C3 Compensation Blueprint | Master Services Agreement

This Master C3 Compensation Blueprint Services Agreement ("Agreement") is entered into between Arnold & Associates of Wichita, Inc., d/b/a The Arnold Group – C3 Compensation Blueprint Division ("TAG"), and the client organization executing this Agreement ("Client").

This Agreement establishes the terms and conditions governing all C3 Compensation Blueprint services provided by TAG, as may be further defined in one or more executed Client Services Authorization Agreements between the parties.

Section 1 | Scope of Services Framework

1.1 TAG provides compensation consulting services and structured compensation system capabilities through the C3 Compensation Blueprint, including but not limited to:

- compensation structure design and maintenance
- market benchmarking and competitive analysis
- classification and internal equity modeling
- compensation policy guidance
- analytical reporting and compensation decision-support insights
- scenario planning and modeling
- implementation strategies

Specific services, timelines, and fees shall be defined in a separate Client Services Authorization Agreement.

Section 2 | Client-Configurable vs. Proprietary System Elements

2.1 Client-Configurable Elements

The Client retains discretion and control over certain compensation inputs and policy variables, including:

- market movement assumptions
- maintenance adjustments (e.g., COLA / structure updates)
- implementation timing and phasing
- selection of benchmark jobs
- premium categories and compensation differentials
- other policy-driven compensation decisions

TAG may provide guidance regarding these elements; however, final determination rests solely with the Client.

2.2 TAG Proprietary System Elements

The Client acknowledges that the following components of the C3 Compensation Blueprint constitute valuable, proprietary intellectual property and trade secrets belonging to TAG:

- structural modeling logic;
- RTV (Relevant–Transferrable–Verifiable) methodology;
- weighting and benchmarking methodologies;
- progression architecture and grade relationships;
- job identifiers and associated multipliers;
- compression guardrails and internal equity frameworks;
- analytical relationships and system architecture; and
- internal recommendation logic and modeling frameworks ("TAG Proprietary System Elements").

The Client acknowledges that the TAG Proprietary System Elements are owned by TAG and are not transferred to the Client.

Section 3 | Confidentiality & Data Reliance

3.1 Confidentiality

"Confidential Information" comprises any data or information and documentation, other than Trade Secrets, which is valuable to the Company and not generally known to the public. "Trade Secrets" includes any data or information that is competitively sensitive or commercially valuable, and not generally known to the public, including, but not limited to, the TAG Proprietary System Elements, the C3 Compensation Blueprint (as defined in section 8.1), proprietary aspects of TAG IP, any scientific or technical information, design, process, procedure, formula, or improvement, computer software, object code, source code, specifications, inventions, systems information, diagrams, logic and flow and look and feel and design information of the software of TAG, whether or not patentable or copyrightable. Client agrees not to disclose or make available to any third party any Confidential Information or Trade Secrets obtained in connection with this Agreement during the term of this Agreement and after the cessation of the Agreement. Client further agrees to take reasonable precautions to maintain the confidentiality of the Confidential Information and Trade Secrets. The obligations set forth herein shall survive termination of this Agreement but shall not apply to any Trade Secrets or Confidential Information which have become generally known through no act or omission of Client, nor shall the obligations set forth herein apply to disclosures made as required by law. After termination of the Agreement, Client shall destroy all Confidential Information and Trade Secrets in possession of Client. In the event Client is requested pursuant to, or required by, applicable law or regulation or by legal process to disclose any Confidential Information or Trade Secrets, Client hereby agrees to provide TAG with prompt notice of such request(s) to enable TAG to seek an appropriate protective order or pursue other authorized procedures to challenge the attempt to compel disclosure. Client hereby agrees to cooperate with TAG, at TAG's expense, in its efforts to challenge such compelled disclosure.

3.2 Data Reliance

TAG's analyses, findings, and recommendations are based on information and data provided by Client or obtained from sources believed to be reliable. TAG shall not be responsible for errors, omissions, or outcomes resulting from inaccurate, incomplete, or outdated information supplied by Client.

Section 4 | Scope Control

4.1 Scope Control

Services shall be performed in accordance with scope of services defined in the Client Services Authorization Agreement. Any requests for services outside the defined scope must be authorized in writing and may result in additional fees, timeline adjustments, or amended deliverables.

4.2 Annual Support Parameters

Annual support does not include full re-studies, major organizational restructuring, large-scale reclassification initiatives, or substantial new market benchmarking unless separately authorized.

Section 5 | Advisory Role & Decision Authority

5.1 No Legal Advice

TAG does not provide legal advice. TAG provides workforce solutions consulting services and recommendations believed to be consistent with applicable law; however, Client should consult its own legal counsel regarding the legal implications of any recommendation. Client is encouraged to consult its own legal counsel prior to implementation of any recommendation.

5.2 Decision Authority

TAG may make recommendations concerning human resources matters; however, Client retains sole responsibility for all employment decisions, including but not limited to compensation adoption, classification determinations, and policy implementation.

5.3 Responsibility Allocation

Each party shall be responsible for its own acts and omissions to the fullest extent permitted by applicable law. TAG shall not be responsible for employment decisions, compensation actions, or implementation choices made by Client or the outcomes thereof.

5.4 No Guarantee of Outcomes

TAG does not guarantee specific outcomes, including employee retention, recruitment success, governing body approval, labor relations outcomes, or adoption of recommendations.

5.5 Compensation Analysis and Employment Law Considerations

TAG's analyses, compensation modeling, market benchmarking, and classification recommendations are intended to provide advisory guidance based on the information available at the time of the engagement and the professional judgment of TAG consultants.

TAG does not conduct legal compliance audits, pay equity audits, or discrimination analyses unless expressly stated in writing as part of the engagement scope defined in Client Services Authorization Agreement. TAG does not represent or warrant that compensation structures, pay ranges, classifications, or other recommendations will satisfy all federal, state, or local employment law requirements.

Client remains solely responsible for ensuring that compensation decisions, classification determinations, and employment practices comply with applicable laws, including but not limited to laws governing equal pay, pay equity, discrimination, wage and hour compliance, and collective bargaining obligations.

Client is encouraged to consult legal counsel regarding the legal implications of compensation structures, policies, or employment decisions prior to implementation.

5.6 Professional Judgment and Non-Adoption of Recommendations

TAG's analyses, findings, and recommendations are based on the professional judgment of TAG consultants, informed by the information available at the time of the engagement and the scope of services agreed upon by the parties.

Client acknowledges that governing bodies, administrative leadership, and other decision-makers may consider various policy, fiscal, operational, or political factors when evaluating recommendations.

Accordingly, Client agrees that the decision of Client, its governing body, or other officials not to adopt, modify, delay, or partially implement TAG recommendations shall not be interpreted as a deficiency in TAG's professional services or work product.

TAG's professional services are advisory in nature, and the value of such services lies in the analysis, modeling, and recommendations provided, regardless of whether those recommendations are ultimately adopted.

Section 6 | Liability & Dispute Framework

6.1 Limitation of Liability

To the fullest extent permitted by applicable law, each Party shall be responsible for its own acts and omissions. TAG's total liability arising out of or related to this Agreement shall not exceed the total fees actually paid to TAG under this Agreement. In no event shall either Party be liable to the other for any indirect, incidental, consequential, special, or punitive damages.

The foregoing limitation of liability shall not apply to damages arising from a Party's gross negligence, willful misconduct, fraud, breach of its confidentiality obligations, or infringement or misappropriation of the intellectual property rights of another. Nothing herein shall be construed as a waiver of any rights or remedies available to the Client under applicable law.

6.2 No Arbitration / Fee-Shifting

The parties acknowledge that disputes arising under this Agreement shall be resolved in accordance with applicable law in the jurisdiction in which the Client is located, unless otherwise required by applicable public-sector legal or jurisdictional requirements. Nothing in this Agreement shall require binding arbitration or attorney-fee shifting unless expressly authorized by applicable law.

Section 7 | Governing Law & Contract Structure

7.1 Governing Law

This Agreement shall be governed by and interpreted in accordance with the laws of the state in which the Client is located, including any limitations applicable to public entities.

7.2 Contract Coordination / Supremacy Acknowledgment

This Agreement is intended to supplement any applicable statutory, regulatory, and required public-sector contractual provisions governing the Client, including Client's contract documents and Exhibits D and E. In the event of any conflict between this Agreement and applicable law or Client's contract documents, the applicable law and Client's contract documents shall control.

7.3 Entire Agreement

This Agreement, together with any referenced proposal, scope of services, any executed Client Services Authorization Agreement, and all exhibits incorporated into the Parties' executed agreement, including the Client's Exhibits D and E, constitutes the entire agreement between the parties and supersedes all prior discussions, representations, or agreements relating to the subject matter herein.

7.4 No Waiver of Governmental Immunity

Nothing in this Agreement shall be construed as a waiver of any governmental immunity, defense, or limitation of liability available to the Client under applicable federal, state, or local law. All obligations of the Client are subject to applicable laws governing public entities.

7.5 No Waiver of Rights (TAG)

No provision of this Agreement shall be deemed or construed as a waiver of any rights, defenses, or protections available to TAG under applicable law, except to the extent expressly stated herein.

7.6 Jurisdiction-Specific Addenda

The parties acknowledge that certain engagements may require the inclusion of jurisdiction-specific provisions or addenda to comply with applicable laws or regulations. Any such provisions shall be incorporated by reference or attached as an addendum and shall apply only to the extent required by applicable law.

Section 8 | Intellectual Property & Use Restrictions

8.1 Intellectual Property Ownership and License

The compensation modeling systems, methodologies, analytical frameworks, designs, trademarks, works, formulas, proprietary compensation modeling methodologies, proprietary formulas, modeling structures, spreadsheet architecture, analytical relationships, compensation progression calculations, analytical frameworks, structural designs, and system architecture templates, structures, and proprietary tools, including the TAG Proprietary System Elements, used in the creation of the C3 Compensation Blueprint remain the exclusive intellectual property of TAG ("TAG IP").

C3 Compensation Blueprint Defined:

For purposes of this Agreement, the "C3 Compensation Blueprint" includes any CompBook, compensation modeling structures, analytical frameworks, formulas, classification methodologies, system architecture, the TAG Proprietary System Elements, and related analytical tools used by TAG in developing compensation systems.

Client shall own the adopted compensation structures, pay plans, or other implementation outcomes resulting from the C3 Compensation Blueprint prepared specifically for Client under this engagement (“Deliverables”); however, nothing in this Agreement constitutes a transfer of ownership of TAG IP.

TAG grants Client a non-exclusive, non-transferable license to use the C3 Compensation Blueprint end user software internally for generating Deliverables without the right to sublicense.

8.2 No Third-Party Rights or Reliance

Nothing in this Agreement is intended to create, nor shall it be construed to create, any rights in or obligations to any third party. The Deliverables are intended solely for the internal use and benefit of Client and shall not be relied upon by any third party for any purpose. Client shall indemnify, defend, and hold harmless TAG from any from and against any damages, losses, liabilities or costs arising out of unauthorized distribution or third-party reliance on Deliverables.

8.3 Use of Materials by Other Consultants

Client may provide Deliverables to legal counsel, auditors, governing bodies, or other professional advisors as reasonably necessary for governance or administrative purposes.

Nothing in this provision prevents Client from engaging other advisors to review compensation structures or provide independent professional opinions, provided such advisors do not use TAG IP to recreate the underlying system.

8.4 No Replication or Derivative Systems

Client acknowledges that the C3 Compensation Blueprint incorporates TAG IP developed by TAG through significant professional expertise and investment.

Client shall not directly or indirectly:

- extract, replicate, recreate, reverse engineer, or distribute TAG IP;
- use Deliverables or TAG IP for developing derivative or competitive systems; or
- provide TAG IP or Deliverables to third parties for the purpose of extracting, replicating, recreating, reverse engineering, or distributing TAG IP.

Nothing in this provision restricts Client from:

- administering its compensation program using the Deliverables;
- utilizing Deliverables for internal administration and governance purposes;
- engaging independent advisors to review compensation practices; or
- developing independent compensation strategies that do not rely upon TAG IP.

8.5 Proprietary Analytical Tool Designation

The parties acknowledge that certain materials provided by TAG during the course of this Agreement may be delivered in spreadsheet or similar electronic formats for ease of use and review.

Notwithstanding the file format in which such materials are delivered, any TAG IP, Confidential Information, or Trade Secrets included or embedded within the materials remain the sole property of TAG and are subject to the provisions of this Agreement.

Client acknowledges the spreadsheet or electronic format of these materials is incidental to their function and does not alter or diminish TAG’s ownership or nature of the underlying TAG IP, Confidential Information, or Trade Secrets embedded within such materials.

Client acknowledges that the C3 Compensation Blueprint end user software is provided as a licensed analytical tool for internal compensation administration purposes and not as a transfer of ownership of the underlying TAG IP, Confidential Information, or Trade Secrets.

Section 9 | Public Records & Disclosure

9.1 The parties acknowledge that Deliverables, including job titles, pay ranges, pay grades, and adopted salary schedules, may constitute public information subject to disclosure under applicable public records laws.

Consistent with section 3, and for the avoidance of doubt, aspects of the C3 Compensation Blueprint include Trade Secrets and Confidential Information that are distinct from the Deliverables.

Accordingly, any Trade Secrets and Confidential Information therein are not necessary for public understanding of adopted compensation structures, and to the extent permitted by applicable law, Client shall make best efforts to separate, redact, and/or withhold the Trade Secrets and Confidential Information from disclosure under applicable public records exemptions.

Client further acknowledge that TAG is a private entity and is not subject to public records laws, open records statutes, or freedom of information laws. Any such obligations apply solely to the Client, and not to TAG, except to the extent required by applicable law. Nothing in this Agreement shall be construed as requiring TAG to produce Trade Secrets or Confidential Information except as required by applicable legal processes. Client acknowledges that such separation supports transparency of public compensation outcomes while preserving the integrity of TAG's Confidential Information and Trade Secrets.

Section 10 | Termination & Non-Appropriation

10.1 Non-Appropriation / Early Termination

In the event this Agreement is terminated for convenience or due to non-appropriation of funds, TAG shall be compensated for all services performed and milestones completed through the effective termination date. Compensation for services performed is subject to applicable non-appropriation, fiscal-year, and public-entity funding requirements under applicable law.

Section 11 | Non-Solicitation

11.1 No-Hire Provision / Employees' Restrictive Covenants

During the Project and for one (1) year following completion or termination, Client shall not directly or indirectly solicit any TAG employees or consultants who worked on the Project to leave TAG's employment. This provision does not restrict general solicitations not targeted at TAG personnel.

After such personnel cease employment with TAG, Client may employ or retain them in any capacity, provided Client did not solicit them to leave TAG's employment. TAG shall waive enforcement of restrictive covenants to the extent necessary to permit such engagement.

If Client hires a TAG employee in violation of this provision, Client shall pay a placement fee equal to 25% of the employee's annual compensation, or TAG's standard placement fee then in effect.

Section 12 | Force Majeure

12.1 Events Beyond Reasonable Control

Neither party shall be liable for failure or delay in performing its obligations under this Agreement if such failure or delay is caused by events beyond the party's reasonable control, including acts of God, natural disasters, governmental actions, labor disputes, system failures, or other similar events. The affected party shall provide reasonable notice and resume performance as soon as practicable. If such delay continues for an extended period, the parties will work in good faith to adjust timelines, scope, or project scheduling as reasonably necessary.

Section 13 | C3 Compensation Blueprint System Delivery Conditions

13.1 Draft / Working Materials

Preliminary analyses, working files, and C3 Compensation Blueprint materials may be shared with Client staff for review, validation, and discussion purposes only. These materials are not implementation-ready and shall not be relied upon for compensation, classification, or employment decisions.

Draft materials may contain embedded formulas, modeling structures, and analytical frameworks that are proprietary to TAG and are provided solely for review purposes.

13.2 Implementation Authorization

Final implementation-ready C3 Compensation Blueprint materials are released only after:

a. formal approval by the Client governing body to proceed with implementation of the project recommendations; and
b. confirmation that all invoiced amounts related to the engagement are paid and current in accordance with the agreed billing schedule.

13.3 Purpose & Safeguard Statement

This sequencing is intended to ensure accuracy, authorization, version control, and alignment with Client governance and approval processes prior to implementation and is not intended to restrict access to information necessary for review or decision-making.

Section 14 | Execution

14.1 Authorization

By signing below, the parties acknowledge and agree to the terms of this Master C3 Compensation Blueprint Services Agreement, which shall govern all services performed by TAG pursuant to any executed Client Services Authorization Agreement.

14.2 Effective Date

This Agreement shall be effective as of the date of the last signature below.

Accepted and Agreed:

Arnold & Associates of Wichita, Inc.
d/b/a The Arnold Group
C3 Compensation Blueprint Division

Address: 530 S. Topeka, Wichita, KS 67202

By: ______________________

Name: ______________________

Title: ______________________

Date: ______________________

Client Organization: ______________________

Address: ______________________

By: ______________________

Name: ______________________

Title: ______________________

Date: ______________________

Title must reflect authorized approval consistent with governing body or administrative authority. The undersigned certifies that this Authorization has been approved in accordance with the Client's applicable governance and authorization requirements