



# Controller Betty T. Yee

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## Controller Announces Major Settlement With Morgan Stanley

**SACRAMENTO** – State Controller John Chiang today announced a [settlement agreement](#) with Morgan Stanley to identify and return lost or abandoned accounts belonging to California residents through the Controller's unclaimed property program. Morgan Stanley is one of the largest wealth management businesses in the world, with more than \$2 trillion in client assets.

Under the agreement, Morgan Stanley will give the Controller's Office access to information and data to identify lost or abandoned accounts that belong to California residents. The Controller's Office, working with Morgan Stanley, will first attempt to identify and locate California account holders so funds can be returned directly to those individuals. In the event those individuals cannot be located, those accounts will be transferred to the Controller's unclaimed property division where they can be claimed by the rightful owners or heirs.

"Morgan Stanley did right by its clients in agreeing to work with my office to track down California account owners and return their lost or forgotten accounts," said Chiang. "I encourage other financial services firms to act in their customers' best interests by ensuring that they are not inappropriately holding or profiting from monies owed to their clients and their families."

This settlement follows Controller Chiang's agreements with 19 major life insurance companies to restore an estimated \$266.7 million to Californians, and an estimated \$2.4 billion nationally, for failing to pay death benefits to policyholders or their beneficiaries. Often, these life insurers would draw down the cash value of the policies to continue paying premiums, even with the knowledge that the policyholders had died. The policies then would be canceled without notifying the policyholders or families. The Controller's global settlements with the life insurers require the companies to restore the full value of impacted accounts dating back to 1995 and to abide by the State's unclaimed property laws to return these accounts to the owners or heirs.

Morgan Stanley approached the Controller to enter into a similar agreement that will require the multinational financial services company to help the Controller find and return brokerage services or customer service accounts, including employee stock plan accounts, retail brokerage accounts, and retirement accounts.

Since January 2007, Controller Chiang has reunited owners with \$3.1 billion in cash that had been lost or forgotten, more than any previous Controller and more than double the amount returned in the previous seven years. Chiang has also returned 236.5 million shares of securities to owners, which is 69 times the total shares returned in the previous seven years.

The Controller's [www.claimyourpolicy.sco.ca.gov](http://www.claimyourpolicy.sco.ca.gov) website allows owners of unclaimed life insurance settlements to search for and claim their accounts. The full unclaimed property database search is available at [www.claimit.ca.gov](http://www.claimit.ca.gov).

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