

2.5. “Unclaimed liability” shall mean any account of liabilities including liabilities kept in the form of cash or cash related instruments which has been inactive and held by a bank for a period of 15 consecutive years and above.

3. Scope of the Directive

The provisions of this Directive shall be applicable to all banks operating in Ethiopia.

4. General Requirements

4.1. A bank shall publish a notice of unclaimed liability within one year from the date it becomes unclaimed. The notice shall be open for 90 calendar days and:

- i). telephoned/messaged and/or mailed to the owner via his/her/its latest known address,
- ii). published at least once in a week for a period of three consecutive weeks in a widely circulating newspaper, and
- iii). posted in its website and in the area where the bank’s branch which holds the unclaimed liabilities is located.

4.2. If the claimant does not show up within 90 (ninety) calendar days from the final date of publication of the notice, a bank shall transfer the unclaimed liability starting from Birr 5 (Five Birr) to the National Bank along with all supporting documents; using **Annex-I** of this Directive which shall be part hereof.

4.3. A bank upon transferring such liabilities to the National Bank in accordance with sub-articles 4.1 and 4.2 of this article shall be fully relieved of the unclaimed liabilities.

4.4. Notwithstanding sub-article 4.3 of this article, a bank shall have full responsibility to supply any information of the claimant whose unclaimed liability has been transferred to the National Bank, including during claims after transfer to the National Bank.

4.5. A bank shall provide public access to all information related to unclaimed liabilities transferred to the National Bank, on its website for 10 years.



5. Interest on Unclaimed Liabilities

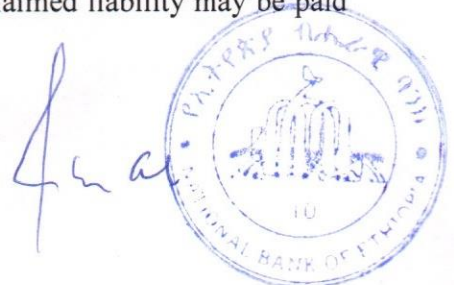
- 5.1. Prior to transfer to the National Bank, a bank shall capitalize interest for the first 15 (fifteen) years on the unclaimed liabilities as per the pre signed agreement.
- 5.2. Notwithstanding sub-article 5.1 of this article, interest shall only be capitalized on unclaimed liabilities that were held in interest-bearing deposits and other instruments that are interest-bearing; if and only if it is clearly stated in the pre-signed agreement.

6. Management of Unclaimed Liabilities

- 6.1. A bank shall receive request from claimants with original instrument and additional documents proving his/her identity and connecting him/her with the unclaimed balance.
- 6.2. The National Bank shall open “**Unclaimed Liabilities Account**” for crediting unclaimed liabilities transferred by banks.
- 6.3. Upon presenting of a claim and fulfillment of required evidences, the National Bank shall pay the balance transferred to it as per sub-articles 4.1 and 4.2 of this Directive to the rightful claimant, but no interest shall be paid on such claims.
- 6.4. The National Bank may provide public access on all information related to unclaimed liabilities on its website for 10 years.
- 6.5. The National Bank may delegate the bank that previously maintained the unclaimed liability or any other bank for the purpose of facilitating and effecting claim payments to the rightful person.
- 6.6. The National Bank may loan the fund transferred to it as per article 4.2 of this directive and not claimed by the rightful person to Deposit Insurance Fund using different modalities deemed appropriate.

7. Payment of Unclaimed Liabilities

- 7.1. If an unclaimed liability is held by two or more names joined by “**or**”, or is held by two or more names joined by “**and**”, entitlement to the balance and payment shall be made to the parties based on the prior agreement in place to manage the account.
- 7.2. Notwithstanding sub-articles 7.1 of this article, the unclaimed liability may be paid to the legal heir as decided by the court.



8. Penalty

A bank who fails to comply with the provisions of this Directive shall be penalized in accordance with article 58(7) of the Banking Business Proclamation No.592/2008, as amended by Banking Business (Amended) Proclamation No.1159/2019 and other relevant directives of the National Bank.

9. Effective Date

This Directive shall enter into effect as of 24th day of August 2020.

Yinager Dessie
Yinager Dessie (PhD)
Governor



