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A PETITION TO SIGN AND OTHER NEWS (Update No. 13)

A Petition to Sign

You may be aware of the Government's new e-petition system. We intended to create one on the B&B nationalisation issue ourselves but someone else beat us to it. The Government are unlikely to accept another petition on the same subject, so even though the wording is not perfect, we **STRONGLY RECOMMEND** that you support it. Please click on this link to sign the petition:

<http://epetitions.direct.gov.uk/petitions/1408>

The petition calls for the Government to give the company back to the shareholders or pay compensation and we wholeheartedly support that stance. Only 100,000 signatures are required to secure a debate in Parliament so please ensure you ask all your friends and relatives to sign it also.

The Prime Minister has been reported to the Information Commissioner!

In March of this year the Bradford & Bingley Action Group [BBAG] wrote to the Prime Minister asking for all Cabinet Office documentation, faxes, emails, telephone transcripts etc, pre and post the nationalisation of B&B under the Freedom of Information Act [FOI]. This letter is available on our website (www.bbactiongroup.org). After a further reminder the matter was passed to my Member of Parliament who has pursued this on our behalf but without success to date. This is the second attempt to secure full details of the sequence of events under the FOI. The Cabinet Office's reply to the first request in early 2009 was "we have no files whatsoever", which we know is untrue as Gordon Brown has admitted that he made the decision to nationalise B&B from the ante room of the Oval Office at the White House in a telephone conversation with Alistair Darling on the 26th September 2008. There may have been no files although that is doubtful but what about all the emails, faxes and telephone transcripts. BBAG has now made a formal complaint to the Information Commissioner on this latest failure to provide the information requested.

BBAG has also written to the Bank of England [BoE], HM Treasury [HMT] and the Financial Services Authority [FSA] requesting information under the FOI. The letter to the HMT has asked for specific information on all the communications between Mr Kingman of the HMT and Robert Peston of the BBC. This of particular interest as it was Mr Peston's comments on TV and in the press which contributed to a run on B&B's savings book and a false market in its shares and bonds.

Lord Adair Turner, Chairman of the FSA, has written to the Treasury Select Committee and stated that apart from the inquiries into RBS and HBOS, which are likely to be published, there will be no reports in relation to other firms that "failed in the crisis". In other words, the FSA appears not to want to look into such cases as Bradford & Bingley and Northern Rock which they seem to think are too small to bother with.

BBAG's view is there is much more to learn from the circumstances surrounding the nationalisation of B&B as it offers a first class example of what caused the banking crisis including the failure of the tripartite regulatory authorities, of which the FSA is part, and inadequate accounting standards. This culminated in the confiscation of B&B and the sale of its savings book thus ensuring it could not continue as a viable business, this was a terrible mistake made in haste for political reasons. The Chairman of the Treasury Select Committee seems to agree with us, from his public comments.

The Upper Tribunal [Financial Services, Tax & Chancery Chamber] has appointed me as the representative party on behalf of BBAG at the Case Management Conference. The other parties are AXA Investment Managers [UK] Ltd, HMT and Peter Clokey the independent valuer. The HMT has asked that it not be joined to the proceedings and has attempted to justify this request on the grounds that Peter Clokey is an independent statutory office holder and it is not for HMT to defend the valuer's conclusion. It went on to say that for HMT to be joined as a party will merely increase costs which is the excuse it used in 2009 when we requested information under the FOI. HMT also stated that it had been scrupulous in acting during the valuation process in the same way as any other interested party. On behalf of BBAG I have lodged an objection to Sir Stephen Oliver QC, Judge of the Upper Tribunal. This is on the grounds that the HMT attempt to withdraw from the conference when it laid down Peter Clokey's terms of reference under the Compensation Order and on which his valuation was based, would suggest it is again trying to avoid scrutiny in respect of its role in this matter.

Furthermore, BBAG's concerns relate to HMT's involvement in all relevant events, not just the valuation process. If HMT again fails to provide details of the full sequence of events pre and post the nationalisation as we have requested under the FOI, BBAG will have no alternative but to make a formal complaint to the Information Commissioner.

UK Individual Shareholders Society (ShareSoc)

In the BBAG Update No 10, we advised you of a new organisation called ShareSoc whose website is www.sharesoc.org. It is chaired by Roger Lawson and I have become a director. Roger has kindly provided a considerable amount of administration support on a personal basis to BBAG free of charge. Associate membership is free so please take a look at it. Call 020 8467 2686 or send an email to sharesoc@btconnect.com if you have any questions. Registration can easily be done on the website so sign up now if you have a general interest in stock market investment or campaigning for legislation to improve the position of the private investor.

David Blundell
Chairman