



Memorandum of Understanding (MOU)

Between

Lean Gulf Institute (“LGI”)
Business Solutions
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P.O. Box: 45444
Sharjah, United Arab Emirates
Mobile: +971 50 715 2082
Email: sam@leangulf.org
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and

PMC OilPro
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Algeria Business Center, Pins Maritime,
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Tel: +213 (0) 21 98 51 38
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Hereafter called “LGI”

hereafter called “PMC”

By the signing of this Memorandum of Understanding (MOU), the following points are agreed between the parties:

Purpose:

The aim of this MOU is to achieve non-exclusive active cooperation between the two parties in order to expand customer base.

1. Duration of the MOU

1.1 This MOU comes into effect on the day it is signed by both parties. The MOU is for a period of 24 months; after this 24-month period the MOU automatically renews for a 12-month period unless termination takes place as outlined below in 1(a) or re-evaluation of this MOU 4 weeks prior to its expiration. Any notice of termination must be made in writing and delivered to the other party.

(a) Termination. This Agreement may be terminated by either party, LGI or PMC, without cause and with effect as noted in 1.1 (c) by giving 30 calendar days written notice of such termination to the other Party.

(b) This MOU may be terminated by either Party by giving 30 calendar days written notice of such termination to the other Party in the event of a material breach by the other Party. Any other breach that a Party has failed to cure within 30 calendar days after receipt of written notice by the other Party, the death or physical or mental incapacity of any key person performing the Services on its behalf as a result of which a key person or Party becomes unable to continue the proper performance of the Services, an act of gross negligence or wilful misconduct of a Party, and the insolvency, liquidation, or bankruptcy of a Party.

(c) Effect of Termination. Upon the effective date of termination of this MOU, all legal obligations, rights, and duties arising out of this MOU shall terminate except for such legal obligations, rights and duties as



shall have accrued prior to the effective date of termination and except as otherwise expressly provided in this MOU.

Regardless of the foregoing, the MOU shall terminate immediately by agreement documented in writing and signed by both Parties.

2. Force Majeure

Either Party shall be excused from any delay or failure in performance required hereunder if caused by reason of any occurrence or contingency beyond its reasonable control, including, but not limited to, acts of God, acts of war, fire, insurrection, strikes, lock-outs, embargos, or other serious occurrences such as pandemics, labor disputes, riots, earthquakes, floods, explosions, or other acts of nature.

The obligations and rights of the Party so excused shall be extended on a day-to-day basis for the period equal to the period of such excusable interruption. When such events have abated, the Parties' respective obligations hereunder shall resume, unless a termination of performance has been mutually agreed upon in writing.

In the event the interruption of the excused Party's obligations continues for a period in excess of Fifteen (15) calendar days, either Party shall have the right to terminate this Agreement upon Fifteen (15) calendar days prior written notice to the other Party.

3. Introduction of LGI Services and Products

3.1 PMC agrees to sell LGI services and products to potential customers (individuals or legal entities) within the framework of PMC's own activities. Both PMC and LGI will continue to act under their own name, acquiring their own end-customers.

This MOU does not authorize PMC to act for LGI as its agent or to make commitments on behalf of LGI without obtaining LGI's approval in advance.

Both PMC and LGI will continue to act under their own name, acquiring their own end-customers for products and services not included in this MOU.

4. Compensation to PMC

4.1 LGI will pay a commission (AKA Finder's fee) to PMC based on 15% of the gross profit for LGI services and products sold by PMC and delivered by LGI. The agreed terms for LGI Training/Workshop services provided to PMC to customers acquired by LGI through PMC are covered in Section 4.2

4.2 LGI Training/Workshops Delivery to PMC customers

a) . LGI will pay a commission to PMC based on 15% of the gross profit for LGI Training/Workshops delivered to LGI clients acquired through PMC .A listing of currently offered training/Workshops appears in Attachment A. Gross profit for the purposes of this MOU is defined as gross profit equals the revenue minus direct costs.



b) By agreement, LGI shall provide Lean Training/Workshop delivery for clients acquired through PMC for specific events on an “as needed” basis. The content and length of such Lean Training/Workshop will be determined and provided to PMC by LGI.

c) The bios of LGI faculty for LGI Training/Workshops delivery per the terms outlined herein Section 4.2 will be provided to PMC prior to the specific event. LGI reserves the right to assign and substitute faculty based on availability.

d) Lean Training and Workshop delivery by LGI will virtual Live (via Zoom) unless otherwise agreed upon. If any training and workshop at agreed upon at physical locations, the cost of facility usage and catering to be agreed upon between LGI and PMC prior to order placement and booking for each Lean Training/Workshop.

e) PMC will make a reasonable effort to become familiar with LGI Lean Awareness training/workshop material and delivery methods to demonstrate PMC’s developing ability to deliver such LGI training/workshops to clients under license from LGI at a future date to be specified and pay LGI a royalty fee to be mutually agreed upon for the use of such intellectual property.

5. Marketing

5.1. World Wide Web

Both parties will each retain their respective company logos and independent websites. In no way, does LGI’s affiliation with the Lean Global Network extend to PMC through this MOU.

5.2. Marketing material

The parties may choose to provide marketing materials such as success stories, e-flyers, press releases, webinars, and other electronic media/materials to one another free of charge, as mutually agreed upon.

6. Procurement conditions

PMC and LGI will select and mutually agree upon the training delivery method which works best for both parties. Payment for LGI services and products will be made to PMC by the customer. PMC will place the order with LGI and provide 50% non- refundable payment (including shipping charges, where applicable) at time of order per the agreed upon pricing to be mutually agreed upon in writing, including in such situations where it is mutually agreed to set pricing on a case by case basis. Upon delivery of services, the payment in full for the balance owed (the remaining 50%) is due upon presentation of LGI invoice for services/ products rendered less the agreed commission referenced in Section 3 to be retained by PMC.

Shipment of any physical LGI product will be to PMC for delivery to the customer by PMC. Cost of shipping to be borne by customer and paid at time of order placement.

7. Sales & Support



LGI provides PMC free voice over internet pre-sales support for LGI services (and products, if applicable).

8. No Competition Clause

(a) Non-Competition. During the term of this MOU, PMC and LGI will engage in no business or other activities which are, directly or indirectly, competitive with the business activities of each other without obtaining the prior written consent.

(b) Non-Solicitation. PMC and LGI agrees that for a period of one (1) year after termination of this Agreement, neither PMC or LGI shall not divert or attempt to divert from PMC or LGI any business of any kind in which it is engaged, including, without LGI or PMC, the solicitation of or interference with any of its suppliers or customers.

9. The Applicable Law

This MOU shall be governed by and construed in accordance with the laws of the United Arab Emirates. The parties agree that any disputes which arise between them in connection with the interpretation or performance of this MOU will be resolved by arbitration per Article 203(1) of UAE Federal Law No. 11 of 1992 Concerning Civil Procedures.

10. Modification of MOU

Amendments to the MOU must be made in writing and are only valid after being signed as AGREED and ACCEPTED by each party or an authorized representative of each party.

IN WITNESS WHEREOF, the Parties to this MOU have AGREED, ACCEPTED, and SIGNED below in two original copies through their authorized representatives on the latter date written below.



Lean Gulf Institute ("LGI")
AGREED and ACCEPTED
Managing Director: Sam SALIMI
Date: 11 April 2021



PMC OilPro ("PMC")
AGREED and ACCEPTED
Managing Director: Frederic SALIMI
Date: 11 April 2021



Note: LGI Training/Workshop Offerings appear in a separate “Attachment A” and LGI reserves to the right to update, modify and change its List of Offerings.

Additional Information on

LGI Training/Workshop and Sample Course Descriptions

LGI reserves the right to update, modify and change its offerings

A. Introduction:

The Lean Gulf Institute through its international relationships and collaborative efforts brings together experts and resources from around the world to promote lean thinking and the development of local lean leaders to help organizations with their lean transformations.

What is Lean?

The term "lean" was coined to describe Toyota's business during the late 1980s by a research team headed by Jim Womack, Ph.D., at MIT's International Motor Vehicle Program. The core idea is to maximize customer value while minimizing waste. Simply, lean means creating more value for customers with fewer resources. The goal is to provide perfect value to the customer through a perfect value creation process that has zero waste.

By changes the focus of management from optimizing separate technologies, assets, and vertical departments to optimizing the flow of products and services through entire value streams that flow horizontally across technologies, assets, and departments to customers. Eliminating waste along entire value streams, instead of at isolated points, creates processes that need less human effort, less space, less capital, and less time to make products and services at far less costs and with much fewer defects, compared with traditional business systems.

Our approach is not a tactic or a cost reduction program, but a way of thinking and acting for an entire organization that provides leadership development, strategy for scale up and job creation. Enterprises in all industries and services, including construction, healthcare, and governments, are using lean



principles as the way they think and operate to promote growth, world class competitiveness and create jobs.

Why work with Lean Gulf Institute (LGI)?

LGI is an affiliate of the Lean Global Network which consists of Lean thought leaders and institutes across the globe who are out to make things better. LGI brings the academic, business and industry communities in the region together through education (i.e. summits, seminars, etc.), project work and collaboration as follows:

1. The initial focus is to identify areas of lean knowledge interest and create awareness about lean through applied learning consisting of practical “hands on” projects conducted at the local enterprises.
2. Lean content areas of greatest interest and highest potential impact in region form the foundation of this undertaking; and
3. Provide the basis to build a local community of lean practitioners / experts / enterprises implementing lean tools and management principles and conducting lean experiments (not just import lean thinkers into the region).

B. LGI Scope of Services:

The goal is to get results by working (through XXXXXXXXX Group) with medium and large entities from a variety of industries to help them learn how to:

- create and retain jobs,
- increase profits,
- eliminate waste,
- save time and money and
- improve processes

by providing a variety of proven, result oriented services through the Lean Digital Program, Lean Practitioner Program, Lean Bronze Certification Program and others. By connecting with solutions to support growth, and connecting enterprises with the expertise, knowledge, strategic solutions, and trustworthiness to support their businesses, the potential to create and preserve jobs is increased.

It takes, patience, determination and know how to change an enterprise’s culture to become Lean. Employees learn by doing Lean while building their confidence in identifying and implement opportunities for improvement and enterprises benefit from the value obtained from such improvements realized.

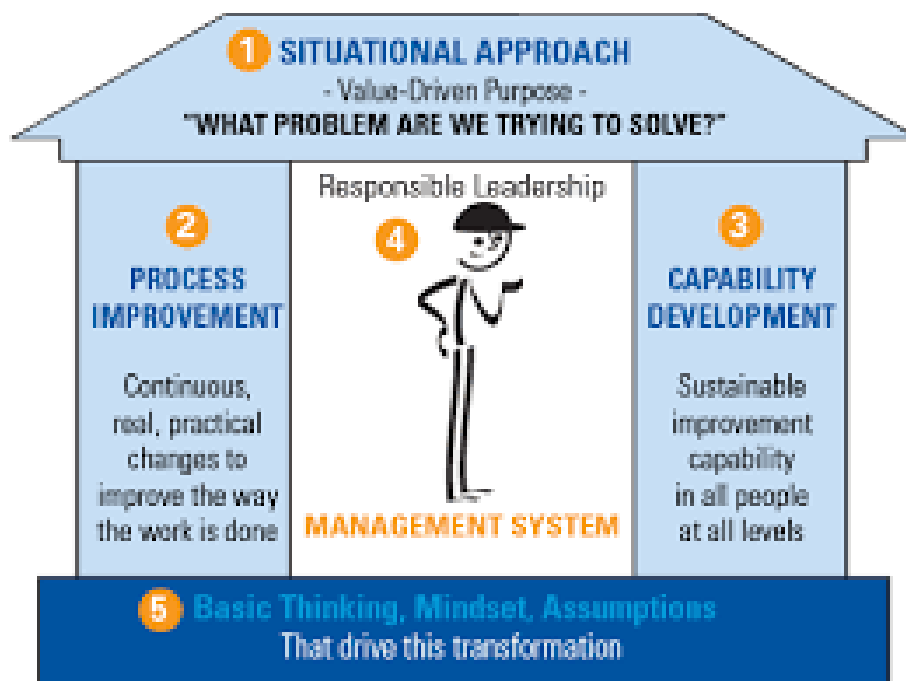
LGI offers:

- 1) Customized educational workshops held virtually or at the work location which focus on facilitated application of Lean principles to build practical experience in dealing with change and make improvements at the work location
- 2) publications and learning materials;
- 3) collaborative industry specific lean transformation coaching virtually and when feasible, at client worksites.

Commitment and Involvement Required

Effective implementation of Lean requires involvement from ALL levels of the organization – from the CEO to the most junior employee, as well as support from the Boardroom. Our approach works to embed Lean thinking throughout the organization. In this way, Lean initiatives and projects are not seen as just a flavor of the month, a quick fix project, or an isolated continuous improvement plan oblivious to business goals and initiatives.

Unlike some traditional consultant firms, our Transformational Model approach is designed to enable long-term business sustainability by minimizing reliance on long-term external support.



The Lean Practitioner Development Program

The Lean Practitioner Development Program is designed for those who desire to become informal and formal Lean champions. Based on the Gemba principle of doing the work where it happens, the Lean Practitioner Development Program (and all our applied learning focused training programs) consists of experiential, hands-on events and site specific Improvement project work. Through a combination of workshops, project participation and coaching, participants begin with the basics of Lean and move up to more advanced topics.

The Lean Bronze Internationally recognized Certification Program

The Lean Bronze program is offered only for groups of 15 or more participants and after completing course work, successful participants must sit for and pass a monitored online exam followed by the completion of 3 Lean projects written up and presented as a portfolio for review by the USA Society of Manufacturing appointed reviewers in order to complete the certification.

**The Lean Bronze Internationally Recognized Certification Program (English only)
Highlights**

<p>Lean Bronze- Applies fundamentals of Lean from a tactical perspective</p>	
<p>Suggested Learning Event topics</p>	<p>Lean Awareness 101 5S Workplace Organization Value Stream Mapping Cellular Flow Manufacturing Quick Changeover/SMED Total Productive Maintenance Pull/Kanban A3 Problem Solving Mistake Proofing Lean Performance Measurement Kaizen Leadership and High Performing Teams Standardized Work</p>
<p>Required Reading per governing body (SME, ASQ, AME & Shingo Prize)</p>	<p>Lean Production Simplified by Pascal Dennis Gemba Kaizen by Masaaki Imai Lean Thinking by James P. Womack and Daniel T. Jones Learning to See by Mike Rother, John Shook, Jim Womack, and Dan Jones</p>
<p>Additional Suggested References</p>	<p>Lean Book of Knowledge for Bronze</p> <p>SME's Competency and Behavior Model for Bronze Candidates</p> <p>Kaizen Demystified</p>
<p>Examination Requirements</p>	<p>170 Bronze level questions to be completed in 3 hours, open book, open note</p>
<p>Portfolio Accomplishment Record To be submitted for review and completed within 3 years of passing examination</p>	<p>Each Lean Bronze candidate must:</p> <ol style="list-style-type: none"> complete 80 hours of Lean education Demonstrate through the submission of a portfolio: participate as a team member in 3 tactical projects or events that integrate Lean principles and methods. The emphasis is on tactical Lean application within a work cell, work group or value stream. The projects must demonstrate the candidate's ability to implement lean principles that drive improvements and realize measurable improvement.



For those who desire to achieve the level of Lean Sensei through an internationally recognized program, the Lean Bronze Certification is offered through the Lean Gulf Institute

The Society of Manufacturing Engineers (SME), the Association for Manufacturing Excellence (AME), and The Shingo Prize for Operational Excellence (Shingo Prize) have collaborated to facilitate industry-based, leading lean practitioner's professional development to a new standard. This standard assesses the candidate's lean knowledge (exam), the application of that knowledge (portfolio) and mentoring and coaching of others. Bronze certification provides international recognition of individual achievement and professional development:

What knowledge & skills does the Lean Bronze Candidate need?

Lean Bronze candidates must be fully capable of applying lean principles and tools to drive improvements and show measurable results. They need knowledge of the basic principles and techniques of lean as applied to:

- Factory, Office, and Service
- Team Facilitation
- Project Management
- Appropriate Measurement of Results

Additionally, Lean Bronze candidates are expected to demonstrate skills and knowledge of:

- Lean Basics:
 - Activities where the work happens
 - Cause and Corrective Actions
 - Cellular Layout/Concepts
 - Flow
 - Jidoka
 - Mistake Proofing
 - Problem solving
 - Pull/Kanban
 - SMED (Single Minute Exchange of Dies)
 - Standard Work
 - Tactical results measurement (initial goal, results to goals, discussion on gaps)
 - Takt time/customer demand
 - Total Productive/Preventative/Predictive Maintenance (TPM)
 - Value
 - 5S
 - Visual Management
 - Waste (Value Added/Non-Value Added)
- Gap analysis
- Team dynamics
- Planning methods/control methods (e.g. evaluate project risks, communication, and logistics; describe how you use A3, etc.)
- Assessing level and trend of improvement (candidate can evaluate and communicating progress to plan/goal, progress to previous checks, maintaining stability)