



## **Escheatment FAQ for Past Owners that have been notified**

You may have heard recently that the Davis Food Co-op is undergoing a process known as Escheatment and found that your name (or the name of someone you know) was included on this list. Understandably, you may have some questions about why your name is there and what you should do next. Below we hope to answer any questions you may have about the process.

If you are a Current Owner or Shopper that has not been notified or found your name on the Escheatment list, you should visit our “FAQ for Current Owners and Shoppers” at [davisfood.coop/escheatment](https://davisfood.coop/escheatment).

### **What is Escheatment?**

Escheatment is a legal process that usually transfers the ownership of abandoned property to the state. In California, organizations that have control over others’ property (such as Ownership shares) must return it after three years of inactivity by the property’s Owner. When an organization is unable to locate the Owner, they must transfer that Owner’s property, in most cases, to the state government.

### **Why is the Co-op going through with the Escheatment process?**

Escheatment is a legally required process and it is our obligation to fulfill this requirement. Aside from the legal requirements, we are also responsible for fulfilling our financial obligations to those who have become Owners of the Co-op. There are many reasons why someone may abandon or forget about their Ownership shares and everyone deserves the right to make an informed decision about this forgotten property. One of the perks of Ownership at the Co-op is that you can have your shares returned to you for any reason at any time. We want to remind people that may have forgot over time so that they have the opportunity to reclaim their investment. With so much uncertainty and hardship caused by the current pandemic, there is no better time than now to undergo this process that will return money to eligible past Owners.

### **Why was my name added to the Escheatment list?**

If your name is appearing on this list, it is because you have had more than three years of inactivity on your Ownership account at the Co-op. This means that we have not received any Ownership dues, updates to your contact information or recorded any purchases associated with your account during this time.

### **I saw my name in the paper or got a notice that I'm going to be Escheated. What do I do?**

You may either reclaim your abandoned property, regain active status on your account, or allow your shares to become Escheated to the Co-op.

For the return of equity, it is necessary to file a claim, this can be done through the filing of a Withdrawal from Ownership form found on our website at <https://davisfood.coop/ownership-info/>

For your account to regain active status you may confirm your current address with us by completing an Owner Information Update at <https://davisfood.coop/owner-information-update> or by using your account to shop with us before the date of May 31, 2022.

### **What happens if I do nothing?**

Without contact, the Escheatment of the account will become effective as of May 31, 2022. The account will also be involuntarily withdrawn, for failure to comply with the Bylaws, rules, or policies of the Cooperative, to comply with the state mandated Escheatment process. The Account Owner shall have the opportunity to be heard, orally or in writing, not less than five (5) days before the effective date of expulsion by the Board of Directors. The effective date of expulsion for the account is May 31, 2022.

### **I missed the deadline! Is there anything I can do to get my Ownership shares back?**

The effective date of expulsion for the account is May 31, 2022. It is important to abide by this deadline to ensure mandatory compliance. If you believe you have a special circumstance, you can contact [membership@davisfood.coop](mailto:membership@davisfood.coop) with any questions.

*All other questions should be directed to [membership@davisfood.coop](mailto:membership@davisfood.coop).*