

NEW BUSINESS UNIT DEVELOPMENT

'New' KIBU POLICY

Being the owner and world-wide Licensor of the KAIZEN™ concepts, management approaches, and consulting systems, Kaizen Institute (KI) aims to bring the continuous improvement (KAIZEN™) process, to as many qualified people and organizations as possible, by Licensing the KAIZEN™ brands, concepts, approaches, and systems to KIBUs (KI Business Units - local operating groups).

Kaizen Institute regularly seeks market expansion, and grants new licenses, to markets/territories, according to a detailed expansion (New Business Unit Development - NBD) plan. Licenses are granted only to organizations that can secure a strong market position and market penetration, within the given market/territory. It is key that KIBU prospects have thorough KAIZEN™ related consulting experience, combined with extensive local market knowledge. Potential KIBUs shall be required to clearly document that they have an outstanding understanding of and commitment to the KAIZEN™ concepts, management approaches, and consulting systems - as well as the financial strength and potential to develop and expand a consulting business locally within their licensed territory. KI's proven due-diligence approach and process will be initiated during this initial phase.

To qualify as a KIBU, companies applying MUST HAVE essential elements, such as:

- Lean/Kaizen consulting experience / philosophy that has similar roots to KI;
- Business experience / entrepreneurial spirit, with a track record of success;
- Consulting partners cannot work in parallel businesses (100% commitment to KI);
- Minimum resources must be fluent in the English language (read-write-speak);
- Only private enterprises are eligible for consideration (non-government owned);
- *** Participate as a jointly owned business venture with Kaizen Institute in the Territory;*
- *** KI will have permanent Board membership representation within the local KIBU.*
- *** Requirement of all licensed KIBUs during setup phase.*

Kaizen Institute continuously provides KIBUs with the support they need to operate their local Kaizen Institute office, via KI's Global Support Units (GSUs) and Regional Support Units (RSUs) operational structure, to include, but not limited to Corporate Governance, Finance, Branding/Marketing, Infrastructure, Client/Business Development, Training, Research & Development and Corporate Administration.

Opening a KIBU operation requires considerable time and financial resources, which are the responsibility of the new KIBU partner, including the Initial License Fee investment, as defined within KIAG's License & Operations (LOPS) Agreement- Global Fees Table.

Further information can be obtained by writing to:

Kaizen Institute, Ltd.

Attn: NBD

Bahnhofplatz

6300 Zug

Switzerland

Fax: +41 41 725 42 89

Email: KI@kaizen.com

End of NBD KIBU Policy

