

UFAA CEO'S SPEECH

REMARKS BY KELLEN E. KARIUKI, MBS, CEO THE UNCLAIMED FINANCIAL ASSETS AUTHORITY (UFAA) ON THE OCCASION OF A PRESS CONFERENCE ON THE GAZETTMENT OF UNCLAIMED FINANCIAL ASSETS REGULATIONS, 2016 HELD AT THE INTERCONTINENTAL HOTEL, NAIROBI

FEBRUARY 15, 2016

Chairman Board of Directors UFAA, Mr. Katwa Kigen

Former Chairman Board of Directors UFAA, Mr. Vincent Kimosop,

My fellow Board members,

UFAA staff,

Members of press,

Ladies and Gentlemen,

Thank you for honoring our invitation.

We have shared with you provisions of the **Unclaimed Financial Assets Regulations, 2016**.

The regulations address two of key stakeholders' processes. First, they guide holders on methods of surrendering and filing reports on unclaimed financial assets at their disposal. They also define the manner in which holders of different asset classes as provided for by Unclaimed Financial Assets Authority Act, 2011 are supposed to transfer respective assets to the Authority.

On the part of the holders the Regulations address the following:

- i. Reporting – the data elements and aspects as indicated in the Act have been crystallized into various forms that will be used by stakeholders.
- ii. Asset Examination & Delivery – assets of a physical nature that are in safe keeping or stored in safe deposit boxes that have financial value are provided for, inclusive of the time threshold and the conversion process into cash.
- iii. Cost, Charges & Deductions – The Regulations provide for what is considered as reasonable cost and charges for the opening, assessment of assets held in a safe deposit box.
- iv. Process of Due Diligence – The main area of focus here (Regulation 9) is life assurance/insurance policy owner due diligence efforts.

Secondly, the regulations provides to claimants' requirements needed by the Authority to process claims as well as prescribed forms and necessary supporting documents. On claim and reunification process, the regulations provide for.

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- i. Claim on Assets, and Payment of Claims.
- ii. Indemnity Agreement – This is a requirement on transferring the financial asset to the claimant, to absolve the Authority from future liability with respect to the paid out value.

We have taken notice that the regulations has obligated the Authority to make available and accessible information to the public to facilitate reunification of unclaimed assets with their owners and/or beneficiaries. To this end, the Authority will be rolling out and education and awareness campaign to sensitize members of the public on its mandate. That too is spelt out in our Strategic Plan 2015-2018. We aim to deepen compliance on the part of holders and to build capacity on the part of claimant to lodge claims for assets in our custody.

As I conclude, it is our considered view that an appropriate unclaimed financial assets regime for Kenya require biding regulatory requirements for reunification that adequately cover unclaimed assets separated from their owners temporarily as well permanently. These regulations provides the beginning of a compliance initiative by the Authority, given the reluctance by a number of sectors and players to report and remit these assets according the law.

Thank you

(ENDS)