

TECHNICAL DEBT ASSESSMENT FRAMEWORK

Summit Digital Solutions, Inc.

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Reference: SDS-TDAF-2024-01

1. PURPOSE AND SCOPE

1. This Technical Debt Assessment Framework (the "Framework") establishes the standardized methodology and criteria for evaluating, documenting, and managing technical debt across Summit Digital Solutions, Inc.'s ("Company") client engagements and internal systems.
2. This Framework applies to all technology implementations, software development projects, and digital transformation initiatives undertaken by the Company, including but not limited to the Peak Performance Platform and associated client deployments.

2. DEFINITIONS

1. "Technical Debt" refers to the implied cost of additional rework caused by choosing an expedient solution instead of implementing a more sustainable approach.
2. "Critical Systems" means any software, platform, or infrastructure component essential to the Company's core operations or client deliverables.
3. "Assessment Period" means the quarterly evaluation cycle during which technical debt is formally reviewed and documented.
4. "Remediation Plan" refers to the documented strategy and timeline for addressing identified technical debt items.

3. ASSESSMENT METHODOLOGY

1. Technical Debt Classification
 - a) Code-level debt
 - b) Architectural debt
 - c) Infrastructure debt

- d) Documentation debt
- e) Testing debt
- f) Security debt

2. Severity Levels

- a) Critical (Level 1): Immediate business impact
- b) High (Level 2): Significant operational risk
- c) Medium (Level 3): Moderate technical limitations
- d) Low (Level 4): Minor optimization opportunities

3. Assessment Criteria

3.1. Impact Analysis

- a) Business continuity effects
- b) Performance implications
- c) Scalability constraints
- d) Maintenance overhead
- e) Security vulnerabilities

3.2. Cost Evaluation

- a) Remediation effort estimation
- b) Resource requirements
- c) Opportunity costs
- d) Risk mitigation expenses

4. DOCUMENTATION REQUIREMENTS

1. Technical Debt Registry

1.1. Each identified technical debt item must be documented in the Company's Technical Debt Registry, including:

- a) Unique identifier
- b) Description and classification
- c) Severity level
- d) Impact assessment
- e) Estimated remediation costs

f) Proposed resolution timeline

2. Quarterly Assessment Reports

2.1. The Chief Technology Officer shall prepare and maintain quarterly assessment reports containing:

- a) Summary of technical debt inventory
- b) Trending analysis
- c) Risk assessment matrix
- d) Remediation progress metrics
- e) Resource allocation recommendations

5. REMEDIATION PROTOCOLS

1. Prioritization Framework

1.1. Technical debt items shall be prioritized based on:

- a) Business impact severity
- b) Resource availability
- c) Strategic alignment
- d) Client commitments
- e) Regulatory requirements

2. Resolution Planning

2.1. Each identified technical debt item requiring remediation shall have:

- a) Detailed action plan
- b) Resource assignments
- c) Timeline milestones
- d) Success criteria
- e) Validation requirements

6. GOVERNANCE AND OVERSIGHT

1. Technical Debt Committee

1.1. The Committee shall consist of:

- a) Chief Technology Officer (Chair)

- b) Chief Digital Officer
- c) Chief Innovation Officer
- d) Senior Technical Architects
- e) Quality Assurance Director

2. Review Cadence

2.1. The Committee shall meet monthly to:

- a) Review assessment findings
- b) Approve remediation plans
- c) Monitor progress metrics
- d) Allocate resources
- e) Update strategic priorities

7. COMPLIANCE AND REPORTING

1. All technical debt assessments and remediation activities must comply with:

- a) Company's information security policies
- b) Client contractual obligations
- c) Regulatory requirements
- d) Industry standards and best practices

2. Quarterly reports shall be submitted to:

- a) Executive Leadership Team
- b) Board of Directors
- c) Relevant stakeholders

8. AMENDMENTS AND UPDATES

1. This Framework shall be reviewed annually and updated as necessary to reflect:

- a) Technological advances
- b) Organizational changes
- c) Market requirements
- d) Best practices evolution

AUTHORIZATION

IN WITNESS WHEREOF, this Technical Debt Assessment Framework has been approved and adopted by the undersigned authorized representatives of Summit Digital Solutions, Inc.

Dr. Alexandra Reeves

Chief Executive Officer

Michael Chang

Chief Technology Officer

Date: January 9, 2024