

LOYOLA ENTERPRISES, INC.

POLICIES & PROCEDURES

CLASSIFICATION: Employment Practices

Number: I-5

Effective Date: 07-09-09

SUBJECT: Social Security Number

Revision Date:

It is the policy of LOYOLA to protect the confidentiality of social security numbers obtained and used in the course of business from its employees. All executives, managers, and employees are expected to adhere to this policy. Any employee violating the provisions of this policy will be disciplined up to and including termination.

Collection of Social Security Numbers

Social security numbers will be collected from employees as required in order to meet federal and/or state and Company reporting requirements. These purposes include but are not limited to:

- conduct employment background checks
- conduct driving record history checks
- verify eligibility for employment
- withhold federal and state taxes from payroll
- comply with state new-hiring reporting
- facilitate enrollment in benefit plans
- facilitate coverage for automobile insurance

Social security numbers may also be collected from independent contractors who do not have an employer identification number (EIN). Social security numbers obtained from independent contractors will be subject to the same provisions of this policy as those for employees.

Use of Social Security Numbers

With the exception of the above-referenced reasons, no social security number will be used to conduct Company business. Social security numbers will not be used for the following purposes: identification badges, timesheets, employee roster, employee identification records, computer passwords, Company account records, licenses, agreements or contracts.

Social security numbers will not be used in open computer transmissions, Company distributions, or through the Company intranet except where such transmission of information is by secure connection or is encrypted.

Storage and Access to Social Security Numbers

All documents containing social security numbers will be stored in locked secured areas. All computer applications containing social security numbers will be maintained on authorized-access computer stations only.

Only persons who have a legitimate business reason will have access to social security numbers. Those granted access must take all necessary precautions to ensure the integrity of records at all times.

Destruction of Social Security Numbers

Records that include social security numbers will be maintained in accordance with federal and state laws. When the retention period has expired and such documents are released for destruction, the records will be destroyed by shredding.