



The Insolvency Service

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Dear *Secretary of State*

Thank you for your letter of today's date. I can confirm that given the nature of public concern I believe that it is appropriate for the Insolvency Service to begin an investigation into the circumstances surrounding the Administration of BHS without delay. Your understanding of the authority and scope of the investigation is correct.

In the event that we consider one or more directors to have been guilty of misconduct we may apply to a Court to ask that they be disqualified from acting as a director for a period between 2 and 15 years depending on the nature of their misconduct. Further, for any wrong doing which took place subsequent to 1 October 2015 and which caused a loss to creditors we can apply to Court to order that compensation is paid in respect of the loss.

As you are aware, we will not be able to provide public updates during the investigation. To do so could potentially threaten our ability to successfully obtain an appropriate court order, or to support a relevant criminal investigation and prosecution. I will however ensure that you are kept fully informed of progress and findings as the investigation progresses. In the event that we were to obtain a disqualification order against one or more directors the order, and the facts which supported it, would be made public.

Sarah Albon
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Sarah Albon
Chief Executive