

Telewest IV Inc.
Customer Agreement

This Telephone service "Shared Revenue Agreement is entered into this 25th day of October, 2010 by and between Conejos County, Colorado Sheriff's Office, located at 14044 County Road G.5, Antonito, CO 81129 herein known as the "Customer", and Telewest IV Inc., located at P. O. Box 312, Edwards, CO 81632 herein known as "Telewest".

WHEREAS, Telewest is engaged in the business of providing certain telecommunications equipment and charge for-call telephones and services, and providing automated-operator assisted station to station or person to person collect telephone calls, and;

WHEREAS, Customer has full operating and management responsibility for the detention facility, jail, or prison, herein known as the Facility, and with respect to those premises so noted, wishes to establish a pay telephone vending arrangement as described herein:

Now, THEREFORE, the parties hereto, in consideration of the mutual covenants and agreements contained herein and other good and valuable considerations, do hereby agree as follows:

1. Customer hereby grants Telewest an exclusive License to install and operate pay for call telecommunications equipment at the Facility, in a type and quantity approved by Customer and hereby agrees to provide space in the noted facility for the purposes of installing such equipment.

2. Telewest shall be responsible for the procurement, purchase, installation, maintenance and service of all such equipment. Telewest and Customer shall mutually agree to the number, type, and location of the pay telephone stations, and shall commence installation within (90) days from the availability of a Telewest owned DSL or T-1 Data service line from a company that provides this service, or the agreed upon use of a Customer supplied T-1 line. Telewest shall not be liable for any delays in installation.

3. Telewest shall have the exclusive right to obtain usage and billing information, order, connect or disconnect pay telephone services, select carriers, purchase available public utility equipment, handle all billing and payments. Telewest shall be responsible for the payment of all charges in connection with the pay for call telephones.

4. Telewest shall maintain the phones in good working order, and shall keep the enclosures and telephone equipment clean and properly repaired. Telewest shall not be liable of any lost income during a period that any telephone is out of order or being repaired. Should the telephone system become inoperable Telewest shall make every attempt within a reasonable period of time to repair the system as this benefits both the Customer and Telewest. Reasonable period of time shall be defined as twenty four (48) hours or as otherwise agreed to by the Parties. In the event Telewest does not repair the system in a reasonable period of time after notice from Customer to do so, Customer may, without prejudice to other remedies, have the system repaired by a qualified third-party, at a cost to Telewest. Should the Customer desire to earn additional revenue over and above profits from the revenues generated by the inmate telephones. Telewest shall pay the Customer \$25.00 per minor repair such as a handset, or replacement of a defective telephone. Telewest shall keep a supply of inmate telephones and telephone handsets on site for this purpose. The County shall designate a maintenance or other qualified person to perform these minor repairs and Telewest shall train them to perform these repairs. These repairs shall be indicated on the monthly statement Telewest provides for the Customer and shall be added to the Customer's share of the profits.

5. Telewest shall be responsible for the managing of all call detail records for the system, including but not limited to: the rating of each record in accord with rates, terms and conditions, for providing IntraLATA, InterLATA, interstate and international telecommunications services as filed with the Colorado Public Utilities Commission, for the blocking and unblocking of user billing numbers, and preparation and processing all qualifying message records for billing and collection of revenue.

6. In consideration for this exclusive license and lease agreement Telewest agrees to pay the Customer the gross profits on a monthly basis. The gross profits shall be paid no later than 90 days following the reporting month in which revenues were recognized from the phone system during the Term of this Agreement. Customer agrees to notify Telewest in writing if the Customer wishes the gross profits to be remitted to an address that is different from the address on the first page of this agreement.

7. In consideration of the exclusive rights granted pursuant to this agreement, Telewest and the Customer shall divide and receive the gross profits equally fifty percent (50%) by fifty percent (50%) for the term of this agreement. Gross profits shall be derived from gross revenues generated by the inmate phone system and inmate voice mail accounts minus collect call billing charges, LEC bill posting charges, LEC hold back charges, line validation charges, Nexus connection and usage fees per call, Prepaid Collect deposit fees, Prepaid Inmate Voice Mail fees, and bad debt. Gross revenues shall be defined as billing revenues collected from collect calls, prepaid collect revenues, phone card sales, Pin Debit Accounts, Prepaid Inmate Voice Mail Accounts and collected bad debt revenues.

8. Total Revenue shall be defined as all monthly gross receipts for all completed message records generated from the Customer's facility. These charges shall be defined as the total amount of money generated by the time of usage times the allowable rate, inclusive of all rebates premiums, etc. The total revenue shall be the revenue collected for the month in question.

9. Telewest shall submit a detailed accounting of all revenues received, expenses incurred, and fees and charges and commissions paid in regard to all qualifying messages from records generated from the Facility. All rates and charges under this agreement shall conform to the PUC regulations for the state of call origin. Telewest shall maintain comprehensive, complete and accurate records and accounts of its performance relating to this Agreement for a period of three (3) years following final termination of this Agreement. Customer shall have the right within such period and during the period of this Agreement to inspect such books, records, and documents upon demand, with reasonable notice and a reasonable time, for the purpose of determining, in accordance with acceptable account and auditing standards, compliance with this Agreement and the law.

10. Legal title to all telephones and installed equipment shall remain vested with Telewest. Customer shall not remove or relocate the installed equipment without Telewest's express consent. Relocation at Customer's request shall be at the Customer's expense. Telewest is to accept no liability for holes in walls, floors, or other surfaces which result from the installation or removal of the equipment. Upon termination of this agreement, Telewest shall be responsible only for the removal of the equipment. Customer shall restore the premises to their original condition. Telewest shall not be responsible for damage to the Facility which occurs due to vandalism. Telewest shall indemnify, defend and hold Customer harmless from any liability in connection with the placement, maintenance, or usage of the telephone equipment.

11. Customer hereby represents that the Facility is owned and/or exclusively operated by the Customer and Customer is authorized to enter into this agreement with respect to the Facility, and that the undersigned is authorized to bind the Facility to this agreement.

12. Should the detention functions of any named Facility be transferred to a new location, or building, during the life of this contract, Telewest shall have the option of relocating the telephone equipment and services to the new location, at no liability or expense to Customer, and to maintain the terms of this agreement in full effect,

13. If legal enforcement of the terms of this agreement is necessary, the prevailing party shall be entitled to reasonable attorney's fees and costs. Telewest and the Customer mutually agree to cooperate to the fullest extent possible and the best of each party's ability to facilitate the provisioning of terms and services described herein.

14. This agreement shall be deemed to be a contract made under the laws of the State of Colorado and the interpretation and performance of the agreement shall be governed by all applicable State laws, and shall be binding UPON the parties hereto, their successors, and assignees. Telewest may assign this agreement to any other competent person or entity capable of performance,

15. The term of this agreement shall be from the date of execution by the Parties through December 31, 2010, and shall be automatically renewed for twelve (12) one (1) year terms unless either party notifies the other party that the Agreement will not be renewed at least sixty (60) days prior to the expiration of the then existing term. The agreement shall automatically renew each year thereafter for one (1) year term unless Telewest is notified in writing at least 60 days prior to the termination date. Either party may terminate this contract during an existing term if the other Party fails to perform any of the conditions set forth herein. The Customer shall notify Telewest in writing that they are in breach of contract and Telewest shall then have 30 days from the date of this notice to correct the breach of contract. Should Telewest not fulfill the breach of contract within 30 days then the customer shall notify Telewest in writing that they intend to terminate the agreement in 30 days. Upon termination of this Agreement, each party agrees to satisfy any and all of its outstanding obligations arising under this Agreement up to the termination date."

16. This is the entire agreement between the parties; there are no oral arrangements of any kind; any future modifications to this agreement shall be in writing and signed by both parties.

17. The Parties recognize that the Customer is a governmental entity and that all obligations beyond the current fiscal year are subject to funds being budgeted and appropriated for the purposes set forth herein. Notwithstanding anything to the contrary contained in this Agreement, no payments shall be made to Telewest for any services done after December 31, 2010, without the written approval of the Customer in accordance with a budget adopted in accordance with the provisions of the local government budget laws contained in Article 25 of Title 30 and Article 1 of Title 29 of the Colorado Revised Statutes. This agreement shall be bound by the laws and statutes of the State of Colorado.

IN WITNESS WHEREOF, Telewest and Customer have executed this Agreement as of the date and year first set forth above.

Telewest IV Inc.
PO Box 312
Edwards, CO 81632

Conejos County Sheriff's Office
14044 County Road G.5
Antonito, CO 81129

By: 

Name: Robert E. Spangler, Jr.

Title: President & CEO

Date: 10/25/10

By: 

Print Name: ROBERT GURULE

Title: COUNTY SHERIFF

Date: 2-7-2011