

Policy Number: B-19**Subject: Records Retention and Destruction****Review Requirement: 3 years****Original Issue Date: March 12, 2026****Date of Last Review: March 12, 2026****Date of Last Revision: March 12, 2026****Previous Revisions:**

I. OBJECTIVE

To ensure the reasonable and good faith retention of all Records created by or under the control of Mountain Parks Electric, Inc. (the “Cooperative”), whether paper or electronic, that are necessary or advisable to retain for: business operations; historical value; accounting, audit, tax and financial purposes; compliance with applicable law; possible future use in litigation involving the Cooperative; and possible future use in an official proceeding or governmental investigation, audit or other matter. All employees must understand their role in retaining and destroying Records in accordance with the guidelines established herein. The Cooperative prohibits the inappropriate accidental or intentional destruction of the Cooperative’s records.

II. Definitions

Unless otherwise indicated in this policy, the following terms will have the meanings provided in this section when used in this Policy B-19.

- A. Back-up Data: Records and Other Information which are routinely stored on a portable media (e.g. disks, cloud storage, USB drives, magnetic tape) and /or off-site to serve as a source for disaster recovery.
- B. Distributed Data: Records and Other Information living on portable media or “non-local” devices (e.g. iPads, smartphones, employee home computer, application service provider, ISPs).
- C. Record: A “record” is any information, whether recorded in paper or electronic form, that is created or received by the Cooperative and that acts as evidence of its business transactions, legal obligations, operations, policies, or decisions. A Record has some enduring value to the Cooperative that merits its retention for some period of time. Records include without limitation original and copies of contracts and other legal documents, memos, reports, forms, checks, accounting journals and ledgers, work orders, drawings, maps, images, photographs, and may be found in various electronic or machine-readable formats, including without limitation, CD-ROMs, DVDs, tape recordings, voice mail messages, e-mails, videos, microfiche, web pages, computer and other electronic files.

- D. Other Information/Data: “Other information” or “Data” is any other material that is of transitory nature, that after serving its limited purpose or being transferred to a more permanent form, or being incorporated with other record material, the Cooperative has no need to retain such information except in the event of a legal hold. Other Information includes without limitation notes, drafts, routine correspondence, information or courtesy copies, extra copies of filed or preserved records, and emails containing non-record information (such as scheduling or logistics information, thank you notes, etc.).

III. POLICY

- A. Applicability - This Policy applies to all Records and Other Information, whether or not directly identified in the Record Retention Schedule, and regardless of format (e.g., paper, electronic, microfilm, microfiche, magnetic tapes, and/or CD-ROM).
- B. Retention of Records – Records shall be indexed and retained in a manner that ensures secure and authorized accessibility. Records shall be maintained for as long as the period stated in the Record Retention Schedule attached hereto as Appendix I. The Record Retention Schedule will be reviewed periodically and amended upon approval by the CEO as needed to reflect changing legal requirements, business needs, or evolving practices. The Records Administrator shall be responsible for supervising all of the Cooperative’s retention practices and procedures and ensuring that appropriate internal controls are implemented. The Records Administrator may designate Records Coordinator(s) to ensure records are retained, organized, and destroyed according to Cooperative policies. Records shall be maintained in the formats and/or media and at the locations provided in the master index, which media shall ensure a life expectancy that, at a minimum, preserves the records for as long as specified in the Record Retention Schedule. Transfer of any Records to storage media that is different from the media in which the Record was originally created or is being maintained requires documentation of the transfer and verification for accuracy.
- C. Destruction of Records & Other Information – If reasonably practical, Destruction of records shall occur within 30 days after the time period stated in the Retention Schedule has been met, except during the pendency of an audit or Legal Hold. If it is not reasonably practical to destroy the Records in the foregoing time, then such destruction shall occur as soon thereafter as is reasonably practical. Other information should be discarded as soon as practicable after it has served its purpose unless subject to a Legal Hold.

Destruction may occur by the following acceptable methods:
(Paper)

- Recycling or trash if no sensitive, personally identifiable or confidential information is included
- Shredding, burning, or pulverizing if sensitive, personally identifiable or confidential information is included

(Electronic)

- Deletion of records and data on cloud storage, shared network files, computer desktop and laptop hard drives, including personal copies
- Deletion of distributed data/records on peripheral devices and portable storage media (e.g. memory sticks, CDs, floppy disks, etc.)
- Erasing or recycling of magnetic tapes

A Certificate of Records Compliance and Destruction, in the form attached hereto as Appendix II, must be submitted to the Records Administrator when destruction of records occurs.

In the event Records are lost, damaged, destroyed prematurely, destroyed without authorization, or otherwise rendered unavailable in a manner inconsistent with this Policy or the Record Retention Schedule, the responsible employee shall promptly complete and submit the Certification of Untimely Destruction or Loss of Records form, in the form attached hereto as Appendix V, to the Records Administrator. The Records Administrator will review the submission, determine any required corrective measures, and document the incident for audit and compliance purposes.

D. Suspension of Destruction/Legal Hold – Pending or potential litigation, governmental investigation and other circumstances will require a “Legal Hold” or suspension of destruction of affected records, and no record subject to such hold or suspension may be destroyed until approved by legal counsel. Employees will be promptly notified of any Legal Hold by the Records Administrator, Chief Executive Officer (“CEO”), or the Cooperative’s Attorney. A Legal Hold may need to be issued for various reasons, including without limitation:

- A complaint is filed against the Cooperative
- A credible threat of litigation has been received by the Cooperative
- A discovery request is received
- A records preservation order has been issued
- A subpoena has been served on the Cooperative
- A governmental, regulatory or law enforcement agency has instituted an investigation
- An event has occurred that resulted in death or serious bodily injury
- A circumstance has arisen that is likely to cause the Cooperative to file a lawsuit against someone or some entity
- An employee has made a complaint/allegation/report regarding a violation of law, Cooperative policy, or other improper conduct prompting an internal investigation

If a staff member of the Cooperative receives a legal complaint, threat of litigation request, subpoena, or inquiry, he or she should immediately submit it to the Records Administrator, CEO, or Cooperative Attorney. Following consultation with the Cooperative Attorney, a determination will be made regarding the need to preserve records. If such a need is determined to exist, then the Cooperative Attorney will issue a Legal Hold notification (“Legal Hold Notice”), in substantially the form attached hereto as Appendix III.

The Legal Hold shall require the preservation of all Records and Other Information detailed in the Legal Hold Notice, including relevant and non-duplicative Back-up Data and Distributed Data. Purely duplicative Back-up Data will be recycled or destroyed in accordance with the Cooperative’s regular policy or operating procedure.

If a computer or peripheral device (e.g. iPad, external disk drive, smartphones, etc.) contains Records or Other Information subject to the Legal Hold, then any scheduled replacement of such computer or device must be suspended until the stored Records and Other Information on such computer or device are copied to a secure medium. Such steps must be documented (in a hardware replacement, IT maintenance, or other log) noting the dates of such copying and the equipment replacement, the person responsible for the copying and replacement, and the location of the copied materials.

- E. Compliance & Questions – Every employee, manager, director and agent of the Cooperative is required to comply with this policy. Training will be provided periodically to ensure that everyone subject to the policy is familiar with its provisions and understands the specific responsibilities and tasks required by the policy. Every person subject to the policy shall sign a copy of the Employee Acknowledgment appended to this policy as Appendix IV. Periodic compliance audits and testing of retention, Legal Hold, and destruction procedures will be undertaken at the direction and supervision of the Records Administrator. The CEO shall make periodic reports to the Board of Directors regarding overall compliance.
- F. Reporting of Suspected Noncompliance – Should any employee, director or agent of the Cooperative become aware of information indicating that a person responsible for the retention or destruction of records is not in compliance with this policy, such information shall be promptly reported to the Records Administrator or CEO.

IV. RESPONSIBILITY

The CEO shall be responsible for the overall administration and compliance of this policy.