

AGREEMENT TO PROVIDE SERVICES FOR:

Name: _____.

Address: _____

City, State _____

SERVICES TO BE PROVIDED:

1. **Borderland Enterprises, LLC** will act to develop commercial relationships for **CHICAGO PNEUMATIC** through the development of a sales distribution organization for the sale of its products or services subject to its findings and recommendations, finalizing individual market options following mutual consent by both parties and written approval to proceed by **CHICAGO PNEUMATIC** for the following market areas:

MEXICO

CENTRAL AMERICA

LATIN AMERICA

CARIBBEAN

Borderland will undertake to develop distribution within the above mentioned market areas during the 18 months of this agreement. Any additional marketing areas will be submitted to **CHICAGO PNEUMATIC** for consideration as to inclusion in this agreement. In addition, assistance will be provided in conforming to the legal requirements involved in formalizing a distribution agreement between the selected distributor candidate (s) and **CHICAGO PNEUMATIC** if required.

2. **Borderland** will coordinate with **CHICAGO PNEUMATIC** for the timely administration of all distributor requests, pricing assistance, product support, and the yielding of other information or assistance which may be required from time to time by the distributor / dealer.

3. **Borderland** may act to train the distributor / dealer in product sales and application and/or assist the **CHICAGO PNEUMATIC** product sales force in effecting same.

4. **Borderland** will assist **CHICAGO PNEUMATIC** when requested to attend to the distributor's / dealer's requirements of **CHICAGO PNEUMATIC**, subject to priority, advisory and the availability of **Borderland** personnel.

5. **Borderland** will submit a market study done in conjunction with distributors located in each market area contracted, giving the industry and competitive information necessary for the formation and implementation of appropriate sales and marketing strategies for each market.

6. **Borderland** will provide a Quarterly status update and a trip report for each market area.

TIME FRAME: Development of a distribution network in the countries specified shall be completed at the end of 18 months from the date of this agreement. This agreement, or a portion thereof, shall be renewable at the option of both parties AND subject to review at the end of each quarter.

1. Compensation for the development of a distribution network for those countries / regions specified shall be based on a monthly retainer of **US\$ 1750** plus a commission of **5%** for the successful billing of products or services for the countries specified. This compensation shall be payable by **CHICAGO PNEUMATIC** prior to the first Friday of each calendar month. *Note: The contracting of a distributor / dealer for any one market area as described will not affect the amount of the above described retainer or the duration of this agreement.*

2. Following **18** months, should **CHICAGO PNEUMATIC** wish to contract its own employee to attend to the distribution network established, **Borderland** will act to train that (those) individual(s) for a one time charge of **US\$ 3000** plus travel expenses. Under this option, **CHICAGO PNEUMATIC** will provide **Borderland** with a commission of **2%** for a period of one year following the termination of this agreement for all billings of **CHICAGO PNEUMATIC** specified products and services to the distributor / dealer network developed for **CHICAGO PNEUMATIC**. For this commission fee, **Borderland** will be available promptly to assist **CHICAGO PNEUMATIC** as requested for the project parameters previously presented.

3. Should **CHICAGO PNEUMATIC** elect to have **Borderland** continue to administer the business of **CHICAGO PNEUMATIC** following 18 months in those countries contracted, the retainer will be waived, and a commission fee of **7%** and a communications allowance plus proportionate travel expenses shall be paid.

TRAVEL EXPENSES: It is understood that pre-approved travel expenses incurred on behalf of **CHICAGO PNEUMATIC** for the development of the above-described services shall be fully reimbursable to **Borderland**. At times, pro-rated expenses will be billed should a trip be shared for other client purposes. This is to be calculated as follows: *Actual expense of the trip divided by the total number of clients visited and times the number of exclusive visits made on the behalf of CHICAGO PNEUMATIC.* **Borderland** personnel will conform to **CHICAGO PNEUMATIC** expense guidelines.

PHONE, FAX & COURIER EXPENSES: Actual expenses incurred with supporting documentation for phone, fax and/or courier expenses made to distributor / dealer candidates or assigned distributors dealers in the administration of the same shall be reimbursed to **Borderland** by **CHICAGO PNEUMATIC**, payable monthly as presented. *Maximum of US\$150 per month.*

OUTSIDE SERVICES: Should special in-country legal or special marketing / commercial assistance be required, all fees from these activities shall be reimbursable to **Borderland** subject to prior written approval by **CHICAGO PNEUMATIC**.

PRODUCT TRAINING: Product training may be required to enable **Borderland** and the consultant assigned to effectively represent **CHICAGO PNEUMATIC** in achieving positive

project and sales results. Expenses related to this product training. Travel and lodging expenses, etc., shall be borne by **CHICAGO PNEUMATIC**.

Page 3

CLIENT UNDERSTANDING: This agreement specifies all services to be provided and an explanation of our charges. Any special projects outside of this specific agreement and/or requested by **CHICAGO PNEUMATIC** will be billed at a rate of US\$75.00 per hour for actual work performed, subject to approval in writing by **CHICAGO PNEUMATIC** and accepted by **Borderland**.

CONFIDENTIALITY: Each client has special needs and circumstances. Accordingly, our policy prohibits the quoting of statistics regarding past client projects or results from those projects. **CHICAGO PNEUMATIC** may however inquire as to established client references, and these will be offered freely except when specifically prohibited. Certain client information is proprietary in nature and therefore will require the acceptance and signature of a confidentiality agreement.

DURATION OF THIS AGREEMENT: Our services commence at the time this agreement is signed and will continue as required to complete the work as contracted, or for 18 months, whichever is less. This agreement is non-cancelable except by mutual consent as we will have released proprietary information and established the efforts of **Borderland** in the marketplace. Additionally, our professional time will be committed on **CHICAGO PNEUMATIC** behalf, with no other clients accepted in the place of **CHICAGO PNEUMATIC**, which could be determined to detract from the time required to accomplish the prescribed projects set forth in this agreement. Also, no client will be accepted which could be considered as a direct competitor of **CHICAGO PNEUMATIC**

In the event **CHICAGO PNEUMATIC** withdraws, and this agreement is terminated by mutual consent or for demonstrated lack of performance, a complete itemization of professional assistance hours expended by Borderland and for previously approved outside services will be presented to **CHICAGO PNEUMATIC**, and billed as actual expenses or at a US\$75.00 per hour rate.

CLIENT SATISFACTION: All consulting work, with studies or reports submitted, will be to **CHICAGO PNEUMATIC** complete satisfaction. If it is not satisfactory, it will be promptly redone without additional charge. Research services are warranted as accurate to the best of our ability.

IMPORTANT NOTE: While all efforts to achieve positive results from our services shall be undertaken by both parties, it is understood that **Borderland** can not warrant positive measurable results; as such results will be generated from continuous administration of the opportunities presented and the decisions reached to implement said opportunities.

I hereby acknowledge by my signature that I have received a written description of the scope of the services to be provided by **Borderland** (Entitled "Services to be provided") and that I have read and understand this agreement. I hereby acknowledge receipt of a copy of this agreement

CHICAGO PNEUMATIC

Date:_____

BORDERLAND EXPORT

Mike Wiley

Date:_____