



BSI Standards Publication

Specification for the maintenance of financial services customer data

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Foreword

This PAS was sponsored by the TISA – the financial services pan-industry association. Its development was facilitated by BSI Standards Limited and it was published under licence from The British Standards Institution. It came into effect on 31 March 2015.

Acknowledgement is given to Nigel Banfield (Banfield Business Solutions Ltd) and Peter Shipp (TISA) as the technical authors, and the following organizations that were involved in the development of this PAS as members of the steering group:

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Use of this document

It has been assumed in the preparation of this PAS that the execution of its provisions will be entrusted to appropriately qualified and experienced people, for whose use it has been produced.

Presentational conventions

The provisions of this PAS are presented in roman (i.e. upright) type. Its requirements are expressed in sentences in which the principal auxiliary verb is "shall". The word "should" is used to express recommendations of this standard. The word "may" is used in the text to express permissibility, e.g. as an alternative to the primary recommendation of the clause. The word "can" is used to express possibility, e.g. as a consequence of an action or an event.

Commentary, explanation and general informative material is presented in smaller italic type, and does not constitute a normative element.

Spelling conforms to The Shorter Oxford English Dictionary. If a word has more than one spelling, the first spelling in the dictionary is used.

Contractual and legal considerations

This publication does not purport to include all the necessary provisions of a contract. Users are responsible for its correct application.

Compliance with a PAS cannot confer immunity from legal obligations.

In particular, attention is drawn to the following specific regulation:

- Data Protection Act 1998 [1]

Introduction

The financial services sector faces a significant and growing problem with respect to unclaimed customers' assets and money. Estimates of unclaimed assets vary between £15 bn and £20 bn¹⁾ but are still thought to severely underestimate the true extent of the problem, possibly by a factor of three or more.

The primary cause of unclaimed or lost customer assets and/or money is out-of-date and/or incomplete customer information which prevents financial services providers maintaining contact with beneficial owners.

The ability of a financial services organization to manage its customers' assets therefore depends not only on the quality of its customer contact data but also on the data management policies it has in place to avoid disconnects between the organization and the customer which prevent assets being reunited or timely communication being issued.

The aim of this PAS is to enable organizations who administer their own customer data or third party administrators (TPA) who act for such organizations to put in place a governance process. It provides a framework for maintaining and continually improving the accuracy of the customer data they hold, including tracing details of lost customers or beneficiaries of the assets.

The regulations in the financial service industry, as defined by those including Financial Conduct Authority (FCA), Prudential Regulatory Authority (PRA), the Pensions Regulator (tPR) and HM Revenue & Customs (HMRC), require that customer data is appropriately maintained and any changes are made in a timely manner and reasonable steps are taken in order to achieve this. This applies to any financial services organization authorized and regulated in the UK.

This PAS specifies requirements that can help financial services organizations and TPAs, who administer for organizations, to demonstrate good practice in maintaining customer data. However, the PAS is not intended to provide legal advice or an interpretation of applicable regulations and users are responsible for their own compliance with such regulations.

1 Scope

This PAS specifies requirements for maintaining financial services customer data.

It is for use by financial services organizations that hold and maintain customer information, such as banks, building societies, pension providers, insurance companies and investment management companies. It is also for use by third party administrators (TPAs) who manage customer information on behalf of any of these organizations.

More specifically, it covers:

- a) the minimum requirements for achieving and maintaining customer contact;
- b) primary and, where present, secondary data to be captured and maintained by financial services organizations;
- c) establishing contact with lost customers and beneficiaries;
- d) business history profiling including high-level details of any organizational changes, such as mergers and acquisitions, which may have affected the way in which customers contact the financial services organization. In addition, how the organization communicates or makes this information available to its customers;

¹⁾ Timothy Edwards, Standard Note SN/BT/3027. *Unclaimed assets/dormant accounts*. London: House of Commons Library, 2011.