

187—15.3(536) Records.

15.3(1) Loan register. A “loan register” or its equivalent record which shall be the book of original entry shall show for every loan: account number, date of loan, name of borrower and nature of security. The register shall be kept chronologically in the order made for two years from the date of final entry.

15.3(2) Ledger card.

a. Such account card shall show: name and address of borrower; loan number; date of loan; terms of repayment including maturity date; amount financed; total of payments; nature of security; cost of each credit insurance policy and any other insurance policy with each premium stated separately; name of each endorser, comaker or surety; and amount of recording and releasing fees.

b. All payments shall be posted on the account card as of the date received. No erasures whatsoever may be made in the payment section of any account card. In case of error, a line should be drawn in ink through the improper entry, with the correct entry made on the following line. The entries on the card shall correspond with the receipts given to the borrower.

c. If payment is made in any other way than in the ordinary course of business, it shall be so designated; for example, payment by sale of security, insurance claim or endorser. When a death claim is filed, the exact date of death is to be recorded on the ledger card.

d. The card for an interest-bearing loan shall show the amount of the loan if different from the amount financed, the amount and date of each payment received, the allocation of the payment to principal and interest, and the remaining principal balance. If a portion of the interest earned is not paid at the time payment is made, the card for an interest-bearing loan must show either the date to which interest is paid or the amount of interest then due but unpaid.

e. The card for a precomputed loan shall show the actual amount of the loan excluding the precomputed interest, the amount of the precomputed interest and the face amount of the note including interest, the amount and date of each payment applied to the note, the unpaid balance of the note after applying such payment and the type and amount of any additional charges collected or assessed. If deferment charges are collected in whole or in part, the card shall indicate any uncollected portion of the deferment charge, the particular installment deferred, the number of times deferred, plus the date of the final installment.

f. When any loan is prepaid in full, either by cash or renewal, the card must show the date of prepayment, the amount paid to discharge the loan, the amount of the interest rebate, and any deduction from the rebate for previously earned but uncollected charges, and refunds of the unearned premiums of each credit insurance policy or other insurance policy. Each insurance refund shall be separately recorded on the card.

g. Account ledger cards relating to each type of business operation must be filed in separate groups. Paid-in-full and renewed ledger cards must also be filed in a similar manner and retained from one banking division examination to the next. After the examination, these cards may be filed in a permanent file.

15.3(3) Account ledger card control. A record shall be maintained in the licensed office showing the total number of accounts and total amount receivable for each type of business. This record shall be posted either daily or weekly.

15.3(4) Loanfile. A separate file shall be maintained for each borrower in the office where the loan is outstanding. Such file shall contain the note, security agreement, wage assignment and all other evidence of indebtedness or security pertaining to the loan except when the note is kept in a separate promissory note file or when said papers are in custody of a court or an agent for collection or are hypothecated. When a borrower is also a comaker, guarantor or endorser on another loan, the file of such borrower shall be cross-referenced to the other, unless such cross-referencing is included on the alphabetical record required by 15.3(5) or on the individual account card required by 15.3(2). All instruments taken in connection with a loan and signed by a borrower must bear the loan number.

15.3(5) Index. An alphabetical record shall be maintained and show the name of each borrower, endorser, comaker, or surety who is currently indebted to the licensee, together with sufficient information to locate the account card.

15.3(6) Disbursement voucher. Licensees shall use a disbursement voucher or equivalent document in conjunction with each loan showing a detailed itemization of the distribution of the loan proceeds.

15.3(7) EDP systems. With prior written approval from the superintendent, the licensee's use, in whole or part, of mechanical or electronic data processing equipment to maintain its loan account records, or business records, shall be permitted if it is determined that the EDP system provides the same information as is otherwise required.

This rule is intended to implement Iowa Code sections 17A.3 and 536.11.