

## **SERVICE AGREEMENT**

This agreement made between \_\_\_\_\_ and Corporación de Viajes TAM, S.A. (Here within to be referred to as TAM MICE – DMC Division) is valid until the completion and payment of the last event in this program.

### **1. DESIGNATION AS OFFICIAL DESTINATION MANAGEMENT COMPANY**

On behalf of \_\_\_\_\_, the subscriber, legally authorized by \_\_\_\_\_ to sign contracts, designates TAM MICE – DMC Division as its official DESTINATION MANAGEMENT COMPANY for its Program of \_\_\_\_\_ participants in Costa Rica to be held from \_\_\_\_\_ of \_\_\_\_\_.

TAM MICE – DMC Division is contracted and responsible for providing, reserving and arranging all requested services, such as lodging, food and beverage, ground and/or air transportation arrangements, and other activities, in connection with the above said travel program, as specified in this agreement.

### **2. TRAVEL PROGRAM CONDITIONS & SPECIFICATIONS**

- 2.1. The attached service proposal and pro forma Invoice is an estimate of prices of the services to be supplied by TAM MICE – DMC Division this is not a confirmation of services to be rendered. Such services will be confirmed upon receipt of full pre-payment, transferred or deposited to TAM MICE – DMC Division's US bank account as noted in Section N° 4 (Page 2). Pre-payment shall constitute a confirmation of services to be rendered within the terms of this service agreement.
- 2.2. The program is preliminary and prices are based on \_\_\_\_\_ participants. \_\_\_\_\_ will confirm in writing to TAM MICE – DMC Division of the final number of participants and all pending items by \_\_\_\_\_.
- 2.3. All additional food and beverage reserved, contracted or arranged by TAM MICE – DMC Division (on a consumption basis) will include a 15% Handling Fee.
- 2.4. Golf, or tennis reserved, contracted or arranged by TAM MICE – DMC Division, includes a 15% Handling Fee.
- 2.5. Additional service reserved, contracted or arranged by TAM MICE – DMC Division, includes a 15% Handling Fee.

### **3. PROGRAM DEPOSIT / PAYMENT POLICY**

- 3.1. Payment of 80% of the total cost of the program must be made 90 days prior to Group's arrival by \_\_\_\_\_.
- 3.2. Payment of 20% of the total cost of the program must be made 30 days prior to Group's arrival by \_\_\_\_\_.
- 3.3. Additional services contracted after final payment and all incidentals during the operation of the program are due 10 days after final invoice is presented.
- 3.4. TAM MICE – DMC Division reserves the right to cancel all services in the event if the payment schedule is not met.

**IMPORTANT NOTE:** All payments must be done by wire transfer. A copy of the wire transfer must be sent to the Sales Executive in charge of the Group.

#### 4. PAYMENTS

4.1. Payments must be made in US Dollars, by wire transfer to the following address:

##### 4.1.1. WELLS FARGO BANK, NEW YORK

**Cover through:** WELLS FARGO BANK, NEW YORK  
**Account:** 2000192000042 (between BAC San José and Wells Fargo Bank)  
**No. ABA:** 026005092  
**Swift:** PNBPU3NNYC  
**Transfer to:** BAC San José (formerly Banco San José, S.A.)  
**Swift:** BSNJCRSJ  
**Beneficiary Name:** Corporación de Viajes TAM S.A.  
**Beneficiary Account:** 903740413

##### 4.1.2. BANK OF AMERICA, MIAMI

**Cover through:** BANK OF AMERICA, MIAMI  
**Account:** 19019-05932 (between BAC San José and Bank of América)  
**No. ABA:** 026009593  
**Swift:** BOFAUS3M  
**Transfer to:** BAC San José (formerly Banco San José, S.A.)  
**Swift:** BSNJCRSJ  
**Beneficiary Name:** Corporación de Viajes TAM S.A.  
**Beneficiary Account:** 903740413

##### 4.1.3. CITIBANK N.A., NEW YORK

**Cover through:** CITIBANK N.A., NEW YORK  
**Account:** 36026966 (between BAC San José and Citibank)  
**No. ABA:** 021000089  
**Swift:** CITIUS33  
**Transfer to:** BAC San José (formerly Banco San José, S.A.)  
**Swift:** BSNJCRSJ  
**Beneficiary Name:** Corporación de Viajes TAM S.A.  
**Beneficiary Account:** 903740413

**IMPORTANT NOTE:** THE PAYMENTS SHOULD BE SENT IN MT103 FORMAT. ACH PAYMENTS ARE NOT ACCEPTED.

##### 4.1.4. JP MORGAN CHASE BANK, NEW YORK

**Cover through:** JP MORGAN CHASE BANK  
**Account:** 777142548 (between BAC San José and JP Morgan Chase Bank)  
**No. ABA:** 021000021  
**Swift:** CHASUS33  
**Transfer to:** BAC San José (formerly Banco San José, S.A.)  
**Swift:** BSNJCRSJ  
**Beneficiary Name:** Corporación de Viajes TAM S.A.  
**Beneficiary Account:** 903740413

4.2. Payments must be made in EUROS, by wire transfer to the following address:

4.2.1. **COMMERZ BANK AG (GERMANY)**

**Cover through:** COMMERZ BANK AG  
**Swift** COBADEFF  
**Account:** 4008822258 (between BAC San José and Commerz Bank)  
**Transfer to:** BAC San José (formerly Banco San José, S.A.)  
**Swift** BSNJCRSJ  
**Beneficiary Name:** Corporación de Viajes TAM, S.A.  
**Beneficiary Account:** 903740413

4.2.2. **STANDARD CHARTERED BANK (GERMANY)**

**Cover through:** STANDARD CHARTERED BANK (GERMANY)  
**Swift** SCBLDEFX  
**Account:** 424-018096210 (between BAC San José and Standard Chartered bank)  
**Transfer to:** BAC San José (formerly Banco San José, S.A.)  
**Swift:** BSNJCRSJ  
**Beneficiary Name:** Corporación de Viajes TAM, S.A.  
**Beneficiary Account:** 903740413

**IMPORTANT NOTE:** THE PAYMENTS SHOULD BE SENT IN MT103 FORMAT. ACH PAYMENTS ARE NOT ACCEPTED.

## 5. TAM DMC CANCELLATION POLICY

- 5.1. Between signed contract date (\_\_\_\_\_) and 60 days prior to group's arrival by \_\_\_\_\_, the group may be completely cancelled. Penalties for cancellation would only involve actual expenses incurred by TAM MICE – DMC Division on the client's behalf including but not limited to: Non-refundable deposits made to TAM MICE – DMC Division suppliers for labour expenses, site inspection expenses and an administrative charge of 10% of the total cost of the program.
- 5.2. Complete cancellation of the program between 59 days (\_\_\_\_\_) and 30 days prior to group's arrival by \_\_\_\_\_, will result in a 25% penalty of the total cost of the program.
- 5.3. Complete cancellation of the program between 29 days (\_\_\_\_\_) and 15 days prior to group's arrival by \_\_\_\_\_, will result in a 50% penalty of the total cost of the program.
- 5.4. Complete cancellation of the program received less than 14 days prior to the group's arrival will result in a 100% penalty of the total cost of the program.
- 5.5. Cut back policy: The number of participants can be changed in writing up to two weeks prior to the group's arrival. It is understood that prices will vary according to the number of participants. No major changes can be made to the program on tours, transportation or any of its services and activities with less than 14 days prior to the group's arrival by \_\_\_\_\_. TAM MICE – DMC Division will accept minor changes at its discretion, as long as circumstances, equipment and availability will permit it.

## 6. ACT OF FORCE MAJEURE

In the event of situations in Costa Rica including but not limited to acts of God, acts of government or other authorities, civil disorder, war, epidemics, quarantines, strikes, or any other similar condition, which may be deemed as "unsafe" or "unfit" by \_\_\_\_\_ and/or its CLIENT, neither TAM MICE – DMC Division nor any of its suppliers will be held responsible.

Should \_\_\_\_\_ and / or its CLIENT cancel the program for any of the above reasons \_\_\_\_\_ will notify TAM DMC of its decision in writing. TAM MICE – DMC Division will refund, within 45 days of such written notice, all deposits made minus actual expenses incurred by TAM MICE – DMC Division as described in clause N° 5.

## 7. SERVICE DETAILS

- 7.1. TAM MICE – DMC Division requires to be notified in writing of final program details, at least fifteen days before the group arrival. If there is no notification, TAM DMC assumes the numbers and events on the last cost breakdown to be accurate. TAM MICE – DMC Division will provide and charge for those services, regardless of the actual number of participants.
- 7.2. For optional tours, TAM MICE – DMC Division requires written confirmation if the actual number of participants is less, and full payment 48 hours before tour departure. TAM MICE – DMC Division will do its best to accommodate, but cannot guarantee availability for any optional tours requested under 48 hours' notice. Cancellations between 48 hours and operation of the activities or tours will be charged in full.
- 7.3. TAM MICE – DMC Division reserves the right of not accepting last minute changes in the programmed activities.
- 7.4. TAM MICE – DMC Division will only provide services specified in the confirmation order sent by \_\_\_\_\_. Last minute services or incidentals will be provided according to availability. TAM MICE – DMC Division will not be held responsible if services are not available as requested.
- 7.5. Upon signing the service agreement, prices stated are not to be disclosed to third parties, nor re-negotiated by either \_\_\_\_\_ nor TAM MICE – DMC Division. Client agrees not to make arrangements directly with the suppliers subcontracted by TAM MICE – DMC Division for this program.
- 7.6. Disputes arising from this service agreement will be resolved by the Costa Rican courts of law and in accordance with the laws of Costa Rica.

### Note 1:

In order to provide a professional and accurate service to your customers, and due to the fact that Costa Rica has such a diverse operational structure for incentive programs, we at TAM MICE – DMC Division have established a policy, that the "Program Director Fee" must be mandatory in order to properly meet all your needs. This service will ensure a detailed follow up before, during and after the program.

### Note 2:

Prices do not include any sales tax (If a project in the Costa Rican Congress concerning this tax is approved, prices will increase in the same proportion.)

**Note 3:**

**Rejection Statement against Sexual Exploitation of Children and Adolescents**

**Rejection Statement against Sexual Exploitation, Sexual Harassment and Drugs**

At TAM Travel Corporation, we believe that the sexual exploitation of children and adolescents violates the fundamental aims of tourism; thus, we hold an agreement with our commercial partners as to the continuous struggle against the sexual exploitation of minors, in adherence to Law 7899 Law against Sexual Exploitation of Minors and to Law 8590 which amends the Penal Code to strengthen the fight against the sexual exploitation of minors.

TAM also manifests its adherence to Law 7476 Act on Sexual Harassment in the Workplace and in Education and Law 8204 on Narcotics, Psychotropic Substances, Illegal Drugs, and Money Laundering.

Because the breach of these laws is punishable by the Costa Rican Law, TAM Travel Corporation will revoke the service contract that had been subscribed with any company or person that somehow consents, provides or encourages activities that contravene said legislation.

**Both parties have read and agree to all terms and conditions as outlined in this Service Agreement.**

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**Company Name:**

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**Signature**

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**Legal representative name:**

**Name of Client Title**

**Corporación de Viajes TAM, S.A.**