



Strand Capital Limited - In Special Administration ("Strand") Update for clients and other stakeholders March 2021

This is an update for clients and other stakeholders affected by the special administration of Strand. It sets out updated details on the return of Client Monies to clients of Strand

Final distribution in relation to the return of Client Monies

The JSAs have now declared and paid a final distribution of 14.91 pence in the pound as the final distribution from the pool of Client Money automatically created as a result of the special administration of Strand.

This distribution, in conjunction with the previous interim distributions, equates to an aggregate return of 89.91% of clients' agreed Client Monies claim balances. The JSAs confirm that for these purposes (and as detailed below) the total Client Monies claim balance being used for each client is the first balance on clients' agreed Statements of Claim (originally issued to clients in September 2018).

Please note that where clients have already received compensation from the FSCS in respect of their Client Monies claim, the final distributions were paid by the JSAs directly to the FSCS.

If a client has not already been compensated in full for their Client Monies claim balance by the FSCS, the FSCS may be required to make a further payment to the client following receipt of this final distribution, in accordance with the FSCS's compensation rules.

This distribution represents the final distribution of Client Monies from, and the completion of the process of distributing, the pool of Client Money. This also means that all clients eligible to receive compensation from the FSCS have received their Client Money Claim in full.

Note for clients holding OWG bonds

A number of Strand's clients who held Optima Worldwide Group Plc ("OWG") bonds at the date of the special administration accepted their Statement of Claim for Client Monies on two bases:

Balance 1: Total Client Monies claim; and

Balance 2: Total Client Monies claim where balance of December 2016 OWG coupon interest is included.

The difference in the two balances represents the amount of the unpaid December 2016 coupon owed to certain of Strand's clients who held OWG bonds, some £493,024 in total.

The affairs, business and property of the Strand Capital Limited ("the Company") are being managed by the joint special administrators Adam Henry Stephens, Henry Anthony Shinners of Smith & Williamson LLP and Virgil Levy of LA Business Recovery Limited who act as agents of the Company and without personal liability. Adam Henry Stephens and Henry Anthony Shinners are licensed as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales. Virgil Levy is licensed as an insolvency practitioner in the UK by the Insolvency Practitioners Association. Strand Capital Limited is authorised and regulated by the Financial Conduct Authority. FCA reference number: 494001. Registered in England, Company number: 03747386. Registered office: 25 Moorgate, London, EC2R 6AY. The word partner is used to refer to a member of Smith & Williamson LLP. A list of members is available at the registered office. Registered in England at 25 Moorgate, London EC2R 6AY No OC369631. Regulated by the Institute of Chartered Accountants in England and Wales for a range of investment business activities. A member of Nexia International, a worldwide network of independent accounting firms. To the fullest extent permitted by law, neither the Joint Special Administrators, Strand Capital Limited, Smith & Williamson LLP or LA Business Recovery Limited assume any responsibility for the content of this information only update and do not accept any personal liability in respect of this document to any party.





The two balances were provided in order to expedite the agreement of Client Money claim balances whilst the JSAs investigated OWG's claim that Strand had agreed to take over OWG's contractual obligation to pay the full amount of the outstanding December 2016 bond coupon interest to OWG's bondholders.

Having now completed their investigations the JSAs have rejected OWG's claim and determined that each Client's correct Client Money claim balance in the Client Money Pool is Balance 1. The JSAs are liaising with the Joint Liquidators of OWG in this regard, but any Clients who have a difference between Balance 1 and Balance 2 are advised to lodge a claim against OWG for this amount along with any other outstanding bond coupons.

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