

Cherie Blair hired in RBS pension lawsuit

by UPI

LONDON -- Two British public pension funds have hired Cherie Blair to sue the Royal Bank of Scotland over losses they sustained, The Times of London reported Monday.

The newspaper said it had learned the wife of former British Prime Minister Tony Blair has been retained by the North Yorkshire and Merseyside council pension funds to litigate in the United States against the RBS and its former chief executive officer, Sir Fred Goodwin, over "massive losses" the funds incurred after the bank was bailed out by the government and its share price collapsed.

In the lawsuit, the pension funds claim RBS and Goodwin "falsely reassured" investors that the bank's finances were healthy when it was really "effectively insolvent" because of bad loans, The Times said.

The suit has been filed in New York as a class action, which allows other damaged parties to join. Cherie Blair told the newspaper she agreed to litigate the case because of the "massive losses inflicted on local authority pension schemes and other U.K. institutions who were the largest investors in RBS."

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