



Mr E Brown
Chairman
Lloyds TSB Group Pension Trust (No 1) Limited
25 Gresham Street
London
EC2V 7HN

Dear Mr Brown

Pension Fund

In your recent note to staff you said that the Trustees have a legal obligation to act in the best interests of all the Pension Scheme members. Trust law says that for Scheme members, best interests means their financial interests and the Trustees have an obligation to do everything in their powers to secure the best returns for staff. That legal obligation is the same whether it's ensuring that the Trustees appoint the best performing Investment Managers or ensuring the best possible deal for pension scheme members by securing the maximum contributions from the sponsoring employer.

How do you reconcile your legal obligations and the Trustees decision not to bring forward the full actuarial valuation?

Yours sincerely