CONFIDENTIALITY UNDERTAKING

TO: **POTENTIAL Limited**, having their office at Suite 4e Brilliance, Hillgrove, Discovery Bay, Hong Kong ("Potential").

In consideration of Potential Limited sharing the Potential Dialogue System and collaborating with me as a consultant, coach, trainer, speaker, observer:

I, [**insert your name]**

of [**insert your company name]**

residing in [**insert city]**

hereby undertake to Potential Limited as follows:

CONFIDENTIAL INFORMATION: The term "Confidential Information" shall include and mean any and all confidential business information which Potential has disclosed or will disclose to me orally, visually, electronically or in writing. Such Confidential Information may include, but is not limited to, information in the form of, or relating to, memoranda, operational data, business plans, financial information, marketing and sales data and plans.

- Such Confidential Information shall not include information which:
  - (i) was lawfully in my possession prior to receiving it from Potential; or
  - (ii) is in the public domain at the time of disclosure to me or becomes part of the public domain through no fault of mine; or
  - (iii) is independently developed by me without reference, directly or indirectly, to the Confidential Information and without breach of this Undertaking; or
  - (iv) is obtained by me in good faith from a third party not under any obligation of confidentiality.
- TERM: I undertake to treat such Confidential Information as confidential, in accordance with this Undertaking, for a period of seven (7) years from the date the Confidential Information is received.
- LIMITATION OF DISCLOSURE: I shall not divulge, in whole or in part, such Confidential Information to anyone without the prior written consent of Potential.
- LIMITATION OF USE: I shall make no use, commercial or otherwise, of any such Confidential Information other than for purposes of undertaking consulting work for Potential.
- RETURN OF CONFIDENTIAL INFORMATION: All Confidential Information shall remain the property of Potential. At any time that Potential may request, and no later than seven (7) calendar days after such request, I shall return all Confidential Information to Potential and shall certify that all copies thereof in my direct and indirect possession and control and any and all electronic and written documentation and records, including copies, generated by me which disclose or incorporate Confidential Information in whole or in part have been destroyed.
- MISCELLANEOUS: All my obligations under this Undertaking are binding upon my heirs, executors, administrators and other legal representatives and assigns, and this Undertaking enures to the benefit of Potential, its successors and assigns. This Undertaking may not be

Please initial each page as sign of your agreement and understanding_____

changed, modified, released, discharged, abandoned or otherwise terminated in whole or in part except by instrument in writing sealed by an authorized representative of Potential. I may not assign this Undertaking in any way. This Undertaking represents the full and complete understanding between me and Potential with respect to the subject matter hereof and superseded all prior representations and understandings between myself and Potential regarding the subject matter dealt with herein.

NAME

Signature

SIGNED at _____ on _____ day of _____, 20____.
[date, sign and return]

NETWORKING & BUSINESS DEVELOPMENT UNDERTAKING

Unless otherwise agreed, I hereby agree to abide by the following split of net fees whereby net fees are defined as fees net of taxes, expenses and materials. Fees are normally invoiced to client net of taxes. Expenses and materials are normally billed and reimbursed in full separate from fees. Where expenses and/or materials are not billed and/or collected separate to fees these are deducted from gross fees to arrive at net fees.

- 10% of net fees are paid to the person/people (as agreed) who **find the opportunity** resulting in paid work
- 10% of net fees are paid to the person/people responsible (as agreed) for on-going **client relationship management**
- 10% of net fees are paid to the person/people responsible (as agreed) for **engagement administration**. This amount includes coverage for the risk of non-payment or insufficient payment by the client.
- 20% of net fees are paid to the person/people responsible (as agreed) for creating the **intellectual property** used in the engagement
- 50% of the net fees are paid to the person/people responsible (as agreed) for **delivery of the client engagement**.

Fee Split Formula

- 10% of net fees are paid to the person/people (as agreed) who **find the opportunity** resulting in paid work
- 10% of net fees are paid to the person/people responsible (as agreed) for on-going **client relationship management**

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- 10% of net fees are paid to the person/people responsible (as agreed) for **engagement administration**. This amount includes coverage for the risk of non-payment or insufficient payment by the client.
- 20% of net fees are paid to the person/people responsible (as agreed) for creating the **intellectual property** used in the engagement
- 50% of the net fees are paid to the person/people responsible (as agreed) for **delivery of the client engagement**.

Fee Split Formula

Example 1 – Potential introduces client work to consultant/coach
Potential finds and manages client but consultant does the work. Fee US$100,000, expenses and materials US$10,000. Total invoiced and collected US$105,000. Net Fee = US$105,000 – US$10,000 = **US$95,000**

	Potential	Consultant/Coach	Total
Find Opportunity	10% = 9,500	0%	9,500
Manage client relationship	10% = 9,500	0%	9,500
Engagement Administration	10% = 9,500	0%	9,500
PDS - Intellectual Property	20% = 19,000	0%	19,000
Delivery of engagement	0%	50% = 47,500	47,500
Total fee split	47,500	47,500	95,000
Materials and Expenses	Nil	As incurred = 10,000	10,000
Total $$$ earned	**47,500**	**57,500**	**105,000**

Example 2 – Consultant/coach teams with Potential to work on consultant's client
Consultant finds client for Potential and both work on engagement together as agreed. Fee US$100,000, expenses and materials US$20,000. Total invoiced and collected US$120,000. Net Fee = **US$100,000**.

	Potential	Consultant/Coach	Total
Find Opportunity	0%	10% = 10,000	10,000
Manage client relationship	5% = 5,000	5% = 5,000	10,000
Engagement Administration	2% = 2,000	8% = 8,000	10,000
PDS - Intellectual Property	20% = 20,000	0%	20,000
Delivery of engagement	25% = 25,000	25% = 25,000	50,000
Total fees	52,000	48,000	100,000
Materials and Expenses	15,000	5,000	20,000
Total $$$ split	**67,000**	**53,000**	**120,000**

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Example 3 – Potential invites coach to join participants in Potential's workshop
Potential invites coach to participate in a workshop where the coach meets participants and wins follow-up coaching work with one or more of the workshop participants. Potential benefits because this further embeds the workshop learning. Participant benefits by gaining a coach they know and have already worked with during the workshop. Coach benefits by gaining new work. Coach bills coachee US$10,000 for follow-up coaching, no expenses or materials. Shared client relationship management. Total invoiced and collected US$10,000. **Net Fee = US$10,000**.

	Potential	Consultant/Coach	Total
Introduce Opportunity	10% = 1,000	0% = nil	1000
Manage client relationship	5% = 500	5% = 500	1000
Engagement Administration	0% = nil	10% = 1000	1000
Coaching IP (non PDS)	0% = nil	20% = 2,000	2000
Delivery of engagement	0% = nil	50% = 5,000	5000
Total fees	1,500	8,500	10,000
Materials and Expenses	nil	nil	nil
Total $$$ earned	**1,500**	**8,500**	**10,000**

Example 4 – Consultant/coach introduces work to Potential
Coach, consultant, speaker, trainer introduces one of their clients to Potential who does the work and bills the client directly. This introduction benefits consultant by making money in areas they can't deliver themselves. Potential bills client US$40,000 for workshop including 5,000USD of materials and expenses. Due to recession client only paid 35,000USD. Total invoiced and collected US$35,000. Net Fee after expenses and materials = **US$30,000**.

	Potential	Consultant/Coach	Total
Introduce Opportunity	0% = nil	10% = 3,000	3000
Manage client relationship	0% = nil	10% = 3,000	3000
Engagement Administration	10% = 3,000	0% = nil	3000
PDS - Intellectual Property	20% = 6,000	0% = nil	6000
Delivery of engagement	50% = 15,000	0% = nil	15000
Total fees	24,000	6,000	30,000
Materials and Expenses	5,000	nil	5,000
Total $$$ earned	**29,000**	**6,000**	**35,000**

Notes
- Consultants and coaches that have attended Potential's Train the Trainer workshop can attend follow-up workshops free of charge as part of the team (client permitting).
- Consultants and Coaches must sign Potential's confidentiality and networking agreement prior to client involvement.

Principles of relationship-based selling include:

1. All work that needs to be done gets rewarded
2. Up front agreement about who does what
3. Transparent fee split based on agreement and dialogue
4. Any confusion is worked out in dialogue
5. Excellence in product and service delivery is key

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Yours sincerely,

Peter

Peter Nixon, FCPA, author, speaker and creator of *The Potential Dialogue System* ("PDS") and founding director, *Potential Dialogue Institute* ("PDI") & *Potential Dialogue Centre* ("PDC"). PDS has helped thousands of committed leaders **dialogue, sell & negotiate change** in 600 organisations & 60 countries worldwide. PDI trains current and emerging leaders to apply PDS inside their organisations. PDC hosts lakeside leadership retreats in the Canadian Laurentians between July & September each year. **Join us, the Solution is in the Dialogue©**

PDS, PDI & PDC are part of Potential Limited, incorporated 19 July 1993 (BVI#91195) and registered in Hong Kong. Contact us at: Hong Kong 852-9188-0056; Canada 1-514-662-8804; Email: dialogue@PotentialDialogue.com Website: www.PotentialDialogue.com

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