A-2016-41

COMMISSARY AGREEMENT

THIS AGREEMENT is made by and between the Pend Oreille County Sheriff's Office, with principal offices located at 331 South Garden Ave. Newport, WA 98556 ("Client"), and Trinity Services Group, Inc. a Florida corporation with principal offices located at 477 Commerce Boulevard, Oldsmar, FL 34677-3018 ("Trinity").

WITNESSETH:

WHEREAS, Client has historically contracted with Swanson Services Corporation as its supplier of product for its Commissary Services at the Pend Oreille County Jail, and

WHEREAS, Swanson Services Corporation is now a wholly owned subsidiary of Trinity which is also a national supplier of products for correctional commissary use, and

WHEREAS, Swanson Services Corporation's parent Trinity has submitted its proposal to provide the necessary commissary supply services and to provide certain additional hardware and services; ("Proposal"), and

WHEREAS, Client desires to avail itself of Trinity's Inmate Commissary supply services, including its Inmate Trust Accounting System and the other services described herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the parties hereto, intending to be legally bound hereby, agree as follows:

SECTION 1. CLIENT'S GRANT TO TRINITY

Client grants to Trinity, as an independent contractor, the exclusive right to provide inmate commissary products for sale and provide the inmate trust fund accounting system and Payment Processing Services described in Exhibit A, at the Pend Oreille County Jail ("Premises"), and the exclusive right to provide for sale by the Client to inmates at such Premises, commissary or food products, non-alcoholic beverages and any other items ("Products") as shall be approved by the Client (such commissary service hereinafter referred to as "Services").

SECTION 2. TRINITY'S RESPONSIBILITIES

A. Pursuant to the provisions of this Agreement, Trinity will operate and manage its Services hereunder and keep its Services adequately serviced and supplied all in accordance with the Trinity's Proposal, which is incorporated herein by reference. Packaging of orders shall be mutually agreed by the parties.

B. Trinity agrees to pay all Federal, state and local taxes which may be assessed against Trinity's merchandise, as well as all Federal, state, and local taxes assessed in connection with the operation of its Services upon the Premises. Trinity also agrees to comply with all Federal, state, and local laws and regulations governing the preparation, handling, and packaging of Products. Trinity will also procure and keep in effect all necessary licenses and permits required by law, and to post such permits as required by law. All costs in connection with such taxes (excluding Client's real estate and personal property taxes and sales taxes), licenses and permits, shall be a Trinity Cost of Business and will be borne solely by Trinity.

C. Trinity shall hire all employees necessary for the performance of this Agreement. Upon being hired, such employees shall be subject to such health examination as city, state, or Federal authority may require in connection with their employment, including background checks and drug testing. All persons employed by Trinity will be the employees of Trinity, and not of the Client. Trinity agrees to comply with applicable Federal, State and local laws and regulations pertaining to wages and hours of employment.

D. All records shall be kept on file by Trinity for a period of three (3) years from the date the record is made. Trinity shall, upon reasonable notice, give the Client or its authorized representative the privilege (at a reasonable time) of inspecting, examining, and auditing, during normal business hours, such of Trinity's business records which are directly relevant to this Agreement.

E. Trinity agrees that whenever Trinity's employees and agents are in the Premises, they shall comply with and observe all applicable rules and regulations concerning conduct on the Premises which Client imposes upon Client's employees and agents.

F. Trinity will provide the software, including installation and training for the Inmate Trust Fund Accounting system. All software provided by Trinity is proprietary and copyrighted and shall at all times remain the separate property of Trinity. Client shall have no proprietary interest in the software. The software shall be used by the Client for Inmate Trust Accounting for inmates confined at the Premises and for no other purpose whatsoever without the prior written consent of Trinity.

G. Trinity will provide four (4) in-pod inmate kiosks, one (1) lobby kiosk and one (1) SmartCard reader. Trinity shall also provide the following additional services: (i) NUMI debit card release program; (ii) Trinity's SmartDeposit system which allows for telephone and internet deposits; (iii) Trinity's MyCarePack program which allows inmate's friends and family to purchase pre-approved packages of commissary products for delivery directly to the inmate. In the event any hardware supplied by Trinity is damaged due to the negligence or intentional conduct of an inmate, the Client will be responsible for the cost of repairs. Otherwise, Trinity shall be responsible for routine maintenance and repairs necessitated by normal wear and tear.

H. Trinity will provide commissary service to Client, F.O.B. the Premises, on a schedule established by agreement between the parties.

I. In connection with Services provided hereunder, Trinity shall purchase inventory, equipment, and products from various sellers and vendors selected by Trinity at its sole discretion (each a "Vendor"). Purchases from Vendors shall be made under such terms Trinity deems in its sole discretion as acceptable ("Vendor Terms"). All Vendor Terms are the exclusive obligation and property of Trinity. Client does not have any liability under, or any right to, any Vendor Terms and no Vendor Terms will operate to reduce or otherwise affect the amount or performance of Client's Obligations. All Products shall remain the property of Trinity, with title vested in Trinity until sold to the Client.

SECTION 3. CLIENT'S RESPONSIBILITIES

A. Client shall establish prices for the commissary products in the Client's sole discretion. Client shall collect and remit all sales taxes which are due related to the Client's sale of commissary products supplied by Trinity.

B. It shall be the Client's responsibility to insure that its employees follow and adhere to the operating procedures provided by Trinity related to the Inmate Trust Accounting System. Trinity shall not be responsible for the integrity of the account balances maintained by the Client.

C. Client shall promptly notify Trinity of any changes in the Client's hardware, software or operating systems or procedures which may, in any way, affect the Inmate Trust Accounting System supplied by Trinity.

D. Client shall be responsible for selling, accepting and delivering to the inmates orders as fulfilled by Trinity on Client's behalf and shall notify Trinity promptly of any discrepancies between the order placed by an inmate and the goods delivered by Trinity.

E. Client shall not, during the term of this Agreement nor for one (1) year following its termination or expiration, solicit to hire, hire, or contract with any employee or former employee of Trinity or any of its subsidiaries. In the event that Client breaches the terms of this provision, Client shall pay Trinity an amount equal to the annual salary of such Employee.

F. Client shall provide Trinity with access to the Premises in order to provide the Services required hereunder. The Client shall not unreasonably deny Trinity access to the Premises.

SECTION 4. FINANCIAL ARRANGEMENTS

The financial arrangements of this Agreement are set forth in Exhibit A, which is attached hereto, incorporated herein and made a part hereof as if fully set forth in this Agreement.

SECTION 5. INSURANCE AND INDEMNIFICATION

A. Each Party to this Agreement shall be responsible for its own acts and omissions, and shall indemnify and hold harmless the other and its officers, employees and agents thereof, from and against any and all claims, suits, proceedings, liabilities, losses, damages, costs and expenses whatsoever, including reasonable attorney's fees and the reasonable costs associated with the retention of consultants or experts arising from the non-compliance with any applicable law, or the alleged or actual breach of this Agreement or any negligent act or omission attributable to the indemnifying party, its managers, members, officers, employees, agents or subcontractors in the performance of their obligations under this Agreement. Notwithstanding the foregoing, Trinity shall not be required to indemnify Client for any claim, or action brought by an employee of Trinity against Client. The provisions of this Section shall survive the expiration or termination of this Agreement.

B. Notification of an event giving rise to an indemnification claim ("Notice") must (a) be received by the indemnifying party on or by the earlier of a date thirty (30) days subsequent to the date which such event was or should have been discovered or ninety (90) days subsequent to the effective termination date of this Agreement, and (b) include a brief factual summary of the damage and cause thereof. An indemnification claim is expressly subject to and conditioned upon compliance with the Notice provisions hereunder.

C. Trinity shall obtain and maintain insurance for the following risks in such amounts under such policies as appropriate: general liability (including contract, products-completed,

operations, and business automobile coverage); and, workers' compensation including employers' liability coverage.

D. Client shall obtain and maintain insurance for the Premises, services equipment, offices, and utilities against risks covered by standard forms of fire, theft, and extended coverage in such amounts under such policies as appropriate.

E. Certificates of Insurance for such coverage and naming the Client as an additional insured will be furnished upon thirty (30) days' prior written notice.

SECTION 6. COMMENCEMENT AND TERMINATION

This Agreement shall become effective as of the 27th day of June 2016, and shall remain in force for five (5) years and thereafter shall, upon the mutual agreement of the Parties, renew for an additional two (2) year term, unless sooner terminated as herein provided.

If either party shall refuse, fail, or be unable to perform or observe any of the terms or conditions of this Agreement for any reason other than Excused Performance reasons stated in Section 8 herein, the party claiming such failure shall give the other party a written notice of such breach. If, within thirty (30) days from such notice the failure has not been corrected, the injured party may cancel the Agreement effective ten (10) days after the end of said thirty (30) day period.

The termination of this Agreement shall not affect the rights, privileges, liabilities, and/or responsibilities of the parties as they exist as of the effective date of termination and the parties shall cooperate fully with each other during the term of the Agreement and subsequent to the termination in order to ascertain and satisfy the liabilities of either party to the other.

SECTION 7. INDEPENDENT CONTRACTOR RELATIONSHIP

It is mutually understood and agreed, and it is the intent of the parties, that an independent contractor relationship be established under the terms and conditions of this Agreement. Employees of Trinity are not nor shall they be deemed to be employees of Client and employees of Client are not nor shall they be deemed to be employees of Trinity.

SECTION 8. EXCUSED PERFORMANCE

In case performance of any terms or provisions herein (other than the payment of monies) shall be delayed or prevented because of compliance with any law, decree, or order of any governmental agency or authority, either local, state, or Federal, or because of riots, war, public disturbances, strikes, lockouts, differences with workmen, fires, floods, Acts of God, or any other reason whatsoever which is not within the control of the party whose performance is interfered with and which, by the exercise of reasonable diligence said party is unable to prevent, the party so suffering may at its option suspend, without liability, the performance of its obligations hereunder (other than the payment of monies) during the period such cause continues, and extend the term of this Agreement for the period of such suspension of the performance of duties hereunder.

SECTION 9. CONSENT

Where the consent of either party is required, it shall not be unreasonably withheld or

delayed.

SECTION 10. ASSIGNMENT

Neither Trinity nor Client may assign or transfer this Agreement, or any part thereof, to any party other than an affiliated entity, without the written consent of the other party, which consent shall not be unreasonably withheld or delayed.

SECTION 11. ENTIRE AGREEMENT: WAIVER

This Agreement constitutes the entire Agreement between the parties with respect to the provision of Trinity's Services, and there are no other or further written or oral understandings or agreements with respect thereto. No variation or modification of this Agreement and no waiver of its provisions shall be valid unless in writing and signed by the duly authorized officers of Trinity and Client. This Agreement supersedes all other agreements between the parties for the provision of Trinity's Services on the Premises.

SECTION 12. NOTICES

All notices to be given under this Agreement shall be in writing and shall be serviced either personally, by deposit with an overnight courier with charges prepaid, or by deposit in the United States mail, first-class postage prepaid by registered or certified mail, addressed to the parties at the address stated below or at any other address as designated by one party upon notice to the other party. Any such notices shall be deemed to have been given (a) upon the first business day following facsimile receipt, (b) one business day after deposit with an overnight courier, or (c) three business days after deposit in the United States mail.

To Client:	Pend Oreille County Sheriff's Office 331 South Garden Ave. Newport, WA 98556
To Trinity:	Trinity Services Group, Inc. 477 Commerce Boulevard Oldsmar, FL 34677
with a copy to:	Stephen A. Hould, Esq. 920 Third Street, Suite D Neptune Beach, FL 32266

SECTION 13. PUBLIC RECORDS

This Agreement and all public records associated with this Agreement shall be available from the Client for inspection and copying by the public where required by the Public Records Act, Chapter 42.56 RCW (the "Act"). To the extent that public records then in the custody of Trinity are needed for the Client to respond to a request under the Act, as determined by the Client, Trinity agrees to make them promptly available to the Client. If Trinity considers any portion of any record provided to the Client under this Agreement, whether in electronic or hard copy form, to be protected from disclosure under law, Trinity shall clearly identify any specific information that it claims to be confidential or proprietary. If the Client receives a request under the Act to inspect or copy the information so identified by Trinity and the Client determines that

release of the information is required by the Act or otherwise appropriate, the Client's sole obligations shall be to notify Trinity (a) of the request and (b) of the date that such information will be released to the requester unless Trinity obtains a court order to enjoin that disclosure pursuant to RCW 42.56.540. If Trinity fails to timely obtain a court order enjoining disclosure, the Client will release the requested information on the date specified.

The Client has, and by this section assumes, no obligation on behalf of Trinity to claim any exemption from disclosure under the Act. The Client shall not be liable to Trinity for releasing records not clearly identified by Trinity as confidential or proprietary. The Client shall not be liable to Trinity for any records that the Client releases in compliance with this section or in compliance with an order of a court of competent jurisdiction.

SECTION 14. INFORMATION TECHNOLOGY SECURITY

In connection with the services being provided hereunder, Trinity may need to operate certain information technology systems not owned by the Client ("Non-Client Systems"), which may need to interface with or connect to Client's networks, internet access, or information technology systems ("Client Systems"). Trinity shall be responsible for all Non-Client Systems, and Client shall be solely responsible for Client Systems, including taking the necessary security and privacy protections as are reasonable under the circumstances. If Trinity serves as the merchant-of-record for any credit or debit card transactions in connection with any of the services provided hereunder, then Trinity will be responsible for complying with all applicable laws, regulations and payment card industry data security standards related to the protection of cardholder data ("Data Protection Rules"). If Non-Client Systems interface with or connect to Client Systems, then Client agrees to implement forthwith upon request from Trinity, at its own expense, the changes to the Client Systems that Trinity reasonably requests and believes are necessary or prudent to ensure Trinity's compliance with the Data Protection Rules. Each party shall indemnify, defend and hold harmless the other party from all claims, liabilities, damages and costs (including reasonable attorneys' fees) to the extent caused by the indemnifying party's failure to comply with its obligations in this Section.

SECTION 15. SYSTEMS INTEGRATION

To the extent necessary, Trinity will cooperate in the integration of its accounting software. In the event any additional third party vendor requests or is required to integrate with Trinity systems, the initial integration and all future support and maintenance costs associated with the third party's integration will be borne by the third party vendor and neither Trinity or the Client will be required to contribute to those costs.

SECTION 16. GOVERNING LAW AND DISPUTES

Any disputes which are not settled by the parties shall be brought to a court of competent jurisdiction in Pend Oreille County WA. This Agreement shall be governed by the laws of the State of Washington.

SECTION 17. EQUAL EMPLOYMENT OPPORTUNITY CERTIFICATION

The parties shall comply with all federal, state and local laws as required including, but not limited to, Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, as amended, and the Vietnam Era Veterans' Readjustment Act of 1974, as amended. The parties hereby incorporate the requirements of 41 C.F.R. §60-1.4(a)(7), 60-250.5 and 60-

741.5, if applicable.

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

Pend Oreille County Sheriff's Office	Trinity Services Group, Inc.
By:	By:
Name: Alan Botzheim	Name: David M. Miller
Title: Sheriff	Title: COO
Date: 06/27/2016	Date: July 18, 2016

EXHIBIT A

PAYMENT PROCESSING

1. Trinity will provide cash handling services and payment processing services for payments made for the benefit of inmates at the Client's facility through kiosks, online websites and/or mobile sites or applications operated by Trinity or such other methods that the parties agree will be made available for the benefit of inmates at Client's facility ("Transactions") for crediting inmate trust account balances held by Client (the "Services"). Trinity provides the Services through its subsidiary Swanson Services Corporation ("Swanson") in its capacity as a licensed money services provider, under the terms and conditions set forth below, as may be amended by mutual written agreement from time to time. Trinity represents and warrants to Client that Swanson is duly licensed to provide the Services and will do so in compliance with applicable laws and regulations and card associations' operating rules applicable to the Services.

2. Client authorizes Swanson to act on its behalf in handling cash and to submit Transactions initiated by individuals through the Services to the VISA and MasterCard card networks or otherwise for authorization, processing and settlement to Client for the benefit of inmates at Client's facilities. If the Client accepts deposits through other third party vendors, the Client also authorizes and designates Swanson as its agent to receive deposits from the authorized vendors.

3. The Services shall be provided at no cost to Client. Trinity shall charge persons initiating a Transaction a service fee in accordance with its rate schedule which the Client acknowledges may be amended by Trinity in its discretion from time to time. Trinity shall have the exclusive right to provide cash handling services and payment processing activities at the Client's facility and the exclusive right to collect and receive money handling fees which fees shall belong to Trinity.

4. Transaction processing and settlement terms:

a. Trinity facilitates processing and settlement of Transactions by third parties through websites and/or other remote sites or applications operated by Trinity or such other methods that the Parties agree will be made available during the Term.

b. Upon authorization of the Transaction, Client authorizes Trinity to provide associated payment information for entry into Trinity's inmate trust account management system on behalf of the Client.

c. Proceeds of the Transactions will be deposited in an account maintained by Swanson who will transmit funds to Client's designated accounts. Client authorizes Swanson to provide amounts corresponding to proceeds of Transactions due to inmates (minus Trinity's service fee) from the Swanson accounts to Client's designated bank account by Swanson on a weekly basis.

5. Client acknowledges and agrees that Trinity may determine, in its sole discretion, to suspend, terminate or place restrictions on one or more individual's ability to use the Services. Client may require Trinity to place limitations on transactions (such as due to applicable legal or regulatory restrictions or Client's account administration policies). Such requirements shall be designated in writing to Trinity, and the Parties shall agree upon a commercially agreeable timeframe for implementation.

6. The Parties acknowledge that once an individual submits a transaction to the applicable payment network or otherwise for processing, Trinity cannot cancel or change the transaction. Except to the extent required by applicable law, payments processed by Trinity are non-refundable to the individual by Trinity. Individuals may have additional refund or chargeback rights under their agreement with the card issuer or applicable law.

In the case of chargebacks or returned funds, Trinity will be responsible for pursuing the chargeback through the card association's dispute resolution processes, if appropriate in Trinity sole discretion. Upon written request from Trinity, Client agrees to provide requested information needed to pursue the chargeback. Trinity shall have no liability for chargebacks upheld through the card association dispute resolution procedures or which Trinity chooses, in its sole discretion, not to pursue through the card association's dispute resolution process.

If an individual requests a refund, Trinity will not be responsible for making those funds available if they have been already settled to a designated account by Trinity or are beyond Trinity's control. If Client and individual issue inconsistent instructions or requests to Trinity, Client's instructions will control.

7. Trinity will utilize nonpublic personal information of individuals solely to provide the Services and as otherwise permitted by applicable law. For purposes of this Section, "nonpublic personal information" ("NPPI") has the meaning ascribed in the Gramm-Leach-Bliley Act, Title V and applicable regulations thereunder. Trinity and any third parties will comply with the Payment Card Industry Data Security Standards (PCI DSS) and applicable privacy and data security laws and regulations with respect to the Services.

8. OTHER THAN TRINITY'S OBLIGATION FOR ANY FUNDS RECEIVED FROM INDIVIDUALS, IN NO EVENT SHALL TRINITY'S AGGREGATE LIABILITY IN TOTAL FOR ALL CLAIMS ARISING FROM OR RELATING TO PAYMENT PROCESSING EXCEED THE AMOUNT OF SERVICE FEES PAID TO TRINITY FOR THE TRANSACTIONS RELATING TO THE CLAIM. THE FOREGOING LIMITATION APPLIES REGARDLESS OF THE NATURE OF THE CLAIM OR THE FORM OF THE ACTION EMPLOYED, WHETHER IN CONTRACT, WARRANTY, TORT OR OTHERWISE. IN NO EVENT WILL TRINITY BE LIABLE FOR INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOST INCOME OR LOST REVENUE WHETHER BASED IN CONTRACT, TORT, OR ANY OTHER THEORY. THE SERVICES ARE PROVIDED "AS IS." EXCEPT AS EXPRESSLY STATED IN THIS ADDENDUM, NEITHER PARTY MAKES, AND EACH PARTY EXPRESSLY DISCLAIMS, ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS, OR IMPLIED WARRANTIES ARISING FROM THE COURSE OF DEALING OR COURSE OF PERFORMANCE.

9. Trinity agrees to provide customer service related to the Services offered through the website or other customer interfaces provided by Trinity and responding and resolving claims, inquiries or complaints arising out of the acceptance and settlement of Transactions. Client agrees to provide customer service related to the underlying obligation to the Client, inmate trust account status, and/or payments received by Client, and responding to and resolving all claims, inquiries or complaints arising out of the crediting of the Transaction amount to the Client's inmate trust account or obligations owed by inmates. The Parties agree to cooperate with each other in resolving complaints, with each Party to bear its own costs.

EXHIBIT B

FINANCIAL ARRANGEMENTS-COMMISSARY SERVICES

I. COMMISSARY SERVICES

Trinity will provide its Commissary Services for its own account on a profit or loss basis. Trinity shall bear all losses in the event that receipts from the operation of its Services are less than Trinity's Cost of Business. Trinity shall be entitled to all profits in the event that the receipts from the operation of its Services are greater than Trinity's Cost of Business.

The initial Commissary Menu and Price List shall be determined by agreement between the parties. The parties agree to meet not less often than twice annually to review the commissary menu and pricing. In the event of material cost changes, whether in federal, state or local sales, payroll based or other taxes, labor, employee benefits, merchandise, equipment, the minimum wage rate or implementing regulations or benefits or the enactment or application of any "living wage", "prevailing wage" or similar laws by any governmental entity having jurisdiction over the parties, it is agreed that Trinity shall have the right to adjust its prices to reflect impact of the cost changes. If other material conditions change due to causes beyond Trinity's control, including, but not limited to a change in the scope of services, merchandise changes requested by the Client, decreases in inmate population or efforts to organize labor or changes in federal, state or local standards or regulations or other unforeseen conditions beyond Trinity's control, it is agreed that Trinity shall have the right to adjust its prices to reflect the impact of the change in circumstances. In the event Trinity believes a change in price is required based upon a change of circumstances, it shall submit to the Client a written notice of intent to change the relevant price not less than ten (10) calendar days prior to the date the price change will be implemented. The notice shall include copies of documentation reasonably necessary to document the change in circumstances. Unless the Client submits a written objection to the price change during the ten (10) day notice period, the price change will be made. In the event the Client submits a written objection, it shall include the basis for the objection and the parties agree to meet promptly and negotiate in good faith regarding the requested price adjustment.

II. TRINITY'S ACCOUNTING TO CLIENT FOR COMMISSARY SERVICES

Trinity will bill the Client weekly for the commissary sales. Payment by the Client will be thirty (30) business days from date of invoice for the billing.

III. CREDIT TERMS

All past due amounts due Trinity will be subject, at the option of Trinity, to a service charge of up to one and one half percent (1.5%) per month of the unpaid balance. In the event that said past due amounts are not paid according to the terms hereof, or in the event that Trinity, in its sole discretion, determines that Client's credit has become impaired, Trinity shall have the option of either (a) declining to continue its Services hereunder except on a cash-in-advance basis until such time as said credit has been re-established to Trinity's satisfaction, or (b) terminating the Agreement without any liability whatsoever to Trinity. All costs of collection of past-due amounts including, but not limited to, reasonable attorney's fees and costs, shall be chargeable to and paid by the Client. If after thirty (30) days any past due amount has not been will be automatically deducted by Trinity from payable commissions to the Inmate Welfare Fund.