

UNCLAIMED PROPERTY SERVICES FOR BANKS AND CREDIT UNIONS: TAKING THE WORRY OUT OF UNCLAIMED PROPERTY

The financial services industry is experiencing a sharp rise in the number of unclaimed property audits. Yet, according to the National Association of Unclaimed Property Administrators (NAUPA) an estimated 70% of organizations remain out of compliance with unclaimed property laws, despite the steady increase of unwanted attention from unclaimed property auditors. All the while, rapidly evolving state requirements promise to vex even the most diligent financial institutions.



Following comprehensive unclaimed property policies and procedures can help financial institutions avoid interest and penalties, retain their asset base, and maintain goodwill with customers or members. As anyone tasked with unclaimed property compliance can attest, difficulties arise in monitoring and maintaining the complexities of laws and regulations that govern exactly how and when unclaimed property should be identified, reported and remitted.

Given the rising demands of unclaimed property compliance, many banks and credit unions are turning to outside specialists like Georgeson for help. Outsourcing this function saves time – allowing financial institutions to redeploy personnel to other crucial areas. It also dramatically cuts down the frustration and worries associated with managing the unclaimed property process. Georgeson allows institutions to customize the degree and scale of the external support they need across several functional areas:

Policy and Procedures

We provide an analytical review of existing policies, procedures and practices to ensure they are complete, up to date and in compliance with state unclaimed property laws. If you don't have a written policy or procedures that cover unclaimed property reporting, we can provide customizable templates for your institution. Georgeson can also assist with the customization and implementation of your policy and procedures, as well as provide unclaimed property training.

Report Analysis and/or Account Analysis

Specific to financial institutions, we can perform an analysis of all types of relevant property types, such as checking, savings, CDs, uncashed checks, etc. to identify potential unreported past due unclaimed property. We can also perform a detailed analysis of unclaimed property that has been reported to identify potential reporting errors. Both a report and account analysis can be especially crucial following an acquisition.

Unclaimed Property Compliance CheckUP and Comprehensive Compliance Reviews:

You don't know what you don't know – Georgeson can perform a high level CheckUP to identify areas of potential noncompliance. We also offer a detailed Comprehensive Compliance Review of your institution's books and records in order to quantify potential unreported unclaimed property liability.

Remediation:

Once the potential liability is identified on a state by state basis, we can assist your institution with remediation efforts to help you avoid over-reporting. Remediation can include confirmation the liability is fixed and certain and has not otherwise been extinguished, identification of potential exemptions, deductions, and exclusions, and owner outreach.

Audit Assistance:

Financial institutions are increasingly becoming the target of unclaimed property audits. We can help your institution with the unclaimed property audit process by providing assistance with communications, strategy discussions, the audit scoping process, identifying options for being proactive rather than reactive to increase efficiencies and reducing the need for company resources.

Initial Compliance/Voluntary Disclosure Agreements (VDAs):

Once liability is finalized for each state, options for becoming compliant with state unclaimed property laws will be provided and discussed. Next steps generally include assistance with state communications, as appropriate, and preparation of formal and informal VDA paperwork (a VDA is not an option if the financial institution has already been selected for an unclaimed property audit).

Owner Location Services:

We can help you identify, research, locate and contact dormant owners of property or accounts, including the identification of heirs, and assist your organization with reactivating dormant accounts in order to avoid escheatment. This removes one of the largest sources of operational headaches in the unclaimed property area.

Unclaimed Property Reporting and Remittance:

A potential outsourced solution will include a full suite of reporting and remittance services, including annual state and territory filings as necessary, a comprehensive accounting of what is eligible for escheatment, and remitting unclaimed assets to the appropriate states or territories as required.

Monitoring Legislative Changes:

Unclaimed property laws are constantly changing. Georgeson actively monitors pending legislation and communicates relevant law changes to clients. We also provide free legislative alerts to help you stay abreast of pending and passed legislation.

Acquisitions:

When you acquire another institution you are also acquiring its unreported unclaimed property liability, which can result in the imposition of interest and penalties on the past due property you will be responsible for reporting. Georgeson can perform a review to identify issues before files are converted, to ensure your institution is not blindsided by problems that are avoidable.

Why Choose Georgeson for your Unclaimed Property Needs?

Successfully managing the life-cycle of your institution's unclaimed property obligations is a daunting task. Georgeson's multidisciplinary team of professionals can provide relief from the complex, ever-changing requirements associated with managing, reporting, and researching unclaimed property. We work with, and report to, all states and jurisdictions, and understand the nuances of both compliance and reporting.

Importantly, our owner location programs are distinct from those offered by others in the industry. We believe in full transparency and never withhold information about assets. We focus on educating owners about unclaimed property, and treat them with care and respect.

Our in-house U.S.-based data storage and communication centers provide your organization with enhanced data security. Information is secured in protected environments and is never shared with non-affiliated

third parties. Our parent company, Computershare, is a global leader in shareholder services, trusted by more than 30% of Fortune 500 companies.

Finally, Georgeson has been in this business a long time. For more than 30 years, Georgeson has utilized our unmatched outreach techniques to help reunite depositors with their assets -leveraging commercially available research applications combined with targeted campaigns and our own proprietary database spanning millions of records. Our team has reunited more than one million owners with more than \$3.5 billion in assets.

Unclaimed property reporting and management is a costly and problematic arena for most financial institutions. Georgeson's Unclaimed Property team can help take the worry out of unclaimed property compliance as that is our only focus in this this ever-changing regulatory landscape. We will keep your institution on track and ahead of the unclaimed property curve.

Let's talk! Visit us at www.GeorgesonBankingUp.com or contact Mike Ryan, Senior Vice President, Unclaimed Property Services at mryan@georgeson.com or 201 208 9192.