

## Learn About Escheatment

The escheatment process, which results in turning over unclaimed property to the state, can be a source of great anxiety and generally is not well understood. This information is provided to help shareholders better understand escheatment and how to avoid it.

Under state law, escheatment is triggered when securities issuers have had no contact between shareholders and a transfer agent after a certain period of time, which varies by state. Escheatment laws give the states the right to claim securities and uncashed checks, convert them to cash, and keep the cash until such time as the shareholder may reclaim the funds -- within the allowed time frame.

Any of these following situations can trigger escheatment:

- **Lost security holder** – A security holder to whom correspondence has been sent and returned as *undeliverable*, and for whom there is no better address information.
- **Unresponsive payee** – A security holder who has been mailed a check valued at \$25 or more that has remained *uncashed* for six months or more.
- **Dormant account** – An account that has passed the state’s applicable period of dormancy – a time during which there has been no contact from the owner, as evidenced by records of the company or its transfer agent.
- **Abandoned property** – Property that has not been claimed by its owner, through a request or contact, after it has become a dormant account. This property must be reported by the company or its transfer agent to the state of the owner’s last-known address.

It is the responsibility of the registered shareholder to provide a deliverable address, cash checks, and keep in touch with the transfer agent. However, accounts can go dormant for a variety of reasons including a change of address, the owner’s incapacity, or inaccurate data on a transfer agent’s master files. In the vast majority of cases, shareholders are not aware of the situation until their property is escheated.

Likewise, it is the responsibility, under state law, of the securities issuer to:

- 1) Track unresponsive accounts and “strings” of uncashed checks through the dormancy period;
- 2) Send the account owner a final notice prior to reporting the property to the state; and
- 3) Turn escheated checks and securities over to the state on a timely basis.

**To help avoid the costs and anxieties involved in the loss of personal property, there are simple actions shareholders can take.**

**Steps to avoid escheatment include:**

- Cashing a dividend check
- Having a dividend check electronically deposited through ACH
- Automatically reinvesting a dividend
- Voting a proxy
- Updating shareholder contact information

For questions related to your account, please contact Broadridge at 1-888-211-0641 or email [shareholder@broadridge.com](mailto:shareholder@broadridge.com)