

Dear Commission

I am writing in response to your call for evidence. My view is that the questions you are asking at the front of the report are good questions, but I don't feel independent enough to answer them. With the exception of:

Question 2.1 *Are there other broad options for reform that should be added to this framework?*

I would like all bank board members (executive and non executive) to read *Predictable Surprises- The disasters you should have seen coming and how to prevent them* by Max Bazerman and Michael Watkins.

In fact, I think they should not only read the book, but take a simple half hour exam on the contents. The cost of this option would be £8.99 (the price of the book) – I can write the questions if you like.

I confirm I have no relationship with the authors of the book and will not benefit financially. I just think it is an excellent book. Views in this email are my own, and not necessarily those of Seymour Pierce.

Rgds

Bruce Packard

Most of the thinking is not original but I thought it had some relevance to the question 3.2 *"What would the likely costs be of the various options? For example, what lost efficiencies might there be if banks were required to reduce the range of activities they could undertake, and/or their size? How can these costs be quantified?"*

I think the idea that we need universal banks to do trade finance is only half true. Hong Kong and Singaporean banks do not have balance sheets that resemble RBS or HSBC. When banks talk about "customer driven flows" only a small percentage of this is real economy manufacturers and exporters, most "customer driven flows" are other financial services firms. I have also put my thoughts together about bankers moving overseas. Perhaps the tone is too sarcastic, but the intention is genuine.

hope you find the note useful.

Rgds

Bruce