

781—9.5(556) Dormancy fees and related charges.

9.5(1) Iowa Code chapter 556 authorizes the following dormancy fees:

a. Lawful charges withheld from abandoned demand, savings, or matured time deposits held by a financial organization.

b. Charges on un-presented traveler's checks and money orders, when a valid and enforceable contract to assess the charges exists, and the issuer regularly imposes such charges and does not regularly reverse or otherwise cancel such charges for the benefit of the owner.

c. Charges on un-presented checks, drafts, or similar instruments on which a financial organization is directly liable, when a valid and enforceable written contract to assess the charges exists, and the holder regularly imposes such charges and does not regularly reverse or otherwise cancel such charges for the benefit of the owner.

d. Deductions from the face value of a gift certificate or gift card resulting from untimely presentment or usage, when a valid and enforceable written contract was provided in conjunction with the issuance of the gift certificate or gift card, and the issuer of the gift certificate or gift card regularly imposes and does not regularly reverse or otherwise cancel the deduction for the benefit of the owner.

9.5(2) Dormancy fees not authorized by Iowa Code chapter 556, including but not limited to an escheat fee or other fee sought for the holder's performance of the requirements of Iowa Code chapter 556, are prohibited.

9.5(3) Except for unclaimed accounts reported pursuant to Iowa Code section 556.11(1), all dormancy fees assessed against an unclaimed account must be disclosed in the report of unclaimed property filed with the division.

This rule is intended to implement Iowa Code section 556.2.

[ARC 2809C, IAB 11/9/16, effective 12/14/16; ARC 8844C, IAB 1/22/25, effective 2/26/25]