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## LETTER OF ENGAGEMENT

*As of January 1, 2019*

This letter (the **Agreement**) is to set forth the terms and objectives of an engagement for services providing by

**Strategy3i, Ltd.(S3i)**, Jerusalem Technology Park 2 Agudat Sport Hapoel Street, Malha, Jerusalem, Israel, 9695264 (the **Consultant**), and **Shalva** (the **Client**), with offices at 1 Derech Shalva Street, Jerusalem, Israel and the nature of and limitations to the services (**Services**) to be provided by Consultant to the Client.

#### Overview

1. **Scope of Services**

The Services shall be as mutually determined by the Consultant and the Client, in the area of strategic consulting, and implementation. A Statement of Services (**SoS**) intended as a guideline is attached as Appendix A to this Agreement.

Consultant will provide a monthly update on meetings and activities on behalf of Client.

The Services may evolve over the course of Consultant’s retainer. To the extent that additional services are agreed, the parties shall amend the SoS and Consultant and Client shall be entitled to amend the terms of this Agreement to reflect the addition of the new services.

1. **Responsibility**

Consultant will decide who exactly of its employees or contractors shall provide the Services, at its reasonable professional discretion, and Consultant does not warrant that any particular person will provide the Services. Consultant warrants that its employees or contractors are competent and have all necessary skills, training and qualifications to carry out the Services. Notwithstanding the foregoing, Consultant acknowledges that Jeff Kahn will be responsible for the guidance and account management of all S3i activities on behalf of **Shalva**.

1. **Fees**
2. Shalva will engage S3i for strategic consulting services and will pay monthly retainer starting January 1, 2019 of $12,000 a month. The fee agreement will continue thru June 30, 2019 and be reviewed, for potential continuance, by May 31, 2019.

Payment should be made payable against Consultant’s invoice no later five business days after receipt of the invoice. The Consultant will bill each calendar month. In the event of delayed payment Consultant shall be entitled to cease providing Services, irrespective of any damage this may cause to Client.

**4. Direct Expenses**

Client will reimburse Consultant for all reasonable out of pocket expenses, for example travel, telecommunications and meals. Out of pocket expenses are billed separately and will not exceed $500 a month without prior written approval. These expenses will include expenditures like freelance research help to video conferencing services which will save expensive travel costs, where possible. Any expense amount beyond $500 per month will require prior written approval.

**5. Term of Service**

The engagement will be for a period of Six (6) months and the compensation for this period will conform to the terms specified in Section 3. If the fee agreement is not extended by the parties, beyond June 31,2019 in writing, this Agreement will be terminated at the end of its duration, which will be June 31, 2019. However, before May 31, 2018, Client and Consultant will set a time to review and assess the progress of the work for the purposes of considering continuing the engagement beyond the initial term. If mutually satisfactory, then the parties will extend the contract into the implementation stages contemplated by the SoS for such time periods as the parties shall agree.

**6. Termination**

Either party may terminate this business relationship at any time with 60 days advanced written notice, delivered by a convenient method.

**7. Limitation of Liability**

The term **Consultant** in this clause shall encompass the Consultant and its representatives, contractors, employees and associated parties.

Consultant shall perform the Services to the best of its professional ability; shall devote sufficient time and resources to the Services; and shall use reasonable endeavors to meet the Client’s goals in instructing the Services. **Notwithstanding this, Consultant shall have no liability to Client in respect of the Services or any action taken by Client or any third party pursuant to them, except in the case of gross negligence, willful misconduct or fraud.**

Without derogating from this general limitation, in any event,except in the case of gross negligence, willful misconduct or fraud:

* 1. Consultant will not be held liable for incidental, special, indirect, penal or consequential damages even if it has been advised of the possibility of such damages;
	2. Consultant’s total cumulative liability shall be limited to that part of the Retainer it has actually received;
	3. Consultant’s liability shall be only to Client and not to any third party; and
	4. No action, regardless of form, arising out of the Services or this Agreement, may be brought by either party more than one year after the last date upon which Services are performed.

**8. Indemnification**

Except for Consultant’s acts of gross negligence, willful misconduct or fraud, Client agrees to indemnify and hold harmless Consultant and, its affiliates, officers, employees, and representatives from and against any losses, costs, damages, and expenses (including legal costs) resulting from any claims for or damages arising out of joint efforts of the parties through the term of this agreement.

**9. Confidentiality**

Consultant and Client will sign a separate Non-Disclosure Agreement (**NDA**). Consultant agrees to keep all client information and business plans confidential as per the terms of the NDA.

**10. Non-Compete**

During the term of this Agreement and for a period of six (6) months thereafter, Consultant agrees not to work for any company that competes directly with the Client.

**11. Non-Solicitation**

During the term of this Agreement and for a period of twelve (12) months thereafter, neither party will employ, offer employment to or otherwise encourage any employee of the other party to end his relationship with such party, provided however that this undertaking will not be violated (i) by a general solicitation of employment not specifically directed toward personnel employed by the other party (ii) in relation to any employee who has received a notice of termination regarding his employment contract with the other party or who has entered into an agreement with his employer regarding the termination of his employment contract with the other party.

**12. Complete Agreement**

This letter comprises the complete and exclusive statement of the agreement between the parties, superseding all proposals oral or written and other communications between the parties – including any conditions Consultant may seek to impose upon the parties’ relationship. If any provision of this Agreement is determined to be unenforceable, all other provisions shall remain in force.

**13. Governing Law**

This agreement between will be governed by and construed according to NY Law and the parties agree to submit to the jurisdiction of the appropriate courts in either New York or Israel. Notwithstanding this, any dispute arising in connection with this Agreement which cannot be settled by negotiation between the parties shall be submitted first to a mutually agreed upon arbitrator to evaluate the dispute and both parties hereby agree to abide by its decision.

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Jeff Kahn, Managing Director \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

For and on behalf of **STRATEGY 3I, LTD.** For and on behalf of at **SHALVA**

**Appendix A: Scope of Service**

**Scope of Services will resolve around the planning and strategic consulting services described in the Memo below.**

**The services and associated milestones are outlined below based on external and internal inputs and our suggested strategies shared with and approved by management.**

**Milestones:**

* 1. **During the first two weeks of the engagement, a meeting between Avi and S3i will take place to prioritize the wanted activities from the table below, taken from the specified strategic plan created for Shalva by S3i.after doing so, a specific timeline and milestones will be set for each activity agreed to work on.**
	2. **Either Jeff Kahn or Debra Eisenberg (or in extraordinary cases a designate) will join weekly Shalva management meetings at least 2 times a month, if such meetings take place, during the all engagement working period.**

* 1. **Amatzia from S3i's team will meet and work with agreed and chosen team leaders from Shalva on a weekly basis during the all engagement working period.**

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| **Category** | **Activity** | **Nature of S3i engagement offering** |
| **Alignment** | **Boards** | Facilitating identifying and reaching relevant players |
| **RACI** | Facilitating implementation of the model  |
| **Measurement Tools** | Facilitating integration of measurement tools alongside a dedicated Executive |
| **Training & Mentoring** | Training and Mentoring by Jeff, Debra and other experts as needed |
| **Internal Communication**  | Writing the plan |
| **Core Development** | **Marketing Strategy** | Brainstorming, Facilitating, Writing a plan  |
| **Go to Market strategy** | Brainstorming, Facilitating, Writing a plan  |
| **Digitization** | **App** | Facilitating and Overseeing |
| **CRM** | Overseeing |
| **On-line Knowledge Center** | Facilitating |
| **Crowdsourcing** | Facilitating and Overseeing |
| **Social Media** | Setting the marketing strategy |
| **CTO** | Helping recruitment and integration |
| **CDO** | Helping recruitment and integration |