



Press Release

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Peter Clokey, Independent Valuer for the purposes of the Bradford & Bingley plc Compensation Scheme issues his "Revised Assessment Notice".

Peter Clokey, the independent valuer appointed under the Bradford and Bingley plc Compensation Scheme and a partner of PricewaterhouseCoopers LLP, has today issued his Revised Assessment Notice, which upholds his original determination that no compensation is payable by HM Treasury to former shareholders or those who held subscription rights to shares of Bradford & Bingley plc ("Bradford & Bingley").

Any person who was dissatisfied with his Assessment Notice was able to write to him by 27 August 2010 to request reconsideration of his determination. Approximately 8,000 of the 930,000 former shareholders wrote to Mr. Clokey over this period. These letters included requests for consideration that submitted arguments and evidence for consideration. After careful consideration of all these submissions and having regard to the statutory assumptions under which he is appointed, Mr. Clokey remains of the view that his original determination is correct.

To properly address submissions made, Mr Clokey requested and reviewed additional information from Bradford & Bingley and from the tripartite authorities. This information has assisted him in confirming his view that the liquidity position of Bradford & Bingley would have prevented it from continuing as a going concern and that, if HM Treasury had not used its powers, it would have applied to Court for an administration order. Mr Clokey has also provided further information in relation to his conclusion that an administration of Bradford & Bingley would not have generated sufficient cash flows to create a surplus that would become available for distribution to shareholders. Accordingly Mr. Clokey has upheld his view that ordinary shares in Bradford & Bingley had no value immediately before the transfer of those shares to HM Treasury.

The concerns raised are discussed in the Revised Assessment Notice, which can be downloaded from <http://www.bandbvaluer.org.uk/download.html>.

ENDS



Notes to Editors

1. If parties are dissatisfied with Mr Clokey's Revised Assessment Notice, they may refer the matter to the Upper Tribunal (Tax and Chancery Chamber) using Form FTC3. Form FTC3 must be completed and signed by or on behalf of the person making the reference. The Form must be received by the Upper Tribunal no later than 28 days after notice was given of this determination in the Revised Assessment Notice. At the same time, a copy of completed and signed Form should be sent to Peter Clokey at: PricewaterhouseCoopers LLP, 1 Embankment Place, London WC2N 6RH.

For a copy of Form FTC3 and important information about how to complete it, please go to the Upper Tribunal website: www.tribunals.gov.uk/financeandtax/FormsGuidance.htm

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