

## FAQ FOR HOLDERS

Every year, thousands of dollars go unclaimed in New Brunswick. Under proposed legislation, FCNB would work with businesses and institutions to put the money back where it belongs – in the hands of its rightful owner.

### **Q** *What is unclaimed property?*

Unclaimed property is money and other monetary property held by businesses and other institutions (holders) that has been abandoned or forgotten by its owner. In some cases, the rightful owners cannot be found. If adopted, New Brunswick's *Unclaimed Property Act* would protect consumers by providing a means to return money owed to them, rather than the money being permanently held by businesses or institutions. Types of unclaimed property include:

- Overpayments and refunds
- Security deposits
- Amounts payable under a life insurance contract, pension or other retirement plan
- Deposits in a provincially regulated financial institution, like credit unions

### **Q** *What is NOT unclaimed property?*

The program would only cover money and monetary property. The program would not cover the following:

- Real estate
- Furniture
- Animals
- Vehicles
- Forgotten money in bank accounts (Banks as well as federally chartered caisses populaires are required to transfer to the Bank of Canada all unclaimed balances in Canada. Visit the [Bank of Canada's searchable database.](#))

## **Q** *When do money and monetary property become unclaimed?*

They would be considered abandoned or unclaimed when there has been no account activity on the asset(s) for at least three years; 10 years for credit union accounts.

## **Q** *What happens to unclaimed property?*

The Government of New Brunswick is proposing unclaimed property legislation to protect consumers who have lost track of their money or other monetary property. The law would require companies to attempt to locate the owners of this money and, if unsuccessful, turn forgotten funds over to FCNB's Unclaimed Property program. The program would hold funds and provide a searchable list of the information received on the property owners. The program would safeguard the forgotten funds. If a claimant's entitlement is verified, these funds would be paid to the claimant. Funds not claimed or not claimable will be used to administer the program and to fund consumer protection initiatives in New Brunswick.

## **Q** *Why will New Brunswick have an unclaimed property law?*

New Brunswick companies would benefit from a program that helps connect unclaimed property with its rightful owner. The program would:

- Relieve the holders of the expense and liability of carrying the property.
- Reduce a holder's record maintenance.
- Eliminate a source of internal fraud.
- Reunite owners with their money and promotes customer goodwill.
- Provide the public with a centralized search location.

Three other provinces (Quebec, Alberta and British Columbia) and every state in the U.S. run similar programs, often referred to as "unclaimed property programs."

## **Q** *Who is a holder?*

Any business entity in possession of unclaimed property would be a potential holder. This would include, but is not limited to:

- Utilities
- Corporations
- Partnerships
- Sole-proprietorships
- Government agencies
- Associations, societies and not-for-profit organizations
- Estates and trusts

## **Q** *What are the responsibilities of a holder?*

Under the proposed legislation, holders of unclaimed property would be required to:

- Identify potential unclaimed property.
- Make efforts to notify the owners at the last known address.
- File an annual report concerning their unclaimed property with FCNB.
- Deliver the property to FCNB.

## **Q** *How can my business prepare for the proposed legislation?*

Here are some steps you can take now:

- Identify any unclaimed property you hold, which has been dormant for three years or more
- Try to contact the owners of the unclaimed property. The proposed legislation would require you to make a reasonable effort to contact the owners before remitting any unclaimed property to the program.
- Be ready to report once the program is in place. (For those companies who report to other Canadian jurisdictions, New Brunswick's program would be similar).
- Subscribe [here](#) for news and important updates on the program.

