

Introduced by Senator McClintockFebruary 9, 2006

An act to amend Sections 1513, 1513.5, 1514, 1515, 1516, 1518, 1519, 1520, and 1521 of the Code of Civil Procedure, relating to unclaimed property.

LEGISLATIVE COUNSEL'S DIGEST

SB 1259, as introduced, McClintock. Unclaimed property.

(1) Existing law provides for the escheat to the state of abandoned property, including certain deposits, accounts, shares, or other interests with a banking or financial organization, business association, or other holder of personal property. Under existing law, the holder of abandoned property transfers the property to the Controller after the property is inactive for a period of 3 years, except as specified.

This bill would extend this 3-year period to provide that the holder transfers the abandoned property to the Controller after the property is inactive for a period of 7 years.

(2) Existing law requires a banking or financial organization, business association, or other holder of personal property, if it has in its records an address for the apparent owner, which the records do not disclose to be inaccurate, to make reasonable efforts to notify by mail any customer that the customer's deposit, account, shares, or other interest in the banking or financial organization will escheat to the state, as specified.

This bill would require a business association to send notice to the apparent owner of the contents of a safe deposit box or other safekeeping repository that the owner's property may escheat to the state and may be subject to sale at auction.

(3) Existing law requires the notice regarding abandoned property to specify that since the last date of activity, or for the last 2 years, there has been no customer activity on the abandoned property, identify the abandoned property, indicate the danger of escheat to the state, and specify that the Unclaimed Property law requires the holder of the abandoned property to transfer the property to the Controller if the property has been inactive for a specified period.

This bill would, operative January 1, 2007, add to the required contents of these notices a statement in 14-point bold type that the abandoned property may escheat to the state. This bill would require the notice to specify that there has been no customer activity for 6 years. This bill would permit the holder of the abandoned property to send notice to the apparent owner of the property from the date of last activity by or communication with the owner until the holder transfers the property to the Controller.

Vote: majority. Appropriation: no. Fiscal committee: yes.
 State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 1513 of the Code of Civil Procedure is
- 2 amended to read:
- 3 1513. Subject to Sections 1510 and 1511, the following
- 4 property held or owing by a business association escheats to this
- 5 state:
- 6 (a) Except as provided in subdivision (f), any demand,
- 7 savings, or matured time deposit, or account subject to a
- 8 negotiable order of withdrawal, made with a banking
- 9 organization, together with any interest or dividends thereon,
- 10 excluding, from demand deposits and accounts subject to a
- 11 negotiable order of withdrawal only, any reasonable service
- 12 charges that may lawfully be withheld and that do not (where
- 13 made in this state) exceed those set forth in schedules filed by the
- 14 banking organization from time to time with the Controller, when
- 15 the owner, for more than ~~three~~ *seven* years, has not done any of
- 16 the following:
- 17 (1) Increased or decreased the amount of the deposit, cashed
- 18 an interest check, or presented the passbook or other similar
- 19 evidence of the deposit for the crediting of interest.

1 (2) Corresponded electronically or in writing with the banking
2 organization concerning the deposit.

3 (3) Otherwise indicated an interest in the deposit as evidenced
4 by a memorandum or other record on file with the banking
5 organization.

6 A deposit or account shall not, however, escheat to the state if,
7 during the previous ~~three~~ *seven* years, the owner has owned
8 another deposit or account with the banking organization and,
9 with respect to that deposit or account, the owner has done any of
10 the acts described in paragraph (1), (2), or (3), and the banking
11 organization has communicated electronically or in writing with
12 the owner, at the address to which communications regarding
13 that deposit or account are regularly sent, with regard to the
14 deposit or account that would otherwise escheat under this
15 subdivision. For purposes of this subdivision, “communications”
16 means account statements or statements of interest paid for
17 federal and state income tax purposes.

18 No banking organization may discontinue any interest or
19 dividends on any savings deposit because of the inactivity
20 contemplated by this section.

21 (b) Except as provided in subdivision (f), any demand,
22 savings, or matured time deposit, or matured investment
23 certificate, or account subject to a negotiable order of
24 withdrawal, or other interest in a financial organization or any
25 deposit made therewith, and any interest or dividends thereon,
26 excluding, from demand deposits and accounts subject to a
27 negotiable order of withdrawal only, any reasonable service
28 charges that may lawfully be withheld and that do not (where
29 made in this state) exceed those set forth in schedules filed by the
30 financial organization from time to time with the Controller,
31 when the owner, for more than ~~three~~ *seven* years, has not done
32 any of the following:

33 (1) Increased or decreased the amount of the funds or deposit,
34 cashed an interest check, or presented an appropriate record for
35 the crediting of interest or dividends.

36 (2) Corresponded electronically or in writing with the financial
37 organization concerning the funds or deposit.

38 (3) Otherwise indicated an interest in the funds or deposit as
39 evidenced by a memorandum or other record on file with the
40 financial organization.

1 A deposit or account shall not, however, escheat to the state if,
2 during the previous ~~three~~ *seven* years, the owner has owned
3 another deposit or account with the financial organization and,
4 with respect to that deposit or account, the owner has done any of
5 the acts described in paragraph (1), (2), or (3), and the financial
6 organization has communicated electronically or in writing with
7 the owner, at the address to which communications regarding
8 that deposit or account are regularly sent, with regard to the
9 deposit or account that would otherwise escheat under this
10 subdivision. For purposes of this subdivision, “communications”
11 means account statements or statements of interest paid for
12 federal and state income tax purposes.

13 No financial organization may discontinue any interest or
14 dividends on any funds paid toward purchase of shares or other
15 interest, or on any deposit, because of the inactivity contemplated
16 by this section.

17 (c) Any sum payable on a traveler’s check issued by a
18 business association that has been outstanding for more than 15
19 years from the date of its issuance, when the owner, for more
20 than 15 years, has not corresponded in writing with the business
21 association concerning it, or otherwise indicated an interest as
22 evidenced by a memorandum or other record on file with the
23 association.

24 (d) Any sum payable on any other written instrument on which
25 a banking or financial organization is directly liable, including,
26 by way of illustration but not of limitation, any draft or certified
27 check, that has been outstanding for more than ~~three~~ *seven* years
28 from the date it was payable, or from the date of its issuance if
29 payable on demand, when the owner, for more than ~~three~~ *seven*
30 years, has not corresponded electronically or in writing with the
31 banking or financial organization concerning it, or otherwise
32 indicated an interest as evidenced by a memorandum or other
33 record on file with the banking or financial organization.

34 (e) Any sum payable on a money order issued by a business
35 association (including a banking or financial organization), that
36 has been outstanding for more than seven years from the date it
37 was payable, or from the date of its issuance if payable on
38 demand, excluding any reasonable service charges that may
39 lawfully be withheld and that do not, when made in this state,
40 exceed those set forth in schedules filed by the business

1 association from time to time with the Controller, when the
2 owner, for more than seven years, has not corresponded
3 electronically or in writing with the business association,
4 banking, or financial organization concerning it, or otherwise
5 indicated an interest as evidenced by a memorandum or other
6 record on file with the business association. For the purposes of
7 this subdivision, “reasonable service charge” means a service
8 charge that meets all of the following requirements:

9 (1) It is uniformly applied to all of the issuer’s money orders.

10 (2) It is clearly disclosed to the purchaser at the time of
11 purchase and to the recipient of the money order.

12 (3) It does not begin to accrue until three years after the
13 purchase date, and it stops accruing after the value of the money
14 order escheats.

15 (4) It is permitted by contract between the issuer and the
16 purchaser.

17 (5) It does not exceed 25 cents (\$0.25) per month or the
18 aggregate amount of twenty-one dollars (\$21).

19 (f) Any funds held by a business association in an individual
20 retirement account or under a retirement plan for self-employed
21 individuals or similar account or plan established pursuant to the
22 internal revenue laws of the United States or of this state, when
23 the owner, for more than ~~three~~ *seven* years after the funds
24 become payable or distributable, has not done any of the
25 following:

26 (1) Increased or decreased the principal.

27 (2) Accepted payment of principal or income.

28 (3) Corresponded electronically or in writing concerning the
29 property or otherwise indicated an interest.

30 These funds are not payable or distributable within the
31 meaning of this subdivision unless, under the terms of the
32 account or plan, distribution of all or a part of the funds would
33 then be mandatory.

34 (g) ~~Any wages~~ *Wages* or salaries that have remained
35 unclaimed by the owner for more than ~~one year~~ *seven years* after
36 the wages or salaries become payable.

37 (h) For purposes of this section “service charges” means
38 service charges imposed because of the inactivity contemplated
39 by this section.

1 SEC. 2. Section 1513.5 of the Code of Civil Procedure is
2 amended to read:

3 1513.5. (a) Except as provided in subdivision (c), if the
4 holder has in its records an address for the apparent owner, which
5 the holder's records do not disclose to be inaccurate, every
6 banking or financial organization shall make reasonable efforts to
7 notify by mail any customer that the customer's deposit, account,
8 shares, or other interest in the banking or financial organization
9 will escheat to the state pursuant to subdivision (a) or (b) of
10 Section 1513. The holder shall give notice either:

11 (1) Not less than ~~two~~ six years nor more than ~~two~~ six and
12 one-half years after the date of last activity by, or communication
13 with, the owner with respect to the account, deposit, shares, or
14 other interest, as shown on the record of the financial
15 organization.

16 (2) Not less than six nor more than 12 months before the time
17 the account, deposit, shares, or other interest becomes reportable
18 to the Controller in accordance with this chapter.

19 (b) The notice required by this section shall specify the time
20 that the deposit, account, shares, or other interest will escheat and
21 the effects of escheat, including the necessity for filing a claim
22 for the return of the deposit, account, shares, or other interest.
23 *The face of the notice shall contain a heading centered at the top*
24 *of the notice in at least 14-point bold type in a legible font that*
25 *reads as follows: YOUR UNCLAIMED PROPERTY MAY*
26 *ESCHEAT TO THE STATE.* The notice required by this section
27 shall, in bold or in a font a minimum of two points larger than the
28 rest of the notice *and exclusive of the heading*, (1) specify that
29 since the date of last activity, or for the last ~~two~~ six years, there
30 has been no customer activity on the deposit, account, shares, or
31 other interest; (2) identify the deposit, account, shares, or other
32 interest by number or identifier; (3) indicate that the deposit,
33 account, shares, or other interest is in danger of escheating to the
34 state; and (4) specify that the California Unclaimed Property Law
35 requires banks, banking organizations, and financial
36 organizations to transfer funds of a deposit, account, shares, or
37 other interest if it has been inactive for ~~three~~ seven years. It shall
38 also include a form, as prescribed by the Controller, by which the
39 customer may declare an intention to maintain the deposit,
40 account, shares, or other interest. If that form is filled out, signed

1 by the customer, and returned to the banking or financial
2 organization, it shall satisfy the requirement of paragraph (3) of
3 subdivision (a) or paragraph (3) of subdivision (b) of Section
4 1513. The banking or financial organization may impose a
5 service charge on the deposit, account, shares, or other interest
6 for this notice in an amount not to exceed the administrative cost
7 of mailing the notice and form and in no case to exceed two
8 dollars (\$2).

9 (c) Notice as provided by subdivisions (a) and (b) shall not be
10 required for deposits, accounts, shares, or other interests of less
11 than fifty dollars (\$50), and no service charge may be made for
12 notice on these items.

13 (d) *From the date of last activity by or communication with the*
14 *owner until the holder transfers the deposit, account, shares, or*
15 *other interest to the Controller, the holder may give notice as*
16 *described in subdivision (b).*

17 SEC. 3. Section 1514 of the Code of Civil Procedure is
18 amended to read:

19 1514. (a) The contents of any safe deposit box or any other
20 safekeeping repository, held in this state by a business
21 association, escheat to this state if unclaimed by the owner for
22 more than ~~three~~ *seven* years from the date on which the lease or
23 rental period on the box or other repository expired, or from the
24 date of termination of any agreement because of which the box or
25 other repository was furnished to the owner without cost,
26 whichever last occurs.

27 (b) *If a business association has in its records an address for*
28 *an apparent owner of the contents described in this section and*
29 *the business association's records do not disclose the address to*
30 *be inaccurate, the business association shall make reasonable*
31 *efforts to notify the owner by mail that the owner's contents will*
32 *escheat to the state pursuant to this section. The business*
33 *association shall give notice either:*

34 (1) *Not less than six years nor more than six and one-half*
35 *years after the date on which the lease, rental period, or*
36 *termination of agreement on the box or other repository expired.*

37 (2) *Not less than six nor more than 12 months before the time*
38 *the contents become reportable to the Controller in accordance*
39 *with this chapter.*

1 (c) The notice required by this section shall specify the time
2 that the contents will escheat and the effects of escheat, including
3 the necessity for filing a claim for the return of the contents. The
4 face of the notice shall contain a heading centered at the top of
5 the notice in at least 14-point bold type in a legible font that
6 reads as follows: **YOUR UNCLAIMED PROPERTY MAY**
7 **ESCHEAT TO THE STATE.** The notice required by this section
8 shall, in bold or in a font a minimum of two points larger than
9 the rest of the notice and exclusive of the heading, (1) specify that
10 since the date on which the lease, rental period, or termination of
11 agreement on the box or other repository expired, or for the last
12 six years, there has been no customer activity on the box or other
13 repository; (2) identify the box or other repository by number or
14 identifier; (3) indicate that the contents in the box or other
15 repository are in danger of escheating to the state and may be
16 subject to sale at auction; and (4) specify that the California
17 Unclaimed Property Law requires business associations to
18 report the contents of the box or other repository to the
19 Controller if it has been unclaimed for seven years. It shall also
20 include a form, as prescribed by the Controller, by which the
21 owner may confirm the owner's current address. If that form is
22 filled out, signed by the owner, and returned to the business
23 association, it shall be deemed that the contents remain claimed
24 and recommences the escheat period.

25 (d) From the date of last activity by or communication with the
26 owner until the business association transfers the contents of a
27 safe deposit box or other safekeeping repository to the
28 Controller, the business association may give notice as described
29 in subdivision (c).

30 SEC. 4. Section 1515 of the Code of Civil Procedure is
31 amended to read:

32 1515. (a) Subject to Section 1510, funds held or owing by a
33 life insurance corporation under any life or endowment insurance
34 policy or annuity contract which has matured or terminated
35 escheat to this state if unclaimed and unpaid for more than ~~three~~
36 *seven* years after the funds became due and payable as
37 established from the records of the corporation.

38 (b) If a person other than the insured or annuitant is entitled to
39 the funds and no address of that person is known to the
40 corporation or if it is not definite and certain from the records of

1 the corporation what person is entitled to the funds, it is
2 presumed that the last known address of the person entitled to the
3 funds is the same as the last known address of the insured or
4 annuitant according to the records of the corporation. This
5 presumption is a presumption affecting the burden of proof.

6 (c) A life insurance policy not matured by actual proof of the
7 death of the insured according to the records of the corporation is
8 deemed to be matured and the proceeds due and payable if:

9 (1) The insured has attained, or would have attained if he or
10 she were living, the limiting age under the mortality table on
11 which the reserve is based.

12 (2) The policy was in force at the time the insured attained, or
13 would have attained, the limiting age specified in paragraph (1).

14 (3) Neither the insured nor any other person appearing to have
15 an interest in the policy has, within the preceding ~~three~~ *seven*
16 years, according to the records of the corporation (i) assigned,
17 readjusted, or paid premiums on the policy, (ii) subjected the
18 policy to loan, or (iii) corresponded in writing with the life
19 insurance corporation concerning the policy.

20 (d) Any funds otherwise payable according to the records of
21 the corporation are deemed due and payable although the policy
22 or contract has not been surrendered as required.

23 SEC. 5. Section 1516 of the Code of Civil Procedure is
24 amended to read:

25 1516. (a) Subject to Section 1510, any dividend, profit,
26 distribution, interest, payment on principal, or other sum held or
27 owing by a business association for or to its shareholder,
28 certificate holder, member, bondholder, or other security holder,
29 or a participating patron of a cooperative, who has not claimed it,
30 or corresponded in writing with the business association
31 concerning it, within ~~three~~ *seven* years after the date prescribed
32 for payment or delivery, escheats to this state.

33 (b) Subject to Section 1510, any intangible interest in a
34 business association, as evidenced by the stock records or
35 membership records of the association, escheats to this state if (1)
36 the interest in the association is owned by a person who for more
37 than ~~three~~ *seven* years has neither claimed a dividend or other
38 sum referred to in subdivision (a) nor corresponded in writing
39 with the association or otherwise indicated an interest as
40 evidenced by a memorandum or other record on file with the

1 association, and (2) the association does not know the location of
2 the owner at the end of the ~~three-year~~ *seven-year* period. With
3 respect to the interest, the business association shall be deemed
4 the holder.

5 (c) Subject to Section 1510, any dividends or other
6 distributions held for or owing to a person at the time the stock or
7 other security to which they attach escheats to this state also
8 escheat to this state as of the same time.

9 (d) (1) With respect to any interest that may escheat pursuant
10 to subdivision (b), the business association shall make reasonable
11 efforts to notify the owner by mail that the owner's interest in the
12 business association will escheat to the state. The notice shall be
13 given not less than 6 nor more than 12 months before the time the
14 interest in the business association becomes reportable to the
15 Controller in accordance with this chapter. *From the date of last*
16 *activity by or communication with the owner until the business*
17 *association transfers the interest to the Controller, the business*
18 *association may give notice as described in this subdivision.* ~~The~~

19 (2) *The notice required by this subdivision shall specify the*
20 *time that the interest will escheat and the effects of escheat,*
21 *including the necessity for filing a claim for the return of the*
22 *interest. The face of the notice shall contain a heading centered*
23 *at the top of the notice in at least 14-point bold type in a legible*
24 *font that reads as follows: YOUR UNCLAIMED PROPERTY*
25 *MAY ESCHEAT TO THE STATE.* The notice required by this
26 section shall, in bold or in a font a minimum of two points larger
27 than the rest of the notice *exclusive of the heading*, (1) specify
28 that since the date of last activity, or for the last ~~two~~ *six* years,
29 there has been no customer activity on the deposit, account,
30 shares, or other interest; (2) identify the deposit, account, shares,
31 or other interest by number or identifier; (3) indicate that the
32 deposit, account, shares, or other interest is in danger of
33 escheating to the state; and (4) specify that the California
34 Unclaimed Property Law requires banks, banking organizations,
35 and financial organizations to transfer funds of a deposit,
36 account, shares, or other interest if it has been inactive for ~~three~~
37 *seven* years. It shall also include a form, as prescribed by the
38 Controller, by which the owner may confirm the owner's current
39 address. If that form is filled out, signed by the owner, and

1 returned to the holder, it shall be deemed that the business
2 association knows the location of the owner.

3 SEC. 6. Section 1518 of the Code of Civil Procedure is
4 amended to read:

5 1518. (a) All tangible personal property located in this state
6 and, subject to Section 1510, all intangible personal property, and
7 the income or increment on such tangible or intangible property,
8 held in a fiduciary capacity for the benefit of another person
9 escheats to this state if after it becomes payable or distributable,
10 the owner has not, within a period of ~~three~~ *seven* years, increased
11 or decreased the principal, accepted payment of principal or
12 income, corresponded in writing concerning the property, or
13 otherwise indicated an interest as evidenced by a memorandum
14 or other record on file with the fiduciary.

15 (b) Funds in an individual retirement account or a retirement
16 plan for self-employed individuals or similar account or plan
17 established pursuant to the internal revenue laws of the United
18 States or of this state are not payable or distributable within the
19 meaning of subdivision (a) unless, under the terms of the account
20 or plan, distribution of all or part of the funds would then be
21 mandatory.

22 (c) For the purpose of this section, when a person holds
23 property as an agent for a business association, he or she is
24 deemed to hold the property in a fiduciary capacity for the
25 business association alone, unless the agreement between him or
26 her and the business association clearly provides the contrary.
27 For the purposes of this chapter, if a person holds property in a
28 fiduciary capacity for a business association alone, he or she is
29 the holder of the property only insofar as the interest of the
30 business association in the property is concerned and the
31 association is deemed to be the holder of the property insofar as
32 the interest of any other person in the property is concerned.

33 SEC. 7. Section 1519 of the Code of Civil Procedure is
34 amended to read:

35 1519. All tangible personal property located in this state, and,
36 subject to Section 1510, all intangible personal property, held for
37 the owner by any government or governmental subdivision or
38 agency, that has remained unclaimed by the owner for more than
39 ~~three~~ *seven* years escheats to this state.

1 SEC. 8. Section 1520 of the Code of Civil Procedure is
2 amended to read:

3 1520. (a) All tangible personal property located in this state
4 and, subject to Section 1510, all intangible personal property,
5 except property of the classes mentioned in Sections 1511, 1513,
6 1514, 1515, 1515.5, 1516, 1517, 1518, 1519, and 1521, including
7 any income or increment thereon and deducting any lawful
8 charges, that is held or owing in the ordinary course of the
9 holder's business and has remained unclaimed by the owner for
10 more than ~~three~~ *seven* years after it became payable or
11 distributable escheats to this state.

12 (b) Except as provided in subdivision (a) of Section 1513.5
13 and subdivision (d) of Section 1516, if the holder has in its
14 records an address for the apparent owner of property valued at
15 fifty dollars (\$50) or more, which the holder's records do not
16 disclose to be inaccurate, the holder shall make reasonable efforts
17 to notify the owner by mail that the owner's property will escheat
18 to the state pursuant to this chapter. The notice shall be mailed
19 not less than six nor more than 12 months before the time when
20 the owner's property held by the business becomes transferable
21 to the Controller in accordance with this chapter. *From the date*
22 *of last activity by or communication with the owner until the*
23 *holder transfers the property to the Controller, the holder may*
24 *give notice as described in this subdivision.* The notice required
25 by this subdivision shall specify the time when the property will
26 escheat and the effects of escheat, including the need to file a
27 claim in order for the owner's property to be returned to the
28 owner. *The face of the notice shall contain a heading centered at*
29 *the top of the notice in at least 14-point bold type in a legible font*
30 *that reads as follows: YOUR UNCLAIMED PROPERTY MAY*
31 *ESCHEAT TO THE STATE.* The notice required by this section
32 shall, in bold or in a font a minimum of two points larger than the
33 rest of the notice *and exclusive of the heading*, (1) specify that
34 since the date of last activity, or for the last ~~two~~ *six* years, there
35 has been no customer activity on the deposit, account, shares, or
36 other interest; (2) identify the deposit, account, shares, or other
37 interest by number or identifier; (3) indicate that the deposit,
38 account, shares, or other interest is in danger of escheating to the
39 state; and (4) specify that the California Unclaimed Property Law
40 requires banks, banking organizations, and financial

1 organizations to transfer funds of a deposit, account, shares, or
2 other interest if it has been inactive for ~~three~~ *seven* years. It shall
3 also include a form, as prescribed by the Controller, by which the
4 owner may confirm the owner's current address. If that form is
5 filled out, signed by the owner, and returned to the holder, it shall
6 be deemed that the account, or other device in which the owner's
7 property is being held, remains currently active and
8 recommences the escheat period.

9 (c) For purposes of this section, "lawful charges" means
10 charges which are specifically authorized by statute, other than
11 the Unclaimed Property Law, or by a valid, enforceable contract.

12 SEC. 9. Section 1521 of the Code of Civil Procedure is
13 amended to read:

14 1521. (a) Except as provided in subdivision (b), and subject
15 to Section 1510, all employee benefit plan distributions and any
16 income or other increment thereon escheats to the state if the
17 owner has not, within ~~three~~ *seven* years after it becomes payable
18 or distributable, accepted the distribution, corresponded in
19 writing concerning the distribution, or otherwise indicated an
20 interest as evidenced by a memorandum or other record on file
21 with the fiduciary of the trust or custodial fund or administrator
22 of the plan under which the trust or fund is established. As used
23 in this section, "fiduciary" means any person exercising any
24 power, authority, or responsibility of management or disposition
25 with respect to any money or other property of a retirement
26 system or plan, and "administrator" means the person specifically
27 so designated by the plan, trust agreement, contract, or other
28 instrument under which the retirement system or plan is operated,
29 or if none is designated, the employer.

30 (b) Except as provided in subdivision (c), an employee benefit
31 plan distribution and any income or other increment thereon shall
32 not escheat to this state if, at the time the distribution shall
33 become payable to a participant in an employee benefit plan, the
34 plan contains a provision for forfeiture or expressly authorizes
35 the administrator to declare a forfeiture of a distribution to a
36 beneficiary thereof who cannot be found after a period of time
37 specified in the plan, and the trust or fund established under the
38 plan has not terminated prior to the date on which the distribution
39 would become forfeitable in accordance with the provision.

1 (c) A participant entitled to an employee benefit plan
2 distribution in the form of residuals shall be relieved from a
3 forfeiture declared under subdivision (b) upon the making of a
4 claim therefor.

O