



BANGKO SENTRAL NG PILIPINAS

OFFICE OF THE GOVERNOR

CIRCULAR NO. 720
Series of 2011

Subject : Amendments to the guidelines on the retention and disposal of records/documents of rural and cooperative banks

Pursuant to Monetary Board Resolution No. 659 dated 28 April 2011, amending the guidelines on the retention and disposal of records, particularly the reduced retention period for certain records/documents and the deletion of the notice requirement to the BSP relative to the disposal thereof, Appendix 50 of the Manual of Regulations for Banks (MORB) on the Guidelines on Retention and Disposal of Records of Rural and Cooperative Banks is hereby amended as presented in the attached Annex A.

This Circular shall take effect fifteen (15) calendar days after publication either in the Official gazette or in a newspaper of general circulation.

FOR THE MONETARY BOARD:


AMANDO M. TETANGCO, JR.
Governor

6 May 2011

**GUIDELINES ON RETENTION AND DISPOSAL OF RECORDS OF
RURAL AND COOPERATIVE BANKS**
[Appendix to Subsec. 3191.9 (2008 - 3161.9)]

The following guidelines shall govern the retention and disposal of records of RBs/Coop Banks.

A. Classification of Records and Documents	Retention Period
1. Accounting records	
(a) Books of accounts, audited financial/annual reports	10 years
(b) Tickets and supporting papers	10 years
(c) Official receipts (2nd copy)	10 years
2. Organization papers for the establishment of RBs/ Coop Banks, branches/offices (organizational file), special license/authority granted by BSP (e.g. authority to accept demand deposits, government deposits, fringe benefit plan)	Permanent
3. Updated Manual of operations, including compliance system, policies on personnel, security and other related matters	Permanent
4. Stock and transfer book and related records and documents	Permanent
5. Minutes of meeting	
(a) Stockholders/general assembly, board of directors	Permanent
(b) Other committees	10 years
6. Human resource files	
(a) Documents pertaining to members of the board of directors and stockholders	Permanent
(b) Bank officers and staff	5 years from resignation/separation/ retirement
(c) Officers and staff with derogatory information	Permanent
7. Correspondence (to and from)	
(a) BSP on examination findings/exceptions and directives; rediscounting, loans and advances	10 years except if there is a court case – until the case is finally resolved by the court
(b) Other government regulatory/supervisory authorities, e.g. PDIC, BIR, DOLE, SSS	5 years or as prescribed by the government institution concerned whichever is longer

A. Classification of Records and Documents

	Retention Period
(c) All other correspondence	5 years
8. Reports to BSP (financial and non-financial reports)	5 years
9. Reports to other government and non-government institutions	5 years or as prescribed by the institution concerned whichever is longer
10. Records and documents on court cases/complaints	Permanent
11. Documents, certificates of ownership/titles on bank assets	Permanent
12. All other records/documents of all transactions e.g. loans and investments, disposal of assets, deposit liabilities and borrowings, expenditures and income, disbursements	10 years from dates when accounts were closed/disposed of/settled

Notwithstanding the retention periods herein, RBs/Coop Banks may preserve for a longer period those records/documents they deem necessary.

In cases where specific laws or BSP issuances require a different retention period, the longer retention period shall be observed.

B. Procedural requirements on disposal of bank records and documents

1. No RBs/Coop Banks shall dispose of any records without the prior approval of its board of directors.
2. All records and documents for disposal must be burned or shredded in the presence of a director of the bank duly designated by the board of directors, the Chief Operating Officer or equivalent rank and the Compliance Officer.
3. The designated director, the Chief Operating Officer (or its equivalent) and the Compliance Officer shall execute a joint affidavit (Annex A) attesting to the burning/shredding of the records/documents.

The original copy of the joint affidavit shall be kept permanently by the Treasurer or Cashier and must be made available for inspection by the BSP.

REPUBLIC OF THE PHILIPPINES)
CITY/MUNICIPALITY OF _____) S.S
PROVINCE OF _____)

JOINT AFFIDAVIT

We, namely: _____, Director; _____, Chief Operating Officer (or equivalent rank); and _____, Compliance Officer, all of legal ages, representing the Rural/Cooperative Bank of _____, Inc. after having been sworn to in accordance with law do hereby depose and say:

1. That we are the bank officials of the Rural/Cooperative Bank of _____, Inc., duly designated under Board Resolution No. ____ dated _____, to ensure and witness the proper disposal of the following records/documents:

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

2. That we have witnessed the burning/shredding of the above-mentioned records/documents that took place on _____ 20__ at _____ AM/PM at the premises of the Rural/Cooperative Bank of _____.
3. That we have executed this Affidavit to attest to the truthfulness of the foregoing and in accordance with the rules prescribed by the Bangko Sentral ng Pilipinas (BSP).

IN WITNESS WHEREOF, we have set our hands this _____ day of _____ 20__ at _____, Philippines.

SUBSCRIBED AND SWORN TO BEFORE ME, this _____ day of _____ 20__ at _____, the foregoing Affiants, exhibiting their respective valid identification document/s (ID/s), to wit:

Name	Valid ID/s	Date Issued	Place Issued
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

NOTARY PUBLIC

My Commission expires on December 31, 20____
PTR No. _____ issued on _____ 20__ at _____

Doc. No. _____
Book No. _____
Page No. _____
Series of 20____.