



# Clerical Medical and Lloyds TSB – it's business as usual

There's been a lot of talk about the acquisition of HBOS by Lloyds TSB.

The good news is you can carry on investing with Clerical Medical just as you have always done.

## **▶ The new Lloyds Banking Group**

You may be aware that Clerical Medical is part of HBOS plc. HBOS has agreed to be acquired by Lloyds TSB.

In joining together HBOS and Lloyds TSB, we have created a new group company – Lloyds Banking Group.

Clerical Medical will continue to exist and operate separately within this group, as will other well known High Street names such as, Lloyds TSB, Halifax and Bank of Scotland.

This page gives you more information and explains what it means for you as a Clerical Medical customer.

Please be assured that there will be no changes to your policies as a result of this announcement and you can continue doing business with us as usual.

## **Q How will this change benefit me?**

The combining of HBOS and Lloyds TSB creates a new group which is well capitalised and financially strong. This strength places us in an even better position to meet the challenges of the current financial climate and any future challenges we may face.

Our aim is to be the leading financial services organisation in the UK using our strength and size to provide excellent customer service and create great value products for our customers.

## **Q What does it mean for me and my policies with you?**

There are no changes to your Clerical Medical policies or the terms and conditions of any of our products or services as a result of this announcement, and you can continue doing business with us exactly as you always have.

Of course from time to time we may make changes to our products and services, and when this happens we will notify you in the usual way.

## **Q Are my pensions and investments protected?**

Yes, your pensions and investments remain protected exactly as they were before. Clerical Medical and Scottish Widows pensions and investments will continue to be covered separately after the new group takes effect. Both organisations operate separately under the Financial Services Compensation Scheme (FSCS) and will for the foreseeable future.

This means that for onshore (UK) investments (eg OEICs, stocks & shares ISAs etc), you will continue to be covered by FSCS for up to £48,000 (100% of the first £30,000 and 90% of the next £20,000 per person). And for long-term insurance (pensions, life assurance etc), you will be covered for 100% of the first £2,000 and 90% of the remainder, with no upper limit.

More information on the Financial Services Compensation Scheme is available on request or at their website [www.fscs.org.uk](http://www.fscs.org.uk).

For offshore (Isle of Man) investments issued by CMI Insurance Company Limited (which are not covered by FSCS) the policyholders will continue to be covered by the Isle of Man Life Assurance (Compensation of Policyholders) Regulations 1991. This cover provides up to 90% of the value of the liability due.

Further information about the scheme is available from the Isle of Man Government Insurance & Pensions Authority, [www.gov.im/ipa](http://www.gov.im/ipa) or on **(01624) 646000**.

Should there be any changes to this in the future, we will contact you to tell you about them in the usual way.

### **Additional information**

Should there be any changes in the future, we will contact you to tell you about them in the usual way. If you would like to keep up to date with how the acquisition is progressing visit our website: [www.hbosplc.com](http://www.hbosplc.com).