

To Northern Rock Shareholders

02 June 2009

UK Shareholders Association
Chislehurst Business Centre
1 Bromley Lane
Chislehurst
BR7 6LH
Phone: 020-8468-1027
Email: uksa2@btconnect.com
Web: www.uksa.org.uk

Northern Rock Shareholders Action Group – Update No. 57

Appeal Hearing

The date of the appeal on the judicial review has been confirmed as June 10th and hearings usually commence at 10.30 am. Please do come along to the hearing which is in the High Court in the Strand, London, WC2 – a good attendance in court will reinforce the point that there is a strong public interest in the case.

Run Anticipated

The Financial Times has reported that the run on Northern Rock was anticipated as long ago as 2004 during secret “war games” where simulations were run on various possible financial crises. The risks of Northern Rock’s business model were highlighted, and the impact it might have on the wider banking scene was predicted. The exercise revealed the bank’s vulnerability to any major shocks to the system but nothing was done about it. It underscores the failure of regulation by the FSA which they have already admitted.

Interestingly the FT also said that they had sought details of the above using the Freedom of Information Act but so far had been unsuccessful, not an uncommon experience it seems in relation to the typical responses from the Treasury and other arms of the Government to demands for information under that Act about recent events in the banking sector. Evasion or stone walling seems to be the commonest response.

Campaign Status

The financial position of this campaign has improved substantially in the last few weeks as a result of the donations received – thanks to all those who contributed. A new financial report will be issued as soon as possible. We are still attracting new supporters which may seem surprising considering how long this campaign has been running, but shareholders in nominee accounts are often ignorant of our activities.

Roger Lawson
Chairman, Northern Rock Shareholders Action Group
Email: uksa@uksa.org.uk
Web: www.uksa.org.uk
Direct telephone: 020-8467-2686

Note that all previous “Update” notes on Northern Rock that we have issued are present on the following web site page: www.uksa.org.uk/NorthernRock.htm