



Dormant Assets Act 2022

2022 CHAPTER 5

PART 1

THE DORMANT ASSETS SCHEME

Investment assets

9 “Eligible amount owing by virtue of a collective scheme investment”

- (1) This section gives the meaning in this Act of “eligible amount owing by virtue of a collective scheme investment”.
- (2) In this Act “collective scheme investment” means—
 - (a) a share in an authorised open-ended investment company (“OEIC”),
 - (b) a unit in an authorised unit trust scheme, or
 - (c) a unit in an authorised contractual scheme.
- (3) An eligible amount owing by virtue of a collective scheme investment is (subject to subsection (4)) the amount owing to a person by virtue of—
 - (a) a collective scheme investment being converted into a right to payment of an amount by an investment institution,
 - (b) a redemption of a collective scheme investment by the share or unit holder,
 - (c) a distribution of income attributable to a collective scheme investment, or
 - (d) an investment institution holding orphan monies attributable to the winding-up of, or the termination of a sub-fund of, the collective scheme containing a collective scheme investment,after the appropriate adjustments have been made for such things as interest due and fees and charges payable.
- (4) An amount held in a Lifetime ISA is excluded from subsection (3) if its transfer to an authorised reclaim fund would result in liability to pay a withdrawal charge to HMRC.

Status: This is the original version (as it was originally enacted).

- (5) For the purposes of subsection (3)(a) the reference to conversion of a collective scheme investment into a right to payment is to conversion in accordance with—
- (a) provision in the OEIC’s instrument of incorporation, the unit trust scheme’s trust deed or the authorised contractual scheme deed (as the case may be),
 - (b) any contractual terms applicable in relation to the investment, or
 - (c) any other applicable provision (such as FCA rules) authorising or requiring conversion of the investment.
- (6) For the purposes of subsection (3)(d) the reference to orphan monies attributable to the winding up, or the termination of a sub-fund, of a collective scheme investment is to—
- (a) in the case of an OEIC, or an umbrella company sub-fund, that has been wound up otherwise than by the court, money (including unclaimed distributions) standing to the account of the company on the date of dissolution or termination (as the case may be) which would otherwise have to be—
 - (i) paid into court, or
 - (ii) (in Scotland) lodged in the name of the Accountant of the Court, in accordance with regulation 33(4) and (5), or (as the case may be) regulation 33(4) and (5) as applied by regulation 33C, of the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228);
 - (b) in the case of a unit trust scheme which has been wound up, or an umbrella unit trust scheme sub-fund which has been terminated, money consisting of any unclaimed net proceeds or other cash (including unclaimed distribution payments) which—
 - (i) are held by the trustee after the end of the year beginning with the day on which the unit trust is dissolved or the sub-fund terminated (as the case may be), and
 - (ii) would otherwise have to be paid into court, or (in Scotland) paid as the court may direct, in accordance with FCA rules;
 - (c) in the case of an authorised contractual scheme which has been wound up or an umbrella co-ownership scheme sub-fund which has been terminated, money consisting of any unclaimed net proceeds or other cash (including unclaimed distribution payments) which—
 - (i) are held by the depositary after one year from the date on which they became payable, and
 - (ii) would otherwise have to be paid into court or (in Scotland) paid as the court may direct, in accordance with FCA rules.
- (7) In this Act—
- (a) “authorised contractual scheme”, “open-ended investment company” and “unit trust” have the same meanings as in Part 17 of FSMA 2000 (see section 237(3) of that Act);
 - (b) “umbrella company sub-fund” means a separate part of the property of an umbrella company that is pooled separately;
 - (c) “umbrella unit trust scheme sub-fund” means a separate part of the property of an umbrella unit trust that is pooled separately;
 - (d) “umbrella unit trust scheme sub-fund” means a separate part of the property of an umbrella unit trust that is pooled separately;
- (8) In subsection (7)—

Status: This is the original version (as it was originally enacted).

“umbrella company” means an OEIC whose instrument of incorporation provides for pooling in relation to separate parts of the scheme property and whose shareholders are entitled to exchange rights in one part for rights in another;

“umbrella co-ownership scheme” means an authorised contractual scheme whose contractual scheme deed provides for pooling in relation to separate parts of the scheme property and whose unitholders are entitled to exchange rights in one part for rights in another; and

“umbrella unit trust scheme” means an authorised unit trust whose trust deed provides for pooling in relation to separate parts of the unit trust property and whose unitholders are entitled to exchange rights in one part for rights in another;

and in this subsection and subsection (7) references to pooling are to such pooling as is mentioned in section 235(3)(a) of FSMA 2000 (collective investment schemes).