

# nab customer support group

J. Pettigrew Esq. Chairman.  
D. Duffy Esq. CEO.  
CYBG PLC  
Floor 15 The Leadenhall Building  
122 Leadenhall Street  
London EC3V 4AB

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Dear Jim / David,

## **CLYDESDALE BANK TAILORED BUSINESS LOANS**

I have now returned to the UK after my short foray out to Melbourne. I hope that your journey home, like mine, was not too burdensome.

Firstly, I would like to thank you both for being so approachable and this has been noted positively in some of the social media posts following the AGM.

I also am conscious that during my ten minutes or so in the foyer with Jim, post meeting, that I was somewhat vociferous.

Part of your empathy and understanding of victims will require you, from time to time, to witness and take on board such emotion.

Mention of my family and what they have been forced to endure over the last 6 /7 years, as a direct consequence of actions by your bank, unfortunately triggered such emotion.

## **Confirmed Bank Strategy**

In opening the AGM, you both confirmed that CYBG / Virgin Money:

- is a standout competitor / has the right team in place.
- is a true alternative to large incumbent banks.
- has 6 million Individual and SME customers with full service offerings
- has a “deeply embedded customer focus culture”
- has significant opportunities via the merger .. strategic merit of acquisition of Virgin Money
- is no longer regional - now a national iconic brand with Virgin – with 99% brand recognition and aspirational for growth. Has delivered the “Organic Strategy” since the IPO in 2016.
- has 10.6% Return on Equity - targeted double digit returns and trebled dividend
- has the right strategy

## Current Issues with Strategy

There is however a current millstone which will prevent you using these positive strategic benefits, and this millstone is **massive legacy issues**.

Contrary to your statements, and those on record by your fellow board members, especially the delusional comments made at the AGM by your CFO Ian Smith, you are nowhere near the end of the redress process and further remediation provisions will need to be accounted for.

You confirmed that in your opinion “customers are absolutely at the heart of the business”.

Well I represent two hundred or so SME customers which your bank is currently in the process of or has already brutalised. As we discussed, post AGM, I believe having made such bold statements about the worth of your customers, you obviously have no concept of what malfeasance is being implemented, in your name, by certain members of your staff.

You confirmed that there are many tiers of management and that you could not possibly be aware of all that was going on in your bank, however that will be seen as a weak excuse once you are made aware of the aggressive persecution of customers, some being emotionally / physically weak and vulnerable.

We have returned home to news of the CYBG shareholder revolt on remuneration and bonuses.

There has also been widespread coverage in the press with twelve pieces of media coverage since our return home. None have been favourable in respect of your confirmed strategy and outlook, all however have been negative towards your remuneration proposals.

## Short Term Pain for Long Term Gain

In some ways I do agree that you are making the right business strategy for the UK, but it will all be in vain if you don't fundamentally address the TBL issue, that is the 'Time Bomb Loan' legacy. Your grandiose remuneration proposals will also need this stabilised to achieve future shareholder and press approval.

Katherine Griffiths is Banking Editor of the Times. I quoted her at the AGM, especially her concluding paragraph in last week's article:

**'Australia needs stability in its banking sector. So, does Britain. To bring it about, banks everywhere need to do far more to truly act in their customers interests, as opposed to be as aggressive as possible over issues such as remediation for past wrongs. Will it happen? Sadly, I doubt it'**

At the AGM I also referred to Andrew Bailey encouraging me, on behalf of NABCSG to engage with the DRS on the historic scheme. I forwarded an email trail to you at the weekend, with attached documents from the DUP representatives, dated 31 January 2019. Within this you will have seen the relevant exchanges.

You referred to the breaking news of the Brexit vote in Parliament in your opening remarks and the narrow sixteen vote majority with which it was carried.

It was, like many other recent votes in the House, carried thanks to the ten DUP MP's, with whom you will now be aware, that we are intrinsically aligned.

You should be aware that we intend to change the name of the group to CYBG Remediation Support Group, at the end of February, as we see that there is a real opportunity to move this process forward.

So, in short, are we together going to solve these historic / remediation problems, with greater provisions in the near term or are you going to force us to continue to be a drag and a distraction on your aspirations using negative publicity and our now wide and influential network of connections?

### **TT Express / David Taylor**

With regards to David Taylor's case again it was good that the past could be set aside temporarily to see if there is a chance of a resolution being found without a highly public and costly legal battle.

Obviously, I've arrived late at this particular party but between Melbourne and Dubai I was apprised of the background to the case.

As I confirmed to you, I am willing to assist, as I have done recently with the McGrory / Matchstart Ltd case and have offered also to do so with the Haywood / Chester Lettings case.

We have recently provided a substantial case study document for the politicians, press and other interested parties regarding the McGrory / Matchstart Ltd case.

This abstract from the report confirms what can be achieved with a conciliatory attitude on both sides:

***“As this had been affecting their finances and family since January 2010 Mr and Mrs McGrory decided on 28 December 2018 to proceed to see if they could finally make a full and final settlement with Clydesdale in the period from 31 December 2018 to 14 January 2019. This has been achieved as Clydesdale have accepted a full tear up of the contract and reached a fair settlement in relation to their consequential losses. Clydesdale have been reasonable in providing some time to enable Mr and Mrs McGrory to move their banking and some debt elsewhere in 2019.*”**

***Given that their case has been in the public domain for many years (most recently raised by Mr Stewart Hosie MP at the Treasury Select Committee on 23 October 2018 / FOS) both parties agreed that Jim would undertake not to continue to be actively involved in further case publicity after the settlement date. Although Jim and Anne fully recognise, they need to move on, Jim still plans to spend some time in helping others towards a satisfactory resolution of their banking cases.”***

Getting back to the Taylor case, once we have sight of James Pierson's letter in the coming weeks we can see if something can be done on a direct basis without the need for a costly, albeit funded litigation process, which would undoubtedly be covered within the press?

### **Conclusion**

As I stated in our exchange post meeting, I am 100% positive that you have no idea what is going on in the name of your bank in relation to treatment of customers where disputes have arisen.

Contrary to your public statements from the platform last Wednesday we can see no evidence that these issues are being addressed, and there is an ongoing air of brutality and absolutely no compassion being shown in the cases that I have been made aware of within our group of 200 or so cohorts.

If this is allowed to continue then the only option available to those suffering is to make these disingenuous actions known to the Press, and the politicians, with whom you are now aware we are also intrinsically aligned.

My suggestion, for what it's worth, is that you work with me, and the group, and sort out the remaining few hundred cases. Also, approximately 50% of our members with FRTBLs are signed with RGL Management so that might also be beneficial to you, to you sort these before they get to court.

Contrary to your perception our group is in fact increasing in number daily. This is in the main due to the recent exposure through the various media options available and that cannot be good news for you, as things currently stand.

Granted settling hundreds of cases by negotiation / mediation will require a serious monetary outlay, by you, however nothing like the cost of potentially thousands finding out that they will have a claim and one that the new UK Finance proposed, backward looking, compensation scheme will give them access to?

If a negotiated strategy is not proactively actioned, you leave your bank, and its investors therefore, open to potentially thousands of new cases which new internet search methods will, I am informed, seek out and find.

The financial ramifications to the bank, if this is allowed to happen, doesn't bear thinking about.

In conclusion although some of our dialogue / exchanges on Wednesday were pretty matter of fact my sincere hope is, as I alluded to, that we can find common ground to achieve the better of these two scenarios

I look forward to hearing to hearing from you in your own time. My phone is always on.

Yours faithfully



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Ian Lightbody – Group Parliamentary Liaison

Return Address:  
20 Polbae Crescent  
Eaglesham  
Glasgow, G76 0LR

e. [ianlightbody@nabcustomersupportgroup.org](mailto:ianlightbody@nabcustomersupportgroup.org)  
t. 07903693735  
[www.nabcustomersupportgroup.org](http://www.nabcustomersupportgroup.org)

cc. Andrew Bailey CEO FCA  
Jim Shannon MP, Brian Little