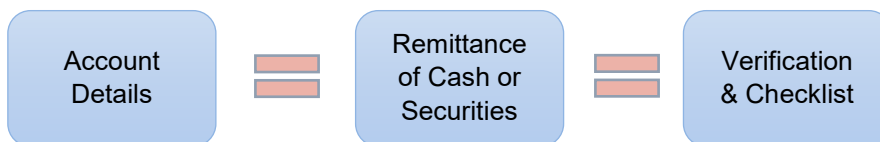


## Unclaimed Property Relating to Insurance Companies – Reference Sheet

Schedule of Events for Article VII and Section 1316	
December 31	Cut-off date for Limiting Age (superannuated) contracts
January 1	Cut-off date for all other policies – if funds have become dormant in the year prior to this date, they should be included in this report cycle
May 1	Publication notice due date
May 10	Proof of publication due date
June 10	First class mailing completed
July 10	Certified mailing completed
September 10	Final report and remittance due date

**How to Report (due 9/10)** - Include the following when reporting:

1. Account details of the funds you are transferring in an approved format
2. Remittance of cash or securities
3. Verification and Checklist (Form AC2709 or Electronic VCL)



**Make sure the total amount is the same on all three parts**

More details including forms and contact information can be found at: <http://osc.state.ny.us/ouf/reporters/index.htm>

Applicable Property Types		
Property Type	Property Type Description	Dormancy Period
5D	Refunds due by insurance companies	3 years
6A	Limiting age (superannuated) contracts	None
6B	Matured endowments	3 years
6C	Death claims	3 years
6D	Amounts due under policies of insurance other than life	3 years
6E	Refunds and other amounts due under policy terms	3 years
6F	Annuities	3 years
6G	Retained Asset Accounts, Benefits Access Accounts or similar distribution accounts	3 years
8X	Late filing interest	

## Unclaimed Property Relating to Insurance Companies

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The following information corresponds to Article VII and §1316 of New York's Abandoned Property Law (APL). For more information, refer to Article VII and §1316 of the statute.

This document includes the following sections:

[Unclaimed Property](#)

[Statutory Considerations in Addition to Article VII and §1316](#)

[Schedule of Events for Article VII and §1316](#)

[Important Issues](#)

[Due Diligence](#)

[Publication](#)

[Mailing Requirements](#)

[Remittance](#)

[Report Samples](#)

[Publication Samples](#)

## Unclaimed Property

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Unclaimed property subject to Article VII of the APL includes:

- Matured endowments.
- Life insurance proceeds when the insured reached the limiting age.
- Death benefits.
- Policy dividends, distributions, and refunds.
- Annuity payments.

§1316 provides statutory coverage for all types of insurance proceeds other than life, including but not limited to amounts on:

- Health insurance.
- Property/Casualty insurance (Fire, Home, Liability, etc.).

## Statutory Considerations in Addition to Article VII and Section 1316

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### Corporate Property Types

#### *Article V and Section 1315 of the APL*

In addition to Article VII and §1316, insurance companies are subject to the statutory requirements of Article V and §1315 of New York's APL, meaning that a separate Report is required to be filed on or before March 10. This report would include items such as wage checks and vendor checks. For more information, refer to Article V and §1315 of the statute and to the Office of Unclaimed Fund's (OUF) General Corporations document.

### Due Diligence

§1422 of the APL requires that, at least 90 days prior to submitting its final report, the holder send a notice by first class mail to each owner whose name is expected to appear on the report unless the address for the owner is unknown or the holder can demonstrate that the address it maintains for the owner is not the owner's current address. In addition, at least 60 days prior to submitting its final report, the holder must send a notice by certified mail (return receipt requested) to each owner whose name is expected to appear on that report with abandoned property valued in excess of \$1,000 unless contact with the owner has been established, the first class mailing was returned as undeliverable or the mailing address is outside the United States.

### Holders Not Authorized to Conduct Business in New York State

§1312 of the APL extends statutory coverage to any insurance company that:

- Is chartered or organized in another state and not authorized to do business in New York.
- Holds unclaimed property payable to a person whose last known address is within New York.

Such reporting organizations are subject to the same statutory reporting requirements as organizations doing business in New York. However, the publication requirement does not apply.

### Section 3214 of New York's Insurance Law

Amounts reportable as abandoned property pursuant to §700.1(a) (matured endowments) and §700.1(c) (proceeds of death claims) include statutory interest payable on matured endowments and death claims as provided in §3214 of New York's Insurance Law. Interest is to be credited from the date of maturity of an endowment contract, or from the date of death of the insured, until the date that these are reported as abandoned property. Interest and principal amounts are then reported as abandoned property together.

## Schedule of Events for Article VII and Section 1316 – Unclaimed Property Relating to Insurance Companies

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### December 31 and January 1

For reporting purposes, an insurance company's year runs from:

- January 1 through December 31 for superannuated policies and
- January 2 through January 1 for all other policies.

December 31 is the cut-off date for superannuated policies, and January 1 is the cut-off date for all other policies. Use these parameters when identifying abandoned insurance accounts/items.

### January 2 through May 1

During this period, review your records and collect data related to any account/item that may be dormant and subject to reporting.

If you find items subject to reporting:

- Compile the data in one of our reporting formats, so that you may submit it as your final report.

If you do not find any items subject to reporting:

- Keep a record of your review.
- Do not send preliminary or negative (zero balance) reports.

### May 1

By this date:

- Publish items from your report. You may deduct publication costs from the account's value.

### May 10

By this date:

- File proof of publication. Include an invoice, a copy of the advertisement and an affidavit.

### May 11 through August 31

During this period:

- Deduct publication charges.
- Complete report removals based on any contact with owners.

### June 10

By this date:

- Send a notice by first class mail to each person or entity whose name appears on your report of abandoned property and request a signed written statement from the owner that acknowledges the property's existence. This requirement does not apply to those accounts that meet the exclusionary provisions of §1422.
- Advise and educate internal staff about the due diligence notices for effective processing when the rightful owner contacts your organization.
- Reactivate all accounts of owners who respond to the notice or otherwise establish contact. Do not include these accounts on your report.

## July 10

By this date:

- If an owner has not responded to the first class mailing, or if the first class mailing was not returned as undeliverable, and the value of all unclaimed property held for the owner exceeds \$1,000, you are required to send a second notification via certified mail, return receipt requested, if the address for the owner is within the United States.
  - You may charge the cost of the certified mailing against the property's value.
- Reactivate all accounts of owners who respond to the mailing. Do not include these accounts on your report.
  - Note: we consider a return receipt to be customer contact if the receipt bears the signature of the account owner. Verify return receipt signatures against the other signature records you may have for an owner.

## September 1 through September 10

During this period:

- Finalize the report.
- Arrange for payment.
- Submit the report, payment, and a Verification and Checklist by the close of business on September 10.

## Important Issues – Unclaimed Property Relating to Insurance Companies

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### Beneficiary Information

With respect to insurance/annuity proceeds payable upon the death of the insured, the report should include identifying information for both the insured and the beneficiary.

### Drafts

§1316 does not apply to amounts that the insurance company can prove are offers, unaccepted by payee (the obligation is not liquidated), to settle a claim prior to establishment of liability under the terms of its policies. The issue of "drafts" is complex and you should consult our legal staff.

### Group Insurance Policies

Article VII and §1316 apply to unclaimed amounts on group plans established as employee benefits.

### Insurers Not Doing Business in New York State

Article VII and §1316 apply to all insurance companies, including insurers not doing business in New York but holding unclaimed amounts due to a New York resident. Reinsurers are subject to the same requirements as insurers.

### Tax Deferred Accounts (ie: IRAs, ROTH IRAs, Coverdell Education Savings (ESA))

Traditional IRAs, Roth IRAs, ESAs, or other accounts that are qualified for tax deferral under the US income tax laws are reportable as abandoned property on the next report cycle following the mandatory distribution date, as prescribed by IRS guidelines, in the absence of contact/activity within the last three years from the account owner, unless the account is in distribution. If the account is in distribution, a three year dormancy applies.

If you cannot reasonably obtain the owner's date of birth, for ESA accounts use the account opening date as the owner's date of birth and for an IRA presume the owner was 21 on the day the account was open. In reporting, use property types that reflect the nature of the account. For example, use 1I if the proceeds had been held in a trading or investment account. In the Date field, enter the date the owner reached the mandatory distribution age, as prescribed by the IRS. In the Description of Security field enter IRA. This clarifies that you are not reporting the account prematurely.

If securities are liquidated to comply with the IRS guidelines, report the remaining securities as shares and residual cash on a separate line for each owner. Include "IRA distribution withholding" in the Description of Security field.

While a Roth IRA is not subject to mandatory distribution rules during the original owner's lifetime, confusion may nonetheless exist among both the public and the holder community as to the proper

treatment of the APL. For the purpose of consistency, OUF will not penalize reporting organizations for treating a Roth IRA in the same manner as the traditional IRA.

## Pension Payments

Article VII and §1316 do not apply to pension payments. Such payments are reportable by the corporation, which offers the pension plan under the definition of wages.

## Reporting Residency Requirements

Article VII and §1316 require reporting amounts owed to New York residents. If you cannot determine the address of the person apparently entitled to proceeds under Article VII or if you are uncertain which person is entitled to the funds, presume that the last known address of the entitled person is the same as the last known address of the insured, according to the insurance company's records. Furthermore, Article VII requires that insurers organized under New York laws report amounts held for unknowns. Under the provisions of §1316, amounts held by a New York incorporated insurance company for individuals whose last known address is unknown are also reportable to New York.

## Retained Asset Accounts

Many insurance companies provide for payment distributions on life insurance policies in the form of a Retained Asset Account (RAA) option. Payment into an RAA is considered an insurance distribution. A three-year dormancy period applies from the date of distribution or written contact with the beneficiary/recipient, whichever is later. Property type 6G was established for RAAs to differentiate these accounts from other types of policy distributions. If your organization is holding any dormant RAAs and has not reported them in previous years, contact us to file a voluntary compliance report. If your company has already been reporting these accounts to New York, ensure these accounts are reported separately using property type 6G.

## Two-Party Checks

Proceeds of "insurance other than life," payable to the insured and another person, who is not insured under the policy, are also abandoned property. Both names should be included on the report with an indication regarding both payees in the report details.

## Due Diligence – Unclaimed Property Relating to Insurance Companies

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Insurers are required to conduct due diligence in the form of mailings and publication. The costs for completing publication and certified mailing due diligence may be charged individually to the abandoned accounts involved in the due diligence effort. However, the costs for completing the first class mailing requirement cannot be offset. You may not take a bulk deduction against the report's total value. A positive customer response to any due diligence attempt negates the need for further due diligence actions on an account.

Exercise due caution in attempting to contact entitled owners who reside in politically sensitive countries as defined by the U.S. Department of Treasury's Office of Foreign Assets Control. Certified mailing requirements do not apply to residents of foreign countries. Address any questions pertaining to this subject to our Director of Audits.

# Publication for Insurance Companies

## Requirements

Holders of unclaimed insurance funds are required to:

- Publish a notice of unclaimed property that consists of the names and last known addresses, sorted alphabetically by last name, of all persons appearing to be entitled to abandoned property amounting to fifty dollars or more. The notice shall state that:
  - A report of unclaimed amounts of money or other property has been made to the State Comptroller and that a listing of names of persons appearing to be entitled is on file and open to public inspection at (insurance company name).
  - Such held amounts of money or other property will be paid or delivered to proven entitled parties by (insurance company name) through August 31.
  - On or before September 10, any remaining unclaimed monies or other properties will be paid or delivered to the State Comptroller.
- Publish the notice by May 1.
- Publish the notice in the county in which the last known address of the policyholder is located or the adjacent county if no newspaper is published in such county.
- Publish the notice in a newspaper printed in English and any other newspaper that will substantially serve to inform the public of such abandoned property.
- File proof by affidavit of publication with the State Comptroller on or before May 10.

Publications should be in English. The cost of subsequent publications is not deductible.

## Items to Disqualify

When determining what items to publish, disqualify any items for which one of the following is true:

- The item value is less than \$50.
- You do not have an address on record, or the address is in a foreign country.

After applying the above criteria, disqualify all items if:

Payable:	and	Sum of the value of all advertised items is less than:
within a New York City county (New York, Kings, Queens, Richmond, or Bronx)		\$10,000
in a county outside of New York City		\$2,500

You should publish any items remaining after disqualifications. Remember to only list an individual's name once. You may request a [waiver](#) from the publication requirements if the estimated cost of the publication will exceed 20% of the value of the property. The cost estimate for the publication must be included with the waiver request. See NYCRR Part 117 for further information.


## Allocation of Publication Costs

Allocate publication costs on a pro rata basis. Use one of the following methods to allocate cost to items published; both will yield the correct allocation amount.

### *Percentage Method*

Divide the amount of the item you are publishing by the total amount of the items you are publishing in that county and multiply the quotient by the total advertising expense.

For example: You are publishing a \$100 item along with other items (in the same county). The total for all items is \$10,000, and the total advertising expense for this county is estimated at \$50.


$\frac{\$ 100}{\$10,000}$		$.010 \times \$50 = \$0.50$
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The cost allocated to the \$100 item would then be \$0.50.

### *Cost Per Dollar Method*

Divide the estimated total advertising expense for a particular county by the total amount of the items to be published in that county. The resulting percentage is then multiplied by the face value of the item being advertised to determine the amount of advertising charges to be applied to that item.

Using the example above, the calculation is:

$\frac{\$ 50}{\$10,000}$		$.005 \times \$100 = \$0.50$
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For the example above, regardless of the method applied, the publication cost you could deduct is \$0.50.

You may not make a bulk deduction for the publication against the total value of the report.



## Mailing Requirements

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### First Class and Certified Mailings

§1422 of the APL requires that all organizations do the following:

- At least 90 days prior to their final report/remittance date, send a notice by first class mail to each owner whose name is expected to appear on that report unless:
  - The owner address is unknown, or
  - The holder can demonstrate that the address it maintains for the owner is not the owner's current address
    - Note – if you use an address validation service and find a new address for the owner, you may send the notice to the new address but you should not change the original address on your report.
  - The items to be reported are valued at \$20 or less are reported in the aggregate, in which case the owner's name will not appear on the report; therefore mailing a notice is not required.

And

- At least 60 days prior to their final report/remittance date, send a notice by certified mail, return receipt requested, to each owner whose name is expected to appear on that report with abandoned property valued in excess of \$1,000 unless:
  - Owner contact has been established,
  - The first class mailing was returned as undeliverable, or
  - The last known address is outside of the United States.

### Costs

You may deduct the mailing costs for certified mail. Deduct such charges from each item for which you are mailing the notice, or one item if you are rolling similar items for a specific owner into one item. You may not make a bulk deduction against the final remittance.

### Multiple Items

Where feasible, if you are reporting more than one item for the same owner, one letter should address all of the items you are reporting.

### Multiple Owners

For cases in which multiple owners of an item have different addresses, you must send a notice to each owner. You may deduct the additional costs of mailing a certified notice to more than one address.

### Wages – Article V

Article V stipulates that owners of unclaimed wages be notified at the last known address of record via first class mail. Notifications must be sent in the calendar year prior to the year in which you are required to deliver the property to the State Comptroller. You may not deduct the cost of sending notifications from the value of the abandoned property.

## Remittance

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Submit your remittance at the time you file a report. The remittance should be equal to the sum of the values of the accounts being reported to the Office of the State Comptroller. Pay your remittance by electronic transfer or check.

### Electronic Funds Transfer

Electronic funds transfer is available to make payment of the amount due for your report of abandoned property. Instructions including the account and routing number information are linked in the Forms area of the [website](#).

### Checks

Make checks payable to Comptroller, State of New York. You should mail it to the following address:

New York State Office of the State Comptroller  
Office of Unclaimed Funds  
Remittance Control, 2nd floor  
110 State Street  
Albany, NY 12236

Include the letters 'OUF' and the Date/Time stamp in the memo and advice areas of your check if you sent your report account details using one of our electronic reporting methods. This will help us apply your funds correctly.

In accordance with OUF's internal control procedures, send all payments to the above address. Do not send any checks to our New York City office.

## Report Samples – Unclaimed Property Relating to Insurance Companies

### Multiple Entitlement Account

This sample shows the proper handling of an item subject to multiple entitlements, regardless of property type. This example is specific to the proper reporting of an insurance policy listing both an insured and a beneficiary. There is a separate record for each owner, but the Account Title, as it appears on the reporting organization's records, is the same for all owners. Note that the Property ID and the Date are the same on both records, and that the Initial and Escheated Amount fields are only completed on the first record.

### NYCD

#### Owner 1 record:

Owner Last Name	Childs	Property Type	6B
First Name	Dorothy	Property ID Number	1065241
MI	M	Date (MMDDYY)	031014
Suffix		Initial Amount	\$419.62
Account Title	Dorothy M. Childs (Insured) John J. Childs (Beneficiary)	Escheated Amount	\$416.15
Soc. Sec. No./ Empl ID No.	123456789	Removal Indicator (If applicable, enter "P" or "R")	
Owner Address	17 River Road	Multiple Owners	x
Owner Address 2		Description of Security	
Owner City	Riverview	CUSIP Number of Security	
State	NY	No. of Shares or Denomination	
Zip	12981	Method of Transfer	
Country if Not USA			

#### Owner 2 record:

Owner Last Name	Childs	Property Type	6B
First Name	John	Property ID Number	1065241
MI	J	Date (MMDDYY)	031014
Suffix		Initial Amount	
Account Title	Dorothy M. Childs (Insured) John J. Childs (Beneficiary)	Escheated Amount	
Soc. Sec. No./ Empl ID No.		Removal Indicator (If applicable, enter "P" or "R")	
Owner Address	17 River Road	Multiple Owners	x
Owner Address 2		Description of Security	
Owner City	Riverview	CUSIP Number of Security	
State	NY	No. of Shares or Denomination	
Zip	12981	Method of Transfer	
Country if Not USA			

# NAUPA

## Owner 1 record:

TR-CODE	2
PROP-SEQUENCE-NUMBER	000001
PROP-OWNER-TYPE	P
PROP-NAME-ID	
PROP-OWNER-NAME-LAST	Childs
PROP-OWNER-NAME-FIRST	Dorothy
PROP-OWNER-NAME-MIDDLE	M
PROP-OWNER-NAME-PREFIX	
PROP-OWNER-NAME-SUFFIX	
PROP-OWNER-NAME-TITLE	
PROP-OWNER-ADDRESS	17 River Road
PROP-OWNER-ADDRESS1	
PROP-OWNER-ADDRESS2	
PROP-OWNER-ADDRESS3	
PROP-OWNER-CITY	Riverview
PROP-OWNER-COUNTY	Clinton
PROP-OWNER-STATE	NY
PROP-OWNER-ZIP	12981
PROP-OWNER-COUNTRY	USA
PROP-OWNER-TAXID	123456789
PROP-OWNER-TAXID-EXT	
PROP-OWNER-DATE-OF-BIRTH	
PROP-OWNER-DOB-CCYY	
PROP-OWNER-DOB-MM	
PROP-OWNER-DOB-DD	

PROP-STARTING-TRANSACTION-DATE	
PROP-ST-TRANS-DATE-CCYY	2014
PROP-ST-TRANS-DATE-MM	03
PROP-ST-TRANS-DATE-DD	10
PROP-ENDING-TRANSACTION-DATE	
PROP-EN-TRANS-DATE-CCYY	
PROP-EN-TRANS-DATE-MM	
PROP-EN-TRANS-DATE-DD	
PROP-PROPERTY-TYPE	IN04
PROP-AMOUNT-REPORTED	0000041962
PROP-DEDUCTION-TYPE	MC
PROP-DEDUCTION-AMOUNT	0000000347
PROP-AMOUNT-ADVERTISED	0000041615
PROP-ADDITION-TYPE	
PROP-ADDITION-AMOUNT	
PROP-DELETION-TYPE	
PROP-DELETION-AMOUNT	
PROP-AMOUNT-REMITTED	
PROP-INTEREST-FLAG	
PROP-INTEREST-RATE	
PROP-ACCT-NUMBER	1065241
PROP-CHECK-NUMBER	
PROP-DESCRIPTION	
PROP-RELATIONSHIP-CODE	IN
PROP-OWNER-TYPE	OT
FILLER	

## Owner 2 record:

TR-CODE	3
PADD-SEQUENCE-NUMBER	000001
PADD-OWNER-TYPE	A
PADD-OWNER-NAME-LAST	Childs
PADD-OWNER-NAME-FIRST	John
PADD-OWNER-NAME-MIDDLE	J
PADD-OWNER-NAME-PREFIX	
PADD-OWNER-NAME-SUFFIX	
PADD-OWNER-NAME-TITLE	
PADD-OWNER-ADDRESS	
PADD-OWNER-ADDRESS1	17 River Road
PADD-OWNER-ADDRESS2	
PADD-OWNER-ADDRESS3	
PADD-OWNER-CITY	Riverview
PADD-OWNER-COUNTY	Clinton
PADD-OWNER-STATE	NY
PADD-OWNER-ZIP	12981
PADD-OWNER-COUNTRY	USA

PADD-OWNER-TAXID	
PADD-OWNER-TAXID-EXT	
PADD-OWNER-DATE-OF-BIRTH	
PADD-OWNER-DOB-CCYY	
PADD-OWNER-DOB-MM	
PADD-OWNER-DOB-DD	
PADD-RELATIONSHIP-CODE	BF
PADD-SEQ-NUMBER	001
PADD-OWNER-TYPE-CODE	OT
PADD-NAME-ID	
FILLER	

AC2686

Owner Last Name (20) Childs		First Name (10) Dorothy		M.I. M	Suffix (3)		Account Title (70) Dorothy M. Childs (Insured) John J. Childs (Beneficiary)				
Owner Address 1 (30) 17 River Road			Owner Address 2 (30)			Owner City (20) Riverview		State (2) NY	Zip (9) 12182		Country if Not USA
Soc. Sec. No./Empl. ID No. 123456789	Property Type (2) 6B	Property ID Number (20) 1065241		Date (MMDDYY) 03102014	Initial Amount \$ 419.62	Escheated Amount \$ 416.15	Removal Indicator (If Applicable, Enter "P" or "R") Owner Claimed <input type="checkbox"/> Otherwise Reduced to Zero <input type="checkbox"/>		Multiple Owners Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
Description of Security (70)							CUSIP Number of Security	No. of Shares or Denomination		Method of Transfer	
Owner Last Name (20) Childs		First Name (10) John		M.I. J	Suffix (3)		Account Title (70) Dorothy M. Childs (Insured) John J. Childs (Beneficiary)				
Owner Address 1 (30) 17 River Road			Owner Address 2 (30)			Owner City (20) Riverview		State (2) NY	Zip (9) 12182		Country if Not USA
Soc. Sec. No./Empl. ID No.	Property Type (2) 6B	Property ID Number (20) 1065241		Date (MMDDYY) 03102014	Initial Amount \$	Escheated Amount \$	Removal Indicator (If Applicable, Enter "P" or "R") Owner Claimed <input type="checkbox"/> Otherwise Reduced to Zero <input type="checkbox"/>		Multiple Owners Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
Description of Security (70)							CUSIP Number of Security	No. of Shares or Denomination		Method of Transfer	

## Publication Samples – Unclaimed Property Relating to Insurance Companies

### **NOTICE OF NAMES OF PERSONS APPEARING AS OWNERS OF CERTAIN UNCLAIMED PROPERTY HELD BY [name of insurance company].**

The following persons appear from our records to be entitled to unclaimed property consisting of cash amounts of fifty dollars or more:

Hill, Joseph  
5897 Truman Blvd., Troy, NY 12180

Hoffman, Ada E.  
Rte. 20, Albany, NY 12212

Richmond Savings Bank  
257-03 Hillside Avenue, Albany, NY 12211

Simpson, Robert  
1138 Clinton St., Schenectady, NY 12301

Walsh, David  
714 Washington Ave, Albany, NY 12205

A report of Unclaimed Property will be made to the Comptroller of the State of New York, pursuant to Article VII and/or Section 1316 of the Abandoned Property Law. A list of the names contained in such notice is on file and open to public inspection at the principal office of the insurance company, located at [address of insurance company], where such abandoned property is payable. Such abandoned property will be paid on or before August 31 next to persons establishing to its satisfaction their right to receive the same. In the succeeding September, and on or before the tenth day thereof, such unclaimed property will be paid to the Comptroller of the State of New York, and shall thereupon cease to be liable therefore.