

## USA Diving, Inc. RECORD RETENTION POLICY

USA Diving, Inc. takes seriously its obligations to preserve information relating to litigation, audits, and investigations.

The information listed in the retention schedule below is intended as a guideline and may not contain all the records USA Diving, Inc. may be required to keep in the future. Questions regarding the retention of documents not listed in this chart should be directed to the President.

From time to time the President may issue a notice, known as a “legal hold,” suspending the destruction of records due to pending, threatened, or otherwise reasonably foreseeable litigation, audits, government investigations, or similar proceedings. No records specified in any legal hold may be destroyed, even if the scheduled destruction date has passed, until the legal hold is withdrawn in writing by the President.

<b>File Category</b>	<b>Item</b>	<b>Retention Period</b>
<b>Corporate Records</b>	<i>Bylaws and Articles of Incorporation</i>	Permanent
	<i>Corporate resolutions</i>	Permanent
	<i>Board and committee meeting agendas and minutes</i> <i>Minutes</i>	Permanent
	<i>Conflict-of-interest disclosure forms</i>	4 years
<b>Finance and Administration</b>	<i>Financial statements (audited)</i>	7 years
	<i>Auditor management letters</i>	7 years
	<i>Payroll records (includes Employer ID number, W2s, Amounts and dates of any compensation and all wages paid, and copies of payroll tax returns filed)</i>	7 years
	<i>Loan documents, LOCs, and Notes Payables</i>	7 years
	<i>Accounts payable files (includes 1099 forms)</i>	7 years
	<i>Bank deposits and statements</i>	7 years
	<i>Chart of accounts</i>	7 years
	<i>General ledgers and journals (includes bank reconciliations)</i>	7 years
	<i>Contracts and agreements</i>	7 years after all obligations end
	<i>Correspondence — general</i>	3 years
<b>Insurance Records</b>	<i>Policies</i>	7 years unless a lawsuit has been filed
	<i>Claims for loss/ damage, accident reports, appraisals, etc.</i>	3 years after the matter is closed
<b>Real Estate</b>	<i>Leases (expired)</i>	7 years after all obligations end
<b>Tax</b>	<i>IRS exemption determination and related correspondence</i>	Permanent
	<i>Federal and state tax returns (non-payroll)</i>	7 years

<b>File Category</b>	<b>Item</b>	<b>Retention Period</b>
<b>Human Resources</b>	<i>Employee personnel files</i>	5 years after separation
	<i>Retirement plan benefits (plan descriptions, plan documents)</i>	3 years after expiration
	<i>Employee handbooks</i>	3 years after expiration
	<i>Workers comp claims (after settlement)</i>	7 years
	<i>Recruitment files (for employees not hired)</i>	3 years
	<i>IRS Form I-9 (store separate from personnel file)</i>	Greater of 1 year after end of service, or three years
<b>Technology</b>	<i>Software licenses and support agreements</i>	3 years after all obligations end

### **1. Electronic Documents and Records.**

Electronic documents will be retained as if they were paper documents. Therefore, any electronic files that fall into one of the document types on the above schedule will be maintained for the appropriate amount of time. If a user has sufficient reason to keep an e-mail message, the message should be printed in hard copy and kept in the appropriate file or moved to an “archive” computer file folder. Backup and recovery methods will be tested on a regular basis.

### **2. Emergency Planning.**

USA Diving, Inc.’s records will be stored in a safe, secure, and accessible manner. Documents and financial files that are essential to keeping USA Diving, Inc. operating in an emergency will be duplicated or backed up at least every week and maintained off-site.

### **3. Document Destruction.**

The President or his or her designee is responsible for the ongoing process of identifying its records, which have met the required retention period, and overseeing their destruction. Destruction of financial and personnel-related documents will be accomplished by shredding.

Document destruction will be suspended immediately, upon any indication of an official investigation or when a lawsuit is filed or appears imminent. Destruction will be reinstated upon conclusion of the investigation.

### **4. Compliance.**

Failure on the part of employees to follow this policy can result in possible civil and criminal sanctions against USA Diving, Inc. and its employees and possible disciplinary action against responsible individuals. The President or his/her designee will periodically review these procedures with legal counsel or USA Diving, Inc.’s certified public accountant to ensure that they are in compliance with new or revised regulations.