

Stafford Estates Homeowners' Association, Inc.

Record Retention Policy

WHEREAS, the Board of Directors (the "Board") of the Stafford Estates Homeowners' Association, Inc. ("Association") desires to adopt a Record Retention Policy in order to be in compliance with Section 209.005(m) of the Texas Property Code; and

NOW, THEREFORE, IT IS RESOLVED, that the following Record Retention Policy ("Policy") is established by the Board:

1. **Governing Documents** – All governing documents including but not limited to certificates of formation, bylaws, restrictive covenants, and all amendments and supplements thereto shall be retained permanently.
2. **Financial Records** – Financial books and records including tax returns, historical financial reports and budgets, invoices, bank statements and reconciliations, and any audits shall be retained for seven years.
3. **Record of Owners' Account** – Transaction records of dues payments are retained for seven years. Resale certificates are retained five years. Owner petitions required by the *Consolidated Declaration of Covenants, Conditions and Restrictions for Stafford Estates* and the Architectural Control Committee's response to said petitions will be retained permanently.
4. **Contracts** – Contracts with a term of one year or more shall be retained for at least four years after the expiration of the contract term.
5. **Minutes** – Minutes of the Board, the Annual Meeting of Members, and Special Meetings of Members shall be retained for seven years.

In the event the Association is served with any subpoena, request for documents, becomes aware of a governmental investigation, or origination of any litigation concerning the Association, all documents pertaining to such investigation, claim or litigation shall be retained indefinitely. Additionally, any further disposal of documents shall be suspended and shall not be reinstated until completion of the investigation or litigation or until such time as the Board, with the advice of legal counsel, determines otherwise.

The Board may, from time to time, adopt or amend more detailed record retention procedures to operationalize the implementation of the Policy. In the event of conflict between the Policy and any detailed record retention procedures, the Policy