

## **MUTUAL ASSOCIATION RECORD RETENTION PERIODS**

### **APPENDIX “A” to ARM [New Rule XIV]**

This Appendix lists minimum retention periods for many types of mutual association records. The list is not all- inclusive, but includes most common types of corporate, accounting, and customer loan records maintained by mutual associations. For ease of reference, records may be listed under more than one heading.

NOTICE: The record retention period for “customer accounts” is governed by 32-2-950, MCA, rather than by this Appendix. The definition of “customer accounts” for records retention purposes is contained in ARM [New Rule XIV].

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ACC = After Account Closed

AEAA = After Examination and Audit

## **ACCOUNTING RECORDS**

<b>Record Type</b>	<b>Retention Period</b>
Accrual records	3 years
Asset/liability management records	3 years
Audit (internal) work papers	3 years
Budget report	2 years
Call reports and related work papers	5 years
Charged-off asset records	Permanent
Deferred loan fee record	2 years after examination
Dormant account records	Permanent
Escheated documents	Permanent
FDIC assessment base records	5 years
General ledger	Permanent
General ledger tickets	5 years
General ledger transaction report	5 years
Journal entries	6 years
Legal reserve requirement computations	2 years
Monthly loans purchased report	6 years
Monthly loans sold report	6 years
Overdraft reports	5 years
Paid bills and invoices	7 years

Record Type	Retention Period
Statement of condition, including balance sheet and income statement:	
Daily	2 years
Annual	Permanent

## ADMINISTRATIVE AND CORPORATE RECORDS

Record Type	Retention Period
Affidavits	7 years annual
Articles of Incorporation	Permanent
Attachments (garnishments, liens, levies)	4 years after close
Audit reports (external)	6 years
Audit reports (internal)	6 years
Ballots and proxies	6 years
Mutual association examiners' records	Permanent
Branch applications	Permanent
Charitable contributions	7 years
Civil actions	7 years
CRA compliance records	2 years
Contracts and leases	6 years after termination
Corporate bylaws	Permanent
Corporate charter	Permanent
Court case records	4 years after satisfaction
Court orders	After satisfaction
Directors reports (if separate from minutes)	3 years
Dividend items:	
Checks (paid)	6 years
Dividend register	6 years
Nominee information return (1099 DIV)	7 years

<b>Record Type</b>	<b>Retention Period</b>
Taxpayer identification number certification (W-9)	5 years after close
Examination reports	Permanent
Executive committee reports (if separate from minutes)	3 years
Executive officer's indebtedness to correspondent mutual association's record	3 years
FHLB membership certificate	Permanent
Insurance records:	
Bankers blanket bond	6 years after expiration
Claims	7 years after expiration
D&O liability policy	6 years after expiration
Group disability policy	6 years after expiration
Licenses and permits	7 years after expiration
Loans to executive officers and directors	3 years
Minutes books (directors, stockholder records, etc.)	Permanent
Receipts for stock certificates	Permanent
Statement of beneficial ownership	Permanent
Statement of changes in beneficial ownership	Permanent
Statement of interest (outside business interests of directors, and executive officers)	3 years
Stock certificates, records, and stubs	Permanent
Stock ledger	Permanent
Stock transfer register	Permanent
Stockholder list	Permanent
Tax returns/reports	7 years

## **MUTUAL ASSOCIATION BORROWINGS**

<b>Record Type</b>	<b>Retention Period</b>
Borrowing agreements	2 years after expiration

Collateral receipts	3 years after payoff
Correspondence	2 years after payoff
Notes	2 years after maturity
Verification	2 years after payoff
Withdrawal receipts	2 years after payoff

### **BANK SECRECY ACT (BSA)**

<b>Record Type</b>	<b>Retention Period</b>
All required forms and records	5 years

### **MUTUAL ASSOCIATION CARDS/DEBIT CARDS**

<b>Record Type</b>	<b>Retention Period</b>
Account History	6 years AAC
Applications:	
Approved	6 years AAC
Denied	25 months
Charged-off loan records	Permanent
Correspondence	3 years
Credit files	3 years
Disclosure statements	2 years
Merchant agreements	6 years
Payment records	6 years
Sales tickets or drafts:	
By-product of posting	2 years
Used as original entry	6 years
Statements:	
Cardholder	6 years
Merchants	6 years

Record Type	Retention Period
Transaction journals:	
By-product of posting	2 years
Used as original entry	6 years
Trial Balances	3 years

## COLLATERAL

Record Type	Retention Period
Collateral receipts	2 years after payoff
Collateral register	4 years
Pledge agreement	2 years AAC

## COLLECTIONS

Record Type	Retention Period
Collection letters and receipts (incoming and outgoing)	2 years
Collection register	3 years
Collection note register	2 years after close
Coupon cash letters (outgoing)	6 months
List of cash items	1 year after collection
Savings bond records	3 years

## DUE FROM MUTUAL ASSOCIATION ACCOUNTS

Record Type	Retention Period
Advices	2 years
Drafts	1 year after paid
Reconcilement register	3 years
Statements	3 years

## ELECTRONIC DATA PROCESSING

<b>Record Type</b>	<b>Retention Period</b>
Computer control report	1 year
Computer entry journal	1 year
Computer files:	
On-line CRT	3 cycles
On-line terminals	3 cycles
Computer ledger control	1 year
Computer reject listing	1 year
Computer transaction journal	1 year
Internal control documents:	
Computer operating logs	3 months after examination
Input and output logs	3 months after examination
Run books	3 months after examination
Overdraft notices and reports	1 year
Program documentation:	
Operator instructions	Life of program + 1 year
Program change log	Life of program + 1 year
Program modifications	Life of program + 1 year
Program test data and results	Life of program + 1 year
Supporting program documentation	Life of program + 1 year
Regulation E, evidence with compliance	2 years
Tape retention:	
Application interface tapes	5 cycles + 7 days
Application month-end fiche tapes	2 cycles + 60 days
Application transaction tapes	5 cycles + 7 days
Daily application backups	5 cycles + 7 days

<b>Record Type</b>	<b>Retention Period</b>
Fiche tapes	3 cycles + 3 days
Month-end application backups	13 cycles
System backups	5 cycles + 7 days
Year-end application backups	7 years
Transactions records:	
Discs	3 cycles
Magnetic cards, cells, drums, tapes	3 cycles
Uncollected accounts report	3 months

## **ELECTRONIC FUNDS TRANSFERS**

<b>Record Type</b>	<b>Retention Period</b>
Error resolution log	2 years
Regulation E, evidence of compliance	2 years
Wire copies or advices	5 years
Wire transfer debit and credit entries	5 years
Wire transfer log	5 years

## **FAIR CREDIT REPORTING ACT (FCRA)**

<b>Record Type</b>	<b>Retention Period</b>
Notice of credit denial (adverse action)	2 years
Records of information released to users of credit reports	2 years
The following records should not be reported to credit bureaus after the time stated:	
Records of accounts charged off or placed for collection	No longer than 7 years
Records of bankruptcies	No longer than 14 years
Records of convictions, indictments, or arrests	No longer than 7 years from end of sentence or indictment, or arrest
Records of paid tax liens	No longer than 7 years

Records of suits/judgment	No longer than 7 years
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## **FIXED ASSETS**

<b>Record Type</b>	<b>Retention Period</b>
Building contracts, sub-contracts, waivers	7 years
Deeds	Life + 2 years
Depreciation schedules	Life + 6 years
Insurance policies	Term and claim period
Inventory records	Life + 6 years
Invoices	Life + 6 years
Leases	Life + 6 years
Maintenance contracts	Life + 2 years

## **HOME MORTGAGE DISCLOSURE ACT (HMDA)**

<b>Record Type</b>	<b>Retention Period</b>
Loan/application register (Form FR HMDA-LAR)	5 years

## **INTERNAL REVENUE SERVICE**

Retention Period: IRS regulations do not provide for a minimum retention period for information reporting forms. As a general guideline, reporting forms should be maintained for a period of seven years after the datereporting of information is required. Records may be retained electronically at any time.

Types of Information Returns (not inclusive):

- 1099-INT – Dividend Reporting
- 1099-MISC – Recipients of Miscellaneous Income
- 1098 – Mortgage Interest
- W-9 or Substitute Form for Verification of Tax ID Number
- IRA Transaction Reporting 1099-R, W2-P, 5498

## INVESTMENTS

<b>Record Type</b>	<b>Retention Period</b>
Bond amortization records	6 years
Bond appraisals	3 years
Bond ledger and portfolio:	
Confirmations	3 years
Correspondence	3 years
Safekeeping records and receipts	4 years
Brokers' invoice	3 years
Brokers' statements	3 years
Commercial paper:	
Brokers' advice	2 years after maturity
Purchase order	2 years after maturity
Remittance advice	2 years after maturity
Credit information used to evaluate securities	3 years
Descriptive literature on securities	3 years
Discount brokerage account records	3 years
FHLMC loan files	Permanent
GNMA certificates	7 years after maturity or sale
Government securities broker/dealer lost or stolen securities (Form X-17-1A)	3 years
Monthly remittance reports	7 years after maturity
Mortgage backed securities:	
Buy and sell agreement	3 years after maturity
Commitment letter	3 years after maturity
Municipal Securities Dealer Arrangement (Forms MSD-4, MSD-5, G-FIN 4, and G-Fin 5)	3 years after employment
Public funds contract	4 years after close
Safekeeping records and receipts	4 years
Securities transaction records	3 years

## LOANS:

### Commercial Loans

<u>Record Type</u>	<u>Retention Period</u>
Annual financial reports and customer operating statements	6 years
Applications:	
Approved	6 years AAC
Denied	25 months
Appraisals	1 year AAC
Bankruptcy Notices	Permanent
Borrowers' financial statements	6 years AAC
Charged-Off Records	Permanent
Collateral Pledge Agreements	2 years AAC
Correspondence	6 years AAC
Credit Files	5 years AAC
Debit and credit tickets	1 year
Disbursements vouchers	6 years
Disclosure records	3 years
Evidence of compliance with:	
Regulation B	25 months
Regulation U	3 years
Regulation Z	2 years
Federal Reserve Forms G-3, T-4, U-1	3 years AAC
Hypothecation agreements	6 years AAC
Judgments	20 years
Liability Ledger:	
By-product of posting	2 years
Used as original entry	6 years
Loan committee minutes	6 years
Loan Histories	6 years AAC

<b><u>Record Type</u></b>	<b><u>Retention Period</u></b>
Note (Paid)	6 years AAC
Note register:	
By-product of posting	2 years
Used as original entry	6 years
Overdraft loan agreement	6 years AAC
Participation agreement	6 years AAC
Pledge agreement	6 years
Repossession log and records	6 years
Transaction journal:	
By-product of posting	2 years
Used as original entry	6 years
Trial balance	4 years

## **Consumer Loans**

<b><u>Record Type</u></b>	<b><u>Retention Period</u></b>
Applications:	
Approved	6 years AAC
Denied	25 months
Bankruptcy notices	Permanent
Borrowers' financial statements	3 years
Canceled notes	3 years
Charged-off-notes and records	Permanent
Collateral records and receipts	5 years AAC
Consumer credit drafts	6 years
Correspondence	3 years
Credit files	5 years AAC
Credit information cards	3 years

<b>Record Type</b>	<b>Retention Period</b>
Daily proof sheets	1 year
Dealer commitment letters	7 years
Dealer remittance sheets	1 year
Dealer reserve reports	7 years
Disclosure statements	2 years
Evidence of compliance with:	
Regulation B	25 months
Regulation U	3 years
Regulation Z	2 years
Insurance verification	7 years AAC
Liability ledger	6 years
Loan committee report	6 years AAC
Loans paid report	6 years
Loan payment coupons	6 years
Loan worksheet	7 years
New loan journal	6 years
Note or discount tickler	2 years
Note register:	
By-product of posting	2 years
Used as original entry	6 years
Notice of adverse action	25 months
Overdraft loan agreement	6 years AAC
Paid out ledger card	6 years
Rebate receipt	6 years
Statement of purpose (loans over \$10,000)	5 years AAC
Student loan records	5 years AAC
Transaction journals:	
By-product of posting	2 years

<b>Record Type</b>	<b>Retention Period</b>
Used as original entry	6 years
Trial balance	4 years

## Real Estate Loans

<b>Record Type</b>	<b>Retention Period</b>
Applications:	
Approved	6 years AAC
Denied	25 months
Appraisals	1 year AAC
Assumptions:	
Assignment of escrow	Life of loan
Assumption letter	Life of loan
Annual reports and customer statements	6 years AAC
Change of address records	1 year
Charged-off records	Permanent
Collateral files	5 years AAC
Commitment letters	5 years AAC
Construction loan forms:	
Construction progress certification	7 years AAC
Contractor's cost breakdown	7 years AAC
Final inspection	7 years AAC
Loan in progress card	7 years AAC
Orders to pay contractor or vendor	7 years AAC
Residential construction inspection cards	7 years AAC
Specifications and lists of materials	7 years AAC
Correspondence	3 years AAC
Credit files	5 years AAC

<u>Record Type</u>	<u>Retention Period</u>
Deed of trust	7 years AAC
Evidence of compliance with:	
Community Reinvestment Act	2 years AAC
Fair Credit Reporting Act	25 months AAC
Home Mortgage Disclosure Act (Regulation C)	5 years AAC
Real Estate Settlement Procedures Act:	
Regulation X	2 years AAC
Regulation Z	2 years
FHA bank statements	5 years
Flood insurance certificate	Life of loan
Insurance policies	1 year after expiration
Ledger cards	6 years AAC
Lenders request of termination of home mortgage insurance	7 years AAC
Liability ledgers:	
By-product of posting	2 years AAC
Used as original entry	6 years AAC
Loan agreement	5 years AAC
Loan committee minutes	6 years
Loan origination case file (HUD/FHA)	2 years AAC
Loan settlement statement	7 years AAC
Loan subordination agreement	7 years AAC
Mortgage	7 years AAC
Mortgage extension agreement	7 years AAC
Mortgage payment coupons	1 year
Mortgage receipts	1 year Notice
of adverse action	25 months
Payoff statement	6 months
Payment history record	5 years AAC

<u>Record Type</u>	<u>Retention Period</u>
Promissory note	7 years AAC
Property insurance certification	7 years AAC
Remittances, serviced mortgages	6 years AAC
Request for verification of deposit	7 years AAC
Statement of estimated settlement charges	7 years AAC
Tax bills	Life of loan
Transaction journal:	
By-product of posting	2 years
Used as original entry	6 years
Trial balance	4 years

## **OFFICIAL CHECKS, DRAFTS, CERTIFIED CHECKS**

<u>Record Type</u>	<u>Retention Period</u>
Affidavits, bonds of indemnity, and all pertinent information pertaining to issuance of duplicate checks	5 years after paid
All official checks – copy	Until paid
Cashier's check – paid	6 years
Cashier's check register, after payment:	
By-product of posting	2 years
Used as original entry	6 years
Certified checks or receipts, paid	6 years
Certified check register (after payment)	
By-product of posting	2 years
Used as original entry	6 years
Drafts paid	6 years
Drafts register, after payment:	
By-product of posting	2 years
Used as original entry	6 years

<b>Record Type</b>	<b>Retention Period</b>
Expense checks, paid	6 years
Expense checks register:	
By-product of posting	2 years
Used as original entry	6 years
Expense vouchers debit invoices	6 years
Interest and dividend checks, paid	6 years
Money orders, mutual association, or personal, paid	6 years
Money order register (after payment)	
By-product of posting	2 years
Used as original entry	6 years
Stop payment records	5 years
Traveler's checks:	
Receipt of consigned traveler's checks	2 years
Reconciliation	2 years
Sales and inventory register	2 years
Stop payments	5 years
Traveler's checks (agency purchase)	2 years

## **OTHER REAL ESTATE OWNED**

<b>Record Type</b>	<b>Retention Period</b>
Accounting records	6 years after sale
Deeds	Until sold
Insurance policies	2 years after expiration
Lease and rental agreements	2 years after term of agreement
Maintenance contracts	2 years after term of contract
Other real estate owned files	6 years after sale
Other real estate owned income and expense records	6 years

## PROOF, CLEARINGS, AND TRANSIT

<b>Record Type</b>	<b>Retention Period</b>
Advices of corrections to deposits	2 years
Balancing forms	2 years
Clearinghouse settlement sheets	2 years
Copies of advices of corrections	2 years
Corrections and adjustments	6 months
Departmental or teller's proof sheets	1 year
Deposit proof sheets or tapes	1 year
In clearing envelope, proof sheets, or tapes	1 year
Out clearing (cash letters) proof sheets or tapes	1 year
Proof sheets, transit	1 year
Return item letters, checks not paid	1 year

## SECURITY

<b>Record Type</b>	<b>Retention Period</b>
Evidence of compliance with standards for installation of security devices (Regulation P)	2 years
Management certification of compliance with Bank Protection Act	3 years
Reports of robberies, burglaries, and non-employee larcenies committed or attempted	Permanent

## TELLERS

<b>Record Type</b>	<b>Retention Period</b>
Bank by mail envelopes	6 months
Cash reconciliation to general ledger	3 years
Currency transaction reports	5 years
Night depository agreements	2 years after closed
Night depository envelopes	6 months

Night depository log	2 years
Tellers' cash tickets	5 years
Tellers' difference/outage record	2 years
Tellers' individual balancing sheets	2 years
Tellers' machine tapes	2 years
Vault records	1 year