

DOCUMENT RETENTION AND DESTRUCTION POLICY

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

A. Permanent Retention Permanent records—

Permanent records are records required by law to be permanently retained and which are ineligible for destruction at any time for any reason. These records are necessary for the continuity of business and the protection of the rights and interests of the organization and of individuals. These include records such as organizational documents (Articles of Incorporation and Bylaws), Board minutes and policies, federal and state tax exempt status and independent audits. No record, whether or not referenced, may be destroyed if in any way the records refer to, concern, arise out of or in any other way are involved in pending or threatened litigation.

Corporate Records – Permanent Annual Reports to Secretary of State; Attorney General Articles of Incorporation; Board Meeting and Board Committee Minutes; Board Policies/Resolutions By-laws; Construction Documents; Fixed Asset Records; IRS Application for Tax-Exempt Status (Form 1023); IRS Determination Letter; State Sales Tax Exemption Letter; Accounting and Corporate Tax Records; Annual Audits and Financial Statements; Depreciation Schedules; General Ledgers; IRS 990 Tax Returns; Bank records; and Payroll and Employment Tax Records.

B. Nonpermanent retention Retirement and Pension Plan Documents —Legal, Insurance and Safety Records, Appraisals, Copyright Registrations, Insurance Policies, Real Estate Documents, Trademark and Registrations

Non-permanent retention Non-permanent records—Certain records are not required by law to be permanently retained and may be destroyed after the passage of certain years or upon the passing of events as defined by these policies. Notwithstanding the listing of documents below, no record, whether or not referenced may be destroyed if in any way the records refer to, concern, arise out of or in any other way are involved in pending or threatened litigation.

Corporate Records Contracts (after expiration) 7 years; Correspondence (general) 3 years; Accounting and Corporate Tax Records Business Expense Records 7 years; IRS 1099s 7 years; Journal Entries 7 years; Invoices 7 years; Sales Records (box office, concessions, gift shop) 5 years; Petty Cash Vouchers 3 years

Cash Receipts 3 years; Credit Card Receipts 3 years; Bank Records Bank Deposit Slips 7 years; Bank Statements and Reconciliation 7 years; Electronic Fund Transfer Documents 7 years; Payroll and Employment Tax Records Earnings Records 7 years; Garnishment Records 7 years; Payroll Tax returns 7 years; W-2 Statements 7 years; Employee Records,

Records Relating to Promotion, Demotion or Discharge 7 years after termination;
Accident Reports and Worker's Compensation Records 5 years after termination of claim; Salary Schedules 5 years; Employment Applications 3 years; I-9 Forms 3 years after termination; Time Cards 2 years; Legal, Insurance and Safety Records Donor Records and Acknowledgement Letters 7 years; Grant Applications and Contracts 5 years after completion; Leases 6 years after expiration; OSHA Documents 5 years; General Contracts 4 years after termination

All documents and financial files that are essential to keeping Leader Labs operating in an emergency will be duplicated or backed up at least every week and maintained off site. All other documents and financial files will be duplicated or backed up periodically as identified by the Chief Financial Officer or other person as designated by the Chief Professional Officer and maintained off-site.

Document Destruction — Leader Labs Chief Financial Officer or other representative as designated by the Chief Executive Officer 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.

Compliance Failure on the part of employees to follow this policy can result in possible civil and criminal sanctions against Leader Labs and its employees and possible disciplinary action against responsible individuals. The Chief Financial Officer or individual designated by the Chief Professional Officer and Finance Committee chair will periodically review these procedures. Questions concerning these policies, the applicability of certain records to the retention or destruction policies, must be addressed to the Chief Financial Officer or other individual as designated by the Chief Professional Officer.