



9 May 2011

Barclays PLC

### Statement on Payment Protection Insurance

Barclays has decided that it will not participate in any application for permission to appeal against the High Court judgment of 20 April 2011, which dismissed the action brought by the British Bankers' Association regarding the assessment and redress of Payment Protection Insurance ("PPI") complaints.

Barclays has also agreed with the Financial Services Authority ("FSA") that it will now begin to process all on-hold and any new complaints from customers about PPI policies that they hold. These customers will be contacted, and Barclays will assess and address their complaints as quickly as practicable.

Bob Diamond, Chief Executive, Barclays said:

"We have taken this decision because it is in the best interests of our customers, as well as for Barclays and its shareholders; creating certainty, particularly regarding past issues, is of benefit to all parties.

We don't always get things right for our customers; when we get them wrong, we apologise and put them right. That's our commitment to our customers, and it applies to the way in which we will deal with PPI complaints."

While important aspects of the handling of PPI complaints, and therefore the cost of doing so, are not yet certain, Barclays is taking a provision to cover the cost of future redress and administration of £1bn in the second quarter 2011.

- Ends -

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### **About Barclays**

Barclays is a major global financial services provider engaged in retail banking, credit cards, corporate and investment banking and wealth management with an extensive international presence in Europe, the Americas, Africa and Asia. With over 300 years of history and expertise in banking, Barclays operates in over 50 countries and employs over 147,000 people. Barclays moves, lends, invests and protects money for over 48 million customers and clients worldwide.

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