

COMMERCIAL BANKING

THE FINANCIAL SERVICES COMPENSATION SCHEME

The Financial Services Compensation Scheme (FSCS) covers deposits and certain eligible investment business conducted by firms authorised by the UK regulators, the Financial Conduct Authority (FCA) and the Prudential Regulatory Authority (PRA). The information below is relevant to deposit and investment products held with Lloyds Bank plc Client Products Treasury Services. Different provisions and exclusions may apply to other areas of Lloyds Bank Plc.

1. For **eligible deposits** - FSCS protection may apply for eligible deposits held with banks, building societies and credit unions that fail. This protection is limited to a maximum of £85,000 for each eligible person or £170,000 for joint accounts and applies on a per banking licence basis. This means that if you have deposits with a number of firms that share a banking licence, you will only be protected up to the maximum of £85,000 or, for joint accounts, £170,000. Lloyds Bank, Bank of Scotland and Lloyds Bank Corporate Markets have separate banking licences.

In some cases, there may be certain eligible deposits which are categorised as 'temporary high balances' and are protected above £85,000 for six months after the amount has been credited or from the moment when such eligible deposits become legally transferable.

The following are not eligible deposits and a deposit is excluded from protection where:

- (1) The holder and any beneficial owner of the deposit have never been identified in accordance with money laundering requirements.
- (2) The deposit arises out of transactions in connection with which there has been a criminal conviction for money laundering.
- (3) It is a deposit made by a depositor which is one of the following:
 - credit institution
 - financial institution
 - investment firm
 - insurance undertaking
 - reinsurance undertaking
 - collective investment undertaking
 - pension or retirement fund¹
 - public authority, other than a small local authority.
- (4) It is a deposit of a credit union to which the credit union itself is entitled.

¹ Deposits by personal pension schemes, stakeholder pension schemes and occupational pension schemes of micro, small and medium sized enterprises are not excluded.



COMMERCIAL BANKING

- (5) It is a deposit which can only be proven by a financial instrument² (unless it is a savings product which is evidenced by a certificate of deposit made out to a named person and which existed in the UK, Gibraltar or a Member State of the EU on 2 July 2014).
 - (6) It is a deposit of a collective investment scheme which qualifies as a small company.³
 - (7) It is a deposit of an overseas financial services institution which qualifies as a small company.⁴
 - (8) It is a deposit of certain regulated firms (investment firms, insurance undertakings and reinsurance undertakings) which qualify as a small business or a small company⁵ – refer to the FSCS for further information on this category.
 - (9) It is not held by an establishment of a bank, building society or credit union in the UK or, in the case of a bank or building society incorporated in the UK, it is not held by an establishment in Gibraltar.
1. For **investments** - as Lloyds Bank plc Client Products Treasury Services do not provide investment advice in respect of their investment business, eligibility for the FSCS investment scheme is unlikely. Additional information can be obtained on the FSCS website at www.FSCS.org.uk

More information is available directly from the FSCS at <http://www.fscs.org.uk>

DIS.G.D2 (06/21)

Lloyds Bank is a trading name of Lloyds Bank plc. Registered Office: 25 Gresham Street, London EC2V 7HN. Registered in England and Wales no. 2065. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under registration number 119278.

² As listed in Part I of Schedule 2 to the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, read with Part 2 of that Schedule.

³ Under the Companies Act 1985 or Companies Act 2006.

⁴ See footnote 3.

⁵ See footnote 3.



LLOYDS BANK