

# RATIONALE FOR MASTER AGREEMENT

## RATIONALE FOR THE STANDARD MASTER AGREEMENT

This document is intended to explain, in plain language, how the referenced agreement works, why each section exists, and how the agreement is designed to be fair and practical for both parties.

It is not part of the agreement itself. It does not modify the agreement, create obligations, or grant rights. The agreement itself is the binding legal document.

This document is also not legal advice. It reflects intent and rationale in using this agreement and is provided for informational and explanatory purposes only. Parties should rely on the agreement itself and may seek independent legal advice if they wish.

### What this document is and why it exists

Alescent uses a Master Agreement to establish a stable, reusable contractual framework that can govern multiple roles and assignments over time.

The Master Agreement is intentionally:

- **Framework-based.** It sets baseline governance terms rather than defining a specific scope of work.
- **Modular.** It anticipates Schedules and Assignments that specify role expectations, authority, and account-specific application.
- **Conservative.** It reduces interpretive ambiguity and helps keep negotiated variance explicit.

The Master Agreement is designed to be fair and practical for both parties by clearly separating:

- foundational terms that should remain stable; and
- role-specific and assignment-specific terms that may vary.

### Purpose and Intent

#### What it does

Establishes that the agreement is a governing framework for roles and assignments, not a statement of work or commercial transaction.

#### Why it exists

This avoids the common contract failure mode where parties attempt to encode every future scenario inside a single agreement, which increases complexity and negotiation friction.

### Definitions

#### What it does

Defines key terms that must remain consistent across the framework, including Accounts, Team Members, Product, authority classifications, and assignment instruments.

### **Why it exists**

Defined terms reduce ambiguity and help ensure consistent interpretation across Schedules and Assignments.

### **Key interpretive notes**

- **Accounts.** Accounts are scoped to Partner Accounts the Entity was exposed to through Alescent and/or assigned via Account Assignments.
- **Role Assignment vs Account Assignment.** Role Assignments classify authority; Account Assignments apply that authority to specific accounts and define parameters.
- **Product.** Product is used as a commercial construct that incorporates Intellectual Property but is broader than IP doctrine alone.

## **Structure and Document Hierarchy**

### **What it does**

Defines the order of precedence across:

1. MNDA (confidentiality only)
2. Master Agreement
3. Schedules/Exhibits/Attachments
4. Assignments

### **Why it exists**

A modular agreement system must be explicit about which document governs in a conflict, otherwise negotiation and enforcement become unpredictable.

## **Relationship of the Parties**

### **What it does**

Confirms an independent contractor posture and disclaims partnership, employment, fiduciary, and general agency relationships.

### **Why it exists**

This reduces unintended legal characterization risk, particularly where parties collaborate closely.

### **Authority discipline**

The Master Agreement clarifies that:

- Schedules qualify parties for roles.
- Role Assignments confer or classify authority.
- Account Assignments scope and constrain execution.

This prevents authority from arising by implication.

## Confidentiality and Non-Disclosure

### What it does

Requires an MNDA as a precondition for confidential information exchange and defers confidentiality obligations to the MNDA.

### Why it exists

Duplicating confidentiality terms across multiple agreements creates drift and inconsistency. A separate MNDA keeps confidentiality stable and upstream.

## Non-Solicitation

### What it does

Establishes limited, time-bounded protections against:

- solicitation of Accounts where the Entity had Alescent-enabled involvement; and
- solicitation of Team Members.

It also provides documented carve-outs for prior relationships.

### Why it exists

Alescent's operating model relies on partner relationships, account knowledge, and a network of contributors. Limited non-solicitation reduces poaching/circumvention risk while preserving the Entity's ability to compete generally.

## Product and Intellectual Property

### What it does

Preserves each party's ownership of pre-existing Product and IP, disclaims implied licenses, and centralizes Alescent's rights in its Product.

### Why it exists

Alescent's differentiation often resides in frameworks, models, and patterns that may not be fully protected by narrow IP doctrines. The Product construct protects commercially meaningful assets without over-relying on formal IP categories.

## Customer-Imposed Intellectual Property Terms

### What it does

Allocates responsibility to the Entity for understanding and complying with client/customer flow-down IP terms tied to an assignment.

### Why it exists

Customers often impose work product ownership and assignment terms. This clause prevents surprise and ensures the Entity does diligence before accepting an assignment.

## Schedules, Exhibits, and Attachments

### What it does

Defines the expected purpose and content of Schedules and clarifies that schedules are role-limited.

### Why it exists

Schedules provide controlled variability without rewriting the Master Agreement.

## Term and Termination

### What it does

Defines that the agreement continues until terminated and identifies key obligations that survive termination.

### Why it exists

A stable framework must clearly state what persists after termination (confidentiality via MNDA, IP/Product ownership, accrued obligations).

## Limitation of Liability and Standard Clauses

### What it does

Includes standard risk allocation and enforceability preservation clauses (limitation of liability, non-waiver, severability, remedies, governing law, notices, counterparts, entire agreement).

### Why it exists

These clauses protect both parties by setting predictable boundaries and preventing technical disputes from undermining the agreement.

## Common Questions

### Is this a statement of work?

No. This is a framework agreement. Specific scope and economics belong in Schedules and Assignments.

### Why is there a separate MNDA?

To keep confidentiality upstream and consistent, avoiding drift across multiple documents.

### Does this agreement give the Entity authority to bind Alescent?

Not by itself. Authority must be granted through Role Assignments and constrained by Account Assignments.

### Can the terms change?

Yes, but changes should be explicit and controlled through Amendments and/or subordinate instruments that the Master Agreement permits.