

# Airmiles founder takes on Coutts

**By Helia Ebrahimi**

SIR Keith Mills is facing a legal battle with the Queen's bankers Coutts & Co.

The multi-millionaire founder of the Airmiles and Nectar loyalty schemes has gone public today with his campaign to establish whether he and other Coutts customers holding AIG Life Premier Bonds may be able to obtain compensation from Coutts.

Sir Keith faces losing £30m after Coutts sold him bonds backed by troubled US insurer AIG. He has written an open letter, published in *The Daily Telegraph* today, calling on other customers affected to join him in a combined action against the bank.

But it is understood that Sir Keith, who was deputy chairman of the Olympic committee that won London the right to host the Games in 2012, has been contacted by lawyers acting for Coutts with threats of legal retaliation if he takes his campaign public.

Sir Keith is one of a number of wealthy individuals who face losing up to 25pc of their money which was placed with AIG's Premier Access Bond Enhanced fund. The £6bn fund was marketed as low risk, but was forced to close in September when fears that AIG was about to collapse sparked a run on the fund. Investors have been told they can only get half their money back now and they can only get the balance in full if they keep it tied up for another three years.

A Coutts spokesman said: "The product was sold with the appropriate advice and was compliant with the FSA regulations. The investment was low risk, not risk free."

The bank's solicitors said that "any suggestion of recklessness or negligence on the part of our client was without foundation and wholly misplaced".