

**FIRST AMENDMENT
AGREEMENT BETWEEN COUNTY OF SAN MATEO AND
EVERCOM SYSTEMS, INC.**

This First Amendment to the Agreement entered into on the 30th day of October 2001, by and between the **COUNTY OF SAN MATEO**, a political subdivision of the State of California, hereinafter called "COUNTY," and the **EVERCOM SYSTEMS, INC.**, hereinafter called "CONTRACTOR."

WITNESSETH:

WHEREAS, the parties previously entered into an Agreement [Resolution No. 64868] on October 30, 2001 for provision of inmate telephone services at the County Correctional Facility; and

WHEREAS, it is now the mutual desire and intent of the parties to make modifications and amendments providing for extension to the term, adding three (3) years to a new expiration date of October 30, 2007; and

NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES that the existing Agreement is hereby amended, by reference to Sections of the original Agreement and Exhibits as follows:

1. **Section 3, Payments, subsection A., Amount of Payment, second paragraph titled Commission, of the Agreement is hereby amended to read as follows:**

COMMISSION: Contractor will pay the County a Commission of FIFTY-ONE AND A HALF PERCENT (51.50%) of the GROSS REVENUE BILLED from use of the equipment through all COLLECT-CALLS placed by inmates within the Facility (this does not include debit calls). No deduction will be made from GROSS REVENUE BILLED for costs associated with fraud, bad debt, line charges, equipment charges, billing and collection charges, or other fees. The Commission shall be paid to the County on a quarterly basis, as set forth in Section C below.

Contractor will also pay County in the amount no less than \$400,000 upon execution of this First Amendment. Payments will be made to County by Contractor as follows:

- > **\$150,000 to be paid within 30-days of execution of this First Amendment;**
- > **\$125,000 to be paid by October 30, 2005; and**
- > **\$125,000 to be paid by October 30, 2006.**

2. **Section 13, Term and Termination, of the Agreement is hereby amended to read as follows:**

13. **TERM AND TERMINATION.**

Subject to compliance with the terms and conditions of this Agreement, the term of this Agreement shall be in effect for **six (6) years and expire October 30, 2007.** This Agreement may be terminated by Contractor, Sheriff or his designee at any time upon thirty (30) days written notice to the other party.

3. Section 2, IMPLEMENTATION PROJECT SCOPE, of Exhibit A to the Agreement is hereby amended by ADDING PARAGRAPH H. after paragraph G.

Paragraph H. is added to read as follows:

H. Upon execution of this First Amendment, Contractor will upgrade the existing computer system supporting the inmate telephone network, to include:

- > Windows XP.
- > Greater storage capabilities for storage of calls on the hard drive so that at least 12-months of calls are immediately available.
- > Conversion to the latest Evercom WebCam version to provide remote access capability to the server and central processing system, for authorized system administrators.

County will have the option to convert to the new Evercom Pre-Paid Platform within 6 months of execution of this Amendment, which will provide broader options on Pre-Paid Card services & rate structures.

4. This amendment is hereby incorporated and made a part of the Original Agreement and subject to all provisions therein. All other sections of the Original Agreement shall remain unchanged.

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have affixed their hands.

COUNTY OF SAN MATEO

*A Political Sub-division of the
State of California*

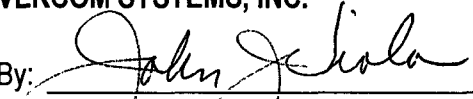
By: _____
President, Board of Supervisors

Date: _____

ATTEST:

By: _____
Clerk of Said Board

EVERCOM SYSTEMS, INC.

By:  _____

Title: Vice President and General Manager, Correctional Systems

Date: October 19, 2004

FIRST AMENDMENT