

Depositor Protection

The money that we place in deposit accounts is not capital that we are taking risk with within our overall financial strategy. With this in mind it is important that we are all familiar with the levels of protection provided by the UK Depositor Protection Scheme.

Prior to the events at Northern Rock in Autumn 2007, the FSA's Depositor Protection Scheme provided protection of 100% of the first £2,000 and 90% of the next £33,000 held with a given institution.

As concerns over the security of Banks around the world increased with effect from Tuesday 7th October 2008, Alistair Darling introduced legislation that increased the protection level from £35,000 to £50,000. Therefore, if you are holding significant cash deposits, you ideally would not want to breach the £50,000 protection level.

What is important to remember is that these levels are applicable per individual, per institution. As such, spreading funds between the subsidiaries of a larger institution would not achieve the desired goal.

We have found a useful article, on the 'Moneyfacts' website which explains further regarding the ownership of Bank and Building Societies. A copy of this has been included following this page for your assistance. (*This article is correct as at May 2009*).

Further information regarding how to save safely with UK Banks and Building Societies is available on the 'this is money.co.uk' website at the link below:

www.thisismoney.co.uk/bankowners

The banking guarantees and security around the world are presently very fluid. For clarity we have detailed below the various depositor protection terms in the UK, European Union and finally some of the main offshore centers that are commonly used.

Financial Services Compensation Scheme (020 7892 7300)

Scope of the UK Financial Services Compensation Scheme:-

- *UK Deposit taking firm*: The limit is 100% of the first £50,000 per individual (from 7th October 2008).
- *UK Insurance firm*: The first £2,000 of an insurance claim or policy is covered in full, plus 90% of the balance. Compulsory insurance claims are covered in full.
- *UK Investment firm*: The limit is £48,000 (100% of the first £30,000 and 90% of the next £20,000) per individual.

Full details can be obtained online from www.fscs.org.uk.

European Union Deposit Takers (including deposits with UK branches of those institutions):

- Minimum level of protection €50,000 per eligible depositor.

Ireland: For institutions regulated in Ireland

- Deposit guaranteed scheme covers 100% of first €100,000, per depositor per institution;
- Additionally 100% of deposits are covered until 28 September 2010 under the Irish Government's guaranteed arrangement scheme with the following institutions: Allied Irish Bank, Anglo Irish Bank Corporation Ltd, Bank of Ireland, Educational BS, Irish Life & permanent and Irish Nationwide BS.

Gibraltar Deposit Guarantee Scheme:

- 90% of deposits which qualify for compensation, subject to a maximum of £18,000 (or €20,000, if greater).

Isle of Man:

- Compensation of Depositors Regulations 2008 as amended by the Compensation of Depositors (*Amendment*) Regulations 2008 – up to £50,000 of net deposits per individual depositor.

Jersey and Guernsey:

- No depositor protection schemes.

Local Authorities:

- All monies borrowed by a local authority are secured on all the revenues of that authority (Local Government & Housing Act 1989).

We hope that you find this information of assistance.

Moneyfacts Protection Bulletin

This list covers the main UK banks and some of their subsidiaries operating abroad, showing you which brands operate under which firm's FSA authorisation and defining how much of your client's savings is protected by the Financial Services Compensation Scheme.

The FSA has announced that it will introduce fast payout rules for the Financial Services Compensation Scheme and deposits will be ring fenced where a depositor has savings and loans with the same firm. The fast payment rules will see compensation paid within a target of seven days and all payments will be made within 20 days. Payouts will also be made on a gross basis. The new rules will apply to banks, building societies and credit unions from 31 December 2010.

Financial Services Compensation Scheme: 020 7892 7300

Deposit taking firm: the limit is 100% of the first £50,000 per individual.
Insurance firm: 90% of the value of the claim without an upper limit. Compulsory insurance claims are covered in full.

Investment firm: the limit is 100% of the first £50,000 per individual.
Mortgage advising or arranging: the limit is 100% of the first £50,000 per individual.
Full details can be obtained online from www.fscs.org.uk

European Union deposit takers (including deposits with UK branches of those institutions): Minimum level of protection €50,000 per eligible depositor. The European Union is looking to increase this limit to €100,000 by 31 December 2010.

Gibraltar Deposit Guarantee Scheme: 100% of the total of all qualifying deposits up to a maximum of €50,000.

Guernsey: The first £50,000 per individual claimant per licensed bank.

Ireland: For institutions regulated in Ireland - deposit guarantee scheme covers 100% of first €100,000 per depositor per institution. Additionally 100% of all deposits are covered until 28 September 2010 under the Irish Government's guaranteed arrangement scheme with the following institutions: Allied Irish Bank, Anglo Irish Bank Corporation Ltd, Bank of Ireland, Educational BS, Irish Life & Permanent and Irish Nationwide BS.

Isle of Man: Compensation of Depositors Regulations 2008 as amended by the Compensation of Depositors (Amendment) Regulations 2008 - up to £50,000 of net deposits per individual depositor.

Jersey: No depositor protection scheme.

Local Authorities: All monies borrowed by a local authority are secured on all the revenues of that authority (Local Government & Housing Act 1989).

Netherlands: All Dutch banks that operate under licence from De Nederlandsche Bank are covered by the Dutch deposit guarantee scheme. The limit is €100,000 per person per institution until 31 December 2010.

Note: Those banks marked with EEA are incorporated in Europe, Norway, Iceland, Lichtenstein or Gibraltar (The European Economic Area). They may not offer the full £50,000 of protection but some have opted to do so. The list of those that have topped-up their protection can be found here:
http://www.fscs.org.uk/consumer/how_to_claim/deposits/eea_firms_that_have_topped_up



Who owns whom?

| Name | Owned by | Whose Deposit-taking (Banking) Licence? | Name | Owned by | Whose Deposit-taking (Banking) Licence? |
|------------------------------------|--|---|-------------------------------------|---|---|
| AA Financial Services | The Automobile Association Limited | Bank of Scotland plc | Buckinghamshire Building Society | Its own members | Buckinghamshire Building Society |
| Abbey | Santander Group | Abbey National plc | Butterfield Private Bank | The Bank of N.T.Butterfield & Son Limited | Butterfield Bank (UK) Ltd |
| Abbey International | Santander Group | Licensed in Jersey | C&G Channel Islands Ltd | Lloyds Banking Group | Licensed in Guernsey |
| Aldermore | Aldermore Bank plc | Aldermore Bank plc | cahoot | Santander Group | Abbey National plc |
| Alliance & Leicester | Santander Group | Alliance & Leicester plc | Cambridge Building Society | Its own members | Cambridge Building Society |
| Alliance & Leicester International | Santander Group | Licensed in the Isle of Man | Cater Allen Private Bank | Santander Group | Cater Allen Ltd |
| Allied Irish Bank | Allied Irish Bank plc | Allied Irish Banks plc (EEA - Ireland) | Century Building Society | Its own members | Century Building Society |
| Allied Irish Bank (GB) | Allied Irish Bank plc | AIB Group (UK) plc | Charity Bank | The Charity Bank Ltd | The Charity Bank Ltd |
| Anglo Irish Bank Corporation Ltd | Anglo Irish Bank Corporation Ltd | Anglo Irish Bank Corporation Ltd (EEA - Ireland) | Chelsea Building Society | Its own members | Chelsea Building Society |
| ASDA Internet Savings | Wal-Mart Stores Inc | Abbey National plc | Cheltenham & Gloucester | Lloyds Banking Group | Lloyds TSB Bank plc |
| Aviva | Aviva plc | Bank of Scotland plc | Chesham Building Society | Its own members | Chesham Building Society |
| Bank of China (UK) | Bank of China | Bank of China (UK) Limited | Cheshire Building Society | Nationwide Building Society | Nationwide Building Society |
| Bank of Cyprus UK | Bank of Cyprus Public Company Limited | Bank of Cyprus Public Company Limited | C Hoare & Co | C Hoare & Co | C Hoare & Co |
| Bank of Ireland (NI) | Bank of Ireland Group | Bank of Ireland (EEA - Ireland) | Chorley & District Building Society | Its own members | Chorley & District Building Society |
| Bank of Ireland (GB) | Bank of Ireland Group | Bank of Ireland (EEA - Ireland) | Citibank | Citigroup Inc | Citibank International plc |
| Bank of Scotland | Lloyds Banking Group | Bank of Scotland plc | City of Derry Building Society | Its own members | City of Derry Building Society |
| Bank of Scotland International | Lloyds Banking Group | Licensed in Jersey and the Isle of Man | Close Savings | Close Brothers Group plc | Close Brothers Limited |
| Barclays Bank | Barclays Bank plc | Barclays Bank plc | Close Wealth Management Group | Close Brothers Group plc | Close Brothers Limited |
| Barnsley Building Society | Yorkshire Building Society | Yorkshire Building Society | Clydesdale Bank | National Australia Bank Group | Clydesdale Bank plc |
| Bath Building Society | Its own members | Bath Building Society | Clydesdale Bank International | National Australia Bank Group | Licensed in Guernsey |
| Beverley Building Society | Its own members | Beverley Building Society | Coutts & Co | Royal Bank of Scotland Group | Coutts & Co |
| Birmingham Midshires | Lloyds Banking Group | Bank of Scotland plc | Coventry Building Society | Its own members | Coventry Building Society |
| BMW Savings | Transferred to Newcastle Building Society | Newcastle Building Society | Cumberland Building Society | Its own members | Cumberland Building Society |
| Bradford & Bingley | Santander Group | Abbey National plc | Darlington Building Society | Its own members | Darlington Building Society |
| Bradford & Bingley International | Santander Group | Licensed in the Isle of Man | Derbyshire Building Society | Nationwide Building Society | Nationwide Building Society |
| Bristol & West International | Bank of Ireland (IOM) Ltd, part of Bank of Ireland Group | Licensed in Guernsey | Direct Line | Royal Bank of Scotland Group | Royal Bank of Scotland |
| Britannia | The Co-operative Group | The Co-operative Bank plc | Dudley Building Society | Its own members | Dudley Building Society |
| Britannia International | The Co-operative Group | Licensed in the Isle of Man | Dunfermline Building Society | Nationwide Building Society | Awaiting decision |
| Brown Shipley | KBL European Private Bankers - owned by KBL Group NV | Brown Shipley & Co Limited (in the UK); KBL European Private Bankers S.A. in Luxembourg | Earl Shilton Building Society | Its own members | Earl Shilton Building Society |
| | | | Ecology Building Society | Its own members | Ecology Building Society |
| | | | Egg | Citigroup Inc. | Egg Banking plc |
| | | | Fairbairn Private Bank | Old Mutual plc | Licensed in Jersey and the Isle of Man |
| | | | first direct | HSBC Bank plc | HSBC Bank plc |
| | | | First Trust Bank | AIB Group (UK) plc | AIB Group (UK) plc |
| | | | First Trust Bank (NI) | AIB Group (UK) plc | AIB Group (UK) plc |
| | | | Furness Building Society | Its own members | Furness Building Society |



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| Name | Owned by | Whose Deposit-taking (Banking) Licence? | Name | Owned by | Whose Deposit-taking (Banking) Licence? |
|---|--|---|--------------------------------------|---|---|
| Halifax | Lloyds Banking Group | Bank of Scotland plc | Nottingham Building Society | Its own members | Nottingham Building Society |
| Halifax International | Lloyds Banking Group | Licensed in Jersey and the Isle of Man | Penrith Building Society | Its own members | Penrith Building Society |
| Hanley Economic Building Society | Its own members | Hanley Economic Building Society | Post Office@ | Royal Mail Group Ltd | Bank of Ireland (EEA - Ireland) |
| Harpenden Building Society | Its own members | Harpenden Building Society | Principality Building Society | Its own members | Principality Building Society |
| Hinckley & Rugby Building Society | Its own members | Hinckley & Rugby Building Society | Progressive Building Society | Its own members | Progressive Building Society |
| Holmesdale Building Society | Its own members | Holmesdale Building Society | Royal Bank of Canada (CI) | Royal Bank of Canada | Licensed in Guernsey |
| HSBC | HSBC Bank plc | HSBC Bank plc | Royal Bank of Scotland | Royal Bank of Scotland Group | Royal Bank of Scotland |
| HSBC Bank International | HSBC Bank | Licensed in Jersey | Royal Bank of Scotland International | Royal Bank of Scotland Group | Licensed in Jersey, Guernsey, Isle of Man and Gibraltar |
| ICICI Bank UK | ICICI Bank Limited | ICICI Bank UK plc | Saffron Building Society | Its own members | Saffron Building Society |
| ING Direct (UK) | ING Groep NV | ING Direct NV (EEA - Netherlands) | Saga | Saga Personal Finance Limited | Bank of Scotland plc |
| Intelligent Finance | Lloyds Banking Group | Bank of Scotland plc | Sainsbury's Finance | Sainsbury's Bank plc (50% owned by Bank of Scotland - a subsidiary of Lloyds Banking Group Plc, 50% by J Sainsbury plc) | Sainsbury's Bank plc |
| Investec Bank (Channel Islands) Limited | Investec plc | Licensed in Guernsey | Scarborough Investments Direct | Skipton Building Society | Skipton Building Society |
| Investec Bank plc | Investec plc | Investec Bank plc | Scottish Building Society | Its own members | Scottish Building Society |
| Ipswich Building Society | Its own members | Ipswich Building Society | Scottish Widows Bank | Lloyds Banking Group | Scottish Widows Bank |
| Irish Nationwide (IOM) | Irish Nationwide Building Society | Licensed in the Isle of Man | Secure Trust Bank | Arbutnot Banking Group plc | Secure Trust Bank plc |
| Irish Permanent International | Irish Life & Permanent plc | Licensed in the Isle of Man | Shephed Building Society | Its own members | Shephed Building Society |
| Isle of Man Bank | Royal Bank of Scotland Group | Licensed in the Isle of Man | Skipton Building Society | Its own members | Skipton Building Society |
| Julian Hodge Bank | Julian Hodge Bank Group | Julian Hodge Bank Ltd | Skipton International Limited | Skipton Building Society | Licensed in Guernsey |
| Kent Reliance Building Society | Its own members | Kent Reliance Building Society | Smile | The Co-operative Group | The Co-operative Bank plc |
| Leeds Building Society | Its own members | Leeds Building Society | Stafford Railway Building Society | Its own members | Stafford Railway Building Society |
| Leek United Building Society | Its own members | Leek United Building Society | Standard Chartered (Jersey) Ltd | Standard Chartered Bank | Licensed in Jersey |
| Lloyds TSB | Lloyds Banking Group | Lloyds TSB Bank plc | Standard Bank plc | Standard Bank of South Africa Limited | Standard Bank plc |
| Lloyds TSB Offshore Ltd | Lloyds Banking Group | Licensed in Jersey | Standard Life Savings | Barclays Bank PLC | Standard Life Bank Plc |
| Loughborough Building Society | Its own members | Loughborough Building Society | Stroud & Swindon Building Society | Its own members | Stroud & Swindon Building Society |
| Manchester Building Society | Its own members | Manchester Building Society | Swansea Building Society | Its own members | Swansea Building Society |
| Mansfield Building Society | Its own members | Mansfield Building Society | Teachers Building Society | Its own members | Teachers Building Society |
| Marfin Laiki Bank | Marfin Popular Bank Public Company Ltd | Marfin Popular Bank Public Company Ltd (EEA - Cyprus) | Tesco Bank | Tesco plc | Tesco Personal Finance plc |
| Market Harborough Building Society | Its own members | Market Harborough Building Society | The Co-operative Bank | The Co-operative Group | The Co-operative Bank plc |
| Marks & Spencer Money | HSBC Bank plc | Marks & Spencer Financial Services plc | The Co-operative Insurance | The Co-operative Group | The Co-operative Bank plc |
| Marsden Building Society | Its own members | Marsden Building Society | Tipton & Coseley Building Society | Its own members | Tipton & Coseley Building Society |
| MBNA Savings | Yorkshire Building Society | Yorkshire Building Society | Triodos Bank | Triodos Bank NV | Triodos Bank NV (EEA - Netherlands) |
| Melton Mowbray Building Society | Its own members | Melton Mowbray Building Society | Turkish Bank (UK) Ltd | Turkish Bank Limited | Turkish Bank (UK) Ltd |
| Monmouthshire Building Society | Its own members | Monmouthshire Building Society | Ulster Bank | Royal Bank of Scotland Group | Ulster Bank Limited |
| National Counties Building Society | Its own members | National Counties Building Society | United National Bank | United National Bank Limited | United National Bank Limited |
| National Savings & Investments | An executive agency of the Chancellor of the Exchequer | n/a | United Trust Bank | United Trust Bank Limited | United Trust Bank Limited |
| Nationwide Building Society | Its own members | Nationwide Building Society | Vernon Building Society | Its own members | Vernon Building Society |
| Nationwide International | Nationwide Building Society | Licensed in the Isle of Man | Virgin Money | Virgin Group | Royal Bank of Scotland |
| NatWest | Royal Bank of Scotland Group | National Westminster Bank plc | Wesleyan Bank | Wesleyan Assurance Society | Wesleyan Bank Limited |
| Newbury Building Society | Its own members | Newbury Building Society | West Bromwich Building Society | Its own members | West Bromwich Building Society |
| Newcastle Building Society | Its own members | Newcastle Building Society | Whiteaway Laidlaw Bank | Manchester Building Society | Whiteaway Laidlaw Bank Limited |
| Northern Bank | Danske Bank Group | Northern Bank Limited | Woolwich (Guernsey) | Barclays Private Clients International Limited | Licensed in Guernsey |
| Northern Rock | Northern Rock plc - in temporary public ownership | Northern Rock plc | Yorkshire (Guernsey) | Yorkshire Building Society | Licensed in Guernsey |
| Northern Rock (Guernsey) Limited | Northern Rock plc - in temporary public ownership | Licensed in Guernsey | Yorkshire Bank | National Australia Bank Group | Clydesdale Bank Ltd |
| Norwich & Peterborough Building Society | Its own members | Norwich & Peterborough Building Society | Yorkshire Building Society | Its own members | Yorkshire Building Society |
| | | | Zurich Bank International Ltd | Zurich Bank | Licensed in the Isle of Man |