



AGREEMENT TO PROVIDE SERVICES

THIS AGREEMENT, dated _____ is made between ("Client"), and ("Scarborough"), Scarborough International Ltd., doing business at 10841 NW Ambassador Drive, Kansas City, MO 64153.

WHEREAS, Client desires services in connection with the preparation, filing and processing of duty drawback claims; and

WHEREAS, Scarborough is in the business of providing such services;

NOW, THEREFORE, the parties agree as follows:

1. Preparation Services

1.1 Scarborough agrees to provide the following services ("Preparation Services") in connection with Client's duty drawback program:

- (a) Pre-claim review of claim amount estimates;
- (b) Drawback viability and audit supportability review;
- (c) Application for waiver of prior notification of export, accelerated payment procedures and any other general pre-claim approvals, if applicable;

1.2 The Preparation Services will be provided until all applications made to the Customs and Border Protection (CBP) Drawback Office have been approved. During the term of this Agreement Client agrees not to appoint another duty drawback service provider.

2. Retroactive Claim Services

2.1 Scarborough agrees to provide the following services ("Retroactive Claim Services") in connection with Client's duty drawback program:

- (a) Import data input;
- (b) Export data input;
- (c) Manufacturing data input (if necessary);
- (d) Claims preparation, filing and processing (monthly, quarterly or as agreed);
- (e) Annual status review.

2.2 The Retroactive Claim Services will be provided in connection with retroactive drawback claims for exports through December 31, 2011. During the term of this Agreement Client agrees not to appoint another duty drawback service provider or file drawback claims other than through Scarborough.

3. Ongoing Claim Services

3.1 Scarborough agrees to provide the following services ("Ongoing Claim Services") in connection with Client's duty drawback program:

- (a) Import data input;
- (b) Export data input;
- (c) Manufacturing data input (if necessary);
- (d) Claims preparation, filing and processing (monthly, quarterly or as agreed);
- (e) Annual status review.



- 3.2 The Ongoing Claim Services will be provided in connection with continuing drawback claims for an initial period of three (3) years effective from the date of the signing of this Agreement, and thereafter will continue for additional successive two (2) year periods, or as the parties may otherwise agree, provided that any renewal is subject to a review of Section 4 of this Agreement by either party. During the term of this agreement Client agrees not to appoint another duty drawback service provider or file drawback claims other than through Scarborough.
- 3.3 Either party may terminate this Agreement by giving the other party written notice 60 days prior to the end of the three year period, or 60 day prior to the end of any successive two year period, unless specified otherwise in this Agreement.
- 3.4 Either party may terminate this Agreement at any time if the other party does not comply with the terms and conditions of this Agreement. Client's obligation to pay all service fees that have accrued will survive any termination of this Agreement.
- 4. Fees**
- 4.1 As consideration for providing the Services to Client, Scarborough will receive service fees in the following amounts:
- (a) Application for New Drawback Services: \$2000
 - (b) Retroactive Claim Services:
 - (i) Twenty percent (20%) of the drawback claims it has prepared, filed, and collected for Client, including Merchandise Processing Fee and Harbor Maintenance Fee (if applicable);
 - (ii) Five percent (5%) increase if drawback claims include exports to Canada and/or Mexico;
 - (iii) Five percent (5%) increase if Scarborough must contact parties other than claimant to collect import and/or export documents;
 - (iv) Five percent (5%) increase if accurate export information is not provided by Client in format supplied by Scarborough;
 - (v) Five percent (5%) increase if accurate bills of materials information is not provided by Client in format supplied by Scarborough.
 - (c) Ongoing Claim Services:
 - (i) Fifteen percent (15%) of the drawback claims it has prepared, filed, and collected for Client, including Merchandise Processing Fee and Harbor Maintenance Fee (if applicable);
 - (ii) Three percent (3%) increase if drawback claims include exports to Canada and/or Mexico;
 - (iii) Five percent (5%) increase if Scarborough must contact parties other than claimant to collect import and/or export documents;
 - (iv) Five percent (5%) increase if accurate export information is not provided by Client in format supplied by Scarborough;
 - (v) Five percent (5%) increase if accurate bills of materials information is not provided by Client in format supplied by Scarborough.
- 4.2 Scarborough will receive client's drawback refunds from Customs and Border Protection (CBP) and will pass on to Client the amount of Duties, Merchandise Processing Fees and Harbor Maintenance Fees (if applicable) exclusive of the service fees owed Scarborough.



- 4.3 Additional charges to contact other parties concerning documents required for drawback claims for client shall not be incurred if these contacts are incidental and/or are for clarification purposes of that party's information. Those parties exempted will only include a customs broker and a freight forwarder.
- 4.4 In the event there are extraordinary costs arising from circumstances in connection with Client's drawback claims, Client will reimburse Scarborough for reasonable "extraordinary" expenses upon mutual approval of those expenses.
- 5. Claims Information and Audit**
- 5.1 Drawback claims will be based upon the information and data provided to Scarborough by Client, its customs broker, or other representative. Scarborough is not responsible for the accuracy of information and data provided by or on behalf of Client and incorporated as part of the drawback claim. Scarborough is not responsible for information and data used in the preparation of claims that are untimely for a valid drawback claim or not provided with lead-time sufficient to prepare a valid drawback claim.
- 5.2 Scarborough will assist Client in determining the relevant information necessary for preparing, filing and processing its drawback claims. However, Client is responsible for advising Scarborough of any changes in information affecting its drawback claims including, but not limited to, the accuracy of reported information; changes in manufacturing, production, inventory, pricing, accounting, purchasing, selling, or shipping procedures; ports of importation and exportation; parts, components or bills of materials and their application and use; and any changes in Client's legal form of doing business, structure or ownership.
- 5.3 In the event CBP conducts an audit of Client which concerns any drawback claims prepared, filed or processed by Scarborough, Scarborough will produce any information or data in its possession relating to those drawback claims to support Client in the audit. Denial of claim or portion of a claim, due to Scarborough clerical error, may result in reimbursement of fees for that claim or portion of claim as agreed between Scarborough and Client. Scarborough can not be responsible for errors in data provided by client. Unless the parties otherwise agree, Scarborough has no other obligation, responsibility, undertaking or liability in connection with any audit conducted by CBP.
- 6. Confidentiality**
- 6.1 Confidential material is defined, for purposes of this Agreement, as:
- (a) all knowledge and information that Scarborough may acquire or gain from Client or representatives of Client, or by virtue of the performance of the services under and pursuant to this Agreement, relating to inventions, products, processes, machinery, apparatus, prices, discounts, costs, business affairs, future plans or technical data that belong to Client or to those with whom Client has contacted regarding such information; and
 - (b) all information provided by Scarborough to Client in reports of work done, together with any other information acquired or gained by Scarborough; and
 - (c) any information designated by Client as "Confidential" or "Proprietary."



- 6.2 Scarborough agrees that all material held by Scarborough:
 - (a) shall be treated as confidential and held solely for Client's benefit and use, and
 - (b) shall not be directly or indirectly disclosed by Scarborough to any person whatsoever except to Client, CBP, or with Client's written permission.

7 Best Efforts

- 7.1 Client undertakes to use its best efforts to provide information, resources and assistance to Scarborough in a timely manner to maximize the amount of drawback claims filed by Scarborough during the term of this Agreement.

8 Representations and Warranties of Client

- 8.1 Client represents and warrants to Scarborough that it has all necessary corporate authority to execute this Agreement on behalf of Client and that this contract is binding upon Client.

9 Terms and Conditions

- 9.1 This agreement is governed by Scarborough International Ltd.'s Terms and Conditions found at <http://www.scarbrough-intl.com/scarbrough-terms-and-conditions/>

IN WITNESS WHEREOF, each party to this Agreement has caused it to be executed on the date indicated.

Client Signature: _____

Title: _____

Date:

Scarborough Signature: _____