

CENTER FOR ORTHOPAEDIC TRAUMA ADVANCEMENT

DOCUMENT RETENTION POLICY

This Document Retention Policy (“Policy”) including the attached chart establishes the procedures that all Center for Orthopaedic Trauma Advancement (the “Center”) employees must follow regarding the retention and destruction of documents. The primary goal of this Policy is to retain all documents that the Center is required to maintain, as well as any other documents that should be maintained for a designated period of time because they are likely to continue to be important to ongoing business efforts and to protect the Center’s interests. A secondary, but important, purpose of this Policy is to reduce record storage costs by discarding records that the Center is not required to maintain and the retention of which is no longer necessary to the operation of the Center. Attached is a chart that summarizes the retention policy.

If an employee receives any notice of litigation, government investigation or audit, the President, Executive Director and/or Chair of the Audit and Compliance Committee (if any) should be notified immediately. To determine whether a particular request is proper and to oversee compliance with appropriate requests, the President, Executive Director and/or Chair of the Audit and Compliance Committee (if any) must review all requests as soon as possible after the Center receives them. If you receive any request for documents or records, or any other legal pleading or filing, you should immediately forward it to the President, Executive Director and/or Chair of the Audit and Compliance Committee (if any). These types of requests typically have firm deadlines associated with them. Missing these deadlines could potentially result in fines, penalties, and other costs being assessed against the Center. Your attention to the prompt transmission of these requests to the President, Executive Director and/or Chair of the Audit and Compliance Committee (if any) is, therefore, critically important.

Once the President, Executive Director and/or Chair of the Audit and Compliance Committee (if any) has reviewed a records request and determines which records, if any, the Center is required to locate and produce, the President, Executive Director and/or Chair of the Audit and Compliance Committee (if any) will contact the appropriate persons to put a “hold” on the types of records that need to be produced. As a result, any retention procedures under this Policy that might otherwise apply to these documents will be suspended. In some cases, requests may be so broad that all or virtually all personnel may be required to undertake a search for responsive records. In those cases, the President, Executive Director and/or Chair of the Audit and Compliance Committee (if any) may circulate a “litigation hold” memoranda to alert employees to the need to collect and maintain certain documents.

Record retention is especially important in the context of litigation. The absence of a document, without a justifiable basis, may give rise to the inference that the contents of the document were adverse to the Center's position. Records related to pending or reasonably foreseeable litigation should not be discarded even if eligible for disposal under this Policy.

Similarly, on occasion, the Center may undergo tax audits by the Internal Revenue Service or state tax authorities. Such audits will require that documents relevant to the audit be placed on "audit hold" and not discarded or destroyed pursuant to this Policy. In those cases where the President, Executive Director and/or Chair of the Audit and Compliance Committee (if any) has circulated an "audit hold" memoranda to alert employees to the need to collect and maintain certain documents, those documents must still be retained if no authorization to release from audit hold has been issued for those documents. As with litigation holds, the President, Executive Director and/or Chair of the Audit and Compliance Committee (if any) will contact the appropriate personnel who may possess relevant documents.

Once the legal requirement expires (both in the litigation and audit contexts), the President, Executive Director and/or Chair of the Audit and Compliance Committee (if any) will notify the personnel maintaining such documents that the request has been "cleared." Once the need to maintain documents for legal or audit purposes has passed, the retention practices and procedures outlined in this Policy will once again apply to these materials.

If you have any questions about this policy, please speak with the President, Executive Director and/or Chair of the Audit and Compliance Committee (if any).

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	PERMANENT	7 YEARS	5 YEARS	ACTIVE EMPLOYMENT PLUS 3 YEARS	3 YEARS
Corporate	Articles of Incorporation Bylaws Minutes Annual Reports				
Tax/Audit/ Financial	1023—Application for Exemption Letter of Exemption 990/990Ts	Revenue Records Accounts Payable Bank Records General Ledger Financial Statements Audit Reports Accounts Receivable Depreciation Schedules			
Contracts	Major-Permanent Minor-Life of contract plus 4 years Loans Leases				
Intellectual Property	All filings (e.g. patent, copyright applications, licenses, etc.)				
Operations		Inventory records Sales records Purchase orders			
Facilities	Building Plans				
Insurance	Life plus 3 years Settlement plus 3 years Life of Property				
Employment Records			Safety Records	Personnel Files Background Checks Recommendations	Applications Resumes
Litigation	Claims, Court Records, Files				

*/ No document that might relate to pending or imminent legal proceedings, including government audits or investigations, should be destroyed.