

DORMANT ASSETS INSTRUMENT 2022

Powers exercised by the Financial Conduct Authority

- A. The Financial Conduct Authority (“the FCA”) makes this instrument in the exercise of the following powers and related provisions in or under:
- (1) the following sections of the Financial Services and Markets Act 2000 (“the Act”):
 - (a) section 137A (The FCA’s general rules);
 - (b) section 137T (General supplementary powers);
 - (c) section 138D (Action for damages);
 - (d) section 139A (Power of the FCA to give guidance); and
 - (e) section 226 (Compulsory jurisdiction).
- B. The rule-making powers listed above are specified for the purpose of section 138G(2) (Rule-making instruments) of the Act.
- C. The Financial Conduct Authority consents to and approves the rules and guidance and standard terms made and amended and fixed and varied by the Financial Ombudsman Service Limited, as set out Annex F.

Powers exercised by the Financial Ombudsman Service Limited

- D. The Financial Ombudsman Service Limited makes and amends the rules and guidance for the Voluntary Jurisdiction and fixes and varies the standard terms for Voluntary Jurisdiction participants, as set out in Annex F to this instrument, in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
- (1) section 227 (Voluntary jurisdiction);
 - (2) paragraph 8 (Information, advice and guidance) of Schedule 17;
 - (3) paragraph 18 (Terms of reference to the scheme) of Schedule 17; and
 - (4) paragraph 20 (Voluntary jurisdiction rules: procedure) of Schedule 17.
- E. The making and amendment of the rules and guidance and the fixing and varying of the standard terms by the Financial Ombudsman Service Limited, as set out at paragraph D above, is subject to the consent and approval of the Financial Conduct Authority.

Commencement

- F. This instrument comes into force on 1 August 2022.

Amendments to the Handbook

- G. The modules of the FCA's Handbook of rules and guidance listed in column (1) below are amended in accordance with the Annexes in this instrument listed in column (2).

(1)	(2)
Glossary	Annex A
Senior Management Arrangements, Systems and Controls sourcebook (SYSC)	Annex B
Fees manual (FEES)	Annex C
Banking: Conduct of Business sourcebook (BCOBS)	Annex D
Supervision manual (SUP)	Annex E
Dispute Resolution: Complaints sourcebook (DISP)	Annex F

Amendments to material outside the Handbook

- H. The Perimeter Guidance manual (PERG) is amended in accordance with Annex G to this instrument.

Citation

- I. This instrument may be cited as the Dormant Assets Instrument 2022.

By order of the Board of the Financial Conduct Authority
15 July 2022

By order of the Board of the Financial Ombudsman Service Limited
14 July 2022

Annex A

Amendments to the Glossary of definitions

In this Annex, underlining indicates new text and striking through indicates deleted text, unless otherwise stated.

Insert the following new definitions in the appropriate alphabetical position. The text is not underlined.

- dealing with unwanted asset money* the *regulated activity* specified in article 63N(1)(c) of the *Regulated Activities Order*.
- eligible pension benefits* in *DISP 2.7.6R(14B)* means:
- (a) benefits in the form of *income withdrawal* that have become payable under a *personal pension scheme*;
 - (b) benefits that have become payable under a *personal pension scheme*:
 - (i) under which all benefits that may be provided are *money-purchase benefits*;
 - (ii) which is not and has at no time been a *qualifying scheme* or an *automatic enrolment scheme* in relation to the member to, or in respect of, whom the benefits are payable; or
 - (iii) an amount available to be paid as benefits under a *personal pension scheme* of a kind mentioned in paragraph (b).

Amend the following definitions as shown.

- account* (1) (in relation to a *dormant ~~account~~ asset relating to a bank or building society*) has the meaning given in section 9 of the Dormant Bank and Building Society Accounts Act 2008, which is in summary:
- (a) an account which has at all times consisted only of *money* and is provided by a *bank* or *building society* as part of its activity of *accepting deposits*; and
 - (b) in relation to a *building society*, it includes an *account* representing *shares* in the *society*, other than:

- (i) preferential *shares*; or
 - (ii) deferred *shares* within the meaning given in section 119(1) of the Building Societies Act 1986.
- (2) (in relation to a *dormant asset* relating to a *long-term insurance contract*, and an insurance institution as defined in section 2 of the Dormant Assets Act 2022) has the meaning given in section 3 of the Dormant Assets Act 2022 in relation to eligible insurance proceeds, which in summary is *cash* proceeds of a *long-term insurance contract*, after the appropriate adjustments have been made for such things as interest due and fees and charges payable, but excluding a contract relating to a *with-profits policy*, or an industrial assurance policy, or a policy that is subject to a trust, or proceeds held in a lifetime ISA where their transfer to a *dormant asset fund operator* would result in liability to pay a withdrawal charge to HMRC.
- (3) (in relation to a *dormant asset* relating to a *personal pension scheme*, and a pensions institution as defined in section 5 of the Dormant Assets Act 2022) has the meaning given in section 6 of the Dormant Assets Act 2022 in relation to eligible pension benefits, which in summary means any of the following amounts (that have become payable after the appropriate adjustments have been made for such things as interest due and fees and charges payable):
- (a) pension benefits in the form of *income withdrawal* that have become payable under a *personal pension scheme*; or
 - (b) pension benefits that have become payable under a *personal pension scheme*:
 - (i) under which all benefits that may be provided are *money-purchase benefits*; and
 - (ii) which is not and has at no time been a *qualifying scheme* or an *automatic enrolment scheme* in relation to the member to, or in respect of, whom the benefits are payable; or
 - (c) any amount available to be paid as benefits under a *personal pension scheme* of a kind mentioned in (b),
but excluding benefits provided from sums invested in a *with-profits fund*.

balance

(in relation to a *person's account*) has the meaning given in section 8 of the Dormant Bank and Building Society Accounts Act 2008, which is in summary the amount owing to the *person* in respect of the *account* at any particular time, after the appropriate adjustments have been made for such

things as interest due and fees and charges payable. In relation to a time after a transfer of the *balance* to a ~~dormant account~~ *asset fund operator*, the adjustments include those that would fall to be made but for the transfer or transfers.

client

...

(B) ...

...

(6) ...

(7) (in relation to a ~~dormant account money~~ transferred to a ~~dormant account~~ *asset fund operator*) a person entitled to ~~the balance in the dormant account held with a bank or building society which was transferred to a dormant account fund operator.~~ make a repayment claim.

common platform firm

(a) ...

(d) *a dormant ~~account~~ asset fund operator.*

dormant ~~account~~ asset

(1) (in relation to a bank or building society) has the meaning given in section 10 of the Dormant Bank and Building Society Accounts Act 2008, which is in summary an *account* that at a particular point in time:

(a) has been open throughout the period of 15 years ending at that time; and

(b) during that period no transactions have been carried out in relation to the *account* by or on the instructions of the holder of the *account*; or

(2) (in relation to long-term insurance contract, and an insurance institution as defined in section 2 of the Dormant Assets Act 2022) has the meaning given in section 4 of the Dormant Assets Act 2022, which in summary is any of the four conditions set out in section 4 that must be met for an asset to be considered dormant in relation to eligible insurance proceeds; or

(3) (in relation to a personal pension scheme, and a pensions institution as defined in section 5 of the Dormant Assets Act 2022) has the meaning given in section 7 of the Dormant Assets Act 2022, which in summary is any of the four conditions set out in section 7 that must be met for an asset to be considered dormant in relation to eligible pension benefits.

- dormant ~~account~~ asset funds*
- (1) (in relation to a bank or building society) has the meaning given in section 5(6) of the Dormant Bank and Building Society Accounts Act 2008, which is *money paid to a dormant ~~account~~ asset fund operator by a bank or building society in respect of a dormant ~~account~~ asset; or*
 - (2) (in relation to long-term insurance contract, and an insurance institution as defined in section 2 of the Dormant Assets Act 2022) is *money paid to a dormant asset fund operator by an insurer in accordance with section 2(1) of the Dormant Assets Act 2022; or*
 - (3) (in relation to a personal pension scheme, and a pensions institution as defined in section 5 of the Dormant Assets Act 2022) is *money paid to a dormant asset fund operator by an operator of a personal pension scheme in accordance with section 5(1) of the Dormant Assets Act 2022.*

dormant asset ~~account~~ fund operator a firm with *permission for operating a dormant ~~account~~ asset fund.*

- long-term insurance contract*
- (1) (in accordance with article 3(1) of the *Regulated Activities Order* (Interpretation: general)) any *contract of insurance* within Part II of Schedule 1 to the *Regulated Activities Order* (Contracts of long-term insurance), namely:
 - (a) ...
 - ...
 - (2) in DISP 2.7.6(14A) a long-term insurance contract does not include:
 - (a) a with-profits policy;
 - (b) an industrial assurance policy; or
 - (c) a policy that is the subject of a trust.

managing dormant ~~account~~ asset funds (including the investment of such funds) relevant parts of the regulated activity; ~~specified in article 63N(1)(b) of the Regulated Activities Order, which is the acceptance of a transfer by a bank or building society of the balance of a dormant account, or a proportion of such a balance, and the management of those funds (including the investment of such funds) in such a way as to enable the dormant account fund operator to meet whatever repayment claims it is prudent to anticipate.~~ means:

- (a) the acceptance of transfers of amounts as mentioned in section 1(1)(a) or 2(1)(a) of the Dormant Bank and Building Society Accounts Act 2008 or section 2(1)(a) or 5(1)(a) of the Dormant Assets Act 2022; and

- (b) the management of those funds in such a way as to enable the dormant asset fund operator to meet whatever repayment claims it is prudent to anticipate; and
- (c) dealing with those funds with a view to the transfer of amounts to the body or bodies for the time being specified in section 16 of the Dormant Bank and Building Society Accounts Act 2008.
- meeting of repayment claims* the *regulated activity*, specified in article 63N(1)(a) of the *Regulated Activities Order*, which is the meeting of *repayment claims* by a *dormant ~~account~~ asset fund operator*.
- operating a dormant ~~account~~ asset fund* any of the *regulated activities* of:
- (a) *meeting of repayment claims*; or
- (b) *managing dormant ~~account~~ asset funds (including the investment of such funds)*.
- regulated activity* (A) in the *PRA Handbook*:
- ...
- (sj) *managing dormant ~~account~~ asset funds (including the investment of such funds)* (article 63N(1)(b));
- ...
- (B) in the *FCA Handbook*: (in accordance with section 22 of the *Act* (Regulated activities)) the activities specified in Part II (Specified activities), Part 3A (Specified activities in relation to information) and Part 3B (Claims management activities in Great Britain) of the *Regulated Activities Order*, which are, in summary:
- ...
- (sj) *managing dormant ~~account~~ asset funds (including the investment of such funds)* (article 63N(1)(b));
- ...
- repayment claim* (~~in relation to a dormant account~~) a claim for repayment made by virtue of sections 1(2)(b) or 2(2)(b) of the Dormant Bank and Building Society Accounts Act 2008, that is, in summary, that the customer has against the *dormant account fund operator* whatever right to payment of the *balance* the customer would have against the *bank* or *building society* if the transfer (or in the case of section 2(2)(b), transfers) had not happened. In this definition, ‘customer’ is the *person* who held with a *bank* or *building society* the *balance* of a *dormant account* transferred to a *dormant account fund operator* or of sections 2(2)(b), (3)(b), 5(2)(b), or 14(2)(b) of the Dormant Assets Act 2022.

Annex B

Amendments to the Senior Management Arrangements, Systems and Controls sourcebook (SYSC)

In this Annex, underlining indicates new text and striking through indicates deleted text.

1 Application and purpose

...

1 Annex 1 Detailed application of SYSC

...

Part 2	Application of the common platform requirements (<u>SYSC 4 to 10</u>)			
...				
2.11	R	The <i>common platform requirements on financial crime</i> apply as set out in SYSC 1 Annex 1 2.8R, except that they do not apply:		
		...		
		(2)	in relation to the following <i>regulated activities</i> :	
			...	
		(h)	<i>meeting of repayment claims and managing dormant account <u>asset funds</u> (including the investment of such funds); and</i>	
			...	
...				

Part 3	Tables summarising the application of the common platform requirements to different types of firm			
...				
Common platform firm				
3.2	G	For a <i>common platform firm</i> (other than a <i>dormant account <u>asset fund operator</u></i> not subject to MiFID):		
		...		

...				
3.2-A	R	For a <i>common platform firm</i> (other than a <i>dormant account asset fund operator</i> not subject to <i>MiFID</i>), articles 1(2), 21 to 25, 30 to 35 and 72 of the <i>MiFID Org Regulation</i> apply to the <i>firm's</i> business other than <i>MiFID business</i> or <i>structured deposits regulated activities</i> as if the <i>MiFID Org Regulation</i> applied to the <i>firm</i> as <i>rules</i> in accordance with SYSC 1 Annex 1 2.8R and SYSC 1 Annex 1 2.8AR.		
3.2-B	R	For a <i>common platform firm</i> that is a <i>dormant account asset fund operator</i> and is not subject to <i>MiFID</i> :		
		...		
...				

Annex C

Amendments to the Fees manual (FEES)

In this Annex, underlining indicates new text and striking through indicates deleted text.

3 Application, Notification and Vetting Fees

...

3 Annex Authorisation fees payable

1R

...

Part 2- Pricing categories applicable to applications made in the following activity groupings in the A, B, C, CC and CMC fee blocks

Activity grouping	Description	Applicable pricing category in FEES 3 Annex 1AR
A.1	<i>Deposit acceptors (excluding e-money issuers and credit unions) and dormant account <u>asset</u> fund operators</i>	7
...		

3 Annex Fees for an application for variation of permission

16R

The fee relevant to the application is due on or before the date the application is made.

Application type		Applicable pricing category in FEES 3 Annex 1AR
1	Reduction in the scope of the applicant's permissions and no other increases	N/A
...		
6	Any applicant in activity group A.1 which applies for the permissions of <i>meeting of repayment claims</i> or <i>managing dormant account <u>asset funds</u></i> (including the investment of such funds)	...

...	
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4 Periodic fees

...

4 Annex 1AR FCA activity groups, tariff bases and valuation dates

Part 1
This table shows how the <i>FCA</i> links the <i>regulated activities</i> for which a <i>firm</i> has <i>permission</i> to activity groups (fee-blocks). A <i>firm</i> can use the table to identify which fee-blocks it falls into based on its <i>permission</i> .

Activity group	Fee payer falls in the activity group if:
A.1 Deposit acceptors	its <i>permission</i> includes <i>accepting deposits</i> or <i>operating a dormant account asset fund</i> BUT DOES NOT include either of the following: <i>effecting contracts of insurance;</i> <i>carrying out contracts of insurance.</i>
...	

Part 2
This table sets out the activity groups (fee blocks) in relation to (i) the minimum fees payable to the <i>FCA</i> and (ii) the prudential fee payable to the <i>FCA</i> .

Activity group	Fee payer falls into the fee-block if
A.0 <i>FCA</i> minimum fee	(1) it is in at least one of the fee blocks under Part 1; and (2) it is not: (a) a <i>UK ISPV</i> ; or (b) a <i>firm</i> whose only <i>permission</i> is <i>operating a dormant account asset fund</i> ; or (c) a <i>firm</i> exclusively carrying on <i>credit-related regulated activities</i> ; or (d) a funeral plan intermediary or provider in fee-block A.23.

...

Part 3
This table indicates the tariff base for each fee-block set out in Part 1.
The tariff base in this Part is the means by which the *FCA* measures the amount of business conducted by a *firm* for the purposes of calculating the annual periodic fees payable to the *FCA* by that *firm*.

Activity group	Tariff base
A.1	...
	Note: For a <i>dormant account asset fund operator</i> the tariff base is not relevant and the flat fee in <i>FEES 4 Annex 2AR</i> is payable.
...	

Part 4
This table indicates the tariff base for each fee block set out in Part 2.
The tariff base in this Part is the means by which the *FCA* measures the amount of business conducted by a *firm* for the purposes of calculating the annual periodic fees payable to the *FCA* by that *firm*.

Activity group	Tariff base
...	
AP.0	The total periodic fees payable as a result of fee blocks A.2 and A.7 to A.19 and A.23 in Part 1 of <i>FEES 4 Annex 2AR</i> excluding any periodic fee for <i>operating a dormant <u>asset fund</u> account</i> .
...	

**4 Annex FCA Fee rates for the period from 1 April 2022 to 31 March 2023
2AR**

...

Part 1
This table shows the tariff rates applicable to each of the fee blocks set out in Part 1 of *FEES 4 Annex 1AR*.

...

Activity group	Fee payable
A.1	...
...	
	The tariff rates in A.1 are not relevant for the <i>permissions</i> relating to <i>operating a dormant account asset fund</i> . Instead a flat fee of £6,762 is payable in respect of these <i>permissions</i> .
...	

5 Financial Ombudsman Service Funding

...

5 Annex 1R Annual General Levy Payable in Relation to the Compulsory Jurisdiction for 2022/23

...

...

- The total amount expected to be raised through the *general levy* in 2022/23 will be £106m.

Compulsory jurisdiction - general levy

Industry block	Tariff base	General levy payable by firm
1-Deposit acceptors, <i>home finance providers, home finance administrators</i> (excluding <i>firms</i> in block 14) and <i>dormant account asset fund operators</i>	Number of accounts relevant to the activities in <i>DISP</i> 2.6.1R as at 31 December In the case of <i>dormant account asset fund operators</i> , the tariff base is the number of eligible activated accounts (8).	£0.150 per relevant account, subject to a minimum levy of £100
...		
Notes		

...			
8	Eligible activated accounts are the number of <i>repayment claims</i> met by the <i>dormant account asset fund operator</i> as at the 31 December.		
...			

6 Financial Services Compensation Scheme Funding

...

6 Annex 3AR Financial Services Compensation Scheme - classes and categories

...

Class 2	Investment Intermediation Claims
...	
Category 2.4	Structured deposits provision
Firms with permission for:	<i>accepting deposits and/or operating a dormant account asset fund.</i> BUT does not include any fee payer who either effects or carries out <i>contracts of insurance</i> .
...	

Class 6	Deposit acceptors' contribution
Firms with permission for:	<i>accepting deposits and/or operating a dormant account asset fund.</i> BUT does not include any fee payer who either effects or carries out <i>contracts of insurance</i> .

Annex D

Amendments to the Banking: Conduct of Business sourcebook (BCOBS)

In this Annex, underlining indicates new text and striking through indicates deleted text.

5 Post sale

5.1 Post sale requirements

...

Lost and dormant ~~accounts~~ assets

...

- 5.1.10 R If a *firm* participates in the scheme under the *Dormant Bank and Building Society Accounts Act 2008*, it must inform a *banking customer* of this fact and provide appropriate information regarding the terms of the scheme on entering into communications with a *banking customer* regarding a *dormant ~~account~~ asset*.

Annex E

Amendments to the Supervision manual (SUP)

In this Annex, underlining indicates new text and striking through indicates deleted text.

3 Auditors

3.1 Application

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3.1.2 R **Applicable sections (see SUP 3.1.1R)**

...

(1) Category of firm	(2) Sections applicable to the firm	(3) Sections applicable to its auditor
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...

(4) <i>Bank, building society or dormant account asset fund operator</i> which in each case carries on <i>designated investment business</i> (Notes 2A and 6)	SUP 3.1 - SUP 3.7, SUP 3.11	SUP 3.1, SUP 3.2, SUP 3.8, SUP 3.10
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(5) <i>Bank, building society or dormant account asset fund operator</i> which in each case does not carry on <i>designated investment business</i> (Notes 2A)	SUP 3.1 - SUP 3.7	SUP 3.1, SUP 3.2, SUP 3.8
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...

6 Applications to vary and cancel Part 4A permission and to impose, vary or cancel requirements

...

6.2 Introduction

...

Firms with long term liabilities to customers

6.2.8 G Discussions with the *appropriate regulator* are particularly relevant where the *firm* has to discharge obligations to its *customers* or policyholders before it can cease carrying on a *regulated activity*. This may be the case, for

example, where the *firm* is an *insurer*, a *bank*, a *dormant ~~account~~ asset fund operator*, or, as is often the case, holding *client money* or customer assets.

- 6.2.9 G If an *insurer*, a *bank*, or a *dormant ~~account~~ asset fund operator* wishes to cease carrying on all *regulated activities* for which it has *Part 4A permission*, it will usually be necessary to wind down the business over a long term period which is normally more than six months. This may also be the case for a *firm* holding *client money* or customer assets. In these circumstances, it will usually be appropriate for the *firm* to apply for variation of its *Part 4A permission* and/or imposition of a new *requirement*, variation of any existing *requirement* or cancellation of such a *requirement* before commencing the wind-down. A *firm* should only make an application for cancellation of *permission* when it expects to complete its wind-down (run-off) within six months.

...

6.4 Applications for cancellation of permission

...

- 6.4.4 G Additional guidance for a *firm* carrying on *insurance business*, *accepting deposits*, *operating a dormant ~~account~~ asset fund* or which holds *client money* or *customer's* assets is given in *SUP 6 Annex 4*. As noted in *SUP 6.2.9G*, it will usually be appropriate for a *firm* to apply for variation of its *Part 4A permission* and/or the imposition, variation or cancellation of a *requirement* while winding down (running off) its *regulated activities* and before applying to cancel its *Part 4A permission*.

...

6 Annex Additional guidance for a firm winding down (running off) its business 4.1G

1. If a *firm* has *Part 4A permission* which enables it to hold *client money* or to carry on *regulated activities* including:

...

- (d) *meeting of repayment claims* or *managing dormant ~~account~~ asset funds (including the investment of such funds)*;

...

...

15 Notifications to the FCA

...

15.3 General notification requirements

...

Communication with the appropriate regulator in accordance with Principle 11

...

15.3.8 G Compliance with *Principle 11* includes, but is not limited to, giving the *FCA* notice of:

(1) any proposed restructuring, reorganisation or business expansion which could have a significant impact on the *firm's* risk profile or resources, including, but not limited to:

...

(e) entering into, or significantly changing, a *material outsourcing* arrangement (a *bank*, a *building society* and a *dormant ~~account~~ asset fund operator* should also see ~~SYSC~~ *SYSC* 8, and an *insurer* should also see *SYSC* 13.9 for further details); or

...

(i) in relation to a *dormant ~~account~~ asset fund operator*, notify the *FCA* when the operator intends to rely on a third party for the performance of operational functions which are critical or important for the performance of relevant services and activities in connection with *operating a dormant ~~account~~ asset fund* on a continuous and satisfactory basis;

...

...

16 Reporting requirements

16.1 Application

...

16.1.3 R Application of different sections of SUP 16 (excluding SUP 16.13, SUP 16.15, SUP 16.22 and SUP 16.26)

(1) Section(s)	(2) Categories of firms to which this section applies	(3) Applicable rules and guidance
...		
SUP 16.10	All categories of <i>firm</i> except:	...

	(a)	an <i>ICVC</i> ; and	
	...		
	(d)	a <i>dormant account asset fund operator</i> .	
...			

16.7A Annual report and accounts

...

Requirement to submit annual report and accounts

16.7A.3 R A *firm* in the *RAG* in column (1) and which is a type of *firm* in column (2) must submit its *annual report and accounts* to the *FCA* annually on a single entity basis.

(1)	(2)
RAG	Firm type
1	<i>UK bank</i>
	<i>Dormant account asset fund operator</i>
	<i>A non-UK bank.</i>

16.10 Verification of firm details

Application

16.10.1 G The effect of *SUP* 16.1.1 R is that this section applies to every *firm* except:

...

(2A) an *AIFM* *qualifier*; or

(4) a *dormant ~~account~~ asset fund operator*.

...

16.12 Integrated Regulatory Reporting

...

Reporting requirement

...

16.12.4 R Table of applicable *rules* containing *data items*, frequency and submission periods

(1)		(2)	(3)	(4)
RAG number	Regulated Activities	Provisions containing:		
		applicable data items	reporting frequency/ period	due date
RAG 1	<ul style="list-style-type: none"> • accepting deposits • <i>meeting of repayment claims</i> • <i>managing dormant account asset funds (including the investment of such funds)</i> 	RAG 1 firms should complete their prudential reporting requirements as set out in the <i>PRA Rulebook</i> .		
...				

App 2 Insurers: Regulatory intervention points and run-off plans

App 2.1 Application

...

App 2.1.5 G *SUP* App 2.1.7G is made by the *FCA* for the purpose of its application to *dormant ~~account~~ asset fund operators, rather than insurers*.

...

App 2.2 Interpretation

App 2.2.1 R For the purpose of *SUP* App 2.1 to 2.14:

(1) “capital resources”:

...

- (c) in relation to any other *firm* which is not a *Solvency II firm*, means the *firm's* capital resources as calculated in accordance with:
 - (i) in the case of a *dormant ~~account~~ asset fund operator*, the version of *GENPRU 2.2.17R* that applied as at 31 December 2015 (the effect of which has been preserved for the purposes of *INSPRU 7*); and

...

App 2.7 Capital resources below the level of individual capital guidance

App 2.7.1 G For a *dormant ~~fund account~~ asset fund operator*, unless any of *SUP App 2.4.1R*, *SUP App 2.5.1R*, *SUP App 2.5.3R* or *SUP App 2.6.1R* applies, if a *firm's* circumstances change, such that its capital resources have fallen, or are expected to fall, below the level advised in *individual capital guidance* given to the *firm* by the *FCA*, then, consistent with *PRIN 2.1.1R Principle 11* (Relations with regulators), a *firm* should inform the *appropriate regulator* of this fact as soon as practicable, explaining why capital resources have fallen, or are expected to fall, below the level advised in *individual capital guidance*, and:

- (1) ...

...

Annex F

Amendments to the Dispute Resolution: Complaints sourcebook (DISP)

In this Annex, underlining indicates new text and striking through indicates deleted text.

2 Jurisdiction of the Financial Ombudsman Service

...

2.5 To which activities does the Voluntary Jurisdiction apply?

2.5.1R R The *Ombudsman* can consider a *complaint* under the *Voluntary Jurisdiction* if:

...

(2) it relates to an act or omission by a *VJ participant* in carrying on one or more of the following activities:

(a) an activity (other than *auction regulation bidding*, ~~and administering a benchmark~~, *meeting of repayment claims and managing dormant asset funds (including the investment of such funds)*) carried on after 28 April 1988 which:

...

(c) activities, other than *regulated claims management activities*, ~~and activities ancillary to regulated claims management activities~~, *meeting of repayment claims and managing dormant asset funds (including the investment of such funds)*, which (at ~~29 July 2022~~ 1 August 2022) would be covered by the *Compulsory Jurisdiction*, if they were carried on from an establishment in the *United Kingdom* (these activities are listed in *DISP 2 Annex 1G*);

...

2.7 Is the complainant eligible?

...

2.7.6 R To be an *eligible complainant person* must also have a *complaint* which arises from matters relevant to one or more of the following relationships with the *respondent*:

(1) ...

...

(14) (where the *respondent* is a *dormant ~~account~~ asset fund operator*) the complainant is (or was) a customer of a *bank or building society* which transferred any *balance* from a *dormant ~~account~~ asset* to the *respondent*;

(14A) (where the *respondent* is a *dormant asset fund operator*) subject to *DISP 2.7.6AR*, the complainant is (or was) a *person to whom the proceeds of a long-term insurance contract* were payable by an *insurer*, but which instead were transferred by the *insurer* to the *respondent*;

(14B) (where the *respondent* is a *dormant asset fund operator*) subject to *DISP 2.7.6BR*, the complainant is (or was) a *member of a personal pension scheme* which transferred any eligible pension benefits due to the complainant to the *respondent*;

...

2.7.6A R *DISP 2.7.6R (14A)* does not include proceeds of a *contract of insurance held in a lifetime ISA* if their transfer to a *dormant asset fund operator* resulted in (or would result in) liability to pay a *lifetime ISA government withdrawal charge*.

2.7.6B R Benefits under a *personal pension scheme* in *DISP 2.7.6R(14B)* are excluded from being 'eligible pension benefits' if (or to the extent that) they are provided from sums invested in a *with-profits fund*.

...

2 Annex 1G Regulated Activities for the Voluntary Jurisdiction at ~~29 July 2022~~ 1 August 2022

This table belongs to *DISP 2.5.1R*

The activities which were covered by the *Compulsory Jurisdiction* (at ~~29 July 2022~~ 1 August 2022) were:

(1) for *firms*:

...

(9)

The activities which (at ~~29 July 2022~~ 1 August 2022) were *regulated activities* were, in accordance with section 22 of the *Act* (Regulated Activities), any of the following activities specified in Part II and Parts 3A and 3B of the *Regulated Activities Order* (with the addition of *auction regulation bidding* and *administering a benchmark*):

(1) *accepting deposits* (article 5);

...

(38D) *managing dormant ~~account~~ asset funds (including the investment of such funds)* (article 63N(1)(b));

...

4 Standard terms

...

4.2 Standard terms

...

Application of DISP 1 to DISP 3

4.2.3 R The following rules and guidance apply to *VJ participants* as part of the *standard terms*, except where the context requires otherwise:

...

(2) *DISP 2* (Jurisdiction of the Financial Ombudsman Service),
except:

(a) *DISP 2.3* (Compulsory Jurisdiction); ~~and~~

(b) *DISP 2.7.6(14)*;

(c) *DISP 2.7.6(14A)*;

(d) *DISP 2.7.6(14B)*; and

...

Annex G

Amendments to the Perimeter Guidance manual (PERG)

In this Annex, underlining indicates new text and striking through indicates deleted text.

2 Authorisation and regulated activities

...

2.5 Investments and activities: general

...

2.5.1-A G The following *regulated activities* may be carried on in relation to property of any kind:

...

- (8) *meeting of repayment claims; and*
- (9) *managing dormant ~~account~~ asset funds (including the investment of such funds); and*
- (10) *dealing with unwanted asset money.*

...

2.7 Activities: a broad outline

...

Dormant account funds

2.7.20C G There are ~~two~~ three *regulated activities* associated with the activities of a *dormant ~~account~~ asset fund operator ~~under the Dormant Bank and Building Society Accounts Act 2008:~~*

- (1) *the meeting of repayment claims; and*
- (2) *managing dormant ~~account~~ asset funds (including the investment of such funds); and*
- (3) *dealing with unwanted asset money.*

...

Agreeing

- 2.7.21 G Agreeing to carry on most *regulated activities* is itself a *regulated activity*. But this is not the case if the underlying activities to which the agreement relates are those of *accepting deposits, issuing electronic money, effecting or carrying out contracts of insurance, operating a multilateral trading facility, operating an organised trading facility, managing dormant ~~account~~ asset funds, the meeting of repayment claims, dealing with unwanted asset money, managing a UK UCITS, acting as trustee or depositary of a UK UCITS, managing an AIF, acting as trustee or depositary of an AIF, establishing, operating or winding up a collective investment scheme, establishing, operating or winding up a stakeholder pension scheme or establishing, operating or winding up a personal pension scheme*. A person will need to make sure that it has appropriate *authorisation* at the stage of agreement and before it actually carries on the underlying activity (such as the *dealing or arranging*).