

# EXHIBIT 1

Proposed Amendments to Regulation E:  
Curb exploitation of people released from custody

*Ramsey County Contract*

**PRISON**  
POLICY INITIATIVE

Agreement for Prepaid Debit Card Release

THIS AGREEMENT FOR DISTRIBUTION OF PREPAID DEBIT CARDS ("Agreement") is entered into as of the 19th day of Oct., 2011 ("Effective Date") by and between Keefe Commissary Network, L.L.C. d/b/a Access Corrections ("KCN"), located at 10880 Linpage Place, St. Louis Missouri 63132 and Ramsey County ("Client"), located at 425 Grove St., St. Paul, Minnesota 55101

WHEREAS, KCN, a solution provider for the correctional market, coordinates inmate trust fund release services for correctional facilities via a third party's provision of prepaid debit cards;

WHEREAS, Client desires to coordinate inmate trust fund release services at the above mentioned correctional facility;

WHEREAS, Both parties, intending to be legally bound, hereby agree as follows:

- 1. Term. This Agreement shall be effective as of the Effective Date and shall continue for an initial term of three (3) years. Thereafter, this Agreement shall automatically renew for successive terms of one (1) year unless either party provides the other party with written notice of its desire not to renew at least thirty (30) days prior to a scheduled renewal.
2. Release Methods. KCN shall provide technical support and coordination for the following release method for processing inmate trust fund balances to Client inmates at time of release from the Client:

Prepaid Debit Cards ("Cards"): described as, a debit card which may be used for ATM withdraws and/or pin-based and signature purchases after inmate activation. The Cards will be issued by First California Bank in Palm Desert, California and transactions processed by a third-party company called Outpay Systems, L.L.C.

\* Additional Release Methods may be made available to the Client throughout the term of this Agreement and shall become part of this Agreement with the Client's acceptance. No Release Methods shall be implemented without Client approval. Another Card Brand, Issuing Bank or Program Manager may be substituted during the term of this agreement at KCN's discretion and shall not constitute an "Additional Release Method." The Client will be notified in writing of any such change.

- 3. Maintenance of Designated Account. Client agrees to maintain an account at the following bank ("Designated Account") from which funds will be withdrawn by KCN and sent to the bank issuing the Cards:

Bank Name: [Redacted]
Bank Address: [Redacted]
Routing Number: [Redacted]
Account Number: [Redacted]
Bank Contact Name and Title: [Redacted]
Bank Contact Phone Number: [Redacted]

- 4. Authorization to Withdraw Funds from Designated Account. Client hereby authorizes KCN to withdraw funds from the Designated Account without signature or notice to effect all deductions and other transactions due KCN provided for in this Agreement. KCN shall notify Client if at any time there are insufficient funds in the Designated Account to cover any amount that is due and owing to KCN. Client shall promptly pay such amount to KCN. KCN will withdraw funds from the Designated Account every business day to cover the funds necessary to issue the Cards.

This authorization is to remain in full force and effect until KCN has received written notification from Client of its termination in such time and in such manner as to afford KCN and the Bank named above reasonable opportunity to act on it. Client shall give KCN no less than three banking business days

notice if the Designated Account is to be changed so as to allow enough time for KCN to make the necessary system modifications.

5. **Responsibilities of the Client.** All responsibilities of the Client are outlined in the attached "Security Requirements for the Storage of Prepaid Cards", "Exhibit A" of this Agreement. KCN reserves the right to modify "Security Requirements for the Storage of Prepaid Cards", "Exhibit A" of this Agreement. KCN shall notify the Client of any such change in writing.
6. **Fees and Charges.** KCN shall charge a fee for its role in setting up the bank account with the bank issuing the Cards and for coordinating third party processing services. "Coordination Fees" are in accordance with the fee structure located in "Exhibit C". All fees shall be assessed to the card holder/inmate.
7. **Taxes.** Each party shall be responsible for calculating, collecting and remitting their own federal, state and/or local taxes, associated with the release services.  
**\*Taxes should not be levied on the issuance of a Card unless Client's laws dictate such.**
8. **Equipment.** Upon expiration or termination of this Agreement, Client agrees that all equipment and materials remain the property of KCN and upon expiration or termination of this Agreement KCN agrees to promptly remove all equipment and materials from the above mentioned Client. Client shall be responsible for any unusual wear and tear, lost or stolen equipment as well as any lost, stolen or improperly funded Cards during the term of this Agreement as per "Exhibit A" of this Agreement.
9. **Confidentiality.** KCN agrees to keep all information about inmates confidential and to make no disclosure thereof to any third party, except as may otherwise be required by law. KCN agrees to give Client prompt notice of any such disclosure.
10. **Exclusivity.** Client acknowledges that based on this Agreement, KCN has the sole and exclusive right and authority to provide the services contemplated by this Agreement for all inmate accounts under the Client's control and Client shall not, throughout the term of the Agreement, engage the services of any other company to provide such services.
11. **Compliance.** KCN and the Client shall comply with all laws, orders, rules and regulations applicable to it that are associated with the performance of its duties and obligations under this Agreement and as stated in "Exhibit A and Exhibit B" of this Agreement.
12. **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of Missouri.
13. **Fiduciary Responsibility.** Client agrees that it shall, to the full extent allowed by law, assume all liability for any Client related job functions that lead to discrepancies/deficiencies associated with any funding, Card loss, improper storage, etc. expressly attributed to the loading, inventorying and distribution of the Cards to the Client inmates.
14. **Indemnification.** Each party shall indemnify and hold the officers, directors, agents, employees, representatives, subsidiaries, parent company, affiliates, and customers harmless for any losses, claims, damages, awards, penalties, or injuries incurred by any third party, including reasonable attorney's fees, which arise from any alleged breach of such indemnifying party's representations and warranties made under this Agreement, provided that the indemnifying party is promptly notified of any such claims. The indemnifying party shall have the sole right to defend such claims at its own expense. The other party shall provide, at the indemnifying party's expense, such assistance in investigating and defending such claims as the indemnifying party may reasonably request. This indemnity shall survive the termination of this Agreement.
15. **Force Majeure.** Neither party shall be liable in damages or have the right to terminate this Agreement for any delay or default in performing hereunder if such delay or default is caused by conditions beyond its control including, but not limited to Acts of God, Government restrictions (including the denial or cancellation of any export or other necessary license), wars, insurrections and/or any other cause beyond the reasonable control of the party whose performance is affected.
16. **Termination.** In the event that either party believes that the other party has materially breached any obligations under this Agreement, or if either party believes that the other party has exceeded the scope of the Agreement, such party shall so notify the breaching party in writing. The breaching party shall have 30 days from the receipt of notice to cure the alleged breach and to notify the non-breaching party in writing that cure has been effected. If the breach is not cured within the 30 days, the non-breaching party shall have the right to terminate the Agreement without further notice. KCN reserves the right to

terminate this Agreement if the Client, or its representatives' actions, breach the Clients responsibilities listed in this Agreement including all Attachments and Exhibits.

17. **Entire Agreement.** This Agreement constitutes the entire agreement of the parties and supersedes all prior communications, understandings and agreements relating to the subject matter hereof, whether oral or written.
18. **Assignment.** This agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors of interest, except that Client may not assign this Agreement to any person or entity without the written consent of KCN.
19. **Notices.** All notices given pursuant to this Agreement shall be in writing and may be hand delivered, or shall be deemed received within 10 days after mailing if sent by registered or certified mail, return receipt requested. If any notice is sent by facsimile or email, confirmation copies must be sent by mail or hand delivery to the addresses listed above.

IN WITNESS WHEREOF, the parties have executed this Agreement by their respective, duly authorized representatives as of the date first above written.

*Keefe Commissary Network, L.L.C.*

*Client*

BY: \_\_\_\_\_

BY: David Metusalem

NAME: \_\_\_\_\_

NAME: David Metusalem

TITLE: \_\_\_\_\_

TITLE: Undersheriff

DATE: \_\_\_\_\_

DATE: 10-19-11

**Exhibit A**  
**Security Requirements for the Storage of Prepaid Cards**

The security requirements in this document are based on policies and guidelines developed by the Payment Networks and industry best practices. These requirements must be implemented at all locations that store and distribute instant-issue card products.

Card Ordering

Card orders will be shipped to the designated locations by OPS (OutPaySystems) or its assignees by bonded and approved carrier. Card orders must be signed for upon arrival. All cards must be placed at the time of receipt into inventory in a secured storage area. An employee designated by management should be appointed to ensure the physical and procedural security policies are implemented.

Card Inventory

Physical security of the cards in inventory must be maintained at all times. Cards must be stored in a controlled environment, such as a safe or locked storage device, with access limited to employees who have successfully passed background screening checks.

An inventory log must account for the number of cards received, cards used, cards spoiled (cards that cannot be used due to damage, tampering or expiration) and remaining cards that should balance to the number of cards on hand at any time. An explanation of spoilage should be included on the log. Any inventory discrepancy must be reported to OPS as soon as detected.

Card Destruction

OPS may request return of unused cards in inventory for destruction for any of the reasons listed below.

1. Cards are compromised or tampered with;
2. Card stock expired;
3. Cards are damaged or defective;
4. Program is terminated.

Cards to be returned should be securely packaged. A copy of the inventory log should be included in the shipment. A second copy of the inventory log should be transmitted to OPS electronically.

Alternatively, the location may destroy any defective or damaged card and certify its destruction by maintaining a detailed inventory log, and destroying the cards using a cross cut shredder that creates pieces no larger than ¼ " by ½" in size. A certified report of destruction outlined in Exhibit B, attached hereto and incorporated herein by this reference must be submitted to OPS on a monthly cycle even if no cards were destroyed in that period.

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## Exhibit C

## Inmate Release Card Program Fee

Cardholder Fees Associated with the Inmate Release Program.

	Charge
Weekly Maintenance*	\$1.50
Re-Loading of card at a Credit Union	\$0.00
Pin Change	\$0.00
Domestic ATM Fees**	\$2.75
International ATM Fees**	\$3.75
ATM Account Inquiry	\$1.50
POS Debit Fee (PIN and signature)	\$0.00
ATM Decline for NSF	\$2.75
Card to Bank Funds Transfer (ACH)	\$6.00
Card to Bank wire transfer	\$38.00
Card to Card Transfer	\$0.00
Account Closure Fee ( should a cardholder want to receive a check from the bank)	\$30.00

No fee for service calls.

Replacement Card if lost: \$4.95.

\* After 36 hours of being issued the card starts incurring weekly maintenance fees to cover the cost of the FDIC insured account

\*\* Fees may also be imposed by the local ATM provider and are in addition to OutPay Systems's card fees. Visit <http://www.co-opfs.org/public/locators/atmlocator/> for a listing of surcharge-free ATMS.

Customer Service / Servicio Al Clients:  
Toll Free from U.S.A. - (888) 609-0008  
[www.AccessFreedom.net](http://www.AccessFreedom.net)



**NEW ACCOUNT START UP SHEET**

**CUSTOMER NAME:** Ramsey County Adult Detention Center  
**CUSTOMER NUMBER:** 32570J

**TECHNICAL/IMPLEMENTATION CONTACT:**

Provide the name of a facility contact available to interact with Keefe TECHNICAL staff regarding implementation and operation of the debit release card program.

FULL NAME	TITLE	MAILING ADDRESS

PHONE	FAX	EMAIL

**ACCOUNTING CONTACT:**

Provide the name of a facility contact available to interact with Keefe ACCOUNTING staff regarding ongoing support of the debit release card program. John Shoemake will contact this person during startup to introduce himself and answer any questions the facility staff may have. This will be the ongoing contact for John should any accounting issues arise.

FULL NAME	TITLE	MAILING ADDRESS

PHONE	FAX	EMAIL

**CARD INVENTORY CONTACT:**

Provide the name of a facility contact responsible for receiving the shipment of release cards and marketing materials from OutPay. If it is one of the contacts listed above, please indicate.

FULL NAME	TITLE	MAILING ADDRESS

PHONE	FAX	EMAIL





## NEW ACCOUNT START UP SHEET

Please answer the following questions:

**1. How are inmates referred to in formal written communications?**

- Inmate
- Resident
- Offender
- Other (please specify) \_\_\_\_\_

**2. What ID is used for the inmate's financial account and how is it referenced?**

Please limit the reference to 12 characters or less.

- Booking Number
  - Referred to as \_\_\_\_\_
- Permanent ID
  - Referred to as \_\_\_\_\_
  - Other \_\_\_\_\_
  - Referred to as \_\_\_\_\_

Please list any non-alphanumeric characters that might be included in the ID (hyphens, colons, etc.) \_\_\_\_\_

**3. What is the average number of inmate releases per month? \_\_\_\_\_**

(Used to determine number of cards to be shipped to the facility each month)



**NEW ACCOUNT START UP SHEET**

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