



Work and Pensions Committee Business, Energy and Industrial Strategy Committee

House of Commons, London, SW1A 0AA

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From the Chairs

Philip Quirk
General Counsel, EMEA
Morgan Stanley
20 Bank Street
London E14 4AD

Carillion

15 February 2018

Dear Philip,

Following the compulsory liquidation of Carillion Plc and its subsidiaries announced on 15 January 2018, the Work and Pensions and Business, Energy and Industrial Strategy Committees have launched a joint inquiry into the group.

On Tuesday 6 February we took evidence from former executive and non-executive directors. At this meeting, Philip Green told us (Q461 in the appended transcript) that Carillion had “high quality advice” from firms that were involved with the company “intimately, throughout the last 12 or 18 months”, including Morgan Stanley.

Could you please explain:

- 1) The nature of the advice Morgan Stanley provided to Carillion;
- 2) The period over which Morgan Stanley provided that advice;
- 3) The fees charged, including whether they were contingent on certain outcomes;
- 4) Whether you agree with Mr Green’s assessment of Morgan Stanley’s recent involvement in Carillion; and
- 5) Whether the advice provided by Morgan Stanley was acted upon.

In addition, Keith Cochrane told us that Carillion did not attempt to raise equity during his time as Chief Executive on advice from its brokers (Q336). Did Morgan Stanley give that advice, and did the firm advise Carillion to raise equity at any earlier point?

We would welcome the requested information by Wednesday 21 February.

Yours,

A handwritten signature in black ink, appearing to read 'Frank Field'.

Rt Hon Frank Field MP
Chair, Work and Pensions Committee

A handwritten signature in black ink, appearing to read 'Rachel Reeves'.

Rachel Reeves MP
Chair, Business, Energy and
Industrial Strategy Committee