## **Sample Data Retention Policy**

Please note the record retention policy mentioned below may be the record retention policy available through CNCDA or a dealership-specific record retention policy.

**DATA RETENTION POLICY**

**Purpose**

The purpose of this Data Retention Policy (“Policy”) is to ensure that the data collected, maintained and used by DEALERSHIP (“DEALERSHIP”), including sensitive personal data, is adequately protected and maintained, and to ensure that data that is no longer needed by DEALERSHIP is discarded at the proper time and in the proper manner. This Policy is designed to ensure compliance with U.S. federal and local laws and regulations to eliminate accidental or innocent destruction of documents, and to facilitate DEALERSHIP’s operations by promoting efficiency and freeing up valuable storage space. This Policy is also for the purpose of aiding employees of DEALERSHIP in understanding their obligations in retaining information. DEALERSHIP expects all employees to fully comply with this Policy.

**Definitions of Key Terms**

“**Data**” is defined as any written, recorded or graphic material of any kind existing in any tangible or electronic form that is in the custody, possession or control of DEALERSHIP or any of its directors, officers or employees, which in any way concerns DEALERSHIP’s operations, business activities or legal requirements, including, but not limited to customer personal data. Data may be as obvious as a memorandum, an email, a contract, or something not as obvious, such as a computerized desk calendar, an appointment book, or an expense record.

“**Retention Period**” is defined as the period of time during which Data must be retained. Unless otherwise specified, Retention Periods are measured from the date of Data creation or modification.

**Requirements**

All Data will be stored in the physical locations or in the electronic systems that DEALERSHIP has provided and designated for such Data. Data shall be retained in a manner that reasonably protects the Data from damage or destruction, facilitates the location and retrieval of the Data in a minimal amount of time and with minimal expense and effort, and complies with other DEALERSHIP policies and procedures, to the extent applicable. Following the expiration of the Retention Period, Data should be destroyed absent explicit written direction to the contrary from [*INSERT PERSON IN CHARGE OF ENFORCING THIS POLICY*].

Before Data is disposed of or destroyed, DEALERSHIP must verify that the Data (i) has met its Retention Period and (ii) is not the subject of any pending/imminent/threatened litigation or audit. Data will be disposed of in a manner that is reasonable considering the content of the Data, but which assures that the information has been destroyed.

* For printed Data:
	+ Confidential or sensitive Data should be shredded or incinerated.
	+ All non-confidential Data may be disposed of in the appropriate recycling receptacle.
* For electronic Data:
	+ All Data should be deleted in a way that is irretrievable and non-restorable.

**Email Archival Practices**

This section is designed to ensure compliance with federal and state laws and regulations, to eliminate accidental or innocent destruction of emails and to facilitate DEALERSHIP’s operations by promoting efficiency and freeing up valuable storage space. This section sets general guidelines, recognizing the impracticality of adhering to rigid rules, and the massive volume of records created by the ever-growing collection of digital devices and services used within DEALERSHIP.

DEALERSHIP strives to keep emails as follows:

* Retention settings are set to generally “archive” any messages over 6 months of age. These retained messages will be removed from the mail server to reduce the need for storage space.
* The messages will then be archived for up to 7 years, unless a longer or shorter Retention Period is chosen for selected messages.
* Retention settings should apply to all general mail storage folders including inbox and sent messages.
* If an employee uses electronic messages for business, outside a corporate email system account, the employee is expected to make reasonable effort to make records of the messages such that they are within DEALERSHIP’s control.

**Litigation Exception Process and How to Respond to Discovery Requests**

In the event that DEALERSHIP is served with any subpoena or request for Data or any employee becomes aware of a governmental investigation or audit concerning DEALERSHIP or the commencement of any litigation against or concerning DEALERSHIP, such employee shall inform [*INSERT PERSON IN CHARGE OF ENFORCING THIS POLICY*] and any further disposal of Data shall be suspended until such time as [*INSERT PERSON IN CHARGE OF ENFORCING THIS POLICY*], with the advice of legal counsel, determines otherwise. [*INSERT PERSON IN CHARGE OF ENFORCING THIS POLICY*] shall take such steps as are necessary to promptly inform all employees of any suspension in the further disposal of Data. This exception supersedes any previously or subsequently established destruction schedule for those Data. If you believe this exception may apply, or have any questions regarding the possible applicability of this exception, or if you believe, for any reason, that Data or category of Data should not be destroyed, please contact [*INSERT PERSON IN CHARGE OF ENFORCING THIS POLICY*].

**Data Retention Schedule**

It is impossible to designate a Retention Period for each and every type of Data that may exist or come to exist. However, this Policy sets forth Retention Periods for certain common types of Data in the chart below. If certain Data does not fall within a class for which there is a designated Retention Period in this Policy, DEALERSHIP will consult with legal counsel to determine the proper classification of the Data or to establish a Retention Period for the Data in question. To the extent Data is subject to more than one Retention Period, the Data will be retained for the longer of the specified time frames in order to comply with this Policy.

[*INSERT RECORD RETENTION SCHEDULE*]