

SECOND AMENDMENT TO
FACILITY OPERATION AND MANAGEMENT AGREEMENT

This Second Amendment to Facility Operation and Management Agreement (this “2nd Amendment”) is effective and 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 (“MPC”) and	LaSalle Corrections West, L.L.C. 26228 Ranch Road 12 (Domicile Address) Dripping Springs, Texas 78620-4903 192 Bastille Lane (Principal Address) Suite 200 Ruston, Louisiana 71270, a Louisiana limited liability company (“Operator”).
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RECITALS

WHEREAS, this 2nd Amendment amends the Facility Operation and Management Agreement between the above-named Parties first effective on December 1, 2019 (“Operating Agreement”) for the operation of the San Luis Regional Detention and Support Center; 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 (“Facility”) 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, on September 3, 2024, the MPC approved a 1st Amendment to the

Operating Agreement, which the Operator never signed and never became effective;

WHEREAS, on September 11, 2024, representatives of the Parties, the Trustee under the Indenture, and the Trustee's attorneys met through video conferencing to discuss potential solutions to avoid the loss of services of the Operator and a potential shutdown of the Project; and

WHEREAS, due to the heightened uncertainty of the future conditions affecting the Project, in a presidential election year, the Parties need maximum flexibility to extend the Primary Term of the Operating Agreement; and

WHEREAS, the Operator needs at a minimum sixty (60) calendar days' notice to comply with Title 20 Chapter V, Part 639 of the U.S. Code of Regulation if such compliance becomes a factor;

WHEREAS, the Parties' purpose of this 2nd Amendment is to extend the Primary Term of the Operating Agreement in order to give the Project the best opportunity to succeed by affording time to facilitate negotiations with the federal agencies using the Facility for detainees;

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

1. **Incorporation by Reference:** The above Recitals and the Operating Agreement are incorporated by reference and made a part of this 2nd Amendment as if fully set forth herein.
2. **Restate Section 2.01:** The Parties restate **Section 2.01** of the Operating Agreement to extend the Primary Term to read as follows:

The MPC retains the Operator exclusively, and the 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 be automatically extended after November 30, 2024, and shall continue in full force and effect until terminated by either Party upon a minimum of seventy-five (75) days' prior written notice to the other Party** ("Primary Term"). At the termination 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 expire on **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. By this 2nd Amendment, the Parties have mutually agreed to extend the Primary Term and waive any deadline required by Section 2.02 for extending the Primary 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 Shall be delivered or sent to:	San Luis Facility Development Corporation 1090 East Union Street (Delivery) 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
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Notice to the Trustee Shall be delivered or sent to:	U.S. BANK TRUST COMPANY NATIONAL ASSOCIATION (successor Trustee for USBank) 5715 Burlington Lane Olive Branch, Mississippi 38654 Attention: Charles S. Hodges, Vice President
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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 hereto and has the necessary authority to execute this 2nd Amendment on behalf of such Party and each Party hereby certifies to the other that any required documents to create such authority have been duly passed and are now in full force and effect.

5. **Performance of 2nd Amendment:** The performance of the obligations under this 2nd 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 2nd Amendment.

[Intentionally left blank. Signature page follows.]

This 2nd Amendment shall inure to the benefit of and bind the respective Parties' heirs, legal representatives, and successors. The Parties have executed this 2nd Amendment on the day and year set forth above, the day the last Party approved this 2nd Amendment.

<p>Attest:</p> <p>_____</p> <p>Maria Gonzalez, Secretary</p>	<p>San Luis Facility Development Corporation</p> <p>_____ _____</p> <p>Jenny Torres, President Date</p> <p>Approved As to Form:</p> <p>_____</p> <p>Kay Marion Macuil, General Counsel</p> <p>LaSalle Corrections West, L.L.C.</p> <p>_____ _____</p> <p>Tim Kurpiewski, C.F.O. Date</p>
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