

C-TPAT

Clearwater's President, Colin MacDonald, has signed a Memorandum Of Understanding with US Customs and Border Protection under the *Customs –Trade Partnership Against Terrorism* (C-TPAT) program, indicating Clearwater's high level of corporate commitment to supply chain security. On April 21, 2003, US Customs and Border Protection accepted Clearwater as a certified member of the C-TPAT Program.

The C-TPAT program is a partnership between our company and the US government to prevent terrorist attacks promulgated under the guise of legitimate commercial trade. Under the program Clearwater has signed an agreement to develop and implement a verifiable, documented program to enhance security procedures throughout the supply chain process within a framework consistent with US Customs recommendations/guidelines.

Our C-TPAT certification results in an entry process marked by the efficient release of goods and prompt resolution of outstanding issues affecting Customs processing of shipments. The benefits of this program will be particularly critical when the US raises the Security Alert Level. Clearwater is among the first Canadian seafood companies to receive C-TPAT certification. Our involvement in the C-TPAT program will improve our existing excellent relationship with US Customs, will allow us to maintain line release privileges and will buffer against delays at the border in times of increased Security Alerts.