



Lloyds Banking Group

THE PLAYBOOK TO DEFAULT
CUSTOMERS

Contents



Why were Customers defaulted?



BSU's and Recoveries



The Customer Reality



How Assets were re-secured?



The Asset Protection Scheme



Rare Awards Against Lloyds

Why were customers defaulted?

Unexplained funds moved (stolen) from a customer

Involved in an accident and unable to manage their accounts

Family illness, terminal diagnosis and unexpectedly fatalities

Pre-existing conditions including Dyslexia

Surplus cashflows

Reaching or breaching facilities

Excess charges for unauthorised facilities

Where Customers were sent ?

Lloyds Bank/HBOS
Reading, Bristol
Recoveries/BSU

Lloyds Bank London
Recoveries/BSU

Lloyds Bank Edinburgh
Recoveries/BSU

Lloyds Bank Glasgow
Recoveries/BSU

Lloyds Bank Leeds
Recoveries/BSU

Lloyds Bank Hull
Recoveries/BSU

Lloyds Bank Birmingham
Recoveries/BSU

Lloyds Bank Manchester
Recoveries/BSU

Lloyds Bank Newcastle
Recoveries/BSU

Lloyds Bank Gloucester
Recoveries/BSU

Lloyds Bank South Wales
& Southwest
Recoveries/BSU

TOTAL NUMBER OF
CUSTOMERS TRANSFERRED
WAS APPROXIMATELY, 60K
and £5BILLION in ASSETS
WERE APPROPRIATED BY
LBG.

The Customer reality

Customers transferred to Recoveries/BSU's never returned to mainstream banking

Estimates over £1BN in defrauded assets at Lloyds/HBOS Reading alone (Anthony Stansfield, Former Thames Valley Police Commissioner)

Mr Stansfield also believes that the amount at Lloyds Bristol Recoveries is far greater and has been concealed purposefully

No exit plans for exiting BSU/recoveries were discussed

Business Support/ Recoveries units typically increased banking charges by 38% as they were considered profit centers for the Bank

How assets were re-securitised?

**Lloyds Bank:
Securitising a customers
Asset**

Residential home as
security estimated
valued @ £200,000

Lloyds Bank securitising
that asset @ min of 30
times (standard 42 x
Asset) N. Rock used 50
times

$£200,000 \times 30 =$
£6 million pounds:

What would Lloyds
Bank Relation Manager
& Senior staff earn in
bonuses & commission
from the securitisation
of this Asset? 1%

2% = £120,000
1% = £60,000
0.5% = £30,000

Whatever the figure
received, it certainly
would encourage
selling these products
immorally

If the Assets were
securitized how did
Lloyds Bank, then use
the Assets in the Asset
Protection Scheme?

Asset Protection Scheme

Lloyds Bank had £250 Billion on Non-Core in their Asset Protection Presentation dated 7th March 2009

These were securitised for a min 30 x Asset value $£250 \text{ billion} \times 30 = £1.75 \text{ trillion}$

These assets were classed as good assets to use as collateral for the UK Government bail out who charged a £15.6 Billion participation fee

Following the UK Government's Asset Protection Scheme; LBG then discarded £200 Billion of so-called toxic assets as per the scheme by defaulting business customers (premediated)

What
happened
to the
assets?

Lloyds Bank gained financially by claiming 40% from the Inland Revenue as a Loan impairment for every bad debt.

Having claimed 40% of the debt Lloyds Bank still claimed 100% of the debt from the Lloyds customer.

RARE AWARDS AGAINST Lloyds Banking Group

- ▶ **Lloyds Bank v Bundy [1975] QB 326** https://en.wikipedia.org/wiki/Lloyds_Bank_Ltd._v._Bundy
- ▶ Claim repossession of farm worth £11,000: Undue Influence: Outcome Herbert Bundy kept farm
- ▶ It is remarkable for the judgment of Lord Denning MR who advanced that English law should adopt the approach developing in some American jurisdictions[1] that all impairments of autonomy could be collected under a single principle of "inequality of bargaining power."
- ▶ **Coin Group v. Lloyds Bank Plc Litigation Settlement July 2015**
- ▶ <https://lexlaw.co.uk/solicitors-london/statement-by-coin-group-re-litigation-settlement-with-lloyds-bank-plc-swaps-irhp/>
- ▶ Claim approx. £6 million: Derivatives: Outcome approx. £4.6 Million
- ▶ **Lloyds annual legal bill**
- ▶ Litigation and general representation exceeds £800M annually
- ▶ N.B. – Nikki & Paul Turner and Noel Edmonds have been excluded on account of settlements out of court

Conclusions

You will not be the first or the last to complain about LBG

Legal Action is extremely difficult to secure funding

Individual or a class action has limited possibility of success against LBG's war chest

The BBRS is an opportunity to submit evidence even though eligibility is questionable

Pursue the sovereign regulatory body at the Bank of England

A SINGLE CASE CANNOT BRING DOWN THE BANK