



## 11.4 Records Management

### **PURPOSE:**

The purpose of PHI's Records Management Policy is to provide an organized program to conserve Company assets by reducing the space needed for records storage and to preserve Company records for an appropriate time in a retrievable fashion. The Director, Risk Management & Compliance, along with the Corporate Chief Financial Officer, shall be responsible for the implementation, maintenance and enforcement of this policy.

### **Policy/Procedure:**

It is PHI's policy to maintain and safeguard all correspondence and records in accordance with Company needs and governmental regulations. Most of our corporate records do not require long-term retention. They may be vital to current goals and useful for analysis of current operations, but are of little or no value to the Company by the time they are over one year old. Guidelines for longer retention periods are attached as Appendices. Any changes to the Appendices must be approved by the Corporate Chief Financial Officer

Longer retention periods are based upon *legal*, *audit* or *management* requirements.

A "*legal requirement*" means that:

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

An "*audit requirement*" refers to state and federal tax audits. All records needed for audit are retained for a period long enough to cover the statutory requirements for the audit plus extensions.

A "*management requirement*" refers to the needs of Company departments producing records of proprietary, technical or economic value to future operations of the Company. The mere fact that people at higher levels of management "might ask for certain records" does not constitute a positive management requirement.

The procedures will also provide for periodic review of all files by authorized personnel. In this context, all files on Company premises are deemed to be Company files. Consequently, if an employee maintains any purely personal files, which he or she does not wish to have inspected, such personal files must be maintained elsewhere, not on Company premises.

The record retention guidelines contained herein apply only to the originating department or department responsible for action related to the record(s). Other departments receiving copies of these records should retain such copies only as useful, but shall not exceed established corporate policies and procedures. Where multiple departments are responsible for actions related to a single record, those departments should agree which will be responsible for record retention and document such responsibility. The objective is to minimize the number of copies kept while ensuring that documents are retained as required.



The format of the retained records may vary. Options include hard copy original, computerized image, electronic format (pdf), etc. Regardless of the format selected, records must be safeguarded and easily accessible.

The policy is to be administered by the Director, Risk Management & Compliance who will ensure that it is implemented within the corporate office and in the business units through the Business Unit Managers. Business Unit Managers are responsible for developing, implementing and monitoring procedures appropriate to business unit needs.

**RETENTION AND DISPOSAL:**

Each department (and each consultant and outside agency subject to this policy) should annually conduct a formal record purging process.

On the attached appendices, retention is generally expressed in terms of the number of calendar years to be added to the current calendar year.

**More Frequent Disposal**

The Company does not expect all participants to conduct comprehensive purges more often than once per year. When the schedules call for retention periods shorter than one year (e.g., 6 months for non-essential correspondence), those records should be destroyed either

- Systematically, such as through the monthly purging of electronic mail, or;
- If systematic purging is not practical, opportunistically, e.g., by disposing of outdated materials as they are observed in files.

In the case of documents having no lasting value, such as memos, progress reports and other informational work papers not required to support final documents, record storage and retrieval problems can be alleviated by not filing the documents in the first instance.

**Retention Notification**

In the event the organization is placed on notice as the subject of investigation, the Director, Risk Management & Compliance will notify senior management and/or legal counsel to suspend destruction of documents. Efforts to suspend and commence retention and disposal processing will be done to ensure compliance and full cooperation with enforcement and legal proceedings. All related management and supervisors should be sure to communicate such protocol in a timely manner to internal personnel and related vendors responsible for document retention and disposal processes.

**Annual Review**

Every employee is to participate in the annual (or more frequent) record purging, under the supervision of the employee's manager. Consultants and outside agencies subject to this policy are to participate at the direction of their principal contact within the Company.

All disposed materials must be securely destroyed, e.g., shredded, reformatted, etc. All backup and archive copies of a record must be destroyed when the original is destroyed. Only third-party vendors approved by the Company are to be utilized.

All participants must ensure that their personal hard disks, home computers, home files, etc.,



## **Corporate Policies and Procedures**

## **Section 11.0 Corporate Operating Policies**

are purged in accordance with these guidelines.

For the annual review, each department managers is responsible for verifying hard copy documents created during the year have been scanned and/or destroyed. No records will be retained in the producing department that are older than the current fiscal year unless they are files with continuing activity involved such as collections, legal proceedings, or insurance claims.

In conclusion, the broadest responsibility of the Records Management Policy is to insure that all necessary records for the continuation of business are safeguarded and stored in an orderly manner, or duplicated in another location to prevent the disruption of the company's operation.

### **Electronic Archiving**

Document management and digital conversion of our physical records can provide cost savings, improved security and most efficient access to data. There is no distinction between paper and electronic record retention; the same retention periods apply to both. Electronic records are to be securely stored in a format that follows permission-based rules to prevent unauthorized access. All records should be stored in "read only" format to prevent manipulation or deletion. Once scanned, all records should be inspected to confirm the quality of the digital images.

The email system does not automatically retain or purge emails. The user is responsible for saving emails to folders or other locations per the retention policies established in the appendices.

### **Interpretations and Exceptions to Policy:**

The policy is to be administered by the Director, Risk Management & Compliance who will insure that it is implemented within the corporate office and in the business units through the Business Unit Managers. Business Unit Managers have the responsibility to develop, implement and monitor procedures appropriate to business unit needs.

### **Amendment & Termination:**

The Company reserves the exclusive right to modify or terminate this policy at any time.

APPENDIX A

**RECORDS RETENTION – AIRCRAFT OPERATIONS**

<b>RECORDS</b>	<b>PERIOD OF RETENTION</b>	<b>AUTHORITY</b>
Self-Disclosure Files	Permanent	Internal Policy
Civil Aeronautical Board Report	1 year	Internal Policy
General Correspondence	2 years	Internal Policy
Memorandum	2 years	Internal Policy
Pilot Flight Time Report	1 year	CFR 49, 135.63
Operations Manual Bulletins	5 years	Internal Policy

APPENDIX B

**RECORDS RETENTION - CORPORATE**

<b>RECORDS</b>	<b>PERIOD OF RETENTION</b>	<b>AUTHORITY</b>
Articles, Bylaws, Minutes of Board Meetings	Permanent	Various Federal and State Laws
Minutes of meetings of committees of Board of Directors	Permanent	Internal Policy
Employee Complaint Investigation	5 years	Internal Policy
Filings with SEC & Sarbanes-Oxley Compliance documentation	Permanent	Internal Policy
Master Service Agreements	Permanent	Internal Policy
Consulting Agreements	Permanent	Internal Policy
Union Grievances	Permanent	Internal Policy
Union Bargaining Records	5 years	Internal Policy
Executive Equity Compensation Files	Permanent	Internal Policy
Filings with Regulatory Bodies	Indefinite (review every 10 years)	Internal Policy
Copyright & Trademark Registrations	Permanent	Internal Policy
Patents, Patent Licenses & Related Claims	10 years after expiration of patent	Internal Policy

APPENDIX C

**RECORDS RETENTION – ENGINE & COMPONENT OVERHAUL**

<b>RECORDS</b>	<b>PERIOD OF RETENTION</b>	<b>AUTHORITY</b>
Engine Inventory	4 months	Internal Policy
Inherent Removal Report	2 years	Internal Policy
Forms & Publications	At Least Last Revision	Internal Policy
Training Records	2 years after termination	FAA
Cores	3 years	Internal Policy
Test Cell	3 years	Internal Policy

APPENDIX D

**RECORDS RETENTION - FINANCE**

<b>RECORDS</b>	<b>PERIOD OF RETENTION</b>	<b>AUTHORITY</b>
Auditor's Reports	Permanent	Internal Policy
Misc. & Div 1099	7 years	Internal Policy
A/P Invoices	10 years	Reg. 1.6001-1(a) IRS
A/P Vouchers	10 years	Reg. 1.6001-1(a) IRS
A/P Batch Reports, CK updates	10 years	Reg. 1.6001-1(a) IRS
Cash Receipts	10 years	Reg. 1.6001-1(a) IRS
Awaiting Invoice	4 years	Internal Policy
A/P Check Copies	10 years	Internal Policy
Expense Account Check Copies	4 years	Internal Policy
Expense Reports	4 years	Internal Policy
Foreign Affiliates, Statements & Investments	10 years unless required otherwise by local country laws	Internal Policy
General Ledger Books	Permanent	Internal Policy
Budget	3 years	Internal Policy
Journal Entries	4 years	Internal Policy
PM & Foreign Invoices	10 years	Reg. 1.6001-1(a) IRS
A/R Flight Invoices	10 years	Reg. 1.6001-1(a) IRS
Packing Slips	4 years	Internal Policy
Special Accounts	4 years	Internal Policy
Taxes Paid Vouchers/Invoices	Permanent	Reg. 1.6001-1(e) IRS
Audit & Tax Schedules	Permanent	Reg. 1.6001-1(e) IRS
10Q & 10K	Permanent	Internal Policy
Bank Statements & Cancelled Checks	7 years	Internal Policy

APPENDIX D  
**RECORDS RETENTION – FINANCE (cont'd)**

<b>RECORDS</b>	<b>PERIOD OF RETENTION</b>	<b>AUTHORITY</b>
Base P&L's	4 years	Internal Policy
ESOP Records	Permanent	Internal Policy
Fixed Asset Reports	10 years	Internal Policy
Federal Excise and Fuel Tax	10 years	Reg. 1.6001-1(e) IRS
Federal and State Income Tax	10 years	Reg. 1.6001-1(e) IRS
Sales Tax Files	10 years	Reg. 1.6001-1(e) IRS
Sales Tax Files – Sales Tax on Aircraft	Permanent	Reg. 1.6001-1(e) IRS
Inventory Reports	10 years	Reg. 1-6001-1(e) IRS
Debt Covenants	4 years	Internal Policy
Strategic Plans	Permanent (only CFO, CEO and Controller should retain copies. All others should be destroyed upon issuance of new plans.	



APPENDIX E

**RECORDS RETENTION – GLOBAL STANDARDS**

<b>RECORDS</b>	<b>PERIOD OF RETENTION</b>	<b>AUTHORITY</b>
Notice of Proposed Global Standards Files	5 years	Internal Policy
Global Standards Implementation Files	5 years	Internal Policy
Business Review (Audit) Files	5 years	Internal Policy
Business Review Team Member Training Records	5 years	Internal Policy

APPENDIX F

**RECORDS RETENTION – HUMAN RESOURCES**

<b>RECORDS</b>	<b>PERIOD OF RETENTION</b>	<b>AUTHORITY</b>
Employee Terminations	5 years from date termination record made or action taken, whichever is later	Title VII, PRD and 49 CFR 40
Medical Records	30 years	Code of Federal Regulations
Hire and Termination Reports	2 years from date termination record made or action taken, whichever is later	Code of Federal Regulations (Internal Policy) Title VII
Collective Bargaining Agreements	3 years	FSLA
Union (Greenbook) agreement and historic negotiations	Permanent	RLA and Labor Regulations
Workers Comp Files	5 years	Internal Policy
EEO-1 Report	Copy of most recent report must always be retained. Records necessary for preparation of the form should be kept for at least 1 year.	Title VII
VETS 100 Report	2 years	Vietnam Era Veterans' Readjustment Assistance Act
Affirmative Action Plans	5 years	EEO Department
Audit Records	Permanent	EEO Department
EEO Charges	2 years after charge is closed	ADA; ADEA; Title VII; EEO Department
Cobra Files	10 years after charge is closed	Internal Policy
Insurance Correspondence	5 years	Internal Policy
Benefit Plan Documents	10 years after plan termination	ERISA
Benefit Plan Notices, SPD's and SMM's	6 years	ERISA
Benefit Plan Form 5500's and SAR's	6 years	ERISA
Retirement Plan Account Statements	6 years	ERISA
Benefit Claim Records	10 years after final benefit	ERISA
Job Postings and Job Orders Submitted to Outside Agencies	1 year	ADA; ADEA; Title VII; Vietnam Vets Act
Resumes	1 year	Internal Policy; ADEA
Applications	1 years	ADA; ADEA; Title VII
Applicant Flow Log	2 years	ADA; ADEA; Title VII

APPENDIX F

**RECORDS RETENTION – HUMAN RESOURCES (cont'd)**

<b>RECORDS</b>	<b>PERIOD OF RETENTION</b>	<b>AUTHORITY</b>
I-9	3 years	IRCA
Records Related to Collection Logbooks and Certification Statements	2 years	Section VII -Anti-Drug Program; Internal Policy, 49 CFR 382.401
Positive Drug Test Results	5 years	FAA, DOT, Section VII- Anti-Drug Program, Internal Policy, 49 CFR 382.401
Negative Drug Test Results	2 years	FAA, DOT, Section VII - Anti-Drug Program; Internal Policy, 49 CFR 382.401
Positive Alcohol test Results $\geq$ .02	5 years	Section VI-Alcohol Misuse Program
Other Violations of 14 CFR, 135.253	5 years	Section VI-Alcohol Misuse Program, 49 CFR 382.401
Documents Related to Refusal of Submittal to Alcohol Test	5 years	Section VI-Alcohol Misuse Program, 49 CFR 382.401
Annual Reports Submitted to FAA under this Program	5 years	Section VI-Alcohol Misuse Program, 49 CFR 382.401
Documents Relating to the Random Selection Regarding Alcohol Misuse Program	2 years	Section VI-Alcohol Misuse Program, 49 CFR 382.401
Reasonable Suspicion Alcohol Tests	2 years	Section VI-Alcohol Misuse Program, 49 CFR 382.401
Records Related to Training for Section VI-Alcohol Misuse Program	2 years	Section VI-Alcohol Misuse Program, 49 CFR 382.401
Alcohol Test Result below 0.02	1 year	Section VI-Alcohol Misuse Program, 49 CFR 382.401
Documents Disputing Results of Alcohol Test	2 years	Section VI-Alcohol Misuse Program, 49 CFR 382.401
OFCCP Audit	7 years	DOL
I-9 Audit	3 years	Homeland Security
EEOC Charges	3 years	DOL
401K Resolutions	Permanent	DOL
EEO Audit	7 years	DOL
PSN	5 years	Internal Policy

APPENDIX G

**RECORDS RETENTION – INTERNATIONAL OPERATIONS**

<b>COUNTRY</b>	<b>RECORDS</b>	<b>PERIOD OF RETENTION</b>	<b>AUTHORITY</b>
Australia	Tax Documentation	5 years with further if under investigation	Income Tax Assessment Act 1936, GST Act 1999
Australia	Employee Records	7 years	Fair Work Act 2009
Australia	Financial Records	7 years	The Corporations Act 2001
Australia	Company records – minutes, resolutions, declarations	5 years	The Corporations Act 2001
Australia	Registers of members, charges, option holders	5 years	The Corporations Act 2001
New Zealand	Tax documentation	7 years with further if under investigation	Tax Administration Act 1994, GST act 1985
New Zealand	Employee records	6 years	Employment Relations Act 2000
New Zealand	Financial records, company records, minutes, resolutions, declarations	7 years	Companies Act 1993
New Zealand	Registers of members, charges, option holders	10 years	Companies Act 1993
Singapore	Tax documentation	5 years	Income Tact Act 1947, Goods and Services Tax Act 1993
Singapore	Employee records	5 years	Internal policy
Singapore	Financial records, company records, minutes, resolutions, declarations	5 years	Companies Act 1967

APPENDIX H

**RECORDS RETENTION – BUSINESS DEVELOPMENT**

<b>RECORDS</b>	<b>PERIOD OF RETENTION</b>	<b>AUTHORITY</b>
Customer Contracts	Permanent	Internal Policy
Contracts of Merged Companies	Permanent	Internal Policy
Government Contracts	Permanent	Internal Policy
Contract Review	1 year	Internal Policy
Inquire/Order	1 year	Internal Policy
Tender (Quotation)	6 years	Internal Policy
Acceptance of Tender	Permanent	Internal Policy
Amendment Contract	Permanent	Internal Policy
Customer Feedback	6 years	Internal Policy
Correspondence (Customer)	While Useful (Review Annually)	Internal Policy
Inter-office Correspondence	While Useful (Review Annually)	Internal Policy
Negotiated Rates	Permanent	Internal Policy
Schedule of Rates	Permanent	Internal Policy
RFP/Bids	Term of Bid	Internal Policy
Activity Reports	1 year	Internal Policy
Aircraft Status Reports	1 year	Internal Policy
Aircraft Sharing Reports	1 year	Internal Policy
Competitor Report	1 year	Internal Policy
Marketing Staff Meeting Minutes	1 year	Internal Policy
New Business	Permanent	Internal Policy
Marketing Literature	Current	Internal Policy
Opportunity for Business	1 year	Internal Policy

APPENDIX I

**RECORDS RETENTION - MAINTENANCE AND ENGINEERING**

<b>RECORDS</b>	<b>PERIOD OF RETENTION</b>	<b>AUTHORITY</b>
Quality Critical Faxes/Letters	Until incorporated in the appropriate documentation or model or s/n is no longer operated	Internal Policy
Aircraft Logbooks	Life of Aircraft while Maintained by PHI	FAA
135 Aircraft Inspection Forms	Until Superseded	FAA
145 Workorders & Supplemental Forms	2 years	FAA
Resin & Curing Record #PHI-905-RCR-001	1 year	Internal Policy
Maintenance of Equipment	1 year	Internal Policy
Material Certifications	2 years	Internal Policy
Testing/Measuring Equipment	2 years	FAA
Training Records	2 years after termination	Internal Policy
Workorder Status Tracking Form	Task Completion	Internal Policy
Document Distribution Receipts	1 year	Internal Policy
Calibration Records for Manufacturing Approved Fixtures	2-5 years depending on Manufacturer	FAA; Internal Policy; Manufacturer
Magnesium Treatment Records	3 years	Internal Policy
Pitot Static Test System Leakage Log	1 month	Internal Policy
Acceptance Test Data for Encoders, Altimeters	2 years	Internal Policy
Altimeter Scale Error	Until Installed on Aircraft	Internal Policy
Certificate of Test for Metal Stock	1 year	Internal Policy

APPENDIX J

**RECORDS RETENTION---PAYROLL DEPARTMENT**

<b>RECORDS</b>	<b>PERIOD OF RETENTION</b>	<b>AUTHORITY</b>
Wage Garnishments	2 years after settlement	Internal Policy
Worker's Compensation Reports/Payroll Reports	5 years	Federal and State Agencies
ACH Reports	3 years	Internal Policy
Payroll General Ledger	7 years	Internal Policy
401-K Forms	Permanent	Internal Policy
Relocation Records	4 years	Internal Policy

**\*\* Workday is now our system of record for all employment related regulatory documents, time entries and payroll reports**

APPENDIX K

**RECORDS RETENTION - RISK MANAGEMENT/COMPLIANCE**

<b>RECORDS</b>	<b>PERIOD OF RETENTION</b>	<b>AUTHORITY</b>
Insurance Policies	7 years beyond expiration	Internal Policy
Litigation Files	7 years after closure	Internal Policy
A/C Premium Reports	7 years	Internal Policy
Insurance Claims, Appraisals, and Reports	7 years after closure	Internal Policy
Compliance Audit Reports	10 years	Internal Policy
Compliance Risk Assessments	10 years	Internal Policy
Compliance Committee Agendas, Meeting Notes, Findings	10 years	Internal Policy
Hotline Reports and Investigations	10 years	Internal Policy
Due Diligence Files	10 years	Internal Policy
Contracts	10 years after expiration	Internal Policy



APPENDIX L

**RECORDS RETENTION - SAFETY**

<b>RECORDS</b>	<b>PERIOD OF RETENTION</b>	<b>AUTHORITY</b>
Aircraft Accident Files	Permanent	CFR 49, 830.10—Until destruction authorized by the National Transportation Safety Board
Internal & External Audits	5 Years	Internal Policys
Correspondence/Memos	2 years	Internal Policy
Emergency Equipment Inspections (extinguishers, eyewash, AED, etc)	1 Year	Internal Policy
Employee Exposure Records and Analyses	Duration of employment, plus 30 years	OSHA, 29 CFR 1910.1020
Employee Medical Records	Duration of employment, plus 30 years	OSHA, 29CFR 1910.1020
FAA Aircraft Incident Report (AIR)	Indefinite (Review after 10 years)	CFR 49, 830.10—Until destruction authorized by the National Transportation Safety Board
FAA Correspondence	10 years	Internal Policy
FAA Reportable Incident/Accident Files	Indefinite (Review after 10 years)	CFR 49, 830.10—Until destruction authorized by the National Transportation Safety Board
Equipment Inspection Records	3 Years	Internal Policy
Incident Reports & Related Documentation (including investigations)	7 years	Internal Policy
Leading and Lagging Indicator Statistics	Indefinite	Internal Policy
OSHA 300 & 300A Logs and 301 Incident Reports	5 Years	OSHA 29CFR 1904
Safety Data Sheets	30 Years after discontinued	OSHA 1910.1020
Safety Meeting Records	5 Years	Internal Policy
Training Records	Duration of employment plus 3 years	Internal Policy

APPENDIX M

**RECORDS RETENTION – SAFETY/ENVIRONMENTAL**

<b>RECORDS</b>	<b>PERIOD OF RETENTION</b>	<b>AUTHORITY</b>
Internal Correspondence and Memorandums	Current year + 6	Internal Policy
Hazardous Waste Manifests	Indefinitely	Internal Policy
Environmental Plans (SPCC, SWPPP, UPPP, etc)	15 Years following discontinuance	Internal Policy
Environmental Testing	Indefinitely	Internal Policy
Hazardous Waste Profile Folders	Indefinitely	Internal Policy
Certificates of Recycle	Indefinitely	Internal Policy
Certificates of Destruction	Indefinitely	Internal Policy
Annual Waste Reports	3 years	Hazardous Waste Regulations
Annual Hazardous Waste Reports	3 years	Hazardous Waste Regulations
Lafayette Utilities System Discharge Permit Records	10 years	Internal Policy
SARA Title III	3 years	Internal Policy
SARA Title III (1991)	Indefinitely	Internal Policy
Wastewater Discharge Permits (Expired)	5 years	Internal Policy
Lafayette Complex Air Emission Permit (Expired)	5 years	Internal Policy
NPDES Discharge Permit (Expired)	5 years	Internal Policy
Spill Reports	Facility Occupation + 3 years	Internal Policy
Site Assessments	Facility Occupation + 3 years	Internal Policy
RBCS/RECAP Documents	Facility Occupation + 3 years	Internal Policy
Various Chemical Tracking Forms	3 years	Internal Policy; OSHA; EPA

APPENDIX N

**RECORDS RETENTION - SCHEDULING DEPARTMENT**

<b>RECORDS</b>	<b>PERIOD OF RETENTION</b>	<b>AUTHORITY</b>
ATCO	7 years	Internal Policy
Aircraft Worksheets	7 years	Internal Policy
Pilot Schedule Database	7 years	Internal Policy
Pilot Worksheets Database	7 years	Internal Policy
Pilot Workover Report	5 years	Internal Policy
Special Flight Reports	5 years	Internal Policy

APPENDIX O

**RECORDS RETENTION---TRAINING**

<b>RECORDS</b>	<b>PERIOD OF RETENTION</b>	<b>AUTHORITY</b>
Pilot Training Records	Permanent	FAA Pilot Records Database
Basic Indoctrination Records	Permanent	FAA Pilot Records Database
Initial Qualification Records	Permanent	FAA Pilot Records Database
Transition and Upgrade Aircraft Training Records	Permanent	FAA Pilot Records Database
Required Operating Experience Observation by FAA Inspector Records	Permanent	FAA Pilot Records Database
Recurrent Checkride Forms	Permanent	FAA Pilot Records Database
Recurrent Examinations	Permanent	FAA Pilot Records Database
Line Checks	Permanent	FAA Pilot Records Database
Pilot Qualification List	1 year	Internal Policy
Check Pilot Authorization	Permanent	FAA Pilot Records Database