

Revenue Administration Service Agreement

This Agreement is made as of the ___ day of November, 2013, by and between PRA Government Services, LLC d/b/a RDS ("RDS") and Clarkston, Georgia, a city chartered and existing under the laws of the State of Georgia ("CITY").

A. Remittance Processing Services

1. Taxes Processed: RDS will perform comprehensive remittance processing and compliance for the Occupational License as detailed in **Exhibit A**. In addition, RDS may process Hotel/Motel Tax, Liquor by the Drink, and any other taxes as designated by the CITY.
2. Taxpayer Notification and Remittance: RDS will send individualized tax forms to all known taxpayers. Taxpayers will remit payments to City of Clarkston, P.O. Box 830725, Birmingham, AL 35283-0725. Upon reasonable notice to CITY, RDS may change the P.O. Box for City of Clarkston payments.
3. Deposit Process: Deposits are made to the extent that funds have been received, via Automated Clearing House (ACH) of the amounts and to the designated recipients as instructed by the CITY for each type of tax collected, as shown in more detail on **Exhibit B**.
4. Posting Process: Taxpayer accounts are posted with payment information captured in the RDS revenue system. Late payments (postmarked by U.S. Postal Service after due date) are invoiced at penalty amounts required by State code. Under payments are invoiced for remaining tax due plus any required penalties.
5. Changes to **Exhibit B**: CITY shall notify RDS in writing immediately of all changes in amounts to be deposited into the accounts of designated recipients. An amended **Exhibit B** shall be prepared and executed by the Parties as soon as reasonably possible. In addition, RDS shall provide documentation confirming each change under the preceding sentence with the first monthly report reflecting the applicable change. If the changes reflected in the monthly report do not properly reflect the intended changes of the CITY, then the CITY shall immediately notify RDS and, thereafter, RDS shall take the steps necessary to insure that designated recipients receive the amounts intended by CITY.
6. Notification, Reporting to CITY:
 - i. RDS will provide CITY with monthly reports including, but not limited to, payment listings showing all taxes received related to net receipts reported, a general ledger distribution that corresponds to CITY'S account numbers and all fees paid to RDS. These reports will be provided by the 10th of the month following the tax month;
 - ii. CITY AGREES TO EXAMINE THIS REPORT IMMEDIATELY. IF NO ERROR IS REPORTED BY THE CITY TO RDS WITHIN 60 DAYS, THE STATEMENT WILL BE DEEMED ACCURATE;
 - iii. All items credited will be subject to receipt of payment; and
 - iv. RDS will attend Council meetings at such times as may be reasonably requested by CITY.

B. Compliance Services

1. Taxes Reviewed: RDS will perform compliance services for Occupational License and other taxes designated by CITY as detailed in **Exhibit A**. RDS will provide delinquency notification and follow-up. This includes correspondence, calls, and collection procedures and the related documentation. Delinquency policies and procedures will be applied consistently and within applicable tax laws. Unless otherwise directed by CITY, RDS will make reasonable efforts to collect taxes designated by CITY hereunder. Where deemed reasonably appropriate, accounts may be turned over to audit or third party collection. If CITY elects to have its attorney pursue collection of certain uncollected accounts, RDS will assist CITY attorney as reasonably requested at its normal hourly rate as reflected herein.
2. Conduct of Compliance Services: To assure that all taxpayers are treated fairly and consistently and all compliance services are performed in a similar manner, RDS representatives who perform compliance services will use a similar compliance plan for each compliance service conducted. All funds due from compliance services will be remitted to CITY in the same manner as provided for pursuant to *Section A*, above.

C. General Provisions

1. Information Provided: CITY represents that the information provided to RDS in the performance of services hereunder shall be provided free and clear of the claims of third parties. CITY represents that it has the right to provide this information to RDS and that said information shall not be defamatory or otherwise expose RDS to liability to third parties.
2. Compliance with laws: Each Party accepts responsibility for its compliance with federal, state, or local laws and regulations.
3. Taxpayer service: RDS will provide a taxpayer assistance number for taxpayer questions. RDS will provide informational brochures for placement in CITY offices, Chamber of Commerce offices, libraries and any other facilities. This information may also be available on the Internet at www.revds.com.
4. Review and Appeal Process: RDS will comply with any state and local laws, including review and appeals processes, statutory guidelines or administrative procedures as outlined in applicable
5. Company Audit: Once a year RDS will have an auditor prepare an Independent Service Auditor's Report on Controls Placed in Operation and Tests of Operating Effectiveness. This report is commonly called a SAS 70 Type II report and will be made available upon request.
6. Term of the Agreement: This Agreement shall be for the period of twelve (12) months and shall automatically terminate at the end of the twelve (12) month term unless the parties have previously agreed upon in writing the terms of renewal. Either party shall have the right to terminate this Agreement in the event of a material breach by the other party. Any such termination may be made only by providing written notice to the other party, specifically identifying the breach or breaches on which termination is based. Following receipt of such notice, the party in breach shall have thirty (30) days to cure such breach or breaches. In the event that such cure is not made, the non-defaulting party may, without further notice, terminate this Agreement

7. Effect of Termination: Notwithstanding non-renewal or termination of this Agreement, CITY shall be obligated to pay RDS for services performed through the effective date of termination for which RDS has not been previously paid. In addition, because the services performed by RDS prior to termination or non-renewal of this Agreement may result in the CITY's receipt of revenue after termination which are subject to RDS' fee, the CITY shall remain obligated after termination or non-renewal to provide to RDS such information as is necessary for RDS to calculate compensation due as a result of the receipt of revenue by the CITY. The CITY shall remain obligated to pay RDS' invoices therefore in accordance with the terms of this Agreement.
8. Insurance: During the term of this Agreement RDS shall maintain general liability insurance in the amount of \$2,000,000.00 for personal injury or property damages to third parties which arise from RDS performance under this Agreement, and professional liability insurance in the amount of \$2,000,000.00 for legal obligations arising out of its failure to perform services at the level customary for competent and prudent professionals performing services at the time and place where the services are provided. The CITY shall be provided with certificates evidencing such coverage and providing that the CITY shall receive fifteen (15) days in advance written notice of any cancellation or change in coverage.
9. Indemnity: To the fullest extent allowed by law, RDS hereby agrees to indemnify and hold CITY harmless from any claims and against all costs, expenses, damages, claims and liabilities based upon or arising solely out of a breach of this Agreement by RDS. Except as set forth in the preceding sentence, to the full extent allowed by law, CITY hereby agrees to indemnify and hold RDS harmless from any claims and against all costs, expenses, damages, claims and liabilities relating in any way to Occupational License and other taxes of CITY, including, but not limited to, determination of taxes due from taxpayers, the collection thereof and any refunding related thereto.
10. Limitation of Liability: To the maximum extent permitted by law, in no event shall RDS, its employees, contractors, directors, affiliates and/ or agents be liable for any incidental or consequential damages, such as, but not limited to, delay, lost data, disruption, and loss of anticipated profits or revenue arising from or related to the services, whether liability is asserted in contract or tort, and whether or not RDS has been advised of the possibility of any such loss or damage. In addition, RDS' total liability hereunder, including reasonable attorneys fees and costs, shall in no event RDS's insurance policy limits. The foregoing sets forth the CITY's exclusive remedy for claims arising from or out of this Agreement. The provisions of this section allocate the risks between RDS and the CITY and RDS' pricing reflects the allocation of risk and limitation of liability specified herein.
11. Equal Opportunity to Draft: The Parties have participated and had an equal opportunity to participate in the drafting of this Agreement. No ambiguity shall be construed against any Party upon a claim that that party drafted the ambiguous language.
12. Assignment: This Agreement shall be binding upon and inure to the benefit of the Parties, their successors; representatives and assigns. RDS shall not assign this Agreement, or delegate its duties or obligations under this Agreement, without the prior written consent of CITY, which consent shall not be unreasonably withheld, delayed or conditioned. Notwithstanding the foregoing, RDS may assign this Agreement, in whole or in part, without the consent of CITY to any corporation or

entity into which or with which RDS has merged or consolidated; any parent, subsidiary, successor or affiliated corporation of RDS; or any corporation or entity which acquires all or substantially all of the assets of RDS. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the parties and their successors or assigns.

13. Force Majeure: RDS shall not be in default of its obligations hereunder to the extent that its performance is delayed or prevented by causes beyond its control, including but not limited to acts of God, government, weather, fire, power or telecommunications failures, inability to obtain supplies, breakdown of equipment or interruption in vendor services or communications.
14. Subcontractors: RDS shall have the right to hire assistants as subcontractors or to use employees to provide the Services required by this Agreement. RDS, in rendering performance under this Agreement shall be deemed an independent contractor and nothing contained herein shall constitute this arrangement to be employment, a joint venture, or a partnership. RDS shall be solely responsible for and shall hold CITY harmless from any and all claims for any employee related fees and costs including without limitation employee insurance, employment taxes, workman's compensation, withholding taxes or income taxes.
15. Intellectual Property Rights: The entire right, title and interest in and to RDS' database and all copyrights, patents, trade secrets, trademarks, trade names, and all other intellectual property rights associated with any and all ideas, concepts, techniques, inventions, processes, or works of authorship including, but not limited to, all materials in written or other tangible form developed or created in the course of this Agreement (collectively, the "Work Product") shall vest exclusively in RDS. The foregoing notwithstanding, in no event shall any CITY-owned data provided to RDS be deemed included within the Work Product.
16. Entire Agreement: This Agreement constitutes the entire agreement between the Parties hereto and supersedes any prior understandings or written or oral agreements between the Parties respecting the subject matter contained herein. Said Agreement shall not be amended, altered, or changed, except by a written Agreement signed by both Parties hereto.
17. Invalidity: If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained thereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.
18. Effective Date: The effective date for the performance of services under the terms of this agreement shall commence _____, **2013**.
19. Notices: Except as otherwise expressly provided herein, notices given under this Agreement shall be deemed to have been delivered or received:
 - a) Upon personal delivery to RDS or its authorized representative, which delivery may be accomplished by in-person hand delivery, or via bona fide overnight express service, or

- b) Five (5) days after depositing in the U.S. Mail a letter which is either certified or registered, addressed to RDS or the CITY at its official address, for use under this Agreement, as the case may be.

For purposes of this Agreement, notices shall be sent or delivered at the following addresses:

To RDS:

RDS

Attn: Kennon Walthall
2317 Third Avenue North, Suite 200
Birmingham, Alabama 35203

With a copy (which shall not constitute notice) to:

Portfolio Recovery Associates, Inc.

Attn: General Counsel
140 Corporate Blvd., Suite 100
Norfolk, VA 23502

To CITY:

City of Clarkston, Georgia
Attn: City Clerk
3921 Church Street
Clarkston, GA 30021-1711

IN WITNESS WHEREOF, the parties hereto as of the date first above written have duly executed this Agreement.

PRA GOVERNMENT SERVICES, LLC D/B/A RDS City of Clarkston

By: _____

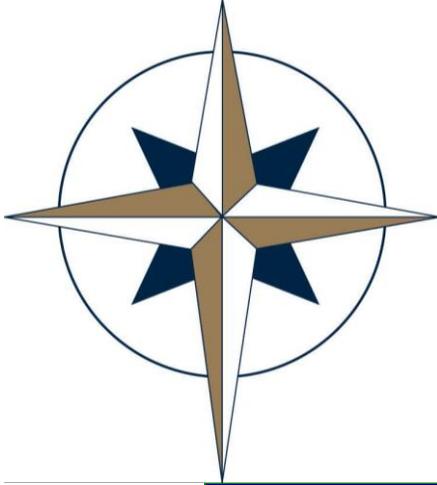
By: _____

Its: COO and SVP, Operations

Its: _____

Exhibit A

RDS Proposal to City of Clarkston



RDS
revenue discovery systems

Proposed Revenue Administration and
Compliance Auditing Services

For Clarkston, Georgia

September 20, 2013

The information that follows may not be duplicated in whole or in part for any purpose other than to evaluate the services offered. If, however, a contract is awarded to this offer as a result of or in connection with the submission of such data, the City will have the right to duplicate, use, or disclose the data to the extent provided in the resulting contract.

Objective

RDS understands that the City is seeking expert assistance in administering the City's Business License and Alcohol Excise Taxes, and ensuring taxpayer compliance through an auditing program. RDS' Revenue Administration and Compliance programs are intended to achieve the following goals for our clients:

- Provide exceptional customer service to taxpayers and expedite receipt of tax payments (improving cash flow) by offering businesses an online business license filing and payment application.
- Streamline the tax collection process by distributing tax packages to taxpayers, receiving and processing paper & electronic forms/payments, and managing aging-receivables.
- Provide ongoing taxpayer education to strengthen relationship between the taxpayer and the jurisdiction.
- Initiate efficient and compliant collection effort on known delinquent taxpayers.
- Identify and attempt to bring into compliance unregistered businesses operating within the City's jurisdiction, including collection of past and current year taxes due the City.
- Perform audit examinations to verify the accuracy of tax filings on the part of registered businesses.
- Provide access to reporting to enable accurate, efficient reporting to government leadership.

Business License and Alcohol Excise Tax Administration Service

RDS can administer and collect Business License and Alcohol Excise Taxes on behalf of the City including all of the specific activities listed below:

1. Provide and operate a secure automated system to which electronic records of the City's taxpayers may be transferred. Records will be provided by the City in a mutually agreeable format.
2. Print and mail the initial notification of license renewal to taxpayers, according to a schedule to be verified with the City.
3. Process new applicants and review and verify applications and application data, data input and correspondence.
4. Receive, process, reconcile, and deposit all payments.
5. Remit funds to the City via Automated Clearing House (ACH), Electronic Funds Transfer (EFT) on check, as directed by the City, within seven (7) calendar days of receipt.
6. Perform all data entry necessary to maintain the City's taxpayer database.
7. Prepare and submit accurate, current reports to the City, and provide the City with an online reporting application. Standard reports include:
 - Top 35 remitters, increases, decreases listings

Revenue Administration for Clarkston, Georgia

- Quarterly "dashboard" analysis of revenue and sources
 - Fiscal YTD performance
 - Monthly audit billing/activity report
 - New taxpayers listing
 - Daily Internet reporting
 - Detailed payment listing
 - Detail payment listing by date range
 - Reconciliation by date range
8. Provide day-to-day taxpayer support using a toll free telephone line and email communication.
 9. Handle all taxpayer communications including general questions, account inquiries, business license application questions and issue resolution.
 10. Respond to taxpayer correspondence via return phone call or written correspondence. All standard correspondence templates will be subject to City's prior written approval;
 11. Maintain logs identifying the date of the inquiry, the name and address of the person or entity making the inquiry and the advice or other information provided;
 12. Provide NSF check processing and collection as needed for taxpayer payments.
 13. Implement delinquency follow-up procedures for accounts that fail to submit a return and payment by the due date set by the City;
 14. Calculate preliminary assessments for non-responsive accounts in accordance with City ordinances and fee schedules, and send an invoice to the account.
 15. Identify accounts that become delinquent and inform the taxpayer of the delinquency via telephone and printed notices.
 16. Send notices to those businesses advising them of their legal obligation to obtain a business license in accordance with the City's ordinance.

Discovery/Recovery Program

RDS has developed an innovative approach to assist budget and resource-challenged governments in improving their cash flow, compliance, and collection efforts. We offer the City a discovery/recovery process that will identify businesses not on the City's current business license registration list. As distinct from an auditing service, which RDS also offers, this program is designed to identify potential businesses that are unregistered and unknown to the City, i.e., non-filers, as distinct from under-filers. This program

Revenue Administration for Clarkston, Georgia

will add immediate value to the City's current efforts by generating needed revenue, increasing the tax-rolls and fostering greater compliance within the business community.

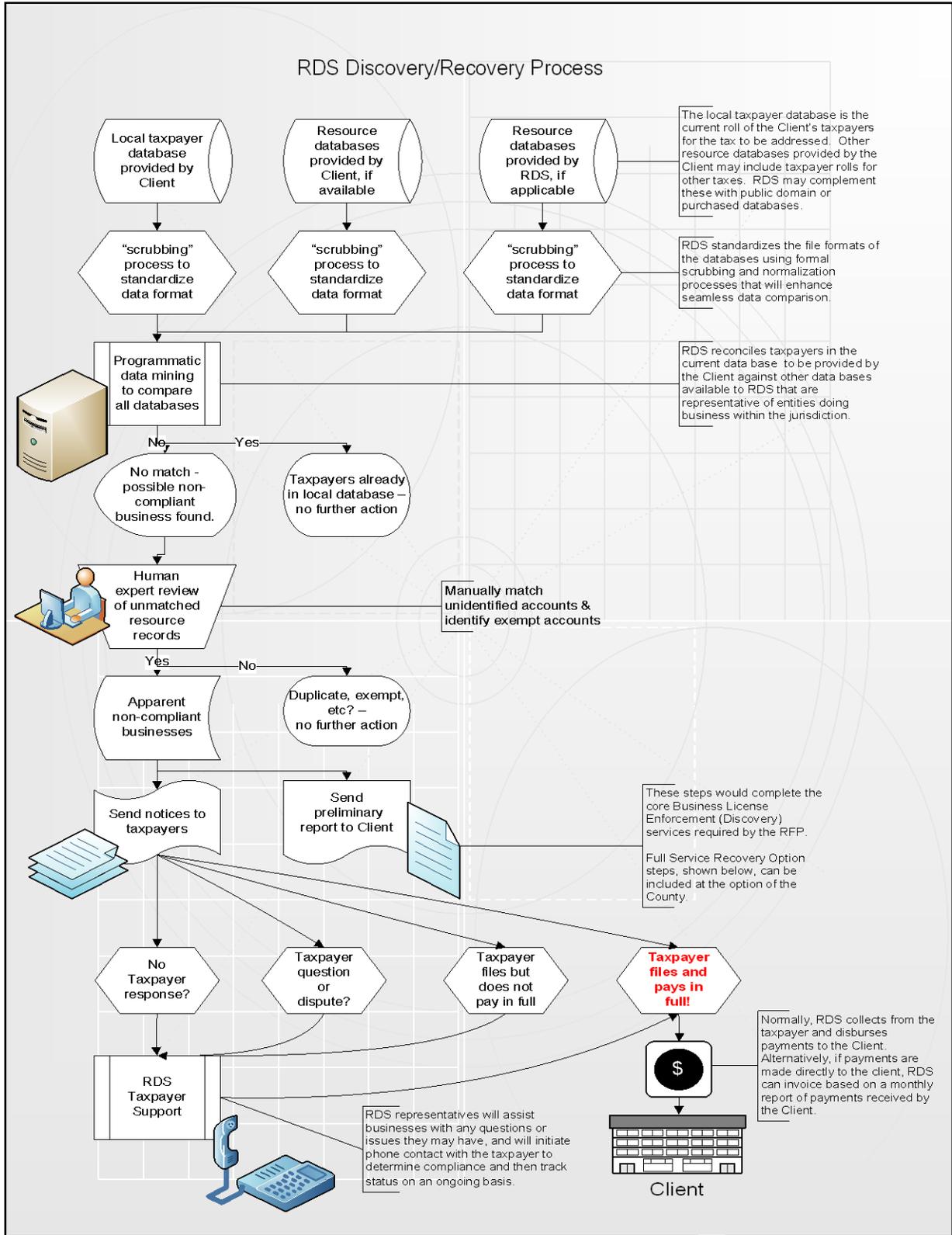
RDS has found that we can produce significant added revenues for our clients, both immediately and in future years, when fees for the discovered businesses are collected.

When implemented on behalf of the City, RDS' proven Revenue Discovery / Recovery Program will:

1. Compare the City's existing taxpayer list against various databases aggregated from disparate systems and resources to identify previously unknown businesses operating within the City without paying the appropriate business license fee; and
2. Send notices to those businesses including appropriate application forms, advising them of their legal obligation to obtain a business license in accordance with the City's ordinance.
3. Provide taxpayer support for taxpayers who may have questions regarding these forms, and proactively contact taxpayers until forms are returned or account status is resolved.
4. Verify information on each form received and calculate assessments based on the amount of gross receipts attributable to City and any other information necessary to calculate the amount due the City.
5. Invoice the taxpayer, monitor and pursue payment, and promptly disburse to the City amounts received.

The schematic diagram on the next page provides an overview of our process.

Revenue Administration for Clarkston, Georgia



Compliance Auditing Program

RDS can offer the City in-depth audit services to verify the compliance of known businesses that may be filing inaccurate returns. Audits can address Business Licenses, Alcohol Excise tax, as well as other fees or taxes for which the City might require an expanded compliance program. Our understanding is that the City may also wish to verify the accuracy of fees paid the City for billboard leases, and this can be accommodated, if desired.

Our Audit Division includes 75 auditors and managers in offices throughout the country specifically for this purpose, making us the largest private organization in the country dedicated exclusively to sales/use tax compliance. Our audits address taxpayers of all sizes, in a variety of industries, including companies that are local to our client jurisdictions, as well as national companies that may have a presence in many jurisdictions, in multiple states.

Our general procedure for scheduling and completing taxpayer audits includes the following steps:

1. **Scheduling Audits:** To schedule each audit, an RDS auditor will send the taxpayer a letter requesting an appointment at a specified date and time (minimum 30 days notice). Some jurisdictions ask us to enclose additional materials, such as a copy of the Taxpayer Bill of Rights. The content of the letter and any enclosures can be coordinated with the City, as needed.
2. **Performing the Audit:** RDS will perform comprehensive audits of selected taxpayer accounts to identify and report specific business tax liabilities payable to the City. This will include determining how long any entity may have been out of compliance, and reporting any applicable taxes due for prior years, including penalties and interest, in accordance with the City's Ordinances and fee schedules.

RDS' auditor will perform the audit in accordance with applicable state and/or local guidelines. All audit fieldwork and reporting will be performed in compliance with Governmental Auditing Standards Board (GASB), standards. Our auditors communicate progress weekly for all audits in progress and are monitored for compliance to those standards.

Various audit techniques and methodologies are employed depending on the nature of the industry and the volume of records to be examined. A customized audit plan is created for each audit engagement, based on the extent and the nature of the records available from the taxpayer. Where practical, we perform random samples; an error rate is calculated based on findings in the sample and applied to the population as a whole. The method of projection may vary depending on the magnitude of records to examine and the recommendation of the taxpayer.

If the audit shows that the amount of any tax as reported on a return is incorrect, or that a required return was not filed, the auditor will calculate the correct tax based on the most accurate and complete information reasonably obtainable by RDS.

Revenue Administration for Clarkston, Georgia

3. **Presenting Audit Findings:** Once the audit is complete, the RDS auditor will present the audit findings to the taxpayer. The taxpayer is given the opportunity to review the schedules to ascertain possible errors made by the auditor. The taxpayer is informed to look for certain situations, such as, discounts not included in the taxable amount, credits not listed, invoices duplicated and items or transactions that the taxpayer believes are not taxable. During the initial review, the auditor will answer any questions the taxpayer has, ask any clean-up questions, make any changes required and verify information. If changes result from the initial review, the auditor will present revised audit findings.
4. **Reporting and Ongoing Audit Support** Throughout the process, RDS will provide the City with monthly audit reports, prepare all audit letters and correspondence, perform all tax research services, taxpayer assistance and education needed to successfully complete each audit, or as instructed by the City. RDS will maintain all records and work papers relating to any and all tax audits performed under this contract. RDS auditors will be available, upon timely request, to represent the City in any tax hearings relating to tax audits performed under this contract. Only when the issues are resolved and the taxpayer has paid the assessment, is the audit process complete.

RDS represents hundreds of municipal and county governments in this capacity, and has put in place and maintains formal quality control and reporting procedures to ensure that all of our processes, findings, and documentation are both accurate and in compliance with the highest professional standards. Multiple layers of management supervision, mentoring, and review of finished work products support the work of each of our field auditors. We emphasize and maintain a formal review process by Audit Division supervisors to ensure the accuracy of final correspondence prepared by individual auditors.

Reports/Deliverables

Throughout the course of each engagement, RDS will provide the City with monthly reports documenting audit activities undertaken to date. These reports will include the following:

- Accomplishments to date.
- Next-step options and projected timeline for completion.
- Open items needing attention, with identification of the responsible party.
- Updates on any issues requiring City attention.

Upon completion of our review of each business, RDS will provide the City with a written report with findings that explains the results of RDS' review, including:

- An account of the scope and procedures employed in the audit, including the records reviewed and the time periods covered.
- A summary report noting whether the business has substantively fulfilled its financial obligations to the City and the extent to which they adhere to the general parameters of the Ordinance, and including a summary of any noncompliance items noted during the audit, specifically identifying the areas of noncompliance and the nature of the noncompliance actions including recommended actions.
- A detailed report, in spreadsheet form, itemizing all instances of noncompliance, with a detailed explanation of any resulting payment discrepancies and penalties.
- Draft correspondence to the taxpayer on behalf of the City detailing the findings and making demand for any restitution due the City.

Upon request by the City, RDS will also:

- With the City's approval, negotiate any remaining issues with the business, as needed to secure payment of monies due the City as a result of audit findings.
- Assist the City with additional collection steps, to the extent desired by the City, to secure payments due from the City's business taxpayers.
- With the City's approval, collect the full amount due from the taxpayer, and remit to the City, less our percentage fee.
- Make appropriate members of the RDS audit team available to present findings and recommendations to the City, and on an ongoing basis, to work with the City and taxpayers to implement findings and recommendations to improve compliance going forward.

Fees

<i>Revenue Administration Services</i>	<i>Fee</i>
For each business/occupation application mailed (either renewal or new license)	\$10.00
For each alcohol excise tax transaction processed (generally monthly or quarterly)	\$10.00
Administrative set-up fee (one-time)	\$3,800.
<i>Revenue Discovery/Recovery Services</i>	<i>Fee</i>
RDS will deduct a contingency fee based on a percentage of any current or previous year taxes discovered and collected by RDS. This fee will not apply to any additional revenue collected on these accounts in future years.	40%
<i>Compliance Audit Services</i>	<i>Fee</i>
For on-site (field) auditing of at-risk taxpayers approved by the City, RDS will charge an hourly rate for each audit engagement.	\$95.00/hour

Proposed fee schedule valid for 60 days from date of issuance: 9/20/2013.

Qualifications

PRA Government Services, LLC, dba RDS is a wholly owned subsidiary of Portfolio Recovery Associates (PRA). RDS focuses on Tax Administration, Revenue Discovery/Recovery, Compliance Audit Examination and Delinquent Receivables Collection. Operating as a subsidiary of a publicly traded company, RDS is governed by the Sarbanes-Oxley Act of 2002, and is audited throughout the year by a "big 4" auditing firm. RDS also undertakes an annual SAS-70 Level II Audit of its data and funds disbursement processes and associated administration procedures.

Since acquiring RDS in 2005, PRA has demonstrated its commitment to the government services business by acquiring additional companies, bringing in unique services and regional markets that complement and expand the opportunities available in this sector. In 2008, PRA acquired both MuniServices, LLC, a California-based government services firm with nine of the ten largest cities in California as clients; and Houston-based Broussard Partners & Associates (BPA), a sales/use tax auditing firm specializing in providing tax audit services to local governments.

RDS, MuniServices, and BPA are now integrated into a single organization, PRA Government Services, ready to serve as the premier provider of revenue enhancement products and services for state and local

Revenue Administration for Clarkston, Georgia

governments throughout the United States. We have offices strategically located throughout the country and employ 275 professional managers and staff who are dedicated to the success of each jurisdiction that we serve. We work exclusively in the public sector, eliminating any possible conflict of interest dealing with confidential taxpayer information. Services provided to our government clients include:

- Revenue Administration: Outsourced administration of local tax revenues.
- Discovery/Recovery: Identify, notify, and collect taxes from non-compliant businesses.
- Auditing: Examine taxpayer records for accuracy of tax filings.
- Misallocation: Identify misallocated local sales/use, district, or property taxes.
- Additional Consulting and Revenue Information Services.

Our combined client base of more than 1,000 clients nationwide includes city and county governments in Alabama, Arizona, California, Colorado, Florida, Georgia, Kentucky, Louisiana, Michigan, Nevada, North Carolina, Oklahoma, Pennsylvania, Tennessee, Texas, and Washington. The cities of Atlanta, Detroit, Jacksonville, Los Angeles, Phoenix, Washington DC, and Sacramento are among the municipal governments for which we provide a variety of revenue services.

Over the years, our combined discovery and compliance services have resulted in the recovery of billions in revenues for our clients, plus the prevention of even more in potential tax revenue leakage, assisting them to meet their budgets, deliver public services, and better serve their citizens.

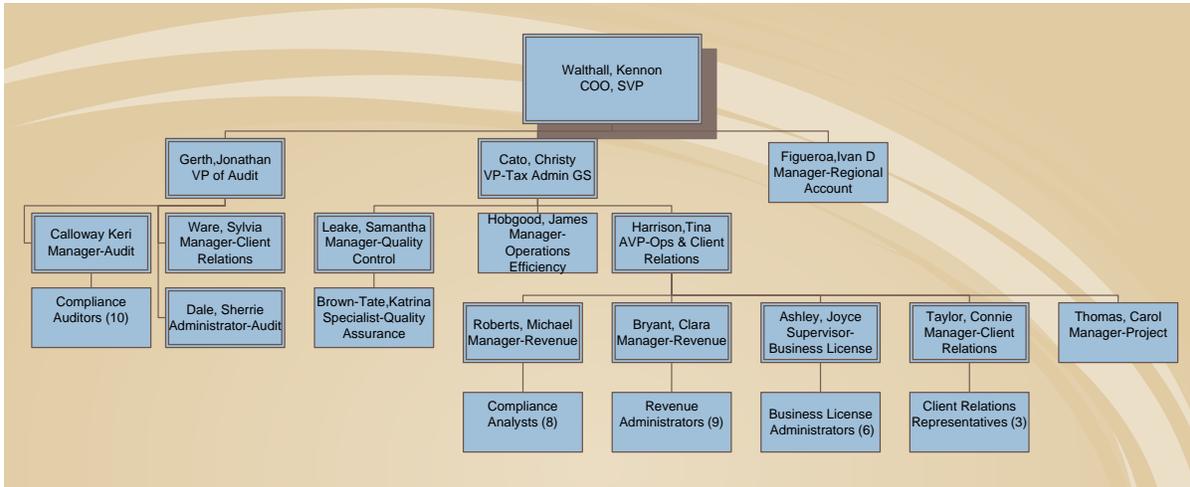
RDS has 32 years of experience working with hundreds of local governments throughout the country, providing taxpayer services, including business tax collection, tax discovery and compliance programs, taxpayer auditing, and online filing of business taxes. The services we offer local governments help bridge the gap between the government and their constituents. Our experience in administering sales/use, occupational tax, business license, and a variety of other locally-collected taxes on behalf of our clients gives us a unique insight into the best practices for optimizing constituent convenience, administrative productivity, and current and future revenues.

RDS works exclusively with government clients, and does not provide services to taxpayers, eliminating the possibility of any conflict of interest, and enabling local governments to entrust us with confidential taxpayer data necessary to our services on their behalf.

Revenue Administration for Clarkston, Georgia

Management

The organizational chart below illustrates the management and staff resources devoted to revenue administration at our Birmingham offices.



Christy Cato, RDS Director of Operations, will be responsible for the management of all Revenue Administration services performed by RDS on behalf of the City. Christy has been with RDS since 1997. Christy has over a decade of direct day-to-day management experience in development and management of government revenue enhancement solutions. In her current position since 2003, Christy is responsible for all aspects of client management, taxpayer services and operations. In addition to her management responsibilities she is also responsible for evaluation and implementation of new products and services for RDS, as well as enhancement of existing products and services. For the previous seven years Christy was responsible for directing the requirements for maintaining internal controls related to revenue administration, funds disbursement and system access for the organization's annual SAS-70 Type II audit and other control reviews conducted by internal auditors.

As part of the RDS senior management team, Christy has successfully led partnerships with more than 200 local government and associations to provide revenue enhancement and compliance services to maximize revenue increase the taxpayer base and improve overall compliance. Christy continues to be instrumental in directions and management of tax administration, tax compliance and discovery recovery services for more than 300 taxing authorities throughout the United States.

Christy has developed numerous tax system specifications and project plans, including the original development and implementation of Fulton County's, Occupational Business License Revenue enhancement initiative. This project included transition of Occupational License Administration, development, implementation of online Business Occupational Tax renewal application and Discovery and Recovery of unknown businesses.

Throughout Christy's career in government revenue enhancement, she has developed a keen understanding of city and state revenue laws and regulations. Her hands on tax compliance experience have allowed her to develop the ability to analyze revenue and tax databases, to identify unlicensed and non-compliant

Revenue Administration for Clarkston, Georgia

taxpayers. This experience has been crucial in the development of the RDS Discovery and Recovery system, which has identified and recovered millions of dollars in previously unknown revenue for our clients.

Jonathan Gerth, Vice President of Audit, will have overall responsibility for implementation and successful completion of the compliance auditing services proposed. Jonathan has extensive professional experience in legal, business and accounting environments, including federal and local governmental functions and tax compliance. Jonathan began his career as a tax attorney for the Internal Revenue Service's Division of Chief Counsel and Compliance in Dallas, Texas. He later worked for a local private tax firm in Birmingham before joining RDS in April 2010. Jonathan has held a wide variety of legal roles in our audit department consisting of legal support and analysis on compliance audits, regulatory compliance initiatives and reforms in audit, assessment and collection practices, and external litigation support. He has also served as the administrative law judge presiding over tax appeals for all RDS represented jurisdictions throughout Alabama. Jonathan received an advanced degree in tax accounting from Spring Hill College in 2002, and a law degree with a concentration in taxation and corporate law from Thomas Goode Jones School of Law in 2006.

References

RDS works exclusively with government clients, primarily counties and cities, but also some states. Listed below are some of our clients for whom we provide similar services:

1. Fulton County, Georgia

141 Pryor Street, Suite 10027

Atlanta, GA 30303

Contact Sharon Whitmore

(404) 612-7385

sharon.whitmore@co.fulton.ga.us

RDS currently administers the County's Occupation Tax, does Discovery/Recovery work and conducts Compliance Field Audits. Discovered and collected \$2M+

Although the County's tax base has been reduced as a result of the recent incorporation of three of its cities, RDS still returned a one-time discovery and collection of new revenue of \$2,235,868 and increased the taxpayer base by a healthy 11%;

Adding over 550 new businesses to the tax rolls is expected to increase projected future revenues by approximately \$500,000 per year, as these businesses pay their taxes, year after year.

Creation of a "level playing field" for all businesses in Fulton County is expected to enhance compliance, stemming from the recognition in the business community that the County's occupation tax (OT) ordinance is actually enforced;

The discovery/recovery project, coupled with two years of comprehensive administration of the County's occupation, hotel/motel and liquor excise taxes by RDS, collectively raised the County's overall revenue from these sources by more than 50%.

2. City of Opelika

P.O. Box 390

Opelika, AL 36803

Contact Lillie Finley at 334-705-5160

lfinley@ci.opelika.al.us

RDS discovered & recovered \$117,000 in new business license revenues.

3. City of Arab

740 N Main St

Arab, AL 35016

Contact Tony Willis at 256-586-3544

RDS discovered & collected \$339,000 in new business license revenues.

Revenue Administration for Clarkston, Georgia

4. City of Enterprise

PO Box 31100

Enterprise, AL 36331-1000

Contact Steve Hicks at 334-348-2610.

RDS discovered & recovered \$178,000 in new business license revenues.

5. Phenix City

601 12th Street

Phenix City, AL 36867

Contact Steven Smith at 334-448-2737

RDS discovered & recovered \$134,000 in new business license revenues.

6. Walker County

P.O. Box 1447

Jasper, AL 35502-1447

Contact Jill Farris at 205-384-7230

wcadm@bellsouth.net

RDS discovered & recovered \$254,000 in new business license revenues.

EXHIBIT B

DISTRIBUTION CONFIRMATION

November 1, 2013

City Clerk
City of Clarkston
3921 Church Street
Clarkston, GA 30021-1711

Dear Ms. []:

Funds will be distributed in the following accounts pursuant to this Agreement:

<i>Agency</i>	<i>Routing #</i>	<i>Account #</i>	<i>Distribution %</i>	<i>Tax Type/Rate Code</i>
			100%	Business License

If at any time there are any discrepancies between the schedule set out above and your Municipality's records, please notify us in writing immediately.

IT IS YOUR RESPONSIBILITY TO PROVIDE NOTICE TO US OF ANY CHANGES IN TAX RATES OR IN THE DISTRIBUTION OF FUNDS. NOTICE MUST BE IN WRITING AND SENT, VIA CERTIFIED MAIL, TO:

PRA Government Services, LLC (d/b/a RDS)
2317 Third Avenue North, Suite 200
Birmingham, Alabama 35203
ATT: Kennon Walthall, COO and SVP, Operations

Thank you for your assistance. If you have any questions, or if I may be of assistance, please let me know.

Sincerely Yours,

Connie Taylor
Client Relations Manager
RDS
205-423-4144 direct dial
205-423-4097 direct fax

I have reviewed the above distribution and verify that it is correct.

By: _____ RDS COO and SVP, Operations
Name: Title: