

Partnership agreement

XXX, (hereafter referred to as the Client) and Business Driven Development AB, Adelgatan 21, 211 22 Malmö Sweden (hereafter referred to as BDD), have today signed the following

Partnership agreement

regarding advice and guidance from BDD's side to together with the Client, create an astonishingly good customer offering to the Client's customers, paired with an excellent working climate in the Client's organization.

The intention is to periodically review this agreement so that both parties feel that the collaboration is value-creating. A review shall occur when one party requests a review, but at least annually.

1. Background

The Client believes that the internal processes, in conjunction with the development of new customer offerings, are too slow and inefficient. The current ways of working dampen the creativity of the company and does not provide the innovative energy needed for long-term survival.

A desire by the Client's management to strengthen value-driven and innovative thinking throughout the company, while BDD has found the Client to have a high sensitivity to its ideas and working methods, which has led to this agreement.

BDD considers itself to be more useful if one can come from the traditional approach of selling consulting services and instead create partnerships with the customer through alliances.

BDD assumes that the Client, by prioritizing investments in future customer offerings, seen from a holistic perspective in today's business, will achieve a significant increase in perceived customer benefits.

2. The model

The model, which both parties strive for, for value-driven development work is based on three fundamental roles, each of which is responsible for:

1. What to do
2. How to design the delivery
3. Ways of working

These three roles need to exist at different levels. First and foremost, at the team level where decisions about the actual delivery are made. Second, at one or more overall levels that guide the team level in making the right decision.

A well-functioning division of responsibilities is based on:

1. People are working 100% in their respective roles.
2. Overall levels have confidence that the underlying level makes the right decision.

The approach is based mainly on the following principles:

1. Acceptance of uncertainty, which makes it essential with early deliveries, fast feedback, and continuous improvements.

2. The highest value density controls all priorities, which requires a shared understanding of the estimated value and lead time.
3. The optimization of flow takes precedence over the optimization of resources, which can, for example, have the consequence that employees sometimes do not carry out what they are best at or wait instead of starting up any new work.
4. Facts-based decisions, which means that measurements are a vital and indispensable source of information.
5. Responsibility for value streams instead of functions, which leads to a clearer understanding and control of the actual value.
6. Transparency at all levels, which leads to confidence being created.
7. Respect for people and the environment, which leads to a pleasant and sought-after workplace.

3. Purpose

Against this background, the Client and BDD have agreed to jointly develop the Client's organization and working methods to achieve a significantly faster and more value-oriented development process. The purpose is to create an ability to continually develop new business opportunities that contribute to the Client's overall objectives.

To achieve a more favorable outcome for both parties, than is customary when buying consulting hours, the outcome of BDD's efforts must be linked to the Client's results. Therefore, no hourly billing of BDD's work is done, but instead, the remuneration is to be paid to BDD in the form of financial compensation, see point 8 below.

BDD can use the Client as a reference and examples of the good results their methods have contributed to. Clients can use the knowledge gained through collaboration with their customers and, in the long run, design a better and more profitable business model.

4. Procedures

Collaboration must always be based on agreed and measurable stage goals. For each stage goal, the parties agree on a rough plan for implementation. At the end of each stage, a joint evaluation is made, including relevant improvement measures. The length of stages may vary, but should be between 2 and 6 months and preferably linked to the follow-up described in point 9.

The collaboration is based on continuous contacts about at least one call, email, or meeting per week.

5. BDD's commitment

To act as an advisor for all levels of the Client's organization, from owner to individual employee. The work is carried out mainly through facilitation and coaching. In both cases, an impartial and independent view is sought to be directed towards the principles of the model described above.

BDD strives for the Client to improve its way of working independently. Therefore, coaching is primarily conducted against the role responsible for working methods. However, this does not exclude the coaching of other functions when needed.

BDD takes the responsibility that every agreed type of change is understandable and therefore needs to work actively until the Client says to understand "how and why."

BDD will not carry out standard training courses that are externally marketed and priced as part of this agreement.

6. The Client's commitment

To build an organization with long-term and short-term goals that are in line with the model described above. In all situations, it must be clear who at the Client who is responsible for the way of working and who thus also takes responsibility for "how and why."

To implement agreed changes or to state when a change will not be applied.

Stand for all costs related to the way of working, such as education, premises, office materials, web pages, and more.

To compensate BDD according to the agreed model, see paragraph 8 below.

7. Marketing

Each party has the right to use the respective party's name in marketing.

A possible case study of the Client's change journey may be published openly to tell about working methods and achieved results.

8. Compensation

8.1 Increase in revenue

BDD gets paid for efforts made based on the Client's sales increase.

The measurements are made on a full-year basis, whereby the total remuneration for BDD for the year is calculated. At each measurement occasion, a new starting point is established; that is, the next compensation is calculated on the growth increase from the previous measurement.

Turnover is calculated on all of the Client's turnover, i.e., if BDD's efforts lead to increased efficiency in the current business. If it creates new business, BDD receives compensation for the total growth increase.

We are assuming a turnover on September 1, 2015, of SEK 00000 as a starting point for the first measurement.

BDD receives an exponential compensation comprising the following percentages within different ranges of Client's sales increase:

Sales growth range: Compensation:

0 to 5% 2%

5 to 10% 5%

10 to 20% 9%

20 to 30% 18%

over 30% 30%

8.2 Future business offers

In addition to compensation based on sales growth, 10% is based on all sales that both parties agree to categorize as "future business offers." These offers are those that could not have been created without this collaboration agreement.

8.3 Expenses

The Client will reimburse BDD for actual expenses, including actual travel expenses for the service's performance at cost price. Car trips are reimbursed with SEK 28 per mile. Such actual expenses are charged directly from the respective companies that jointly own BDD where the costs have been incurred, simply to reduce the administration.

8.4 VAT

Value Added Tax is added to the above amounts and reimbursements.

9. Follow-up and payment of compensation

The shared objectives should be followed up quarterly. In connection with such quarterly follow-up, advance payment is made based on 80% of the compensation bonus, according to paragraph 8, calculated on the increase in sales between the quarter of the previous year and the quarter of the current year. At the end of the year, the final compensation bonus for the year is calculated, and an adjustment of the difference between the last reward and the advance bonus is made.

10. Secrecy

The Parties undertake not to disclose to any third party, neither during the term of this agreement nor for 24 months after that, such information as one party has received from the other party and which is such that it is to be considered the other party's business secret. The parties shall also take the necessary steps to prevent such business secrets from being disclosed to outsiders.

11. Agreement time, adjustment of agreements and possible termination

This agreement is valid until further notice with a mutual notice period of one month.

If either party breaches this agreement in a material respect, the other party shall immediately terminate the agreement. The same shall apply if the other party goes bankrupt, or otherwise may be presumed to be insolvent.

Since the purpose of the agreement is for both parties to receive reasonable remuneration and be living, this can be adjusted every year by mutual understanding.

The right to compensation must also remain if the agreement is terminated, but not if it is terminated due to breach of contract by BDD's side.

Any compensation is also paid for at least one year after the contract was terminated until the annual reconciliation point.

12. Applicable law and dispute resolution

Swedish law shall apply to this agreement. If the parties disagree on the interpretation, application of this agreement, the questions shall be referred to a party composition committee, which, among other things, shall consist of the responsible person from each company. The parties appoint an equal number of participants to the committee.

The party is obliged to attend at least one meeting of the committee. If the parties cannot resolve the dispute, the party is entitled to refer the dispute to the general court. Disputes concerning the

interpretation or application of this agreement and related legal matters shall be finally settled by the General Court.

This agreement is drawn up in 2 (two) similar copies, each of which the parties have taken separately.