



Electronic Data Policies: Employer Exposures and Risks

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In recent years, far too many employers who have no real understanding of how to protect their electronic information have failed to prevent departing employees from taking their most valuable trade secrets, degraded the value of their electronic data for litigation purposes, or have negligently allowed critical electronic evidence to be completely destroyed, thus exposing their organizations to serious civil and criminal liability.

Now, however, with the enactment of the Sarbanes-Oxley Act of 2002, and the new Federal E-Discovery Rules (effective as of December 1, 2006), employers can no longer assume that ignorance of modern technology will be an excuse for failing to preserve the integrity of their data. Employers who have not put preventative policies in place to meet the challenges of protecting their electronic assets, and of preparing for litigation which will be resolved based on electronic evidence, should lose no time in doing so.

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