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STATE OF NEW JERSEY
DEPARTMENT OF THE TREASURY
UNCLAIMED PROPERTY ADMINISTRATION
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State Treasurer

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August 18, 2010

To Holders of Unredeemed Travelers Checks, Money Orders, Stored Value Cards and Similar Instruments:

We wish to advise your company that on June 30, 2010 Governor Chris Christie signed into law amendments to the State's Unclaimed Property Statute (**N.J.S.A. 46:30B-1 et. seq.**). These amendments reduced the abandonment periods for travelers' checks and money orders. In addition, the bill provided for the administration of stored value cards ("SVCs") as unclaimed property. For your convenience, listed below are the key points associated with the new legislation:

1. Adjusts the abandonment period for traveler's checks from 15 to 3 years;
2. Adjusts the abandonment period for money orders from 7 to 3 years;
3. Creates a 2-year abandonment period for SVCs. The law defines a SVC as a record that evidences a promise, made for monetary or other consideration, by the issuer or seller of the record that the owner of the record will be provided, solely or a combination of, merchandise, services, or cash in the value shown in the record, which is pre-funded and the value of which is reduced upon each redemption. The term "SVC" includes, but is not limited to, the following items: paper gift certificates, records that contain a microprocessor chip, magnetic stripe or other means for the storage of information, gift cards, electronic gift cards, rebate cards, SVCs or certificates, store cards, and similar records or cards;
4. Precludes the imposition of service charges, dormancy fees or other similar charges on travelers checks or money orders in the first 12 months after issuance and limits permissible dormancy fees to \$2 per month; and
5. Precludes the imposition of dormancy charges or fees, abandoned property charges or fees, unclaimed property charges or fees, escheat charges or fees, inactivity charges or fees, or any similar charges, fees or penalties for inactivity on SVCs, credit balances, overpayments, security deposits, unused tickets, refunds, credit memoranda and similar instruments.

The new legislation requires SVC issuers to obtain the name and address of purchasers and to maintain, at a minimum, a record of the zip code of the purchaser. In instances where an issuer does not have the name and address of a purchaser, the address of the purchaser shall assume the address of the place where the SVC is purchased, if that place is located in New Jersey. An announcement from the Treasurer addressing the requirements for collecting purchaser name and address information will be available on the State's Unclaimed Property Website (www.unclaimedproperty.nj.gov/) on or before September 1, 2010. In addition to the legal requirements, the Unclaimed Property Administrator requires that your company maintain data related to a SVC's number and last customer contact date.

With regard to SVC funds remitted to the State, the new law bars businesses from reporting SVCs in the aggregate. This means each individual SVC with a balance must be reported with the required purchaser data, including those cards with a balance of \$49.99 or less. Issuers of SVCs are not required to perform due diligence on outstanding SVC balances. For those SVCs presented for redemption and honored by the issuers subsequent to the remittance to the State, the issuer should contact the State's Unclaimed Property Claims section to file a claim for reimbursement. SVC issuers should cancel or destroy cards that have had their balances remitted to the State and were subsequently honored by the issuer.

Inactive SVCs with outstanding balances, issued from July 1, 2003 to June 30, 2008, should be reported to the State before November 1, 2010 (i.e., no later than October 31, 2010). The Office of Unclaimed Property Administration recommends that

<http://www.unclaimedproperty.nj.gov/>

holders of money orders, traveler's checks and SVCs review their records and comply with the State's amended Unclaimed Property Statutes.

You are encouraged to report SVC property to the State accurately and in a timely manner. Failure to do so might result in your company assuming the risk of an unclaimed property audit with a reach-back period greater than five years. Should you have any questions on how to report SVC property, please do not hesitate to contact Jo Ann Hager at (609) 984-5214.

Sincerely,

A handwritten signature in black ink, appearing to read 'S. Harris', with a long horizontal flourish extending to the right.

Steven R. Harris
Administrator, Unclaimed Property

Additional information concerning the new Legislation is available on the State's Unclaimed Property Website at www.unclaimedproperty.nj.gov/.