

# SME UNDERTAKINGS – LBG ACTION PLAN



## Lloyds Banking Group’s action to address its breach of the SME Banking Undertakings

1	<b>Build a process</b>	<ul style="list-style-type: none"> <li>September 2020 – Lloyds will build a process so customers can call and ask to change their business current account to a fee-free loan servicing account</li> <li>Lloyds will implement and update processes to advise new customers that they are not required to maintain a business current account in order to apply for a Bounce Back Loan, and they can choose upfront to apply for a fee-free Loan Servicing account instead. Lloyds will explain the difference between the accounts.</li> </ul>
2	<b>Customer communications</b>	<p>During September 2020 Lloyds will write to customers who have opened a business current account to access a Bounce Back Loan. Lloyds will explain to customers:</p> <ul style="list-style-type: none"> <li>The right to cancel their Lloyds business current account and switch to a different provider;</li> <li>How they can choose to convert their Lloyds business current account to a fee-free servicing account; and</li> <li>The differences between the accounts.</li> </ul> <p>On-going action – Lloyds will write to customers who choose to keep their Lloyds business current account and give two months notice before any charges start.</p>
3	<b>Converting accounts</b>	<ul style="list-style-type: none"> <li>Customers who tell Lloyds they want to switch their Lloyds business account to a fee-free loan servicing account will be moved either by the end of November 2020 or by January 2021. Lloyds will tell customers when the switch will happen.</li> </ul>
4	<b>Reporting to the CMA</b>	<ul style="list-style-type: none"> <li>Lloyds will provide progress updates to the CMA on the 1<sup>st</sup> of each month</li> <li>Lloyds will provide updates when key milestones are completed, including when they communicate to customers and complete migrations to fee-free loan servicing accounts.</li> </ul>