

Introducing the Dormant Assets Scheme

April 2025



Introducing the Dormant Assets Scheme

CONTENTS

About Reclaim Fund Ltd (RFL)	2
About the Dormant Assets Scheme	3
What has the Scheme achieved so far?	4
Principles of the Dormant Assets Scheme	5
How the Dormant Assets Scheme works	6
Participation in practice	7
Investments and Wealth Management	8
Scheme impact predictions	9
Reasons to participate in the Scheme	10

About Reclaim Fund Ltd

- RFL has managed the Dormant Assets Scheme since its inception in 2011.
- RFL is the sole reclaim fund in the UK, with its objects outlined in legislation.
- Its purpose is to unlock the potential of dormant assets to enhance communities and enrich lives, whilst safeguarding the rights of dormant asset holders.
- In 2019, RFL was classified as an arm's-length body (ALB), backdated to its inception. This came into effect in 2021.
- His Majesty's Treasury (HMT) became RFL's shareholder, managed through UK Government Investments (UKGI).
- RFL continues to operate as an independent legal entity, with a separate Board of Directors.
- RFL is FCA-regulated, with the rights of dormant asset holders guaranteed by the UK Government.



The Dormant Assets Scheme has always been about people: protecting the interests of consumers by ensuring the perpetual right of reclaim, and harnessing dormant assets funding to empower individuals and communities to achieve their potential."

ADRIAN SMITH OBE

Chief Executive
Reclaim Fund Ltd

About the Dormant Assets Scheme

The Scheme is industry-led, but government and FCA backed. It is a flagship example of how companies can amplify their social impact through a common purpose.



Reclaim Fund Ltd

Introducing the Dormant Assets Scheme

THE SCHEME

Established in 2011 through the Dormant Bank and Building Society Accounts Act 2008 as a voluntary scheme for UK banks and building societies.

ITS PARTICIPANTS

Over 50 financial institutions participate, including all the major high street banks.

ITS AIMS

To unlock the value of assets whose owners cannot be traced for good causes, whilst guaranteeing that owners, or their beneficiaries, can reclaim their money at any time in the future.

SCHEME EXPANSION

Based on the success of the Scheme amongst banks and building societies, the Dormant Assets Act 2022 enabled the Scheme to be expanded to eligible assets, across:

- Insurance and pensions
- Investment and wealth management
- Shares in UK publicly listed companies (Securities)

What has the Scheme **achieved so far?**

£1.98bn

TRANSFERRED TO RFL



£982m

DISTRIBUTED TO
GOOD CAUSES

£143m

APPROVED FOR FURTHER
DISTRIBUTION TO THE NATIONAL
LOTTERY COMMUNITY FUND

£157m

RECLAIMED BY CUSTOMERS



>2,500

SOCIAL AND COMMUNITY
INITIATIVES SUPPORTED

Audited figures 2023-4 financial year

Principles of the Dormant Assets Scheme

1

REUNIFICATION FIRST

- Consumer protection is the priority.
- Assets are only classed as 'dormant' and made available to the Scheme after attempts to reunite them with their owners.

2

VOLUNTARY PARTICIPATION

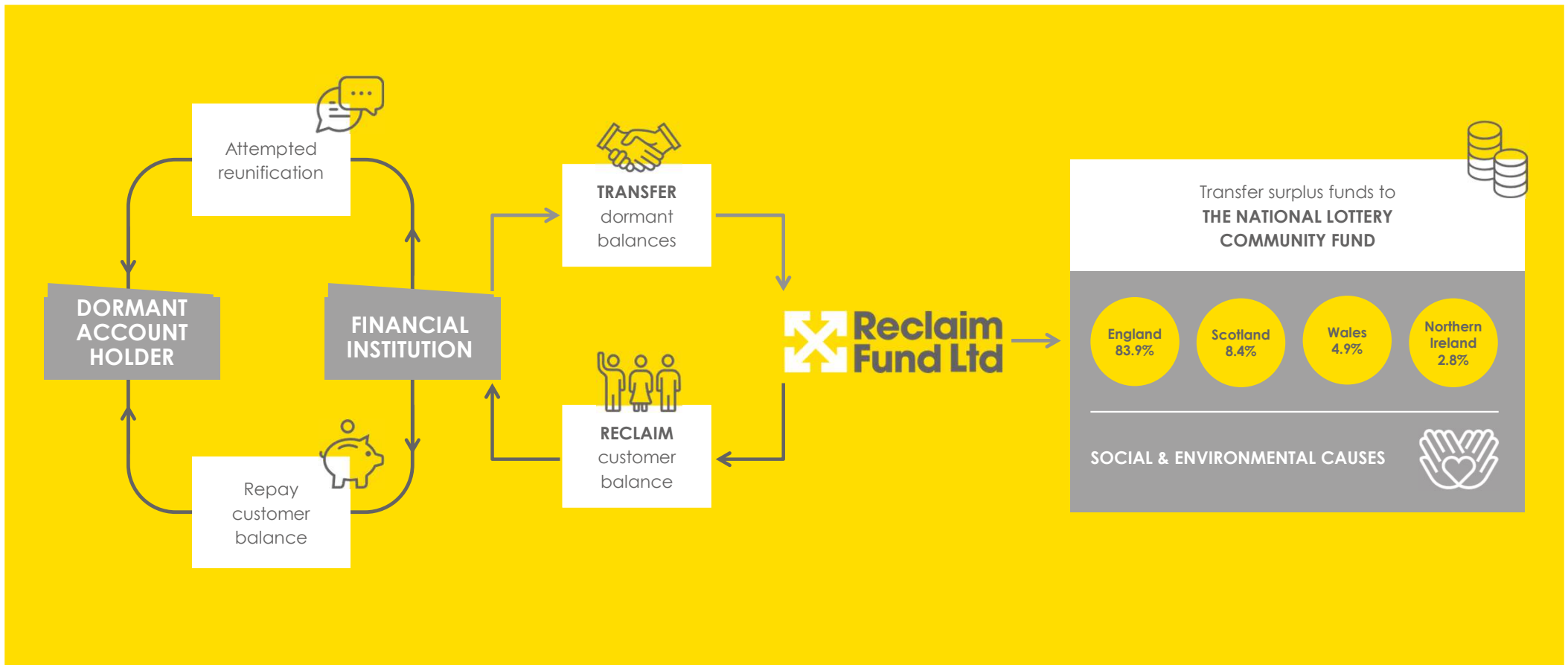
- The Scheme is voluntary to companies in eligible sectors.
- Potential participants can choose whether to contribute to the Scheme and to what extent.
- RFL undertakes activities to build awareness of the Scheme, in conjunction with Government and industry bodies, but it remains an industry-led, voluntary Scheme.

3


LIFELONG RIGHT TO RECLAIM

- Owners and their beneficiaries can always reclaim the amount that would have been due to them had a transfer into the Scheme not occurred.
- RFL ensures that sufficient funds are available so this guarantee can always be fulfilled. It has a rigorous capital and reserving policy agreed by FCA and its actuarial advisers to do this.
- Customers reclaim the value of assets through their provider, which is reimbursed by RFL.


How the Dormant Assets Scheme works




Participation in practice




Participants and RFL sign a Transfer & Agency Agreement (TAA) which governs the relationship between the parties. The Core agreement is standard across all participants and sectors, with a specific Schedule relevant to each sector / asset type.



Under the TAA, RFL outsources the customer relationship management, and processing of customer data, back to the participating firm, but maintains liability for future reclaims.




Participating firms transfer the value of dormant assets annually (or as required) but are not obliged to do so.





Participating firms reclaim money from RFL on a quarterly basis to reimburse them for reclaims made by dormant asset owners.




Investments and Wealth Management

 FCA published changes to its Rulebook in August 2024 which permit Investment & Wealth Management (IWM) companies to participate in the Scheme.

 In January 2025 an FCA Voluntary Requirement (VREQ) was lifted after the FCA was assured that consumers' right to reclaim would be protected in the event of a participating firm's insolvency.

 Scheme opening will be a phased approach from Q2, 2025 with Client Money held by large firms (*i.e. money held by an investment institution held in the course of, or in connection with, the regulated activities. Is not an insurance, pension, collective scheme investment, share in a traded public company or unwanted asset*)

 Thereafter, the Scheme will be extended to Client Money held by all firms in the sector, and to invested assets (*i.e. assets of a fluctuating value*) in accordance with RFL and industry readiness.

Based on industry and RFL's existing reserving estimates, the Investment and Wealth Management sector could make the following contributions to the expanded Scheme:

£1.4bn

ASSETS IN THE SECTOR



£781m

COULD BE REUNITED WITH
RIGHTFUL OWNERS
THROUGH ENHANCED TVR

£588m

COULD BE TRANSFERRED TO
RFL



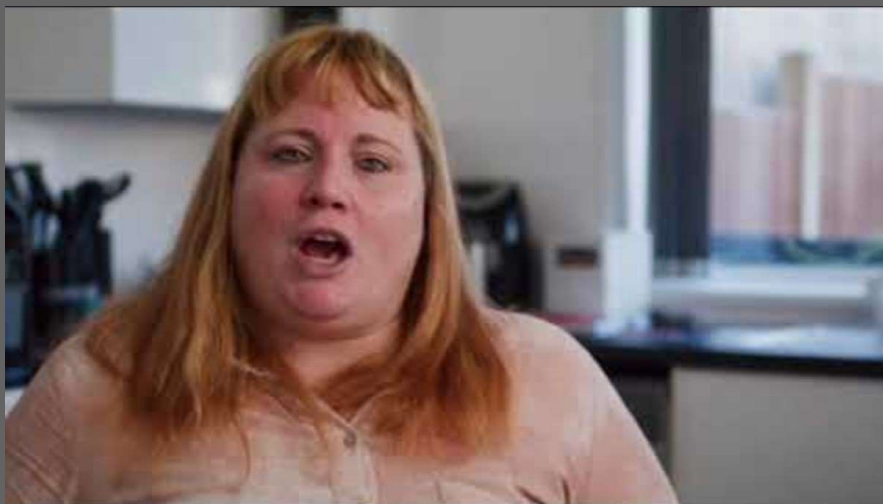
£238m

COULD BE TRANSFERRED TO
SOCIAL AND COMMUNITY
INITIATIVES

Information taken from the following publication: [Government response to the consultation on expanding the Dormant Assets Scheme - GOV.UK](#)

Reasons to participate in the Scheme

**Dormant assets change lives
and transform communities**



**VIDEO: Watch to see how Dormant Assets
are used to provide low-cost, ethical
lending services to financially vulnerable
individuals**

GOOD FOR CONSUMERS

Adopting a best-practice approach to tracing and reunification demonstrates good stewardship and responsibility towards account and policy holders and their beneficiaries.

GOOD FOR SOCIETY

By participating in the Scheme, financial institutions make a positive and measurable social and environmental impact on the communities in which they operate.

GOOD FOR PARTICIPANTS

Participating companies can move dormant assets off their balance sheet. Liability for reclaim of dormant assets is transferred to RFL, whilst protecting the rights of customers.

reclaimfund.co.uk

KEEP IN TOUCH



Reclaim Fund Ltd
Registered office:
27 Old Gloucester Street
London
WC1N 3AX

Reclaim Fund Ltd is authorised and regulated by the Financial Conduct Authority (No. 536551)

DISCLAIMER The contents of this information pack, and any further information or opinions made available by Reclaim Fund Ltd ('RFL') in connection with such matters, shall be held in strict confidence and shall not be quoted or otherwise referred to without RFL's prior express permission (or unless otherwise already lawfully in the public domain). This handbook must not be copied, reproduced, distributed or passed, in whole or in part, to any other person outside of your organisation without the prior written consent of RFL. The information contained in this handbook is not intended to be exhaustive. No representation or warranty, express or implied, is or will be given by RFL or its Directors, officers, employees or advisers as to the accuracy or completeness of such information and, so far as permitted by law, no responsibility or liability is accepted by RFL to update such information or for any errors, omissions or misstatements relating to it.