

Gerry Mallon - Chief Executive  
Tesco Bank, EHQ  
2 South Gyle Crescent  
Edinburgh  
EH12 9FQ

22<sup>nd</sup> May 2019

Dear Gerry,

We are writing about the news that Tesco bank is leaving the mortgage market and looking to sell the mortgages of its 23,000 customers. The APPG on mortgage prisoners is concerned about the lack of protection for customers when their mortgages are sold on to other lenders. We have seen the damaging impact when mortgages are sold to vulture funds or inactive lenders which hold trapped customers on high Standard Variable Rates. It will come as a shock to many of your customers that the small print of the mortgage contract enables Tesco to sell on their mortgage.

Your customers put their trust in Tesco. We hope that you will repay that trust by committing to only sell their mortgages to a fully regulated active lender which will offer them new deals and fixed interest rates. The lender should be a signatory to the UK Finance agreement enabling borrowers on a reversion rate to move to a better deal. Until the mortgage book is sold, it is our view that Tesco should also continue to offer its existing customers new mortgage deals and fixed rates.

We hope you will be able to give these commitments and would be happy to meet with you to discuss these issues.

In addition we would be grateful if you could inform us about how you plan to structure the sale of the mortgage book, how quickly you intend to proceed and how you are communicating with your customers about the sale.

Yours sincerely

**Seema Malhotra MP** (Co-chair, APPG on Mortgage Prisoners)

**Lord John Sharkey** (Co-chair, APPG on Mortgage Prisoners)

**Kevin Hollinrake MP**  
**Rushanara Ali MP**  
**Virendra Sharma MP**  
**Paul Sweeney MP**  
**Gordon Marsden MP**  
**Jeremy Lefroy MP**  
**Charlie Elphicke MP**  
**Tanmanjeet Singh Dhesi MP**

**Julie Cooper MP**  
**Catherine West MP**  
**Gareth Thomas MP**  
**Diana Johnson MP**  
**Chris Bryant MP**  
**Liz McInnes MP**  
**Paula Sherriff MP**  
**Geraint Davies MP**  
**Kate Green MP**

**Richard Burden MP**  
**Jack Dromey MP**  
**Alex Sobel MP**  
**Rt Hon Harriet Harman QC MP**  
**Sharon Hodgson MP**  
**Helen Goodman MP**  
**Rt Hon Yvette Cooper MP**  
**Rt Hon Norman Lamb MP**

Seema Malhotra MP

Member of Parliament for Feltham and Heston

w: [www.seemamalhotra.com](http://www.seemamalhotra.com) | E: [seema.malhotra.mp@parliament.uk](mailto:seema.malhotra.mp@parliament.uk) | T: 0207 219 8957