

VALLEY ELECTRIC ASSOCIATION, INC.

Corporate Policy #115

RECORDS RETENTION PROGRAM

Dated: October 2, 2009
Supersedes Date: July 20, 2008
Formerly: Policy #123

I. OBJECTIVE:

The purpose of this policy is to ensure the reasonable and good faith retention of all records created by or under the control of the Association, whether paper or electronic, that are necessary or advisable to retain for: business operations; accounting, audit, tax and financial purposes; compliance with applicable law; possible future use in litigation involving the Association; and possible future use in an official proceeding or governmental investigation, audit or other matter. Other records, which are not necessary to retain for these reasons, shall be destroyed in accordance with the guidelines set forth in this policy. All other information that is not a record should be discarded after it has fulfilled its purpose to avoid the unnecessary expense and effort that would be required to preserve it. A legal hold notice shall be issued when it becomes necessary to preserve a record or other information otherwise scheduled or due for ordinary and appropriate destruction in accordance with this policy.

II. POLICY:

Records of the Association, which may be in electronic or paper form, shall be retained in accordance with these guidelines. Records that do not need to be retained shall be destroyed after the requisite retention period, if any, has passed. A log or other documentation of records destruction may be created to track compliance and assist in evaluating the effectiveness of this policy. Pending or potential litigation, governmental investigation and other circumstances may require a "hold" or suspension of regularly scheduled destruction of records or other information. Employees will be promptly notified of any such hold by the Association's attorney or the CEO.

The Association shall develop a Record Retention Manual by designing and implementing a records retention program that will:

- Insure compliance with applicable laws, regulations, rulings, and directives;
- Protect the Association and its employees;
- Improve the delivery of services to its members and customers; and
- Increase efficiency by improving access to current information.

The Association recognizes that requirements for records retention and the records used or maintained by the Association are constantly changing, so the Records Retention Schedule shall be updated at least annually.

III. RESPONSIBILITY

The Chief Executive Officer shall be responsible for the administration of this policy.