



DOCUMENT RETENTION AND DESTRUCTION

CORPORATE GOVERNANCE

SPIRIT OF AMERICA WORLDWIDE DOCUMENT RETENTION AND DESTRUCTION POLICY

1. POLICY STATEMENT AND PURPOSE

This Document Retention and Destruction Policy (the “Policy”) is adopted by the Board of Directors of Spirit of America Worldwide (the “Corporation”) pursuant to Article X of the Corporation’s bylaws. The purpose of this Policy is to ensure compliance with legal requirements, support operational efficiency, maintain transparency and accountability, and provide systematic procedures for the retention and destruction of corporate records.

This Policy applies to all corporate records in any format, including paper documents, electronic files, email communications, databases, and other recorded information maintained by the Corporation. The Chief Administrative Officer is responsible for implementing and overseeing this Policy. In the absence of the Chief Administrative Officer, the Chief Legal Officer shall serve as the responsible officer.

2. RECORD CATEGORIES AND RETENTION PERIODS

The following minimum retention periods apply to corporate records:

A. CORPORATE RECORDS (PERMANENT RETENTION)

- Articles of incorporation and all amendments
- Corporate bylaws and all amendments
- Board of directors meeting minutes and resolutions
- Committee meeting minutes and resolutions
- Membership records and directories
- Corporate seal and related documentation
- IRS tax-exempt determination letter and related correspondence
- Certificate of incorporation and good standing certificates

B. TAX AND REGULATORY RECORDS (PERMANENT RETENTION)

- IRS Form 990 and all supporting documentation
- State annual registration statements and charitable solicitation permits
- Export control compliance documentation (ITAR, EAR, OFAC records)
- Foreign Agents Registration Act (FARA) filings and correspondence
- All correspondence with regulatory agencies (IRS, state attorneys general, etc.)
- Audit reports and management letters from independent auditors

C. FINANCIAL RECORDS (7 YEARS AFTER END OF FISCAL YEAR)

- Audited financial statements
- General ledgers and chart of accounts
- Accounts payable and receivable records
- Bank statements, cancelled checks, and deposit records
- Investment statements and records
- Grant and contribution records with supporting documentation
- Expense reports and supporting receipts
- Budget documents and variance reports

D. EMPLOYMENT RECORDS

- Personnel files: 7 years after termination of employment
- Payroll records and time sheets: 7 years after payment
- Employment tax records: 4 years after tax due date or payment, whichever is later
- Form I-9 records: 3 years after hire date or 1 year after termination, whichever is longer
- Workers' compensation records: 7 years after claim closure
- Employee benefit plan records: 6 years after plan termination

E. DONOR AND CONTRIBUTION RECORDS (7 YEARS AFTER CONTRIBUTION DATE)

- Donor acknowledgment letters
- Individual and corporate contribution records
- Grant agreements and progress reports
- Fundraising event records
- Donor privacy and restriction documentation
- Gift acceptance committee records

F. CONTRACTS AND LEGAL DOCUMENTS (7 YEARS AFTER EXPIRATION/TERMINATION)

- Grant agreements and contracts
- Vendor and service provider agreements
- Memoranda of Understanding and partnership agreements
- Legal opinions and correspondence
- Litigation files and settlement agreements
- Insurance policies and claims records

G. INSURANCE RECORDS

- Insurance policies: PERMANENT for occurrence-based policies; 7 years after expiration for claims-made policies
- Claims documentation: 7 years after claim resolution
- Certificates of insurance: Duration of underlying contract plus 7 years

H. REAL PROPERTY RECORDS (PERMANENT RETENTION)

- Deeds, titles, and ownership documents
- Mortgages and loan agreements
- Lease agreements and amendments
- Property tax records
- Environmental assessments and reports

I. INTELLECTUAL PROPERTY RECORDS (PERMANENT RETENTION)

- Patents, patent applications, and related correspondence
- Trademark registrations and applications

- Copyright registrations and related materials
- Licensing agreements and royalty records

3. ELECTRONIC RECORDS MANAGEMENT

Electronic documents and records are subject to the same retention periods as their paper counterparts. The Corporation shall:

- Maintain appropriate backup systems to ensure electronic records remain accessible throughout their retention periods
- Store electronic records in formats that can be retrieved and read for the duration of the retention period
- Implement security measures to protect electronic records from unauthorized access, alteration, or destruction
- Ensure that email communications containing corporate records are retained according to their content classification
- Regularly migrate electronic records to current formats to prevent obsolescence

4. DESTRUCTION PROCEDURES

Records may be destroyed only after expiration of their required retention periods and with proper authorization:

- The Chief Administrative Officer (or Chief Legal Officer) must authorize all record destruction in writing
- A destruction log must be maintained documenting: type of records destroyed, date ranges, method of destruction, and authorizing signature
- Records containing confidential or sensitive information must be destroyed using methods that prevent reconstruction or retrieval (shredding, secure deletion software, etc.)
- For destruction of significant volumes of records, a Certificate of Destruction must be obtained from the destruction vendor
- No records subject to a legal hold may be destroyed regardless of retention schedule

5. LEGAL HOLD PROCEDURES

A legal hold suspends normal record destruction when litigation, government investigation, or audit is anticipated or pending:

- The Chief Legal Officer or outside legal counsel determines when to implement a legal hold
- Legal holds must be documented in writing and specify the scope of records to be preserved
- All relevant staff must be promptly notified of legal holds and their obligations to preserve records
- Legal holds remain in effect until the matter is resolved and written authorization is given to resume normal destruction
- Documentation of legal holds and their resolution must be maintained permanently

6. COMPLIANCE REQUIREMENTS

This Policy is designed to ensure compliance with:

- Sarbanes-Oxley Act requirements prohibiting destruction of records during federal investigations
- Federal records requirements for organizations receiving government contracts or grants
- Export control record retention requirements under ITAR, EAR, and OFAC regulations
- Internal Revenue Code requirements for tax-exempt organizations
- State nonprofit corporation laws and charitable solicitation requirements
- Employment law requirements under federal and state statutes

7. ROLES AND RESPONSIBILITIES

Board of Directors: Oversees policy compliance, approves annual policy reviews, and receives reports on policy implementation.

Chief Administrative Officer/Chief Legal Officer: Implements and oversees the Policy, authorizes record destruction, manages legal holds, and provides annual compliance reports to the Board.

Department Heads: Ensure staff compliance within their departments, identify records for retention or destruction, and coordinate with the responsible officer.

All Staff: Comply with retention requirements, respond to legal holds, and participate in training programs.

8. ANNUAL REVIEW AND UPDATES

The Board of Directors shall review this Policy annually to ensure continued compliance with legal requirements and operational needs. The responsible officer shall provide an annual compliance report to the Board documenting:

- Policy implementation activities
- Records destruction activities
- Legal holds implemented or released
- Any compliance issues or recommended policy updates
- Training provided to staff

Policy amendments require Board approval and must be documented with effective dates.

9. EXCEPTIONS AND SPECIAL CIRCUMSTANCES

Records may be retained beyond minimum requirements when:

- Business operations require longer retention
- Records have historical or archival value
- Legal counsel recommends extended retention
- Donor agreements or grant requirements mandate longer periods

Requests for exceptions must be approved in writing by the Chief Administrative Officer in consultation with the Chief Legal Officer. All exceptions must be documented and reported to the Board annually.

POLICY ADOPTION

This Document Retention and Destruction Policy was adopted by the Board of Directors of Spirit of America Worldwide on November 18, 2025, and is effective upon adoption. This Policy supersedes all previous record retention policies and may be amended only by Board resolution.

Secretary's Certificate

I, the undersigned Secretary of Spirit of America Worldwide, hereby certify that the foregoing Conflict of Interest Policy was duly adopted by the Board of Directors of the Corporation at a meeting held on ____, 2025.

Secretary