

Holacracy® Licensing Program Summary

Introduction

HolacracyOne offers two licensing programs to enable individuals and organizations wishing to use the Holacracy brand and materials to sell and deliver Holacracy workshops and/or implementation services:

- An “Agent Program”, intended for individuals seeking a more casual/part-time relationship with delivering Holacracy workshops or services, as well as for individuals intending to do more with Holacracy while they’re still in the process of building their Holacracy skills and client base (each an “Agent”).
- A “Provider Program”, intended for organizations ready to join the “Holacracy Group” of companies broadly marketing Holacracy services and delivering on regular Holacracy adoptions (each a “Licensee”).

Both programs are summarized further below.

Holacracy Agent Program Summary

Agent licenses are granted to individual humans in a contract between them personally and HolacracyOne; this program is not for organizations, however the license grant allows an Agent to use the licensed brand and materials through any organizational entity in which they have sufficient control to effect and regulate such usage.

Rights Granted by Certification

The authorities granted under the agent licensing program are directly connected to an Agent’s current level of Holacracy certification – more advanced certifications convey more rights with less restrictions. In summary:

Certified Holacracy Practitioner

The Certified Holacracy Practitioner credential is given upon passing an assessment demonstrating significant knowledge of the Constitution’s core rules and how to apply those rules effectively. No individual may be licensed before achieving this credential, and the license shall terminate should the individual fail to maintain such a credential.

With this level of certification, an Agent may:

- Schedule & market public Holacracy presentations, provided that such events are not advertised as teaching, conveying, or otherwise resulting in skills for the use or application of Holacracy (because short events can not reliably deliver such results).
- Deliver public Holacracy presentations (with a maximum event length of 2 hours) using HolacracyOne's brand, slides, simulations, etc., provided no changes are made to any such materials unless explicitly allowed by HolacracyOne's published usage standards, and provided that no live meeting simulations are conducted during the presentation.
- Assist in the delivery of a private Holacracy Taster Session to help an organization explore adopting Holacracy, provided that a duly authorized party is leading the delivery.

Certified Holacracy Facilitator

The Certified Holacracy Facilitator credential is given to Certified Practitioners who pass a real-time facilitation assessment demonstrating the skills needed to facilitate a newly-practicing circle effectively enough to keep the process and outputs generally aligned with the rules of Holacracy.

With this level of certification, an Agent may:

- Schedule & market public Holacracy introductory/taster workshops that include meetings simulations, provided that such events are advertised as introductory in nature and not as teaching, conveying, or otherwise resulting in skills for the use or application of Holacracy.
- Deliver public Holacracy introductory/taster workshops that include live meeting simulations (with a maximum event length of 8 hours) using HolacracyOne's brand, slides, simulations, etc., provided no changes are made to any such materials unless explicitly allowed by HolacracyOne's published usage standards.
- Pitch, sell, and deliver private workshops intended to help an organization explore adopting Holacracy (a "Holacracy Taster Session") directly to known/established contacts (i.e. Agents may not market such services to the general public, such as on the web). Agents must further (a) engage a Master Coach from HolacracyOne or a Licensee to either co-deliver the session or coach the Licensee during delivery prep and post-session follow-up planning, and (b) use one of HolacracyOne's standard templates for the session plan/design and deliverables, or an alternate plan/design and set of deliverables specially-approved by that Master Coach.

Certified Holacracy Coach

The Certified Holacracy Coach credential is given to Certified Practitioners or Facilitators who (a) pass the real-time facilitation assessment with a score that indicates significant facilitation and coaching skill in effectively leading a newly-practicing circle towards deeper understanding and effectiveness in their Holacracy practice, and (b) pass a further written assessment demonstrating the capacity to identify and effectively respond to coaching opportunities that often arise during the implementation of Holacracy.

With this level of certification, an Agent may:

- Deliver meeting facilitation and coaching services as part of an overall Holacracy implementation engagement led by an authorized party (e.g. a Certified Master Coach) as a sub-contractor or other agent of such party.
- Pitch, sell, and deliver (but not market to the public) overall Holacracy implementation, coaching, and advisory services to a client organization, provided that (a) the Agent is under the regular guidance and active coaching of a Certified Master Coach from HolacracyOne or a Licensee throughout the engagement, and (b) such Master Coach continues to believe the engagement has a reasonable chance of providing value to the client without harming the Holacracy brand. The Master Coach shall determine the minimum frequency and structure of coaching calls required to meet this threshold.

Certified Holacracy Master Coach

The Certified Holacracy Master Coach credential is given after a Certified Coach (a) demonstrates and shares significant experience, knowledge, and lessons-learned while supporting organizations transitioning to Holacracy, as evidenced in regular posts within the Holacracy Community of Practice or other publicly-accessible channels, and (b) has delivered Holacracy implementation, coaching, and advisory services under the coaching and guidance of HolacracyOne (or another explicitly-authorized firm), and that guidance is no longer needed. More specifically, “no longer needed” shall mean after the coach has led at least two effective engagements in which the coaching/guidance received did not materially reduce the risk of a rejected implementation, a misconveyance of Holacracy, or an unduly negative impression of Holacracy from key client staff, as reasonably judged by the coach’s coach.

With this level of certification, an Agent may:

- Pitch, sell, and deliver (but not market to the public) private Holacracy Taster Sessions as well as Holacracy implementation, coaching, and advisory services, without additional support or coaching requirements.
- Customize HolacracyOne’s session plans/design and supporting materials for the delivery of Holacracy Introductory Workshops and Holacracy Taster Sessions.

Financial Terms

Each month, within 30 days of month end, Agent shall report to HolacracyOne all activity conducted by Agent during that month associated with the Holacracy brand or licensed materials, including the revenue earned from such activity along with reasonable supporting detail, and pay HolacracyOne 12.5% of the gross revenue generated that month from such activity.

There shall be no other licensing fees, however Agent may incur additional fees for other HolacracyOne products or services, including those required to deliver under the licensing agreement (e.g. trainings, coach assessment, support materials, coaching from a Master Coach, etc.).

Cancellation Terms

The Agent Licensing Agreement shall be an ongoing agreement until terminated by either party upon 30 days advance notice. Either party may further terminate the agreement for cause and without advance notice if the other party materially breaches the agreement, and the breach remains uncured for 7 days after notice was given of the breach.

Quality Standards & Audits

- Agent agrees to align with any brand standards published by HolacracyOne in its use of the Holacracy brand and materials.
- Agent agrees, upon the reasonable request of HolacracyOne, to make and provide an audio recording of any Holacracy Introductory Workshop or Taster Session delivered, or, at HolacracyOne's option, to allow a representative of HolacracyOne to observe such an event without charge, for the purpose of auditing Agent's delivery and adherence to reasonable quality levels and standards.

Provider Program Summary

Provider licenses are granted to organizations, however single-person entities are welcomed, and any individuals such an organization uses to deliver services must meet the same certification standards as an Agent, as described above.

Licensee Joins Holacracy Group

By entering into the license agreement, the Licensee organization gains the rights of a sub-circle within HolacracyOne's "Holacracy Group" circle (or another circle if later changed through HolacracyOne's due governance process). More specifically:

- The Licensee is represented by a role in the Holacracy Group Circle filled by a Cross Link from the Licensee. That Cross Link is invited to participate in HolacracyOne's governance and operations to represent the Licensee's purpose.
- The Licensee agrees to unpack and enact any Accountabilities placed on the Cross Link role they fill in the Holacracy Group Circle.
- The Licensee may use and impact Domains of HolacracyOne, just as if one of HolacracyOne's own roles or sub-circles within the Holacracy Group Circle, subject to any constraints defined under the Constitution or through governance (e.g. Policies or Domain delegations).

In other words, rather than defining specific license grants, the Licensee is treated parallel to HolacracyOne's own Deployment Circle, with the same rights and restrictions, and Holacracy is used to sort out what roles/circles can control or impact, and what standards all circles using the brand must adhere to.

Partnership Benefit Sharing

Each party agrees to extend to the other party, as well as to any other licensees in the program, any special pricing or similar special treatment given to its own Partners who consume products or services sold and delivered by such a party, such as special training registration rates, free or discounted subscriptions to its subscription offerings, etc.

Holacracy Practice Requirement

Licensee agrees to legally adopt the Holacracy Constitution as the formal governance and operating system for Licensee, to the full extent practical in Licensee's primary organizing jurisdiction, upon reaching 3 full-time Partners or an equivalent level of overall staffing excluding contractors in an arms-length relationship with Licensee.

Financial Terms

Initial Advance:

Upon signing the provider agreement, Licensee shall pay HolacracyOne \$10,000 as an advance against future licensing fees under the agreement. All other license fees due under the agreement will be deducted from this advance until depleted. This advance is non-refundable in the event the license agreement terminates before depletion for any reason.

Note: This advance requirement is waived for Licensees in an older licensing program, provided they sign-up for this new program by the end of 2014.

License Fee:

Each month, within 30 days of month end, Licensee shall pay HolacracyOne a percentage of the gross revenue generated that month from all activity that is or at any point was in any way associated with the Holacracy brand or licensed materials (the "License Fee"). The Licensee Fee percentage shall be based on the total lifetime License Fees paid to HolacracyOne, as follows:

- Initially: 12.5%
- Once License Fees reach \$100,000: 10.0%
- Once License Fees reach \$350,000: 7.5%
- Once License Fees reach \$850,000: 5.0%
- Once License Fees reach \$2 million: 3.5%

Further, the minimum License Fee due in any given month, regardless of revenue, shall be equal to \$1,000, however any excess payments over this minimum may be carried forward for up to 12 months and counted as applying towards reaching a future month's minimum.

Licensee may choose to pay license fees on a revenue-booked or cash-in basis, however once decided may not change such method without HolacracyOne's written consent.

Other Fees:

There shall be no other licensing fees, however Licensees may incur additional fees for other HolacracyOne products or services connected with service delivery (e.g. process cards, coaching from a Master Coach, etc.).

Cancellation Terms

The provider agreement shall have an initial term of 3 years, and shall then automatically renew for successive terms of 2 years each unless either party decides to not renew the agreement. Within a term, (a) Licensee may terminate the agreement at any point upon 60 days notice, and (b) either party may terminate for cause and without advance notice if the other party materially breaches the agreement and the breach remains uncured 15 days after notice, and (c) HolacracyOne may terminate if Licensee evidences a recurring pattern of similar breaches to the agreement or to the acting governance constraining usage of the brand, whether material or otherwise, even if each individual breach is cured upon notice, or if Licensee ceases to have a Partner regularly energizing Licensee's roles with a Certified Holacracy Coach credential.

Quality Audits

Licensee agrees, upon the reasonable request of HolacracyOne, to allow a representative of HolacracyOne to inspect Licensee's materials or observe delivery of services connected to the Holacracy brand, or to provide a reasonable alternative means for such observation (e.g. recordings).