

Document Number MXT-04:0018

Prepared (also subject responsible if other)

Arnold Bartels

Limited to MXT and partners

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Approved Iris Ödman

## **Sales Channel Incentive program for Mobitex**

## 1 Objective with the Program

Mobitex Technology AB (MXT) has established a sales incentive program in order to have a fair and attractive motivation tool for competent companies that can contribute to an increased footprint of Mobitex solutions worldwide.

### The keywords of the incentive program are:

**FAIR**: MXT shall be impartial towards sales channels, which means that the incentive rules are the same for all sales channels. All partners are treated the same way and are given the same opportunity to increase their profit with Mobitex business. For this purpose a global reference price list is used, adapted by a market adjustment factor to be competitive with local market conditions. This is especially important in markets that are served by more than one channel.

**ATTRACTIVE**: MXT incentive schemes aim to be competitive, since as a supplier MXT is competing with other suppliers and other products (and their related market and profit potential). MXT will monitor and review the attractiveness of incentive schemes regularly with respect to rewards issued (sales channel discount, personal gifts etc) and the targets to be reached in order to qualify. The standard discount for authorized partners is included in this process.

**MOTIVATING**: The incentives in place shall encourage dedicating resources and pursuing new business opportunities. Awards shall relate to invested efforts and result, both on a company level and on a personal sales person level.



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## 2 Target Audience and Definitions

Mobitex Technology has defined three main categories of business partners:

**Authorized Sales Channels** are those who have signed a sales channel agreement with MXT, have appointed sales- and technical manager for Mobitex products and completed step 1 and 2 of the competence development program. They are financially and legally responsible for the account to which they resold Mobitex products.

**Agents** are like authorized partners with the difference that they are not financially and legally responsible for the account that buys Mobitex products - agents are a broker between MXT and the buyer. Agents have signed an agreement with MXT that allows them to create business for MXT and such agreements shall cover incentives separately. Agents are <u>not</u> entitled to the incentive program as described in this document.

**Finders** are those who are none of the above and through whose initiative a Mobitex sales opportunity is identified and closed by MXT or any of MXT's authorized partners.

Incentives for above mentioned targets groups are mutually exclusive for the beneficiary.



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### 3 Incentive tools

#### 3.1 Authorized Sales Channel

#### 1. Discounts

An authorized sales channel is entitled to minimum 15% discount on MXT Professional Services and MXT Products (excluding 3-rd party products like SUN and Alpha computers) and a discount of 5% on MXT Basic Services.

The discount is applied on the market adjusted MXT Global Reference Price list for Mobitex business conducted in the territory of the sales channel.

On top of this discount, there is the possibility to qualify for an even higher discount (an additional 3% or 6%) by qualifying for Advanced or Premium level as described in chapter 4.

For further details on Service categories, please refer to the Appendix of this document.

### 2. Individual Sales Staff Rewards

Sales staff that has over performed shall be rewarded personally. Goals to be achieved for personal goals may vary in time and also between channel partners, depending on what MXT finds most important at the time or for that market. Rewards values shall not be calculated as a percentage of sales value but instead be fixed in the form of merchandise or leisure.

#### 3.2 Finders

Finders that have identified a new sales lead, which at the time was unknown to MXT and its sales channels. The Finder shall be entitled to a Finders Fee, based on the net amount of payments (after deduction of taxes, sales channel incentive, transportation, insurance and other similar costs) actually received by MXT.

The Finders Fee shall, during the validity period of a signed Finders Fee agreement between the partners, be two percent (2 %) of the above net payment(s), paid contemporaneous with the full payment reception of related MXT invoices.

The Finders Fee is limited to one specific buyer and this buyer shall be an enduser of MXT's products, i.e. not a distributor or sales channel.

All taxes and duties in respect of payment of Finders Fee shall be borne by the Finder.



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# 4 Channel Partner levels and Certification Criteria

Three different levels of authorized partners are defined:

Level	Requirements	
AUTHORIZED	Signed partner agreement with MXT	
	<ul> <li>Completed step 1 and 2 of Mobitex sales training program for partners</li> </ul>	
	<ul> <li>Able to identify and pursue Mobitex business opportunities in a professional manner</li> </ul>	
	<ul> <li>Full commercial responsibility towards buyer of Mobitex products</li> </ul>	
	<ul> <li>Has produced a Mobitex market plan in accordance with MXT's guidelines for the market in question</li> </ul>	
ADVANCED	<ul> <li>Has qualified as authorized partner and</li> </ul>	
	<ul> <li>Has an assigned Mobitex Champion that has been certified by MXT, or first bullet and</li> </ul>	
	<ul> <li>Has completed all steps of the Mobitex sales training program for partners and</li> <li>Has been certified for, offers and can prove delivery of at least 3 services as listed in section 5.1.</li> </ul>	
PREMIUM	Has qualified as advanced partner	
	<ul> <li>Has contributed to MXT sales with more than 2 million USD during the last 12 months</li> </ul>	



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### 5 Mobitex Service Provider

Sales Channels may be certified and trained by MXT, at the Sales Channel's expense, to take responsibility for delivery of selected Mobitex services. MXT shall be entitled to a royalty fee of 15% of related end-user service invoices in order for MXT to maintain and develop professional end-user training material in the English language.

## 5.1 Service Categories

Below is how Mobitex Technology AB categorizes services associated to Mobitex networks. Basic Services are result of a network sale while Professional Services are driven by the operators desire to further develop its Mobitex business or optimizing its costs related to the operation of the Mobitex network. The contribution from the Sales Channel in the value chain for selling the service varies depending on what service is sold. As a consequence from that Mobitex Technology AB's incentive scheme also varies depending on the service sold. Professional Service sale is rewarded in the same way as for Mobitex Product Sales while sale of Basic Services is rewarded lower, all to reflect the reseller's contribution in the value chain.

Mobitex Basic Services	Mobitex Professional Services
Mobitex Network Start-up Service	Cell Planning for Network Optimization
Implementation Services for Mobitex nodes (NCC, BRU and MX/MSN)	Network Configuration & Capacity Consultancy
System Acceptance (E2E and Optional Features)	Application Development & Design Support
On-site Support	Network Performance Tuning
Project Management	Network Operation Service
Turn-Key Network Implementation	Connectivity Support
Network Support (Silver Level)	Network Support (Gold Level and higher)
Training	