

~~Effective date: January 9, 1991~~

Title 45 - DEPARTMENT OF BANKING AND FINANCE

Chapter ~~32~~ 5- SCHEDULE FOR RETENTION OF RECORDS: BANKS EXERCISING TRUST POWERS AND TRUST COMPANIES

001 GENERAL.

001.01 For purposes of this Rule:

001.01A "Electronic" means relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities; and

001.01B "Electronic record" means information that is stored in an electronic or other medium and is retrievable in paper form through an automated process used in conventional commercial practice.

001.02 A copy of the federal regulations referenced in this Rule is available as an appendix to this Rule at (link to be determined).

002 RETENTION FORMAT.

002.01 The Department of Banking and Finance, pursuant to statutory authority granted in Section the provisions of Neb. Rev. Stat. §§ 8-170 and 8-175, authorizes banks exercising trust powers in a trust department of the bank and stand-alone trust companies (collectively, "institutions" or "institution") organized pursuant to 8-204 through 8-233 R.R.S., the Nebraska Trust Company Act to dispose of ~~old trust department and trust company records in accordance with this Rule.~~ pursuant to the conduct of fiduciary business in accordance with the following schedule for destruction of trust records, except those ledger sheets and records showing unpaid balances in favor of any trustor, grantor, beneficiary, or other parties interested in fiduciary accounts administered by the bank or trust company. Corporate records that relate to the authorization and existence of trust powers shall not be destroyed.

002.02 Records established through a computer or an electronic process, and information received relative to this record in the form of a computer print-out or electronic record shall be maintained in such a manner as that the accounts reflected thereon can be reconstructed from the date of origin to show all entries, and may are to be retained in accordance with the attached schedules this Rule.

002.03 Institutions which used microfilm or microfiche to maintain such records may continue to retain the records in those media, provided that each record is retrievable and readable or legible.

002.04 Computer print-outs Any record reflecting unpaid balances in favor of trustors, grantors, beneficiaries, and/or other interested parties shall not be destroyed without means of reconstruction of each such account. Microfilm and

~~microfiche are acceptable means of maintaining such records provided the same is clearly readable.~~

003 SCOPE.

003.01 This ~~retention schedule indicates~~ Rule provides only the minimum retention periods prescribed by the Department.

003.02 Longer retention periods may be prescribed by other agencies in some ~~cases and circumstances or for certain records.~~

003.03 ~~individual entities~~ Institutions may ~~prefer~~ elect to maintain certain records for longer periods of time.

003.04 A bank's non-trust department records must be retained in accordance with 45 NAC 4.

003.05 This ~~schedule~~ Rule is ~~also~~ not considered an all-inclusive list of records which the ~~bank or trust company~~ institution may be responsible for retaining.

003.06 All records or files or copies thereof, however maintained, shall be readable or legible.

001.01 004 PERMANENT RECORDS.

001.01A 004.01 Institutions must keep the original document must be kept of the following:

001.01A1 004.01A Capital stock ledger (~~stand-alone~~ trust company)

001.01A2 004.01B Charter ~~certificate~~; numbered and executed by the Director of ~~Banking~~ the Department

001.01A3 004.01C Department ~~of Banking & Finance~~ "Order" granting trust powers

001.01A4 004.01D Minutes of stockholder meetings (~~stand-alone~~ trust company)

001.01A5 004.01E Minutes of the board of directors (~~stand-alone~~ trust company)

001.01A6 004.01F Minutes of the trust committee and all other committees appointed by the Board of Directors to oversee fiduciary activity

001.01A7 004.01G Receipts for final distribution of account assets

001.01A8 Records and receipts for cash or property conveyed to the State of Nebraska under the Uniform Unclaimed Property Act (Escheat Laws)

~~001.01A9~~ 004.01H Registration confirmations regarding "Direct" or "Indirect Inquiry" concerning lost, stolen, or misplaced securities (~~Rule 17f-1~~)

~~001.01A10~~ 004.01I Required records and logs pursuant to FDIC Regulation Part 344 (O.C.C. 12 CFR ~~12.6~~ Part 12 or FRB Regulation "H" Subpart C)

~~001.01A11~~ 004.01J All other records relating to the corporate existence of a stand-alone trust company or the authorization for a bank to conduct a trust company business in a trust department, pursuant to Sections 8-201 through 8-233 R.R.S.

004.02 Records reflecting unpaid balances in favor of trustors, grantors, beneficiaries, and/or other interested parties are to be retained permanently unless the institution remits such unpaid balances to the State Treasurer in accordance with the Uniform Disposition of Unclaimed Property Act. A record of each remittance shall then be retained by the bank for ten years.

004.03 An inventory of each drilled safe deposit box is to be retained permanently unless the institution remits the contents of the box to the State Treasurer in accordance with the Uniform Disposition of Unclaimed Property Act. A record of each remittance shall then be retained by the institution for ten years.

~~001.02~~ 005 OTHER CORPORATE RECORDS.

~~001.02A~~ 005.01 Institutions must retain the following original records for ten (~~10~~) years following date of issue or expiration, (whichever is later). Records may be ~~microfilmed~~ retained electronically after ten (~~10~~) years and the original destroyed, provided ~~microfilm~~ that the record, however maintained, is clearly readable or legible.

~~001.02A1~~ 005.01A Annual call reports of corporate and fiduciary activity, prepared for any supervisory agency

~~001.02A2~~ 005.01B Federal, state, and other governmental tax records (~~stand-alone~~ trust company)

~~001.02A3~~ 005.01C Insurance records, Bankers' Blanket Bond, Excess Dishonesty Bonds

~~001.02A4~~ 005.01D Receipts for stock certificates issued (~~stand-alone~~ trust company)

~~001.02A5~~ 005.01E Stock certificate stubs (~~stand-alone~~ trust company)

~~001.02A6~~ 005.01F Surrendered stock certificates (~~stand-alone~~ trust company)

~~001.03~~ 006 ALL OTHER FIDUCIARY RECORDS.

~~001.03A~~ 006.01 Institutions must retain the following original records for six (~~6~~) years after fulfillment of duties specified in the governing documents of

individual accounts. After six ~~(6)~~ years, the original document may be ~~microfilmed and destroyed~~ maintained electronically, provided ~~microfilm the record, however maintained,~~ is clearly readable or legible.

~~001.03A1~~ 006.01A Advice of payments of bequests, gifts, discretionary distributions, income distributions, scheduled payments, or extraordinary payments requested by interested parties

~~001.03A2~~ 006.01B Common Investment Fund (CIF) or Common Trust Fund (CTF) records including annual reports, annual fund audits, governing plan documents, and all terminations reports. ~~(Retention shall continue 6 six years beyond the date of termination of the CIF or CTF and full payment of all investor share accounts.)~~

~~001.03A3~~ 006.01C Correspondence relative to the administration of accounts

~~001.03A4~~ 006.01D Court orders issued regarding legal appointment, ~~judgements~~ judgments, or other litigation settlement and/or trustee requests for direction

~~001.03A5~~ 006.01E Cremation/destruction certificates regarding matured, redeemed, or cancelled corporate bond issue certificates

~~001.03A6~~ 006.01F Dividend checks paid on corporate bond issue accounts

~~001.03A7~~ 006.01G Escrow account records (including payment schedules)

~~001.03A8~~ 006.01H Final accounting report for any fiduciary account

~~001.03A9~~ 006.01I Legal opinions or other letters of legal counsel pertaining to the administration of trust accounts

~~001.03A10~~ 006.01J Real estate records

~~001.03A11~~ 006.01K Safekeeping records relating to assets held during course of account administration

~~001.03A12~~ 006.01L Trust indentures and other authorizing documents creating fiduciary relationships and/or limiting authority of the named fiduciary

~~001.03A13~~ 006.01M Wills of decedents ~~which~~ who appointed the bank or trust company as personal representative and/or trustee of subsequent trust accounts created by the will

~~001.03A14~~ 006.01N Worthless assets, including documentation regarding determination of worthless status and distribution of such assets in kind, ~~(if applicable)~~

~~001.03B~~ 006.02 Institutions must retain the following records within individual account files until six ~~(6)~~ years after accounts have been closed or terminated:

~~001.03B1~~ 006.02A Accounting records of individual fiduciary accounts

~~001.03B2~~ 006.02B Administrative expenses charged to and paid from individual account funds

~~001.03B3~~ 006.02C Annual (or other periodic) reports provided grantors/beneficiaries during administration of the account

~~001.03B4~~ 006.02D Approvals of administrative action by co-fiduciaries and third parties authorized to provide advice

~~001.03B5~~ 006.02E Authorization of transactions by co-fiduciaries and investment advisors

~~001.03B6~~ 006.02F Bondholder records regarding corporate bond issues over which the institution exercises trustee or agency authority

~~001.03B7~~ 006.02G Bond transfer records for corporate bond issue accounts

~~001.03B8~~ 006.02H Broker/dealer statements relating to liquidation of assets for final distribution and/or re-registration of securities for distributions in kind

~~001.03B9~~ 006.02I Cash journals or ledgers reflecting receipt and disposition of principal and income cash

~~001.03B10~~ 006.02J Corporate bond issue accounting records

~~001.03B11~~ 006.02K Corporate bond issue asset ledgers where fiduciary capacity included trustee or escrow agent investment duties

~~001.03B12~~ 006.02L Coupon and/or Dividend collection records pertaining to assets held by accounts

~~001.03B13~~ 006.02M Employee benefit plan account records (both as agent and trustee)

~~001.03B14~~ 006.02N Indemnification agreements and surety bonds in regard to lost, stolen, or misplaced certificates of corporate bond issues for which the institution acted as trustee or agent

~~001.03B15~~ 006.02O Keogh & IRA account records (custodial accounts)

~~001.03B16~~ 006.02P Mortgage and loan collection records for individual accounts (when an asset of the account)

001.03B17 006.02Q Mortgage and loan payment records for individual accounts (when a liability of the account)

001.03B18 006.02R Original records and documents pertaining to trust entries at the inception of accounts

001.03B19 006.02S Receipts for the exchange or substitution of trust assets

001.03B20 006.02T Rent and lease payment receipts for accounts holding income producing real or personal property

001.03B21 006.02U Signature files of authorized signatories for direction of accounts

001.03B22 006.02V Stock transfer ledgers where institution is fiduciary for an equity stock issue

001.03B23 006.02W Stockholder records specifying current stock ownership where institution is fiduciary for an equity stock issue

001.04 007 TEMPORARY RECORDS.

001.04A 007.01 During active administration, ~~retention of an institution must retain~~ the originals of following items ~~will vary in accordance with suggested for~~ the specified time frames: ~~which commence on the first of January following the creation of said record.~~ Any temporary record not included in this Subsection must be retained for three years following the creation of the record.

<u>RECORD</u>	<u>TIME PERIOD</u>
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001.04A1 Annual account review documents - 2 years

001.04A2 Annual reports of securities held in accounts - until superseded

001.04A3 Appraisal of personal property held in fiduciary accounts - **U**ntil Superseded

001.04A4 Appraisal of real estate parcels held in fiduciary accounts - **U**ntil Superseded

001.04A5 Audit reports and work files of internal/external auditors - 2 years

001.04A6 Broker/dealer invoices - 3 years

001.04A7 Broker/dealer transaction confirmations - 3 years

001.04A8 Checking account statements with paid drafts - 6 years

001.04A9 Check register detailing disposition of fiduciary account funds - 6 years

001.04A10 Contracts and agreements - 3 years after expiration

001.04A11 Correspondence not relative to administration of account - 3 years

001.04A12 Decedents' final tax returns - 3 years after filing

001.04A13 Farming leases - 3 years after expiration

001.04A14 Federal and State Estate Tax Returns - 3 years after filing

001.04A15 Federal and State Gift Tax Returns - 3 years after filing

001.04A16 Fiduciary Income Tax Returns (Fed & State) - 3 years after filing

001.04A17 General ledger and journal entry tickets or advices - 3 years

001.04A18 Income statements from account assets - 3 years after closing

001.04A19 Internal policies and procedures - until superseded

001.04A20 Investment records - 3 years

001.04A21 Invoices paid from individual fiduciary accounts - 3 years after closing

001.04A22 ~~Other documentation not specified - 3 years~~

001.04A23 Proxy statements regarding voting of company stock (stand-alone trust company) - 2 years

001.04A24 Proxy statements regarding voting rights for securities held as assets of fiduciary accounts - 2 years

001.04A25 Stop payment orders - 3 years

001.04A26 Surety bonds required by court order or other agreement - 3 years after release

001.04A27 Synoptic account records - **Until Superseded**