

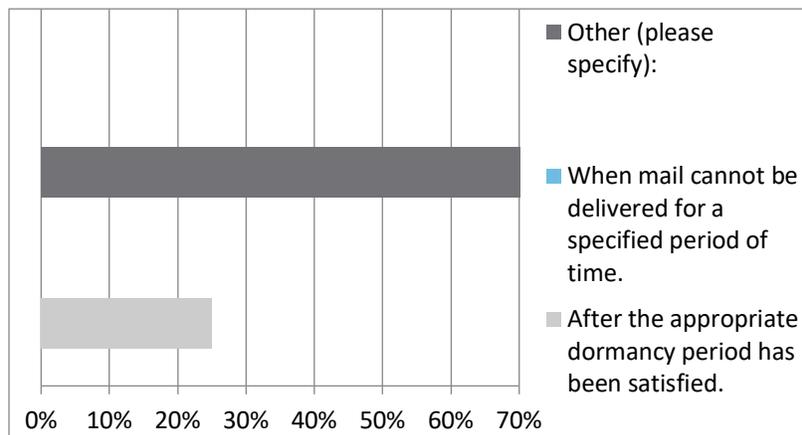
CEFLI Quick Poll

February 2020

Escheatment Procedures (4 responses received)

The survey solicited responses from companies selling variable products, only.

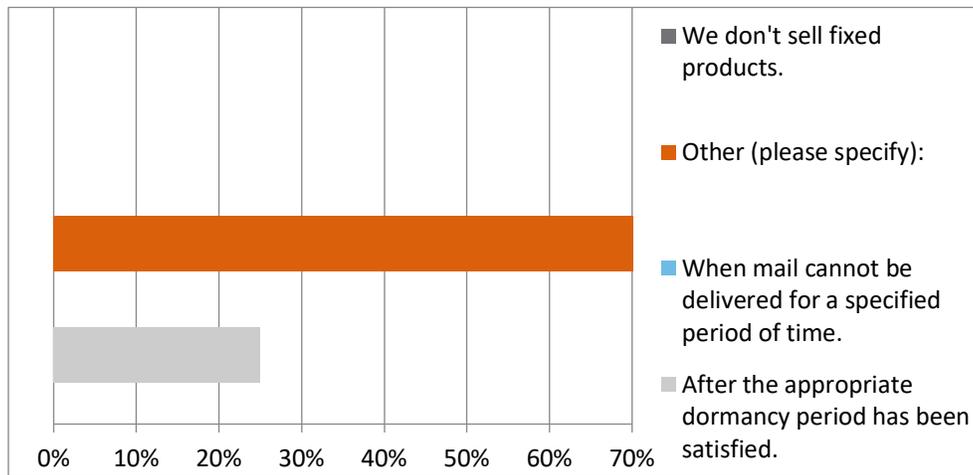
1. When do you consider an account to be abandoned and eligible for escheatment when a **variable** product is involved?



Other:

- It depends on the product type (life insurance or annuity), tax qualification and specific state law. Generally, an account is presumed abandoned when both a dormancy triggering event (i.e. limiting age under the mortality table, due and payable under the terms of the contract, RPO mail, or IRS rules) and the dormancy period has been reached for the specific property type.
- We consider an account abandoned when we lose contact (i.e. returned mail) the account is not escheated until the end of the applicable dormancy period.
- When they become a lost shareholder when mail is returned; we follow the dormancy period by state.

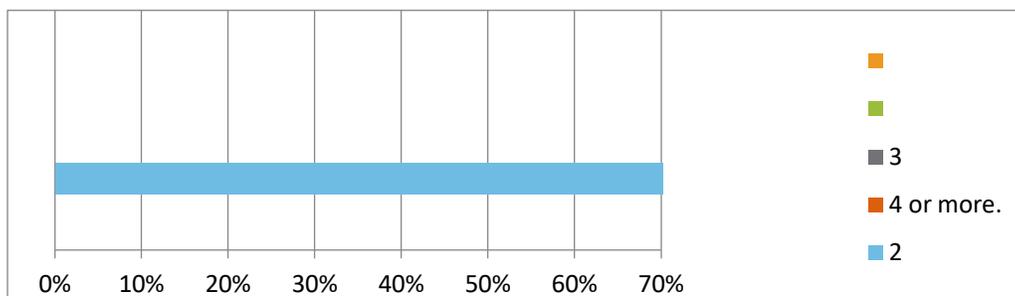
2. When do you consider an account to be abandoned and eligible for escheatment when a **fixed** product is involved?



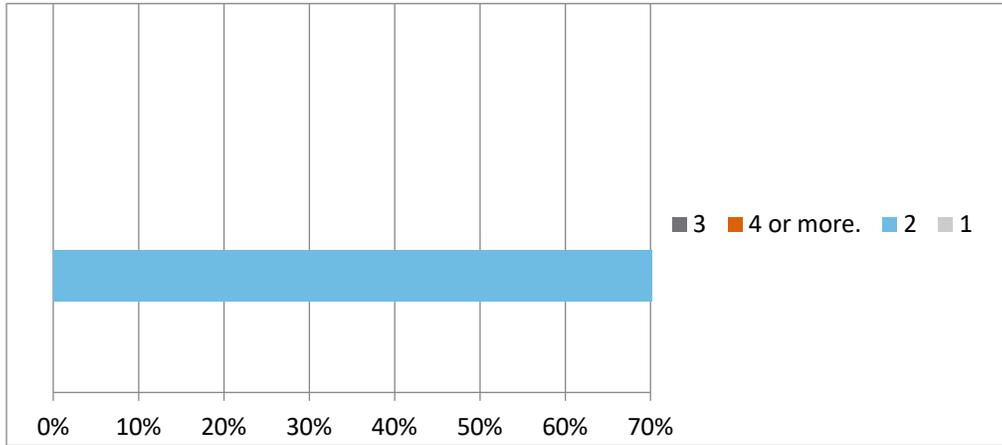
Other:

- It depends on the product type (life insurance or annuity), tax qualification and specific state law. Generally, an account is presumed abandoned when both a dormancy triggering event (i.e. limiting age under the mortality table, due and payable under the terms of the contract, RPO mail, or IRS rules) and the dormancy period has been reached for the specific property type.
- Same as variable.
- When they become a lost shareholder when mail is returned; we follow the dormancy period by state.

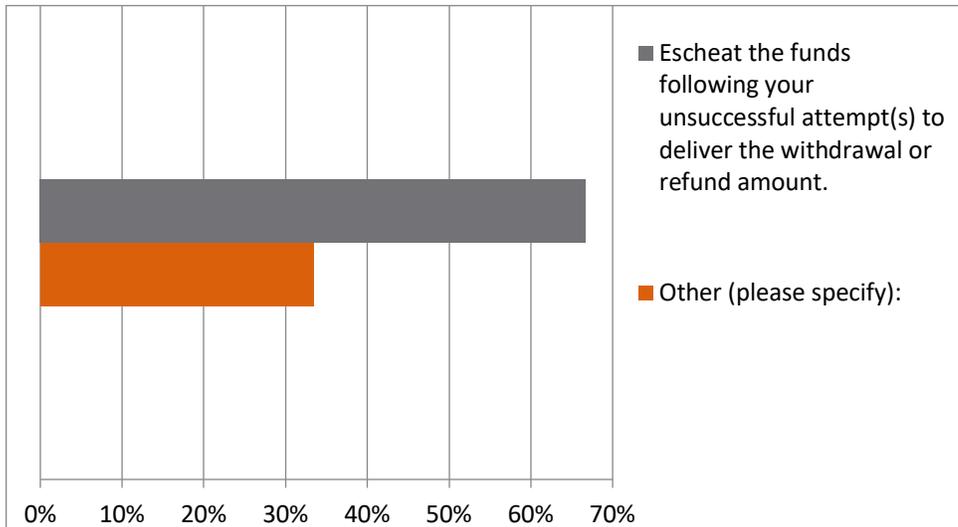
3. If a withdrawal or refund of excess premium involving a variable product is returned as undeliverable, how many delivery attempts will you make to deliver the funds?



4. If a full surrender involving a variable product is returned as undeliverable, how many delivery attempts will you make to deliver the funds?



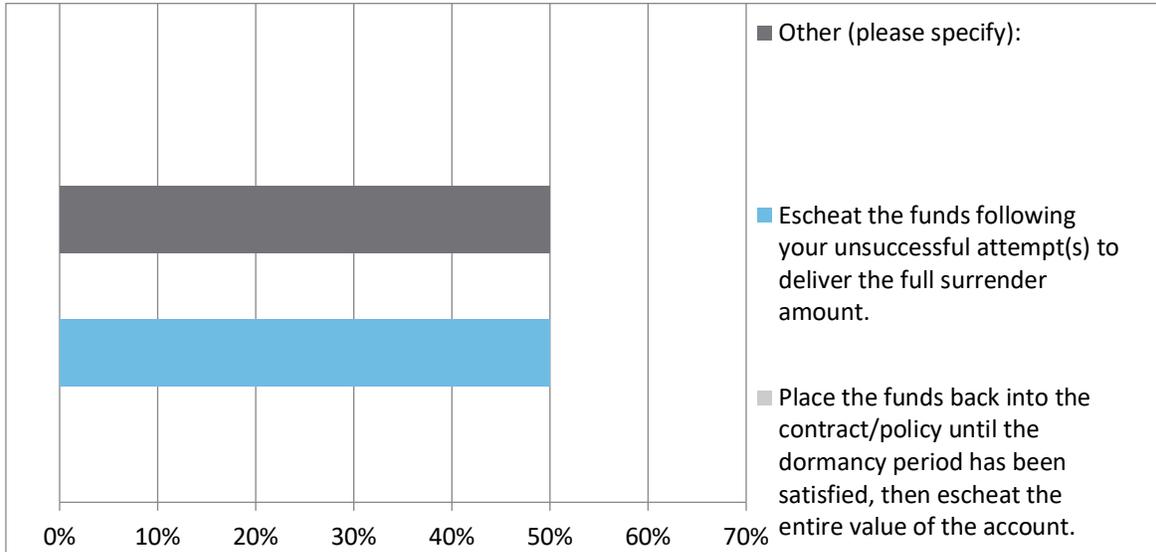
5. If a withdrawal or refund of excess premium involving a variable product is returned as undeliverable, would you:



Other:

- Funds are not returned to the product. If we cannot connect with the apparent owner, the funds will be presumed abandoned after the dormancy period has been reached for the property type and then escheated following due diligence.

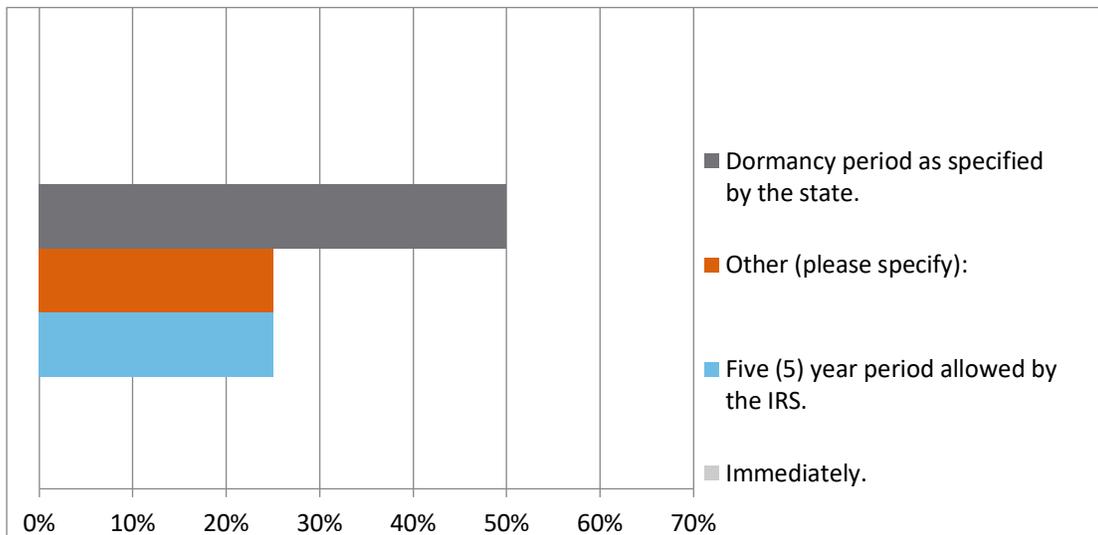
6. If a full surrender involving a variable product is returned as undeliverable, would you:



Other:

- Funds are not returned to the product. If we cannot connect with the apparent owner, the funds will be presumed abandoned after the dormancy period has been reached for the property type and then escheated following due diligence.
- Funds are not returned to the product. If we cannot connect with the apparent owner, the funds will be presumed abandoned after the dormancy period has been reached for the property type and then escheated following due diligence.

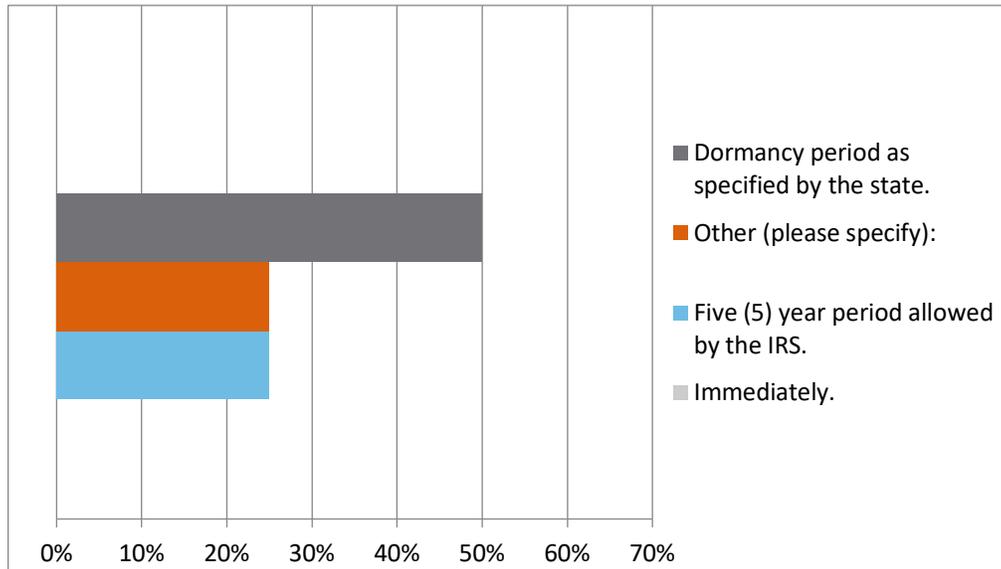
7. If you cannot locate a beneficiary for a variable product, how long are funds held in the account until beginning the escheatment process?



Other:

- Funds held in a variable annuity will remain invested in the product until 7 days prior to escheatment. Funds held in a variable life product will be removed from the product as of the date of death. Death claim interest is added to the escheated amount as applicable.

8. If you cannot locate a beneficiary for a fixed product, how long are funds held in the account until beginning the escheatment process?



Other:

- See response to #1. Funds are removed from the product as of the date of death. Death claim interest is added to the escheated amount as applicable.