

Press release
20 July 2009



An independent association of
Equitable Life Members & Policy-Holders
funded by subscription

Equitable Members Action Group Ltd

Address for correspondence:

42 Bartholomew Villas, Kentish Town, London NW5 2LL

Telephone: 020 7267 5938 www.emag.org.uk

For immediate release

Equitable victims' court challenge starts

Action group EMAG's legal challenge to the Government on behalf of Equitable Life victims will kick off at the Royal Courts of Justice on Tuesday. EMAG is asking the Court to quash the Government's response to the Parliamentary Ombudsman's damning report into the regulation of Equitable Life.

EMAG claims that the Government has unlawfully rejected most of the Ombudsman's findings of injustice stemming from regulatory failure throughout the 1990s. In effect, says EMAG, the Government has adopted a 'because we say so' stance rather than providing the "cogent reasons" required by law.

EMAG's General Secretary Paul Braithwaite said: *"We are asking the Court to force the Government back to the drawing board to establish the independent compensation scheme the Ombudsman proposed. This would set aside the Government's plan for a mean ex-gratia payment scheme, estimated to pay out rather less than 10% of what's due."*

In a separate development, 321 MPs - more than half of all voting MPs - have now signed Vince Cable's Early Day Motion 1423 stating that: "...the Government should accept the recommendations of the Ombudsman on compensating policyholders who have suffered loss..."

Braithwaite added: *"It is deplorable that the Government has obliged impoverished policyholders to go to Court and has ridden roughshod over Parliament's prerogative to vote on the Ombudsman's recommendations. However, we're at a tipping point: The Government is out of step with MPs, the Parliamentary Ombudsman, media commentators and hundreds of thousands of victims, who are furious with the Government for ignoring them. Where Equitable Life's victims are concerned Labour's so-called moral compass has been sadly awry for eight long years."*

Ends