RATIONALE FOR ACCOUNT LEADERSHIP ROLE ASSIGNMENT (ARAL)

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

It is not part of the Role Assignment itself. It does not modify the Role Assignment, create obligations, or grant rights. The Master Agreement, applicable Role Schedule(s), and executed Role Assignment are the binding legal documents.

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

What ARAL is and why it exists

The Account Leadership Role Assignment (ARAL) is an authority-classification instrument. It exists to ensure that account leadership authority is:

- explicitly granted and classified;
- not implied by title, custom, or day-to-day practice; and
- activated only through a separate, account-specific instrument (Account Assignment).

ARAL is intentionally not an account list. It is a standing credential and control mechanism.

Relationship to the framework documents

Master Agreement

The Master Agreement defines the governance model, including the distinction between:

- Role Schedules (role qualification)
- Role Assignments (authority classification)
- Account Assignments (account-specific activation, scope, and economics)

ARAL operates within that structure and does not amend the Master Agreement.

Role Schedules

Role Schedules (e.g., Agency Schedule or Associate Schedule) qualify the Assignee for a role. ARAL is only valid while the underlying Role Schedule remains in effect.

Account Assignments

Account Assignments activate ARAL authority for a specific account and record delegation, constraints, and account-specific parameters (including Value Distribution Model allocations).

Purpose and Intent

What it does

Establishes that ARAL designates the Assignee as eligible to act in an Account Leadership role and that authority is classified as either:

- Apparent (non-binding) or
- Actual (Authoritative)

Why it exists

This prevents ambiguity about whether an individual can bind Alescent or is acting only in a delegated, non-binding capacity.

Role Classification: Apparent vs Actual

What it does

- Requires that authority classification be designated in each Account Assignment.
- Restricts Actual (Authoritative) authority to Associates.
- Prevents implied authority.

Why it exists

This is the core risk-control logic. Apparent authority risk is common in account leadership contexts, and Actual authority must be reserved to those who have the appropriate qualification and governance posture.

Scope of Authority

What it does

Permits limited coordination activities and explicitly prohibits:

- binding commitments
- commercial approvals
- resource/timeline commitments
- Product rights grants

Why it exists

Many authority disputes arise from informal commitments and expectations. A narrow scope reduces interpretive risk.

Withdrawal, Suspension, and Modification

What it does

Provides a governance-based mechanism to withdraw or modify authority:

- with notice for governance alignment; and
- immediately where risk or cause requires it.

Why it exists

Authority must be controllable. The governance withdrawal model is designed to avoid an "arbitrary" posture while preserving the ability to respond quickly to material risk.

Order of Precedence

What it does

Reinforces modular precedence:

1. MNDA for confidentiality
2. Master Agreement for baseline terms
3. Role Schedule for qualification
4. ARAL for authority classification
5. Account Assignment for account-specific scope and economics

Why it exists

This prevents conflicts and reinforces that ARAL does not, by itself, activate authority for any specific account.

Common Questions

Does ARAL assign me to specific accounts?

No. ARAL classifies authority. Specific account application occurs through Account Assignments.

Can an Apparent Account Lead bind Alescent?

No. Apparent authority is non-binding and must be escalated to an Actual (Authoritative) Account Lead.

Why is Actual authority restricted to Associates?

Because Actual authority implies binding commitment capacity and accountability, which Alescent reserves to qualified, governed senior roles.