

## HOPE FOR UKRAINE

### DOCUMENT RETENTION POLICY

#### I. POLICY

All employees of Hope For Ukraine (the “Corporation”) are required to comply with this Document Retention Policy (“Policy”). In addition, the Corporation may, as appropriate, request that its consultants comply with this Policy. The goal of this Policy is to retain only those documents whose retention is required by law or for business and to dispose of the rest. The Corporation’s Document Retention Policy is based on three principles:

1. Complete, accurate and high-quality business records are to be maintained.
2. Documents and records are to be retained only for their period of immediate use, unless longer retention is specifically authorized, as listed in the attached Schedule.
3. Documents stored by electronic means (e.g., computer data, email, and voicemail) are subject to the same retention policies as paper documents.

Many documents generated during the course of business operations do not require long-term retention. These types of documents may be vital to current goals and useful for current operations, but are of little or no value to the Corporation by the time they are over one year old. Accordingly, unless specifically noted in the attached Schedule, a retention period of “current year, plus one year” is adequate for many documents, and an even shorter retention period is appropriate for duplicates, copies, and draft versions of an actual business document.

The longer retention periods noted in the attached Schedule are based upon U.S. audit, operational, and legal requirements. An “audit requirement” refers to audits by tax authorities, such as state and federal tax audits. An “operational requirement” refers to the needs of the Corporation’s departments producing records of proprietary, technical, financial, or economic value to future operations of the Corporation. A “legal requirement” means:

- A specific federal or state law requires the Corporation to keep the record;
- Important property rights which the Corporation has a legal obligation to protect are involved; or
- The Corporation is aware of a specific, impending legal claim, lawsuit, or governmental investigation.

Generally, the Corporation will receive notice of an impending legal claim, lawsuit, or governmental investigation before the date of the scheduled routine destruction of any documents that might be related to the legal action or investigation, at which point any relevant documents will need to be retained. In some cases, the Corporation will impose a “legal hold,” as discussed in Section IV, that precludes destruction of all identified documents. Even in the absence of a “legal hold,” because specific legal requirements may be triggered when a legal claim, lawsuit, or government investigation is threatened or initiated, the Corporation requires that any questions about the retention of documents related to such legal actions or investigations be directed to the Corporation’s Secretary or outside counsel. **Specific legal advice is essential because the destruction of documents related to a legal claim or governmental investigation may give rise to negative legal**

**consequences against the Corporation as a matter of law, even if the destruction of documents occurs inadvertently.**

## **II. RETENTION AND DISPOSAL**

### Retention

All of the Corporation's departments (and all consultants requested to do so) are responsible for complying with this Policy. As noted above, a retention period of "current year, plus one year" is adequate for many documents. Whenever possible, the original, official record should be retained, rather than a copy.

Certain documents required by this Policy to be retained for longer time periods may need to be stored off-site. Documents stored off-site should be stored with third-party storage providers that specialize in records retention, retrieval and disposal. Such storage providers should maintain facilities that meet fire safety standards and vaults that minimize physical decay of paper-based records. Use of temporary storage lockers is not acceptable.

### Annual Disposal

Each department of the Corporation is required to conduct, once a year, a formal record purging process, in which records in all categories of the attached Schedule, except the "Permanent" category, are subject to purging consistent with the attached Schedule.

On the attached Schedule, retention is generally expressed in terms of the number of calendar years to be added to the current calendar year. For example, for records falling under a two-year retention classification, during the calendar year 2023 all 2022 and 2021 records will be retained.

### More Frequent Disposal

The Corporation does not expect all employees and consultants to conduct comprehensive purges more than once per year. In the case of documents that have no lasting value, such as drafts of documents and other informal workpapers not required to support final documents, record storage and retrieval problems can be alleviated by not retaining the documents in the first instance.

### General Guidelines for Disposal:

Every employee is to participate in an annual record purging, under the supervision of the employee's manager. Consultants subject to this Policy are to participate at the discretion of their principal contact within the Corporation. All employees, and consultants subject to this Policy, must ensure that their personal hard disks, home computers, home files, personal mobile phones, etc., are purged in accordance with this Policy. All disposed materials that are confidential to the Corporation must be securely destroyed (i.e. shredded, erased and reformatted, etc.). All backup and archive copies of a record must be destroyed when the original is destroyed. On an ongoing basis, duplicate and multiple materials are to be eliminated.

Accounting records should not be destroyed without clearance from the Corporation's Treasurer, Chief Financial Officer ("CFO") or an individual designated by the Treasurer or CFO. Original legal documents should not be destroyed without clearance by the Corporation's Secretary or outside counsel.

## **III. BACKUP PROCEDURES**

The Corporation's information technology department will establish procedures for destruction of back-up email and destruction of voicemail, and will also establish procedures to ensure that material stored electronically is discarded at the same time as hard copies are discarded. All employees are required to comply with these procedures and take reasonable precautions to ensure that vital data is not lost due to an equipment failure or natural disaster.

#### **IV. LEGAL HOLD**

A legal hold suspends all destruction procedures in order to preserve appropriate records under special circumstances, such as litigation or government investigations. The Corporation's Secretary shall determine and identify what types of records or documents are required to be placed under a legal hold. Consultants subject to this Policy and all of the Corporation's employees have an affirmative responsibility to comply with this Policy. Failure to comply will subject the employee or consultant to disciplinary action, up to and including termination of employment or business relationship at the Corporation's sole discretion.

The Corporation's Secretary will notify you if a legal hold is placed on records for which you are responsible. You are then required to preserve and protect the necessary records in accordance with instructions from the Corporation's Secretary. **RECORDS OR SUPPORTING DOCUMENTS THAT HAVE BEEN PLACED UNDER A LEGAL HOLD MUST NOT BE DESTROYED, ALTERED OR MODIFIED UNDER ANY CIRCUMSTANCES.** A legal hold remains effective until it is officially released in writing by the Corporation's Secretary. If you are unsure whether a document has been placed under a legal hold, you should preserve and protect that document while you check with the Corporation's Secretary.

RECORD RETENTION SCHEDULE

Type of Document	Minimum Requirement
Accounts payable ledgers and schedules	10 years
Accounts receivable ledgers and schedules	10 years
Audit reports of accountants	Permanently
Bank statements	10 years
Cash Books	10 years
Checks (canceled, with exception below)	10 years
Checks (canceled, for important payments; i.e., taxes, purchase or property, special contracts, etc. [checks should be filed with the papers pertaining to the underlying transaction])	Permanently
Contracts and leases (expired)	10 years
Contracts and leases still in effect	Permanently
Correspondence, general	4 years
Correspondence (legal and important matters)	Permanently
Depreciation schedules	10 years
Duplicate deposit slips	10 years
Employee personnel records (after termination)	7 years
Employment applications	3 years
Expense analyses and expense distribution schedules (includes allowance and reimbursement of employees, officers, etc., for travel and other expenses)	10 years
Financial statements (end-of-year)	Permanently
General ledgers and end-of-year statements	Permanently
Insurance Policies (expired)	Permanently
Insurance records, current accident reports, claims, policies, etc.	Permanently
Internal reports, miscellaneous	3 years

<b>Type of Document</b>	<b>Minimum Requirement</b>
Inventories of products, materials, and supplies	10 years
Invoices to customers	10 years
Invoices from vendors	10 years
Journals	10 years
Minute books of Board of Directors, including Bylaws and Articles of Incorporation	Permanently
Patents and related papers	Permanently
Payroll records and summaries, including payments to pensioners	10 years
Purchase orders	4 years
Retirement and pension records	Permanently
Sales records	10 years
Subsidiary ledgers	10 years
Tax returns and worksheets, revenue agents' reports, and other documents relating to determination of tax liability	Permanently
Time sheets and cards	10 years
Trademark registrations and copyrights	Permanently
Voucher register and schedules	10 years

**WARNING**

**All permitted document destruction shall be halted if the charity is being investigated by a governmental law enforcement agency, or is involved in litigation, and routine destruction shall not be resumed without the written approval of legal counsel or the Secretary.**