



Escheat

Frequently Asked Questions

What is escheat?

Escheat is a state mandated process that requires all financial institutions to surrender funds to the state where an individual resides after the account holder cannot be reached for a specific amount of time, typically five years.

What happens if someone is at risk for escheat?

First, as your plan administrator, we do our diligence. On top of our monthly address verification process, we send the at-risk addresses to our mail service provider to double-check the information. The accounts that were unsuccessful in obtaining a verified address get escheated.

What if an escheated address belongs to someone who is retired and I don't have any way of obtaining their information?

The participant will need to contact the State to retrieve the funds once escheated. Once a former account owner makes a valid claim to the State for the funds, the State will provide a cash settlement equal to the value of the account at the time of escheatment, without dividends or interest.