



CMI Global Investor

Investor protection and your offshore bond

In today's uncertain economic climate, it's only natural that you want to know what measures are in place to protect your investment should something unforeseen happen. And when investing offshore, it's important to understand both the regulatory environment and the protection that it provides.

CMI Global Investor is issued by CMI Insurance Company Limited (CMI), based in the Isle of Man. The Isle of Man is one of the world's most highly regulated offshore investment centres and is home to the offshore operations of many leading UK insurance companies.

- Policyholders can claim under the Isle of Man's Life Assurance (Compensation of Policyholders) Regulations 1991, if CMI is unable to meet its obligations. This scheme covers up to 90% of our liability due. Policyholders are not covered by the UK Financial Services Compensation Scheme (FSCS) as a direct result of CMI's failure.
- If you invest with a fund manager or deposit taking institution based in the Isle of Man and they should become insolvent, the above scheme does not apply.
- As CMI is the legal and beneficial owner of any assets held within the bond, CMI can claim under the Isle of Man Compensation of Depositors Regulation 2008, for deposits placed with a bank licensed under the Isle of Man Banking Act. Under this scheme CMI can claim up to a maximum of £20,000, on all deposits held with that bank, which would be distributed proportionately to all policyholders who hold deposits with that bank.
- If deposits are placed with a bank which is not licensed under the Isle of Man Banking Act (for example banks based in the UK, Ireland, Jersey, Guernsey, Europe etc) and that bank should become insolvent, then CMI will not be able to claim compensation under the above scheme. In this case, CMI would seek compensation under any equivalent compensation scheme in the bank's home country.
- Most types of UK based investment business (including OEICs and Unit Trusts) are covered by the UK's Financial Services Compensation Scheme (FSCS). Where your bond invests in UK based investments it will not be covered by the FSCS. This is because the FSCS is designed to protect individual investors and it therefore doesn't apply to investments placed by institutional investors like CMI.

For more information on investor protection, please contact your financial adviser.

www.clericalmedical.co.uk

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Clerical Medical Financial Services Limited is authorised and regulated by the Financial Services Authority.

Financial Services Authority rules are made under the Financial Services and Markets Act 2000 for the protection of investors and apply to investment business conducted in or from the UK. Holders of policies issued by the company will not be protected by the Financial Services Compensation Scheme if the company becomes unable to meet its liabilities to them. CMI Insurance Company Limited is supervised by the Regulatory Authorities in the Isle of Man and its policyholders receive the protection of the Life Assurance (Compensation of Policyholders) Regulations 1991.