

To Our Valued Customers,

It is a great honor to have been appointed CEO of Clearwater and to lead the great company that Bob and Mary Chaput founded in 2009 into its next chapter. We are grateful for Bob's extraordinary vision and leadership, which have guided Clearwater to be one of the most innovative companies in healthcare compliance and cyber risk management. In his role as Chairman of the Board, Bob will continue to serve Clearwater with his unique insights and thought leadership. I would also like to express our gratitude to Mary, who leaves behind an incredible legacy at Clearwater. Mary will continue to serve Clearwater as an advisor and Member of our Board. I look forward to continuing to working closely with Bob and Mary in the weeks and months to come.

I could not imagine a more exciting time for Clearwater! I joined Clearwater because I believe that Clearwater's best in class solutions provide a unique and much needed answer to the enormous challenge healthcare is facing today in managing cyber risk. The amount of data, new technology, and growing number of devices on the IoT makes it impossible for healthcare providers to effectively assess risk across their enterprise without a technology enabled cyber risk program. Spreadsheets are simply not enough when it comes to implementing a best practices risk management program. Clearwater is leading the industry in solving this challenge with our IRM|Pro™ enterprise cyber risk management software, and professional services team, successfully deployed in hundreds of hospitals and health systems.

My vision is for Clearwater to be the #1 provider of enterprise cyber risk management solutions (eCRMS) for healthcare providers and their partners. Our solutions will enable our healthcare customers to meet not only their compliance requirements, but also their business objectives. As a result of our solutions, there will be fewer breaches, less risk to patient safety, and improvement in efficiency for our customers.

Over the past few months as a Board Member and advisor to Clearwater, I've had the great opportunity to partner with our leadership team to evolve our strategic plan. We have begun implementing a number of initiatives that will create even higher value for our customers. We are investing in our product innovation program to accelerate our product road map and deliver further major enhancements to IRM|Pro™ throughout this year. Additionally, we are enhancing our services offerings, through the launch of a new set of new strategic advisory services. More information about these exciting new offerings will be available soon!

My priority is to ensure a smooth transition, which I expect to complete over the next 30 days. I intend to meet with as many customers as possible as quickly as I can, and learn more about your objectives, and how Clearwater can better serve you. Creating value for our customers is what drives Clearwater's success and growth. Thank you for your business and your continued support. I look forward to working with you, and together to making a meaningful, positive impact to the healthcare industry.

Sincerely,

Steve Cagle  
Chief Executive Officer