



Guide to Unclaimed Property Due Diligence

Please review carefully as the law has recently changed. For details, refer to [North Carolina General Statute §116B-59](#)— Notice by holders to apparent owner.

When an owner's money is escheated, they often express dissatisfaction when they discover that the holder has not made a diligent effort to contact them about their property. For property that is a security, or other equity interest in a business association having a property value of \$25 or more and all other property types having a property value of \$50 or more, the law requires a holder to send a written notice to an owner, at the owner's last known address according to the records of the holder. The notice should inform the owner that the holder is in possession of the owner's property and if the owner does not acknowledge their property by the applicable deadline, their property will be turned over to the North Carolina Department of State Treasurer Unclaimed Property Division.

As the law requires simultaneous reporting and remittance, it is important to practice "due diligence" in trying to locate owners prior to reporting their funds to the Unclaimed Property Division. If the address on record is known to be invalid, the holder must exercise reasonable care to ascertain that it is sending the written notice to the apparent owner's correct address.

The required notice shall include a description of the property (example, if check - check number, check date, check amount, and payee), the holder's contact information, an acknowledge section, and a statement that once property is placed in the custody of the Treasurer, all interest, dividends, income, and gains earned on the property will remain with the Treasurer, even if the owner subsequently reclaims the property from the Treasurer.

Notices must be mailed 60-120 days in advance of the November 1 report due date (May 1 if the holder is a life insurance company). This will allow the owner time to respond. A sample due diligence letter is on the following page.

Holders violating the notice requirement are subject to the interest and penalties applicable to other violations of the North Carolina Unclaimed Property Act.

August 15, 20XX (February 15, 20XX if life insurance company)

Recipient Name
1234 Any Road St. N
Anytown, NC 99999-9999

Our records indicate you appear to be the owner of the funds or property listed below. No transaction or other activity has been noted for a significant period of time.

INSERT: Full description of funds or property type being held, such as check or account number, date of item or last transaction date, dollar amount or estimated value, etc. Please include any additional information which would assist the owner in identifying the property.

If you have an interest in the funds or property, and wish to prevent the funds or property from being reported as unclaimed property to the State of North Carolina, please sign this notice and return it to:

ABC Corporation
1st Avenue S.
Big City, US 99999-9999

If satisfactory proof of claim is not presented by October 1, 20XX (April 1, if holder is a life insurance company), the law requires us to remit these funds or property to the North Carolina Department of State Treasurer –Unclaimed Property Division by November 1st (May 1st for life insurance) to whom all further claims must be directed. If deposited with the State, the funds or property should be available for claim from the North Carolina State Treasurer's Office –Unclaimed Property Division after January 1st (July 1st for life insurance company).

Once property is placed in the custody of the Treasurer, all interest, dividends, income, and gains earned on the property will remain with the Treasurer, even if the owner subsequently reclaims the property from the Treasurer.

If you have any questions concerning this request, please see the contact information below:

Jane Doe, Controller
(919) 555-1212
Jane.Doe@xxxxx.com

Please sign below to acknowledge ownership of the above listed funds or property.

Signature

Joint Owner Signature

Print Name

Print Joint Owner Name

Print Street Address

Daytime Phone Number

Print City, State, ZIP

Print E-mail Address

3200 Atlantic Avenue • Raleigh, North Carolina 27604
Telephone: (919) 814-4200 • Fax: (919) 855-5811 • www.NCCash.com