



Dormant Assets Act 2022

2022 CHAPTER 5

PART 1

THE DORMANT ASSETS SCHEME

Securities assets

16 Meaning of “dormant” in relation to eligible proceeds or distribution

- (1) This section sets out the meaning for the purposes of this Act of “dormant” in relation to the different kinds of eligible proceeds or distribution.
- (2) Eligible share conversion proceeds are, or an eligible distribution is, “dormant” at a particular time if, at that time, the traded public company concerned regards the relevant individual as having been gone-away throughout the preceding 12 years.
- (3) For the purposes of subsection (2)—
 - (a) the relevant individual is the individual in whose name the share was registered immediately before its conversion, and
 - (b) a company may regard an individual as “gone-away” throughout a period if it has received no communication from the individual (or any person acting on behalf of that individual) during that period.
- (4) Eligible corporate action proceeds are “dormant” after a period of at least 12 years—
 - (a) beginning with the day on which the traded public company concerned is notified of the consideration in relation to the corporate action, and
 - (b) during which the proceeds have remained unclaimed.
- (5) Eligible corporate action proceeds relating to a share may also be treated as “dormant” at any time if they become money owing to a person after the transfer to an authorised reclaim fund as mentioned in section 14(1)(a) of eligible share conversion proceeds from the same share.
- (6) In this section, in relation to a share in a traded public company—

Changes to legislation: There are currently no known outstanding effects for the Dormant Assets Act 2022, Section 16. (See end of Document for details)

“eligible corporate action proceeds” means an amount owing by virtue of a corporate action, as mentioned in section 15(1)(c),

“eligible distribution” means an amount owing as a distribution as mentioned in section 15(1)(b), and

“eligible share conversion proceeds” means an amount owing by virtue of the conversion of the share as mentioned in section 15(1)(a).

Commencement Information

- I1** S. 16 not in force at Royal Assent, see [s. 34\(3\)](#)
- I2** [S. 16](#) in force at 6.6.2022 by [S.I. 2022/582](#), [reg. 2](#)

Changes to legislation:

There are currently no known outstanding effects for the Dormant Assets Act 2022, Section 16.