

LONG LOST BANK ACCOUNTS

Hello firm,

Potential Client's (PC) mother passed away and left a ledger with bank account numbers, names, and amounts. No other documentation. PC tried on his own to find some of these accounts but the banks have long since been acquired or merged. PC was unable to figure out which banks acquired his mother's accounts.

PC would like to hire me to locate the banks and money. I have two questions:

(1) Aside from a fee agreement, I'm assuming I need limited power-of-attorney to act on his behalf and recover the money. Are there any other forms or agreements that I might need or might be helpful?

(2) Any suggestions on where to research which banks acquired these accounts?

Many thanks in advance.

I would believe that the banks may not give him any information w/o letters executive but it may depend on the bank.

Another option would also to be to check each state mom lived in, the lost funds accounts. If the banks lost her information they may have turned the funds over to the state.

Erin Schmidt

Here are two starting points:

This is the FDIC institution directory.

http://www2.fdic.gov/idasp/main_bankfind.asp

The Federal Reserve Information Center.

<http://www.ffiec.gov/nicpubweb/nicweb/SearchForm.aspx>

If you tell us the names some curious soul may know the banks or help you.

Jim Pardue, North Carolina

Ah, cases where you get to play private investigator and/or detective are fun. I've -- sadly -- not had such a case before. If the mother was the account holder and she died, wouldn't the account go to her estate? Was your PC (sounds like it was a son) named as executor of the will or the beneficiary of the account? If not, you'd have to get the son's standing (for lack of a better term) straightened out first according to state probate/intestacy procedures.

Anyway, once you do, I'm guessing you are correct regarding the POA in order to act on the son's behalf. I think post-9/11 laws have made it near impossible to find out anything from banks and other financial institutions unless you own the account.

As to where to search, you have the names of these banks, right? It may be as simple as just googling the names and finding some news story that X bank was bought by Y bank Z years ago. If that doesn't work, I'd use the FDIC, Office of Comptroller of Currency, or some other federal entity that regulates banks to find papers relating to any acquisition.

Not sure how this would work if a bank just simply closed. I'm guessing the assets would be seized by the FDIC who would then sell it to some other bank.

Also, did the mother ever move? If she didn't, I'd assume that the new bank would simply just mail documents (e.g. monthly statements, etc) to the same address.

Erin is also correct -- a lot of states have funds where banks dump property and cash that they deem to be abandoned, such as when the bank can't find or contact the account holder. My best recollection, though, is that abandonment is not presumed until a lot of years have passed. Still, something to check, though.

Andy Chen, California

This seems like a short-sighted request from the client. Following up on a list of bank account numbers may be easy enough to do - look at the decedent's last several years of tax returns or contact the IRS for information on who reported paying income for the decedent's SSN.

But in my experience, there is may well be more out there. It seems a more appropriate way to proceed would be to work it like an estate administration - look for any and everything of the decedent's.

Again, tax returns and the IRS can be helpful. Also try missingmoney.com.

If there are assets found that belonged to the decedent alone, you can expect that the only one who can take any action regarding them would be the court-appointed administrator of the decedent's estate. A POA from the decedent's child won't be worth much since the assets aren't the child's.

You will want a retainer large enough to cover your work.

Deb Matthews, Virginia

Question, along the same lines.

A friend's Father died, soon after the mother went into a lengthy stay in the hospital and now has some dementia. Father was very wealthy investment banker, who took at least one trip every year to Switzerland. Mother has no idea where the money is, a flood in the parents destroyed many of the Father's documents while Mother was in the hospital.

I suggested that the daughter attempt to speak to the Father's attorney, perhaps he assisted in setting up some offshore trusts or accounts, if that fails I suggested they look at the bank statements to see if there were any payments to any trust companies for administering a trust, or any offshore bank wire transfers.

Is there any ethical reason that would prevent the Father's attorney from assisting the family, would it be a breach of attorney client confidentiality?

Thoughts?

Thanks,

Start with the escheated funds site in the state where the bank was located. I believe that there is a national site as well.

Marc S. Stern, Washington

<http://www.unclaimed.org/>

Marc S. Stern

Start with your state's Office of Unclaimed Funds. In NY this office is maintained by the NYC Comptroller. I have had a similar situation and found it all at the Office of Unclaimed Funds.

Samuel Katz, New York

Thanks all for your help. I wasn't able to locate the client's mother's funds on the three relevant unclaimed funds websites. It turns out the potentially missing funds were only recently discovered and the mother has been deceased since the late 1990s. I'll be getting the death certificate, will, and power of attorney from the client and following up with the IRS and the banks. I may have to probate the estate as well (a "short certificate" I'm told I need). I'm looking forward to the challenge. "Investigator" French is on the job.

I am assuming that the Will appoints your client as Executor of the Estate.

Once you have gathered the Death Certificate, the Will and an Understanding of who the devisees of his mother's estate are, you can prepare to assume the job as administrator of the estate.

To do so in WV, I use a "Waiver and Nomination Form" signed by the Client asking to waive his proper nomination although he is entitled to act as the Executor and instead asking that you, his legal counsel, be appointed, without bond. Depending on statute, you may have to arrange with your local insurance company to post bond on the estate.

Make friends with the County Clerk's Office/Probate Division of the county in which she died domiciled; they are generally quite good resources for explaining what the local norms are. And paperwork.

If you would like an example of the form I use, email me directly.

Cynthia J. T. Loomis, West Virginia

Don't forget to check under her husband(s) name.

Erin Schmidt

Was PC's mom local when she died? If so, some if not all of these accounts are probably predecessors to the local branches.

If you can't get what you need from the Fed or FDIC, I'd call up a local banker and ask if he/she has any idea what bank these 3 now are. Low tech, and maybe this only works in smaller locales, but I've found that bankers have been bankers for a while, often at many different institutions. They know their industry's local footprint and can usually tell you this information off the top of their heads. I now have a chart of the histories of all the local bank branches, what they used to be, closed branches, etc.

Cynthia V. Hall, Florida
