

Nicky Morgan
Chair of The Treasury Select Committee
Parliament House
House of Commons
London
Dear Nicky **Morgan**

Re: John Guidi hunger strike protest against Clydesdale Bank / 17 March 2019;

I have enclosed my recent letter to David Duffy CEO of the CYGB Group of companies, formerly part of the Clydesdale Bank and National Australia Bank (NAB) .

I am going on hunger strike on the 17th of March occupying a tent outside CYGB offices **in the centre** Glasgow. This protest is to highlight the grave injustice carried out by the Clydesdale Bank and Cerberus/Promontoria upon myself, my family and the many others in the United Kingdom affected by the **mis-selling** of Tailored Business Loans and the sale of these loans to unregulated and unlicensed predatory private /vulture funds acting as rapacious debt collectors .

Since 2012 I have pursued persecuted, bullied and brutalized first by the Clydesdale Bank and now in concert by Cerberus/Promontoria. I **need to** make the case **that** I am not one of these businessmen who took mega loans and then could not pay them off. Bad Luck.

When I took Tailored Business Loans (TBL's) the bank insisted they should be for 2/3 years on roll – over terms . I had a number of loans where that is exactly what happened - at the 2 or 3-year expiry the bank rolled over the loans outstanding into new loans. Clydesdale /National Australia Bank (NAB) then changed the terms and conditions when NAB decided to get rid of TBL's **from** their balance sheet. **In 2012** when the 2 years expired on my TBL's they refused to extend the loan facilities . At one stage I offered £6.7 million in refinance with a proposal of a pay up scheme for the £3 million pounds remaining when properties were sold off. Cerberus were involved by then and refused the deal.

I think my case is very important but it is also what you might call a metaphor for hundreds of other businesses like mine caught in the Clydesdale web. It is also a metaphor for the rotten corrupt nature of today's banking culture.

You will know that the Treasury Select Committee (**TSC**)has voiced real concerns that the Clydesdale Bank have **mis-sold** TBL's to thousands of businesses like mine, and that the Clydesdale Bank deliberately designed these TBL's so as to be outwith the financial regulatory framework in the UK, and thereby beyond the scrutiny of the FCA. Additionally, the Clydesdale Bank/ National Australia Bank (NAB) have **now** used **the American private equity 'vulture' fund** Cerberus **as its agent to pursue clawback of outstanding loans. This makes any legal or regulatory sanction even more difficult.** The importance of the TSC report into the mis-selling of TBL's cannot be underestimated the relevant quotes from the committee were as follows:

“We have received evidence suggesting that Clydesdale Bank mis-sold Tailored Business Loans. Clydesdale has itself admitted that its terms and conditions letters would not pass a plain English test, and that its TBL customers could not reasonably have anticipated the high levels of potential break costs to which they had exposed themselves. Many small businesses indeed did not grasp their exposure to such high break costs, nor could they reasonably have been expected to do so.

Clydesdale understood that TBLs were unregulated. It created TBLs to avoid requirements imposed by the regulator on the sale of a regulated product, IRHPs. It claims that this was to simplify the associated documentation, and to make the product easier for customers to understand. The use of TBLs has left regulators powerless to enforce compensation for customers to whom products were mis-sold, as they have done with IRHPs. Clydesdale created a product that retained the risks and complexities of the regulated product but had none of the safeguards.”

Treasury Committee Report, House of Commons, “Conduct and Competition in SME Lending” March 2015 pp 58/59.

As I said in my letter to David Duffy, I am asking that all legal actions against me and my family be sisted. **Given the findings already established by the TSL I wonder if, as the chair of the TSL, you might see fit to take my case up with the relevant authorities including the chief executive of CYGB David Duffy. My plight is, of course, only one of many others who have fallen victim in the UK to Clydesdale Bank’s mis-selling of TBLs. When the former chief executive of CYGB David Thorburn appeared in 2014 before your Committee he admitted the punitive nature of TBLs had led to the bank withdrawing this type of loan in 2012. Yet thousands of businesses are still being pursued like mine seven years later.**

You will note I have sent this letter to both John Glen First Secretary to the Treasury and Andrew Bailey the CEO of the FCA ,also for their support.

I am going on hunger strike outside the Clydesdale Bank in St Vincent St Glasgow on Sunday the 17th of March. I am fighting until I get justice . I have nowhere else to turn.

I look forward to your further advice in these matters

Regards and thanks

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