

Standard Client Terms

Waters Books & Ops, LLC · Effective October 2026

These Standard Client Terms apply to services provided by Waters Books & Ops, LLC (“Provider”) to the business receiving the services (“Client”).

“Engagement” means the engagement letter, order or other service description identifying the services and fees. By affirmatively accepting an Engagement or purchasing services that reference these Standard Client Terms, Client agrees to these terms.

“Service Period” means the period or scheduled service covered by Client’s payment, as described in the Engagement.

The Engagement and these Standard Client Terms together constitute the “Agreement.”

Plain-language notes in italics are included to make this Agreement easier to read. They do not change the Agreement; the section text controls.

What These Terms Cover

1. Confidentiality, AI Use and Data Security
2. Financial Information, Reports and Management Responsibility
3. Working Together, Fees and Renewal
4. Ownership
5. Resolving Disagreements

Shared Principles

Provider and Client enter this Agreement with a shared interest in the long-term health of Client’s business. Both parties intend to work in good faith, communicate openly, treat each other with respect, and support thoughtful, responsible and sustainable business practices. This statement expresses the spirit of the Agreement and does not by itself create legal obligations.

Section 1: Confidentiality, AI Use and Data Security

Protecting Client data is a priority. Provider follows strict confidentiality practices backed by business-grade security.

1.1 Confidential Information

“Confidential Information” means non-public business, financial, operational or other information disclosed by either party that is identified as confidential or reasonably should be understood to be confidential.

Client’s Confidential Information includes financial data, bank statements, tax records, general ledgers, customer and vendor information, payroll records, operational metrics and business plans.

Confidential Information does not include information that is publicly available through no fault of the receiving party, was already known without a confidentiality obligation, is lawfully received from another source without restriction, or is independently developed without use of the other party’s Confidential Information.

1.2 Strict Confidentiality

Provider will treat Client’s financial data and information Provider learns about Client’s business that is not already public as strictly confidential.

Provider will not sell Client data or otherwise disclose it to third parties. As part of normal business operations, Client data will be processed through the technology services necessary to perform the work. Sections 1.3 through 1.5 describe the technology services Provider uses and how Client data is protected.

Provider will use Client’s Confidential Information only for purposes related to this Agreement.

1.3 Secure Environment

Provider uses Microsoft 365 Business Premium for email and file storage. Client data is maintained in restricted, client-specific OneDrive folders and protected through security measures including multi-factor authentication and encryption.

Provider also maintains audit logging for file activity.

1.4 Microsoft Copilot

Provider may use Microsoft Copilot in its Microsoft 365 Business Premium environment to assist with routine work, data organization, analysis and report preparation. Microsoft Copilot operates under Microsoft’s enterprise data protections and Data Protection Addendum. Microsoft states that Client data processed through Copilot is not used to train its foundation AI models.

1.5 Anthropic Claude Team

Provider uses Anthropic Claude Team, a commercial plan with business-grade security protections, for report preparation and to assist with analysis. Anthropic’s Commercial Terms of Service prohibit Anthropic from training its models on customer content. Provider has turned off chat feedback for its account and will not submit Client data to Anthropic for model training or as feedback.

Before Client data is used in Anthropic Claude Team, Provider replaces Client, customer and vendor names with coded identifiers. The key linking these codes to names is kept only in Provider’s own systems and is never

uploaded to Anthropic Claude Team. Real names are restored by Provider after the work is completed.

1.6 AI Choice

Client may request in writing that its data not be processed using AI tools. Provider will then provide the services without AI tools, which may affect timelines or fees as agreed in writing.

1.7 No Protected Health Information

I'm glad to work with health-care organizations and have years of experience with them, but my services just aren't set up to take on the administrative work of assessing data under HIPAA rules.

Provider does not accept Protected Health Information ("PHI") subject to HIPAA and does not enter into Business Associate Agreements. Client agrees not to send PHI and is responsible for removing patient names and other identifiers, consistent with HIPAA's de-identification standards, before sending any information. Partially masked or coded health data is still considered PHI.

If Provider receives PHI and recognizes it as such, Provider will promptly delete it and may pause the affected services until Client provides the information without PHI. Client is responsible for any costs or liabilities resulting from sending PHI.

1.8 Data and Report Deletion

If Client does not renew or reserve another Service Period, Provider will securely delete Client financial data, source files and copies of Client reports in Provider's possession or control within thirty (30) days after the end of the last paid Service Period.

Provider deletes Anthropic Claude Team conversations relating to Client's reports promptly after the work is completed. Under Anthropic's published practices, deleted conversations are removed from Anthropic's systems within thirty (30) days, except where longer retention is required by law or for Anthropic's safety review.

Provider may retain records relating to the business relationship, such as the Agreement, invoices, payment records and correspondence, and any information required to be retained by law. Any retained Client Confidential Information remains subject to the confidentiality provisions of this Agreement.

For Clients receiving ongoing services, Provider will delete copies of previously delivered Client reports from Provider's systems at least once every three (3) months as part of its regular data-retention practices.

Client is responsible for retaining copies of reports it wishes to keep.

1.9 No Guarantee of Security

Provider uses business-grade administrative and technical safeguards to protect Client information. However, no electronic transmission, storage system or technology can be guaranteed to be completely secure.

1.10 Security Incidents

Provider will notify Client in writing within seventy-two (72) hours after Provider discovers unauthorized access to or disclosure of Client's Confidential Information in Provider's possession or control and will reasonably cooperate in investigating and limiting the effects of the incident.

1.11 Continuing Confidentiality

The confidentiality obligations in this Section continue for three (3) years after services end and, for trade secrets, for as long as the information remains legally protected as a trade secret.

Section 2: Financial Information, Reports and Management Responsibility

I prepare my work from the information you provide. You remain responsible for your business and financial decisions.

2.1 Reliance on Client Information

Provider prepares reports, budgets, forecasts, models and other work from information provided by Client or Client's designated systems.

Provider does not audit or independently verify that information and is not responsible for errors or omissions in deliverables resulting from inaccurate, incomplete or late information supplied by Client.

2.2 Forecasts and Estimates

Forecasts, projections, cash-flow models, metrics and other forward-looking information are estimates based on available information and assumptions. They are not guarantees of future results.

2.3 Client Management Responsibility

Client retains responsibility for managing its business and for decisions made using Provider's work.

Client is responsible for reviewing reports before using them to make financial or operational decisions or sharing them with lenders, investors or other third parties.

2.4 Scope

Provider provides only the services described in the Engagement.

Unless expressly agreed otherwise in writing, Provider does not provide legal advice, tax preparation or tax advice, audit services, or attest services.

2.5 AI-Assisted Work and Human Review

Provider may use AI tools to assist with data organization, analysis and report preparation. Provider reviews AI-assisted work before delivery and applies the same professional standards to deliverables whether or not AI tools were used.

2.6 Correction of Errors

If a deliverable contains a clerical error, miscalculation or omission, Client will notify Provider in writing. Provider will promptly correct and reissue the deliverable at no additional charge.

2.7 Limitation of Liability

To the extent permitted by law, Provider's total liability arising from services provided under this Agreement will not exceed the fees Client paid Provider for the services giving rise to the claim.

Section 3: Working Together, Fees and Renewal

Good results come from both of us showing up: I provide the agreed services, you provide what I need, and we communicate early when something changes.

3.1 Provider Responsibilities

Provider will perform the services described in the Engagement, communicate clearly, and notify Client of questions, concerns or anticipated delays as early as reasonably possible.

3.2 Client Responsibilities

Client will provide complete and reasonably accurate information by the agreed dates and respond to Provider's reasonable questions.

If either party discovers an error in information it provided, it will promptly notify the other party so the error can be corrected.

3.3 Delays

If Client's delay or incomplete information affects Provider's ability to meet a delivery date, Provider will establish a revised delivery date after receiving the information needed to complete the work.

3.4 Fees, Payment and Renewal

All fees are paid in advance as described in the Engagement. Services are scheduled and reserved through advance payment, and Client has no obligation to renew beyond the Service Periods already paid for.

Client may, subject to availability, pay for up to three (3) months of monthly Controller services in advance after Provider and Client agree on the applicable scope of work. Client may also pay in advance, which Provider recommends, to reserve a future Business Numbers Report.

Advance notice is always appreciated. Email me to check availability, and I'll make every effort to accommodate ongoing clients.

Provider generally expects to continue offering services to ongoing Clients and will make reasonable efforts to notify them if available capacity may become limited.

If Provider is unable to provide prepaid services, Provider will promptly refund the amount paid for services not provided. If Client does not renew or reserve another Service Period, services end after the last paid Service Period and no further fees will be due. Fees already paid are non-refundable except as stated in this Agreement.

3.5 FP&A Reports and Delivery Timeline

For a Business Numbers Report or other separately ordered report, Client will provide the information identified in the Engagement. Provider will review the information for completeness and notify Client of anything missing or unclear.

Once the necessary information has been received, Provider will review any delivery date requested by Client and invoice Client. The delivery date will be confirmed upon payment.

The earliest available delivery date is three (3) business days after Provider receives both payment and complete data, with the next business day counted as Day 1. Delivery may occur at any time through the end of the agreed delivery date, unless otherwise agreed in writing.

If Provider cannot accommodate Client's requested date, Provider will propose another date for Client's agreement.

If Client does not request a delivery date, the delivery date is ten (10) business days after Provider receives both payment and complete data.

Whenever possible, I appreciate having the full ten (10) business days, although I'll always try to get your report to you sooner.

3.6 Delays Caused by Provider

Provider is committed to sending reports on time, and earlier whenever possible. If Provider expects a report to be late, Provider will let Client know as early as possible.

To allow for unexpected circumstances, Provider has a grace period of five (5) business days after the delivery date. If a report is delivered after the grace period, Client may request a credit or refund, and Provider and Client will work in good faith to agree on a fair adjustment.

This does not apply to delays caused by information from Client or by events beyond Provider's reasonable control.

Section 4: Ownership

Your data and the work I create for your business are yours. My underlying automation and proprietary tools remain mine.

4.1 Client Data and Deliverables

Client owns its data and the reports, spreadsheets, schedules, templates and other deliverables prepared specifically for and delivered to Client. Client may use, copy, modify and share those deliverables for its own business purposes.

4.2 Provider Tools

Provider retains ownership of its pre-existing or reusable formulas, macros, automation, software and other underlying tools used to create deliverables ("Provider Tools"). Nothing in this Agreement transfers ownership of those underlying Provider Tools to Client.

Section 5: Resolving Disagreements

Waters Books & Ops client relationships are built on trust, transparency and a shared goal of fair, mutual success. The services are straightforward, but if a misunderstanding arises, we'd both much rather talk it out than litigate. As is standard in any agreement, the steps below explain how any disagreement would be handled.

5.1 Talk First

If a disagreement arises, the parties will first try in good faith to resolve it through direct conversation before taking any other action, except as provided in Section 5.4.

If either party has a serious concern that the other party is not meeting its responsibilities under this Agreement, it will notify the other party and give the other party a reasonable opportunity to address the concern. If the issue cannot reasonably be resolved, either party may end services.

5.2 Small Claims

If the disagreement isn't resolved, any remaining claim within the jurisdictional limit of small claims court will be brought only in the small claims court for the county where Provider is located. This Agreement is governed by the laws of the state where Provider is located.

5.3 Time Limit for Claims

Any claim arising from this Agreement must be brought within one (1) year after the claiming party knew or reasonably should have known of it, or it is waived, to the extent permitted by law.

5.4 Protecting Confidential Information

Either party may seek urgent court relief at any time to stop unauthorized use or disclosure of its Confidential Information or intellectual property.

Waters Books & Ops, LLC

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Questions about these terms are welcome before you agree.