RESIDENTIAL SERVICES AGREEMENT BETWEEN

MISSISSIPPI DEPARTMENT OF CORRECTIONS

(BY AND ON BEHALF OF THE STATE OF MISSISSIPPI)

AND

TALLAHATCHIE COUNTY CORRECTIONAL FACILITY

THIS RESIDENTIAL SERVICES AGREEMENT (this "Agreement") made as of this *8th day of January, 2020* by and between the Mississippi Department of Corrections *(the "Department")*, acting on behalf of the State of Mississippi (the "State") *and the Tallahatchie County Correctional Authority* (the "Authority").

WITNESSETH

WHEREAS, the Department has a need for housing for inmates in its custody ("Inmates")

WHEREAS, the Department may contract with the Authority for the private incarceration of Inmates at the Facility; Miss. Code Ann. §47-4-1 (Supp. 2004)

WHEREAS, the Authority is authorized to contract with a private entity for the management and operation of the Facility;

WHEREAS, the Authority has contracted with CoreCivic, Inc. ("CoreCivic") for the management and operation of the Facility;

WHEREAS, the Department desires to house Inmates at the Facility, and the Authority agrees to accept said Inmates.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties hereby agree as follows:

ARTICLE 1
DEFINITIONS

ACA means the American Correctional Association

ACA Standards means the ACA Standards for Adult Correctional Institutions (4th Edition) (as same may be modified, amended, or supplemented in the future) published by ACA.

Act means Sections 47-5-1211 through 47-5-1227, Mississippi Code of 1972, as amended and any other relevant state law.

Additional Services means those additional operational and management services required to be furnished by the Authority because of the changes in ACA standards, laws, government regulations, or judicial decisions that cause an increase in the cost of operating and managing the Facility.

Agreement means this Residential Services Agreement.

Authority means the Tallahatchie County Correctional Authority and/or its subcontractors.

Applicable Standards means the American Correctional Association and Department Standards

Contract Monitor means the contract compliance officer person designated by the Department pursuant to Section 47-5-1223 of the Act to monitor contracts between the State and private entities for the operation and management of correctional facilities:

Department means the Mississippi Department of Corrections.

Facility means the Tallahatchie County Correctional Facility

Facility Operator means the private entity with whom the Authority contracts for the management and operation of the Facility, which shall be CoreCivic.

Force Majeure means an unforeseeable circumstance that prevents either party from performing any of the terms and conditions of this Agreement, which circumstance results from causes beyond the control and without the fault or negligence of the non-performing party. Such causes may include, but are not limited to, acts of God or the public enemy, storm, fire, epidemics, casualty, war or national emergency.

Inmate incudes any adult male person committed in accordance with the applicable laws of the State and assigned to the Facility for incarceration therein pursuant to this Agreement.

Inmate Day means each 24 hour period an Inmate is housed at the Facility, plus the first day of incarceration, but not the last.

Inmate Information System means that software developed by the Facility Operator for use at the Facility.

Inmate Population means, as of a day, the total Inmate population reflected in the Midnight Strength Report for such day. The Midnight Strength Report will include all Inmates assigned to the Facility on such day, including Inmates held outside the Facility in connection with legal proceedings, Inmates held outside the Facility for medical purposes (during the period for which the Authority is responsible as provided in Section 4.7 hereof) and any Inmates admitted to the Facility on such day.

Per Day Inmate Rate means the fees payable by the Department pursuant to Section 6.1 of this Agreement.

Reimbursable Medical Costs means those medical, mental health, and dental costs payable in whole or part by the State, as set forth herein.

RHU means Restrictive Housing Unit

State means the State of Mississippi and/or the Mississippi Department of Corrections, as applicable.

Use of Force means force as contemplated by the ACA, adult standards, and those set forth in Section 47-5-1215 of the Act, as the same may be amended, from time to time.

ARTICLE 2
TERM OF AGREEMENT

Section 2.1 Term.

The term of this Agreement shall be a period of 90 days commencing on January 8, 2020 and ending on April 6, 2020. The State may extend this Agreement for up to two additional 90-day terms. This Agreement is subject to annual appropriations as set forth in Section 8.6 hereof.

ARTICLE 3
INMATES

Section 3.1 Inmate Housing. The Authority agrees to provide housing at the Facility for up to 375 Inmates in accordance with governing law. In the event the Facility is expanded and/or more bed space becomes available and subject to approval of the

Legislature of the State of Mississippi, if necessary, the Authority and the Department may agree to house as many additional inmates as the expansion and/or bed space provides.

Section 3.2 Assignment of Inmates. The Department and the Authority agree to select and assign Inmates to the Facility. Prior to the transfer of any Inmate to the Facility, the Department will furnish to the Authority the following documents:

A. Complete information and documentation relating to the Inmate's case history and physical, mental and clinical records that is in the custody of the Department;

B. Applicable judicial and administrative rulings, specifying the sentence or sentences for which the Inmate is confined;

C. Orders, including transfers, relating or pertaining to the Inmate; and

D. Any other requested information which will assist the Authority in performing its duties.

E. The Authority agrees that all Inmate records are to remain confidential and are not to be released without the approval of the Department, unless otherwise required by applicable laws, rules or regulations; and, upon release or transfer of an Inmate from the Facility, all of said Inmate records furnished by the Department will be promptly returned to the Department. The Authority may retain copies as needed for litigation defense and other lawful purposes pursuant to this Agreement.

F. The Authority reserves the right to refuse any Inmate from the Facility, remove any Inmate from the Facility or transfer any Inmate to another facility (subject to the Department's approval) if the Authority determines it is in the best interest of the Authority.

Section 3.3 Transfer of Funds. The Department will provide Inmate funds due the transferred Inmates to the Authority to be credited to each Inmate's account. Upon return to the Department, the Authority will provide funds due the Inmate to the Department to be credited to each Inmate's account.

Section 3.4 Capacity and Assignment of Inmates. The Authority shall house up to 375 close custody Inmates, including Inmates assigned to two-man RHU cells. The Department agrees to make Inmates available for transfer forthwith. Inmates may be commingled with inmates from other jurisdictions.

Section 3.5 Transportation of Inmates. The Department shall provide all transportation services for the Inmates except transportation and guard services provided by the Authority pursuant to Section 4.7 for medical needs for the first twenty-four hours of an Inmate's hospitalization or outpatient treatment based on each occurrence.

If the Authority is requested by the Department to provide transportation and guard services beyond the first 24 hours of an Inmate's hospitalization or outpatient treatment, per occurrence, the Department shall reimburse the Authority based on the Authority's actual costs to provide these services, including labor costs and mileage at the prevailing GSA mileage rate.

ARTICLE 4
OPERATION OF FACILITY

Section 4.1 General Duties. The Authority shall cause the services listed herein to be performed by an agreement with a private entity that shall perform said services on behalf of the Authority. The Authority, by agreement with a private entity who shall act on behalf of the Authority, shall maintain and manage the Facility in compliance with applicable Facility policies; applicable federal and state laws and court orders; and ACA Standards (each an "Applicable Standard"). If a difference exists between the above standard and/or laws, the higher standard will be followed. All official communication shall be managed according to policies to be adopted by all parties.

The Authority will confine the Inmates sent by the Department, give them reasonable and humane care and treatment, provide appropriate programs, treatment and training, supervise them and maintain discipline and control consistent with constitutional standards. The Authority will provide no special privileges to the Inmates and shall see that the sentences of the committing court in the State are faithfully executed.

Section 4.2 Admitting and Booking. The Authority shall be responsible for Inmates placed in the Facility. Inmates will be admitted to the Facility under the terms of this Agreement upon receipt of the appropriate Department documentation.

Section 4.3 Safety and Emergency Procedures. The Authority will develop and maintain procedures to provide for emergencies such as labor disputes, riots, fire and civil disaster, and such procedures shall be subject to approval by the Department, said approval not to be unreasonably withheld. The Authority shall operate and maintain the Facility in compliance with applicable Federal, State and local safety and fire codes and in accordance with ACA Standards.

Section 4.4 Sanitation/Hygiene/Accommodations. The Authority will implement policies and procedures in conformity with applicable ACA Standards, regulations, laws and codes mandated by County, State and Federal governmental agencies to ensure that the Facility meets sanitation standards.

Section 4.5 Recreation. The Authority will provide exercise and other activities in compliance with ACA Standards. The recreational program will include both indoor and outdoor activities.

Section 4.6 Counseling/Mental Health. The Authority will provide Inmates access to counseling and mental health programs and services, including but not limited to alcohol and drug treatment programs, chaplaincy, pre-release and individual counseling, and other programs and services necessary in order to comply with Applicable Standards. The counseling and mental health program will be supported by case management procedures to ensure an updated record documenting the Inmate's progress.

Section 4.7 Medical/Dental

A. The Authority will provide medical and mental health services, optometry and pharmaceutical services and a dental program in accordance with ACA Standards and Federal, State and local laws and regulations. The program will provide Inmates with a basic medical screening to be performed upon admission to the Facility, and, prior to being placed in the general population or housing area.

B. Except as otherwise stated herein, the costs of providing routine on-site medical services such as sick call, prescription and over-the-counter medications and medical supplies, mental health or dental services, customarily provided to persons sentenced to confinement in the Facility shall be considered usual costs incidental to the operation of the Facility and part of the costs reimbursed by the fixed inmate day rate as provided by this Agreement.

C. Except as otherwise stated herein, the Authority is responsible for the first $2,500 incurred per inmate per occurrence for off-site medical, mental health and dental services, medication and associated treatments, including costs associated with hospitalization. The Department is responsible for all such costs in excess of the first $2,500 per inmate per occurrence.

D. The Authority shall not be liable for any and all medical, mental health, optometry, pharmaceutical and dental expenses, including inpatient or outpatient surgery or other hospital costs or expenses, the costs of which exceed $2,500.00 per inmate per occurrence of a health need, unless such illness or injury was caused by

or such hospitalization or treatment arises from the negligent or intentional acts or omissions of the Authority unless authorized by this Agreement. If the Authority fails to provide notice to the Department as required in subsections E and F below, the Authority shall be responsible for the cost of the additional medical care.

E. Except in an emergency, when an Inmate is to be hospitalized, the Authority will notify the Commissioner or his designee and the Medical Director for the Department of the nature of the illness or medical condition, recommended course of treatment and the estimated costs thereof.

F. In an emergency, the Authority may make appropriate arrangements for emergency medical treatment without first making the necessary notification. The Authority will then make the necessary notifications as soon thereafter as practicable.

G. The Authority shall not be responsible for costs of treatment of Inmates diagnosed with Acquired Immune Deficiency Syndrome (AIDS) or Human Immunodeficiency Virus (HIV), or Hepatitis C Virus (HCV) as defined by the Center for Disease Control. This will include, but will not be limited to, all inpatient and outpatient medical costs and the cost of providing medications therapeutically indicated for the treatment of Inmates with HIV, AIDS, and HCV.

H. The Authority shall follow approved notification procedures established by the Department.

I. The Authority shall provide a substance abuse treatment program.

J. The Authority shall provide security and control in accordance with Applicable Standards and during transportation of inmates away from the Facility for outpatient needs and/or hospitalization up to 24 hours. MDOC will reimburse the Authority for all expenses incurred after the initial 24 hours of hospitalization or outpatient treatment in accordance with section 3.5 of this Agreement.

Section 4.8 Food Service. The Authority will provide food services in accordance with Applicable Standards. At a minimum, the food service operation shall provide a meal schedule, special diets meeting medical or religious requirements and three (3) meals served at regular times during each twenty-four (24) hour period. There shall be no more than fourteen (14) hours between the evening meal and breakfast. The Authority will provide for at least 2900 calories per day, per Inmate, as certified by a nutritionist for the Authority and consistent with Applicable Standards.

Section 4.9 Clothing and Laundry. The Authority shall furnish all Inmate clothing and replacement clothing. The Authority will provide laundry services for the Inmates.

Clothing shall be in accordance with Applicable Standards.

Section 4.10 Inmate Canteen. The Authority will provide a canteen in accordance with Applicable Standards. The canteen shall be operated in accordance with the current system in place at the Facility. The proceeds from the canteen shall be retained by the Authority and used to establish and maintain the canteen at the Facility for the Inmates' benefit and to establish and maintain an Inmate Welfare Fund at the Facility for the Inmates' benefit.

Section 4.11 Mail. The Authority will provide delivery of mail to Inmates in the Facility in compliance with Applicable Standards.

Section 4.12 Religion. The Authority will provide adequate space within the Facility for religious services to be held and provide programs in compliance with Applicable Standards.

Section 4.13 Facility Supplies. The Authority will provide Facility supplies, which includes general hygiene items, office supplies and building support items such as cleaning supplies, mops, buckets, linens, paper towels, etc.

Section 4.14 Grievance Procedure. The Authority will provide Inmates with a means to pursue grievances in accordance with Applicable Standards. The Department will provide appropriate forms for this purpose.

Section 4.15 Security and Control. The Authority shall provide security and control in accordance with Applicable Standards and during transportation of Inmates away from the Facility for any emergency medical treatment.

Section 4.16 Visitation. The Authority shall provide physical space, furniture, equipment and supervision for visitation in accordance with Applicable Standards. The hours and schedule of visitation for offenders shall be as approved and agreed to by the Department and the Authority.

Section 4.17 Access to Courts. The Authority agrees to ensure that Inmates have adequate access to the courts, consistent with Applicable Standards. The Authority will provide Inmates access to courts by use of a legal reference center, legal counsel, paralegals, or any combination thereof in accordance with Applicable Standards.

Section 4.18 Use of Force. The Authority's employees are authorized to use force only in accordance with Applicable Standards. Following any use of force, an incident report shall be prepared and the Department shall be notified as soon as reasonably practicable by phone or facsimile. During business hours, the Contract

Monitor shall be contacted.

Section 4.19 Good Time/Gain Time. The Authority shall provide specific information to the Department in accordance with Applicable Standards for the purpose of award or forfeiture of good time/gain time. The final decision on awarding or forfeiture of good time/gain time rests with the Department, although the Authority shall be responsible for providing information as to performance and behavior of Inmates in a timely manner.

Section 4.20 Sentence Computation. The Authority shall provide the Department with essential data and information relating to sentence computation. The final decisions with respect to sentence computation rest with the State. The Department may furnish adjusted release dates to the Authority on a monthly basis, but in no event less than five (5) business days prior to the adjusted release date.

Section 4.21 Records and Reports

The Authority shall maintain Inmate institutional records in accordance with the Department's record keeping practices and shall adhere to Applicable Standards governing confidentiality. Upon request, all records, reports and documents will be made available immediately to the Contract Monitor, the Department, the Attorney General for the State, MDOC Legal Staff, the PEER Committee and their approved employees and/or agents for review. Upon termination of confinement at the Facility, the Authority will forward a complete copy of the Inmate's records to the Department, at no cost.

A. The Department shall furnish to the Authority each Inmate's institutional record, electronic record, medical record and such other records as the Authority may request and/or the Department has pertaining to the Inmate. All Inmate records are to remain confidential and are not to be released without approval of the Department, unless otherwise required by applicable laws, rules or regulations.

B. The Authority will send to the Department all incident reports in accordance with Applicable Standards.

C. The Authority shall provide the Department access to its Inmate Information System.

Section 4.22 Return of Inmates to the Department

A. Upon demand by the Department, the Authority will deliver to the custody of the Department any Inmate in accordance with applicable laws of the State.

B. Upon request by the Authority in coordination with the Department, the Department will become responsible for the care, custody and control of a specified Inmate within the Facility within five (5) working days of receiving the request, unless both parties agree to a different deadline.

C. Any Inmate who is released by court order or is placed on probation or parole or earned released supervision shall immediately be returned to the Department, on behalf of the State, or to such state as has agreed to take the Inmate into its care, custody and control pursuant to the Interstate Compact on Parole.

D. Should the Authority be required to return any Inmate to the State as the result of any action by the Legislature of the State or a State court which prevents the Inmate's confinement at the Facility, the Department shall be responsible for the cost of such transportation.

Section 4.23 Inmate Work

A. The Authority will develop policies and procedures which outline and describe those Inmates who qualify to work and/or participate in programs of occupational training at the Facility, in accordance with Applicable Standards.

B. Inmates shall be required to work or participate in educational programs consistent with Applicable Standards. The Authority may not require an Inmate to participate in any training, industrial or other work when said assignment is contrary to the laws of the State.

C. The Authority will abide by Applicable Standards regarding the sale of Inmate goods

D. On-the-job certification for training programs will be included in the Inmate work program.

Section 4.24 Classification

A. The Authority may administratively transfer any Inmate to a higher security level, including RHU. The Authority will advise the Department's on site monitor of this action.

B. The Department shall have sole authority for the classification of Inmates and assignment of Inmates to and removal of Inmates from the Facility. Notwithstanding

the foregoing, the Authority shall not house any Inmate if the Department alters such Inmate's classification such that the Inmate cannot be housed by the Authority pursuant to Section 3.4 of this Agreement.

Section 4.25 Telephone Service. Inmate phones shall be provided on a basis comparable to MDOC's current Inmate phone service contracts. The proceeds from the telephone service shall be retained by the Authority and used to establish and maintain an Inmate Welfare Fund at the Facility for the Inmates' benefit.

Section 4.26 Hearing. The Authority will provide adequate facilities for meetings and hearings by appropriate State authorities, including the Department, the Parole Commission and representatives of the Mississippi Attorney General's Office and office space for legal representatives of the Department.

Section 4.27 Death of an Inmate

A. In accordance with Applicable Standards, the Authority will complete any medical examination required by the laws of the State or Department policy, immediately report the death of any Inmate to the State. The Mississippi Medical Examiner and the applicable County Coroner shall furnish all information requested by the State and follow the instructions of the State with regard to disposition of the body. The Authority will, unless the Department shall agree otherwise, notify the relatives of the deceased Inmate, in compliance with Applicable Standards.

B. The Authority shall not be responsible for any and all costs or expenses associated with the autopsy, burial, or disposition related thereto of the Inmate's body.

C. The provisions of this Section will not affect the liability of any relative or other legally liable person for the disposition of the deceased Inmate or for any expenses in connection therewith.

D. The Authority will forward to the Department a certified copy of the Inmate's death certificate and the Inmate's file and medical records.

Section 4.28 Public Information and Publicity

A. The Authority will promptly refer requests for public information to the Department public information officer or his/her designee.

8. The Authority will not release information regarding Inmates except to the extent required by applicable Federal, State or local rules, regulations, laws or court orders.

C. Nothing in this Section prevents legitimate use of any information regarding the Inmate by prison or law enforcement personnel in the event of an escape.

Section 4.29 Legal Proceedings

A. The State will defend any post-conviction action, including appeals and writs of habeas corpus, by any Inmate challenging the underlying judgment of conviction or the calculation of the sentence imposed. The Department will be responsible for any and all costs associated with the defense of any such action and shall defend and hold the Facility Operator and/or the Authority harmless therefore.

B. The contractor, pursuant to Section 47-5-1219(d), shall defend any suit or claim brought against the State of Mississippi arising out of any act or omission in the operation of a private facility, and shall hold the State of Mississippi harmless from such claim or suit. The contractor shall be solely responsible for the payment of any legal or other costs relative to any such claim or suit. The contractor shall reimburse the State of Mississippi for any costs that it may incur as a result of such claim or suit immediately upon being submitted a statement therefor by the Attorney General. The State will defend, at its expense, any actions filed challenging the State's authority to transfer Inmates to the Facility or to house them at the Facility.

Section 4.30 Inspections. The Contract Monitor, employees, agents designated by the Department, the Governor of the State, members of the Legislature of the State, and all members of the Executive and Judicial departments of the State may inspect the Facility at all reasonable times to determine if it maintains standards of care and discipline consistent with those of the Department, that all Inmates therein are treated equitably, regardless of race, religion, color, creed or national origin and that all other terms of this Agreement are being followed. The State may, at all reasonable times, investigate in person, or by record review, all incidents or reported conditions of confinement involving the Inmates. The Authority agrees to cooperate fully with all such investigations.

Section 4.31 Escapes. In case of an escape from the Facility, the Authority will report the escape to the Department, the Highway Patrol and local law enforcement authorities immediately and will use all reasonable means to recapture the Inmate, at its expense. If an Inmate escapes from the Facility and is thereafter found outside of the State, it will be the responsibility of the Department to extradite the Inmate, and the reasonable actual and necessary costs associated with said extradition shall be the responsibility of Authority. The Authority shall reimburse the Department for

reasonable actual and necessary expenses incurred in attempting to recapture an Inmate.

Section 4.32 Maintenance of the Facility. The Authority shall, at its own expense, maintain, preserve and keep the Facility in good repair, working order and condition and shall from time to time make all repairs, replacements and improvements necessary to keep the Facility in such condition, and the Department shall have no responsibility for any such repairs, replacements or improvements.

Section 4.33 Educational Programs. The Authority may make Adult Basic Education (literacy to high school equivalency) programs available to Department Inmates at the Facility, depending upon available resources, as determined by the Authority, and depending upon the classification of the Inmates.

Section 4.35 Contract Monitor. A Contract Monitor shall be retained at all times while this Agreement is in effect. The Contract Monitor shall be hired by the Department and reimbursed by the Authority (at a total cost, including salary, benefits and all expenses, of $55,000 annually) and furnished appropriate office space at the Facility by the Authority.

The formal monitoring process shall include but not be limited to the following activities:

(1) Ongoing assessment of the Facility operations;
(2) Daily review of unusual incidents reports (attempted escapes, major disturbances, assaults, etc.) and Inmate movement reports;
(3) Periodic Inmate interviews and surveys;
(4) Quarterly audits of Inmate records and files;
(5) Quarterly review of program progress reports;
(6) Annual review of independent, qualified inspection reports which determine degree of conformance with fire, health, safety, and sanitation codes; and
(7) Annual comprehensive review.

In conducting these activities the Contract Monitor should assess and document areas of both contract conformance and nonconformance. In instances of the latter, the Contract Monitor shall notify the Authority of any material violations and specify the corrective action that should be taken. A follow-up inspection should assess and document the Authority's efforts to rectify the situation.

ARTICLE 5
EMPLOYEES

Section 5.1 Independent Contractor. The Authority, the Facility Operator and their employees are associated with the State and the Department only for the purpose(s) and to the extent set forth in this Agreement. With respect to the performance of the services set out herein, the Authority is and shall be an independent contractor and, subject to the terms of this Agreement, shall have the sole right to manage, control, operate and direct the performance of the details of its duties under this Agreement. The agents and employees of the Authority and the Facility Operator shall not accrue leave, retirement, insurance, bonding, use of the State vehicles or any other benefit afforded to employees of the State as a result of this Agreement.

Section 5.2 Personnel

A. The Authority shall provide professional personnel to deliver twenty-four (24) hour care and supervision to Inmates, as well as administrative and support service personnel for the overall operation of the Facility, in accordance with Applicable Standards. Prior to employment with the Authority, applicants shall be subjected to a thorough background check and shall comply with Applicable Standards relating thereto. At no time shall the Authority employ a person who is simultaneously employed by the Department or who is a former Department employee without notice to the Department.

B. The Authority shall use its best efforts, under the circumstances, to fill any vacant staff position within ninety (90) days.

C. The Facility Operator shall agree to implement a program of random drug screening of its employees working in the Facility.

Section 5.3 Training. The Authority shall provide an orientation and training program for all employees. Said orientation and training program shall be in compliance with the training requirements of ACA Standards.

Section 5.4 Testing for Contagious Diseases. The Authority shall, at its expense, meet all current requirements of the State's rules, regulations, policies and procedures and mandates of the State Board of Health and policies and procedures of the State's Bureau of Preventive Health.

ARTICLE 6
COMPENSATION AND ADJUSTMENTS

Section 6.1 Payment for Services. The Department shall pay, in accordance with the Act from any immediately available funds to a depository to be

designated by the Authority, the following for services performed pursuant to this Agreement:

A. Fees, for each day, in an amount equal to the Per Day Inmate Rate of $65.00 for up to 375 Inmates. The Per Day Inmate Rate for Inmates above 375 shall be negotiated by the parties and shall not exceed $65 per additional inmate per day.

B. All reimbursable costs as set forth in Sections 4.7 and 4.22 hereof. Section 6.2 Payment of Compensation

A. As promptly as possible after the end of each month, the Authority shall submit a statement to the Department setting forth the Inmate Population on each day during such month, all Per Day Inmate Fees payable for such month, and all Allowable Expenses incurred during such month for which the Department is responsible under this Agreement.

B. Such Per Day Inmate Fees and Allowable Expenses shall be due and payable to the Authority on or before the 45th day following receipt of such invoice by the Department.

Section 6.3 Billing Disputes. If either party disputes payment amounts due under this Agreement that party shall immediately advise the other party of the basis for the dispute and the Department shall pay the amount of such invoice which is not in dispute in the manner provided above. If the parties cannot resolve the dispute within thirty (30) days of the date of the initial notice of dispute, either party may initiate proceedings or take action as provided in Section 9.1 of this Agreement.

Section 6.4 Adjustments to Compensation Rates

A. The Department recognizes that the Authority has entered into this Agreement to provide management services based on Applicable Standards in effect as of the date of this Agreement. If there are any changes in Applicable Standards that could not reasonably be anticipated by the Authority that necessitate a change in the scope of services furnished hereunder so as to increase the cost of operating and managing the Facility or performing other services contemplated in this Agreement, the Authority shall be provided extra compensation for the Additional Services required. The Authority shall provide reasonable notice in writing together with documentation or other information supporting the additional compensation to offset the increase in costs for furnishing

the Additional Services. The State shall review this information, work in good faith to negotiate an appropriate adjustment mutually acceptable to both parties, and upon reaching agreement, provide the additional compensation, retroactive to the date the initial costs were incurred. Section 9.1 shall apply to any disputes related to this Section 6.4.

Section 6.5 Utilities: Taxes. The Authority and/or the Facility Operator shall pay all utility charges, incurred or imposed with respect to the Facility, from the operating revenues and per diem. The Authority and/or the Facility Operator shall pay when due all gas, water, steam, electricity, heat, power, telephone, and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Facility and all property and excise taxes and governmental charges of any kind whatsoever which may at any time be lawfully assessed or levied against or with respect to the Facility and all special assessments and charges lawfully made by any governmental body for public improvements that may be secured by a lien on the Facility. The Authority and/or the Facility Operator may, at the Authority's and/or Facility Operator's expense and in the Authority's and/or the Facility Operator's name, in good faith contest any such taxes, assessment, utility and other charges and, in the event of any such contest may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Department shall notify the Authority and/or the Facility Operator that in the opinion of independent counsel, by nonpayment of any such items the interest of the Department in the Facility will be materially endangered or the Facility or any part thereof will be subject to loss or forfeiture, in which event the Authority and/or the Facility Operator shall promptly pay such taxes, assessments or charges or provide the Department with full security against any loss which may result from nonpayment, in form satisfactory to the Department. The Authority and/or the Facility Operator shall pay any State, Federal and local taxes and utility charges required to be paid pursuant to this Section from the operating revenues and per diem.

ARTICLE 7
INDEMNIFICATION AND INSURANCE

Section 7.1 Indemnification by the Authority

A. The Authority hereby assumes the entire responsibility and liability for any and all damages or injury of any kind or nature whatever (including death resulting therefrom) to all persons, whether employees of the Authority or otherwise, and to all property, caused by, resulting from, arising out of or occurring in connection with the execution of this Agreement and/or the work performed by the Authority.

The Authority agrees to indemnify, defend and save or hold harmless, the State, the Department, its officers, agents, servants and employers from and against any and all such claims and further from and against any and all loss, cost, expense, liability, damage or injury, including legal fees and disbursements that the State, its officers, agents, servants or employees may directly or indirectly sustain, suffer, or incur as a result thereof, and the Authority agrees to and does hereby assume, on behalf of the State, its officers, agents, servants and employees the defense of any action at law or in equity which may be brought against the State, its officers, agents, servants or employees, arising by reasons of such claims, and to pay on behalf of the State, its officers, agents, servants and employees, upon demand of any of them, the amount of any judgment that may be entered against them, individually, jointly or severally, in any such action.

B. The Authority hereby assumes the entire responsibility for any and all costs, reasonable attorney's fees, expenses and liabilities incurred as a result of claims described in paragraph (A) of this Section 7.1.

C. The indemnification provided by the Authority hereunder shall not be applicable to any claim, injury, death or damage to property arising out of any act or omission on the part of the Department, its officers, agents, servants, employees or independent contractors (other than the Authority) who are directly responsible to the Department.

D. Neither the Department nor counsel representing the Department will enter into any settlement contract with respect to any claim which may affect the Authority without first obtaining approval of the Authority.

E. The Authority shall advise and consult with the State Attorney General's Office which may, in its discretion, enter any legal proceeding on behalf of the Department, its officers, agents, servants or employees.

Section 7.2 Indemnification by the Department. To the extent allowable by the laws of the State, the Department shall indemnify and hold the Authority, its officers, agents and employees harmless for and against:

A. Any breach or default on the part of the Department in the performance of this Agreement;

B. Actions filed in State or federal court challenging the validity of the conviction or sentence imposed by a court upon an inmate housed by Authority pursuant to this Agreement and actions filed in federal or state courts, or administrative grievance

procedures and claims, challenging the authority of the State to transfer an inmate to the custody of Authority or Authority's subcontractor;

C. Any claims or losses to any person injured or property damaged from the acts or omissions of the Department, its officers, agents or employees in the performance of this Agreement, excluding claims or losses resulting from the Authority's negligent acts or omission;

D. Any failure of the Department, its officers, agents or employees to observe the laws of the United States and the State;

E. Any claims or losses resulting from an act of an Inmate while in the Department's physical care, custody and control, excluding claims or losses resulting from the Authority's negligence; and

F. Any claim for which the Department is responsible under Section 4.29 of this Agreement.

Section 7.3 Insurance

A. From and after the Completion Date, the Authority shall procure and maintain continuously in effect with respect to the Facility, insurance against liability for injuries to or death of any person, including but not limited to civil rights claims pursuant to Section 47-5-1219, or damage to or loss of property arising out of or in any way relating to the maintenance, use or operation of the Facility or any part thereof. Such insurance shall include at least ten million dollars ($10,000,000) of liability insurance as specifically required in Section 47-5-1219(a) of the Act. The Net Proceeds of all such insurance s hall be applied toward extinguishment or satisfaction of the liability with respect to which such insurance proceeds may be paid.

B. So long as this Agreement is in effect, the Authority shall procure and maintain continuously in effect with respect to the Facility, to the extent of the full insurable value of the Facility (other than the land and building foundations), all-risk insurance, including coverage from damage from riot, earthquake, flood (if the Facility is in a flood plain) and rain, subject only to the standard and customary exclusions contained in the policy, in such amount as will be at least sufficient so that a claim may be made for the full replacement costs of any part thereof damaged or destroyed. Such all-risk insurance policy shall apply exclusively to the Facility and shall be available to repair and/or rebuild the Facility under all circumstances after the occurrence of an insured peril. Such policy shall explicitly waive any co-insurance penalty, and full payment of the proceeds of such policy up to the amount of the policy dollar limit in connection

with damage to the Facility shall not, under any circumstances, be contingent on the degree of damage sustained at any other facilities owned or leased by the Authority.

C. So long as this Agreement is in effect, the Authority assumes all risks and liabilities, whether or not covered by insurance, for loss or damage to the Facility and for injury to or death of any person or damage to any property, whether such injury or death be with respect to agents or employees of the Authority or of third parties, and whether such property damage be to the Authority's property or the property of others, which is proximately caused by the negligent conduct of the Authority, its officers, employees, agents, invitees, contractors, subcontractors or guests.

D. All insurance required to be maintained by the Authority pursuant to this Section shall be taken out and maintained with a responsible insurance company (rated "A" by A.M. Best or in one of the two highest rating categories of Standard & Poor's Ratings Service and Moody's Investor's Service, Inc.) organized under the laws of one of the states of the United States and qualified to do business in the State, and shall contain a provision that the insurer shall not cancel or revise coverage thereof without giving at least 30 days' prior written notice to the Authority, the State, and the Insurer. Said insurance shall adequately:

(1) protect the State from actions by a third party against the Authority and/or its employees, agents, independent contractors, subcontractors and/or its board members, or the State, as a result of this Agreement;

(2) protect the State against any and all claims arising as a result of an occurrence during the term of this Agreement; and

(3) assure the Facility Operator's ability to fulfill its contract with the Authority in all respects and to assure that the Facility Operator is not limited in this ability because of financial liability which results from judgments.

Section 7.4 Certificate of Insurance and Cancellation. During the performance of this Agreement, the Authority shall maintain the insurance described in Section 7.3 hereof and submit a Certificate of Insurance to the Department, for the mutual protection and benefit of the Authority and the Department, naming the State as additional insureds (or if appropriate, insureds) and entitled to all notices issued under such policy, to cover those claims set forth in Section 7.1, whether the same be by the Authority, a subcontractor, or by anyone directly or indirectly employed by any of them or by anyone for whose acts any of them may be liable.

Section 7.5 Workers' Compensation and Unemployment Insurance Compensation.

The Authority shall maintain such workers' compensation insurance and unemployment compensation as required by the laws of the State. The Department shall be provided a copy of the Certificate of insurance.

Section 7.6 Defense/Immunity. By entering into this Agreement, neither the Department nor the Authority waives any defense or any immunity which may be extended to either of them by operation of law, including any limitation on the amount of damages.

Section 7.7 Notice of Claims. Within five (5) working days after receipt of any demand, notice of claim, claim, summons or other notice evidencing a possible claim for damages or injury by the Department or any agent, employee or officer thereof, or within five (5) days of receipt by the Department or any agent, employee or officer thereof, the Department or any agent, employee or officer thereof shall notify the Authority in writing of receipt of such notice. This notice requirement is intended to ensure that the Authority's defense of the claim is not harmed by failure to comply with any notice requirements. Failure to comply with said notice requirements can result in the Authority's refusal to indemnify the Department or any agent, employee or officer thereof if such failure to notify results in a prejudice to the Authority, the Department, or any agent, employee, officer or independent contractor. The Authority will provide the Department similar notice of claims.

ARTICLE 8
DEFAULT AND TERMINATION

Section 8.1 Default by the Department. Each of the following shall constitute an Event of Default on the part of the Department:

A. Non-Payment. Failure by the Department to make payments, except where such failure is the direct result of non-appropriation of funds as described in Section 8.6 of this Agreement, to the Authority under this Agreement within forty-five (45) days after such payment is due, except for such payments as may be the subject of a valid dispute between the parties and said dispute is being actively negotiated or attempted to be resolved.

B. Other Material Breach. Except for the obligation to make payments to the Authority, the persistent or repeated failure or refusal by the Department to substantially fulfill any of its obligations under this Agreement, unless justified by Force Majeure, or excused by contract or by the Authority's default.

Section 8.2 Default by the Authority. Persistent failure or refusal by the Authority to substantially fulfill its obligations under this Agreement is an Event of Default on the

part of the Authority, unless justified by Force Majeure, or excused by contract or by default of the Department.

Section 8.3 Notice of Breach. No breach of this Agreement on the part of either party shall constitute an Event of Default, and no action with regard to same may be instituted unless and until the party asserting a breach specifies that a default or defaults exist(s) which, unless corrected or timely cured, will constitute a material breach of this Agreement on the part of the party against which a breach is asserted

Section 8.4 Time to Cure: If any material breach of this Agreement by either party remains uncured more than thirty (30) days after written notice thereof by the party asserting the breach to the party against which the breach is asserted, such condition shall be an Event of Default; provided, however, that if within thirty (30) days after such notice, a substantial good faith effort to cure said breach has been undertaken by the party against which the breach has been asserted, said breach shall not be an Event of Default if it is cured within a reasonable time thereafter. If the breach cannot be cured within thirty (30) days after notice and such breach can be cured through an on-going effort on the part of the breaching party, the breaching party may, within the thirty (30) day period following the notice of the breach, submit a plan for curing the breach within a reasonable period of time, not to exceed six (6) months, unless extended by the non-breaching party. If the plan is approved by the non-breaching party (and such approval shall not be unreasonably withheld), the non-breaching party will not pursue remedies hereunder as long as the breaching party timely undertakes to cure the breach in accordance with the approved plan.

Anything elsewhere in this Agreement to the contrary notwithstanding, if a breach of this Agreement results in an immediate emergency which, in the good faith judgment of the Department, poses a real, serious and imminent danger to the Inmates or the local community, unless the Authority has moved to correct the breach in a manner appropriate to the emergency, the Department, after notice to the Authority and a reasonable time to respond to said emergency by the Authority, pursuant to its policies, shall have the right to take all actions appropriate under the circumstances to cure the immediate emergency, including, if appropriate under the circumstances, termination of this Agreement in accordance with the terms hereof.

Section 8.5 Remedy. Upon the occurrence of an Event of Default, unless otherwise provided herein, either party shall have the right to pursue any remedy it may have at law or in equity, including but not limited to: (a) reducing its claim to judgment; (b) specific performance; (c) taking action to cure the Event of Default; and (d) termination of this Agreement.

Section 8.6 Termination Due to Unavailability of Funds. The payment of money by the Department under any provisions hereof is contingent upon the availability of funds specifically appropriated by the Legislature of the State to pay the amounts owed

pursuant to this Agreement. In the event funds for this Agreement become unavailable due to non-appropriation, the Department shall have the right to terminate this Agreement without penalty or obligation, except specific appropriation for the obligation to pay for services already provided.

Section 8.7 Waiver. No waiver of any breach of any of the terms or conditions of this Agreement shall be held to be a waiver of any other or subsequent breach; and no waiver shall be valid or binding unless the same shall be in writing and signed by the party alleged to have granted the waiver.

ARTICLE 9
MISCELLANEOUS

Section 9.1 Disputes. In the event that the Parties are unable to agree regarding any issue arising under the terms of this agreement , the Parties shall use their best efforts to settle such disagreement. To this effect, the Parties shall consult and negotiate with each other in good faith and, recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to both Parties. If the Parties do not reach such solution within sixty (60) days from the date a Party has notified the other Party in writing of the disagreement, then, upon notice by either Party to the other Party, the disagreement shall be submitted to binding arbitration administered by the American Arbitration Association ("AAA) in accordance with its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator or arbitrators may be entered in any court having jurisdiction thereof. The arbitrator or arbitrators shall be appointed in accordance with the AAA Commercial Arbitration Rules, which provide for neutral arbitrators, and a number of arbitrators deemed appropriate by the AAA administrator. As an alternative to arbitration, if the Parties agree, they may engage a mediator to assist with their good faith negotiations. The Parties hereto expressly agree that in negotiations and arbitrations which may arise hereunder, each Party will cooperate and work toward timely resolution. The prevailing party's reasonable attorneys' fees shall be borne by the other party and may be included in the arbitrator's award.

Section 9.2 Equal Employment Opportunity and Diversification. The parties ascribe to principles of equal employment opportunity and racial, ethnic and cultural diversification.

Section 9.3 Binding Nature. This Agreement shall not be binding upon the parties until it is approved and executed by the parties. Thereafter, this Agreement shall be binding on the parties and their heirs, successors and assigns.

Section 9.4 Invalidity and Severability. In the event that any provision of this Agreement shall be held to be invalid, such provision shall be null and void; however, the validity of the remaining provisions of this Agreement shall not in any way be affected thereby.

Section 9.5 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original and all of which shall constitute one Agreement notwithstanding that all parties are not signatories to the original or the same counterpart, or that signature pages from different counterparts are combined, and the signature of any party to any counterpart shall be deemed to be a signature also and may be appended to any other counterpart.

Section 9.6 Interpretation. The headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

Section 9.7 Terminology and Definitions. All personal pronouns used in this Agreement, whether used in the masculine, feminine or neuter gender shall include all other genders; the singular shall include the plural and the plural shall include the singular.

Section 9.8 Choice of Law. This Agreement shall be interpreted under the laws of the State of Mississippi.

Section 9.9 Release. The Authority, upon final payment of the amounts due under this Agreement and performance of all obligations hereunder, releases the Department, its officers and employees, from all liabilities, claims and obligations whatsoever arising from or under this Agreement. The Authority agrees not to purport to bind the Department to any obligation not assumed herein by the Department, unless the Authority has express written authority to do so and then only within the strict limits of such authority.

Section 9.10 Amendment. This Agreement shall not be altered changed or amended except by mutual consent of the parties in writing.

Section 9.11 Scope of Agreement. This Agreement incorporates all the agreements, covenants and understandings between the parties hereto concerning the subject matter hereof, and all such covenants, agreements and understandings have been merged into this written Agreement. No prior agreements or understandings, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Agreement.

Section 9.12 Subcontracting and Assignment. The Authority may upon approval by the Department, assign or subcontract its rights or obligations under this Agreement. The Authority has the Department's express approval to subcontract to the

Facility Operator. The Authority shall remain responsible for seeing that any subcontractor or assignee fulfills the provisions of this Agreement.

Section 9.13 Existing Agreements. Nothing in this Agreement abrogates or impairs any other agreement for the confinement, rehabilitation, or treatment of prisoners now in effect between the Department and any other state agency or public body.

Section 9.14 Internal Relations. Nothing in this Agreement affects the internal relations of the parties and their respective departments, agencies or subdivisions.

Section 9.15 Third-Party Rights. The provisions of this Agreement are for the sole benefit of the parties hereto and shall not be construed as conferring any rights on any other person. This Agreement is not intended to create any rights, liberty, interest or entitled in favor of any Inmate. The Agreement is intended to only set forth the contractual rights and responsibilities of the parties.

Section 9.16 Notices.

All notices, reports, billings, and correspondence will be sent to:

STATE OF MISSISSIPPI

Billings to:

Mississippi Department of Corrections
633 North Lamar Street
Jackson, Mississippi 39201
Attn: Commissioner of Corrections

Other Matters to:
Mississippi Department of Corrections
633 North Lamar Street
Jackson, Mississippi 39201
Attn: Commissioner of Corrections

TALLAHATCHIE COUNTY CORRECTIONAL AUTHORITY

PresidentoftheAuthority
PostOfficeBox350
Charleston,Mississippi38921

withacopyto:

Peyton D. Prospere
Watkins &EagerPLLC
400E.CapitalStreet,Suite300
Jackson,Mississippi39201

and a copy to:

GeneralCounsel
CoreCivic, Inc.
5501 Virginia Way, Suite 110
Brentwood,Tennessee 37027

Allnoticesshallbesentin writing and served by personal delivery or bycertifiedmail,postageprepaid,returnreceiptrequested, or by a national overnight courier service at the addresses listed above until such time as written notice of a change is received by the other party. Any notice so mailed and any notice served by personal delivery shall be deemed delivered and effective upon receipt or upon attempted delivery. This method of notification will be used in all instances, except emergency situations when immediate notification is required pursuant to the appropriate sections of this Agreement.

IN WITNESSWHEREOF, intending to belegallybound, thepartieshavecausedtheirauthorizedrepresentativetoexecutethisAgreement.

TALLAHATCHIE COUNTY CORRECTIONAL AUTHORITY

Damon Stroud, President

MISSISSIPPI DEPARTMENT OF CORRECTIONS

Pelicia E. Hall

Pelicia E. Hall, Commissioner