



HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

14 October 2009

Adair Turner  
The Financial Services Authority  
25 The North Colonnade  
Canary Wharf  
London  
E14 5HS

Dear Adair

Thank you for your letter of 2 October concerning the appointment of new FSA non-executive directors.

I am prepared to make the appointment of the proposed four new non-executive directors (NEDs) who I feel should make a valuable contribution to the work of the board. Nick Macpherson will send each of them a formal letter and minute of appointment in the next few days.

However, I do have concerns about the diversity of the board, particularly after Karin Forseke steps down next year. I note that you plan to recruit a further two NEDs with skills and backgrounds that would complement those of the board, by the middle of next year. This would be a good opportunity to address the diversity issue. I consider appointing these additional NEDs should be a priority and therefore would like the process to begin immediately. My officials will be happy to be involved in discussions about how the process should be conducted.

*Your sincerely*

*AL*

ALISTAIR DARLING