



Dormant Assets Act 2022

2022 CHAPTER 5

PART 1

THE DORMANT ASSETS SCHEME

Long-term insurance assets

3 “Eligible insurance proceeds”

- (1) In this Act “eligible insurance proceeds” are (subject to subsections (2) and (3)) the cash proceeds of a contract of long-term insurance, after the appropriate adjustments have been made for such things as interest due and fees and charges payable.
- (2) A contract is excluded from subsection (1) if it is—
 - (a) a with-profits policy,
 - (b) an industrial assurance policy, or
 - (c) a policy that is the subject of a trust.
- (3) Proceeds of a contract of long-term insurance held in a Lifetime ISA are excluded from subsection (1) if their transfer to an authorised reclaim fund would result in liability to pay a withdrawal charge to HMRC.
- (4) In relation to a time after a transfer has been made as mentioned in section 2(1)(a), the adjustments referred to in subsection (1) above include those that would fall to be made but for the transfer.

(5) In this section—

“contract of long-term insurance” has the meaning given by article 3(1) of the RAO 2001;

“industrial assurance policy” has the same meaning as it has in the FCA Handbook as in force when this Act is passed;

“with-profits policy” means a contract of insurance which provides benefits through eligibility to participate in discretionary distributions based on profits arising from the insurer’s business or a particular part of its business.