**Contract Services Agreement**

This Consulting Services Agreement ("Agreement") is made and entered into as of the 25th day of January, 2016 by and between **Clearwater Compliance LLC** ("Clearwater"), and Leonardo Garcia ("Contractor"). Clearwater desires to retain Contractor as an independent contractor to perform consulting services on behalf of Clearwater and Contractor is willing to perform such services, on terms set forth more fully below. In consideration of the mutual promises contained herein, the parties agree as follows:

1. **SERVICES AND COMPENSATION**
   * + - 1. Contractor agrees to perform for Clearwater the Services outlined on Exhibit A (the “Services”) and deliver the Work Products as outlined on Exhibit A (“Work Products”). All incidental work reasonably necessary to complete the Services shall be completed by Contractor.
         2. Clearwater agrees to compensate Contractor as outlined on Exhibit B. Approved travel and out-of pocket expenses will be compensated in accordance with the payment terms set out in Exhibit B.
         3. The Services performed by Contractor may from time to time include duties that pertain directly or indirectly to Customers of Clearwater. For the purposes of this Agreement, “Customer” shall include (i) customers that Clearwater is actively billing or has billed within the twenty-four months prior to the termination of this Agreement and (ii) customers and prospective customers that Clearwater has actively called on during the twenty-four months prior to the termination of this Agreement where Contractor is or has been assisting in a sales process to procure new business, are or have been offered an assignment or been assigned.
2. **TERM AND TERMINATION**. This Agreement will commence on the date first indicated above and shall remain in effect until terminated as set forth herein. Either party may terminate this Agreement for any reason by providing fourteen (14) days’ notice of such intent in writing to the other party. Termination of this Agreement shall not affect the rights and obligations of the parties that have accrued prior to the date of termination. Upon the termination of this Agreement, Contractor shall discontinue work in connection with the Services. Contractor shall promptly prepare a statement of cost and expense incurred in connection with the Services through the date of termination. The amount of such statement shall become due and payable by Clearwater upon review and approval by Clearwater. Upon the termination of this Agreement and/or within ten (10) calendar days of receipt of Clearwater’s written request, Contractor shall deliver all Confidential Information, Intellectual Property, Work Products, records and materials, including, without limitation: demonstration systems and software, programs, proposals, documents, notes, notebooks, data, memoranda, and equipment of any nature that are in the Contractor’s possession or under Contractor’s control and that are Clearwater’s property or relate to Clearwater’s business furnished to Contractor by Clearwater or relate to the Services as provided by Contractor to Clearwater. All such documents shall be returned to Clearwater promptly at its request with all copies made thereof. Sections 3, 4, 11 and 15 will survive the termination of this Agreement.
3. **CONFIDENTIALITY**
   1. **CONFIDENTIAL INFORMATION**. In order for Contractor to render the Services hereunder it may be necessary for Clearwater or its Customers to disclose to Contractor information concerning its or their business, operations, strategies, and intellectual property, including information concerning or obtained from patients, customers, vendors and other third parties (“Confidential Information”). Clearwater represents and warrants to Contractor that all such information disclosed to Contractor in pursuance of the Services has been and will be disclosed in a manner which does not violate the rights of third parties, and Contractor represents and warrants to Clearwater that Contractor shall disclose and use such information only in the performance of its obligations hereunder and shall treat such information as Confidential Information. The foregoing obligations do not apply to:
      1. Information known to Contractor prior to his/her engagement by Clearwater and not obtained or derived from information provided by Clearwater or any Customer or though the Services provided under this Agreement;
      2. Information available to the general public other than through acts or omissions attributable to Contractor; or
      3. Information obtained from a third party who is lawfully in possession of the same and who is not subject to a confidentiality or nonuse obligation owed to Clearwater, its Customer(s), or others with respect to that information.

Confidential Information also includes Personal Information and Protected Health Information as defined below. Personal Information and Protected Health Information are not subject to the exclusion set forth in paragraphs 3(a)(i) though (iii).

* 1. Personal Information. Personal Information shall mean a person’s first name or first initial and last name in combination with any other personal information identifiable to that person, including but not limited to:
     1. Social Security numbers
     2. Driver’s license numbers
     3. Checking, savings and other financial account numbers
     4. Credit and debit card numbers
     5. Personal Identification Numbers (PIN)
     6. Electronic identification numbers
     7. Digital signatures
     8. All other numbers or information that could be used to access a person’s financial, health, or personal information or resources
     9. All personal information of any kind in any form that is protected by federal, state, local or foreign laws or regulations, including without limitation, the data privacy laws and directives of the European Union and its member states.
  2. Protected Health Information. Protected Health Information (“PHI”) shall have the meaning set forth in 45 C.F.R. Section 164.501, as amended from time to time and generally means individually identifiable health information, including, without limitation, all information, data and materials, including without limitation, demographic, medical and financial information that relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present, or future payment for the provision of health care to an individual; and that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual. This definition shall include any demographic information concerning any person’s health information.
  3. Authorized Use. Contractor shall not divulge, disclose, communicate, publish, or disseminate in any manner any Confidential Information, whether or not Contractor develops it, to any third party without the prior written consent of Clearwater and shall use its best efforts to prevent inadvertent disclosure of Confidential Information to any third party. Contractor agrees to hold in strictest confidence all Confidential Information. Furthermore, Contractor agrees that Contractor will not at any time or in any manner, either directly or indirectly, use any Confidential Information for his/her own or any third party's benefit without prior written approval of an authorized representative of Clearwater in each case. Contractor may only use Confidential Information to the extent reasonably necessary for the performance of the Services under this Agreement. This permission expires upon termination of this Agreement or upon notice from Clearwater. Except as required by the performance of the Services hereunder, Contractor shall not, either during or after the term of this Agreement, disclose any Confidential Information to any person, firm, corporation, association, or other entity for any reason or purpose unless expressly permitted by Clearwater, in writing, or unless required by law. If disclosure is required by law or by the order of a court or similar judicial, administrative, or legislative body, Contractor must promptly notify Clearwater and any relevant Customer in writing and cooperate with them in any lawful action to contest or limit the scope of the required disclosure. Contractor shall not use Confidential Information in any manner other than to further Clearwater’s or Customer’s business. Upon termination of any relevant Services or this Agreement, Contractor shall immediately return all Confidential Information or other property of Clearwater or its Customer(s). A violation of this Section 3 shall be a material violation of this Agreement. If it appears that Contractor has disclosed (or has threatened to disclose) Confidential Information in violation of this Agreement, Clearwater shall be entitled to an injunction to restrain Contractor from disclosing, in whole or in part, such Confidential Information, or from providing any services to any party to whom such Confidential Information has been disclosed or may be disclosed. Clearwater shall not be prohibited by this provision from pursuing other remedies, including a claim for losses and damages.

1. **OWNERSHIP/WORK FOR HIRE**. The Services are a “work made for hire,” and Contractor’s work has been specially ordered by Clearwater and will be developed pursuant to Clearwater’s specifications. Contractor’s work is derivative of Clearwater’s previous work and merely a contribution to Clearwater’s collective work. Clearwater is the sole author of the Services, its contents, and any work embodying or derived from any portion of the Services. Clearwater is also the owner of all the intellectual property related to the Services, including but not limited to all proprietary software, proprietary methodologies and algorithms, technology, inventions, discoveries, improvements, copyrightable works, ideas, applications for patents, patents and trademarks (collectively, the “Intellectual Property”) related to the Services. Contractor may come to this assignment with Clearwater with his/her own skills, knowledge and materials, information, works, techniques, trade secrets, tools, software, technologies, or other products or materials that existed prior to and independent of the performance of the Services or provision of materials under this Agreement (“Pre-existing Materials”). Nothing herein shall be construed to prevent Contractor from using such pre-existing skills, knowledge and Pre-Existing Materials in the future on other assignments. Contractor shall not include any Pre-existing Materials, or third-party materials, including open-source materials, in any work, information, materials, or deliverable provided to Clearwater or Customers under this Agreement unless he/she has received Clearwater’s prior written approval. If Pre-Existing Materials are included in any work, information, materials, or deliverables provided to Clearwater or any Customer under this Agreement, Contractor grants Clearwater and any Customer for which such Pre-Existing Materials are included, a perpetual, irrevocable, nonexclusive, worldwide, unlimited, royalty‑free license to use, execute, reproduce, display, perform, distribute, sell, re-sell, license and sub-license and prepare for use “derivative works” as defined in the Copyright Act, 17 U.S.C. §101, based upon those Pre-Existing Materials. To the extent that the Services are not properly characterized as “work made for hire,” or to the extent that Contractor has rendered any services on behalf of Clearwater prior to the date of this Agreement, then Contractor will irrevocably grant, assign, and otherwise transfer, and hereby does irrevocably grant, assign, and transfer, exclusively and in perpetuity to Clearwater, its successors and its assigns, all rights to the Services and to the Intellectual Property and any other rights of Contractor in the Services whatsoever, now existing or hereafter discovered, in all media and forms of expression. Whenever Contractor is requested to do so by Clearwater, the Contractor shall sign all documents necessary to perfect the rights of Clearwater in the Intellectual Property or the Services, including the filing and/or prosecution of any applications for trademarks, copyrights or patents. Contractor will promptly disclose to Clearwater any and all Intellectual Property conceived or made by Contractor during the period of employment and related to the business or activities of Clearwater.
2. **INDEPENDENT CONTRACTOR.** Nothing in this Agreement shall in any way be construed to constitute Contractor as an employee of Clearwater, but Contractor shall perform the Services hereunder as an independent contractor, with the Contractor having full and complete liberty to use its own free and uncontrolled will, judgment, and discretion as to the method and manner of performing the obligations of Contractor hereunder. Nothing in this Agreement shall in any way be construed to require Clearwater to commit any number of hours or work assignments to Contractor in the performance of the Services. Contractor understands and agrees that Clearwater may use its sole discretion in making requests of Contractor to accept assignments from time to time based on the availability of work assignments, Clearwater’s needs and desires, Contractor skills and experience, and general fit with the assignment. Contractor acknowledges and agrees that Contractor is obligated to report as income all compensation received by Contractor pursuant to this Agreement, and Contractor agrees to and acknowledges the obligation to pay all self-employment and other taxes applicable thereon worldwide. Contractor further agrees to indemnify Clearwater and hold it harmless to the extent of any obligation imposed on Clearwater to pay in taxes or similar items to any taxing authority. If applicable, Contractor will carry its own general and professional liability coverage and will provide proof of such coverage upon request of Clearwater.
3. **CONDITIONS OF PERFORMANCE.** 
   1. Prior to committing Contractor’s services to any work assignment, Clearwater will share with Contractor requirements of the assignment, the likely timing of the beginning of the work assignment and the likely deadline for delivery of Work Products related to the assignment.
   2. Contractor will make reasonable efforts to ensure he/she is qualified, by virtue of education, credentials, training and prior experience, to successfully achieve the objective of the assignment and deliver the Work Product within the specified timeframe and will provide to Clearwater a brief of Contractor’s relevant qualifications, if requested.
   3. Clearwater understands that Contractor is free to accept or decline any assignment offered to it after learning about the assignment prior to accepting any assignment. However, once Contractor has accepted an assignment, Contractor will make its best efforts to ensure continuity of service until its completion.
   4. Clearwater may agree to add to, modify, or deduct from the scope, or other requirements of any assignment. Contractor shall not proceed on any work that is beyond the original scope of work set forth in is any assignment without prior written approval from Clearwater’s Vice President of Product Innovation or COO.
   5. Contractor shall not discuss, negotiate, or attempt to negotiate rates, fees, charges, work scope, or any other terms or conditions of performance with any Clearwater colleague or other Contractor. A violation of this condition may result in immediate termination of this Agreement or the immediate removal or replacement of Contractor.
   6. Clearwater will review and notify Contractor of its acceptance of all work performed by Contractor. Payment by Clearwater of any sums invoiced by Contractor shall not constitute acceptance of the work or services.
   7. Clearwater has the sole discretion to assess the performance capability and acceptability of the Work Product delivered by Contractor for any assignment and to terminate the Contractor’s services if Clearwater becomes dissatisfied with the performance of the Contractor.
4. **WORK ENVIRONMENT POLICY**. It is the policy of Contractor and Clearwater to provide a work environment free of harassment, either physical or verbal, including, but not limited to, sexual, racial, ethnic, age-related, and other areas prohibited by law.
5. **FORCE MAJEURE.** Noncompliance with any obligation under this Agreement for reasons of force majeure (such as: acts, regulations or laws of any government; war or civil commotion or destruction of production facilities or materials; fire, earthquake or storm; labor disturbances; failure of public utilities or common carriers; and any other causes beyond the reasonable control of the party affected) shall not constitute a breach of this Agreement.
6. **ASSIGNMENT**. This Agreement and the rights and obligations hereunder shall be binding upon and inure to the benefit of the parties hereto, their respective successors and assigns, but except as provided below, this Agreement shall not be assignable by either party without the prior written consent of the other party.
7. **NOTICES.** Any notice given in connection with this Agreement shall be sufficient if in writing and delivered by email or sent by postage prepaid mail or by facsimile to the address of the recipient as set forth below in this paragraph or as changed by the recipient by notice given hereunder. Notices or communications shall be effective when received by or otherwise known to the recipient or its legal representative. This provision is not intended to be exclusive, and any notice actually received shall be sufficient.

|  |  |
| --- | --- |
| **Clearwater:**  Clearwater Compliance LLC | **Contractor:**  Leonardo Garcia |
| 1212 Laurel St., Suite 1406 | Armada Argentina 686 |
| Nashville, TN 37203 | Ituzaingo – Buenos Aires  Argentina |
| (615) 656-4299 | (703)303-2544 |
| (866) 734-1181 (fax) |  |

1. **NON-COMPETE AND NON-SOLICITATION.** During the term of this Agreement and for twelve months after its termination, Contractor shall not:

Call on, solicit, or assist others in soliciting any Customer for the purposes of providing any product or service competitive with the products or services of Clearwater;

Advise any Customer to cease or curtail doing business with Clearwater;

Solicit or advise any employee, independent contractor or subcontractor of Clearwater to terminate a relationship with Clearwater for any reason;

Employ or recruit for itself or others any individual or entity employed or engaged by Clearwater or any Customer;

Accept an offer of employment or engage to provide services on a contractor basis to any a) Customer of Clearwater, b) third party known to Contractor only through its relationship with Clearwater after the date of this Agreement, or c) any company or organization that provides the same or substantially similar services and software that Clearwater provides, without first disclosing the name of the party and the nature of the employment or contract, and obtaining Clearwater’s written authorization of such offer or engagement.

The parties have attempted to limit Contractor’s right to compete only to the extent necessary to protect Clearwater from unfair competition. The parties recognize, however, that reasonable people may differ in making such a determination. Consequently, the parties hereby agree that, if the scope or enforceability of this restrictive covenant is in any way disputed at any time, a court or other trier of fact may modify and enforce the covenant to the extent that it believes to be reasonable under the circumstances existing at that time. The parties hereby acknowledge that violations of this Section 11 could cause irreparable harm and significant injury to the other party that may be difficult to ascertain. Accordingly, the parties agree that the aggrieved party will have the right to seek and obtain immediate injunctive relief, without posting a bond, to enforce obligations under this Section 11 in addition to any other rights and remedies it may have.

1. **CODE OF CONDUCT.** In the performance of the duties hereunder, Contractor shall adhere to the provisions of Clearwater’s Code of Conduct to be provided to Contractor. If during the provision of Services Hereunder Contractor’s duties require Contractor to work within the premises of a Customer, Contractor will observe and comply with Customer's procedures, rules, regulations, policies, working hours, and holiday schedules, including without limitation, all procedures, rules, and policies governing safety, security, and protection of Customer's confidential information. Contractor will minimize any disruption to Customer's normal business operations.
2. **CRIMINAL AND OTHER BACKGROUND SCREENINGS**. Clearwater may perform the following background investigations on Contractor from time to time. Contractor’s failure to provide authorization for such background investigations or inform Clearwater of his/her arrest or investigation for crimes, sanctions or activities during the term of this Agreement shall be grounds for immediate termination of this Agreement.
3. A criminal background investigation may be performed in (a) the location of permanent residence during the prior seven (7) years, (b) Tennessee, and (c) each state in which Contractor may be assigned to work for Clearwater or its Customers. Contractor shall have no convictions in the seven (7) years prior to this Agreement for crimes related to drugs, sex offenses, theft, or violence.
4. A Federal Government Excluded Parties List System (EPLS) investigation to ensure Contractor has not been excluded by the U. S. Federal government from receiving federal contracts, federally approved subcontracts, and certain types of Federal financial and non financial assistance and benefits.
5. Verification against the FACIS® database of sanctions to ensure Contractor has not experienced exclusion, termination of license, suspension, revocation, probation, and disbarments, etc. by the Office of Inspector General (OIG), the General Services Administration (GSA) and other federal agencies.
6. Verification with the U.S. Department of Homeland Security to ensure the Contractor is not and has not been a subject of any investigation, is not under suspicion for any possible terrorist activity, and is eligible to perform work for companies in the United States.
7. **GOVERNING LAW**. The laws of the State of Tennessee shall govern this Agreement.
8. **CHANGE OF LAW.** If any governmental entity shall enact or amend a law or adopt or amend a regulation, or if any governmental entity or court of competent jurisdiction shall adopt or amend an interpretation of a law or regulation that has the effect of (a) prohibiting any right or obligation of a party under this Agreement, or (b) making any such right materially less valuable or any such obligation materially more burdensome to a party, then such party may upon notice to the other party terminate immediately such right or obligation in the geographical area to which such law, regulation or interpretation applies.
9. **INDEMNIFICATION**. Clearwater agrees to hold Contractor harmless from any and all claims asserted by third parties arising from or relating to the operations of Clearwater, and Clearwater agrees to indemnify Contractor against any and all claims by or liability to third parties arising from or relating to the operations of Clearwater, including any attorney's fees and cost that may be incurred by Contractor in defending such claims. Contractor agrees to hold Clearwater harmless from any and all claims asserted by third parties arising from or relating to Contractor's negligence or willful misconduct, and Contractor agrees to indemnify Clearwater against any and all claims by or liability to third parties arising from or related to Contractor's negligence or willful misconduct, including any attorney's fees and cost that may be incurred by Clearwater in defending such claims.
10. **SEVERABILITY IN EVENT OF PARTIAL INVALIDITY.** If an Arbitrator, Court, Tribunal or other Forum of competent jurisdiction shall declare any provision of this Agreement to be invalid, illegal or unenforceable, that provision shall be severed from this Agreement and all the remaining provisions of this Agreement shall continue in full force and effect. The invalidity, illegality or unenforceability of any term of the Agreement shall not affect the validity, legality or enforceability of the remaining terms of the Agreement, however, if permitted by applicable law, any invalid, illegal or unenforceable provision may be considered in determining the intent of the parties with respect to other provisions of this Agreement.
11. **ENTIRE AGREEMENT.** This Agreement is the entire agreement of the parties and supersedes any prior agreements between them with respect to the subject matter hereof.
12. **INDEPENDENT COUNSEL.** Each party has the right and has had ample opportunity to seek the advice and counsel of their own attorney in connection with the negotiation and preparation of this Agreement. If either party should decide not to consult an attorney, the decision not to seek the advice and counsel of an attorney is a decision voluntarily made by either party and shall not affect the binding nature of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

**CLEARWATER: CONTRACTOR:**

**Clearwater Compliance LLC** **Leonardo Garcia**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Robert L. Chaput** Print Name

**CEO**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date

**EXHIBIT A**

**SERVICES**

***Title: Software Developer – Front-End***

***SUMMARY OF DUTIES:***

* Under the general direction of the Director of Systems Architecture and Development, in support of the overall company growth, support the development of Clearwater IRM Software solutions by completing the following (“Work Products”):
  + Develop interactive, stable, high quality web applications through the use of HTML/HTML5, CSS3, JavaScript and PHP for all web mediums
  + Work closely in functional scrum units to execute the vision of the business leaders in terms of functionality and user experience
  + Translate user requests into creative and effective technical designs
  + Explore and recommend new technology platforms and capabilities
  + Provide solutions, develop and maintains websites, and other related internal and external activities
  + Help develop IT requirements for web applications including overall tech strategy for the Company
  + Respond rapidly to continuous changes and real-time updates required to web sites
  + Conduct internal trainings & knowledge sharing regularly
  + Mentor junior developers to increase their code quality and productivity

***SKILLS, KNOWLEDGE & EXPERIENCE REQUIRED:***

* Ability to communicate with and articulate technical and business concepts to and with business stakeholders and development team
* Ability to prioritize activities, communicate progress, and deliver on time
* Understanding of common software development practices
* Ability to execute interaction design and visual design as a part of a multi-disciplinary team
* Natural curiosity and initiative to continuously research technology trends and their applicability to offer improvements to Clearwater’s software or processes
* Experience developing applications on complex multi-tier systems using multiple technologies (e.g., consuming REST APIs)
* Good grasp of security principles (e.g. OWASP)
* Experience with continuous integration/deployment (Bamboo, Jenkins)
* Experience working on an agile team using SCRUM preferred
* Experience with PHP, Javascript, JQuery, AngularJS, Bootstrap, HTML5, CSS3
* Fundamental Linux command line knowledge and basic LAMP understanding
* Ability to integrate and understand 3rd party API's in various formats (XML, JSON, etc)

***Work Environment***

* Independent Contractor (1099)
* Works from home and provides own computer, printer/scanner, computer audio capability, cell phone and service, Internet service and Microsoft Office software. Company provides subscriptions to Pivotal Tracker and other tools selected by the company.

**EXHIBIT B**

**COMPENSATION AND INVOICING**

1. **Services Fees.** Clearwater agrees to engage Contractor's services and will compensate Contractor at the following hourly rates:
   1. $25 USD per hour
2. **Other Reimbursements.** Clearwater agrees to pay Contractor for:
   1. Reasonable and customary travel expenses, subject to Clearwater’s travel expense policy, and where such travel is approved in advance by Clearwater
   2. Other expenses pre-approved by VP of Product Innovation or COO

Contractor will submit all such expenses using Expense Report forms provided by Clearwater along with all supporting copies of receipts.

1. **Invoicing and Terms.** Contractor shall invoice Clearwater bi-weekly based on actual hours worked and will attach details of dates, hours worked to the nearest .25 hour, and project/task description, the total amount due, invoice number, name and address. Payment terms are net ten (10) days from invoice date unless the amount is disputed. Both parties agree to use best efforts to resolve any disputed amounts.