

## BILLING SERVICE AGREEMENT

THIS AGREEMENT, by and between the undersigned BUSINESS and Water Services Company (Billing Company).

WHEREAS, the Billing Company is a provider of a billing service and Iliad Water Services, Inc., is desirous of the billing service, all in accordance with this Agreement.

NOW THEREFORE, it is agreed that the billing service will be in accordance with the terms hereof:

NAME OF BILLING COMPANY: Water Services  
Address: PO Box 20429  
City/State/Zip: Seattle, WA 98102  
Phone Number: (800) 928-3750 Fax Number: (206) 764-3848

NAME OF BUSINESS: Iliad Water Services, Inc.  
Address: PO Box 20429  
City/State/Zip: Seattle, WA 98102  
Owner's Name: Derek E. Dorland  
Office Manager: \_\_\_\_\_  
Phone Number: (206) 282-4200 Fax Number: (206) 764-3848

The above names BUSINESS agrees to engage BILLING COMPANY to process the water system payments for monthly reporting. Upon payments received, records shall be provided to Iliad Water Services, Inc. on or before the tenth day of each month, or as follows:

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ILIAD WATER SERVICES, INC. agrees to pay BILLING COMPANY monthly (by the 15th of each month) according to the following fee payment schedule:

- All in accordance with (Attachment A).
- Both parties reserve the right to cancel this agreement and return complete billing records upon 30 days written notice. Otherwise this agreement shall remain in effect for a period on one year, with automatic annual renewal subject to the company's rates and policies then in effect. The terms of this agreement may be subject to modification with at least 30 days prior to the annual renewal.

- ILIAD WATER SERVICES, INC. agrees to hold BILLING COMPANY harmless and indemnify BILLING COMPANY from any and all claims including attorney's fee and costs.

Iliad Water Services, Inc.

By:

  
Derek Dorland

Its: President

Water Services Company

By:



Its:



ATTACHMENT A

CONTRACT FOR SERVICES  
FOR WATER SYSTEMS

1. BILLING SERVICES: Water Services Company will provide all necessary administrative services to include:
  - A. Maintain billing rosters.
  - B. Prepare and mailing of monthly billings.
  - C. Maintain a toll-free telephone number and dealing with customers and requests to include providing information and normal forms.
  - D. Paying of bills relating to the operation of the water system.
  - E. Providing collection services for delinquent customers.
  - F. Providing a monthly summary of billings and collections.
  - G. Providing a quarterly income statement.
  
2. BOOKKEEPING SERVICES: Water Services Company will provide the following bookkeeping services.
  - A. Maintaining a mailing address and collecting customer payments.
  - B. Post and deposit customer payments.
  - C. Prepare and transmit all necessary reports on a monthly basis.
  - D. Transfer Funds to the appropriate accounts.
  - E. Maintain Escrow for Utility Taxes owed.
  
3. BILLING SERVICE RATES: Water Services Company will charge the water company based on the following rates:
  - A. BILLING PACKAGE
    1. Postcard billing to customers based on the system's billing cycle.
    2. Collect payments and enter data.
    3. Prepare account monthly or at end of cycle.
    4. Cost is \$3.00 per customer/per cycle.
  
  - B. TELEPHONE PACKAGE
    1. 24 Hour toll-free 800 number answered by an operator.
    2. Immediate notification of designated personnel in case of emergency.
    3. Non-emergency calls, limited to billing questions and address changes returned the next business day.
    4. Cost is \$.50 per customer/per month.

C. ADMINISTRATIVE PACKAGE

1. Maintain customer list and files.
2. Assist escrow in property transfers.
3. Customer correspondence.
4. Interface with government agencies/represent owners when requested.
5. Cost is \$2.00 per customer/per month.

D. ACCOUNTING PACKAGE

1. Deposit payments.
2. Pay bills.
3. Provide monthly, quarterly & annual accounting reports.
4. Pay State Taxes.
5. Cost is \$1.00 per customer/per month.

E. OTHER SERVICES

All other services will be provided on an hourly basis as follows:

Administration, Clerical Services, Set-up and Computer Services  
\$37.50 per hour.