

5-7. Personal and Company-Provided Portable Communication Devices

Clearwater Systems-provided portable communication devices (PCDs), including cell phones, laptop computers, tablets, and personal digital assistants, should be used primarily for business purposes. Associates have no reasonable expectation of privacy in regard to the use of such devices, and all use is subject to monitoring, to the maximum extent permitted by applicable law. This includes, as permitted, the right to monitor personal communications and to track the devices' location as necessary.

Some associates may be authorized to use their own PCD for business purposes. These associates should work with the IT department to configure their PCD for business use. Communications sent via a personal PCD also may subject to monitoring if sent through the Company's networks, and the PCD must be provided for inspection and review upon request.

All conversations, text messages, and e-mails must be professional. When sending a text message or using a PCD for business purposes, whether it is a Company-provided or personal device, associates must comply with applicable Company guidelines, including policies on sexual harassment, discrimination, conduct, confidentiality, equipment use, and operation of vehicles. Using a Company-issued PCD to send or receive personal text messages is prohibited at all times and personal use during working hours should be limited to emergency situations.

If associates who use a personal PCD for business resign or are discharged, they will be required to submit the device to the IT department for resetting on or before their last day of work. At that time, the IT department will reset and remove all information from the device, including but not limited to, Company information and personal data (such as contacts, e-mails, and photographs). The IT department will make efforts to provide associates with the personal data in another form (e.g., on a disk) to the extent practicable; however, the associate may lose some or all personal data saved on the device.

Associates may not use their personal PCD for business unless they agree to submit the device to the IT department on or before their last day of work for resetting and removal of Company information. This is the only way currently possible to ensure that all Company information is removed from the device at the time of termination. The removal of Company information is crucial to ensure compliance with the Company's confidentiality and proprietary information policies and objectives.

Please note that whether associates use their personal PCD or a Company-issued device, the Company's electronic communications policies, including but not limited to, proper use of communications and computer systems, remain in effect.

Portable Communication Device Use While Driving

Associates who drive on Company business must abide by all state or local laws prohibiting or limiting PCD (cell phone or personal digital assistant) use while driving. Further, even if usage is permitted, associates may choose to refrain from using any PCD while driving. "Use" includes, but is not limited to, talking or listening to another person or sending an electronic or text message via the PCD.

Regardless of the circumstances, including slow or stopped traffic, if any use is permitted while driving, associates should proceed to a safe location off the road and safely stop the vehicle before placing or accepting a call. If acceptance of a call is absolutely necessary while driving, and permitted by law, associates must use a hands-free option and advise the caller that they are unable to speak at that time and will return the call shortly.

Under no circumstances should associates feel that they need to place themselves at risk to fulfill business needs.

Since this policy does not require any associate to use a cell phone while driving, associates who are charged with traffic violations resulting from the use of their PCDs while driving will be solely responsible for all liabilities that result from such actions.

Texting and e-mailing while driving are prohibited in all circumstances.

5-8. Inspections

To the maximum extent permitted by applicable law, Clearwater Systems reserves the right to require associates while on Company property, or on client property, to agree to the inspection of their persons, personal possessions and property, personal vehicles parked on Company or client property, and work areas. This includes lockers, vehicles, desks, cabinets, work stations, packages, handbags, briefcases and other personal possessions or places of concealment, as well as personal mail sent to the Company or to its clients. Associates are expected to cooperate in the conduct of any search or inspection.

Associates should exercise good judgment when bringing personal items into the workplace. Clearwater Systems is not responsible for any personal items brought onto or stored within company property.

5-9. Smoking

Smoking, including the use of e-cigarettes and any tobacco-related product, is prohibited on Company premises and in all Company vehicles.

Smoking is generally permitted inside an associate's personal vehicle and certain designated outdoor areas on the company property. These areas may only be used while the associate is on an approved break or lunch. Smoking areas should be kept clean, and all personal items must be removed immediately after use. Those using designated smoking areas are responsible for proper disposal of cigarette butts, packaging, or any other items.

5-10. Personal Visits and Telephone Calls

Disruptions during work time can lead to errors and delays. Therefore, personal telephone calls must be kept to a minimum, and only be made or received after working time, or during lunch or break time.

For safety and security reasons, associates must escort their personal guests anywhere in Clearwater Systems facilities other than the reception areas.

5-11. Gifts

To avoid a conflict of interest between what's good for our customers and what might be personally advantageous for an associate; we have set the following policy on accepting gifts:

- Meals, samples, T-shirts, hats, and desk accessories may be accepted, up to a total estimated value of all gifts from a particular customer or vendor at one time of \$50.00 without prior approval of your supervisor.