: (1) Enter the phone number or PIN into its destination text box, and (2) Search. Once you've located a call, you simply click its "actions" box and the conversation will begin to play. Various parameters may be applied to each search, such as date and time, dorm location, etc. Our recordings may be transferred easily to a CD or other media and replayed at any time on any device with audio capabilities. Recordings do not have to be played in their entirety to be downloaded or transferred. With each download or transfer, our system maintains the following applicable information pertinent to the call/recording: Date, Time, Originating number, Destination number and Inmate PIN. Furthermore, replay of any recorded conversation associated with a selected call record or reporting period may also be initiated from inside a call detail report.

INVESTIGATING

Since all calls are stored on a hard drive at CTC's main facility there is no way to tamper with or edit them. Investigators may transfer an entire call or a portion of a call onto a CD or other device. The entire recording will still be available for court purposes if only a portion of the call is recorded onto a CD. By applying the relevant identifying information automatically to a downloaded recording, the CTC Phone Manager maintains the integrity of the chain of evidence in as much as it relates to functions within the control of CTC. Investigators may also "bookmark" certain parts of a recorded call by providing an area wherein notes on a particular call can be annotated.

MONITORING

Live Monitor is a standard feature of the CTC Phone Manager wherein you may view and monitor all calls currently in progress inside your facility. Parameters may be applied for detailed search criteria such as Location, Destination Type, Call Type, Card ID, Station Number, Destination Number, and/or PIN. Live calls are shown on-screen and include information such as where the inmate phone is located inside the facility, the destination number, an interactive satellite map button which brings the user to the location of the destination number, real-time call duration, as well as other standard

call statistics. Calls may be monitored in spy mode (undetectable by either party), whisper mode (alert either party of the monitor), and barge mode (speak with both parties simultaneously). Calls may also be terminated by the user during Live Monitor.

ALERTING

The ability to receive an alert (viewing a number for auto-monitoring) for investigative purposes was designed in our system so that it is user-friendly and simple. Alerts can be made available to any of your staff who have been designated a Site Administrator or as a Site User. As long as you have been assigned administrative rights to set a Destination Number at an "alert" status, you may do so on-site or off-site. The CTC Phone Manager allows an alert to be sent to you whenever an inmate uses his PIN or dials a certain Destination Number, via email, call or text message. Contact upon a "hit" is automatic as soon as a call is placed that falls within the parameters you specified inside the alert system.

REPORTING

The CTC Phone Manager records and stores all aspects of inmate call details on a 24/7/365 basis. Call detail records are collected per facility on a daily basis and disbursed to our billing company and to our accounting department. The CTC Phone Manager records the following information when a call is placed or attempted: Facility from which call was made, Call Date, Call Time, Location call was placed from within facility, From Number of the phone within the facility from where the call was placed, Destination Number, Call Type, Call Rate, Call Duration, Call Charges, Inmate PIN, Call Termination Type. Call detail records are saved in their entirety in at least four locations, each location independent of itself, each and every day of the year (they are located inside the CTC Phone Manager, recorded by our billing company during upload, stored in email form on a central email server as well as on a local email hard drive, and retrievable from any hard drives to where they're downloaded into an internal audit program).

Printable call detail reports may be pre-configured to display whatever information the site specifically asks that we report in hard copy; at minimum the following fields of information are listed inside the report: Total Number of Records per Call Type, Total Duration per Call Type, and Total Revenue per Call Type. Features of each report may be easily adjusted, independently for each site, so that the call detail report displays alternate fields of information. Additionally, the Site Administrator is allowed to sort call detail records on-screen by cell, destination, rate, call type, and PIN. The CTC Phone Manager allows for a search for call records based on specific criteria. Site Administrators may access and edit restrictions assigned to telephone numbers, PINs, and inmate phones directly from on-screen call detail reports.

Moreover, summary reports may be quickly generated for the most frequently dialed destination numbers, the most frequently used PINs, traffic per inmate phone, revenue trends per location and/or station, and newly added/created PINs. Reports may be based on various parameters, including date and time, and may be sorted on screen.

REVENUE VERIFICATION

Because the CTC Phone Manager is web-based, call records are continuously being updated. Site Administrators may perform any number of searches at any given time to review real-time, detailed information about revenue generation at their site. By performing searches on phone trends, you are able to determine when/if a phone or group of phones breaks trend and thereby immediately remedy potential problems. When monthly commission reports are sent, you can quickly and easily cross-examine our reports by logging into your site and performing a revenue search.

LIVE AGENTS/PREPAID OPTIONS

INMATES

The CTC Phone Manager is powered by a number of extremely powerful servers; simultaneous access into the CTC Phone Manager by an unlimited number of Administrators, Investigators, and/or users at any single time will not degrade call data, bog down any portion of the system, or otherwise prevent normal, streamline operations to continue uninterrupted.

INMATE HOTLINE

Our Inmate Hotline is set up so inmates are able to dial our local number for free help in contacting family, friends, preacher, reporting medical problems, rape and/or assaults. Also includes jailer assistance from inside cell. Inmates can also speak with a Customer Service Representative about issues regarding their prepaid inmate card(s) or request that a CSR help an end-user set up an account. CSRs are not allowed to pass messages for the inmates, place three-way calls, advise the inmates on any matter outside the realm of instructional information concerning our phone system, or speak at ease with the inmate. Allowing the inmates to access our helpline for free is a highly effective function of our system in that it dramatically decreases the time and effort that your staff spends on phone system issues, it reduces inmate frustration with the phone system, and it creates a higher revenue stream. Often times, end-users do not fully understand that an inmate is trying to reach them, or they are initially wary of accepting a call; the inmate hotline serves as a basis for alleviating a huge majority of misgivings and misunderstandings on behalf of the end-users and the inmates, and it frees up tedious workload from jail staff.

CRIME TIP LINE FOR INMATES

A crime tip line may be set up to provide any or all inmate phones with a speed dial number that will allow an inmate to anonymously report criminal activity within the facility. The system will only allow authorized Site Users to access the anonymous call records. The CTC Phone Manager can also be set to provide a speed dial number that routes tips anonymously to an investigator's voicemail from an inmate phone from within the facility.

END-USERS

CUSTOMER SERVICE FOR END-USERS

CTC currently has a staff of just under 50 CSRs. Our CSRs are here from 7:00 a.m. until 11:00 p.m., 7 days a week, 364 days per year (we are only closed on Christmas day), and are available for live support during the hours and days listed. Our primary reason for promoting the use of live operators (CSRs) is to ensure that each customer receives support based on his/her individual needs. In approaching each and every customer issue on a personal level, we are able to keep extensive notes on and cross-check for information pertaining to the customer's situation or unique circumstance; therefore, we are able to reduce the recurrence of particular issues while at the same time increase staff efficiency. Moreover, our CSRs are trained to personally field customer calls, handle customer questions, troubleshoot customer issues and refer customers to Supervisors who have been trained to troubleshoot on a higher level of research. Our Supervisors are trained to make decisions that are based in the best interest of the customer without damaging your best interest or ours.



PREPAID OPTIONS FOR INMATES

The CTC Phone Manager automatically equips each facility with the ability to use of Pre-paid Inmate Calling Cards. Jail Administrators simply call one of our Administrative Staff and place an order for the amount of cards they will need, as well as denominations, whereupon the cards are immediately generated and sent to the Jail Administrator. Invoices are sent with each set of Pre-paid Inmate Calling Cards at a pre-determined discounted rate (usually this discount is the same as the commission being paid on all other types of usage, plus any miscellaneous discounts and/or signing bonus discounts). Cards may then be sold to inmates in any fashion which the facility sees fit. Pre-paid Inmate Calling Card amounts vary and are generated for whatever amount the Jail Administrators request. Any denomination may be used with our system. Rates applied to calls made using a Pre-paid Inmate Calling Card are adjustable and CTC will work with each facility on an individual basis to set rates at whatever cost the facility feels is necessary. The CTC Phone Manager was built so that it is easily integrated into a jail management system, commissary provider systems, and/or a card kiosk.

PREPAID OPTIONS FOR END-USERS

Customer Assistance is offered to all our customers regardless of customer type. Our prepaid service, Direct Pay, allows customers the ability to set up a pre-pay account with one of our Customer Service Representatives by calling toll free 800-682-0707. Pre-pay accounts can be set up during normal business hours which are from 7:00 a.m. until 11:00 p.m., 7 days a week, 364 days per year. Our prepaid service is available to customers who have collect call blocks, customers who are not currently with a billable phone company, customers who have cellular phones, and for any customer who otherwise wishes to use our prepaid service. Pre-paid account set-up, replenishment and account maintenance are all handled on a personal basis between the customer and a Customer Service Representative employed by and working at CTC. CTC prepaid calling cards allow for small or "odd balance" to be transferred to a new card. We approach our pre-paid calling option in the following ways:

Payment/Account Replenishment Options and Methods

Once a customer sets up his/her prepaid account with one our Customer Service Representatives, that customer may replenish his/her account in the following ways: by paying cash at our payment window, by mailing a money order to our office, by using a credit or debit card, Money Gram, or cashier check.

Billing Options and Methods

Customers who take advantage of our Direct Pay option are not billed for services. Customers must make payment before the account is activated so therefore we do not employ any billing options and methods in conjunction with our pre-paid system. Our system is designed so that a customer may not go over their balance.

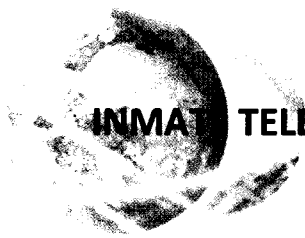
Balance Notification

At any time our customers may call and ask one of our Customer Service Representatives what their pre-paid balance is. Customers are also given an option to hear their remaining pre-paid balance upon an inmate calling; an option that is a courtesy and does not cost the customer any extra money or time usage.

Refunds on Pre-paid Accounts

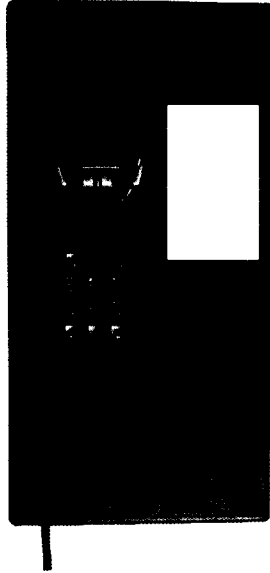
Upon an inmate being released or transferred to a facility that is not currently set up with our system, customers may request a refund simply by calling our offices and speaking with any Customer Service Representative. Refunds are based upon remaining account balance.

The CTC Phone Manager supports usage vs. method for placing and accepting all call types. Traditional collect, prepaid collect, and debit card collect calls may all be used in conjunction with placing local, intralata, interlata, and interstate calls.



INMATE TELEPHONE HARDWARE

CT-500 INMATE TELEPHONE



GENERAL SPECIFICATIONS

HOUSING: High security, 14 gauge steel

SIZE: 14 1/2"H x 8"W x 2 1/2"D

CORD: Standard 36" (L)

HANDSET: Armored cord w/steel lanyard, heavy 14 gauge steel retainer

INFO CARD: 2 1/2"H x 5"W

MOUNTING: Directly to wall or directly onto backboard

CONNECTIONS: Modular or Spade

TECHNICAL SPECIFICATIONS

20mA Minimum to 80mA Maximum Line Power

Meets FCC Parts 68 and Bellcore TR-TSY-000450

Meets Waterspray Test Bellcore TR-TSY-000456 7.2

Relative Humidity 0% to 95% Condensing

Operating Temperature -40 to 140 Degrees Fahrenheit

Hearing Aid Compatible EIA-RS-504

Meets ADA Requirements

AVAILABLE MODIFICATIONS include: **HOUSING:** Stainless Steel, Blue Powder Coat, Black Powder Coat • **CORD:** 8", 15", 18", 24", or 32" (L) • **AUDIO:** Volume control button • **EQUIPMENT:** Invisible Hookswitch, Wall Mount Backboard, 2 or 4 Wheel Cart

The Total Access 900/900e Series of IP Business Gateways combine the functionality of ADTRAN's industry-leading integrated access devices with a SIP/MGCP and analog gateway to offer carriers and network service providers a cost-effective IP network strategy for VoIP deployment, with support for legacy equipment. The Total Access 900 and 900e Series allow carriers to deliver SIP trunks, hosted PBX, and other integrated voice and data services such as Dedicated Internet Access (DIA) to small and medium businesses, quickly and cost-effectively.

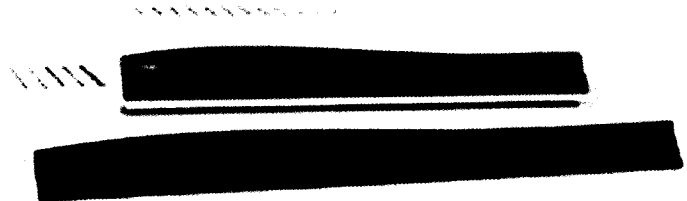
TOTAL ACCESS 900 SERIES

Single-T1, IP Business Gateways designed for carrier SIP/MGCP Voice over IP (VoIP) networks

TOTAL ACCESS 900e SERIES

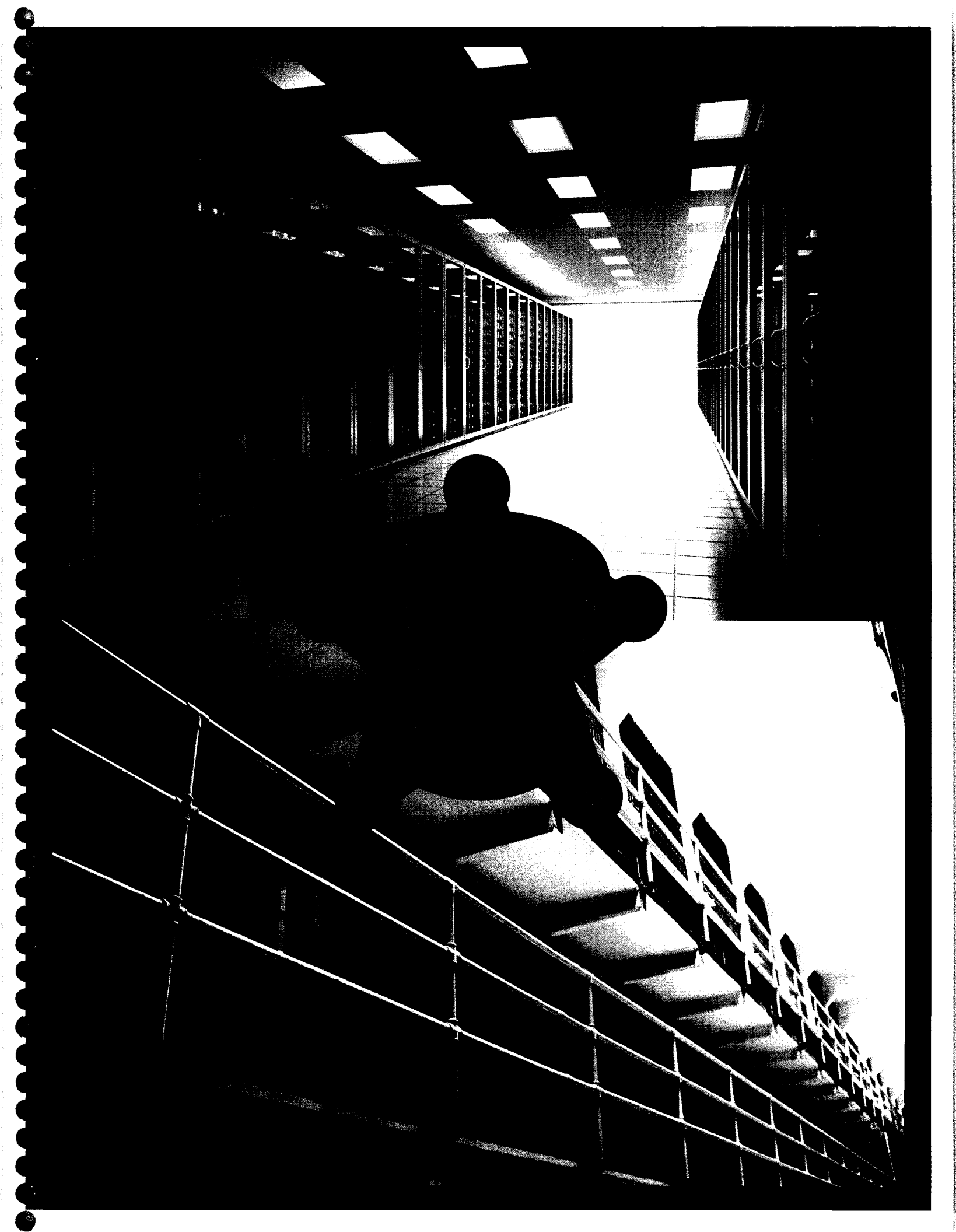
Multi-T1, IP Business Gateways designed for carrier SIP/MGCP Voice over IP (VoIP) networks

ADTRAN, TOTAL ACCESS 900/900e SERIES



GENERAL SPECIFICATIONS

- Converged Access solutions for trunking and hosted VoIP networks
- Robust routing, firewall, VPN, Voice Quality Monitoring, QoS, dynamic bandwidth allocation, and remote management features
- Analog to SIP or MGCP conversion for legacy support over a dynamic IP network
- Support for up to 24 analog FXS ports, integral DSX-1 PRI/CAS interface for PBX connectivity
- Multi chassis options provide flexibility, room for growth





CTC Company, Inc.

4501 Marlena Street
Bossier City, LA 71111
www.citytelecoin.com

Be aware of **DECEPTIVE** billing practices and **PROMOTIONAL** rates.

CTC is providing this letter in connection with a proposal for INMATE TELEPHONE SERVICE. We would like to take a moment to elaborate on our definition of **TRUE COMMISSION**. While many companies will offer 75% and higher commissions, the true commissions will not be near this percentage of the revenue generated from the facility. Most companies utilize **Promotional Rates** which are excluded from the revenue used to calculate commission. These rates are advertised on the inmate phone calls, websites, and through live operators resulting in a higher volume of these types of rates which are minimal or nonexistent in commission for the facility. Attached directly behind this sheet is an actual commission report from a Texas facility that left one of these companies after learning of these practices. Their alleged commission was **53%**; however, after calculating their true revenue with promotional rates included, they were actually receiving **19.14%**. This **DRASTIC** amount of **DECEPTION** has been an average statewide.

With the FCC changes made, the companies implementing promotional rates fought and won to continue charging them. Promotional rates are flat rate calls excluded from commission revenue calculations, which is how other companies offer high percentage rates. CTC commission is a **TRUE** percentage based on **TOTAL REVENUE**. This claim is verifiable through transparent reporting of usage and revenue accessible to the Facility Administration via our **PHONE MANAGER** platform. This data is a live update and accessible twenty four hours a day, seven days a week. **SIMPLE MATH = ZERO DECEPTION!**

CTC HAS PROUDLY, SINCE 1986, BUILT THIS COMPANY WITHOUT EVER IMPLEMENTING ANY DECEPTIVE BILLING OR COMMISSION PRACTICES.

Also **available upon request (117 pages)**: The following is outlined in the State of Alabama Docket 15957 (Further Order Adopting Revised Inmate Phone Service Rules)

- ❖ Page 11 – Quotes the FCC ICS Order regarding site commissions for interstate rates stating they are to be paid but cannot be added to the rates and passed on to inmates and their loved ones. This order went into effect on February 11, 2014. Any commissions NOT paid on interstate rates are due to the facility by the ICS Provider. (Securus specifically contends that interstate commissions are not to be paid despite clear direction from the FCC.)
- ❖ Page 15 – GTL is objecting to listing the call rate in the call detail of its customer account statements. They feel it is not a standard field in GTL's billing system and recommend the commission remove this requirement. **At no point should ICS Providers be hesitant to provide call rate details to the customers. It is part of transparency to provide such information and by not providing such, can lead to deceptive billing practices.**



- ❖ Page 37-38 – Details the rates charged for Single Payment Options (promotional rates) by various companies. Securus and GTL are charging \$14.99 and \$9.99. These rates are charged regardless of how long the call lasts. Should they talk for 15 minutes, it would average out to \$1 per minute and \$0.67 per minute. These rates far exceed the recommended rates for calls from the FCC but they have been granted a stay to continue charging such rates and most are excluded from commissions or paid at a minimal basis (\$1.60 paid on calls costing \$14.99 and \$0.30 paid on calls costing \$9.99 with Securus).
- ❖ Page 42-43 – States that **unreported revenue** (based on promotional/single payment options) was 72% of reported revenue. The effective rate for unreported revenue at the jail in question was \$0.847 per minute, assuming the call lasted the full 15 minutes. Also stated in Section 6.37 is the lower site commissions for facilities with single payment services. The site commissions at facilities served by providers that offer single payment services are actually **much lower** when unreported inmate call revenue is taken into account.
- ❖ Page 44 – In section 6.40, it shows that NCIC charges \$5.95 for their Collect to Mobile single payment offerings which is complaint with the Commission's rates but these are still flat rates extended to customers regardless of the amount of time spend on the call. **CTC does NOT participate in single payment options or promotional rates as it can be costly to the loved ones of inmates and does not differentiate between local, intrastate, or interstate calls making reporting less accurate.**
- ❖ Page 83 – Section 11.03 is relating to records maintained by the ICS provider. GTL states it does not maintain records on a correctional facility basis. Securus states it also has some data which is not facility specific. This practice and these claims lead the Commission to question the method used to calculate site commissions without facility specific data. These recordkeeping practices are what leads to deceptive billing and unreported revenue.
- ❖ Appendix A – Impact of Securus "Pay Now and Text-Connect" (single payment options) in an Alabama Jail detailing the **72% of unreported revenue totaling \$11,505.94.**

More than anything we appreciate and thank you for this opportunity! Please feel free to contact us directly via any of the following contacts: Administration and Accounting Office – 318.629.1595 | David Cotton, SR. VP of National Sales – 318.613.3472 dsc@dsctactical.com | James Anderson, Regional Sales Director 281.974.0898 james@citytelecoin.com.

| Orig. ANI | Local Revenue | Local Min. | Local Calls | Interstate Revenue | Interstate Min. | Interstate Calls | Interstate Revenue | Interstate Min. | Interstate Calls | Interstate Revenue | Interstate Min. | Interstate Calls | Interstate Revenue | Interstate Min. | Interstate Calls | Interstate Revenue | Interstate Min. | Interstate Calls |
|---------------|-----------------|------------|-------------|--------------------|-----------------|------------------|--------------------|-----------------|------------------|--------------------|-----------------|------------------|--------------------|-----------------|------------------|--------------------|-----------------|------------------|
| | \$199.95 | 100 | 43 | \$0.61 | 2 | 1 | \$14.95 | 13 | 3 | \$0.00 | 0 | 0 | \$0.00 | 0 | 0 | \$0.00 | 0 | 0 |
| Total: | \$199.95 | 100 | 43 | \$6.61 | 2 | 1 | \$14.95 | 13 | 3 | \$0.00 | 0 | 0 | \$0.00 | 0 | 0 | \$0.00 | 0 | 0 |

Prepaid Collect

| Orig. ANI | Local Revenue | Local Min. | Local Calls | Interstate Revenue | Interstate Min. | Interstate Calls | Interstate Revenue | Interstate Min. | Interstate Calls | Interstate Revenue | Interstate Min. | Interstate Calls | Interstate Revenue | Interstate Min. | Interstate Calls | Interstate Revenue | Interstate Min. | Interstate Calls |
|---------------|---------------|------------|-------------|--------------------|-----------------|------------------|--------------------|-----------------|------------------|--------------------|-----------------|------------------|--------------------|-----------------|------------------|--------------------|-----------------|------------------|
| | \$0.00 | 0 | 0 | \$553.97 | 984 | 78 | \$798.95 | 1080 | 124 | \$457.59 | 2179 | 188 | \$0.00 | 0 | 0 | \$0.00 | 0 | 0 |
| Total: | \$0.00 | 0 | 0 | \$553.97 | 984 | 78 | \$798.95 | 1080 | 124 | \$457.59 | 2179 | 188 | \$0.00 | 0 | 0 | \$0.00 | 0 | 0 |

Grand Total: \$199.95 100 43 \$559.58 986 77 \$813.62 1083 127 \$457.59 2179 188 \$0.00

OTHER REVENUE

| Revenue Type | Orig. ANI | Name | Revenue | Commission |
|-----------------------------|-----------|------|-----------------|-----------------|
| AIS Value | | | \$0.00 | \$0.00 |
| Con-operated Pay Telephones | | | \$0.00 | \$0.00 |
| OTL Disallowed | | | \$0.00 | \$0.00 |
| Instant Pay - Pay Now | | | \$288.80 | \$43.20 |
| Instant Pay - TextConnect | | | \$43.20 | \$6.48 |
| Legacy Operator Assistant | | | \$0.00 | \$0.00 |
| SMI | | | \$0.00 | \$0.00 |
| Video Voucher | | | \$0.00 | \$0.00 |
| Value | | | \$0.00 | \$0.00 |
| Total: | | | \$912.00 | \$121.68 |

Total Revenue: \$2,030.74

Calculated Commission: \$299.71

Bonus

53% of \$3956.82 = \$2097.15

Per Call "Bonus" Paid \$1.00

Rate Charged \$0.30

Promotional Revenue

Pay Now 100 calls @ \$0.30 = \$30.00

Total Promotional Revenue \$30.00

| | | | | |
|--------------------------|------------|-------|-----|----------|
| International | \$0.00 | 0 | 0 | \$0.00 |
| Interstate | \$0.00 | 0 | 0 | \$0.00 |
| Intrastate | \$5.81 | 2 | 1 | \$2.87 |
| International/Interstate | \$0.00 | 0 | 0 | \$0.00 |
| Local | \$198.95 | 100 | 43 | \$106.87 |
| Prepaid Collect | \$1,810.52 | 4,343 | 386 | \$717.06 |
| Interstate | \$788.96 | 1,080 | 124 | \$423.45 |
| International | \$0.00 | 0 | 0 | \$0.00 |
| Interstate | \$457.59 | 2,178 | 166 | \$0.00 |
| Intrastate | \$553.97 | 984 | 76 | \$283.60 |
| International/Interstate | \$0.00 | 0 | 0 | \$0.00 |
| Local | \$0.00 | 0 | 0 | \$0.00 |

Totals: \$2,030.74 4,388 433 \$833.77

Direct Billed & Prepaid Collect Commission Paid \$833.77
 Promotional Rate Bonus Paid \$312.02
 Total Commission Paid \$1145.72

True 53% Commission

Direct Billed Commission = \$116.72
 Prepaid Collect Commission = \$959.57 \leftarrow with interstate
 Promotional Revenue Commission = \$2097.15

TRUE 53% Commission = \$3173.44 vs \$1145.72 Paid

Commission is to be paid on interstate rates.

Interstate Revenue = \$457.59
 53% Commission = \$242.52 NOT PAID

True Revenue Breakdown

Promotional Revenue \$395
 Direct Billed Collect \$200
 Prepaid Collect \$180

Total True Revenue = \$595
 \$1145.72 is 19.14% of True Revenue



CTC Company, Inc.

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FCC interpretation: Confusion or Deception??

Commission Paid on INTERSTATE call revenue

Attached is a redacted commission statement from an actual jail in Texas dated 05/01/2016 – 05/31/2016. This statement reflects a \$553.62 loss in commission due to the deception or confusion of the FCC ruling. Depending on how long this practice has been implemented, some could assume this county may be owed an extravagant amount of unpaid commission.

Section 4.05 of the Report and Order and Further Notice of Proposed Rule Making (the FCC ICS Order)

clearly states that the FCC does not exempt ICS Providers from paying site commissions on interstate rates. In contrast, it states that site commissions are to be paid per the contractual agreements; However, the **FCC ICS Order implemented on February 11, 2014**, is very clear in stating "site commissions and other expenditures that are not reasonably related to the provision of ICS are not recoverable through ICS rates, and therefore may not be passed onto the inmates and their friends and family." What that means is ICS providers alleging that the FCC restricts site commissions on interstate rates are incorrect and have been advised of such. They simply cannot add the cost of commission to the rates. Rates are set forth by the FCC and cannot be exceeded to compensate for site commissions. These ICS providers are also those tied to deceptive billing and promotional rates (single payment options).

Commissions [REDACTED] Co Jail Starting: 05/01/2016 Ending: 05/31/2016

| Collect Calls ----- 05/01/2016 - 05/31/2016 | | | | | | 55.00% |
|---|----------------|---------------|------------|---------------|---------------|------------|
| Call Type | Termination | Lata | Call Count | Total Minutes | Total Revenue | Commission |
| Collect Calls | Completed Call | Local | 11 | 64 | \$ 46.75 | \$ 25.71 |
| Collect Calls | Completed Call | Intralata | 0 | 0 | \$ - | \$ - |
| Collect Calls | Completed Call | Interlata | 0 | 0 | \$ - | \$ - |
| Collect Calls | Completed Call | Interstate | 0 | 0 | \$ - | \$ - |
| Collect Calls | Completed Call | International | 0 | 0 | \$ - | \$ - |
| | | | 11 | 64 | \$ 46.75 | \$ 25.71 |

| Prepaid ----- 05/01/2016 - 05/31/2016 | | | | | | 55.00% |
|---------------------------------------|----------------|---------------|------------|---------------|---------------|-------------|
| Call Type | Termination | Lata | Call Count | Total Minutes | Total Revenue | Commission |
| Prepaid | Completed Call | Local | 78 | 898 | \$ 307.55 | \$ 169.15 |
| Prepaid | Completed Call | Intralata | 47 | 465 | \$ 228.86 | \$ 125.87 |
| Prepaid | Completed Call | Interlata | 185 | 1,896 | \$ 1,093.87 | \$ 601.63 |
| Prepaid | Completed Call | Interstate | 307 | 2,870 | \$ 1,006.58 | \$ - |
| Prepaid | Completed Call | International | 61 | 348 | \$ 547.54 | \$ 301.14 |
| Prepaid | Completed Call | Voicemail | 7 | 7 | \$ 5.00 | \$ 2.75 |
| | | | 685 | 6,483 | \$ 3,189.40 | \$ 1,200.55 |

| All Call Types ----- 05/01/2016 - 05/31/2016 | | | | | | |
|--|----------------|---------------|------------|---------------|---------------|-------------|
| Call Type | Termination | Lata | Call Count | Total Minutes | Total Revenue | Commission |
| All Calls | Completed Call | Local | 89 | 962 | \$ 354.30 | \$ 194.87 |
| All Calls | Completed Call | Intralata | 47 | 465 | \$ 228.86 | \$ 125.87 |
| All Calls | Completed Call | Interlata | 185 | 1,896 | \$ 1,093.87 | \$ 601.63 |
| All Calls | Completed Call | Interstate | 307 | 2,870 | \$ 1,006.58 | \$ - |
| All Calls | Completed Call | International | 61 | 348 | \$ 547.54 | \$ 301.14 |
| All Calls | Completed Call | Voicemail | 7 | 7 | \$ 5.00 | \$ 2.75 |
| | | | 696 | 6,548 | \$ 3,236.15 | \$ 1,226.26 |

| | |
|---|-------------|
| Additional Facility Revenue: 3-Way Call Product | \$ 31.25 |
| Total Commission | \$ 1,257.51 |
| Deductions: Inmate prepaid | \$ - |
| Net Payment | \$ 1,257.51 |

*\$ 553.62
UNPAID COMMISSION*



June 20, 2016

To Whom It May Concern:

Last month I inadvertently sent you the same dollar amount as the March commission with the April commission attachment. Some of you noticed and called and some of you did not call but I am sure you were aware. If you did not send back your check, I am doing a tru-up with the May commission.

I apologize for the accounting nightmare and will try to facilitate any questions or concerns that you might have. Please feel free to call or email me.

Thank you,

A handwritten signature in cursive script that reads "Claudia".

Claudia Carberry
Accounting

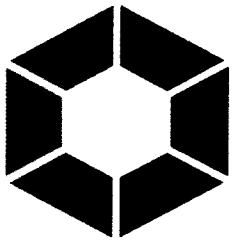
Enclosures:

May Check (dated June 2016)
May Reconciliation
Tru-up attachment

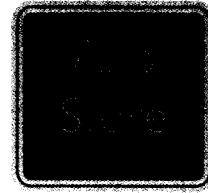
SYNERGY TELECOM SERVICE COMPANY INC.
 Commissions Paid Tru-Up
 April through May 2016

| Type | Date | Num | Name | Memo | Amount | Memo | Should BE | Amount | Tru-up | Name | Memo | Amount | +/- w/Tru-up |
|-------|------------|-------|--------|-----------------------|----------|-----------------------|-----------|----------|---------|--------|------------------------------------|----------|-----------------|
| Check | 05/20/2016 | 10797 | County | April 2016 Commission | 2,032.64 | April 2016 Commission | | 1,160.34 | -872.30 | County | May 2016 Commission (See attached) | 1,257.51 | 385.21 |





CTC

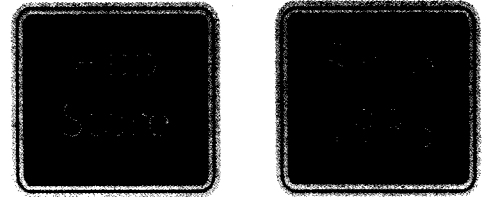


| CALL TYPE/Collect | Collect Rates | | | |
|----------------------|---------------|--------------|-------------------|---------------------|
| | Surcharge | First Minute | Additional Minute | Cost 10 minute call |
| Local | \$0.00 | \$0.31 | \$0.31 | \$3.10 |
| Intralata/Intrastate | \$0.00 | \$0.31 | \$0.31 | \$3.10 |
| Interlata/Intrastate | \$0.00 | \$0.31 | \$0.31 | \$3.10 |
| Interlata/Interstate | \$0.00 | \$0.31 | \$0.31 | \$3.10 |
| International | \$0.00 | \$0.31 | \$0.31 | \$3.10 |

| CALL TYPE/Prepaid | Prepaid Rates | | | |
|----------------------|---------------|--------------|-------------------|---------------------|
| | Connect Fee | First Minute | Additional Minute | Cost 10 minute call |
| Local | \$0.00 | \$0.31 | \$0.31 | \$3.10 |
| Intralata/Intrastate | \$0.00 | \$0.31 | \$0.31 | \$3.10 |
| Interlata/Intrastate | \$0.00 | \$0.31 | \$0.31 | \$3.10 |
| Interlata/Interstate | \$0.00 | \$0.31 | \$0.31 | \$3.10 |
| International | \$0.00 | \$0.31 | \$0.31 | \$3.10 |

| CALL TYPE/Prepaid | Calling Card Rates | | | |
|----------------------|--------------------|--------------|-------------------|--------------------------------------|
| | Connect Fee | First Minute | Additional Minute | Total cost based on a 10 minute call |
| Local | \$0.00 | \$0.31 | \$0.31 | \$3.10 |
| Intralata/Intrastate | \$0.00 | \$0.31 | \$0.31 | \$3.10 |
| Interlata/Intrastate | \$0.00 | \$0.31 | \$0.31 | \$3.10 |
| Interlata/Interstate | \$0.00 | \$0.21 | \$0.21 | \$2.10 |
| International | \$0.00 | \$0.50 | \$0.50 | \$2.00 |

| FEE TYPE | Fee Schedule | |
|--------------------------------------|----------------------------|----------------------|
| | Collect & Pre-paid Collect | Pre-paid Cards/Debit |
| Account Set-Up Fee | \$0.00 | \$0.00 |
| Recharge account | \$0.00 | \$0.00 |
| Add additional number to account fee | \$0.00 | \$0.00 |
| Billing Statement Fee | \$0.00 | \$0.00 |
| Transfer Fee | \$0.00 | \$0.00 |
| Administration Account Fee | \$0.00 | \$0.00 |
| Weekly Admin. Fee (monthly) | \$0.00 | \$0.00 |



Call Rates for **TRADITIONAL COLLECT** and **DIRECT PAY** service are as follows:

LOCAL CALLS

\$0.51 each minute, \$4.65 for 15 minutes

INTRASTATE (Long Distance, Same State, Same Area Code)

\$0.51 each minute, \$4.65 for 15 minutes

PREPAID STATE (Long Distance, Same State)

\$0.51 each minute, \$4.65 for 15 minutes

Pre-Paid INTERSTATE (Long Distance, Out of State)

\$0.21 each additional minute + FCC tax

\$3.74 for a full 15 minute call

Collect-INTERSTATE (Long Distance, Out of State)

\$0.25 each additional minute + FCC tax

\$3.75 for a full 15 minute call

VIDEO VISITATION- REMOTE

Per Minute Rate \$0.50

INTERNATIONAL

Connection Fee \$4.00

Per Minute Rate \$0.50

> First Minute for each call = \$4.50; each additional minute talked = \$0.50

PREPAID CALLING CARDS

Prepaid Calling Cards provided by City Tele Coin are charged at the same rates as listed above for Local Calls, Intrastate Calls, Interstate Calls, and International Calls.

FAMILY & FRIENDS – Call Toll Free 800.682.0707

To establish a prepaid account, to add funds to an existing account, to ask questions about an existing account, or to speak to a Customer Service Representative please direct your Family Members, Friends, and Loved Ones to call us at 800.682.0707.

INMATES – Call Toll Free 318.746.1114

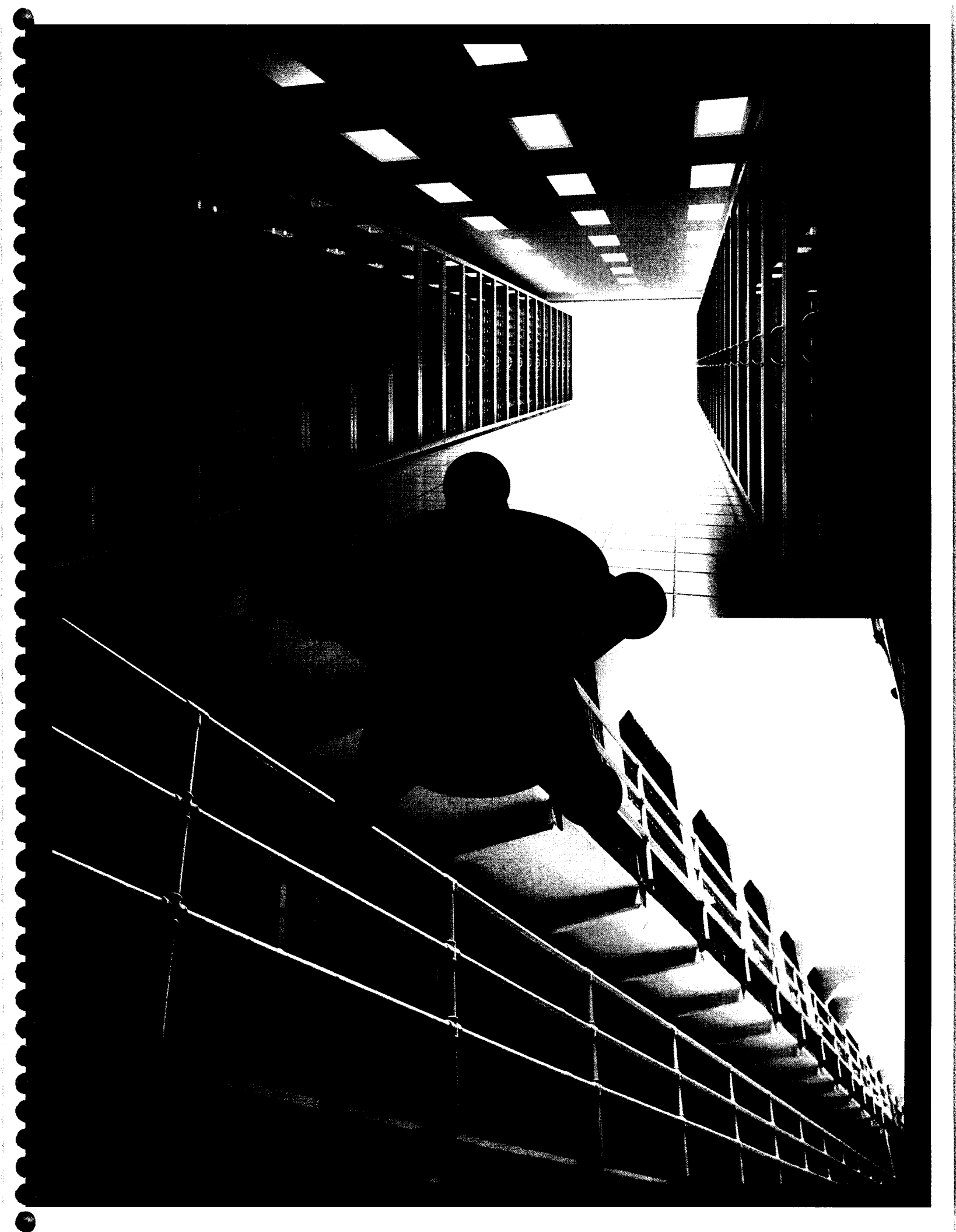
To speak to a Customer Service Representative about issues you have with a Prepaid Calling Card, or for help determining why you are unable to dial out to a certain number, you should call us Monday-Friday from 8-4:30pm at 318.746.1114. This is our Inmate Hotline; it is a free service.

Profanity or otherwise harassing call will not be tolerated and any individual guilty of such action will have his/her calling privileges suspended.

THREE-WAY CALLS ARE NOT ALLOWED

ALL CALLS ARE RECORDED

ALL CALLS COMING IN TO CITY TELE COIN, ALL CALLS GOING OUT OF CITY TELE COIN, AND ANY & ALL CALLS HANDLED BY A CITY TELE COIN EMPLOYEE ARE RECORDED AND MONITORED.



CORRECTIONAL COMMUNICATIONS SERVICES AGREEMENT

Made on this, the ____ day of _____, 20____, by and between these parties:

City Tele-Coin Company, Inc. (hereinafter referred to as “CTC”), and

Brown County Sheriff’s Office (hereinafter referred to as “BROWN”)

WHEREAS, BROWN has requested CTC to perform the services hereinafter described and CTC has agreed to perform such services, subject to the terms and conditions hereinafter set out:

NOW IN CONSIDERATION of the payment of fees provided hereinafter and other terms and conditions hereinafter set out, BROWN and CTC hereby agree:

(A) THE WORK

BROWN agrees that it is the manager of the locations listed directly hereunder in *Section A.1 - Locations*, and that said locations require inmate and pay telephone communication services, and that said communications services are to include all local, *interLATA*, *intraLATA*, and interstate telephone services. CTC shall install, service, and maintain inmate and pay telephone services using methods consistent with sound, generally recognized practices ordinarily associated with the type of work to be performed, to include all existing and future facilities under the management of BROWN. CTC will be responsible for any and all local, long distance, and equipment charges. CTC shall remit to BROWN its portion of the revenues as set out herein below. Parties acknowledge that CTC shall be the exclusive provider of such services during the time this agreement is in force and effect.

(1) LOCATIONS

- (a) **Brown County Jail**
1050 West Commerce Street
Brownwood, Texas 76801

--- REMAINDER OF PAGE LEFT BLANK ON PURPOSE ---

(B) COMMISSIONS

As to any inmate phone that is located within those locations listed in Section A.1 whereby service to that phone is being provided by CTC successive of cut-over, revenue shall be deemed commissionable and henceforth payable by CTC to BROWN commencing with the exact point in time in which the first billable or prepaid call has been initiated from that phone; moreover, such revenue shall remain commissionable and payable on any such phone until service to that phone has been reassigned through contractual reassignment.

- (1) CTC shall remit to BROWN 40% (Forty Percent) of all *Usage Revenue* generated through *Gross Collect* and *Direct Pay* telephone traffic (local, *intraLATA*, *interLATA*, and interstate) originating from the facility managed by BROWN, as listed in Section A "The Work" and processed by CTC's call processing system. CTC shall issue to BROWN a Purchase Discount of 40% (Forty Percent) on *Prepaid Inmate Calling Cards* at any time such purchase is made by BROWN. CTC will pay all said commissions on a monthly basis along with a monthly report of all said monies.
- (2) Remittance and Acceptance – *Remittance* of commissions shall commence Twenty (20) Days after installation of equipment. Furthermore, CTC shall remit commission payments to BROWN on a monthly basis on or around the 20th day of each month. Any objection to a commission payment shall be brought to the attention of CTC by way of written notice by BROWN, and shall be made within 30 days after receiving said commission payment. *Acceptance* of said commission payment shall be final and binding if no objections are brought forth within 30 days after receipt thereof.
- (3) Adverse Conditions – At any time while this contract is in force and effect, should the Public Utility Commission of Texas, the Louisiana Public Service Commission, the Federal Communications Commission, or any other governmental or regulatory agency that has legal authority over inmate telecommunications, change rates or impose restrictions or otherwise modify any rules or regulations under which inmate telecommunications are currently operating, so that such changes, restrictions, or modifications affect inmate telephone traffic in a way that causes BROWN'S generated revenue from such traffic to be adversely affected, then both parties agree to work together toward the benefit of each other and may renegotiate the terms of this agreement temporarily or permanently.

(C) TERMS

The initial term of this agreement shall be for period beginning _____, 2016, with the initial term completed at Sixty (60) Months. CTC or BROWN, at its option, has the right to renew or refuse this contract, under the terms and conditions set forth by this contract, by giving certified notice to BROWN or CTC, as follows. Any refusal must be mailed by certified mail Ninety (90) days prior to termination date of this contract to the address provided herein. This initial contract shall continue in force automatically for additional Twelve (12) Month periods should no action be taken by either party. Should any action be taken which would otherwise warrant solicitation by BROWN for competitive offers for provision of BROWN's inmate telephone service, BROWN shall grant CTC an opportunity to match or beat any offer from another telephone service provider in that CTC shall have a fair chance to retain its position as incumbent inmate telephone service provider.

(D) ASSIGNMENT

CTC's interest in and to this service agreement may be transferred or assigned, at the discretion of CTC, to any U.S. based banking or financial institution to provide the financial requirements needed to provide the equipment and services listed in this agreement, or any other financial entity.

--- REMAINDER OF PAGE LEFT BLANK ON PURPOSE ---

(E) EQUIPMENT

CTC agrees to provide for **BROWN** adequate equipment with the ability to perform monitoring, recording, and cut off switches. CTC has the right, and maintains the right, to remove or relocate any telephone equipment, from any location which is the subject of and governed by the terms of this agreement that CTC, in its sole and absolute discretion, determines is not economically profitable. The removal or relocation of the equipment shall not be undertaken until **BROWN** is given ten (10) days written notice of CTC's intent to remove said equipment. The removal of equipment under terms herein shall in no way create or constitute a default of the terms of this contract. CTC agrees that upon removal or relocation of equipment it will restore the site where said equipment was removed from to its original condition. This excludes ordinary wear and tear, any condition(s) resulting from prior material, and any condition(s) resulting from actions of individuals other than employees or agents of CTC. CTC agrees to install and maintain at least the minimum number of coin-less inmate telephones as needed at the facility and/or as many as requested by **BROWN**, subject to industry standards.

(F) OBLIGATIONS OF BROWN

BROWN agrees to undertake and perform the following: (i) Protect the equipment from abuse and report any damage(s), service problem(s), and/or hazardous condition(s) to CTC; (ii) Provide all necessary power and space for proper installation and maintenance of the equipment; (iii) Provide safe and secure access to the equipment by CTC and its employees or agents as needed by CTC; (iv) Allow CTC to affix signs to the equipment, as required by law. Said signs are to be furnished by CTC, and **BROWN** will not allow any other signs, equipment or information to be affixed to the equipment or in the immediate area unless mutually agreed to by both parties.

(G) DEFAULT

In the event either party fails to perform one of its obligations under this agreement (i) *by defaulting on a payment due; (ii) by non-performance or by interfering with the other party's performance or ability to perform; or (iii) through inability to perform their obligations under this agreement*, and such default or failure continues for more than thirty (30) days after the non-defaulting party shall have given the defaulting party written notice specifying such default and demanding that the default be remedied or, in the case of any such default which cannot be remedied with thirty (30) days, if defaulting party fails to proceed promptly to remedy any such default receiving such notice, (iv) *or if either party shall make voluntary assignment in bankruptcy or proposal to its creditors or take any similar action or if any bankruptcy, reorganization, proposal, insolvency, receivership, or similar proceeding is instituted against either party hereto or involving substantially all of its property and, in the case of such proceeding instituted against such party and not consented to by such party, such proceeding is not discontinued or dismissed with thirty (30) days from the date of its commencement*, then the non-defaulting party may terminate this Agreement by giving written notice to the defaulting party. Such termination shall be effective thirty (30) days after notice is provided by the non-defaulting party. No failure of either party hereto to enforce any remedy available to it or delay of such party shall be considered to prohibit such party from enforcing any such remedy. The rights and remedies of the parties hereto contained in this Agreement shall not be exclusive but shall be cumulative, in addition to all other rights and remedies existing at law or in equity available to the parties hereto.

(H) GOVERNING LAW

This Agreement and the rights and obligations of **BROWN** and CTC hereunder shall be subject to and interpreted in accordance with the laws of the State of Texas.

(I) NOTICES

Notices or other communications required to be given under this agreement shall be in writing and may be delivered by courier or prepaid certified mail and addressed as follows:

TO BROWN: Brown County Sheriff's Office

Attn: Sheriff George Caldwell
1050 West Commerce Street
Brownwood, Texas 76801

(PH) 325-646-5510

(FX) 325-641-2481

TO CTC: City Tele-Coin Company, Inc.

Attn: Jerry Juneau, Sr.
4501 Marlena Street
Bossier City, Louisiana 71111

(PH) 318-746-1114 or 800-682-0707

(FX) 318-746-1214

(J) EQUIPMENT OWNERSHIP

BROWN acknowledges and agrees that **CTC** shall remain the sole and exclusive owner of all inmate telephone equipment, from the interface to, and including, the telephone.

(K) HOLD HARMLESS

- (1) **BROWN** agrees to defend, hold harmless, and indemnify **CTC** from any and all damages, of any nature and kind, caused by **BROWN**, its agents, employees, or assigns, whether the damage be to the person or property, and shall include but not be limited to attorney fees incurred by **CTC** in defense of a claim for damages caused by **BROWN**. Further, specifically, but not limited to any and all damages that are in any way, shape, or form related to the improper or illegal use by any individual, including but not limited to inmates, of any exposed conduit installed by **CTC**, whether the damage be to the person or property, including but not limited to attorney's fees incurred by **CTC** in defense of any such damage or claim for any such damage(s).
- (2) **CTC** agrees to defend, hold harmless, and indemnify **BROWN** from any and all damages, of any nature and kind, caused by **CTC**, its agents, employees, or assigns, whether the damage be to person or property, and shall include but not be limited to attorney fees incurred by **BROWN** in defense of claim for damages caused by **CTC**.

(L) REPAIR SERVICE

CTC shall provide reasonable response time for repairs Monday through Friday, 9 a.m. to 5 p.m. **CTC** shall respond within 24 hours after receipt of verbal notice or facsimile notice, as set out herein below, except where it is impossible to restore the service due to acts beyond the control of **CTC** such as riot, fire, war, flood, parts unavailability, and strike.

- | | | |
|-------|-----------------------|---|
| (i) | Verbal Notice..... | 318-629-0760 |
| (ii) | Facsimile Notice..... | 318-746-1214 |
| (iii) | E-Mail Notice..... | jerry@citytelecoin.com , jerryjr@citytelecoin.com |
| (iv) | Emergency..... | 318-746-3920 or 318-747-9208 |

(M) PREPAID CALLING CARDS

Prepaid calling cards will be provided to the facility to be used for resale to inmates at **BROWN** only. The prepaid cards provided will not be subject to return or refund. Calling cards are subject to any applicable per charge surcharge fee together with all federal, state, and local taxes. All calling cards will be honored beginning with their first use or sale. Should you desire a third party commissary operator to handle the prepaid calling card purchases for **BROWN**, we will work with said commissary operator to facilitate the sale of calling cards to you. It is your obligation to notify **CTC** in writing as to the name of the commissary operator you wish to use for the sale of the cards to you. The change to commissary operative will become effective upon our receipt of **BROWN's** notice to change. The change to a commissary operative will not affect **BROWN's** liability for the cost of the cards. **BROWN** will remain primarily liable for said cost of purchase.

CTC shall invoice **BROWN** for each of the orders for calling cards. All applicable sales taxes and other charges, including shipping and handling, will be included in said invoice. **BROWN** specifically agrees to pay said invoice within thirty (30) days of receipt of order. Should **BROWN** provide **CTC** with a Sales and Use Tax Resale Certificate wherein you take responsibility for, and assume the sole liability for, charging and collecting applicable taxes from the end users, and for remitting said taxes to the proper taxing authority, **CTC** will not charge the sales taxes on the purchase invoice submitted to **BROWN** upon purchase of the prepaid calling cards. **BROWN** acknowledges that the prepaid calling cards invoice may be subject to a discount as agreed by the parties. The sales invoice will show the face value of the cards less the discount, if any, together with sales tax, shipping and handling charges and will be due and payable thirty (30) days after receipt of the order. Should the invoice not be paid within said thirty (30) days, **CTC** hereby reserves, and **BROWN** hereby authorizes, **CTC** to charge reasonable interest on any amounts past due. Further, should the invoice amount not be paid within the thirty (30) day period, **BROWN** specifically authorizes **CTC** to deduct the balance due from any earned commissions which **BROWN** may have coming due from **CTC**. It is understood that sales taxes will be charged unless a valid reseller's certificate is received by **CTC** prior to the time of sale.

(N) ENTIRE AGREEMENT

This agreement constitutes the entire agreement between the parties and may be modified or amended only by written agreement signed by both parties.

(O) SEVERABILITY

If any term, sentence, paragraph, or provision of this agreement or the application thereof, be deemed invalid or unenforceable, the remaining terms, sentences, paragraphs, and provisions shall not be affected and shall remain valid and enforceable to the maximum extent allowed by law and the terms of this agreement.

THUS DONE AND SIGNED on this _____ day of _____, 20____.

Brown County Sheriff's Office

Brown County, Texas

By: _____
Signature

_____ *Print Name*

_____ *Title*

By: _____
Signature

_____ *Print Name*

_____ *Title*

THUS DONE AND SIGNED on this _____ day of _____, 20____.

City Tele-Coin Company, Inc.

By: _____
Signature

Gerald L. Juneau
_____ *Print Name*

President & CEO
_____ *Title*

ATTACHMENT 1
Technology Bonus

CTC shall remit to **BROWN** a one-time Cash Bonus in the amount of \$80,000.00 (Eighty Thousand Dollars and Zero Cents) for the expansion of a Jail Surveillance System, and \$500.00 (Five Hundred Dollars and Zero Cents) in Cash for JMS interface with Net-Data, all due upon system installation.

THUS DONE AND SIGNED on this _____ day of _____, 20____.

Brown County Sheriff's Office

Brown County, Texas

By: _____
Signature

By: _____
Signature

Print Name

Print Name

Title

Title

THUS DONE AND SIGNED on this _____ day of _____, 20____.

City Tele-Coin Company, Inc.

By: _____
Signature

Gerald L. Juneau

Print Name

President & CEO

Title

ATTACHMENT 1
Technology Bonus

CTC shall remit to **BROWN** an annual Prepaid Calling Card Bonus in the amount of \$2,500.00 (Two Thousand Five Hundred Dollars and Zero Cents) worth of prepaid inmate calling cards, due upon system installation.

THUS DONE AND SIGNED on this ____ day of _____, 20 ____.

Brown County Sheriff's Office

Brown County, Texas

By: _____
Signature

By: _____
Signature

Print Name

Print Name

Title

Title

THUS DONE AND SIGNED on this ____ day of _____, 20 ____.

City Tele-Coin Company, Inc.

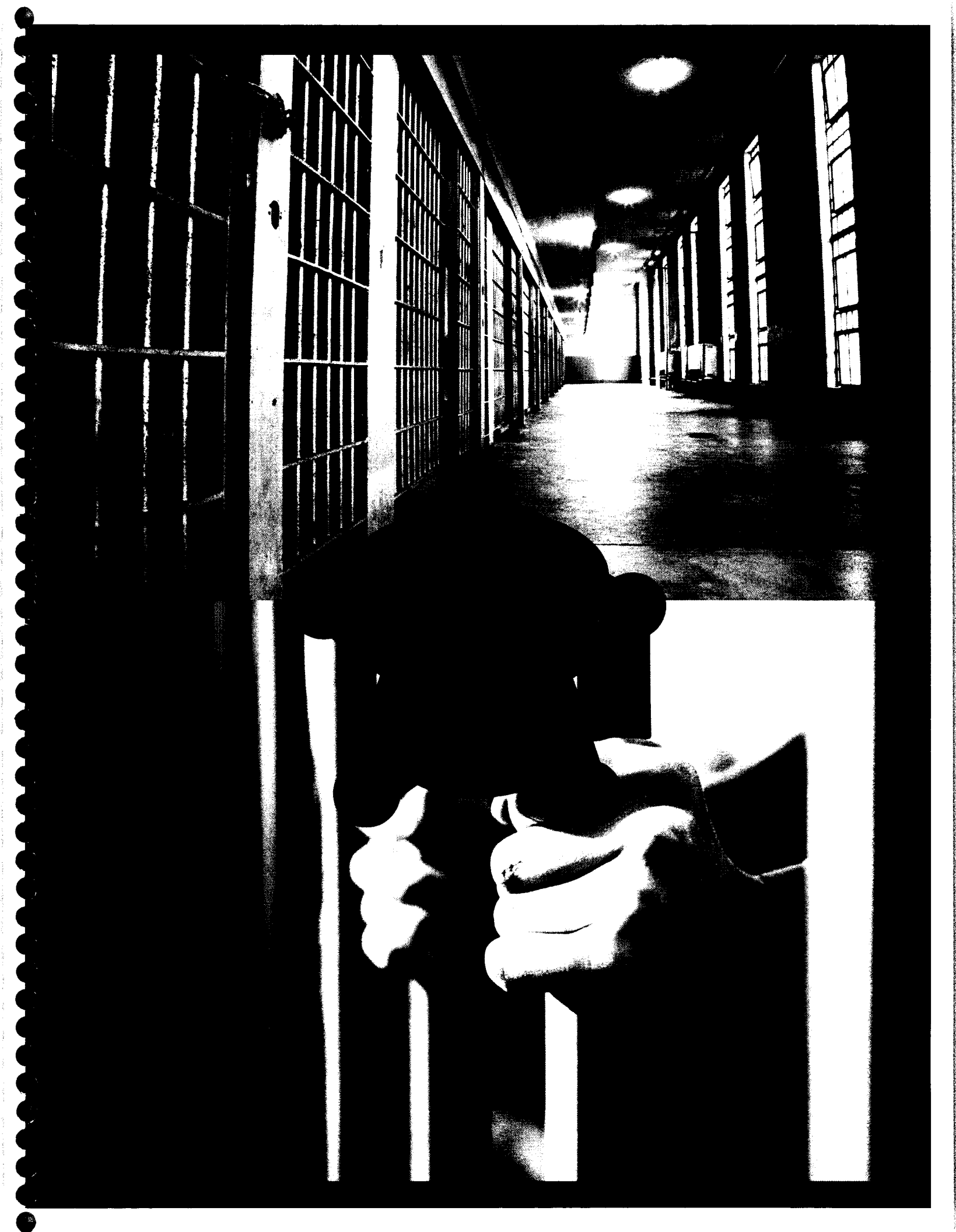
By: _____
Signature

Gerald L. Juneau

Print Name

President & CEO

Title





JULIAN C. WHITTINGTON
SHERIFF
PH: (318) 965-3409
FAX: (318) 935-2070

BOSSIER PARISH SHERIFF'S OFFICE
POST OFFICE BOX 850
BENTON, LA 71006

SHERIFF

BOSSIER PARISH

August 12, 2016

City Tele Coin Company, Inc.
4501 Marlena Street
Bossier City, Louisiana 71111

RE: Letter of Reference

I would like to take this opportunity to express how pleased I am with the service and products provided by CTC. We are a large facility with no room for downtime and CTC assures of such. We are a video and phone customer of CTC and are very pleased with everything they have to offer. Being a family owned and operated company, they have strived to design their own software and products, including their video visitation. The fact that they own and created the units in house, is shown in the quality and design of the products as they take the opinions of their customers into account when making software updates or design changes. They are quick to respond to all service or technical requests. They are fair, honest, and reliable with all business transactions not limited to commission payments, calling card orders, etc.

Our facility is a safer, more secure facility with their call monitoring by the CTC live operators and investigative employees who follow up on complaints and initiate their own investigations on what appear to be fraudulent accounts or when they hear something on a call which appears to be out of the norm for a secured facility. They will assist in investigative requests by listening to calls or preparing call reports with a very quick turnaround.

In a nutshell, CTC is a family owned company with corrections security in mind and customer service as a priority. They produce their own software, products, and utilize the same people who operate as your salesperson to be your direct contact for service issues as well as the toll free numbers at the corporate office. Your facility would benefit from utilizing CTC and their honest practices. Feel free to contact me if you have any questions about their operations.

Sincerely,

Julian C. Whittington
Sheriff

jwhittington@bossiersheriff.com



SHERIFF
WILLIAM T. McCOOL
HARRISON COUNTY
P.O. BOX 568
MARSHALL, TEXAS 75671-0568



August 15, 2016

City Tele Coin Recommendation Letter

Please treat this as a recommendation letter for City Tele Coin, Inc. As the Sheriff of Harrison County, Texas, I know what a dependable inmate telephone provider means. And all the qualities that an inmate telephone provider must possess can be found in the operations and management of City Tele Coin, Inc.

The company is owned by Jerry Juneau, Sr., Mr. Juneau and his staff are extremely professional when it comes to supplying an inmate phone service to our county. Harrison County, has been working with them since 2012 and there has not been a day when we had to complain about their professionalism and or service. They value both time and money and deliver excellent service. I am extremely satisfied with the way they conduct their business and hope to do business with them for many years to come.

Thanking You,

A handwritten signature in cursive script that reads "W.T. McCool".

Sheriff W. T. McCool

COMPANY, INC.