

City of Killeen, Texas

Client

101 N College Street

Address

Killeen, TX 76541

City State Zip



www.espyservices.com

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Telephone Contact, Title, Phone Number

***Service Agreement***

- 1.) The above named Client and Espy Services, Inc. (hereinafter Espy) are entering into this agreement as of the date written below with respect to the correction, reduction and negotiation of all Client telecommunications cost. Telecommunication costs include but are not limited to local, long distance, internet, data, managed internet services, wireless, cable and any associated costs the client wishes to provide for auditing. Espy does not receive compensation from any telecommunications providers. Espy reserves the right to refuse any contract that is not accompanied by at least \$2500 in wire line telecom billings for a single month.
- 2.) Findings are defined as errors, overcharge or savings opportunities which would result in a financial gain to Client if implemented. Espy's auditing process will review all costs on invoices provided by the client. In the auditing process Espy will evaluate historic costs back to the inception of the current vendor contracts and/or services provided by the vendors.
- 3.) Espy agrees to audit all Client telecommunications accounts for the purpose of finding errors and overcharges that now exist or may have existed on past invoices. Espy will negotiate with the vendors to have all errors and overcharges removed and obtain credits for past errors and overcharges. Client agrees to pay Espy 50% of all credits and overcharges obtained.
- 4.) If there are reductions in the Client's billings, by correction of errors, rate change advisements, service changes, vendor credits resulting and contract negotiations by Espy or Client, or any combination thereof, that shall manifest in future savings, Client agrees to pay Espy 50% of the monthly savings for a 12 month period. (tariff mandated rate changes and cost reductions due to employee downsizing are excluded from these fees). Actual savings will be calculated and based on the rates and fees the Client is actually paying as of the date of this agreement. Payments will be calculated monthly beginning the date the savings first appear on the Client's bill and shall continue for 12 consecutive months.
- 5.) Payment to Espy will be due within 30 days of the date of credit, savings or refund is reflected on Client's bill. Interest shall accrue on each late payment at the rate of 1.5% each month until paid in full.
- 6.) Client agrees to give its full cooperation to Espy in providing information deemed necessary for analyzing, negotiating and implementing in a timely manner. Espy will perform all work necessary, including the implementation of findings to enable Client to verify all savings and credits on its bills. Espy will begin implementation of all findings after 14 days from the time that the Client has received them.
- 7.) Client shall not use directly or indirectly, or authorize the use by a third party, throughout the 12 month period referred to in section 4 above and for 12 months following this agreement, any information obtained by Espy to acquire credits, refunds or future savings unless Espy has first been paid its fee. Furthermore, Client agrees that it will not, during the term of this agreement or until Espy has been paid in full for its services, negotiate with any telecommunications provider as this will result in a duplication of efforts.
- 8.) The term of this agreement shall be 12 months from the date of acceptance. Client acknowledges that Espy will perform its work at 2213 16<sup>th</sup> street, Bedford IN 47421, and stipulates that jurisdiction for this agreement shall be in Bell County, Texas.
- 9.) The undersigned represents and warrants that he/she is authorized and empowered to sign this agreement for and on behalf of the Client.

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Client Authorized Representative

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Espy Services Authorized Representative

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Printed Name and Title Printed

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Name and Title

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Date

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Date

**Exhibit A**

**Advance Payment Discount**

In exchange for Client paying Espy Services for the monthly savings as described in Paragraph (4) four of the service agreement in one single payment; instead of making (12) twelve monthly payments the client pays each annual amount upon implementation of Findings; Espy Services will discount the amount owed by 15%. This discount only applies to savings derived from reductions in the Client’s billings, by correction of errors, rate change advisements, service changes, and contract negotiations by Espy or Client, or any combination thereof, which manifest in future savings. The discount does not apply to credits or funds obtained for past errors and overcharges as described in Paragraph (3) three of the Service Agreement. The discount is voided if invoices are paid past due date.

For Example: “Finding 6” (all findings are numbered using digits) creates a future savings of \$100 per month for Client that equates to an annualized savings of \$1200. Finding 6 creates a \$50 invoice per month (payable to Espy Services) for the following twelve months; equal to an annualized total of \$600 over the course of the twelve-month agreement. If the client pays the annualized amount in one payment the client will receive a 15% discount, thus meaning the client pays \$510 for Finding 6 instead of \$600.

In the event that Client pays Espy in the form of a single payment in order to obtain the 15% discount, but subsequent to that payment and within the 12 month period of the contract, those saving are somehow lost due to: lack of proper implementation by Espy, saving are somehow revoked or not realized by Client, Espy will refund a prorated amount to the Client equal to the amount Client paid for that specific lost savings.

This addendum does not in anyway supersede or replace any of the terms and conditions of the “Service Agreement” executed between Espy Services, Inc. and Client.

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**Espy Services, Inc.**

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**City of Killeen, Texas**  
Client

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Authorized Signature

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Authorized Signature

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Print Name

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Print Name

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Date

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Date

## Letter of Agency

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**To**

**Date**

We have contracted Espy Services, Inc. for the sole purpose of correcting, reducing and negotiating our telecommunications costs. Upon their request, please provide directly to Espy Services at the email address or physical address specified at the bottom of this page, a copy of our service and equipment records, traffic studies, billing records, term agreements, online billing / service records, and/or any information or materials they require concerning our telecommunications service for the following account numbers:

**Please deal directly with Espy Services on all matters pertaining to said telecommunications service.**

This Letter of Agency rescinds any other Letter of Agency here to executed by us and will remain in effect until otherwise notified in writing by this office. Your cooperation in assisting Espy Services is greatly appreciated.

Sincerely,

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Client Signature

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Printed Name

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Title

**Espy Services, Inc.  
Attn: Sheila Cook  
1029 13<sup>th</sup> Street  
Bedford, IN 47421**

**Email: [scook@espy-services.com](mailto:scook@espy-services.com) / Phone: 812-275- 4665**