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John Glen Esq MP
Economic Secretary
HM Treasury
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BY EMAIL (action.est@hmtreasury.gov.uk / john.glen.mp@parliament.uk)

24 August 2020

Dear Mr Glen,

Re: Independent Investigation into the Financial Conduct Authority's Regulation of London Capital & Finance plc

As you are aware, pursuant to your Direction dated 22 May 2019 (the "**Direction**"),¹ I was appointed by the Financial Conduct Authority (the "**FCA**") as the Investigator (as that term is defined in the Direction) to investigate events and circumstances surrounding the failure and placing into administration of London Capital & Finance plc ("**LCF**").

In my letter to you of 1 June 2020 I explained that I had informed the FCA that it would not be possible to complete my investigation by 10 July 2020 and the revised date for delivery of my report was 30 September 2020. Unfortunately I have recently had to inform the FCA that the timeline for completion of my investigation will need to be amended again. The updated date for delivery of my report is now 23 November 2020, although I am hopeful that the report can be delivered before that date.

I am very conscious that many individuals who invested in LCF have been impacted both personally and financially by LCF's insolvency and will understandably be disappointed by the further delay in the delivery of my report. It is therefore important for all stakeholders that I should be able to deliver a comprehensive and robust report on these important issues as soon as possible. My team is making every effort to ensure that no further amendments to the timetable are necessary. I have asked the Chair of the FCA to ensure his team continues its cooperation and takes any necessary steps to ensure my investigation is completed as soon as possible.

I enclose with this letter my recent correspondence with the FCA which sets out the reasons for the delay in concluding the investigation. As you will see, the FCA does not object to the revised timeline for delivery of my report.

As before, I understand that the FCA is informing the Treasury of the reasons for the delay and the revised timeline in accordance with paragraph 7(2) of the Direction. My team is also working with the FCA to agree appropriate statements regarding the revised timeline for the press, the FCA's website and the dedicated website for my investigation. We anticipate that these statements will be made available tomorrow (Tuesday, 25 August 2020). I understand if you need to publish this letter and its enclosures but would be grateful if you could refrain from doing so until the statements from the FCA and my team have been released.

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https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/803967/LCF_Direction_to_FCA.PDF

Please do let me know if you wish to discuss any matters set out in this letter or its enclosures.

Yours sincerely,

[Signed]

Dame Elizabeth Gloster

Encl.