**KANTER FINANCIAL FORENSICS**, LLC

January 5, 2015

The Honorable Todd Meier Mayor
And the Members of the Town Council
Town of Addison Texas
5300 Belt Line Road
Dallas, Texas 75254-7606

RE: Revision to Addendum #2 dated November 6, 2014 to the Engagement Letter Dated April 23, 2014

Mayor Meier and Members of the Town Council:

This document will serve to revise Addendum #2 dated November 6, 2014 to the Engagement Letter Dated April 23, 2014 as follows:

1. Paragraph 5 is amended to add language indicating that Kanter Financial Forensics, LLC. will perform the data entry related to one of the Town's vendors.

*Additionally, we recommend that all charges from two vendors be evaluated as to compliance with the terms of those vendor's bids/contracts. We understand, however, that one of those vendors is terminating its relationship with the Town and ceasing operations. Accordingly, the Town's resources can best be spent on, as a preliminary step, the other vendor relationship. This can be accomplished by using a temporary employee, retained and paid for by the Town, to work at the direction of KFF to data enter and accumulate relevant invoices and contract information for that vendor.*

*In the event that KFF performs the data entry function, an additional cost of $2,000 will be added to the proposed fees of $26,000 for the Analysis of Courts, Special Events and 1 Vendor Phase bringing the total for that Phase to $28,000. KFF will data enter information from the invoices of one vendor (selected by KFF), compare the invoices and charges to applicable contracts and report our findings to the Council. This initial work will become a basis for our recommendations for future retrospective bid and contract evaluations.*

2. Paragraph 7 is amended to add the staff billing classification for Paraprofessional:

*Our work will be performed in phases, with the Analysis of Courts, Special Events and 1 Vendor phase beginning as soon as practicable. The remaining phases will be performed upon the Town's completion of its physical inventory. The above estimates include a written report and presentation to the Council as well as coordination meetings with the Finance Committee. We will perform our work at the following hourly rates:*

| | |
|---|---|
| *Managing Director* | *$295* |
| *Professional Staff* | *$195* |
| *Paraprofessional Staff* | *$ 75* |

3. Paragraph 8 is amended to increase the total "not to exceed amount from $49,850 to $51,850.

All other terms and provisions of our Engagement Letter dated April 23, 2014 and Addendum #2 dated November 6, 2014 to the Engagement Letter Dated April 23, 2014 remain in full force and effect.

If this meets with your approval, please sign and date one copy of this letter in the space provided.

Very truly yours,

Larry Kanter, CPA/CFF, CFE
Managing Director

Agreed and Accepted

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Todd Meier, Mayor Date
Town of Addison
Authorized Representative