

Sample Document Retention Policy

The records of [REDACTED] ("Company") are important assets. Company records include essentially all records, whether paper or electronic. A record includes memorandums, e-mail, contracts, computerized desk calendars, appointment books or expense records.

The law requires Company to maintain certain types of records, usually for a specified period of time. Failure to retain those records for those minimum periods could subject employees and Company to penalties and fines, cause the loss of rights, obstruct justice, spoil potential evidence in a lawsuit, place Company in contempt of court, or seriously disadvantage Company in litigation.

Company expects all employees to fully comply with the established records retention and destruction policy. However, all employees should note the following exception to the stated destruction schedule:

If you believe, or Company informs you, that Company records are relevant to litigation, or potential litigation (i.e., a dispute that could result in litigation), then you must preserve those records until Legal Counsel determines the records are no longer needed. This exception supersedes any previously or subsequently established destruction schedule for those records.

Company has established the attached retention and destruction schedules (**Exhibit 1**) for specific categories of records in order to ensure legal compliance, and also to accomplish other objectives, including, but not limited to, preserving intellectual property and cost management. Several categories of documents that bear special consideration also are identified below. While minimum retention periods are listed, the retention of the documents identified below and of documents included in the identified categories in **Exhibit 1** also should be determined by the application of the general guidelines affecting document retention identified above, as well as any other pertinent factors. If your department is subject to any federal, state or local agency that prescribes or suggests certain retention times for documents that differ from those set out in **Exhibit 1**, the longer retention time should be utilized. Please notify _____ of any such difference.

In the event of any conflict between retention periods in this policy the longest applicable period should be utilized.

- (a) Tax Records. Tax records include, but may not be limited to, documents concerning payroll, expenses, proof of deductions, business costs, accounting procedures, and other documents concerning Company's revenues. Tax returns will be retained permanently. Tax backup records will be retained for at least seven (7) years from the date of filing the applicable return.
- (b) Audit Records. All records related to audits of Company's financial statements, including, but not limited to, audit opinions, workpapers, memoranda, correspondence, and support for all findings and opinions will be retained for at least seven (7) years from the date of the audit.
- (c) Employment Records/Personnel Records. State and federal statutes require Company to keep certain recruitment, employment and personnel information. Company will also keep personnel files that reflect performance reviews and any complaints brought against Company or individual employees under applicable state and federal statutes. Company will also keep all final memoranda and correspondence reflecting performance reviews and actions taken by or against personnel in the employee's personnel file. Employment and personnel records will be retained for the term of employment, plus seven (7) years.

- (d) Board and Board Committee Materials. Meeting minutes will be retained in perpetuity in Company's minute book.
- (e) Press Releases/Public Filings. Company will retain permanent copies of all press releases and publicly filed documents under the notion that Company should have its own copy to test the accuracy of any document a member of the public can theoretically produce against Company.
- (f) Legal Files. Legal counsel should be consulted to determine the retention period of particular documents, but legal documents will generally be maintained for a period of fifteen (15) years beyond the life of the relevant litigation, investigation, transaction, policy or other matter serving as the basis for the legal file.
- (g) Marketing and Sales Documents. Company will keep final copies of marketing and sales documents for three (3) years. An exception to the three-year policy may be sales invoices, contracts, leases, licenses and other legal documentation. These documents should be kept in accordance with the applicable terms of this policy.
- (h) Development/Intellectual Property and Trade Secrets. Development documents are subject to intellectual property protection in their final form (e.g. patents and copyrights). The documents detailing the development process are of value to Company and are protected as a trade secret where Company:
 - a. derives independent economic value from the secrecy of the information; and
 - b. Company has taken affirmative steps to keep the information confidential.

Company will keep all documents designated as containing trade secret information for at least the life of the trade secret.

- (i) Contracts. Final, execution copies of all contracts entered into by Company will be retained for fifteen (15) years beyond the life of the agreement.
- (j) Electronic mail. Email that needs to be saved should be either:
 - a. Printed in hard copy and keep in the appropriate file; or
 - b. Stored electronically or on computer disk as a separate file.
 - c. The applicable retention periods for electronic mail depend upon the subject matter of the email, as covered elsewhere in this policy.

Each department manager or director is responsible for the retention and destruction of applicable documents according to the terms of this policy.

Questions about this policy should be referred to _____, who is in charge of administering, enforcing and updating this policy.

EXHIBIT 1

Retention and Destruction Schedules

EFFECTIVE: _____

Conflicting Retention Requirements

If any Record appears to be subject to conflicting or varying retention periods, the longer of the conflicting or varying retention periods shall apply. This Retention Schedule supersedes prior records retention schedules.

ACCOUNTING RECORDS	YEARS TO KEEP
NOTE: Accounting records shall be maintained for the longer of the periods noted in any Company guidelines or the period as indicated below.	
	7
Auditors' report and annual financial statements, including supporting documentation and work papers	7
Bank reconciliations, statements, transaction reports	4
Budgets	10
Cash disbursements and receipts (incl. petty cash)	5
Currency transactions reports	7
Employee expense records	9 (from end of life of asset)
Fixed assets records (invoices, depreciation schedules)	Permanent
Financial statements (annual)	10 (<i>see also</i> Customs)
Vendor Invoices/Bills of Lading (freight)	10
General ledgers and year-end trial balances	7
Inventory records	7 years after account is closed
Open accounts	7
Production, sales reports and customer invoices	7 years after payment
Promissory notes	10
Purchase journals	10
Purchase orders	10
Subsidiary ledgers (accounts receivable, accounts payable, etc.)	
ADMINISTRATIVE AND CORPORATE RECORDS	
Annual reports	7
Articles of incorporation (and any amendments)	Permanent
Buy-sell agreements	Permanent
By-Laws	Permanent
Capital stock and bond records	Permanent
Contracts, leases and licenses	7 years after expiration, unless other specific time period is set forth in contract, lease or license
Copyright and trademark records	Term of use + 4 years

Government contracts and subcontracts	7 years after expiration, unless longer period contained in contract
Insurance records, policies, etc.	Permanent
Records regarding liquidation of subsidiary	Permanent
Records regarding mergers and acquisitions (antitrust)	Permanent
Corporate Records and Minutes of Board and Shareholder meetings	Permanent
Mortgages and other security interests	7 years after satisfaction/payment
Patents (including prosecution history, development records, and other backup materials)	Term of use + 6 years
Partnership agreements	Permanent
Real estate title documents	Term of ownership + 7 years
Reorganization records	Permanent
Securities offer or sales records	7 years after dissolution
Stock certificates and ledgers	7 years after dissolution
Trade Secret Documents	Life of the Trade Secret +5 years
Union Contracts	Permanent
EMPLOYEE BENEFIT PLANS	
ERISA plan documents	Permanent
HIPAA documents (Policies, procedures, actions, activities, assessments, notifications, etc.)	6 years from the later of the date of creation or date of effect
Trust or retirement plan contributions	7 years after distribution starts
Pension/profit-sharing informational returns (Form 5500)	Permanent
Plan and trust agreements	Permanent
IRS approval letter	Permanent
Actuarial reports	10
Summary Plan Descriptions	Permanent
Ruling "not entitled" (i.e. denial)	8 years from date of denial
Ruling "entitled" (i.e. grant)	2 years from date of benefit commencement
Election of benefits (or waiver)	Permanent
ENVIRONMENTAL PROTECTION RECORDS	
Judicial, administrative and compliance documents	Permanent
Permits (final)	Permanent
NPDES/pretreatment/storm water monitoring records	3 years from date sampled
NPDES/pretreatment/storm water permit records	5
RCRA generator's manifest, biennial reports & waste analyses	3
Air emissions - Title 5 renewable operating permit application and supporting records	5
Air emissions - measurement, performance and monitoring records	2
EPCRA TRI/Form R/Tier I/II reports/release documents	3
EPCRA - Emergency Action Plans	3
USTs - sampling, testing and leak detection monitoring records	3
USTs - tank and piping tightness testing records	Life of UST

USTs – Repair records USTs - closure records TSCA - PCB use, storage/disposal records	Permanent 3 years after such use, storage/disposal 5
TSCA - PCB spill cleanup and decontamination certifications TSCA - Section 8(a) reports and customer notices/receipts	3
HEALTH AND SAFETY RECORDS	
Asbestos Training Records Toxic exposure measurements/adverse health reactions Material Safety Data Sheets (MSDS) Medical Surveillance Records Noise Exposure Measurements Occupational injury/illness records (OSHA Forms 300, 300A, 301)	Employment + 1 year At least 30 years At least 30 years At least 30 years 3 6
HUMAN RESOURCE RECORDS	
Collective bargaining agreements Employment application records – Never hired Employee manuals-handbooks FICA records Paychecks W-2 Forms, W-4 Forms and 1099 Forms Payroll records Time cards and daily time reports Unemployment insurance Wage and hour records Workers’ compensation records	Permanent 3 Permanent 4 7 7 4 6 5 30
IMMIGRATION	
H-1B labor conditions application public access file L-1 related documents I-140/I-485 Sponsorship Records PERM labor certifications Form I-9 Eligibility Verification All other immigration records	3 years after date of termination 3 years after date of termination 3 years after date of termination 5 years after date of termination 3 years after date of hiring [or] 1 year after termination, whichever period is greater 5 years after date of termination
PERSONNEL RECORDS	
Employment records relating to specific employees (e.g., personnel file), including, but not limited to: <ul style="list-style-type: none"> • Applications • Credentials (e.g., copies of license at time of hire) • Background checks • Pre-employment medical exams • Offer and acceptance correspondence, employee agreements, separation agreements, and other express agreements (independent contractor agreements) • Policy acknowledgements and other new hire records 	7 years following termination of employment

<ul style="list-style-type: none"> • Emergency contacts and other personal information • Training and continuing education records • Transfers, rewards and recognition, request for accommodation, and other general work-life records (FMLA and ADA) • Compensation letters, W-4 and other tax forms, and other records relating to financial matters • Performance/disciplinary management file • Records reflecting separation from employment • Records relating to claims for unemployment 	
SHIPPING, IMPORT/EXPORT, CUSTOMS (including Dept. of Homeland Security)	
Bills of Lading/Freight/other shipping documents	6
Importation, declaration, entry forms	5 years after date of entry
Entry of Merchandise records	5 years after date of entry
Drawback Claims (i.e. claim for refund of duty, tax or fees imposed by Customs)	3 years from date of payment of claim
NAFTA export Certificate of Origin	5
Fees and Tax Receipts Paid to Customs	5
TAX RECORDS	
Business income tax	7
Employment security tax	4
Federal income tax	7
Payroll tax returns	Permanent
TRADE CONTROL	
A non-exclusive list of trade control documents include:	
Import/Export licenses	6
Documents relating to or governed by the Department of Commerce, Department of State, or the Bureau of Industry and Security	6

- **The above retention periods are intended to be general guidelines. Any and all specific concerns should be reviewed with legal counsel before any records are destroyed.**
- **If any Record appears to be subject to conflicting or varying retention periods, the longer of the conflicting or varying retention periods shall apply. This Retention Schedule supersedes prior records retention schedules.**

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