

**RECORD RETENTION POLICY  
OF  
SIMON'S HEART**

**Article I  
Purpose**

**Section 1.1.** This Record Retention Policy (this "Policy") has been adopted and approved by the Board of Simon's Heart (the "Corporation") for the purposes of defining the practices used by the Corporation to ensure proper treatment of corporate records and to comply with applicable statutory and regulatory record retention requirements of the Commonwealth of Pennsylvania (the "Nonprofit Corporation Act"). This Policy also is intended to supplement, but not replace, any applicable federal or state laws governing record retention applicable to nonprofit and charitable corporations, and the Corporation shall comply with the requirements of each such federal or state law in addition to the requirements of this Policy.

**Section 1.2.** The Corporation is a nonprofit corporation duly organized and existing under the laws of Pennsylvania, which has been recognized by the Internal Revenue Service as exempt from income tax under section 501(c)(3) of the Code, and as such is organized and operated exclusively for charitable, educational, and scientific purposes.

**Article II  
Corporate Records**

**Section 2.1. Definition**

The Corporation shall maintain certain records which are required to be maintained by a nonprofit corporation under the provisions of the Nonprofit Corporation Act (the "Corporate Records), which shall consist of the following:

- a. Articles of Incorporation. The articles of incorporation or restated articles of incorporation of the Corporation and all amendments thereto currently in effect.
- b. Bylaws. The bylaws or restated bylaws of the Corporation and all amendments thereto currently in effect.
- c. List of Directors and Officers. A list of the names and addresses of the current Directors and Officers of the Corporation.
- d. Minutes. Minutes of all meetings of the Board of Directors of the Corporation, a record of all actions taken by the Board of Directors of the Corporation without a meeting, and a record of all actions taken by a committee of the Board of Directors of the Corporation on behalf of the Corporation.
- e. Communications. All communications in the form of a record to the Board of Directors of the Corporation.

**Section 2.2. Retention.**

Notwithstanding any other provision of this Policy, or any schedule that may be adopted pursuant to this Policy, all Corporate Records shall be retained permanently.

**Section 2.3. Inspection.**

The Directors and Officers of the Corporation shall be entitled to inspect and copy Corporate Records at any reasonable time to the extent reasonably related to the performance of their duties as Directors and Officers, respectively.

**Article III  
General Provisions**

**Section 3.1. Adoption of Schedules.**

From time to time, the Corporation may establish retention schedules for specific categories of documents or records. While minimum retention periods are established throughout this Policy, the retention of documents and records shall be determined primarily by the application of general guidelines and best practices affecting document retention, the need to retain particular documents and records for ongoing use in the Corporation's operations, as well as the exception for litigation-relevant documents and any other pertinent factors.

**Section 3.2. Form of Records.**

Documents and records may be maintained in paper or electronic form, and retention of an electronic form of a document or record shall be deemed sufficient to meet the retention requirements set forth in this Policy.

**Section 3.3. Legal Requirements.**

No provision of this Policy shall be interpreted in a manner that conflicts with any applicable law or regulation. It is the policy of the Corporation to comply with all applicable laws and regulations at all times.

**Article IV  
Litigation and Investigations**

**Section 4.1. Indefinite Retention.**

Notwithstanding any other provision of this Policy, or any schedule that may be adopted pursuant to this Policy, any records that are relevant, or are believed to be relevant, to any ongoing or anticipated litigation, proceeding, or government investigation, shall be retained until it is subsequently determined that such records are no longer needed.

**Section 4.2. Authority.**

For the purposes of this Policy, the President, the Secretary, or any legal counsel retained by the Corporation shall be authorized to determine whether a record, or class of records, shall be subject to indefinite retention under this Article.

## **Article V Retention Schedule**

### **Section 5.1. Permanent Retention.**

The following classes of documents and records shall be retained permanently:

- a. Documents related to the Corporation's tax status, including Internal Revenue Service ("IRS") Form 1023 and the associated IRS tax exemption determination letter.
- b. Retirement and pension records.
- c. Press releases and other public filings.
- d. Records of any intellectual property the Corporation may hold.
- e. Financial statements, evidence of financial transactions such as payment instruments for significant purchases, and depreciation schedules.
- f. Expired insurance policies, insurance records, accident reports, and insurance claims.
- g. External audit reports.
- h. Contribution records and documents evidencing terms of restricted gifts.

### **Section 5.2. Retention for Ten Years.**

The following classes of documents and records shall be retained for at least ten (10) years:

- c. Legal files, unless the Corporation's counsel determines a longer retention period is appropriate.

### **Section 5.3. Retention for Seven Years.**

The following classes of documents and records shall be retained for at least seven (7) years:

- d. Tax records, including, but not be limited to, documents concerning payroll, expenses, proof of contributions made by donors, accounting procedures, and other documents concerning the Corporation's revenues, if any.
- b. Personnel and employment records, including performance reviews, complaints brought against the Corporation and/or other employees, and memoranda concerning the foregoing.
- c. Inventories of products, materials, and supplies.
- d. Accounts payable ledgers.

**Section 5.4. Retention for Three Years.**

The following classes of documents and records shall be retained for at least three (3) years:

- e. Employment applications.
- b. Marketing and sales documents.
- c. Contracts, leases, licenses, and other such documentation of commercial agreements, following the expiration of such agreements.
- d. Bank reconciliations, bank statements, deposit slips, and checks.
- e. Internal audit reports.

AGREEMENT TO COMPLY  
WITH  
RECORD RETENTION POLICY

I, a director, officer, member of a committee with Board-delegated powers, or key employee, hereby state that I have received a copy of the Record Retention Policy of Simon's Heart, have read it and understand it, and hereby agree to comply with this Policy.

Signature: \_\_\_\_\_

Print name: Darren Sudman

Date: October 13, 2020