

**CHAPTER 26
GENERAL PROVISIONS**

Authority

N.J.S.A. 17:1-8.1, 17:1-15(e), 17:12B-48(21) and 17:12B-197.

Source and Effective Date

R.2001 d.232, effective June 17, 2001.
See: 33 N.J.R. 1157(a), 33 N.J.R. 2461(a).

Executive Order No. 66(1978) Expiration Date

Chapter 26, General Provisions, expires on June 17, 2006.

Chapter Historical Note

Chapter 26, General Provisions, became effective prior to September 1, 1969.

Subchapter 3, Action Upon Detection or Discovery of Crime, was adopted as new rules by R.1978 d.163, effective May 19, 1978. See: 10 N.J.R. 136(a), 10 N.J.R. 219(b).

Subchapter 4, State Savings and Loan Association Parity, was adopted as new rules by R.1981 d.506, effective January 4, 1982. See: 13 N.J.R. 634(a), 14 N.J.R. 40(a).

Subchapter 3 was readopted as R.1983 d.184, effective May 19, 1983. See: 15 N.J.R. 372(a), 15 N.J.R. 889(c).

Subchapter 4 was readopted as R.1985 d.720, effective December 31, 1985. See: 17 N.J.R. 2713(a), 18 N.J.R. 266(b).

Pursuant to Executive Order No. 66(1978), Chapter 26, General Provisions, was readopted as R.1991 d.41, effective December 31, 1990. See: 22 N.J.R. 3428(a), 23 N.J.R. 205(a). Pursuant to Executive Order No. 66(1978), Chapter 26, General Provisions, expired on December 31, 1995.

Chapter 26, General Provisions, was adopted as new rules by R.1996 d.272, effective June 17, 1996. See: 28 N.J.R. 1915(a), 28 N.J.R. 3119(a).

Pursuant to Executive Order No. 66(1978), Chapter 26, General Provisions, was readopted as R.2001 d.232, effective June 17, 2001. See: Source and Effective Date. See, also, section annotations.

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SUBCHAPTER 1. DESTRUCTION AND RETENTION OF RECORDS

3:26-1.1 Records retention schedule

(a) A savings and loan association shall maintain its records for the following minimum periods:

Description of Books, Records, etc.	Period to be Retained
1. Payment slips	2 years
1A. Coupons used with club accounts	1 year after payout of club account
1B. Coupons used with mortgage accounts	2 years, where a copy of the statement of the mortgage account is submitted annually to the mortgagor and a copy of said statement is retained in the association's file
2. Withdrawal slips	
i. Supported by checks	6 years
ii. If only record	10 years
3. Subsidiary ledgers, etc.	
i. Individual account cards and sheets	6 years after account is closed
ii. Roll books (Shareholders' ledgers)	10 years
4. General ledger: books, cards or sheets	10 years
5. Tellers' Proof Sheets used as posting media	6 years
6. Tellers' Proof Sheets not used as posting media	2 years
7. Cancelled checks, including dividend and trust account checks	6 years
8. Bank statements	6 years
9. Cancelled signature cards on closed accounts	6 years
10A. Passbooks (Closed accounts and filled books)	Cancel and return to member or destroy
10B. Share certificates	10 years
11. Account transfer or share assignment records	
i. Individual accounts cards or sheets	10 years
ii. Roll book accounts	10 years
12. Paid bills	6 years
13. Correspondence	
(a) General	6 years
(b) Of contractual nature	Expiration of contract
14. Expired insurance policies	Until after notice period for claims has expired, when policy is cancelled or when a policy is renewed
15. Memorandum insurance records	Until loan is repaid
16. Corporate insurance records	Until after policy is renewed, when notice period for filing of claims has expired, or when policy is cancelled
17. Paid bills for mortgagors	Until loan is repaid
18. Tax bills	Return to borrower or retain until loan is repaid
19. Memorandum of tax payments on mortgages	Until loan is repaid
20. Paid off mortgage files	Return appropriate documents to borrowers, retaining a separate "loans paid in full" file wherein a copy of the letter itemizing papers returned to the borrower will be filed or a receipt for said papers will be filed. Other correspondence can be destroyed.

Loan application and appraisal reports to be retained for at least 2 years

	<u>Description of Books, Records, etc.</u>	<u>Period to be Retained</u>
21.	Unconsummated loans (Approved but not completed)	Retain loan application and appraisal report for 2 years
22.	Proxies and ballots	6 years Where there is no contest a certificate of the Judge of Elections certifying the result may be retained instead of proxies and ballots for said 6 years
23.	Corporate minutes: directors, executive committee and members' meetings	10 years
24.	Reports	
	i. Examination reports	10 years
	ii. Audit reports	10 years
	iii. Annual reports to Department	10 years
25.	Monthly reports to directors (one copy)	3 years
26.	Records of original entry—general journal, cash receipts and disbursements journal, etc.	10 years
27.	Unit accounting machine tapes	2 years
28.	Block control and trial balance tapes	2 years
29.	Journal vouchers	3 years
30.	Duplicate bank deposit tickets or transit sheets	2 years
31.	Inheritance tax waivers and surrogates' certificates	6 years
32.	Account loan notes	Return to borrower on repayment
33.	Trustee account bank statements	6 years
34.	Trustee account ledger	10 years
35.	Money order stubs, receipts for travelers' checks and receipt for bond sales and redemptions	2 years

SUBCHAPTER 2. CHARGES FOR SUBSTITUTION OF INSURANCE POLICIES

3:26-2.1 Maximum charge

No lender or other legal entity servicing mortgages shall make any charge in excess of \$5.00 for substitution in midterm by the mortgagor of an insurance policy or policies.

SUBCHAPTER 3. (RESERVED)

SUBCHAPTER 4. STATE SAVINGS AND LOAN ASSOCIATION PARITY

3:26-4.1 State Savings and Loan Association parity with Federal savings and loan associations

In addition to other authority granted by law, and unless contrary to State law, a savings and loan association may exercise any power, right, benefit or privilege which is now or hereafter authorized for Federal savings and loan associations pursuant to Federal law or rules and regulations of any appropriate Federal agency. Any such power shall be exercised upon the same terms and subject to the same conditions as are authorized for Federal savings and loan associations. The powers, rights, benefits or privileges shall be automatically exercisable upon the expiration of 30 days from the date of adoption by the Federal regulatory agency, except if the Commissioner of Banking and Insurance within that 30-day period provides notice that the power shall not be granted to State savings and loan associations. Such notice shall be provided to each savings and loan association, and to the trade publications of the New Jersey Bankers Association and the New Jersey League Community and Savings Bankers, and/or their successor organizations, if any, for publication. The Commissioner of Banking and Insurance may permit savings and loan associations to begin exercise of a power prior to the expiration of the 30-day period by providing notice of permission to each savings and loan association to the above mentioned trade publications.

Amended by R.2001 d.232, effective July 16, 2001.
See: 33 N.J.R. 1157(a), 33 N.J.R. 2461(a).

In the fourth sentence, amended the trade publications to be provided notice.