

Instruction on
The Duration and Method for Maintaining Commercial Papers, Banks' Ledgers
and Documents

The Monetary and Credit Council, acting under article 33 (F) of the National Monetary and Banking Act of 9 July 1972, approved the implementing regulations on the Duration and Method for Maintaining Commercial Papers, Banks' Ledgers and Documents, hereinafter referred to as the implementing regulations, in its 1114th session of 15 June 2010 in 12 articles and 11 notes as follows.

Chapter 1- Scope

Article 1- The documents subject of this implementing regulations consist of: deeds, commercial papers, documents and ledgers of banks in five levels as defined below:

1-1- First level documents:

- A. Deeds and documents on the ownership of movable and immovable properties Of banks;
- B. Articles of Association, records and documents on the establishment of the bank;
- C. Shareholder logs of banks;
- D. Memoranda of meetings of the Assembly and Board of Directors of the bank;
- E. The original copies of banks' balance sheets and relevant annexes that have been approved by the General Assembly and the activity report of the Board of Directors.

1-2- Second level documents:

- A. General ledger;
- B. Journal.

1-3- Third level documents:

- A. Signature sample cards, documents for identification and opening of various domestic or foreign currency accounts for customers;
- B. Canceled checks, including ordinary checks, cash checks, Iran checks, cashier's

checks, etc. promissory notes, bills of exchange and other payment or reception instruments of domestic or foreign currency;

C. Certificates of non-payment of bounced checks and documents on the clearance of bounced checks;

D. All concluded contracts and agreements between the bank and persons (except for contracts on facilities provided);

E. Documents on the bank's account operations for internal transactions carried out through tenders;

F. Letters of guarantee and relevant documents;

G. Documents on the transfer of shares;

H. The second copy of long-term investment deposit certificates and various bank's certificates of deposit¹;

I. All papers and documents on the sale and purchase of foreign currencies, foreign drafts, foreign credit cards and foreign currency agreements;

J. All papers and documents on transfers, clearing house, safety deposit box and participation bonds;

K. Papers and documents on import and export letters of credit;

L. All accounting documents, whether domestic or foreign currency, in cash or transfer.

1-4- Fourth level documents:

A. Contracts, papers and documents on facilities granted and credits used by customers;

B. Papers on the sale of worn-out, used and decommissioned equipment and furniture;

C. Papers and documents on discounted commercial instruments;

D. Papers on the purchase of a bank's requirements and movable and immovable properties.

1-5- Fifth level documents:

A. Registration books on issued and received letters;

¹ - Amendment of the 87th session of the credit commission of the Central Bank of the Islamic Republic of Iran of 9 February 2011.

B. Outgoing communications books;

C. Check stubs issued by bank's offices and bureaus.

Note: The determination of the level for other documents shall be carried out upon the suggestion of banks and verification of the Central Bank.

Chapter 2- Duration of Maintaining Information on Documents

Article 2- Banks shall indefinitely maintain information relevant to documents of the first, second, third and subparagraph A of fourth and fifth level documents in electronic form.

Chapter 3- Duration and Method of Maintaining Documents Article 3- Duration of Maintaining Documents

3-1- Banks shall maintain the first level documents for ever.

3-2- Banks shall maintain the second level documents for a period of at least 10 Years after the end of the fiscal year.

3-3- Banks shall maintain the third level documents for a period of five years after the times specified in the table annexed to this implementing regulations.

3-4- Banks shall maintain the fourth level documents for a period of three years after the times specified in the table annexed to this implementing regulations.

3-5- Banks shall maintain the fifth level documents for a period of one year after the times specified in the table annexed to this implementing regulations.

Note 1: In respect of documents that have become relevant to a dispute prior to the expiration of the duration of their maintenance, banks shall maintain such documents until the finalization of the dispute.

Note 2: In respect of other documents that must be maintained for a specific period of time by virtue of laws, such documents shall be maintained for the specified periods.

Article 4 - Method of Maintaining Documents

4-1- In physical form:

Banks shall take necessary measures, such that while protecting the security and quality of documents, access to the documents shall be easily possible when needed.

4-2- Digital copies:

In respect of third, fourth and fifth level documents, banks may, in addition to physical maintenance, maintain a digital copy of such documents within the framework of a comprehensive system based on a codified instruction approved by the Board of Directors of each bank.

Note 1: If a digital copy is prepared, the physical maintenance of the documents at the location of their preparation and production shall not be obligatory.

Note 2: If the documents are being physically maintained in a place other than the location of their preparation and production, the Board of Directors of the bank shall adopt measures and conditions whereby access to the original documents shall be possible within at most four working days.

4-3- Microfilms:

Subject to carrying out procedures specified in article 7, banks may maintain all their documents as microfilms.

Chapter 4 - Destruction of Documents

Article 5- Destruction after Duration

The destruction of second, third, fourth and fifth level documents after the expiration of the duration set forth in sections 3-2, 3-3, 3-4 and 3-5 and within the framework of the bank's internal regulations is permitted.

Article 6 - Destruction Prior to Expiration

Banks may destroy third, fourth and fifth level documents prior to expiration of the duration set forth in article 3, subject to carrying out the procedures specified in article 7.

Article 7- The Process of Converting Documents to Microfilms by the Combined Digital and Microfilm Method

The destruction of third, fourth and fifth level documents prior to the durations set forth in article 3 is conditioned to carrying out the following procedures:

- A. Determination of an organizational unit for the conversion of documents to microfilms by the combined digital and microfilm method;
- B. The allocation of a suitable location for carrying out the process of converting documents to microfilm by the combined digital and microfilm method;
- C. The transfer of all relevant documents to the location mentioned under paragraph “B”;
- D. The preparation of the relevant documents for digital scanning;
- E. Carrying out a digital scan of the documents;
- F. Control, editing and standardization of the digital scans such that the retrieval, classification and analysis of their information will be easily possible;
- G. Filming the digital scans on microfilm rolls by using archive writer equipment;
- H. The precise control of the microfilm in respect of clarity and readability of the transferred information. If the contents of the microfilm are not readable, the relevant copy shall be digitally scanned once again, and after filming, the documents shall be added to the end of the microfilm role;
- I. Preparation of the minutes of meeting for checking the microfilm against documents and its signature by a committee consisting of the following members:
 - _ The president or vice president of the general archives;
 - _ The president or vice president of the organizational unit responsible for converting documents to microfilm;
 - _ A representative of the inspection bureau;
 - _ A representative of the legal department;
 - _ A representative of security;
 - _ A representative of electronics services or informatics or information technologies auditing.

J. Obtaining a digital scan of the minutes mentioned under “I” and filming the said minutes at the beginning and end of each microfilm roll.

Note 1: If there are any contents or writings on the back of documents, such contents shall also be included in the microfilm.

Note 2: The original minutes of meetings mentioned under “I” shall be maintained until such time that the microfilms are destroyed.

Note 3: The president or vice president of the general archives shall head the committee mentioned under “I” and the meetings of the said committee shall take place and be managed by that person.

Note 4: If the persons or units stated under “I” do not exist in the bank’s organizational chart, the Board of Directors of the bank shall designate alternative persons or units.

Note 5: The Board of Directors of the bank shall define the scope and extent of the powers and competences of the committee stated under “I”.

Note 6: The presence of all members of the committee stated under “I” is necessary for carrying out the process of converting documents to microfilms by the combined digital and microfilm method.

Article 8- The microfilms prepared in accordance with this implementing regulations are to be considered as the originals of the documents and may be referred to in all courts of law.

Chapter 5 - Electronic Documents

Article 9- Documents that in accordance with article 2 of the Electronic Commerce Act are produced, sent, received, saved or processed by using electronic, light or new information technologies are to be considered as the originals of the documents subject to article 8 of the said Act. Banks shall indefinitely maintain electronic documents concerning the second, third, fourth and fifth levels.

Article 10- Banks shall save backups of all electronic documents such that in the event of damage to one copy, the other copy shall be immune.

Chapter 6- Other Provisions

Article 11- In respect of documents and deeds that by virtue of regulations have historical value, banks shall maintain such documents in accordance with the Act for the Establishment of the National Documents Organization of Iran.

Article 12- The contents of this implementing regulations shall also apply in respect of non-banking credit institutions licensed and supervised by the Central Bank of the Islamic Republic of Iran.

This implementing regulation supersedes and replaces the implementing regulations of 25 February 1975 and the enactments of 9 January 1983 and 29 December 1990 of this Council concerning the said bylaw.

Row	Name of Document	Base Time
Third Level Documents		
A	Signature sample cards, documents for identification and opening of various domestic or foreign exchange accounts for customers	From the date the account is closed or a change in the Authorized signatories or the signatures
B	Canceled checks, including ordinary checks, cash checks, Iran checks, cashier's checks, etc. promissory notes, bills of exchange and other payment or reception instruments of domestic or foreign currency	From the date of settlement
C	Certificates of non -payment of bounced checks and documents on the clearance of bounced checks	From the date of issuance
D	All concluded contracts and agreements between the bank and persons (except for contracts on facilities provided)	From the date of termination of contract and settlement of account

E	Documents on a bank's account operations for internal transactions carried out through tenders	From the date of transaction
F	Letters of guarantee and relevant documents	From the date of termination or settlement of account
G	Documents on the transfer of shares	From the date of transfer
H	The second copy of long-term investment deposit Certificates and various bank's certificates of deposit	From the date of closing the account
I	All papers and documents on the sale and purchase of foreign currencies, foreign drafts, foreign credit cards and foreign currency agreements	From the date of concluding banking operations
J	All papers and documents on transfers, clearing house, safety deposit box and participation bonds	From the date of concluding banking operations
K	Papers and documents on import and export letters of credit	From the date of concluding banking operations
L	All accounting documents, whether domestic or foreign currency, in cash or transfer	From the date of concluding banking operations
Fourth Level Documents		
A	Contracts, papers and documents on facilities provided and credits used by customers	From the date of settlement of account and release of securities

B	Papers on the sale of worn-out, used and From the date of sale decommissioned equipment and furniture	From the date of sale
C	Papers and documents on discounted commercial Instruments	From the date of concluding banking operations
D	Papers on the purchase of a bank's requirements and movable and immovable properties	From the date of purchase
Fifth Level Documents		
A	Registration books on issued and received letters	From the date of closing the book
B	Outgoing communication books	From the date of closing the book
C	Check stubs issued by the bank's offices and bureaus	From the date the check book is finished