

Friday 6 November, 2009

The Lord Myners CBE
House of Lords
London
SW1A 0PW

Dear Lord Myners

Re: Taxpayer-supported banks and competition

It is becoming increasingly apparent that anti-competitive behaviour is arising in UK investment banking. Taxpayer supported banks are requiring their indebted corporate clients to use their corporate finance and equity capital market services as a pre-condition for continuing their lending support.

Independent banks and brokers who have survived the 'financial tsunami' without recourse to the tax payer, should not be placed at a competitive disadvantage to those banks whom have been bailed out. The behaviour of tax payer funded banks is stifling competition in the capital markets. This is a critical issue for UK corporates and their shareholders, who employ millions of people in the private sector and for London's reputation as a leading international financial centre.

The Government should ensure that state-backed banks can only win investment banking business on their merits rather than on the basis of taxpayer funded balance sheets and 'corporate bullying'.

Yours sincerely



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Cc: *The Times*