



HOUSE OF COMMONS

LONDON SW1A 0AA

Adrian White
Chief Operating Officer, Commercial Banking
Lloyds Banking Group plc
10 Gresham Street
London EC2V 7AE

2nd October 2018

Dear Adrian,

Further to your conversation with Heather last week, I am following up on behalf of the All Party Parliamentary Group on Fair Business Banking. We have received several representations from victims who have both settled and not settled expressing their concern and frustration with their treatment by the bank, their settlement terms and the Griggs Review.

We are unable to accept the position that because a victim has settled with 'independent legal advice' that this is confirmation of a satisfactory outcome. From the feedback we have received, the only advice that one can receive is either take the funds or choose to go down a long and litigious process, which, as we all know, is nigh on impossible.

It is our unwavering view that a process such as the Griggs review, which is completely opaque and one-sided, is fundamentally flawed. This is further compounded by our concerns and suspicions that the documentation upon which the bank is depending was in the control of proven criminals, and is tainted. We have discussed these same concerns many times over the past two years, indeed at our meeting last month with David Oldfield and yourself, you agreed that a truly independent redress scheme would be "fantastic" and inordinately preferable to an internal review. For as long as the process remains as it is, we are unable to have any confidence in it.

Turning to balance, we will always look at both sides of a situation, and we are equally cognisant of your duties to your shareholders and the corporate entity. However, bearing in mind that the bank is currently acting as judge, jury and executioner in its own review based on information that is not open to scrutiny, it is unreasonable to ask everyone to simply 'trust you' (or Russell Griggs, for that matter). The scales are entirely weighted in favour of your bank; our job is to provide balance.

It is important to note that we have taken this stance not as a result of the details of any one individual case, but due to consistent feedback from various parties, many of whom do not speak with each other or know each other. Ultimately, due to the one-sided nature of the information flow, and the lack of willingness to engage on a transparent basis with the victims, we can only try and support the victims in the face of an unacceptably uneven playing field.

There are outstanding cases where the victims have taken the decision to opt out of the review. I would like to suggest to you that, via the APPG's contact with the Chartered Institute of Arbitrators, we arrange for a meeting to find the best path forward so that the final cases can be professionally mediated. As you are aware, this is a path that the APPG offered almost two years ago and we sincerely hope that we can move things forward in a fair, swift and decisive manner.



I would also like to query with the settlement agreement, a sample of which was sent to the Treasury Select Committee by Professor Griggs. We have had representations regarding section 4 of the agreement, which deals with confidentiality. There appears to be confusion with regard to the exceptions. It is our understanding that 4.2.3 allows the victims to still speak voluntarily with the police, regulators, MPs, etc about their case and concerns, and that they are able to do so without informing Lloyds. However, concern have been expressed that signatories would only be able to speak with police if presented with a court order.

As you are aware, there are several ongoing inquiries into this situation, and we have received numerous assurances from Lloyds that it will cooperate with all investigations and that it wants to get to the bottom of this case. Can I therefore have your assurances that any of the victims that wish to present information to any law enforcement agency, regulator, MP or parliamentary group may do so freely and without the need to inform the bank.

Yours sincerely,

Kevin Hollinrake MP
Co-Chair for the All Party Parliamentary Group on Fair Business Banking

Cc:

Andrew Bailey, Chief Executive, Financial Conduct Authority
António Horta-Osório, Executive Director and Group Chief Executive, Lloyds Banking Group plc
Juan Colombás, Executive Director and Chief Operating Officer, Lloyds Banking Group plc
George Culmer, Executive Director and Chief Financial Officer, Lloyds Banking Group plc
The Lord Blackwell, Chairman, Lloyds Banking Group plc
Anita Frew, Deputy Chairman and Senior Independent Director, Lloyds Banking Group plc
David Oldfield, Group Director, Commercial Banking, Lloyds Banking Group plc
Alan Dickinson, Independent Director, Lloyds Banking Group plc
Simon Henry, Independent Director, Lloyds Banking Group plc
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