



Treasury Committee

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Mr Andrew Bailey
Chief Executive
Financial Conduct Authority
12 Endeavour Square
London, E20 1JN

10 June 2019

Dear Andrew,

The suspension of the LF Woodford Equity Income Fund (“the Fund”) has raised significant concerns about its impact on investors, and the wider regulation and supervision of funds. Prior to the FCA’s appearance before the Treasury Committee on Tuesday 25 June, I would welcome your response to the following questions:

- What factors should dictate how long a suspension should be, and is there a maximum length? At what point would the FCA intervene in a suspension?
- Whether the FCA has a view on the fees that funds charge during a suspension?
- Please could you provide a timeline of the FCA’s supervisory contact with the Fund, or those related to its management?
- Please could you provide a timeline of the FCA’s supervisory contact with the authorities in Guernsey, in relation to activities related to the Fund?
- Whether the FCA has initiated any formal investigation related to the events that led to the suspension?

Having seen your comments in the *Financial Times* on 10 June 2019, I would also welcome an overview of the current regulatory framework for funds, any ongoing FCA work in this area, and your thoughts on where further regulatory change may be welcome.

Given the proximity of the session, I would welcome your response by close of business on Tuesday 18 June. I will be placing this letter, and in due course, your response, in the public domain.

Yours sincerely,

Rt Hon Nicky Morgan MP
Chair of the Treasury Committee