

Financial Services Consumer Panel

AN INDEPENDENT VOICE FOR CONSUMERS OF FINANCIAL SERVICES

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Gladys Osogbon
Financial Services Authority
25 The North Colonnade
Canary Wharf
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28 April 2009

Dear Ms Osogbon

CP 09/08 – Regulating Reclaim Funds

The Financial Services Consumer Panel has considered the Consultation Paper . Although we have no substantive issues with the proposals in the Paper, there are some observations we would like to share.

We welcome the proposals for the FSA to regulate reclaim funds and the FSA's regime to ensure that the fund has sufficient capital to meet its liabilities. The purpose of the fund is of course to enable surplus monies from dormant accounts to be transferred to the Government's big lottery fund for spending on good causes. The amount of monies will be affected by the operating expenses of managing the fund. We ask that the FSA take operational cost of managing the fund into account when dealing with applications for authorisation.

Yours sincerely,



Nick Lord
For Acting Chairman
Financial Services Consumer Panel