

Lloyds bulks up legal advisers for clash against Premier Motorauctions

By [Alexandra Rogers](#) 21 February 2018 09:00

CMS client Lloyds Bank has instructed an additional QC as it gears up to defend itself against a £55m claim over Premier Motorauctions' liquidation.

Fountain Court's Stephen Rubin QC has been brought on to defend the bank as it prepares for a pre-trial review today.

Rubin will lead Adam Zellick QC of the same set, taking instruction from CMS Cameron McKenna Nabarro Olswang partner Philip Woodfield and Rachel Harrison.

The other defendant in the action is PricewaterhouseCoopers (PwC), which is being represented by DLA Piper partner Colin Ashford and legal director Chris Harvey, who are instructing 4 New Square's Justin Fenwick QC and George Spalton.

Hausfeld partners John McElroy, Anthony Maton and David Lawne are acting for Premier Motorauctions, instructing Guildhall Chambers' Hugh Sims QC and Jay Jagasia.

A pre-trial review of the case, which made *The Lawyer's* [Top 20 cases for 2018](#), is to take place today. It precedes the seven-week trial scheduled in April, in which the joint liquidators of the now-defunct Premier Motorauctions Ltd and its Leeds branch claim that Lloyds and PwC conspired to destroy the value of the claimant companies before harnessing their actual values for their own gain.

In court documents seen by *The Lawyer*, the claimants allege that Lloyds and PwC acted together to field an agent from PwC to report the claimants' confidential information to Lloyds, their bank, "with a view to advancing their commercial interests".

Premier Motorauctions claims that the PwC employee encouraged it to agree to an interim business review “for the purpose of enabling an accelerated sale of the claimants’ business” in the view that Lloyds would claim its own stake.

The ex-chief executive of Premier Motorauctions, Keith Elliott, says the review devastated the company’s value and lost him his 97 per cent share in the business. He also claims that Lloyds provided the business with capital on condition that it was sold at an agreed point through PwC which, it is claimed, agreed to undervalue the company.

In defence documents also seen by *The Lawyer*, Lloyds and PwC say the claim is without foundation and that there was no conspiracy to cause the claimants loss. PwC argues that the claimants were in a “perilous financial position” largely brought on by Elliott’s “poor” management of the companies and extravagant lifestyle, which saw him purchase a £0.5m Sunseeker yacht and Aston Martin. Elliott has also been accused of “highly aggressive” and “tax efficient remuneration planning” that resulted in a special HMRC investigation, according to PwC’s defence.

A spokesperson for Lloyds said: “Mr Elliott’s and the companies’ allegations have been reviewed extensively over a number of years at the most senior levels within the bank. Mr Elliott has involved regulators, law enforcement and media; and has asked questions at annual general Meetings and made regular complaints to senior group colleagues.

“As a result, the matter has been rigorously examined internally, as well as by a number of outside parties. No evidence of any wrong doing has been identified by any party to date. As the matter is subject to ongoing court proceedings we are unable to comment further at this stage.”

A spokesperson for PwC said: “The claim by the liquidator of Premier Motorauctions is misconceived and we anticipate that it will fail at trial. PwC discharged its statutory duties to creditors and acted properly throughout.”