

# Record Retention Policy

## 1. Introduction

This Record Retention Policy outlines the guidelines and procedures for maintaining and disposing of company records. It is designed to ensure compliance with legal requirements, support efficient operations, and protect the organization's interests.

### 1.1 Purpose

The purpose of this policy is to:

- Establish consistent practices for record retention across the organization
- Ensure compliance with applicable laws and regulations
- Minimize storage costs and improve operational efficiency
- Protect sensitive information and intellectual property
- Support business continuity and disaster recovery efforts

### 1.2 Scope

This policy applies to all records created, received, or maintained by the company in the course of its operations, regardless of format (physical or electronic) or location.

## 2. Definitions

For the purposes of this policy, the following definitions apply:

### 2.1 Record

Any document, email, database, or other form of information created, received, or maintained by the company in connection with its business activities.

### 2.2 Retention Period

The length of time a record must be kept before it can be destroyed or deleted.

## **2.3 Legal Hold**

A process that suspends the normal disposition or processing of records due to pending or anticipated litigation, audit, government investigation, or other similar proceedings.

# **3. Roles and Responsibilities**

## **3.1 Records Manager**

The Records Manager is responsible for:

- Developing and maintaining the Record Retention Policy
- Ensuring compliance with the policy across the organization
- Providing training and guidance on record retention practices
- Coordinating with legal counsel on retention requirements and legal holds

## **3.2 Department Heads**

Department Heads are responsible for:

- Implementing the Record Retention Policy within their departments
- Ensuring staff compliance with retention schedules
- Identifying and protecting vital records within their departments

## **3.3 All Employees**

All employees are responsible for:

- Understanding and adhering to the Record Retention Policy
- Properly classifying and storing records
- Disposing of records in accordance with retention schedules
- Reporting any potential legal holds or compliance issues

## 4. Record Retention Schedule

The following schedule outlines the retention periods for various types of records. This list is not exhaustive, and employees should consult with the Records Manager for guidance on records not listed.

### 4.1 Corporate Records

| Record Type                 | Retention Period |
|-----------------------------|------------------|
| Articles of Incorporation   | Permanent        |
| Bylaws                      | Permanent        |
| Board Meeting Minutes       | Permanent        |
| Shareholder Meeting Minutes | Permanent        |
| Annual Reports              | Permanent        |

### 4.2 Financial Records

| Record Type                  | Retention Period |
|------------------------------|------------------|
| Audited Financial Statements | Permanent        |
| General Ledgers              | 7 years          |
| Accounts Payable             | 7 years          |
| Accounts Receivable          | 7 years          |
| Bank Statements              | 7 years          |
| Tax Returns                  | Permanent        |

### 4.3 Human Resources Records

| Record Type              | Retention Period   |
|--------------------------|--|
| Employee Personnel Files | 7 years after termination  |
| Payroll Records          | 7 years  |
| I-9 Forms                | 3 years after hire or 1 year after termination, whichever is later |
| Employee Benefit Plans   | 7 years after termination of plan                                  |

|                              |                             |
|------------------------------|-----------------------------|
| Workers' Compensation Claims | 7 years after claim closure |
|------------------------------|-----------------------------|

## 4.4 Legal Records

| Record Type                   | Retention Period                        |
|-------------------------------|---|
| Contracts                     | 7 years after expiration or termination |
| Litigation Files              | 7 years after case closure              |
| Intellectual Property Records | Permanent                               |
| Regulatory Filings            | 7 years                                 |

## 4.5 Operational Records

| Record Type               | Retention Period               |
|---------------------------|--------------------------------|
| Customer Orders           | 3 years                        |
| Vendor Files              | 7 years after last transaction |
| Quality Control Records   | 7 years                        |
| Safety Inspection Reports | 5 years                        |

# 5. Storage and Protection of Records

## 5.1 Physical Records

Physical records should be stored in a secure, climate-controlled environment to prevent damage or unauthorized access. Access to storage areas should be restricted to authorized personnel only.

## 5.2 Electronic Records

Electronic records must be stored on secure, backed-up systems with appropriate access controls. Regular backups should be performed and stored off-site to ensure business continuity in case of disaster.

## 5.3 Vital Records

Vital records, which are essential for the continuity of business operations, should be identified and given additional protection. This may include fireproof storage, off-site backups, or encryption for electronic records.

## **6. Disposal of Records**

### **6.1 Physical Records**

Physical records should be destroyed using secure methods such as shredding or incineration. A log of destroyed records should be maintained.

### **6.2 Electronic Records**

Electronic records should be securely deleted using approved methods that ensure the data cannot be recovered. This may include the use of specialized software or physical destruction of storage media.

### **6.3 Third-Party Disposal**

If a third-party vendor is used for record disposal, a written agreement should be in place to ensure compliance with this policy and applicable laws.

## **7. Legal Holds**

When a legal hold is issued, all normal retention and disposal procedures must be suspended for the affected records. The legal department will notify relevant employees of the hold and provide instructions for preserving the records.

## **8. Compliance and Auditing**

Regular audits will be conducted to ensure compliance with this policy. Any violations should be reported to the Records Manager for investigation and corrective action.

## **9. Policy Review and Updates**

This Record Retention Policy will be reviewed annually and updated as necessary to reflect changes in legal requirements, business needs, or best practices.

## 10. Training

All employees will receive training on this Record Retention Policy as part of their onboarding process. Refresher training will be provided annually or when significant changes are made to the policy.

## 11. Exceptions

Any exceptions to this policy must be approved in writing by the Records Manager and the Legal Department.

## 12. Contact Information

For questions or concerns regarding this Record Retention Policy, please contact:

[Insert Records Manager Contact Information]

## 13. Acknowledgment

I acknowledge that I have read and understood the Record Retention Policy and agree to comply with its provisions.

Employee Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_