

SERVICE AGREEMENT

THIS AGREEMENT is signed on April 22, 2019 by and between:

(1) **EDUardo Ltd.**

a Limited Liability Company established under the laws of Hungary with registered seat in H-1061 Budapest, Liszt Ferenc tér 11, Hungary; company registration number: Cg. 01-10-140224; EU tax number: HU26690364; represented by Zsuzsanna FARKAS, CEO hereinafter referred to as "**Principal**",

(2) "**BUSINESS ADVISORY CENTER**" NGO (Centrul de Consultanta in Afaceri A.O.)

a Non-Profit Organization established under the laws of Republic of Moldova with registered seat in Chisinau, company registration number: 1592; tax number: 1010620005896; represented by Anatolie PALADE - President

hereinafter referred to as "**Representative**",

(3) hereinafter referred separately as "**Party**", together as the "**Parties**"

WHEREAS

1 PREAMBLE

EDUardo is an online simulation, which is accessible via an Internet browser for registered partners. It enables trainers, teachers and HR professionals to carry out trainings and other HR programs (e.g. assessment centre programs).

The Principal provides access to **EDUardo** simulation as a service. Users of this service include training companies, business schools and corporations with internal training divisions. The Users can obtain the Service directly from the Principal or through the Representative. The latter approach is defined as Own Use.

The Principal wishes to market the service described in this Preamble (the "Service");

whereas Representative is prepared to sell the Service on behalf of the Principal in return for a commission (or with a price discount); the Representative can also use the Service for its own training services and other HR programs.

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2 DEFINITIONS

- 2.1 **"AC Service"** refers to the use of EDUardo platform for assessment and development centre purposes.
- 2.2 **"Case study"** refers to a standard version of EDUardo business simulation with specific dynamics and setup. Every Case study has different learning or observation target specifically developed. Specific Users can access specific Case studies based on Granted access.
- 2.3 **"Client"** refers to a user contacted by the Representative and making a purchase directly through the Principal.
- 2.4 **"Granted access"** means that a User can run a specific Case study once or in multiple times.
- 2.5 **"Initial period"** refers to the 12 months period after the first purchase of the Service by a given Client. There is an Initial period for every Client.
- 2.6 **"Own use"** refers to cases when the Representative is using the Service directly for its own educational or HR consulting programs for its customers or for its own organization.
- 2.7 **"Service"** refers to Principal's EDUardo business simulation service and it means the software platform known as EDUardo that is operated by the Principal, and that will be made available to the Users as a service via the Internet. The Service includes such features as are set forth on product's websites (<http://edu-simulation.com> and <http://ac-simulation.com>) as Principal may change such features from time to time, in its sole discretion.
- 2.8 **"Territory"** means the countries of European Union plus other European countries (including also Russia and Turkey).
- 2.9 **"User"** refers to an individual using EDUardo online simulation.
- 2.10 **"Volume purchase"** means the sale of more than 100 individual user accesses for a single Client.

It is agreed as follows:

3. SERVICE ELEMENTS

- a. AC Services and Non-AC Services are available via the application website (<https://app.edu-simulation.com>).
- b. Users can access the Case studies in the application website based on their Granted access.
- c. Granted access is given as **one-time access** for AC Services and **period access** for Non-AC Services.

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- d. **Representative** receives unlimited access rights for employees with the purpose of preparing for Client events. These access rights cannot be shared with third parties and cannot be used directly during Client programs for Client Users. Breaching this rule is defined as a serious breach of this agreement.
- e. **Representative** receive ready-to-use Granted accesses to certain Case studies upon requests. When these Granted accesses are activated, EDUardo is entitled to calculate a service fee. Granted accesses with mistakenly launched but suspended for further use are not taken account in the service fee calculation.
- f. Granted access to a specific Case study has pre-set service price level as it is defined in *Appendix 1*. The list of Case studies and the related service prices are time to time reviewed and updated. The updated *Appendix 1* should have a version number and start date. Until the next version is shared among the Parties, the previous version is valid and serves as a basis for settling the service fees. The next version automatically cancels the previous version. The pricing of past items can only be updated based on the mutual acceptance of Partners. New items (new Case studies) are entering *Appendix 1* based on an e-mail message of EDUardo. *Appendix 1* versions are communicated via e-mail. During pricing of future Case studies "complexity" of the project and "joint-effort" to comply with client demands are the appropriate criteria to approach pricing. As a simple rule, high complexity could lead to an increase on the overall pricing and joint-effort could lead to discounts on the price.
- g. **Representative** can define **customization requests** in relation with Case studies. EDUardo investigates the request and provides about the cost of the customization and the deadline for the completion of the customization. The customization can lead to a creation of a new Case study. Prior to the commencement of customization, EDUardo should provide a requested budget for the services and **Representative** should approve the budget via an e-mail by an authorized representative.
- h. **Representative** can define **development requests** relating to the simulation platform. EDUardo investigates the request and provides about the cost of the development and the deadline for the completion of the development. The development can lead to a creation of a new Case study. Prior to the commencement of the development, EDUardo should provide a requested budget for the services and **Representative** should approve the budget via an e-mail by an authorized representative.
- i. **Representative** can request other services (e.g. extended live support; participation on an HR event; translation of the system; creation of content

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elements) from **EDUardo**. Prior to the commencement of such service, **EDUardo** should provide a requested budget for the services and **Representative** should approve the budget via an e-mail by an authorized representative.

- j. In case of a development the parties can agree upon the effort and involvement of the experts of **Representative** in the development efforts. This contribution can lead either a reduced price level during future use (ie the new Case study will be provided with special, reduced pricing) or the Parties can agree that **Representative** is entitled to receive a royalty for the future sales of that particular Case study for other customers or partners of **EDUardo**. Any such agreement should be fix in a written MoU and distributed among the Parties prior to the commencement of the development effort.

4. SELLING RIGHTS

- a. The Principal grants the Representative a **non-exclusive** right to promote the Service on behalf of the Principal.
- b. The Representative may identify himself as a duly authorized sales Representative of the Principal in the course of his efforts to promote the Service.
- c. The Representative has the right to use directly the Service during its own educational or consulting activities and integrate the Service into its own offerings.
- d. The Representative has its right in the Territory. In case a potential Client is from outside the Territory, the Parties should agree prior to the agreement with the Client upon the terms of the Service.

5. NEGOTIATION WITH POTENTIAL USERS

- a. The Representative can obtain interest for the Service from potential users and inform the Principal about the interests.
- b. The Representative can promote the use of the Service.

6. CALCULATION OF SERVICE FEES

Fee of Granted accesses

Based on the used granted access codes, **EDUardo** is entitled for service fees. **Section 3** and *Appendix 1* governs the calculation of Granted access-based service fees.

Fee of customization, development and other services

Fees

During the Own use **Representative** can request customization of the Service, developments or request of other services as described under *Section 3*. In such a case, EDUardo provides a development fee offer for the customization, development or other services which **Representative** should accept prior to the commencement of the customization, development or other services.

Representative has the right to sell the customization with a price mark-up towards its end customers.

Payment of service fees

Service fees are calculated on a monthly basis and are due for payment 15 calendar days after the issue of the invoice unless the Parties agree upon a different schedule of payment (especially in the case of a development).

7. COMMISSION

- a) The Representative is subject to receiving commission from the Principal in case it initiates purchase of the Service by third parties (Clients) directly at the Principal. In order to be entitled to the commission, the Representative need to inform the Principal about the Service related actions with the name of the targeted organizations and the contact person at the organization. The Principal keeps a record of this information and informs the Representative if a related purchase is materialized.
- b) The level of the commission is 20% after the first order of a Client and any follow-up order during the Initial period (12 months) after the first purchase.
- c) After the Initial period, the Representative is entitled to 10% finder's fee for an additional 12 months period after the purchases of the Client in case the Representative is not having an active role in the follow-up negotiations. If the Representative remains active in the negotiations after the first 12 months period the Principal gives additional finder's fee (the exact level should be agreed by the Parties until the end of the Initial period).
- d) The commission is calculated and paid on a quarterly (three months) basis unless the Parties mutually agree on shorter terms on a case-by-case basis.
- e) The Representative is not entitled to any compensation for services performed or expenses incurred in connection with this agreement other than as set out in this agreement.

8. INFORMATION MATERIALS

For the duration of the Selling Rights, the Principal shall furnish the Representative, at the Principal's cost, with reasonable quantities of electronic information materials, including access to trial of the Service, to aid the Representative in selling the Service. The Representative can use the content of website of the Principal on its website and other sales materials.

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9. PRODUCT IMAGE

The Representative shall not do or permit anything to be done to prejudice the market image of the Service or the Principal.

10. INTELLECTUAL PROPERTY

The Parties agree that the intellectual property of EDUardo business simulation and the current and future Case Studies are the sole property of **EDUardo** unless the Parties agree in a different way in writing.

11. CONFIDENTIALITY

The Representative shall keep the Principal's business secrets, including but not limited to customer, supplier, logistical, financial, research and development information, confidential and shall not disclose them to any third party during and after termination of the Selling Rights.

12. SUMMARY TERMINATION OF SELLING RIGHTS

If the Representative breaks any term of this agreement, the Principal may summarily terminate the Selling Rights on notice in writing to the Representative.

13. TERMINATION CONSEQUENCES

On termination of the Selling Rights for any reason, the Representative shall immediately cease to describe himself as an authorized sales Representative of the Principal and cease selling the Service.

14. ASSIGNMENT

The Representative shall not assign the benefit of this agreement or subcontract his obligations under this agreement without the consent in writing of the Principal.

EDUardo has the right to assign his rights to another business entity.

15. FIDUCIARY RELATIONSHIP

The Representative accepts and acknowledges that the terms of this agreement are in addition to and do not detract from the ordinary fiduciary duties owed by the Representative to the Principal.

16. TERM AND TERMINATION

This agreement shall be valid until 31. December 2019.

The agreement will be automatically renewed after 31. December 2019 for an additional calendar year, if none of the Parties notifies the termination at least 30 days before the



expiry date of the period for which it was concluded. This renewal process is valid for subsequent years, too.

This agreement shall, unless otherwise terminated as provided in this clause by any of the Parties by sending to the other Party a 90 days written notice.

The termination of this agreement is not cancelling the commission rights of the Representative as set in section 7 of this agreement.

Without prejudice to any other rights or remedies to which the parties may be entitled, either party may terminate this agreement without liability to the other if:

- the other party commits a material breach of any of the terms of this agreement and (if such a breach is remediable) fails to remedy that breach within 30 days of that party being notified in writing of the breach; or
- an order is made or resolution is passed for the winding up or insolvency procedure of the other party, or circumstances arise which entitle a court of competent jurisdiction to make a winding-up or insolvency order in relation to the other party; or
- the other party ceases, or threatens to cease, to trade.

17. MISCELLANEOUS

- a) In this agreement, the singular includes the plural and the masculine includes the feminine and neuter and vice versa unless the context otherwise requires.
- b) If any provision or part of any provision in this agreement is void for any reason, it shall be severed without affecting the validity of the balance of the agreement.
- c) Time is of the essence of this agreement.
- d) There are no representations, warranties, conditions, terms or collateral contracts affecting the transaction contemplated in this agreement except as set out in this agreement.
- e) Nothing in this agreement is intended to constitute a partnership or a master and servant relationship between the parties.
- f) This agreement binds and benefits the parties and their respective heirs, executors, administrators, personal representatives, successors and assigns.
- g) This agreement is governed by the laws of the State of Hungary.
- h) Any dispute, controversy or claim arising out of, relating to, or in connection with this agreement, or the breach, termination or validity thereof, shall be finally settled by the Arbitration Court at the Hungarian Chamber of Commerce in Budapest in accordance with its rules. The arbitration proceedings shall be conducted in English. The arbitration panel shall be composed of three arbitrators, one appointed by the

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claimant, one appointed by the defendant, and one appointed jointly by the arbitrators so appointed. If any of the parties to the dispute fail to appoint its arbitrator within the period specified in the rules of the Arbitration Court, or the two arbitrators fail to appoint the Chairman of the arbitration panel, then the Chairman of the Hungarian Chamber of Commerce in Budapest shall act as an "appointing authority". The arbitration award shall be final and binding upon the parties.

The Parties each hereby execute this Agreement as of ###.

EDUardo Ltd. – Principal

"BUSINESS ADVISORY CENTER" NGO
(Centrul de Consultanta in Afaceri
A.O.)

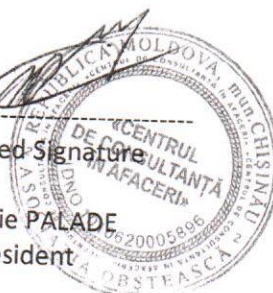


Authorized Signature

Zsuzsanna FARKAS
CEO


Authorized Signature

Anatolie PALADE
President



APPENDIX 1

Standard prices for Case studies

1. Facilitated events

- calculated based on accesses (computers) – more than one person can use one access by sharing a computer; the access code is valid for one active user
- access is available for a 1 day training session for the same group of participants
- price range: 40 – 80 EUR / access; price depends on the selected case study as follows:

End user prices for the EU market (except selected countries)

No.	Name of case study	End user pricing (EUR/access)
	Basic Economic Skills	70
	Business planning	70
	Financial skills and supply chain management	70
	Crisis management	100
	Project management (with HR focus; both versions)	75
	Capstone Project	90
	Online business (all versions)	50
	Manufacturing industry (all versions)	50

End user prices for the Moldovan market (with 20% country discount)

No.	Name of case study	End user pricing (EUR/access)
	Basic Economic Skills	56
	Business planning	56
	Financial skills and supply chain management	56
	Crisis management	80
	Project management (with HR focus; both versions)	60
	Capstone Project	72
	Online business (all versions)	40
	Manufacturing industry (all versions)	40

for example:

- Number of participants: 20 persons
- Number of teams: 5 (4 persons each)
- Number of accesses: 5
- Total budget: between 200 EUR and 600 EUR (depending on the selected case study)

2. E-learning access

- For a dedicated user for a pre-set period (e.g. 1 – 6 months); login: individual e-mail address
- One or multiple case studies

Pricing options for e-learning:



2,A

- A fixed amount / calendar month / user; e.g. 100 EUR

2,B

- A fixed amount / module / 3 months access; e.g. 100-150 EUR/module/user/3 months (depending on the complexity of the selected module)

Discount policy:

- Volume discounts above 50 users
- Volume discounts in case of 2, B pricing if multiple number of modules are ordered

Exact budget should be agreed on a project basis.

3. Assessment

- A fix amount per each assessment; the assessments are valid for single start (i.e. re-start option is not allowed)
- Price: between 40 – 80 EUR/assessment (depending on the complexity of the assessment module)

4. University pricing

- Gradual and MBA courses are provided based on number of students/ semester basis
- Student prices are starting from 35 EUR/semester
- Corporate use (i.e. corporate training) is not allowed with student access
- Volume discounts are available over 100 students / semester

SALES INCENTIVE for partner companies

- Partner companies receive **20% discount from market prices**
- Same sales incentive is provided in case the introduction is done to an end user by the partner company

CUSTOMIZED projects

- Special requests are provided as a project
- Based on the requirements of the Client, EDUardo makes a calculation of the customization work and provides a project offer
- If a Partner is involved in the customization work, the customization project fee is shared on a time and material basis

Development of BRANDED CONTENT

- EDUardo encourages partners to develop their own content and combine it with simulations (+ request parameter changes in the simulation); the customization need from EDUardo's part (and possible related costs) should be agreed beforehand
- Comprehensive new content is defined as a new, branded product; the creator has the right to use it only for own programs, or allow it for 3rd parties (geographic limitation is possible)

- When a branded product is sold by or to 3rd parties, the content developer is entitled to a royalty; the exact amount of the royalty is negotiated for each branded product (as it directly affects the market price)


The Parties each hereby execute this Agreement as of ###

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Authorized Signature
Zsuzsanna FARKAS
CEO


Authorized Signature
Anatolie PALADE
President

