

DEPARTMENT: Legal – Intellectual Property	POLICY DESCRIPTION: PC Software License Management
PAGE: 1 of 3	REPLACES POLICY DATED: 1/1/99, 8/15/01, 12/1/14
EFFECTIVE DATE: February 1, 2019	REFERENCE NUMBER: LL.IP.002 (formerly IP.SEC.003 and IS.SEC.003)
APPROVED BY: Ethics and Compliance Policy Committee	

<p>SCOPE: All Company-affiliated facilities including, but not limited to, hospitals, ambulatory surgery centers, home health agencies, physician practices, service centers, and all Corporate Departments, Groups and Divisions.</p>
<p>PURPOSE: To ensure compliance to all software license agreements' terms and conditions and copyright laws.</p>
<p>POLICY: It is the responsibility of all Company employees, contractors, agents, business partners and other organizations (herein referred to as User) who utilize Company owned or controlled personal computers (PCs) or local area network (LAN) based systems to protect the Company's interests as they perform their duties. This includes responsibility for assuring that commercial software acquired by the Company is used only in accordance with the commercial software publisher's licensing agreements. Likewise, it is also their responsibility to assure that any proprietary software is properly licensed before being installed on the Company's equipment.</p> <p>Each facility or department must designate an individual, or individuals, to serve in the capacity of Facility IT&S Director (IT Director) or Software License Management Representative (SLMR) who will be responsible for enforcing this policy. These responsibilities will include:</p> <ul style="list-style-type: none"> A. Providing all Company employees and contract staff with an awareness/education program about software licensing. B. Ensuring that all PC, portable or LAN server software products are purchased through the facility's Material Management or Purchasing Department and from the Company's preferred supplier where available. C. Maintaining an inventory and written records of software installed on each PC, portable or LAN server and ensure that a license or other proof of ownership is on file. D. Performing audits, on a quarterly basis, of the software registry to ensure the facility or department is in compliance with software license agreements. E. Imposing sanctions as follows: <ul style="list-style-type: none"> 1. Violation of this policy could lead to disciplinary measures up to and including termination of employment or business relationship. Handle suspected violations of this policy are to be handled in accordance with the Information Security Policy, IP.SEC.001, and the Discipline section of the Company's Code of Conduct. The Company encourages resolution at the local level and each Customer (an organization, business entity or organizational unit that has an established business relationship with the Information Technology & Services Department (IT&S) as described in this policy's scope) will designate a process for reporting violations. In addition, violations may be reported to the Ethics Line at 1-800-455-1996.

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2. Unauthorized duplication of software may subject users and/or the Company to both civil and criminal penalties under the United States Copyright Act.

PROCEDURE:

Each facility or department IT Director or SLMR must ensure the following procedures are implemented in support of this policy:

1. User Awareness: Software License Awareness is a part of the Security Awareness program, which will be made available to all Company employees and representatives.
2. Acquisition of Software: All software acquired by the facility or department must be purchased through the Materials Management or Purchasing Department. Software may not be purchased through User corporate credit cards, petty cash, travel or entertainment budgets. Software acquisition channels are restricted to ensure that the Company has a complete record of all software that has been purchased and can register, support, and upgrade such software accordingly.
3. Written Records: The IT Director or SLMR will establish and maintain a register containing the inventory of all software installed on PCs, portables, and LAN Servers and all Company software purchases. They will also keep a file of all physical software licenses. The register must contain: a) the title and publisher of the software; b) the date and source of software acquisition; c) the existence and location of backup copies; d) the software product's serial number; and e) the inventory data of each device using licensed software. Each facility and/or department is encouraged to use automated audit software products, such as TS.Census, to accomplish this task.

In the event that the software is shrink-wrapped, the IT Director or SLMR is responsible for completing the registration card and returning it to the software publisher. Software must be registered in the name of the Company affiliate that is utilizing the software and the department in which the software will be used. Due to personnel turnover, software will never be registered in the name of the individual user and very seldom in the name of the parent company.

4. Shareware: Shareware software is copyrighted software that is distributed freely through bulletin boards and online services. Registration of shareware products will be handled in the same manner as commercial software products.
5. Personal Software and Home Computers: Users are not permitted to install personal software on Company computers without prior approval from appropriate IT Director or SLMR personnel. Appropriate IT Director or SLMR personnel will ensure proper licensing and technical compatibility. Generally, Company owned software cannot be taken home

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<p>and loaded on a User’s home computer if it also resides on the Company’s PCs. If the User is to use software at home, the Company will purchase a separate license and record it as a Company-owned asset in the software register. However, some software publishers provide in their software license agreements that home use is permitted under certain circumstances. If a User needs to use software at home, he or she should consult with his or her IT Director or SLMR to determine if appropriate software licenses allow for home use.</p> <p>6. Upgrades: When upgrades to software are purchased, the old version should be disposed of in accordance with the licensing agreement to avoid a potential violation. Upgraded software is considered a continuation of the original license.</p> <p>7. Audits: Audits will be performed on a quarterly basis and consist of utilizing the software licensing registry data to ensure the facility or department is in compliance with all software license agreements. Specifically, the SLMR will run gap analysis reports to compare the number of licenses in use with the number of licenses purchased and will review the inventories for accuracy.</p>
<p>REFERENCES: Code of Conduct Information Security - Program Requirements Policy, IP.SEC.001 Title 17, U.S.C., Sections 101, 106, 117, 501, 504, and 506 Title 18, U.S.C., Section 2319 U.S. Department of Commerce SPA Anti-Piracy United States Copyright Act</p>