

Bulletin – Crestsign wins right to appeal

Last week the Court of Appeal granted Crestsign Limited leave to appeal the High Court judgment in its negligence claim against NatWest/RBS (the '**Banks**') regarding an interest rate swap sold in 2007. The High Court had ruled that the Banks had "*successfully disclaimed responsibility for the advice they gave on the suitability of the swap, which was negligent but not actionable*".

Crestsign's appeal is on three grounds:

1. Whether the basis clause contained in the bank's standard terms and conditions prevented Crestsign's cause of action against the Banks for negligent advice;
2. Whether the information duty owed by the Banks extended beyond explaining the products that the bank decided to offer to informing Crestsign about other products including an interest rate cap; and
3. Whether the Banks' description of the potential break costs of the swap as "substantial" was an adequate description.

Crestsign has now been granted leave to appeal on all three grounds. The Lord Justice of Appeal ruled that the grounds relied upon by Crestsign have "*a reasonable prospect of success*".

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