

Mr Mark Hoban MP
Financial Secretary to the Treasury
HM Treasury
1 Horse Guards Road
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Dear Mr Hoban,

European Commission consultation on MiFID II

We are sure that you and your officials are fully aware of the above consultation and will be preparing your response to it. It is extremely long and we can only describe the language as convoluted. In our view it is quite unreasonable of the Commission to give less than two months for the consultation (and that including Christmas and New Year) and to talk about implementation in spring 2011.

Our purpose in writing is to call your attention to particular points that concern us on behalf of all private investors and to express the hope that the Treasury will actively support our representations, which we believe to be in the national interest and therefore may well be already a matter of concern to you.

We enclose a copy of the letter which we are sending direct to the Commission which explains these points. The one that would most seriously affect private shareholders is the proposal at Option B on page 55 to abolish the execution-only regime. We are horrified that this should be even remotely considered as a possible option. There are many people in this country who run their own investment portfolios without taking any professional advice, and many of them do so very successfully. Arguably, the country needs more of them, a sentiment which we believe chimes with your own remark on Panorama earlier this month about the desirability of "improved financial awareness" among the population in general.

The substantial number of intermediaries offering execution-only services is an indication of the demand for them. However, whether or not those intermediaries are also making representations to you, we want you to be aware that the opposition to the proposal is not just a commercial matter but arises from the interests of ordinary private citizens and, in our view, merits strong support at Government level.

Yours faithfully,

Roy Colbran
Chairman, UKSA Government Policy
Group

Eric Chalker
Director, UK Shareholders' Association
Ltd