



Revision of the Swiss Code of Conduct for Independent Asset Management (Schweizerische Landesregeln für die Ausübung der unabhängigen Vermögensverwaltung)

Dear SAAM Members,

It is not unknown for contact with existing business partners to be lost, resulting in assets at the custodian bank becoming dormant.

On 1 January 2015 the amended Swiss Banking Act (Bankengesetz); the revised Swiss Banking Ordinance (Bankenverordnung) and new guidelines issued by the Swiss Bankers Association (Schweizerische Bankiervereinigung, SBVg) regarding the handling of assets deposited with Swiss banks in the event of a lack of contact or dormancy came into force.

The following is specified:

- Assets for which customer contact can no longer be established will be identified as without contact for a period of 10 years.
- Following this, these accounts will be deemed to be dormant for a further 50 years, after which – i.e. 60 years after the last contact with the account holder – the account details will be published at <https://www.dormantaccounts.ch>. This publication procedure applies to all accounts with a value exceeding CHF 500 or with an unknown value.
- Should no justified claimant have responded within one year of publication, then the assets will be transferred to the Swiss federal government. In the case of assets for which the last customer contact was in 1954 or earlier, the deadline for submitting requests is 5 years.
- Assets with a value of less than CHF 500 will be transferred after 60 years without publication being required.

All claims to assets will become null and void upon transfer to the Swiss federal government.

The Swiss Association of Asset Managers (Verband Schweizerischer Vermögensverwalter, VSV) has adopted these amended provisions in its code of conduct and brought the existing Art. 10 Dormant Assets into line with them.

Implementing Provision 37 regarding Art. 10 re-defines the terms ‘contact’, ‘lack of contact’ and ‘dormancy’.

Implementing Provision 39 regarding Art. 10 describes how asset managers should continue to execute an existing mandate if the event of lack of contact or dormancy.

New Implementing Provisions 40 and 41 regarding Art. 10 deal with continuation of the business relationship and retaining of documents in the event of lack of contact or dormancy.

Prior Implementing Provision 40 regarding Art. 10 is, with the exception of adjustments to the terms, included unchanged in Implementing Provision 42 regarding Art. 10.

New Implementing Provision 43 regarding Art. 10 describes the asset manager’s obligation to provide assistance in the event of dormancy.

The amended code of conduct, which has now been recognized by the FINMA, will come into force on 1 August 2017. SAAM members are called upon to implement the revisions from 1 January 2018 onwards. Verification of timely implementation will take place within the scope of auditing as per the Swiss Anti-Money Laundering Act (AMLA, Geldwäschereigesetz) / 2019 Code of Conduct.

Please do not hesitate to contact us if you have any questions or require further information.

Yours sincerely

Swiss Association of Asset Managers | SAAM