

• Swiss Banking

Assets without contact and dormant assets

Information from the Swiss Bankers Association

December 2023

Swiss Bankers Association

Introduction

Circumstances may arise in which contact between a bank and a client is lost and cannot be restored by the bank.

Such clients' assets may then ultimately be forgotten about by the client and their heirs.

The amended Swiss Banking Act and the revised Banking Ordinance entered into force on 1 January 2015, as did the guidelines of the Swiss Bankers Association (SBA) on the treatment of assets without contact and dormant assets held at Swiss banks. The latter were revised in 2022. The corresponding rules and regulations state the following:

- Banks must report all assets in cases where they are unable to establish any contact with the client to a central database, which anyone with a claim to such assets may search via the Swiss Banking Ombudsman.
- 60 years after the last contact with the client, these assets are published on <https://www.dormant-accounts.ch> for a period of one year. This publication requirement applies to all assets with a total value exceeding CHF 500 per client relationship as well as assets of unknown value.
- If no contact is received from an entitled claimant within this period, the bank transfers the assets to the federal government.
- Assets up to a maximum value of CHF 500 are transferred to the federal government after 60 years without such publication being made.

The transfer of the assets renders all claims null and void.

Should you require any further information, your bank will be happy to help you.

Searching for assets without contact / dormant assets

If you believe that assets to which you are entitled are without contact or dormant, please contact the bank concerned directly. If you do not know the name of the bank, you can ask the Swiss Banking Ombudsman (www.banking-ombudsman.ch) to carry out a search. Please note that you will have to provide documents that prove your entitlement to the assets (e.g. an inheritance certificate) when requesting a search.

Recommendations for preventing loss of contact

Change of name and address

Please inform your bank immediately if you change your place of residence, address or name, and your bank therefore needs to update these details accordingly.

Special instructions

Please inform your bank if you are going away for an extended period of time and, for example, you would like correspondence from your bank to be sent to another address or kept at the bank. You should also tell the bank how you can still be contacted in urgent cases.

Designating an authorised agent

It is generally advisable to designate an authorised agent whom your bank can contact in the event that contact between the bank and yourself is lost.

Informing trusted persons / your will

Another way of preventing contact from being lost and assets from becoming dormant is to inform a person you trust about your bank details. However, the bank can only give information to such a person if you have first authorised him or her in writing to act on your behalf (wherever possible using a form supplied by the bank). You could also list your assets and the name of the bank(s) where they are deposited, e.g. in your will.

Individual advice

Your bank will be happy to help you and give you advice in line with your specific circumstances.

Measures banks are to take in cases of contact being lost

In the guidelines on the treatment of assets without contact and dormant assets held at Swiss banks, the SBA Board of Directors has set out the procedures banks are to follow in the event of contact being lost:

Immediate measures

If a bank finds that its correspondence to a client is no longer deliverable, e.g. due to a change of address, and there is no longer any documented contact with this client (e.g. visit to the bank, login to e-banking or mobile banking), the bank should – with appropriate diligence – attempt to re-establish contact and, for example, to ascertain the new address.

Further measures in the case of lost contact

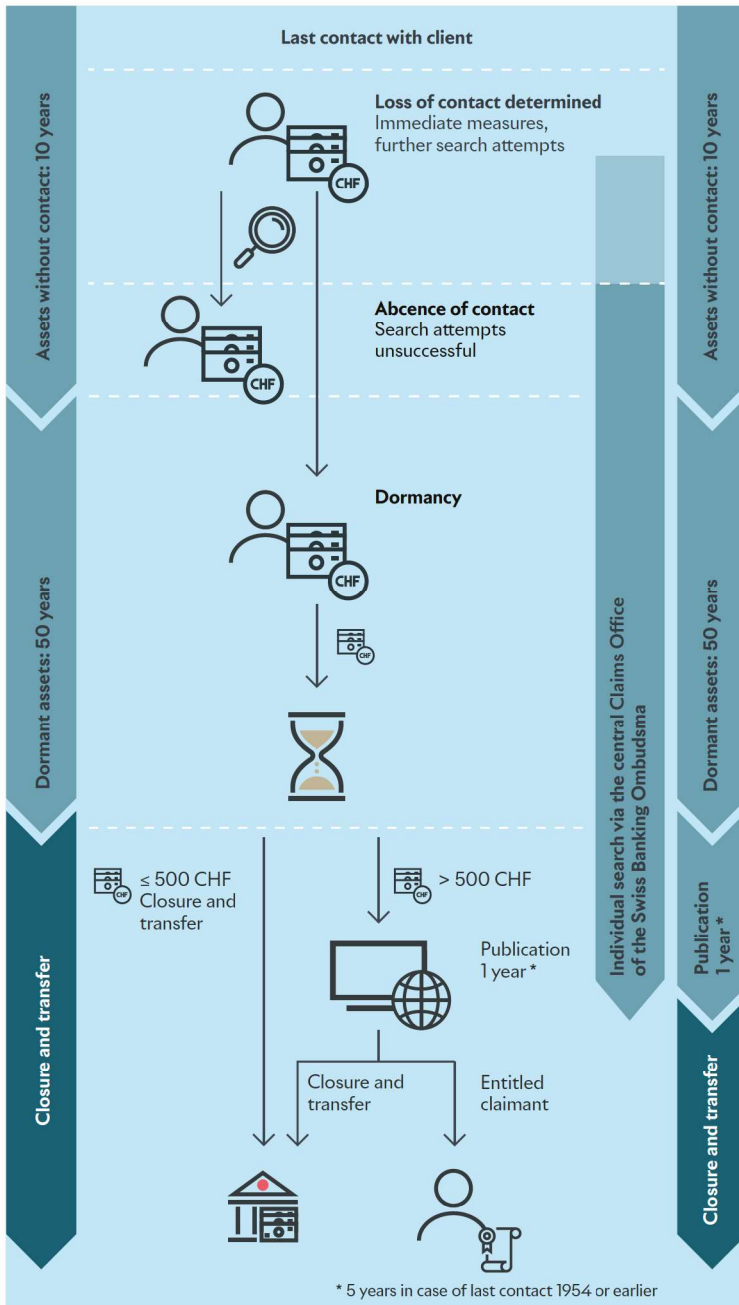
Further measures are to be taken in accordance with the principle of proportionality and based on the value of the assets in question. The bank may also appoint agents to investigate. Such agents are subject to the same confidentiality requirements as the bank's employees, thereby preserving bank-client confidentiality.

If the bank's inquiries following a loss of contact are unsuccessful, or if contact with the client cannot be established for other reasons, the assets are deemed to be "without contact". In this case, the guidelines require banks to act as follows:

- record the assets concerned centrally;
- earmark the assets and report all details of the clients' safe-deposit boxes and all assets with a value of more than CHF 500 to a central database that can only be searched via the Swiss Banking Ombudsman in the interest of the entitled party – the Ombudsman's office and the service provider that operates the database are subject to bank-client confidentiality;

- publish the client's details on <https://www.dormantaccounts.ch> 60 years after the last contact if the total value of the client's assets exceeds CHF 500 – including details of anyone who rented a safe-deposit box;
- transfer the assets to the Federal Department of Finance if no valid claim to the assets has been raised during the publication or reporting period, thus rendering all claims null and void.

Measures banks are to take in cases of contact being lost



Continued rights in cases of lost contact

The rights of the clients and their heirs remain intact until such time as the assets are delivered to the federal government. Banks may only take action that diverges from the contractual agreement with the client if such action is in the client's best interest:

- Savings accounts must be continued unchanged and interest accrued at the bank's current rates.
- Current accounts and similar balances must be invested to protect the client's interests, i.e. diligently and, as far as possible, profitably (e.g. in savings accounts, medium-term notes or a fund with a conservative risk profile).
- Securities accounts should be continued as usual; money from maturing securities and accrued interest or dividends should be reinvested in similar or other suitable securities. The bank may base such reinvestments on an existing investor profile.
- In accordance with the bank's internal directives, safe-deposit boxes may be opened in cases where the rent is no longer covered, to complete the search measures or with a view to liquidation, and their contents may be stored centrally.

Your bank will be happy to give you any further detailed information you need on the treatment of assets without contact or dormant assets.

Costs

The bank's usual costs and fees continue to apply for a maximum of 60 years from the last contact with the client. If these costs and fees exceed the assets in question, the client relationship may be closed.

Banks may also charge to the account in question costs they incur in making inquiries, for the special treatment and monitoring of the assets, and for publishing the account. Costs for handling manifestly unfounded claims may be charged to the applicant.

Basel, December 2023

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<https://www.swissbanking.ch/en/financial-centre/information-for-bank-clients-and-companies/dormant-assets>

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