



The Unclaimed Assets Register



2002 Review



Review September 2002

This review is designed to provide members of the UAR with an update on the UAR status, its achievements and developments. It will be issued periodically. The information contained is not confidential and members may find some of the contents of interest to their press office for incorporation in press releases, and/or internal literature.

UAR Benefits

The UAR provides direct benefit to:

- The General Public
- Member Companies
- Charities
- Probate Solicitors

The Public

So far as the public is concerned it is a unique register which gives them the opportunity to trace financial assets with which they have lost touch. Reasons for "loss" are numerous and include failure to advise of changes of address, serious illness, loss of documentation and death. The problems of keeping track of investments are compounded by frequent company name changes. The advantage of being able to use a single point of enquiry greatly eases the effort of searching.

In summary, individuals benefit through:

- Recovery of their forgotten assets
- Increased confidence in their investments, and
- Provision of a "safety net" for professionals (executors), family or heirs.

Member Companies

The benefits to member companies go beyond helping them retrieve lost customers/investors. Some feel the PR benefits of being part of the UAR are equally important, as is the perception of self regulation and due diligence. Unclaimed money is far more closely regulated in the US and the importing of such regulation to the UK would put additional/unnecessary cash strains on the financial industry. All companies selling financial services or having shareholders, hold unclaimed money – some more than others – but no matter how few people are affected, the principle is the same; **everything should be done to look after those people from the point that they part with their savings to the time their investment matures and beyond.**

Ownership

Members have already been informed of the change of ownership of the UAR and may well have attended the reception held at the Bank of England in May. The new parent company, Experian, is able to combine sophisticated and intelligent decision-making and processing systems with some of the world's most comprehensive databases of information on consumers, businesses, motor vehicles and property. Experian is a subsidiary of GUS plc and has headquarters in Nottingham, UK, and Costa Mesa, California. Its 12,000 people support clients in over 50 countries. Annual sales are approaching £1.1 billion. Experian is the largest credit-referencing agency in Europe.

The new parent provides the opportunity to enhance the UAR service to member companies and offer supplementary pro-active tracing services to facilitate better management of customer databases (see page 6 "New Products").

External Support

From the outset, the UAR has been well received. As it has developed and demonstrated its ability to perform, more organisations have added their plaudits, these come from:

- Trade Bodies and Regulators
- IFA Networks
- The General Public
- The Media

Trade Bodies & Regulators

From its early days, the UAR was welcomed by the FSA and Sir Howard Davies helped launch it at a public reception in July 2000.

Comments

"Based upon your reports, I would like to reiterate that the FSA is supportive of the UAR and considers that its objectives are appropriate and timely. In view of this I would encourage institutions holding unclaimed money to participate in the UAR. Without their support, your objectives will be impossible to achieve and the net losers will be the general investing public."

Christine Farnish, then Director Consumer Relations

FSA support continues. Gillian Nott, a non-executive Director of the FSA joined Keith Hollender for a presentation at the Experian Conference in November. The emphasis was on post sale customer support and the compatibility of the UAR with FSA Principles.



Comments

"As an organisation which supports and encourages wider share ownership, ProShare welcomes this initiative. Many people who bought shares for the first time following privatisations or got "windfall shares", may have lost track of them. Anything that can be done to reunite owners with their lost shares has to be a good thing."

Diane Hay, Chief Executive, ProShare

"The Society is encouraging listed companies to get involved in the work of the UAR and we welcome the opportunity this presents for companies to demonstrate their desire to assist shareholders recover lost assets. We are also looking at including involvement in the UAR in our best practice guidelines for investor relations practitioners."

Andrew Hawkins, Director General, Investor Relations Society

"Companies change names, people move houses and over time active investors become dormant investors. The opportunities for people to lose track of their due dividends are legion. This UAR initiative will reunite investors with their investments and will – we hope – encourage them to return to an active role in the market."

Brian Mairs, Head of Information, Association of Private Client Investment Managers & Stockbrokers (APCIMS)

Other bodies such as AIFA, the London Stock Exchange and the ABI have also commented positively on the UAR.

IFA Networks

All major networks have expressed their support, including; DBS Financial Management, Financial Options, IFA Network, Kestral Network, Countrywide, Bankhall Investment Associates, Berkeley Independent Advisers. They understand the benefits of supplementing consumer investment confidence and, where possible, encouraging their clients to find what they may have lost.

IFA Network views:

"We would like to confirm our full support for this innovative and important industry initiative . . . [and] . . . hope that unit trusts and investment trusts also take this opportunity to send a very comforting message to the consumer."

The General Public

The most important judges of any service must always be its customers. Information is given later ("Searches & Finds") on the number of searchers and monetary finds we have achieved, but the following unsolicited comments give a flavour of our popularity:

Customer Comments

"You and the UAR have convinced me that a high level of service is still attainable in some organisations. Congratulations on unravelling a particularly complex situation and my thanks for all your help."

Mr D, Basingstoke

"It is with pleasure that I write to you to inform you that we have received the proceeds of our policy (£900). It is thanks to your organisation that this was made possible for which we are very grateful."

Mr W, Middlesex

"I thought I would write to say how much I appreciated your efforts on my behalf in tracing my aunt's insurance policy. Being a house bound disabled pensioner, it was a great relief to me to have the search done for me."

Miss I, Bournemouth

"I thought I would just let you know that as a result of your help in finding my Prudential policy I have in the last few days received a cheque for £1,404. Your fee was worth it. Thank you for your efforts."

Mr H, Hampshire

"These days there are more and more ways to invest and it is hard to keep track of it all. Not much attention is brought to bear on how people can find their money, particularly if a policy is years old and the institution has changed names many times. The register [UAR] plays a vital role and more insurers and financial institutions should join."

Mr David Smith, from an interview with the Daily Telegraph.

"I would like to take this opportunity to thank you for your efficient service in locating the company in which I paid a pension 20 years ago. It has now been settled I am pleased to say and I would like to donate £25.00 for the charity work you all do."

Mrs G, Ashford



The Media

The UAR has appeared in over 300 newspaper and magazine articles over the last 2-3 years as well as 23 television programmes and 36 radio interviews. Many of these have specifically mentioned UAR member companies. Some, at the whim of the journalist, have flagged companies, which are not members . . . The following have described the UAR in significant features:

- The Times
- Financial Times
- Guardian
- Daily Express
- BBC Radio 4
- Woman's Weekly
- Daily Mirror
- Daily Telegraph
- Mail on Sunday
- Saga Magazine
- The Scotsman
- Sunday Telegraph
- Daily Mail
- The Sun
- Corporate Citizen
- The Independent
- Probate Section
- Sky News
- The Observer
- London Evening Standard
- Pension Week
- Financial Adviser
- Sunday Times
- Professional Pensions
- BBC Breakfast News
- Scottish Daily Record
- BBC2 Money Programme
- Personal Finance
- LBC Radio
- Moneybox
- Yorkshire Post
- FT.com
- Woman's Realm
- Readers Digest
- Investors Chronicle
- BBC News 24

Snapshots of their comments appear below:

Comments

"Helpfully, there is now something approaching a one-stop shop for forgotten assets. The UAR was set up in December 1999 . . . to help trace misplaced assets."

The Times 6th April 2002

"Huge sums of cash have become separated from their owners because people change addresses without telling their bank or insurance company. Death, divorce and sheer dimwittedness have also played their part, but the Unclaimed Assets Register aims to reunite savers with their money."

Daily Telegraph, 25th May 2002.

"For those of you who are in the troublesome world of probate, or about to retire with a nagging feeling that you once paid into a policy but cannot find the paperwork, I recommend a visit to the [UAR] website."

Financial Mail on Sunday, 26th August 2001.

"There are ways of tracking down missing money. The best starting point is the UAR."

The Times, 8th September 2001

Members and Records

Member Companies

Most of the insurance industry has now joined the UAR providing data relating to life policies and personal pensions. 15 listed companies are providing records of unclaimed dividends and 6 major unit trust groups, responsible for well over 120 trusts, are also participating. Occupational pensions schemes are showing a keen interest with two major schemes joining this year (J Sainsbury and British Coal Superannuation Scheme). Several others are close to signing up as are a large part of the unit trust industry. Current Members are listed below:

- Abbey Life
- Aegon Asset Management
- Alfred McApline plc
- Allied Dunbar
- AstraZeneca plc
- British Coal Superannuation Scheme
- BP plc
- Britannic Assurance
- BT Group PLC
- Caledonia Investments plc
- CIS
- Cornhill
- Eagle Star Life
- Family Assurance
- First Technology plc
- Friends Provident
- Gallaher Group PLC
- GE Life
- Granada plc
- Guardian Financial Services
- GUS plc
- Hill Samuel
- Homeowners Friendly Society
- J P Morgan Fleming Asset Management
- J Sainsbury (Pension Scheme)
- Land Securities plc
- Lattice Group plc
- Legal & General
- Lloyds TSB Life
- National Express Group plc
- Norwich Union
- Prudential
- Royal & Sun Alliance Insurance Group plc
- Scottish Amicable
- Scottish Equitable
- Scottish Widows (Life & Pensions & Windfall Shares)
- Scottish Widows Unit Trust
- Shaw Cavendish
- Skandia Life
- St James's Place Group
- Standard Life (Life & Pensions)
- Standard Life Investments
- Sterling Assurance plc
- Teachers Assurance
- Unilever plc
- Vodafone Group plc
- Wesleyan Assurance Society
- Windsor Life
- Zurich Financial Services

Number of Records

The UAR now holds c.3.5 million records. This figure is increasing weekly and is expected to reach 5-6 million by year end. The records are spread across all categories of unclaimed assets.



Searches and Finds

Between January 2000 and August 2002, the UAR carried out 6,500 searches of which 1,144 (18%) were successful. Many of these searches necessitated individual letters to potential holding organisations and 761 involved tracking occupational pensions via the Pensions Registry and the scheme administrator, a long process at the best of times!

Not all successful searches resulted in money. 29% of them had no value. This is not such a negative as may appear, as those discovering a policy had no value were generally pleased to have resolved an outstanding issue. The UAR is not always informed of values where a match occurs, however it was aware of some and these amounted to £1,451,518. Assuming the same unit value could be extended to all successful searches of value, then it would be reasonable to suggest that total finds have so far amounted to £4 million.

The average find value is £6,200 but this may be misleading as the range of finds extends from a low of 92p to a high of £83,000 (see case study below). The UAR is presently working on an individual find which may exceed £100,000.

As the database increases in size, the UAR expects the number of finds to increase. To reflect this and be fair to the public, the search fee of £18 also includes a second free search 12 months later. Members can help to maximise the chances of successful finds by ensuring that they provide as much relevant data as possible. Some only supply records of policies that have reached maturity or NRD, whilst others provide all 'gone aways' which include 'paid up' policies and surrendered policies. This additional data is welcomed.

Professional use of the UAR

Unclaimed money is clearly of key interest to those carrying out probate who have a responsibility to gather in all assets of the deceased. Where documentation has been lost, ascertaining all these assets can be difficult if not impossible, and there is no doubt that many deceased estates have been lower than they should have been. For this reason, solicitors have been particularly interested in the UAR service and there are presently over 300 firms registered. Articles have been published in both the Law Society's Probate Section Journal and the Journal of STEP.

Case Study

The find of £83,000 (which, in fact related to two policies) was widely reported in the press. It involved more than a little detective work and persistency by the UAR as the policies were not held on its database.

Mr David Smith read about the UAR in a national newspaper and obtained details through the UAR website.

Mr Smith held a Power of Attorney in respect of his sister, Mrs Eunice Field, and requested searches for both Mrs Field and her late husband John Field. Mrs Field was in an extra care residential home and, prior to his death in 1997, his brother-in-law had suffered from short-term memory loss turning eventually to senile dementia. In his communication to the UAR, Mr Smith stated that Mr Field's papers mentioned a couple of financial organisations with which he was not familiar and appeared no longer to exist. He commented: "I gave up trying to trace assets in late 1998. I didn't know of search organisations such as yourselves."

Having ascertained the new home of these two financial organisations, the UAR contacted the company on Mr Smith's behalf. On investigation, the company responded that not only was there a policy in Mr Field's name which was now worth £28,000, but there was also a savings scheme taken out in Mrs Field's name in 1973 with £4,000, which had a current value of £55,000.

Solicitors' Comments

The response from solicitors is indicated by the following from a Newcastle firm:

"After reading the article "Dead Money" in the Probate Section Journal, I would like to applaud your scheme, which has been sorely needed for a long time, and confirm that I would like to pre-register my firm in the scheme."

And another, from a Somerset solicitor:

"I confirm I have found the service provided very satisfactory. It is certainly a worthwhile venture so far as I am concerned in respect of the probate part of my practice."

A London solicitor has commented:

"I can foresee a time when it will be negligent of a probate practitioner not to look at the Register."

The proportion of searches emanating from solicitors has been steadily increasing and now represents 30%. There is a long way to go and our aim is to establish the UAR as a fundamental part of the probate process covering all 270,000 annual UK probates.

Permission has already been granted to distribute leaflets advising of the UAR service through Scottish Register Offices (registration of births, deaths, marriages) and we are hoping to extend this to the English and Welsh offices later in the year.



Developments

The above has given some indication of the growth of the UAR over the last couple of years. A project of this size, which is ultimately commercial but primarily of public benefit, takes time to complete, indeed, may never be fully completed. Thanks to those companies which have understood the significance of the concept it is now up and running and doing what it set out to do – find money and improve consumer confidence.

Increasing the effectiveness of the UAR means encouraging more companies to participate and increasing public awareness. Work is obviously proceeding with the former and as the UAR becomes more part of the permanent scene, so the decision to join will become a standard part of a company's corporate governance. The ability to offer a pro-active service to supplement the re-active, will encourage further participation (see "New Products"). Our aim now is to actively encourage use of the UAR by the public and by professionals.

Advertising and PR

Full-page advertisements were placed in the Mirror and Mail on Sunday during June last year. These not only promoted the UAR but more significantly, the member companies. This year a series of advertisements have appeared in the Times, Daily Telegraph, Mirror, Saga Magazine and Woman's Weekly. A project is underway to explore the possibility of members joining with the UAR to produce a Telegraph Reader guide later this year.

Press articles have already been referred to and it is worth noting that articles appear with surprising frequency, rarely originating as a result of a press release. Journalists know the UAR, they know it appeals to readers and require no invitation to write about it. They automatically turn to the UAR as the foremost authority on the subject of unclaimed money.

Websites

The UAR website (www.uar.co.uk) now gets 150 "hits" per day. This number has been increasing steadily and is responsible for 10% of search requests. A search through any of the search engines for "unclaimed assets" demonstrates its dominance (try Google UK). Anyone using the site can request a search request form which is despatched automatically; they can also print out the form itself. Developments are presently under way to allow for on-line completion of the form, something which has already been introduced on the Ft.com site (see below).

Following the introduction of the website onto FT.com (FT YourMoney) earlier this year, it is intended to increase the number of such co-branded promotions. Discussions have commenced with the Law Society, the Society of Trust & Estate Practitioners (STEP) and Experian's own website which receives numerous requests for credit files.

Many companies and organisations, including UAR members, such as Scottish Equitable, Vodafone, J. Sainsbury, Lattice Group, Gallaher Group, have established links to the UAR website or refer to its service.

Examples of others are listed below.

- Age Concern
- APCIMS
- Association of Independent Financial Advisers (AIFA)
- Capita IRG
- Cheshire Building Society
- Consumer Deals
- Financial Information Net Directory (find.com)
- Highland Government
- Later life
- National Association of Bank + Insurance Customers (NABIC)
- Over50s
- People Finder
- Scope
- UnclaimedAssets.com
- Wisebuy.com

Charity Links

UAR supports ShareGift as its nominated charity. The UAR is committed to supporting charities and donates 10% of the search fees which emanate from the public. ShareGift is a registered charity whose sole purpose is to realise as much value as possible from donated shares and other gifts and to pass the proceeds to UK charities. It has specialised in the collection of small shareholdings that may cost more to sell than they are actually worth. These are collected together until there are enough to sell, and the proceeds are added to the pool of funds which ShareGift gives to charities. Over £2,000,000 has already been donated to more than 350 different charities. All of which have been suggested by ShareGift's donors.

Prior to its association with ShareGift, the UAR had linked up with Partners in Action, a grouping of three national charities. This umbrella company no longer exists. In March, the UAR co-sponsored a reception for ShareGift at Number 11 Downing Street attended by Paul Boateng.

The UAR is a unique operation – the only "one-stop shop" for lost financial assets. Many people have failed to keep a careful record of their investments (some may have died and forgotten to inform their spouse). Many may have forgotten the name of the institution (even if they worked for it) and/or have no idea how to make contact. The UAR is a simple solution and has the added potential benefit for searchers of not only identifying a specific entitlement but also possibly locating other lost assets



New Products

The UAR database is dynamic in the sense of being continually supplemented and updated, but is dependent on individuals coming forward to request a search. In that sense it is "reactive". Many member companies have been keen to explore the possibilities of a "pro-active" service. Cleaning a database has many advantages, in particular, saving unnecessary mailing costs to incorrect addresses and re-establishing contact with lost customers/investors. Being part of Experian has opened up the possibility to offer two highly effective and economic pro-active services for UAR members.

1. Experian Autotrace

1.1 Batch Searching

This provides a sophisticated and highly accurate trace on any batch data provided. 'Autotrace' utilises Experian's consumer database of over 300 million records accurate up to approximately 3 months. Obviously the better the data provided, the greater the success rates. As a guideline; given name, address and date of birth, a success rate of between 50-60% is possible. Records may then be updated following separate verification procedures. Autotrace has been used to great effect by some of the major demutualised companies in their efforts to trace members prior to distribution of "windfall shares".

Cost is on a **success basis only** and for UAR members, is at a preferential rate dependent on volumes.

1.2 On-Line Searches

Supplementing the above, those members using the Autotrace service may be provided with software for use on an on-line PC to enable them to carry out ad-hoc searches

to help maintain database quality. There is no charge for the software nor for its associated installation and training. This is a fast and immediate way of locating someone and obviates the need to use either the DWP Tracing Service or outside investigators. The DWP service has proved frustrating to a number of members in that they are not provided with 'new' addresses but are assured that letters are forwarded and then have to wait (sometimes in vain), for responses from individuals. It has been pointed out to us that this can be disheartening to staff members who are working on reducing the problem of 'gone aways'. The speed and accuracy of Experian Autotrace is therefore not only refreshing but adds an increased sense of job satisfaction for those involved.

2. Experian Intact

At the request of the member company, records provided to the UAR may be compared with a number of reference files including deceased registers, National Change of Address, TPS and MPS. A report will be generated free of charge which will quantify the number of updates found. The company will then be given the opportunity of receiving details at a nominal cost per "hit". One particularly useful set of data to come from this is the identification of deceased. However, it should be understood that in the absence of a comprehensive national deceased database in the public domain, it is impossible to be 100% certain of matches. For example, it is not unusual for sons to have the same names as their fathers and live at the same address, nevertheless, the names provided will be well worth investigating particularly where pensions or annuities are being paid. This trace facility utilises information within the public domain and consequently has a lesser success rate and level of accuracy than Experian Autotrace, yet can prove very useful in certain areas, such as 'pensioner verification'.





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