

LLOYDS
BANKING GROUP



Kevin Hollinrake MP
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22nd November 2018

Dear Mr Hollinrake,

Thank you for your letter of 21st November 2018 addressed to Antonio Horta-Osorio who has asked that I respond on behalf of the Group.

We recognise your interest in these matters, many of which have also been raised by other parties in correspondence with the Group, and you are aware the Board has appointed Dame Linda Dobbs, a retired High Court judge, to consider whether the issues regarding HBOS Reading were investigated and appropriately reported by Lloyds Banking Group following its acquisition of HBOS.

Dame Linda's review will consider many of the questions set out in your letter and we continue to believe that this is the right way in which all of the relevant information and evidence can be gathered and reviewed in a complete and authoritative way. In particular, you will have noted from the press statement that you refer to that the Group and Sally Masterton have both agreed that Dame Linda's review is the appropriate forum for considering matters in relation to the "Turnbull Report".

As you know, the Police were investigating the issues at HBOS Reading from 2011 and the Group cooperated with the Police throughout their investigation. Indeed, the "Turnbull Report" was provided to regulators and the police in 2014 so that they could make use of any information it contained in their investigations.

I note that you will be contacting the FCA and we will respond to any further queries that they raise with the Group. As you know the FCA are investigating the extent and nature of the knowledge of the HBOS Reading incident within HBOS and its communications with the Financial Services Authority.

Yours sincerely,