



BANK OF GHANA

**UNCLAIMED BALANCES AND DORMANT
ACCOUNTS DIRECTIVE**

For Banks and Specialised Deposit Taking Institutions

FEBRUARY 2021

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PART I – PRELIMINARY

Title

1. This Directive shall be cited as the Unclaimed Balances and Dormant Accounts Directive, 2021.

Application

2. This Directive is:
 - a. issued pursuant to Section 92 of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930);
 - b. applicable to Banks, Rural and Community Banks, Savings and Loans Companies, Finance Houses and Microfinance institutions;
 - c. applicable to any other deposit-taking institution as may be determined by the Bank of Ghana.

Objectives

3. The objectives of this Directive are to:
 - (a) operationalise Section 143 of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930)
 - (b) establish processes and procedures for reclaim of funds by Dormant Account Holders or their legal representatives; and
 - (c) ensure that funds of customers of regulated financial institutions that become dormant are adequately protected.

Interpretation

4. In this Directive, unless the context otherwise requires,

“Dormant account register” means a separate register created in the books of the regulated financial institution to maintain and manage dormant accounts.

“Regulated Financial Institution” means a bank, savings and loans company, rural and community bank, microfinance institution, finance house company regulated under the Banks and Specialized Deposit-Taking Institution Act, 2016 (Act 930) and any other deposit-taking institutions as may be determined by the Bank of Ghana.

“Unclaimed funds” means balances on dormant accounts specified in Paragraph 7 and 8 of this Directive that are due for transfer to the Bank of Ghana.

Exclusions

5. This Directive shall not be applicable to accounts that are;

- a. subjects of litigation,
- b. subjects of fraud investigations by a regulatory authority or law enforcement agencies,
- c. subjects of any encumbrance including but not limited to liens and collaterals,
- d. in credit due to errors including system errors and are under investigation for correction.

PART II – SPECIFIC REQUIREMENTS

Classification of Dormant Accounts

6. Pursuant to Section 143 of Act 930, the following shall be classified as dormant:
 - a) a current or savings account with a credit balance and their derivatives with no 'customer-initiated activity' by the account holder or a third party on the account holder's behalf for a period of two (2) years;
 - b) a time deposit account with no customer-initiated activity by the account holder or a third party on the account holder's behalf for a period of two (2) years after the maturity date of the deposit;
 - c) a prepaid card account and or any other funds belonging to a customer or non-customer of the regulated financial institution that has not been accessed or operated for a period of two (2) years.
7. In the case of fixed deposits or investments scheduled by a customer to roll over upon maturity and the roll-over has persisted for more than three (3) consecutive roll overs or two years whichever is longer, a regulated financial institution shall initiate actions to re-identify the customer, renew consent to continue the instructions and update the customer's records.
8. Where the regulated financial institution is unable to contact the fixed deposit account holder pursuant to subsection 7, the regulated financial institution shall transfer the funds to the dormant account register.
9. For the purpose of this Directive, customer-initiated activity shall include cash or cheque deposits, withdrawals, transfers to or from account including standing orders, direct debit/credit and payments out of the account made by the account holder or their legal representative.
10. A customer initiated activity shall not include regular or automated inflows such as interest payments that accrue on the account and bank charges.
11. A regulated financial institution shall not allow a third party withdrawal from an account that has received only inflows (including non-customer

initiated credits) for a period of two (2) years without contacting the account holder.

12. Where a customer has two or more accounts with the same regulated financial institution and any of the accounts has not been operated for a period of two years, the account(s) involved may be protected and not classified as dormant provided that the customer is notified of the inactivity of that account(s) and response received.

Creation of Dormant Account Register

13. In accordance with Section 143 (2) of Act 930, an account referred to in Paragraph 6, shall be transferred to a separate register of dormant accounts in the books of the regulated financial institution.
14. An account transferred to the register of dormant account shall not attract any service charge or account related fees. Interest bearing accounts transferred to the dormant account register shall also cease to accrue any interest.
15. Where an account becomes dormant and the balance is less than an amount determined by the Bank of Ghana, the regulated financial institution may
 - a) Transfer the account to the dormant account register or
 - b) Close the account after due notice to the customer of the decision to close the account and transfer funds to the customer or the Bank of Ghana where the customer could not be reached.
16. A regulated financial institution shall maintain all records of account information and transactions prior to transfer to a dormant account register. The reference of the records shall be at a minimum, the last transaction at the beginning of the two years before becoming dormant initiated by the Dormant Account Holder or a third party on behalf of the Dormant Account Holder.
17. A Dormant account shall continue to be covered under the Ghana Deposit Protection Scheme until transfer has been made to the Bank of Ghana.

Communication of the process of Dormancy to clients

18. A regulated financial institution shall take adequate steps to contact an Account Holder at least three (3) months prior to an account falling into dormancy.
19. A regulated financial institution shall serve a "Dormant Account Notice" to a Dormant Account Holder through the last known address including but not limited to the following:
 - a) Physical visitation;
 - b) Phone call or Short Messaging Services (SMS);
 - c) Email; or
 - d) Any agreed form of communication during account initiation
20. A regulated financial institution shall provide information to the relevant Dormant Account Holder on the procedure for dormant account reactivation.
21. A regulated financial institution shall contact the "Next of Kin" or other designated person of the Dormant Account Holder where efforts to locate the Dormant Account Holder prove futile.
22. In an effort to locate a Dormant Account Holder, a regulated financial institution shall not disclose the account balances and any other sensitive information to any third party.
23. In all instances of establishing contact with a Dormant Account Holder or Next of Kin or designated contact person, all associated cost shall be borne by the regulated financial institution.

Dormant Account that receives credit

24. A regulated financial institution shall allow credits into an account classified as dormant but in accordance with section 143(1) of Act 930 shall not permit a withdrawal until the account is reactivated.

25. A regulated financial institution shall move an account referred to in paragraph 24 from the dormant account register but shall not permit a withdrawal until the account is reactivated.
26. A regulated financial institution shall take all necessary steps to ensure that a dormant account that receives credit complies with AML/CFT requirements.

Dormant Account Reactivation

27. A regulated financial institution shall take all necessary steps to identify a Dormant Account Holder prior to initiating dormant account reactivation.
28. A request for withdrawal or activation of an account classified as dormant by the account holder or legal representative shall be made in writing or in a manner specified by the regulated financial institution.
29. A withdrawal or transfer shall not be permitted on an account referred to in Paragraph 6 except with the permission of two authorized officers of the regulated financial institution.
30. The authorised officers shall include the branch manager and one (1) authorised officer of the regulated financial institution. In the absence of the branch manager, the next senior officer shall act on the branch manager's behalf. Upon the branch manager's return to his post the transaction shall immediately be brought to the branch manager's attention.
31. A regulated financial institution shall keep evidence of request for activation or withdrawal for as long as the required statutory retention period for banking and financial records.
32. A regulated financial institution shall not apply any fees or charges for a request for dormant account reactivation.

Publication of Dormant Accounts

33. In accordance with Section 143 (4) of Act 930, where an account is transferred to a register of dormant accounts and the account has been on the register for three years, the regulated financial institution shall advertise or publish in at least two daily newspapers of national circulation, the fact that the account has been on the register of dormant accounts for three years.
34. Subject to paragraph (33), a regulated financial institution may publish dormant accounts in the virtual versions of the daily newspapers of national circulation.
35. For purposes of effective publication, a regulated financial institution shall publish a notice in at least two print daily newspapers to the effect that dormant accounts of the regulated financial institution have been published in the virtual versions of a newspaper and providing the link to the virtual publication.
36. The information to be published in the newspapers shall be limited to only the name and branch of the account holder and the date the account became dormant in the format specified in Annexure 1 or as may be determined by the Bank of Ghana.
37. The accounts to be published may be limited to a dormant account with a positive balance or any other threshold determined by the Bank from time to time.
38. A regulated financial institution, in addition to paragraph 34, shall publish the list of all dormant accounts on its website and it shall remain displayed for at least a period of fourteen (14) calendar days.
39. All publications shall include a notice that the balances of the affected accounts shall be transferred to the Bank of Ghana after two (2) weeks from the date of publication.
40. A regulated financial institution shall publish a dormant account within six (6) months after staying on the register of dormant accounts for three (3) years.

41. A regulated financial institution in accordance with paragraph 34 may undertake a mass publication of dormant accounts at least every six (6) months.
42. A regulated financial institution shall not pass on the cost of publication to affected account holder.

Transfer of Unclaimed Balances to Bank of Ghana

43. Where an account has been in the register of dormant accounts for a period of three (3) years and has been advertised as required, the balance on a dormant account shall be transferred to the Bank of Ghana in accordance with section 143(6) of Act 930.
44. The transfer of the unclaimed funds shall not be effected until twenty one (21) calendar days have elapsed after the date of publication but not exceeding twenty eight (28) calendar days and the advice bearing details of beneficiaries shall be submitted to the Bank of Ghana in the format specified by the Bank of Ghana.
45. The Bank of Ghana shall upon receipt of the transferred unclaimed funds, acknowledge receipt of same on a form to be attached to the list of accounts and items transferred by the regulated financial institution.
46. The Bank of Ghana shall keep appropriate records on the unclaimed balances transferred to the Bank in addition to claims made.
47. The funds to which account holders or beneficiaries are entitled may be claimed from the Bank of Ghana. The amount payable shall be the exact amount received from the regulated institution and shall not include interest.

Process for Reclaim

48. A regulated financial institution shall display a poster in all banking halls on the process of reclaim of funds of dormant accounts transferred to the Bank of Ghana. This shall include information on how accounts of customers may be regarded as dormant.

49. A regulated financial institution that receives a request from a dormant account holder of funds transferred to the Bank of Ghana shall take steps to validate and seek the claim on behalf of the claimant at the Bank of Ghana.
50. A regulated financial institution shall submit a validated claim within five (5) working days after receipt of the claim to the Bank of Ghana in the format specified by the Bank of Ghana.
51. Where a claim is made at the Bank of Ghana by the dormant account holder or its representative, the Bank of Ghana shall in consultation with the regulated financial institution validate the claim.
52. The Bank of Ghana upon validating a claim or receipt of a validated claim, shall transfer to an account of the claimant domiciled at the regulated financial institution, the amount transferred to the Bank of Ghana by the regulated financial institution.

Dormant Account Internal Policies and Procedures

53. A Regulated financial institution shall establish and implement internal control policies and procedures to oversee the management and protection of accounts specified as dormant.
54. A regulated financial institution shall monitor accounts that show tendencies of inactivity and initiate actions to protect same from fraudulent activity.
55. A regulated financial institution shall review its dormant account register and procedures at least on a quarterly basis to ensure that controls put in place are effective to prevent abuse of such accounts.
56. The review shall be part of the regulated financial institution's internal audit function.

Reporting Requirements

57. A regulated financial institution shall submit returns to the Bank of Ghana on the accounts transferred to the dormant account register and details of dormant accounts reactivated.
58. The return shall be reported on a monthly basis using the form specified by the Bank of Ghana.

PART IV – REMEDIAL MEASURES AND SANCTIONS

Penalties for non-compliance

59. A regulated financial Institution in breach of the provisions of this Directive shall be liable to an administrative penalty of not more than ten thousand penalty units.

Remedial measures

60. Notwithstanding the penalties specified in Paragraph 59, the Bank of Ghana may impose any other penalty or take any remedial action that the Bank of Ghana considers appropriate.

Annexure 1 – Format for Publication

NOTICE OF DORMANT ACCOUNT HELD BY (*Name of Regulated Financial Institution*)

The following persons have accounts with (*Name of Regulated Financial Institution*) that have not been operated for a minimum of five (5) years and remain dormant in accordance with the Banks and Specialized Deposit-Taking Institutions Act, 2016 (Act 930).

Name of Customer	Branch Name	Date of Dormancy

The above customers or their legal representatives are hereby advised to contact (*Name/contact of Regulated Financial Institution*) within two (2) weeks from this date of publication. The affected accounts, shall thereafter be transferred to the Bank of Ghana in accordance with Act 930.