

KEVIN HOLLINRAKE MP



HOUSE OF COMMONS

LONDON SW1A 0AA

Rt Hon Nicky Morgan MP
Chair of the Treasury Committee
House of Commons
London
SW1A 0AA

28th March 2019

Dear Nicky,

Re: The Bank Signature Forgery Campaign

Thank you for your letter dated 15th March 2019 and for the Committee's interest in the overall results of the campaign. I would, however, respectfully urge the Committee to undertake an immediate inquiry into the alleged forgery of signatures on bank court documents in cases against business and personal customers and that Mr Horta-Osório be called to give evidence in front of your Committee for his personal conduct.

The Campaign has already received evidence of alleged bank signature forgery on the court documents of UK banks and finance companies in cases against customers and some illustrative examples are attached. If signatures have been forged, then constituents may have been fraudulently evicted from their homes or had court judgments for other consumer or business debt secured against them through fraud.

On 13th February 2019 I wrote to António Horta-Osório, Chief Executive of Lloyds Banking Group, regarding alleged signature forgery on Lloyds court documents and the subsequent conduct by Lloyds Board towards the customers who first reported it to Lloyds (enclosed).

It appears that Lloyds is simply repeating the same conduct it displayed towards the customers who first formally notified the bank of the HBOS Reading fraud, as documented in the Project Lord Turnbull Report. My letter to Mr Horta-Osório therefore contained some extremely serious questions regarding his reasoning and conduct personally.

As the APPG has experienced previously, the letter in response from Lloyds dated 21st February 2019 (enclosed) was sent by a delegated subordinate and failed to answer the questions. It also appeared to be highly misleading to the recipients including a Government Minister and the regulator as well as appearing to repeatedly contradict itself. This was noted in my subsequent letter to Mr Horta-Osório dated 28th March 2019 (enclosed).

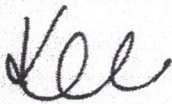
My concern is that Lloyds corporately, and its Chief Executive personally, are now demonstrating a persistent course of conduct that when asked questions by Members of Parliament, they routinely refuse to answer them and when asked for a personal response, Mr Horta-Osório continually refuses and evades responding personally.

I urge the Committee to require Lloyds and its solicitors to provide it with the repeatedly requested signature comparison information, including for Lloyds own staff. This information will confirm whether or not signatures on Lloyds court documents have been forged on an industrial scale, which may explain why Lloyds has repeatedly withheld and concealed this evidence from the customers and the Court.

May I ask if the Committee would hear evidence from the customers in the illustrative example in my letter to Mr Horta-Osório, along with evidence from numerous other customers of Lloyds and other banks who also allege that signatures on banks court documents have been forged?

Seemingly, therefore, the most appropriate way to have these questions answered is by way of a Treasury Select Committee inquiry.

Yours ever,



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

Cc:

Rushanara Ali MP
Steve Baker MP
Colin Clark MP
Simon Clarke MP
Charlie Elphicke MP
Stewart Hosie MP
Alison McGovern MP
Catherine McKinnell MP
John Mann MP
Wes Streeting MP

Enclosed:

- Series of example signatures on various banks' court documents signed in the name of the same person
- Two page overview of alleged bank signature forgery in the UK, including the response by the Board at Lloyds Banking Group to the formal notification by customers of the alleged fraud by the bank
- Customer letter dated 13th September 2018 to António Horta-Osório
- My letter dated 13th February 2019 to António Horta-Osório, CEO of Lloyds Banking Group
- Response letter dated 21st February from António Horta-Osório received 4th March 2019
- My letter dated 28th March 2019 to António Horta-Osório

Morgan

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Morgan

Statement of Truth

~~* I believe that the facts stated in this checklist are true.~~
* I am duly authorised by the claimant to sign this statement.

Signed



Full name

Statement of Truth

~~* I believe that the facts stated in this checklist are true.~~
* I am duly authorised by the claimant to sign this statement.

Signed

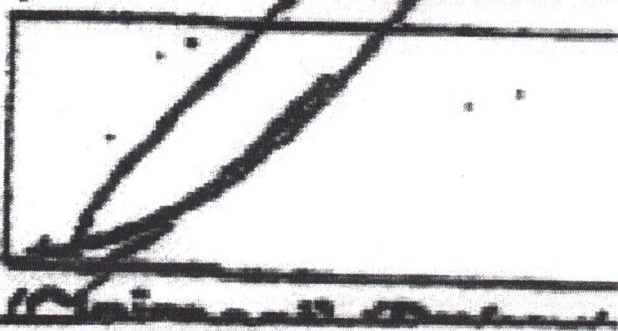


Full name

④

that the facts are

Ms Natalie



⑤

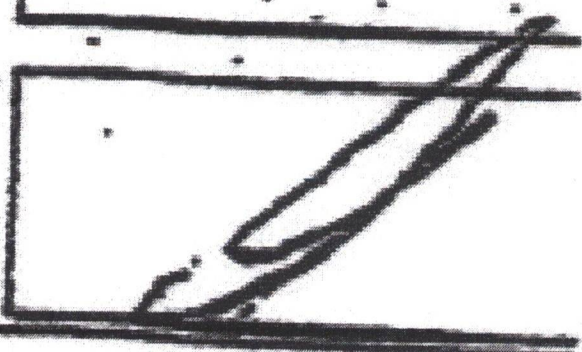
that the facts are

Ms Natalie



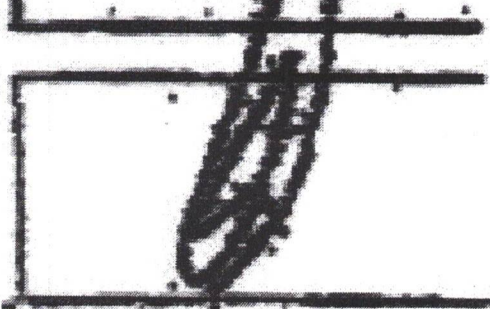
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Ms Natalie

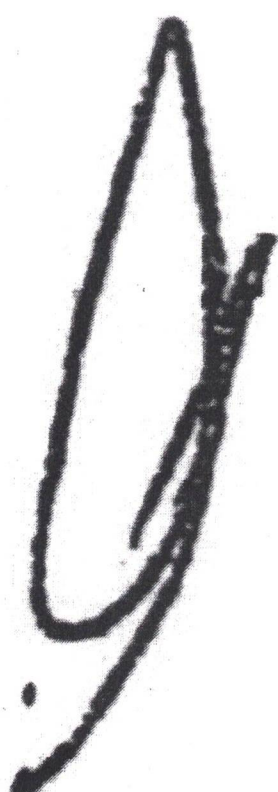


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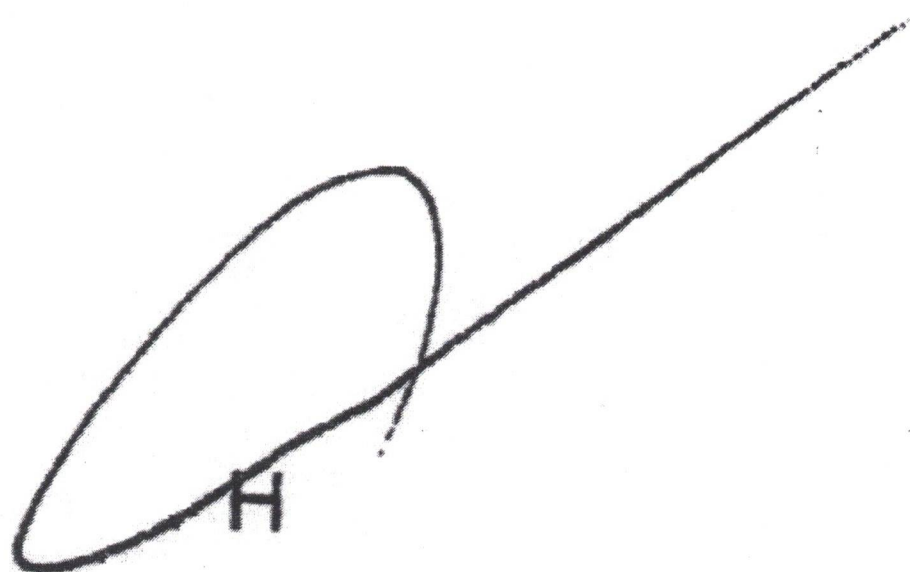
Ms Natalie



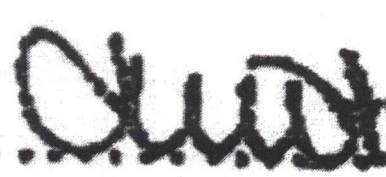
H



A large, bold, handwritten cursive letter 'H' in black ink. The letter is slanted to the right and has a thick, dark stroke. A small dot is visible at the bottom left of the letter.



A large, handwritten cursive letter 'H' in black ink. The letter is slanted to the right and has a long, thin tail that extends upwards and to the right. A small 'H' is written inside the loop of the letter.

..... 

H

António Horta-Osório
Executive Director and Group Chief Executive
Lloyds Bank
25 Gresham Street
London
EC2V 7HN

**Private & Confidential
For Addressee Only**

13th September 2018

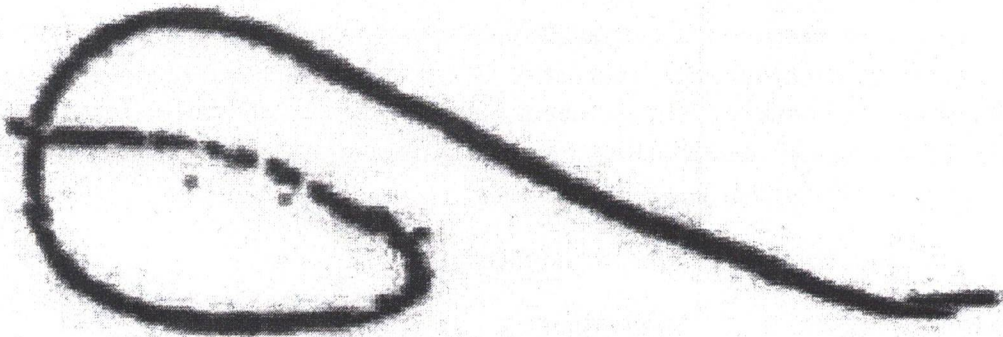
By guaranteed next day recorded delivery

Dear Mr Horta-Osorio,

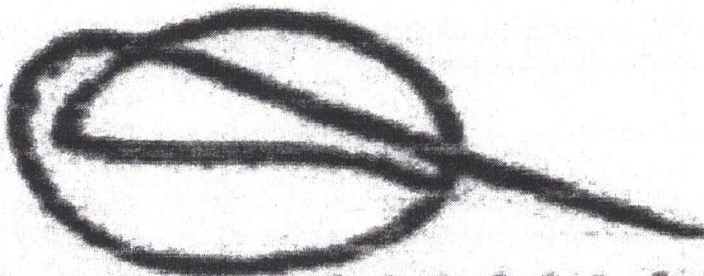
1 Your personal risk of complicity in Lloyds alleged proceeds of crime of forgery

The two Lloyds court documents below were both signed in the name of the same person, and resulted in Lloyds receiving over £200,000 ie the alleged proceeds of the crime of forgery was over £200,000 just in one case.

Signature in _____ name on Checklist – signature only



Signature in _____ name on Witness Statement – signature only



As you can clearly see:

- The Checklist signature starts to the **right** and loops **down**. The Witness Statement signature starts to the **left** and loops **up**
- The start and end of the Checklist signature point in **opposite** directions. The start and end of the Witness Statement signature point in the **same** direction
- The Checklist signature is a sideways number 6. The Witness Statement signature is a circle bisected by 2 lines

A Department of Justice forensic scientist with 27 years' experience as a questioned document examiner has confirmed that the construction of the signatures is different, supporting the allegations that the signatures were signed by different people and therefore that one or both signatures were forged.

My previous letter to you dated 13 June 2018 formally notified you personally as a member of the Group Executive Committee, and Lloyds Bank corporately, of alleged persistent dishonesty by Lloyds, including forged signatures on Lloyds court documents, and asked you personally to write to the Court to admit Lloyds persistent dishonesty in this case.

You failed to write to the Court and to send a copy to me as requested. Lloyds continued to pursue litigation against the customer in full knowledge of the alleged forged signatures on Lloyds court documents. You personally, and Lloyds corporately, were therefore fully aware that Lloyds was pursuing a customer in order to obtain further alleged proceeds of the crime of forgery on Lloyds court documents.

Lloyds is still continuing to pursue the customer.

You personally now have a clear choice:

You can choose to send the attached letter to the Court admitting the alleged forgery of signatures on Lloyds court documents in this case

or

You can choose not to send the letter to the Court and thereby may risk appearing wilfully complicit in Lloyds continuing attempts to obtain further alleged proceeds of the crime of forgery on Lloyds court documents

2 Your personal risk of complicity in alleged potential financial misstatements in Lloyds Q3, Q4 and 2018 annual accounts

My previous letter to you dated 13 June 2018 formally notified you that:

systemic forgery of signatures on banks' court documents in repossession cases had already been investigated by all 50 state Attorney Generals in the USA and resulted in penalty payments by US banks of USD\$25 billion and the review of 4 million repossession cases by banks against consumers. The industrial-scale forgery of signatures on banks' court documents became known as foreclosure fraud and robo-signing and was described as "the largest consumer

fraud in American history". A common foreclosure fraud technique was to forge signatures in a person's name using initials or symbols as these were easier for teams of people to forge rather than the person's full name.

My previous letters to Lloyds NEDs repeatedly formally notified Lloyds of allegations that:

- *the systemic signature forgery on Lloyds court documents was identical to the industrial-scale signature forgery / foreclosure fraud in the USA;*
- *the resulting payments and property received by Lloyds were therefore the proceeds of the crime of fraud;*
- *the scale of provisions required for Lloyds systemic signature forgery in cases against consumers for secured and unsecured debt since at least 2010 could exceed the (then) £17 billion provision for another Lloyds industrial-scale systemic scandal – PPI;*
- *the signature forgery on Lloyds court documents would therefore require a provision and statement in Lloyds quarterly and annual accounts;*
- *the failure to include any statement or provision in Lloyds accounts regarding the signature forgery on Lloyds court documents would be wilfully misleading to current and future investors.*

You personally now have a clear choice:

You can choose to instruct your staff to ensure that:

- an immediate comprehensive audit of the signatures on all Lloyds court documents since 2010 is conducted *before* Lloyds Q3, Q4 and 2018 annual accounts are published, and
- Lloyds Q3, Q4 and 2018 annual accounts contain written statements explicitly informing stakeholders of the signature forgery on Lloyds court documents and the similarities with the foreclosure fraud scandal in the USA, and provisions explicitly for signature forgery on Lloyds court documents, which could easily exceed the current provisions for PPI

or

You can choose not to instruct your staff as above and thereby may risk appearing wilfully complicit in Lloyds alleged potential financial misstatements in its Q3, Q4 and 2018 annual accounts

3 Comprehensive audit of signatures on Lloyds court documents since at least 2010

Lloyds clearly cannot responsibly publish its Q3, Q4 and 2018 annual financial statements before carrying out a comprehensive audit of the signatures on all its court documents in cases against customers. The signatures on all Lloyds court documents since at least 2010 must be reviewed as part of the audit. In addition, every symbol signature, initials signature and electronic signature (where anyone could fraudulently type in the name of the same person to forge that person's signature on a signed statement of truth) should be an immediate red flag for the audit team.

To assist you with your audit of the signatures on Lloyds court documents, I have outlined below:

- the sections of Lloyds court documents which will need to be reviewed
- minimum additional checks to identify that forgery is occurring
- the documents which will need to be reviewed
- the scale of provisions which could be required in Lloyds financial statements

3.1 The sections of Lloyds court documents which will need to be reviewed

The audit of the signatures on Lloyds court documents will need to focus on the signed statement of truth section at the end of Lloyds court documents, which includes: a phrase like "I believe the facts stated in this document are true"; the signature (physical or electronic); the name of the person who signed the document; and the date it was signed. I have included below examples of the signed statements of truth sections on Lloyds court documents:

Signature in _____ **name on Checklist – signed statement of truth section**

Statement of Truth

* I believe that the facts stated in this Checklist are true.

* I am duly authorised by the claimant to sign this statement.

Signed _____

Date 07/07/10

Full name _____

Signature in _____ **name on Witness Statement – signed statement of truth**

13. The information in this witness statement has been provided by the Claimant. I believe that the facts stated in this witness statement are true.

Signed _____

Dated 14th July 2010

Signature in _____ **name on Claim form – signed statement of truth**

Statement of Truth

We believe that the facts stated in this form are true.
I am duly authorised by the claimant to sign this statement.

Signed _____

date 28 June 2010

3.2 Minimum additional checks to identify that forgery is occurring

In addition to visually comparing signatures signed in the name of the same person, a secondary complementary check is to compare the dates during the year when court documents were signed in the name of the same person, with the dates when that person was absent from work. Clearly, if court documents were being signed in a person's name when that person was absent from work, forgery was occurring.

This should be used as a secondary complementary check to identify that forgery was occurring. When teams of people are forging one person's signature, they may be doing so when the person is present at work as well as absent from work. The fact that a person is present at work does not mean that forgery is not occurring. So this check cannot be used to show forgery was not occurring.

3.3 The documents which will need to be reviewed

The audit will need to include specific documents listed or referred to in the schedule of comparison information in my previous letters to Lloyds Non-Executive Directors of 13 September 2016 and enclosed again with my subsequent letter to NEDs of 2 November 2016. These include:

- Every document containing a statement of truth signed in the name of _____ and dated between 1 January 2010 and 31 December 2010
- The attendance records for _____ between 1 January 2010 and 31 December 2010 showing when _____ was absent from work, including for example through being on holiday
- Every document containing a statement of truth signed in the name of _____ and dated between 1 January 2010 and 31 December 2010.
- The attendance records for _____ between 1 January 2010 and 31 December 2010 showing when _____ was absent from work, including for example through being on holiday.

The comparison information listed above is only part of the documentation which must be reviewed. The comprehensive audit should include the signatures on all Lloyds court documents since at least 1 January 2010. In the USA, government officials in various counties investigating fraudulently forged signatures on banks' court documents reported that in one county 74% of bank court documents reviewed had suspect signatures, while another county found over 25,000 bank court documents that had suspect signatures (the average population of US counties is around 100,000 people), with the earliest dating as far back as 1998. If your initial comprehensive audit from 2010 onwards finds any suspect signatures on Lloyds court documents, the audit should be extended back to at least 1998.

3.4 Scale of provisions which could be required in Lloyds financial statements

The scale of provision could be:

- for all Lloyds group products (consumer and business, secured / mortgage, credit cards, loans, overdrafts, motor finance etc)

- all money received by Lloyds (ie the alleged proceeds of crime) after the issue by Lloyds to the customer of any Lloyds court document eg claim form, signed in a name with suspect signatures
- each year, from at least 2010 onwards and potentially as far back as 1998 (as in the USA) or even earlier

The scale of provision required in Lloyds Q3, Q4 and 2018 annual accounts could therefore easily exceed Lloyds £19 billion provision so far for PPI.

3.5 Your personal risk of complicity in alleged potential perverting justice

Please note that if Lloyds makes any attempts to destroy, conceal, amend or fabricate any information regarding the alleged fraudulent forgery of signatures on Lloyds court documents, it may risk appearing that you personally are complicit in alleged potential perverting the course of justice

4 Audit of signatures also required given Lloyds publicly stated objectives & culture

Given Lloyds publicly stated objectives and culture, it would clearly be extremely irresponsible and impossible for Lloyds to release its Q3, Q4 and 2018 annual accounts as being a true and fair view without first completing a comprehensive audit of signatures on Lloyds court documents since at least 2010:

- The opening paragraph of Lloyds 2017 accounts states *We are creating a responsible business that better meets our customer needs and a culture where our colleagues put customers first*
- *Our Purpose. Helping Britain prosper. We are a responsible business* (page 11)
- *Running a responsible business for all our stakeholders* (page 11)
- *Doing business responsibly underpins our purpose and is supported by our Group values and Code of Responsibility* (page 18)
- *We use advanced technology to protect customers money...and systems that prevent fraud...we helped to set the strategic direction for fraud prevention* (page 23)
- *We also championed the national rollout of the Banking Protocol...An estimated £9 million of fraud was prevented through the Protocol this year* (page 23)
- *We also encourage them to speak up, challenge and act if they witness or suspect wrongdoing* (page 24)
- *minimising conduct risk is critical to meeting our strategic goals and meeting regulatory standards* (page 35)
- *The Groups ongoing commitment to good customer outcomes sets the tone from the top* (page 134)

In addition, clearly any *responsible business* that *puts customers first* would not hesitate for a second to launch a comprehensive audit to determine whether it had defrauded customers through the industrial-scale forgery of signatures on its court documents in cases against customers.

A responsible business that invested in anti-fraud advanced technology to protect customers money, had helped to set the strategic direction for fraud prevention, and championed anti-fraud initiatives which prevented £9 million of fraud, would leave no stone unturned to check if it had defrauded its own customers of £19 billion through the industrial-scale fraudulent forgery of signatures on its court documents

A responsible business would ensure that customers who speak up, challenge and act if they witness and suspect wrongdoing, for example, by repeatedly formally notifying Lloyds Executives and Non-Executives of alleged industrial-scale forgery of signatures on Lloyds court documents, would be encouraged and thanked.

As doing business responsibly underpins our purpose and is supported by our Group values and Code of Responsibility, Lloyds Executives and NEDs would set the tone from the top by immediately launching a comprehensive audit to stop any future conduct risk of fraudulent forgery of signatures on its court documents and identify any and all previous cases of such conduct risk

5 Next steps

Please would you therefore

- Send the attached letter to the Court admitting the forgery of signatures on Lloyds court documents in this case
- Write to your staff instructing them to conduct an immediate comprehensive audit of the signatures on all Lloyds court documents since 2010

Please send me copies of your letters to the Court and your staff so they reach me within 10 days of the date of this letter.

Yours sincerely

Julian Watts

Address for all communication:

The Court Manager
Bournemouth County Court
Courts of Justice
Deansleigh Road
Bournemouth
BH7 7DS

Claim Reference:

Claimant: Lloyds Bank

Defendant:

By guaranteed next day recorded delivery

September 2018

Dear Sir

I am a member of the Group Executive Committee of Lloyds Bank.

In accordance with my personal duty and corporate duty to the Court, I admit that the signatures on the Claimant's claim form, particulars, checklist and witness statement in this case, which were all signed in the name of _____ were not all signed by _____ and therefore that one or more of the signatures were forged.

I have today sent a copy of this letter to the Defendant by guaranteed next day recorded delivery

Yours faithfully

Signed:

Print Name:

Position:

KEVIN HOLLINRAKE MP



HOUSE OF COMMONS

LONDON SW1A 0AA

António Horta-Osório
Group Chief Executive
Lloyds Banking Group
25 Gresham Street
London EC2V 7HN

13th February 2019

Dear Mr. Horta-Osório

As you are aware, all 50 US state Attorney Generals have already investigated the industrial-scale forgery of signatures on banks' court documents in cases against customers. The investigation resulted in penalty payments by US banks amounting to \$25 billion and the review of four million court cases by banks against customers.

The US Department of Justice described the penalty payments as "*the largest consumer financial protection settlement in United States history*". The industrial-scale forgery of signatures on banks' court documents in cases against consumers was described as "*the largest consumer fraud in American history*".

You were repeatedly notified personally of alleged forged signatures on Lloyds court documents. In fact, each of the top 24 Lloyds Banking Group Non-Executive Directors, Executive Directors, Group Executive Committee members and attendees have been personally notified formally of alleged forged signatures on Lloyds court documents up to five times since 2016.

The response and conduct by Lloyds to customers who first formally notified Lloyds of alleged fraudulent forgery of signatures on Lloyds court documents appears to be very similar to Lloyds' response and conduct towards customers who first formally notified Lloyds of the fraud at HBOS Reading, as documented in the Masterton report.

It appears that nothing has changed as a result of the HBOS Reading fraud. Lloyds appear to be repeating the same conduct and response to customers who have provided your bank with evidence of alleged signature forgeries. Evidence was provided to you in 2016 by a customer:

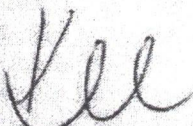
- Seven days after a customer's husband wrote to Lloyds Non-Executive Directors formally notifying them of alleged forged signatures on Lloyds court documents, Lloyds recommenced litigation against the customer after a gap of over six years.
- Lloyds then formally offered four times to withdraw the litigation if the customer signed an NDA gagging her from talking about the criminal allegations of fraudulently forged signatures. (The customer did not sign the NDA).
- Lloyds refused eight times over four years to provide signature comparison information which would confirm whether or not signatures were being forged on Lloyds court documents.
- Lloyds refused to conduct an audit of signatures on Lloyds court documents and refused to make any statement or provision regarding signatures on its court documents in its 2016, 2017 & 2018 annual accounts.

As a result, there are some extremely serious questions which, as Group CEO, you personally need to answer, including:

1. Why did Lloyds recommence litigation against the customer after a gap of six years just seven days after the customer's husband formally notified Lloyds Non-Executive Directors of alleged fraudulent forgery of signatures on Lloyds court documents?
2. Why did Lloyds then formally offer four times to withdraw the litigation if the customer signed an NDA gagging her from talking about the criminal allegations of fraudulently forged signatures?
3. As Chief Executive, please state if it is Lloyds' corporate policy to attempt to silence customers who notify it of alleged fraud by the bank, for example through using litigation in an attempt to intimidate customers and using NDAs in order to gag customers from speaking about alleged criminality by Lloyds?
4. Why has Lloyds refused eight times to provide the requested signature comparison information which would clearly confirm whether or not signatures have been forged on Lloyds court documents?
5. Why did you, as CEO, and Lloyds Board refuse to conduct an audit of signatures on Lloyds court documents despite being personally formally notified of alleged forged signatures on Lloyds court documents up to five times since 2016 and despite being fully aware that the identical issue of forged signatures on US banks court documents had already been investigated by all 50 US state Attorney Generals resulting in penalty payments by banks amounting to \$25 billion and the review of four million court cases?
6. What is the total number of claims and the total amount of all sums claimed in Court claim forms by Lloyds Banking Group including all its subsidiaries, in all cases against personal and business customers, for all types of financial products (including mortgage, credit card, bank overdraft, personal loan, car loan, business loan etc), each year since 1 January 1998?
7. Why did you, as CEO, and Lloyds Board refuse to include any statement or provision regarding alleged forged signatures on Lloyds court documents in its 2016, 2017 & 2018 annual accounts?

As the answers to these questions includes your personal conduct and reasoning, I look forward to receiving a full response from you personally. I mention that as you have previously failed to respond to questions to you personally regarding your conduct as CEO by delegating the response to subordinates.

Yours sincerely,



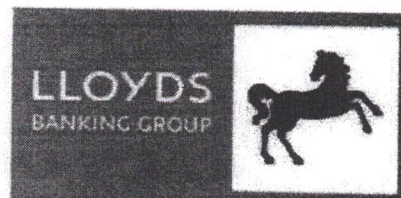
Kevin Hollinrake MP
Co-Chair of the All-Party Parliamentary Group on Fair Business Banking

Cc: Andrew Bailey, Chief Executive, Financial Conduct Authority
Stephen Jones, Chief Executive, UK Finance
Benedict Brogan, Group Public Affairs Director, Lloyds Banking Group

RECEIVED

04 MAR 2019

Benedict Brogan
Group Public Affairs Director



Kevin Hollinrake MP
Chairman
APPG on Fair Business Banking
House of Commons
London SW1A 0AA

Lloyds Banking Group plc
25 Gresham Street
London
EC2A 3RU

21 February 2019

Dear Kevin,

Thank you for your letter to António Horta-Osório of February 14. I know you and I have been in touch about it informally since, but I thought you should have a more formal reply that reflects the preliminary conversations we have had here.

I am grateful to your office for confirming that your letter in fact refers to a single case, that of Mr and Mrs Julian Watts. A review of this customer case has been underway since the end of last year. As you know it dates back to June 2010, when Lloyds Bank began court proceedings over a mortgage that was in arrears. Mr and Mrs Watts made allegations of false statements in the course of two court hearings that year, which were dismissed by two different judges who granted the Bank permission to take possession of the property. This is always a regrettable action of last resort on the Bank's part but, as was explained to the Court, we had not been able to reach agreement with the customer for repayments on their borrowing.

As part of our complaints procedure, Mr and Mrs Watts' allegations have been investigated again subsequently by both our in-house legal department and the solicitors who were instructed to act for the bank in repossession proceedings. In the light of these reviews, we can confirm that all the details within the court documents were accurate, and where necessary signed by the appropriate person. We are surprised and disappointed therefore that Mr and Mrs Watts continue to make these allegations in public. You may find the attached letter from our solicitors TLT LLP to Mrs Watts helpful, as it sets out in detail why they are mistaken.

I remain concerned that in your letter you refer several times to 'customers', which gives the impression that this issue has been raised with the Bank by many others. Clearly, if any other cases with similar allegations have indeed been brought to your attention please do let me have the details. Evidence of wrongful behaviour should be reported, but you will appreciate the risk of repeating claims and evidence that have been tested and even dismissed – sometimes repeatedly – in the courts. If you have any relevant evidence I would be grateful if you could ensure we receive the specifics to allow us to investigate, and I would urge you, as before, to encourage all those you deal with to bring that evidence to the appropriate authorities at the earliest opportunity.

On the general point about so-called forged signatures, we simply do not recognise the issue as you set it out. We are confident that the solicitors who act for us in all UK jurisdictions are professionals who are subject to their own professional and regulatory obligations and owe a duty to the Court. To the best of my knowledge, there has been no suggestion of a similar issue in the UK over the years since the US issue arose. Nor, to my knowledge, has there been any suggestion of this being raised as an industry-wide issue in the UK Courts. As I say, do please bring to our attention any evidence to the contrary.

Finally, on a specific point, you repeat your allegation about Lloyds attempting to "silence customers" who allege fraud by "using NDAs in order to gag customers". As we have said before, and continue to say, this is untrue. Our proceedings or agreements with customers or former customers, whether NDAs or otherwise, do not prevent them from raising any concerns, issues or evidence with the police, the FCA or any other lawful authority.

BENEDICT BROGAN
Group Public Affairs Director

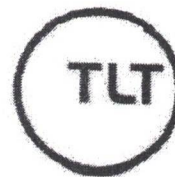
Cc: Andrew Bailey, Chief Executive, Financial Conduct Authority
Stephen Jones, Chief Executive, UK Finance
John Glen MP, Economic Secretary to HM Treasury

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DX 14402 Manchester 2

www.TLTsolicitors.com

Our ref
Your ref



Strictly private and confidential

Mr Julian Watts

Direct tel

Date 16 August 2018

Direct fax

Email

Dear Mr Watts

Our Client: Lloyds Bank Plc

I further refer to your numerous letters dated 16 June 2018 addressed to various partners of this firm, including myself.

Most, if not all, of the allegations which you raise were referred to at the hearing of our client's claim for money judgment to be awarded against Mrs Watts (the Claim) on 5 July 2018, at which we were both present. However, as the supervising partner overseeing this matter, I respond to your correspondence as follows.

1 **Systemic forgery of signatures on Banks' Court documents**

Your allegations that TLT systemically forge signatures to court documents (or indeed any documents) are denied in their entirety.

You and/or Mrs Watts (whom you are representing in the Claim) have sought to allege that the signature of [redacted] of this firm to various documents are not her own, to include that [redacted] was absent from the office on the dates when the documents were signed by her. I have reviewed your allegations against our confidential absence records and I inform you that these have no merit.

The claim form and particulars of claim were sent to the court electronically for issuing on 28 June 2010. [redacted] was not absent from the office on that date, or indeed any other date in June 2010.

The pre-action protocol checklist was signed by [redacted] on 7 July 2010 and her witness statement was signed by her on 14 July 2010. The only date in July 2010 upon which [redacted] was absent from the office was 16 July 2010, being two days' later.

Our client was awarded a Possession Order over Mrs Watts' former property at _____) on 3 August 2010. Notwithstanding that _____ did not file or serve any further documents subject to a statement of truth following her witness statement of 14 July 2010, she was not absent from the office from 16 July 2010 to the date of the hearing. _____ absence from the office from the date the Possession Order was awarded is irrelevant given that she ceased to have conduct of the Claim upon Mrs Watts filing her Appellant's Notice.

2 Instruction of TLT LLP in the Claim

Your allegations that we/our client amended/concealed evidence from the court and/or that our client's former solicitors, _____ ceased to act for reasons relating to dishonesty, are denied in their entirety. Our client instructed this firm to take over conduct of the Claim on its behalf in view of our knowledge of the background as to how the shortfall on Mrs Watts' mortgage account accrued and also the allegations which were previously raised during the possession proceedings relating to Mrs Watts' former property at _____

3 Allegations of dishonesty by TLT LLP

Your allegations that we/our client have persistently deceived and/or misled the court are denied in their entirety. We are aware of our professional obligations and we deny that we have acted with a lack of integrity or that we have deliberately misled the court. Accordingly, we are not prepared to enter into any correspondence in the manner you request.

As you are aware, directions in the Claim were set down by District _____ at the hearing on 5 July 2010. Therefore, any further allegations (if any) will be responded to by our client formally as part of its Reply to Mrs Watts' Amended Defence, which we await.

Yours sincerely

Partner
for TLT LLP

KEVIN HOLLINRAKE MP



HOUSE OF COMMONS
LONDON SW1A 0AA

António Horta-Osório
Group Chief Executive
Lloyds Banking Group
25 Gresham Street
London EC2V 7HN

28th March 2019

Dear Mr Horta-Osório,

I thank Benedict Brogan for his letter dated 21st February 2019 in response to my letter dated 13th February 2019. I am, however, concerned by the response given as it does not adequately respond to the allegations of forged signatures on Lloyds' court documents, nor does it answer the serious questions raised in relation to your own personal conduct. This is especially concerning given that the response to my last letter was also copied to a government Minister.

It is now clear that you are demonstrating a persistent course of conduct as Chief Executive of Lloyds Banking Group that involves deflecting serious questions around both your firms' and your own personal conduct raised by Members of Parliament.

As you are fully aware, the illustrative customer example raised in my last letter, including evidence of suspected signature forgery, will be heard by the court for the first time in the case in a forthcoming civil trial. I would be surprised if the recipients of the response letter had understood that the allegations and evidence of forged signatures, and subsequent cover-up by your board, have not been previously heard by the court in the case given that the response stated: *"the risk of repeating claims and evidence that have been tested and even dismissed – sometimes repeatedly – in the courts"*.

The response to my letter also states that you have previously set *"out in detail why they [the customers] are mistaken"*. The letter sent to you and 24 Lloyds Directors, Non-Executive Directors and Group Executive Committee on 13th September 2018, however, suggests that the claims have merit.

The first page of the letter includes example images of signatures in the name of the same person on court documents and highlights that a visual comparison of the signatures clearly shows that: The Checklist signature starts to the right and loops down. The Witness Statement signature starts to the left and loops up. The start and end of the Checklist signature point in opposite directions. The start and end of the Witness Statement signature point in the same direction.

It is very easy to confirm whether or not signatures on court documents have been forged. One way is to visually compare all the other court documents signed in the same person's name during the same year to see if there are any further examples of significant structural differences. A second way is to compare all the dates during the same year when a court document was signed in the same person's name, with the dates when that person was absent from work. If court documents were signed in the person's name on any date during the year when they were absent from work, forgery was occurring.

Your response therefore did not address the customer's actual allegation: that the signatures are visually structurally different, and that signature forgery can be confirmed through the requested signature comparison information for the whole of the same year. Instead, your letter appeared to create and represent a new different allegation on behalf of the customer: that the signer was absent from work on

the dates the four specific documents were signed, and then sought to "disprove" it to justify claiming in your letter "why they are mistaken".

It was also worrying to read the contradictions in the response letter, which stated that "evidence of wrongful behaviour should be reported" but also that you were "surprised and disappointed" when customers did so. You also stated that "we simply do not recognise the issue" of "so-called forged signatures" and "there has been no suggestion of a similar issue in the UK" while also stating that you want to avoid "repeating claims and evidence that have been tested...in the courts."

It was also worrying that you appeared to dismissively portray my use of an illustrative customer example to highlight the wider issue of signature forgery. As you are fully aware, forgery of signatures on banks court documents has already been investigated by all 50 US state Attorney Generals resulting in the penalty payments by banks of \$25 billion. This industrial-scale fraud by banks was first uncovered when one customer realised that a signature in the name of "Linda Green" on a bank court document had been forged, and then connected with a few other customers. The Attorney Generals subsequently discovered that multiple people had been forging signatures in the name of Linda Green on hundreds of thousands of documents in court cases against customers. In the UK, the Bank Signature Forgery Campaign has already identified nine names in which multiple people appear to be forging signatures on banks documents, including four from Lloyds since at least 2010. Lloyds has repeatedly withheld and concealed from the customer and the court the requested signature comparison information which would clearly show whether or not signatures on Lloyds court documents were being forged on an industrial scale.

Consequently, I have now written to the Treasury Select Committee to urge them to undertake an immediate inquiry to hear evidence of alleged forged signatures on Lloyds and other UK banks court documents. I have also asked that the Treasury Committee require you and your solicitors to provide it with the requested signature comparison information, which as you are fully aware includes Lloyds' own staff and which Lloyds has repeatedly withheld and concealed from the customer and the Court.

As the APPG has received representations from constituents with concerns over the forgery of signatures on bank documents, I have also asked that the Treasury Committee hear evidence from the customers in the illustrative example in my previous letter to you, along with evidence from numerous other customers of Lloyds and other banks that we are aware of and who also allege that signatures on bank documents have been forged.

Yours sincerely,



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

Cc
John Glen MP, Economic Secretary to HM Treasury
Andrew Bailey, Chief Executive, Financial Conduct Authority
Stephen Jones, Chief Executive, UK Finance

Enclosed: Customer's letter to António Horta-Osório dated 13th September 2018

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