



## SEKO Logistics Global Document Retention and Destruction Policy

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### **Introduction**

#### **I. Purpose.**

SEKO Global Logistics Network, LLC and its subsidiaries (collectively “SEKO” or the Company”) consider its corporate and business records as important assets. Corporate records include essentially all records you produce as an employee, whether paper or electronic. A record may be as obvious as a memorandum, an email, or a contract, or something not as obvious, such as a computerized desk calendar, an appointment book, or an instant message.

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

In addition, the Sarbanes-Oxley Act of 2002 (“SOX”)<sup>1</sup> and its regulations require U.S. companies to retain their audit workpapers and related information for 7 years after the relevant audit’s conclusion. SOX also contains two obstruction of justice provisions which criminalize the destruction or alteration of documents with the intent to obstruct a government proceeding. These SOX provisions apply to anyone and everyone, including public companies, private companies, their auditors and their lawyers and anyone else who violates the law.

To ensure compliance with this policy, HR, Office Services, Compliance and IT, in conjunction with the Chief Legal Officer of SEKO, have been delegated overall supervision and responsibility for this policy. HR and Compliance will coordinate education and training of employees and will periodically update this policy with the assistance of the Chief Legal Officer; IT will ensure compliance with this policy regarding electronic records; and Office Services will ensure compliance with this policy regarding the storage and retrieval of physical records (including any offsite storage, destruction and retrieval) and the coordination of destruction holds in appropriate circumstances.

SEKO expects all employees to fully comply with any published records retention or destruction policies and schedules. This policy applies to all Company records, or copies or excerpts or summaries of such records, whether retained on site, off-site, in a personal computer or other device, or otherwise in employees’ business or personal files.

<sup>1</sup> Sarbanes-Oxley Act of 2002 established broad certification and controls requirements which require intense documentation and retention of records (sections 302 and 404) and criminalize document destruction intended to obstruct official proceedings.



This policy covers all records and documents, regardless of physical form, contains guidelines for how long certain documents should be kept and how records should be destroyed. The policy is designed to ensure compliance with federal and state laws and regulations, to eliminate accidental or innocent destruction of records and to facilitate SEKO's operations by promoting efficiency and freeing up valuable storage space.

**There are three kinds of Company records: Temporary, Final and Permanent**

<b>Record Type</b>	<b>Definition</b>	<b>Retention</b>
<b>Temporary Records</b>	Temporary records include all business documents that are intended to be superseded by Final Records or Permanent Records, or which are intended to be used only for a limited period of time, including, but not limited to written memoranda and dictation to be typed in the future, reminders, to do lists, reports, drafts, and interoffice correspondence regarding a client or business transaction.	Temporary records can be destroyed or permanently deleted if no longer needed.
<b>Final Records</b>	Final records include all business documents that are not superseded by modification or addition, including but are not limited to documents given (or sent via electronic form) to any third party not employed by the Company, or to any government agency; final memoranda and reports; correspondence; handwritten telephone memoranda not further transcribed; minutes; specifications; journal entries; cost estimates; etc.	All Final records are to be discarded compliant to the attached Document Retention Schedule.
<b>Permanent Records</b>	Permanent records include all business documents that define the Company's scope of work, expressions of professional opinions, research and reference materials. Such include, but are not limited to contracts, proposals, materials referencing expert opinions, financial statements, tax returns, payroll registers, copyright and trademark registrations, patents and other documents relating to intellectual property rights, environmental reports, real estate records, and formal minutes of meetings. Such records can be in paper or electronic format.	All Permanent documents are to be retained indefinitely.

**II. Document Saving & Retention Periods Generally**

Company employees are not to store any Final or Permanent records on the local hard drives of their Company-assigned computers, or any records on any non-Company computers or portable drives. Records should only be saved in the Company's software platforms (as appropriate) and in the shared drives.

SEKO follows the document retention procedures outlined below. Documents that are not listed, but are substantially similar to those listed in the schedule should be retained for the appropriate length of time.

Note: Specific regulated businesses are subject to further specific requirements, and Foreign, State and Local laws and Regulations impose further specific requirements, such as the EU Privacy Directive. Relevant Statutes of Limitations in foreign countries will vary from those in



effect in the U.S. Reference should be made to SEKO's Compliance Manual as it further specifies record retention requirements for SEKO Customs Brokerage Inc.

### **III. Global Document Retention Schedule**

#### Accounting and Corporate Tax Records

Annual Audits	Indefinite
Financial Statements	Indefinite
Tax Returns + Worksheets	Indefinite
Fixed Asset ledgers; General ledgers	Indefinite
1099s	5 years
Business Expense Records	5 years
Cash/Credit Card Receipts	3 years
Bank Statements	7 years
Capital Expenditure Records	7 years
Prepaid and accrued expense journal	7 years
Petty cash vouchers and related records	7 years

#### Payroll and Employment Tax Records

Payroll Records / Supplemental Payroll Records	5 years
State Unemployment Tax Records	Indefinite
Earnings/Garnishment Records	5 years
Payroll Tax Returns	7 years
W-2 Statements	7 years

#### Employee Records

Employment and Termination Agreements	7 years
Employment Applications	3 years
Hiring Records (after hiring decision)	1 year
Terminated Employees' Personnel Records (from termination)	5 years
Retirement and Pension Plan Documents	Indefinite
Records Relating to Promotion, Demotion or Discharge (from termination)	3 year
Medical/benefits	7 years
Notices of Job Opportunities	1 year
I-9 Forms (after termination)	3 years
Time Cards	3 years
Salary Schedules	5 years
FMLA Records	3 years
Accident Reports and Worker's Compensation Records	5 years

#### Transportation, Traffic, Shipping and Agency Documents

Freight Bills, Bills of Lading/Waybills and Releases	6 years
Import and Export Records	7 years
Other Freight Records (Records of freight received, forwarded and delivered)	6 years
Shipping Contracts (after expiration)	3 years
Driver files, including driver qualification files, hours of service records, and drug and alcohol testing	Duration of employment plus 3 years



Vehicle files, including vehicle maintenance records, inspection reports, and accident/incident records	Duration of vehicle ownership/lease plus 3 years
DOT audit records	5 years after the conclusion of the audit

Legal, Insurance and Safety Records

IP Registrations, Trademarks and Copyrights	Indefinite
Insurance Records, Claims, Policies	Indefinite
Leases (after expiration)	6 years
OSHA Documents; Recordkeeping; Safety Data Sheets and correspondence	Indefinite
General Contracts (after expiration/termination)	7 years
Correspondence on Legal or Tax Matters	Indefinite
Hazardous Waste Records	Indefinite
Reports to any governmental agency	Indefinite

Corporate Records

Corporate Governance; To include all of the following Articles, Annual Reports, By-Laws, Board Meeting Minutes, Board Polices/Resolutions, Capital Stocks and bonds records; etc.	Indefinite
Deeds, Easements, Real Estate records	Indefinite
Retirement or Pension records	Indefinite
Contracts (after expiration)	3 years
Correspondence (General)	3 years

Personal Data

Personal Data – see details in part IX

HIPAA associated records	6 years after creation, or if the document outlined a policy, 6 years from when the policy was last implemented.
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All managers are responsible for keeping current on the record retention laws governing their respective departments. In cases where current law differs from this policy, the law shall prevail.

**IV. Electronic Documents and Records; Email Policies**

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 email message, the message should be saved to their local shared drive as an email message or PDF; for shipment files, the message should be saved with the shipment documents in the operating system.

All electronic communication systems as well as all communications and stored information transmitted, received, or contained on the Company’s information systems are the property of the Company. Employees using this equipment for personal purposes do so at their own risk. Furthermore, employees may not use a password or passcode, access a file, or retrieve any stored communication, unless authorized to do so. Employees have no expectation of privacy in



connection with the use of Company equipment or with the transmission, receipt, or storage of information using the Company's equipment. Authorized Company personnel may access communications and stored information at any time without notice or consent. Employees should avoid using Company e-mail for personal purposes. Personal e-mails should be deleted as soon as possible.

#### **V. Emergency Planning**

SEKO's records will be stored in a safe, secure and accessible manner. Documents and financial files that are essential to keeping SEKO operating in an emergency will be duplicated or backed up at least every week and maintained in some form in the Company's disaster recovery or archival system.

#### **VI. Offsite Storage & Document Destruction**

SEKO's Chief Legal Officer, IT Department (for electronically stored records) are 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.

**SEKO strives to be as paperless and automated as possible.** We do recognize that certain paper files must be maintained, however we encourage managers to consider the cost of our off-site storage and also be cognizant to follow the practices outlined herein.

In the event a department requires record retention off-site, the Manager of each department is responsible for ensuring that any physical records that must be retained are boxed, taped, labeled with the appropriate round sticker, labeled with the contents on the outside of the box along with the type of record (i.e. Final or Permanent) and a destroy date if applicable, and added to the off-site storage vendor transmittal sheet. The boxed physical records will then be forwarded to the Company's off-site storage facility. The physical records will be made available to employees upon request from their manager as necessary. On-site storage should be limited to current and 6 months of the prior calendar year. Each department will have 60 days to compile off-site storage boxes.

Each department manager shall maintain an up-to-date list of all records stored on-site and off-site, along with the dates of the records' creation and destroy. Based on that list, SEKO will dispose of records upon the expiration of each record's retention period, as outlined in the Document Retention Schedule or otherwise in this Policy.

#### **VII. Legal Holds**

If a lawsuit, an investigation, or other proceeding involving the Company is reasonably foreseeable, all destruction of any possibly relevant documents, including e-mail, must cease immediately. Documents relating to the lawsuit or potential legal issue will then be retained and organized under the supervision of the Chief Legal Officer.

#### **VIII. Compliance; Questions**

Failure on the part of employees to follow this policy can result in possible civil and criminal sanctions against SEKO and its employees and possible disciplinary action against responsible



individuals. The Chief Legal Officer in conjunction with SEKO's HR, Compliance and IT departments will periodically review these procedures to ensure that they are in compliance with new or revised regulations. Questions about this Policy should be directed to the HR Department or the Chief Legal Officer of SEKO.

## **IX. Retention and Destruction of Personal Data under Data Privacy Laws**

Personal Data under privacy laws includes any data, in both electronic and non-electronic formats, that identifies, or can be used to identify, an individual. Personal Data can include, but is not limited to, names, addresses, telephone numbers, email addresses, employee identification numbers, government-issued identification numbers, social security number, driver's license number, user passwords or PINs, account access credentials, financial account numbers, geolocation data, biometric, medical, health or health insurance data, racial or ethnic origin including citizenship or immigration status.

Retention of Personal Data under data privacy laws is accomplished by following the global retention schedule set forth above, while also ensuring the following:

Personal Data must be collected for a specific, explicit, and legitimate purpose, and not further used beyond this initial purpose, except for scientific, historical, or statistical purposes.

Personal Data must be retained for no longer than is necessary for the purposes for which the data is collected.

Destruction of non-electronic Personal Data under privacy laws includes SEKO approved physical destruction methods. Destruction of Personal Data stored in an electronic format can include SEKO approved anonymization methods, which remove personally identifiable information from data.

### **Records retention under HIPAA**

Retention requirements apply to HIPAA associated records (not HIPAA medical records which are based on State laws).

HIPAA associated records include, but are not limited to, notices of privacy practices, risk assessments, risk analyses, disaster recovery and contingency plans, business associate agreements, information security and privacy policies, employee sanction policies, incident and breach notification documentation, complaint and resolution documentation, physical security maintenance records, access logs, and IT security system reviews including new procedures or new technologies implemented.

HIPAA associated records must be retained for a minimum of 6 years after creation, or if the document outlined a policy, 6 years from when the policy was last implemented.



I acknowledge that I have read the Record Retention Policy, and understand what is expected of me.

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name