

UNCLAIMED DEPOSITS

**FINANCIAL SERVICES REGULATORY AUTHORITY OF ONTARIO
RULE 2024 – 001**

CREDIT UNIONS – UNCLAIMED DEPOSITS

1	Interpretation.....	2
2	Unclaimed deposits – Credit unions.....	2
3	Transferred Unclaimed Amounts – Person(s) claiming entitlement	4
4	Request for reconsideration regarding entitlement to transferred unclaimed amounts	5
5	Interest on transferred unclaimed amounts	5
6	Transitional Matters	6
7	Coming into Force.....	6

1 Interpretation

- 1(1) In this Rule,
- (i) “Act” means the *Credit Union and Caisses Populaires Act, 2020, SO 2020, c 36, Sched 7*, as amended.
 - (ii) “Fee Rule” means Authority Rule 2022 – 001 Assessments and Fees
 - (iii) “personal information” means personal information within the meaning of the *Freedom of Information and Protection of Privacy Act*, RSO 1990, c F.31, as amended.
- 1(2) If a term or phrase used in this Rule is defined in the Act, the definition used in the Act shall apply for the purposes of this Rule.

2 Unclaimed deposits – Credit unions

- 2(1) For the purposes of this Rule, a member’s account is deemed inactive if:
- (i) no transaction has taken place by the member(s) on any of the accounts associated with the member’s profile for two years, or
 - (ii) no statement of account has been requested or acknowledged by the member(s) for two years following:
 - (a) the member(s) last transaction, or
 - (b) the last request or acknowledgment of a statement of account made by a member(s) on any of the accounts associated with the member’s profile.
- 2(2) Prior to paying an amount to the Authority under subsection 147(2) of the Act, a credit union shall take reasonable steps to locate members and notify members in writing once their accounts have become inactive in accordance with subsection 2(1) of this Rule.
- 2(3) If a member has not responded to a credit union following the credit union’s attempt to locate members and notify members in writing as required under subsection 2(2) of this rule, then the credit union shall take reasonable steps to locate members and notify members once their accounts have been inactive for five and nine years, respectively.
- 2(4) If a credit union receives a response from a member after the credit union has taken reasonable steps to notify the member under subsection 2(2) or subsection 2(3) of this Rule but before the inactive account becomes an

- unclaimed deposit, then the member's response constitutes an acknowledgement of a statement of account under subsection 147(1) of the Act.
- 2(5) A credit union shall make payments under subsection 147(2) of the Act in accordance with the following requirements:
- (i) for any deposits that become an unclaimed deposit between January 1st and September 30th of a calendar year, the credit union shall make payment to the Authority between October 15th and December 15th of the same calendar year, or
 - (ii) for any deposits that become an unclaimed deposit between October 1st and December 31st of a calendar year, the credit union shall make payment to the Authority between October 15th and December 15th of the following calendar year.
- 2(6) Payments made under subsection 147(2) of the Act shall be transferred to the Authority through an electronic fund transfer.
- 2(7) When transferring an unclaimed deposit to the Authority, a credit union shall submit all material information, including any personal information, necessary to establish the identity of the member(s) entitled to the unclaimed deposit.
- 2(8) All material information provided by the credit union to the Authority pursuant to subsection 2(7) of this Rule shall be attested by an officer of the credit union to be accurate, complete, and up to date.
- 2(9) When making payment under subsection 147(2) of the Act, the credit union shall concurrently provide the Authority with the following:
- (i) evidence of all attempts by the credit union to notify a member with inactive accounts as required under subsection 2(2) or subsection 2(3) of this Rule;
 - (ii) copies of all material information related to an unclaimed deposit in the credit union's possession as required under subsection 2(7) of this Rule; and
 - (iii) documentation of any foreign currency conversions required under subsection 2(14) of this Rule.
- 2(10) Information required by subsection 2(9) of this Rule shall be transferred to the Authority through the Authority's electronic portal.

- 2(11) A credit union shall maintain original records of all information related to an unclaimed deposit for at least as long as FSRA is required to hold the unclaimed deposit pursuant to subsection 147(7) of the Act.
- 2(12) If a credit union fails to provide the information required by subsection 2(7) of this Rule, then the Authority may reject payment in which case:
- (i) The Authority shall not accept payment under subsection 147(2) of the Act, and
 - (ii) until such time that payment is accepted, a credit union is still liable for the purposes of subsection 147(3) of the Act.
- 2(13) A credit union shall provide the Authority with any information related to subsection 2(11) at the Authority's request.
- 2(14) Prior to making a payment under subsection 147(2) of the Act, the credit union shall convert any foreign currency amounts to Canadian currency.
- 2(15) The conversion in subsection 2(14) of this Rule shall be based on a credit union's exchange rate as of September 30th of the year the payment under subsection 147(2) of the Act is to be made, as used by the credit union for their regulatory reporting pursuant to section 199 of the Act.
- 2(16) A credit union shall not charge any fees or pay interest on a member's account once the account has become an unclaimed deposit and is thereby required be paid to the Authority under subsection 147(2) of the Act.

3 Transferred Unclaimed Amounts – Person(s) claiming entitlement

- 3(1) A person claiming entitlement to a transferred unclaimed amount shall submit an application to the Authority that includes satisfactory evidence to demonstrate entitlement to a transferred unclaimed amount.
- 3(2) The Authority shall determine whether a person claiming entitlement to a transferred unclaimed amount has furnished sufficient satisfactory evidence to demonstrate entitlement to the transferred unclaimed amount under subsection 147(4) of the Act.
- 3(3) The Authority shall respond in writing to an application made under subsection 3(1) of this Rule within 120 calendar days of the date the Authority issues a receipt confirming that it has received a complete request under subsection 3(1) of this Rule.
- 3(4) The response by the Authority under subsection 3(3) may approve, deny or require additional information from the claimant.

4 Request for reconsideration regarding entitlement to transferred unclaimed amounts

- 4(1) If the Authority has rejected a person's claim to a transferred unclaimed amount, then the person claiming entitlement to a transferred unclaimed amount may submit a written request for reconsideration to the Authority.
- 4(2) Requests for reconsideration under subsection 4(1) shall include a reasonable basis for the Authority to reconsider its original decision.
- 4(3) If a request for reconsideration under subsection 4(1) is made because material information or satisfactory evidence was not considered during an initial claim of entitlement, then all material information or satisfactory evidence must be included in the request for reconsideration.
- 4(4) The Authority shall respond in writing to a request made under subsection 4(1) of this Rule within 120 calendar days of the date the Authority issues a receipt confirming that it has received a complete request under subsection 4(1).
- 4(5) The response by the Authority under subsection 4(4) may:
 - (i) confirm the Authority's original decision;
 - (ii) reverse the Authority's original decision; or
 - (iii) request further documentation from the person claiming entitlement to a transferred unclaimed amount.
- 4(6) The Authority's decision to either confirm its original decision or reverse its original decision under subsection 4(5) shall be final and binding for all purposes.

5 Interest on transferred unclaimed amounts

- 5(1) No interest is payable by the Authority to a person claiming entitlement on transferred unclaimed amounts held by the Authority.
- 5(2) The Authority may invest transferred unclaimed amounts in a vehicle the Authority deems appropriate to offset the costs related to the administration of this Rule.
 - (i) If earnings from any investments made under subsection 5(2) of this Rule exceed the costs of administering this Rule, the excess amount

will be used to offset costs to the credit union sector in the assessment outlined in the section 3.1 of the Fee Rule.

- (ii) If earnings from any investments made under subsection 5(2) of this Rule are insufficient to cover the costs of administering this Rule, the difference will be recovered from the credit union sector in the assessment outlined in the section 3.1 of the Fee Rule.

6 Transitional Matters

- 6(1) Credit Unions will be subject to the requirements in subsection 2(2) and subsection 2(3) of this Rule immediately after the coming into force date specified in subsection 7(1).
- 6(2) Credit Unions will have twelve months following the coming into force date specified in subsection 7(1) to notify members with unclaimed deposits that their unclaimed deposits will be paid to the Authority in accordance with subsection 147(2) of the Act.
- 6(3) Credit Unions are not required to pay amounts pursuant to subsection 147(2) of the Act and in accordance with the requirements prescribed by this Rule during the twelve-month period following the coming into force date specified in subsection 7(1).

7 Coming into Force

- 7(1) This Rule will come into force on the later of the date that section 147 and clause 45 of subsection 285(1) of the Act comes into force and 15 days after the Rule is approved by the minister.