



This Amendment is made by the state of Washington, Department of Corrections, hereinafter referred to as Department, and JPay, Inc., hereinafter referred to as the Contractor, for the purpose of amending the above-referenced Contract, heretofore entered into between the Department and the Contractor.

WHEREAS the purpose of this contract amendment is to modify the Scope of Work;

NOW THEREFORE, in consideration of the terms and conditions contained herein, or attached and incorporated and made a part hereof, the Department and Contractor agree as follows:

- Appendix 2.01 Service is deleted in its entirety and replaced by the attached Appendix 2.01.1 Service.
- Appendix 3.01 Service is deleted in its entirety and replaced by the attached Appendix 3.01.1 Service.

Additions to this text are shown by underline and deletions by ~~((strikeout))~~. All other terms and conditions remain in full force and effect. The effective date of this amendment is upon execution of the parties.

THIS CONTRACT AMENDMENT, consisting of one (1) page and two (2) attachments, is executed by the persons signing below who warrant that they have the authority to execute the contract.

CONTRACTOR

DEPARTMENT OF CORRECTIONS

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Printed Name)

Gary Banning  
\_\_\_\_\_  
(Printed Name)

\_\_\_\_\_  
(Title)

Contracts Administrator  
\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Date)

Approved as to Form:  
This amendment format was approved  
by the office of the Attorney General.  
Approval on file.

## APPENDIX 2.01.1 SERVICE

Contractor agrees to provide to DOC, the following Services:

1. Hard or soft computer terminal kiosks designed to host a variety of offender service applications. The kiosk applications may be used by offenders to perform everyday tasks such as:
  - Downloading digital media to an MP3 player
  - Sending and receiving e-Messages (Email)
  - Receiving Videograms
  - Look up Trust account balance
  - Conducting video visits.
  - Incoming e-mail, screened by the system using keyword search before download is allowed. Keyword screening would evaluate risk level of e-mail. Unacceptable or questionable (moderate to high risk) e-mail is held or staged at a central computer for DOC approval before it is available to an offender for download.
  - Keyword search function may be edited at any time.
  - System allows all messages for a particular offender to be stored or to be transferred to DOC storage.
  - System provides e-mail send/reply capability (after keyword screening/review protocols identical to incoming messages).
  - System provides translation of foreign language e-mail.
2. Kiosk will be placed in mutually agreeable locations within the following institutions:
  - Coyote Ridge Corrections Center (CC)
  - Airway Heights CC
  - Washington State Penitentiary
  - Stafford Creek CC
  - WA CC for Women
  - Washington CC
  - Monroe Correctional Complex
  - Clallam Bay CC
  - Olympic CC
  - Cedar Creek CC
  - Mission Creek CC for Women
  - Larch Corrections Center

The numbers of Kiosks per institutions will be determined by mutual agreement of the parties following the Contractor's survey of the facilities.

3. MP3 Player
  - MP3 player has a video screen capable of displaying e-mail or other required information.
  - MP3 player connects and accepts downloads only from the secure kiosk or secure network
  - MP3 player audio is provided through headphone/ear buds only.
  - MP3 players use rechargeable batteries.

Player Security Functions

- MP3 players are preloaded with the offender's name and ID.

- To prevent the player from being connected with an unauthorized application, the device is configured to be constantly “locked.” Locked is defined as unable to connect to any machine other than the offender kiosk.
- Only JPay applications have the ability to access a player. A player may be accessed in the following cases:
  - When the offender logs into the kiosk and the offender’s kiosk account matches the connected player.
  - When the DOC connects a player to their computer and uses the desktop application.
  - When a released contacts JPay to activate the release feature.
- In the case of unauthorized use, a notification alert is sent via email to appropriate DOC personnel. The email contains the name and ID of the offender kiosk account, kiosk location identifier code as well as the player’s serial number and owner information.

#### 4. Kiosk Installation Process

- 1) JPay and DOC conduct preliminary sessions to discuss the scope of work. These sessions involve central office staff from Information Technology (IT), Finance, Operations and Security. The purpose of these sessions is to establish expectations and target dates for the deployment of services and products. In these sessions, the parties finalize discussions about network and power solutions. JPay also aligns the product offering with the DOC’s administrative regulations.
- 2) JPay and the DOC’s Trust Account Provider, Syscon, establish data integration.
- 3) Senior level facility staff conduct site tours with JPay for equipment installation. These tours should include staff who understand the facility network architecture. Here, JPay works with the staff to identify specific kiosk locations in each living unit. These locations are then communicated to the technicians for equipment installation. It is important that the appropriate staff are available when deciding upon kiosk locations, in order to avoid adjustments. All site tours conclude with a roundtable discussion to review and confirm the findings.
- 4) Kiosks are then installed in the living units, libraries and recreational areas. Computers and printers are installed in the mailrooms to support the email operation.
- 5) Tests are conducted onsite and remotely by JPay to ensure the security of each deployment. JPay tests network connectivity, power, line speed, port security, application stability and emergency scenarios. JPay also tests remote monitoring and deployment tools to prepare for ongoing maintenance and support.
- 6) Staff training is conducted both onsite (by region) and remotely via WebEx. These training methods remain available throughout the term of the contract.
- 7) Training and marketing materials are distributed to each facility (or regional manager). These materials include offender orientation pamphlets, offender commercials and instructional videos, commissary bag stuffers (aka “buckslips”), visitor handouts, visitor deposit slips, web design for the DOC website and posters in the living units.
- 8) Sell and distribute MP3 players. JPay works with the DOC to distribute MP3 players to the offenders. MP3 players can be offered for sale on offender kiosks

and through the commissary. JPay is responsible for inventory management, order processing, and shipment.

- 9) Contractor shall coordinate with the DOC for the return of any MP3 players. The DOC shall provide a contact at each facility (i.e. the property room supervisor) to coordinate returns.
- 10) Turn on email and media applications on the kiosks.
- 11) JPay continues to provide support, maintenance and training throughout the contract. JPay assigns account representatives to support DOC staff.

#### 5. Projected Installation Timeline

The Contractor shall have a wireless network and kiosks with email and MP3 player/media functionality available in at least 90% of the facilities listed in Section 2 above.

If the Contractor does not have MP3 players and media available for sale to offenders in at least 90% of the facilities listed in Section 2 above as of January 1, 2011, the Contractor agrees to pay the DOC \$5,000.00 per month.

#### 6. Operations

- The Contractor must design and provide the wireless infrastructure necessary to connect the kiosks in the correctional facilities. This design must be reviewed and approved by the Washington Department of Information Services (DIS). The design must include a Wireless Intrusion Detection System (WIDS).
- The Contractor must provide an online interface (Facility System) for DOC staff to administer the services. Customizable management reports are available from this system as described in the Response.
- The Contractor will operate its Help Desk as described in the Response to resolve issues raised by DOC, offenders and customers.
- The Contractor warrants that it has contractual rights to distribute digital media from major music labels or other entertainment fields that it offers for sale. The Contractor must maintain insurance to protect against charges of copyright infringement.
- The Contractor will provide complete reports of offender purchases and can track the number, source and amount of deposits to offender accounts.
- E-mail charges are less than the cost of an equivalent written letter.
- Digital media purchases are comparable to cost from major providers such as iTunes.

#### 7. Transfer of Funds to TAS

By March 14, 2011, the Contractor will use its website, phone and cash agent system to collect funds from Customers to be deposited into one of the following offender accounts; (1) spendable; (2) education; (3) USPS postage; (4) medical expenses; (5) funeral expenses; and (6) JPay Prepaid. The Contractor will establish an interface with the TAS vendor to deposit funds onto offender accounts. All funds corresponding to each day's deposits are remitted to DOC's bank via an Automated Clearing House (ACH) Credit each banking day.

8. JPay Prepaid Account

Contractor shall let offenders transfer funds from their spendable account to the JPay Prepaid account which is an account that may be used by the offender to purchase Contractor's products and services. Offenders may transfer a minimum of \$5.00 to a maximum of \$200.00 to the JPay Prepaid account in \$5.00 increments. In addition, friends and family of offenders may deposit money into an offender's JPay Prepaid account via Contractor's payment system. All funds transferred into the JPay Prepaid Account shall be owned by Contractor and no refunds to an offender or an offender's family and friends will be required. No restitution will be taken from these transfers.

## APPENDIX 3.01

### A. E-mail Plans

Offenders may purchase any of the following pay-as-you-go plans:

\$5.00 = up to 20 email messages (\$0.40 per email)

\$7.50 = up to 35 email messages (\$0.21 per email)

\$10.00 = up to 60 email messages (\$0.16 per email)

Contractor shall not be required to refund any remaining email messages to offenders upon the offenders release or transfer from the DOC

Customers (family and friends of offenders) can purchase any of the following monthly email plans on [www.jpays.com](http://www.jpays.com) with a credit/debit card:

\$5.00 = up to 20 email messages (\$0.40 per email)

\$7.50 = up to 35 email messages (\$0.21 per email)

\$10.00 = up to 60 email messages (\$0.16 per email)

The plans will automatically expire one month following the date of purchase. Customers can also add attachments to their email for the cost of up to two email messages. The cost for a VideoGram (a 30 second video clip) shall cost up to ten email messages. There are no additional or hidden costs for setting up accounts, account maintenance, and/or closing of accounts.

Digital images count as two email messages.

The monthly billing cycle begins when the subscription is purchased. This subscription recurs each month unless the subscription is cancelled. The subscription may be cancelled any time which will end the following month's subscription renewal. For example, if the subscription is purchased on March 15, the subscription will automatically renew on April 15 unless the Customer cancels the subscription.

### B. Offenders purchasing MP3 Players/Media

- 4 GB MP3 players will be made available to offenders for \$39.99.
- Song and music video prices are also comparable to suggested retail prices from the record labels.
  - The cost per song ranges between \$0.99 and \$2.00 depending on the label and song
  - The cost per album ranges between \$9.99 and \$16.00 depending on the label and number of songs on the album
  - The cost per double album ranges between \$18.00 and \$22.00 depending on the label and number of songs on the album.
  - The cost per music video ranges between \$1.99 and \$4.00 depending on the label and video.

C. Customers purchasing Email/media

Once Contractor completes statewide deployment of email and media, Contractor will provide, in phases, the ability for Customers to email and media, Contractor will provide, in phases, the ability for Customers to send money to JPay prepaid accounts and purchaseMP3 players/ for offenders.

D. Customers depositing funds to offender accounts

<b>Sending Money With a Credit/Debit Card</b>		
<b>Deposit Amount</b>	<b>Internet/Kiosk Fee</b>	<b>Phone Fee</b>
\$0.01 - \$20.00	\$3.95	4.95
\$20.01 - \$100.00	\$7.95	\$8.95
\$100.01 - \$200.00	\$9.95	10.95
\$200.01 - \$300.00	\$11.95	\$12.95

<b>Sending Money With Cash</b>		
<b>Deposit Amount</b>	<b>MoneyGram Fee</b>	<b>ACE Fee</b>
\$0.01 - \$5,000.00	\$8.95*	\$5.00

<b>Sending Money at a Lobby Kiosk</b>		
<b>Deposit Amount</b>	<b>Cash Fee</b>	<b>Credit/Debit Card Fee</b>
\$0.01 - \$100.00	\$4.00	\$7.95

<b>Sending Money With a US Postal Money Order</b>	
<b>Deposit Amount</b>	<b>Lock Box Fee</b>
\$0.01 - \$1,000.00	\$0.00

E. Video Visitation

<b>Video Visitation</b>	
<b>Minutes Fee</b>	<b>Minutes Fee</b>
0-30 Minutes	\$12.95
Each Additional 30 Minutes \$12.95	Each Additional 30 Minutes \$12.95

F. Basis for Commissions Paid to DOC

1. Player = \$2.00/player sold
2. Music Commission
  - Song or Video = \$0.04
  - Music Album = \$0.20
3. Email = 5% of gross Revenue
4. TAS Deposit = \$0.25 (not including lock box)
5. Video Visit = \$3.00
6. The commission for the sale of other digital media, e.g. books, will be negotiated when such media is made available for sale.
7. Contractor shall provide a monthly report to the Department of Corrections indicating the number of MP3 players sold, the number of songs and albums sold and the gross revenue from email messaging. The report shall reflect such numbers and amounts on both a facility level and in aggregate totals for the Department, and shall be submitted to the Department no later than the 30<sup>th</sup> day of the following month.

G. Payment of Commissions

1. The Contractor shall pay the commission to the Department monthly with the revenue/sales report.
2. Any change in rates or commission will be mutually agreed upon and will not create a substantial impact to the expenses incurred by the vendor.