

I am concerned that depositors are classified as “unsecured creditors” of a bank. If a bail-in law is passed, the unsecured creditors of a failing to big to fail bank will be forced to wear its losses, so that the bank can stay afloat, and honour its gambling bets to its derivatives counterparties in other banks and thus avoid “greater systemic disruption”. Why should depositors be treated like this? Banks should be made to separate their derivatives trading activities from their day to day trading activities.