

FIRST AMENDMENT

FACILITY OPERATION AND MANAGEMENT AGREEMENT

This first amendment (1st Amendment) to the Facility Operation and Management Agreement is entered into on this ____ day of September 2024 between:

San Luis Facility Development Corp. 1090 East Union Street P.O. Box 1170 San Luis, Arizona 85349, an Arizona nonprofit corporation, and	LaSalle Corrections, L.L.C. 192 Bastille Lane Suite 200 Ruston, Louisiana 71270, a Louisiana limited liability company.
---	---

RECITALS

WHEREAS, this 1st Amendment amends the Facility Operation and Management Agreement between the above-named Parties first effective on December 1, 2019 (“Operating Agreement”); and

WHEREAS, under Section 18.01 of the Operating Agreement, the Operating Agreement may be amended only by a written instrument specifically purporting to amend the Operating Agreement and executed by all Parties; and

WHEREAS, the daily Midnight Census Reports for the number of detainees have been low for many months; and

WHEREAS, on July 2, 2024, the San Luis Facility Development Corporation Board unanimously approved renewing the Operating Agreement with LaSalle Corrections, L.L.C.; and

WHEREAS, on August 2, 2024, LaSalle Corrections, L.L.C. gave notice of nonrenewal of the Operating Agreement; and

WHEREAS, despite the notice, both Parties’ goal is to continue operations by seeking solutions with the Federal Agencies that use the Facility and the Trustee for the bond debt that built the Facility and

WHEREAS, the Parties agree to extend the Operating Agreement to February 28, 2025, to accomplish said goal;

NOW, THEREFORE, in consideration of the mutual rights, benefits, and obligations exchanged to extend the Operating Agreement, the Parties agree and bind themselves as follows:

1. **Incorporation by Reference:** The above Recitals and the Operating Agreement are incorporated by reference and made a part of this 1st Amendment as if fully set forth here.
2. **Modify Section 2.01:** The Parties modify the Operating Agreement **Section 2.01** to extend the Primary Term through February 28, 2025, to read as follows:

The MPC retains Operator exclusively, and Operator accepts this engagement for the operation, management, and maintenance of the Facility of this Operating Agreement. The term of this Operating Agreement shall begin on the Effective Date, **December 1, 2019, and shall end on February 28, 2025** ("Primary Term"). At the expiration of the Primary Term, the Parties may mutually agree to two (2) five-year renewal terms, which can be exercised by the mutual agreement of the MPC and the Operator. The first Renewal Term shall be from **March 1, 2024, to November 30, 2029**. If the Parties have not mutually agreed to any such renewal by the deadline required by Section 2.02, this Agreement shall terminate upon the expiration of the then-current Term.

3. **Replace Contact information for the Notice Section 16.01:** The Parties replace the first and last paragraph in Section 16.01 to read as follows:

Notice to the MPC	San Luis Facility Development Corporation
Shall be delivered or	1090 East Union Street (Delivery)
sent to:	P.O. Box 1170 (By U.S. Postal Service)
	San Luis, Arizona 85349
	Attention: Board President Jenny Torres
	Copy to: Board General Counsel Kay Marion Macuil
	Copy to: Board Finance Adviser Roula Encinas

Notice to the Trustee	U.S. BANK TRUST COMPANY NATIONAL
Shall be delivered or	ASSOCIATION
sent to:	(successor Trustee for US Bank)
	5715 Burlington Lane
	Olive Branch, Mississippi 38654
	Attention: Charles S. Hodges, Vice President

4. **Execution Authority:** By his or her signature below, each signatory individual certifies that he or she is the properly authorized agent or officer of the applicable

Party and the U.S. Bank Trust Company, National Association (“Bank”) hereto and has the necessary authority to execute this 1st Amendment on behalf of such Party and the Bank and each Party and the Bank hereby certify to the others that any required documents to create such authority have been duly passed and are now in full force and effect.

5. **Performance of 1st Amendment:** The performance of the obligations under this 1st Amendment shall be deemed to be the performance of the obligations under the original Operating Agreement. All reference to the Operating Agreement in any document or instrument shall be deemed to refer to the Operating Agreement as amended by this 1st Amendment.

[Intentionally left blank. Signature page follows.]

This 1st Amendment shall inure to the benefit of and bind the respective Parties' heirs, legal representatives, and successors. The Parties have executed this 1st Amendment on the day and year set forth above, which is the day the last Party approved this 1st Amendment.

San Luis Facility Development Corporation

Jenny Torres, President Date

Attest:

Maria Gonzalez, Secretary

Approved As to Form:

Kay Marion Macuil, General Counsel

LaSalle Corrections, L.L.C.

Tim Kurpiewski, C.F.O. Date

Acknowledged by:

**U.S. BANK TRUST COMPANY
NATIONAL ASSOCIATION**
(successor Trustee for US Bank)
5715 Burlington Lane
Olive Branch, Mississippi 38654

Charles S. Hodges, V.P. Date