

## THE MOST SERIOUS FINANCIAL SCANDAL OF MODERN TIMES

### 4. LLOYDS' CORRUPTION OF THE RULE OF LAW

- **The rule of law and why it matters**

The rule of law supports the equality of all citizens before the law and prevents the arbitrary use of power. Its supremacy ensures no person or institution can claim to be above the law<sup>1</sup>.

It is a tool to protect citizens against their Government – to ensure it does not treat them unfairly, or arbitrarily deprive them of their rights. The laws are clear, publicised and stable. They are applied evenly and protect fundamental rights, including the security of persons and contract, *property* and human rights.

- **Lloyds has corrupted, abused and ignored the rule of law and been allowed to do so by the Government and the FCA.**

Legislation has long been weighted in favour of the banks<sup>2</sup>. However, particularly following the 2008 banking crisis, banks such as Lloyds have been treated as being **above the law**. Lloyds has engaged in corrupting, abusing or ignoring the rule of law, as well as obstructing justice.

Lloyds Bank, its officers and professional agents appear to have contravened FSMA 2000, the Companies Act 2006, the Proceeds of Crime Act 2002, the Fraud Act 2006, the Perjury Act 1911, the Forgery & Counterfeiting Act 1981, the Criminal Justice Act 1987, the Money Laundering Regulations 2003 & 2007 and mis-used the Mental Capacity Act 2005.<sup>3</sup>

Lloyds Bank has monopolised the best legal talent on its panel and reportedly spent £850 mn in 2019 to prevent its criminal wrongdoing being proven. Court processes have been manipulated and certain trials appear to have been straight-forwardly rigged<sup>4</sup>.

- **Lloyds' extensive legal wrongdoing**

This has included the redaction, withholding, falsification and destruction<sup>5</sup> of evidence<sup>6</sup>,

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<sup>1</sup> <https://eachother.org.uk/explainer-rule-law/>

<sup>2</sup> Examples: Insolvency Act 1986, Enterprise Act 2002

<sup>3</sup> <http://www.appgbanking.org.uk/wp-content/uploads/2018/06/draft-Project-Lord-Turnbull-Report-part-1.pdf>; <http://www.appgbanking.org.uk/wp-content/uploads/2018/06/draft-Project-Lord-Turnbull-Report-part-2.pdf> ; Press release 14 – Lloyds' Abuse of Legal Process; Press release 15 – Lloyds' Industrial Forgery of Signatures; Press release Lloyds' Land Registry Fraud.

<sup>4</sup> <https://www.legalbusiness.co.uk/blogs/a-long-drawn-out-process-former-burges-salmon-partner-cleared-in-245m-fraud-case/>

<sup>5</sup> <https://youtu.be/wFXOpikBUhw>

<sup>6</sup> Press release 14 – Lloyds' Abuse of Legal Process

fraudulent misrepresentation, perjury and other serious offences related to perverting the course of justice. These have included deliberately invalid appointment documents for the bank's receivers.

For more than a year, the National Crime Agency (NCA) has refused all requests, including repeatedly from the Treasury Select Committee<sup>7</sup>, to investigate Lloyds' industrial forgery of signatures on legal documents it has relied upon in court<sup>8</sup>.

Lloyds Bank has engaged in systemic fraud involving the Land Registry and the correct registration of titles, which is required by law. These offences have been serious, not technical.<sup>9</sup>

The bank's professional agents have made deliberately false or inadequate representations to regulators and other public bodies, often to discredit their victims.

For many years, Lloyds has made widespread use of non-disclosure agreements (NDAs) to cover up the criminal conduct of its officers and professional agents<sup>10</sup>.

All this extensive legal wrongdoing has taken place behind closed doors, where it has been protected from the public gaze.

- **Lloyds' panel solicitors have widely abused the law**

Solicitors are "officers of the court" and have an overriding higher duty to uphold the rule of law and the administration of justice. However, solicitors representing Lloyds Bank have frequently acted to advance their client's interests and disregarded their higher duties.<sup>11</sup>

The Solicitors Regulation Authority (SRA) has protected solicitors, who have acted for banks from investigation. It has refused, for example, repeated requests to disclose a critical report into systemic wrongdoing involving one firm of solicitors extensively used for recoveries by Lloyds Bank.<sup>12</sup>

- **The corruption of "independent" bank-led reviews**

There have been three reviews into the only banking fraud, which the Government has permitted to be investigated – the Halifax Bank of Scotland (HBoS) fraud involving its Reading branch.

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<sup>7</sup> <https://www.parliament.uk/business/committees/committees-a-z/commons-select/treasury-committee/news-parliament-2017/chair-writes-to-fca-and-nca-17-19/>

<sup>8</sup> Press release 15 – Lloyds' Industrial Forgery of Signatures

<sup>9</sup> Press release 16 – Lloyds' Land Registry Fraud

<sup>10</sup> Press release 20 – Lloyds' mis-use of Non-Disclosure Agreements

<sup>11</sup> <http://www.appgbanking.org.uk/wp-content/uploads/2020/07/APPG-HSF-SRA-9-6-20-Final-1.pdf>

<sup>12</sup> Refusal of SRA to provide Bevan Brittan report to Thames Valley Police & Crime Commissioner, 2019.

Lloyds Bank has been allowed to commission, select the “independent” reviewer and pay for the Griggs and Cranston reviews<sup>13</sup>. The bank and its lawyers have interfered with and comprehensively corrupted due and proper process, and ensured that the outcomes for victims were not fair or reasonable in order to keep the bank’s liabilities to a minimum. Lately, the Chief Executive of Lloyds Bank was reported as “personally overseeing” their implementation<sup>14</sup>.

The result is that no-one will ever trust an “independent” bank-led review again.

- **Meanwhile, victims of banking fraud**

are obliged to abide strictly by the rule of law and face all its consequences, including suffering losses as a result of Lloyds’ fraudulent representations and perjury in court, false bankruptcies, wrongful evictions and being deprived of their businesses and livelihoods.

**Lisa Osofsky, the Director of the Serious Fraud Office, has claimed recently that the British legal system is “the most envied, copied legal system in the world”<sup>15</sup>. Not anymore.**

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<sup>13</sup> Lloyds Asset Theft Frauds report, appendix 3.

<sup>14</sup> <https://www.telegraph.co.uk/business/2020/05/24/lloyds-chief-hbos-fraud-review-row/>

<sup>15</sup> <https://www.telegraph.co.uk/business/2020/07/25/not-business-get-jail-free-cards-says-lisaosofsky/>