

187—16.6(536A) Records. Records for loans made under the Iowa industrial loan law shall be kept separate from other types of business conducted in the office of the licensee. Each licensee shall keep the following records in its place of business, except that combination forms and special office systems may be used in lieu thereof, if approved by the superintendent in writing.

16.6(1) Loan register.

a. The loan register shall contain the original entry and shall show for every loan the loan number, date of loan, name of borrower, nature of security, and amount of note.

b. The loan register shall be kept chronologically in the order made.

16.6(2) Account ledger cards.

a. An individual account ledger card shall be kept for each account and shall show at least the loan number, name and address of the borrower, date of loan, date of first payment, date of final payment, terms of repayment, amount financed, total of payments, face amount of note if different from amount financed or total of payments, cash advanced to borrower, cash advanced to pay balance of previous industrial loan, interest or discount charge, service charge, attorney fee, fee paid or to be paid to a public official for recording or filing a mortgage or for satisfying a judgment or lien on any real or personal property securing the loan, type and cost of each credit insurance policy, and type and cost of any other insurance policy.

b. All payments shall be credited upon the account ledger card as of the same day they are received. No erasures whatsoever may be made in the payment section of any account ledger. In case of error, a line shall be drawn in ink through the improper entry with the correct entry made on the following line.

c. If payment is made through the proceeds of an insurance claim or the sale of security, it shall be so designated. When a death claim is filed, the exact date of death is to be recorded on the ledger card.

d. The account ledger card for an interest-bearing loan shall show the amount and date of each payment received, the allocation of the payment to interest and principal, 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 account ledger card for a precomputed loan shall show the amount and date of each payment received, the unpaid balance of the note after applying such payment, and the amount and description of any additional charges collected. If deferment charges are collected in whole or in part, the ledger card shall indicate any uncollected portion of the deferment charge, the number of installments deferred, plus the date of the final installment.

f. When a loan is prepaid in full, the account ledger card shall show the date of prepayment, the amount paid to discharge the loan, the amount of the interest or discount rebate, the refund of the unearned premiums of each credit insurance policy, or any other insurance policy, and any deduction from the rebate or refunds for previously earned but uncollected charges.

g. Account ledger cards relating to each type of business operation must be filed in separate groups. Paid-in-full or renewed account ledger cards must also be filed in a similar manner and must be retained as a separate group from one banking division examination to the next.

16.6(3) Account ledger card control. A record shall be maintained in the licensed office showing the total number of accounts and amount receivable for each type of business conducted. This record shall be posted either daily or weekly.

16.6(4) Original paper file.

a. A separate file, envelope or folder shall be maintained for each borrower or loan account.

b. Such file shall contain all papers relating to the borrower or the loan with the exception of the promissory note which may be kept in a separate promissory note file. Copies of the note and security agreement shall be substituted for the original documents if the loan has been sold, pledged or assigned as collateral security or if the original papers are in the custody of a court or agent for collection.

c. All instruments evidencing or securing a loan must bear the loan number.

d. No instrument or part thereof shall be left blank for completion after the borrower(s) has signed the instrument.

16.6(5) *Promissory note file.* If the promissory notes are not kept in the file of original papers and have not been sold, pledged or assigned as collateral security or placed in the custody of a court or agent for collection, then they must be kept in a promissory note file.

16.6(6) *Index.* An alphabetical index shall be maintained for each borrower, endorser, comaker, surety or other party currently indebted to the licensee or to any other business operated within the same office, room, suite or place of business. The index shall show the following information: the name of the obligor, the account number assigned to the obligor's indebtedness, the type of indebtedness (regulated loan, industrial loan, insurance, receivable, or any receivable), information showing whether the obligor is other than a borrower and sufficient information to locate all account ledger cards.

16.6(7) *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.

16.6(8) *EDP systems.* With prior written approval from the superintendent, the licensee's use, in whole or in part, of mechanical or electronic data processing equipment to maintain its loan account records, or other business records, shall be permitted if it is determined that the EDP system provides the same information as is otherwise required.