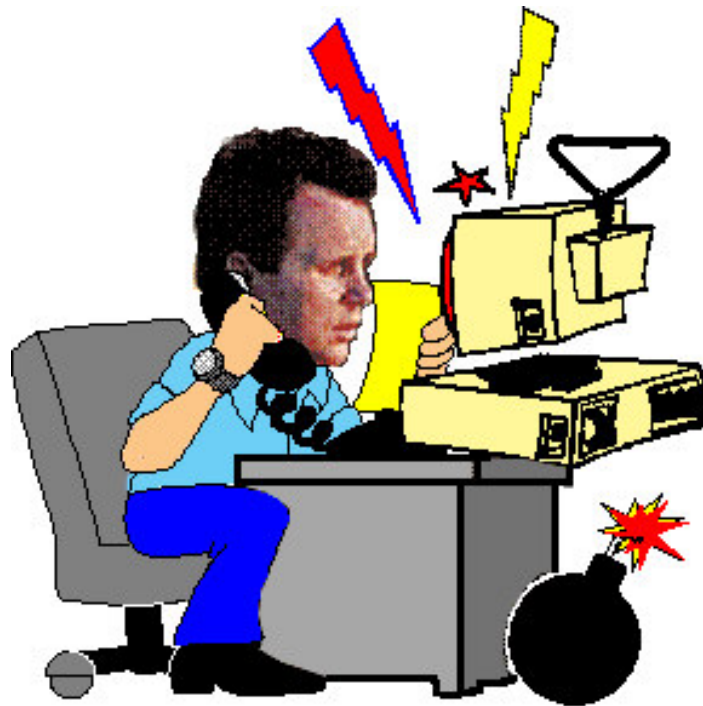


ELECTRONIC COMMUNICATIONS POLICIES FOR SMALL BUSINESSES

In this age of information sharing and enhanced technology, employers must constantly review and update **electronic communications policies**. Moreover, the increase in incidence of **electronic discovery in litigation** renders these policies pivotal to risk management.

Computer, software, and e-mail policies can be very comprehensive or quite simple. What's important is that employees understand the **reasons behind the policies**. While some employers wish to dictate that personal use of electronic systems is not permitted, a balanced approach is better overall, limiting personal use so that it does not interfere with performance of job duties. Employees need to understand that there is **no expectation of privacy** in their use of the company's electronic communication systems. Employers must make it clear that **monitoring** may be random or may result from reduced productivity, reasonable suspicion of violation of company policy, or inappropriate use of the systems. A **sample policy** is on the reverse side. **Please note that required language will vary depending upon the nature of your business.**

Discovery of electronic files and communications is common practice in litigation today. In addition to having an Electronic Communications Policy, businesses must construct and implement procedures, such as a "**litigation hold**," to ensure that potentially discoverable information is not deleted when litigation is pending or threatened. Courts have handed down hefty financial sanctions against business that "accidentally" lose or delete information relevant to an issue being litigated in court.



Maryellen Corna
(614) 233-4725
mcorna@lanealton.com

Donald M. Collins
(614) 233-4777
dcollins@lanealton.com

SAMPLE POLICY

ELECTRONIC COMMUNICATIONS

All computer terminals, modems, phone lines, electronic mail ("e-mail") and computer software are the Company's property. All data produced by, stored on and used by the Company's computer systems are also the Company's property.

It is the Company's policy to honor all copyright and license agreements relating to computer software. No software is to be installed and/or used on Company hardware if such action would violate the terms of any such agreement. Software installed on Company equipment is not to be copied and used on any other equipment unless specifically authorized by the Director of Information Technology.

Computer Usage *Computer users must be sensitive to Company personnel, Company clients and to the public and take care not display or transmit any sound, message or image that could be considered offensive or harassing to others.*

The Company's computers are part of an intra-company network. No communication, file, or document stored on the Company's computer network should be considered private.

Electronic Mail Usage *The electronic mail ("e-mail") system provided by the Company is intended for business use. Personal use of the e-mail system should be held to a minimum, and must not interfere with work performance. Company personnel are expected to exercise good judgment in their use of the e-mail system.*

The Company may access and monitor all e-mail at any time for any reason without notice to the individual user. No one should expect that e-mail is confidential or private vis-à-vis authorized Company personnel. E-mail users are required to provide to the salon manager or President, or his or her designee, any password used to access e-mail. Except for authorized Company personnel, no one is permitted to access another person's e-mail without prior express consent.

E-mail users should be aware that "deleting" or otherwise removing an e-mail message from an e-mail file does not mean that it has been erased from the Company's data processing system. The Company may retain backup copies of all documents, including e-mail correspondence.

Employees must observe customary business communications practices, as used in Company correspondence, when creating and distributing e-mail messages for internal or external use. Offensive, racial, sexual, or other improper communications are strictly prohibited. The use of the system to solicit for any purpose without the consent of the President is strictly prohibited. Client-related messages should be as carefully guarded and protected as any other written client materials. The Company's confidentiality policy applies to e-mail communications.