

**SECOND AMENDMENT AGREEMENT TO A
CONTRACT BY AND BETWEEN
NORTH SMITHFIELD FIRE/RESCUE SERVICE, INC. AND
TOWN OF NORTH SMITHFIELD**

THIS AGREEMENT is made as of the ____ day of October, 2010, by and between the **Town of North Smithfield**, a municipal corporation of the State of Rhode Island having its principal office located at One Main Street, Memorial Town Building, Slatersville, Rhode Island 02876 (the "Town") and **North Smithfield Fire/Rescue Service, Inc.**, a Rhode Island corporation, with its principal office located at 1470 Providence Pike, North Smithfield, Rhode Island 02896 (the "NSFRS").

RECITALS

WHEREAS, pursuant to a certain CONTRACT BY AND BETWEEN NORTH SMITHFIELD FIRE AND RESCUE SERVICE, INC. AND TOWN OF NORTH SMITHFIELD dated as of September 8, 2008, by and between Town and NSFRS (the "Contract"), NSFRS agreed to provide certain services to the Town a copy of the Contract is attached hereto as Exhibit II and incorporated by reference as if fully set forth herein; and

WHEREAS, pursuant to the Contract, NSFRS has retained a third party billing company to administer billings and collections for medical transportation reimbursements; and

WHEREAS, the gross receipts minus fees payable to the third party billing company ("Net Receipts") are electronically transferred to a designated account (the "Account") under the control of the Town; and

WHEREAS, the Town and NSFRS desire to establish an arrangement for the allocation of the Net Receipts collected by said third party billing agent for the balance of the term of the Contract; and

WHEREAS, the Town and NSFRS have agreed upon a process for the allocation of the net receipts and desire to modify the Contract pursuant to the terms and conditions set forth below.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. The Town shall continue to receive the Net Receipts of medical transportation reimbursements from the third party billing agent;
2. The Town and NSFRS shall maintain a Third Party Billing Committee consisting of the Town's Finance Director and one (1) person designated by NSFRS to oversee third party billing activities;
3. The approval of the Third Party Billing Committee shall be required for

expenditures made by the Town of an amount equal to one-half (1/2) of the Net Receipts (the "NSFRS Allocation"), and it is hereby agreed that the NSFRS Allocation shall be specifically used for the benefit of NSFRS for purposes to include, but not limited to, fleet replacement, equipment purchases, and training;

4. The NSFRS Allocation shall be determined on an annual basis and any portion of the NSFRS Allocation not used in the fiscal year in which it is received may be carried over for up to ten (10) additional fiscal years (the "Carryover Years"), but no further than such Carryover Years, in order to accrue a sufficient balance in the Account such that NSFRS shall be able to purchase fire and rescue related capital items therefrom;
5. All Net Receipts not part of the NSFRS Allocation shall be retained by the Town and transferred to its general fund for any use or purpose as determined from time to time by the Town;
6. All remaining terms and conditions of the Contract shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have duly executed this Amendment Agreement on the day and year first above written.

Town of North Smithfield

By: _____
Paulette N. Hamilton,
Town Administrator

As duly authorized by the Town Council for
the Town of North Smithfield

North Smithfield Fire/Rescue Service, Inc.

By: _____
Joel D. Jillson, Fire Chief

By: _____
Paul A. Shatraw, President

As duly authorized by and on behalf of the
North Smithfield Fire/Rescue Service, Inc.