

7-22-106 Accounts to be maintained -- Records open to inspection -- Retention of records.

- (1) Each escrow agent shall maintain in its main office sufficient books, accounts, and records for the department to determine at any time the escrow agent's financial condition, what duties and responsibilities the escrow agent has undertaken to perform and whether it is properly performing all such duties, and any other information considered necessary to determine whether the escrow agent is operating in a safe, competent, and lawful manner. The books, accounts, and records shall be maintained in accordance with generally accepted accounting principles and good business practice.
- (2) For each individual escrow account, the escrow agent shall maintain the escrow agreement and all amendments, all instructions affecting the agreement, all related correspondence, and an individual ledger reflecting all activity pertinent to that account.
- (3) Each escrow agent shall continuously maintain the following general accounts:
 - (a) a general ledger reflecting assets, liabilities, income, expense, and equity accounts;
 - (b) an escrow liability control ledger for all escrow accounts;
 - (c) a cash receipts and disbursements journal; and
 - (d) copies of all receipts and disbursements used as a medium of posting to individual escrow accounts.
- (4) The records referred to in this section shall be reconciled at least monthly.
- (5) All records pertaining to individual escrow accounts in Subsection (2) shall be maintained by the escrow agent for six years following the close of each account. All records relating to general accounts required in Subsection (3) shall be maintained for six years after the end of the fiscal year to which they relate.

Enacted by Chapter 133, 1991 General Session