

the olive press
INVESTIGATES

Expat suing Costa branch of Danske Bank after a million euro investment turned into 650,000 euro debt

I've lost my home through equity release scheme

AN expat is taking Denmark's biggest bank to court after it convinced him to use his Marbella mansion as collateral in an equity release scheme.

Euan Armstrong, 73, is in litigation after the scheme left him almost penniless with the bank trying to force him to sell his two million euro home to pay off debts. The pensioner had joined the Danske Bank scheme believing it would give him a salary for life, as well as reduce inheritance tax for his daughters - who would be liable to pay Spain's top rate of 34 per cent.

But Armstrong, originally from Scotland, now faces losing his home.

"The whole case is a mess of illegal contracts, bad invest-

By Wendy Williams

ment and a loss of clients money in spite of Danske Banks' huge profits," Armstrong told *the Olive Press*. "We must stop these banks stealing our money." Armstrong claims he was convinced by three employees in the now-shut Mijas branch that taking out a million euro mortgage would reduce his two daughters Caroline and Kristen's inheritance tax liability by half.

Illegal

Within the plan Danske Bank was supposed to use 850,000 euros to invest in bonds, Swiss Francs and Euros with the 'profits' being used to pay off the mort-

gage.

Meanwhile, a 150,000 euro lump sum would be given to Armstrong as part of the equity release deal.

However things did not go to plan. After the first year Armstrong realised that the bank had actually lost him 18,000 euros.

"And then for the next five years it continued to lose money and in 2009 I was told by an account manager in Luxembourg that I should sell my property and pay the bank back the 650,000 euros they had lost."

When he refused Danske Bank issued a foreclosure on his house and also a repossession order through Coin court, which would have taken place in July.

Fortunately however, his lawyer stepped in and obtained a court ruling suspending the repossession. According to boss Antonio Flores, of Lawbird - who is also filing eight separate cases against various Nordic banks in a similar situation - it is actually illegal to indebt yourself in order to reduce your inheritance tax liability.

Nonetheless, he estimates that hundreds of people fall victim to these schemes.

"This type of product, peddled by unauthorised agents under the auspices of supposedly reputable banks is becoming more and more common and should be avoided at all costs," he explained.

A Danske Bank spokesman said: "According to the law we cannot comment on individual customer cases nor questions related to individual cases."

The investigation continues.

Who needs pedestrians?

SEVILLA'S new mayor has caused controversy by announcing that he is to reopen the city's historical centre to traffic.

Juan Ignacio Zoido, who promised to annul the ban in his election campaign, said the original closure was full of irregularities.

Residents groups are angry that the ban will be lifted without a debate in the town council.



FIGHTING BACK: Armstrong, with his daughters

WHEELY RACIST!

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and haven't given it back," said Phil Coates, 20, who works at a bike shop in Marbella.

He and friend Felix Aldred, 16, spent 'several hundred euros' each travelling to Madrid on July 30 to attend the competition.

But as the pair took part in practice runs prior to qualifying, they were confronted by an official who told them they were not allowed to compete.

"She told us we couldn't because we weren't Spanish and ripped the numbers off our bikes," said Coates, who has lived in Spain for 15 years and is completely integrated. "We had been training really hard for a month and it was an expensive ten hour round trip," he added. "It was a massive blow."

Beating

In total, seven British competitors have now issued denuncias to the federation over its 'racist policies'.

The mother of Felix, Lisa Aldred, told *the Olive Press*: "This smacks of racism. These boys have lived here for years and competed before."

"Perhaps it has something to do with Felix beating the Spanish champion recently."

The Olive Press was unable to contact the Federation as we went to press.

News IN BRIEF

In the red

ANTEQUERA town hall cannot afford to fix the broken traffic lights in the city despite a flood of complaints from motorists.

Legal aid

An ETA terrorist arrested in Cambridge and accused of plotting to kill Spain's king has called for British legal aid to fight his extradition.

Cut short

A tram to link Chiclana with Cadiz has been scrapped due to a lack of money from the Junta.

Gypsy feud

A man who shot dead a family of three in Cuevas de Almanzora in Almeria after a gypsy feud is behind bars after turning himself in.

Not working

With nearly five million people unemployed and a struggling economy, half of all Spaniards are afraid of losing their jobs reveals a new study.

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