



Reyker Securities plc - In Special Administration ("the Company")

Update for Clients and other stakeholders 28 February 2021

This is an update for Clients and other stakeholders affected by the Special Administration of the Company. It sets out updated details on the return of Client Money and Custody Assets belonging to the Clients of the Company.

IMPORTANT UPDATE FOR CLIENTS WITH CUSTODY ASSETS & CORPORATE ACTION INCOME THAT DID NOT OPT OUT OF THE TRANSFER TO A NOMINATED BROKER

The JSAs are pleased to advise that the transfer of Custody Assets, Corporate Action Income and Pre-Pooling Cash (for those Clients that had selected, in Summer 2020, for their 85% of Pre-Pooling Cash to be sent to their Nominated Broker once confirmed) is all progressing well.

Although the process of transferring so many assets will still take some time, I am pleased to set out some more information about the transfer process for each Nominated Broker below.

IMPORTANT UPDATE FOR CLIENTS WITH CUSTODY ASSETS & CORPORATE ACTION INCOME THAT DID OPT OUT OR DID NOT HAVE A NOMINATED BROKER

The JSAs are pleased to confirm that with the Nominated Broker transfers progressing well, the first distribution of assets and Corporate Action Income will be in Spring 2021. The JSAs will be writing to all Clients that will be subject to a distribution in Spring.

IMPORTANT UPDATE FOR CLIENTS WITH CLIENT MONEY WHO INSTRUCTED THE JSA'S TO HOLD THE MONEY UNTIL THE NOMINATED BROKER WAS CONFIRMED

The JSAs wrote to 1,066 Clients in early January 2021 requiring confirmation on the Portal that your Client Money can be transferred to your Nominated Broker. To date some 387 Clients have not yet confirmed their instructions. The Portal remains open and this money cannot be transferred, under CASS rules, until this confirmation instruction is given.

James Brearley & Sons Limited ("JB")

Transfers of electronically held securities

The overwhelming majority of electronically held securities have now been transferred and should be showing in Client's accounts with JB.

A small number of securities have not yet been transferred, although the JSAs continue to work to progress the transfers of these remaining assets. There are various reasons these are delayed, which include the platforms the securities are held on adding a layer of complexity, and Reyker's records of the number of decimal places securities were recorded at. Furthermore, some of these assets will need to be converted into statement format as JB cannot hold these assets electronically.

We are working with JB and CREST and KAS Bank and are hopeful these issues will be resolved in the near future.

Corporate Action Income

All Corporate Action Income received since 8 October 2019 has been transferred to JB and should show in your JB portal account.





Securities held in statement format with various Fund Managers

The JSAs and JB continue to work in re-registering all fund positions in the coming weeks and anticipate that the majority of these will be reflected in client accounts the end of March 2021.

Paper certificates held in Reyker's safe custody

The transfer of Paper (certificated) holdings is underway and these will be transferred as soon as possible. However, Clients should note that the re-registration process requires action to be taken by third party registrars that may currently be working to a reduced capacity due to COVID, so some transfers may take longer. The JSAs anticipate that the majority of these Custody Assets will be transferred and reflected in JB client account by the end of April 2021.

Some of the assets held in this format are unusual, not commonly traded, and so require additional steps to be taken to ensure they are transferred.

Pre-Pooling Client Money

Clients that confirmed their previous instruction to transfer Pre-Pooling Client Money to JB have had their funds transferred and this amount should be visible in your JB account. Clients that have not yet made this confirmation, via the Portal, should confirm their instructions as soon as possible.

Logic Investments Limited ("Logic")

Transfers of electronically held securities

Nearly all electronically held securities have been transferred and should be showing in Client's accounts with Logic/Jarvis. The remaining few are in the process of being transferred and should be showing in clients accounts in the near future.

Corporate Action Income

All Corporate Action Income has been transferred to Logic and should show in your client account.

Securities held in statement format with various Fund Managers & Paper certificates

The JSAs have been asked by clients holding these assets to hold off transferring these Custody Assets for a short period of time. The JSAs have agreed to a short postponement of work on these transfers, but in the meantime we have been preparing to transfer as many of these assets as quickly as possible.

Pre-Pooling Client Money

Clients that confirmed their previous instruction to transfer Pre-Pooling Client Money to Logic/Jarvis have had their funds transferred and this amount should be visible in your Logic/Jarvis client account. Clients that have not yet made this confirmation, via the Portal, should confirm their instructions as soon as possible.

Kin Capital Partners LLP ("Kin")

Paper Certificates

The JSAs have completed and submitted all paperwork for the transfer and re-registration of all Clients' Paper Certificates to Kin. The JSAs continue to liaise with Kin to complete these transfers, as required.





Clients should please note that the re-registration process requires action to be taken by third party registrars that may currently be working to a reduced capacity due to COVID so some transfers may take longer than others. The JSAs anticipate that the majority of these Custody Assets will be transferred and reflected in clients' accounts at Kin by the end of March 2021.

Corporate Action Income

All Corporate Action Income has been transferred to Kin and should show in your Kin client account.

Pre-Pooling Client Money

Clients that confirmed their previous instruction to transfer Pre-Pooling Client Money to Kin have had their funds transferred and this amount should be visible in your Kin client account. Clients that have not yet made this confirmation, via the Portal, should confirm their instructions as soon as possible.

Thompson Taraz ("TT")

Clients' LLP interests in various funds

The transfer of these Custody Assets is complete.

Paper Certificates

The JSAs have been assisted by Ingenious, the Investment Manager representing all transferring retail Clients holding paper certificates, for information to enable the transfer of these Custody Assets. Approximately two-thirds of these assets have been re-registered with TT already and the JSAs are working with Ingenious and TT to complete these transfers.

Clients should please note that the re-registration process requires action to be taken by third party registrars that may currently be working to a reduced capacity due to COVID so some transfers may take longer than others. The JSAs anticipate that the majority of these Custody Assets will be transferred and reflected in TT clients' accounts by the end of April 2021.

Corporate Action Income

All Corporate Action Income has been transferred to TT Nominees and should show in your client account.

Pre-Pooling Client Money

Clients that confirmed their previous instruction to transfer Pre-Pooling Client Money to TT Nominees have had their funds transferred and this amount should be visible in your TT client account. Clients that have not yet made this confirmation, via the Portal, should confirm their instructions as soon as possible.

Pershing Securities Limited ("Pershing")

Paper Certificates

The JSAs have completed and submitted all paperwork for the transfer and reregistration of all Clients' Paper Certificates to Pershing. The JSAs continue to liaise with Pershing to complete these transfers, as required.

Clients should please note that the re-registration process requires action to be taken by third party registrars that may currently be working to a reduced capacity due to COVID so some transfers may take longer than others. The JSAs anticipate that the majority of these Custody Assets will be transferred and reflected in Pershing clients' accounts by the end of March 2021.





Corporate Action Income

All Corporate Action Income has been transferred to Pershing and should show in your client account.

Pre-Pooling Client Money

Clients that confirmed their previous instruction to transfer Pre-Pooling Client Money to Pershing have had their funds transferred and this amount should be visible in your Pershing client account.

Clients that have not yet made this confirmation, via the Portal, should confirm their instructions as soon as possible.

Disclaimer

Neither Reyker nor the JSAs can give Clients any advice whatsoever in respect of their investments and / or the distribution of Client Money or transfer of Custody Assets and nothing within this document, the Website, the Portal, or any other associated literature issued by the JSAs should be treated as such. If you are uncertain as to the best option(s) for you and your investments and the financial consequences, please seek independent professional advice.

Fraudulent communication

Further to recent updates and reports of fraudulent activity, Clients are reminded to remain vigilant to fraudulent communication at all times. Should Clients have any concerns in respect of any communications received, please contact Client Services on 0800 048 9512.

Further information

Further information and frequently asked questions can be found on our website, or by clicking this link <https://smithandwilliamson.com/reyker-securities-plc/>

Should you have any queries, please contact Client Services by email at clientservices@reyker.com or, alternatively, by calling 0800 048 9512.





Glossary

Capitalised terms within this document are defined as follows:

Term	Definition
Client	A party for whom the Company held either Client Money or Custody Assets or both on their behalf
Client Assets	Client Money and Custody Assets
Client Money	Money of any currency that the Company has received or holds for, or on behalf of, a Client as at 8 October 2019
Creditors' Committee	The Creditors' Committee of Clients and Creditors established in order to take certain decisions on behalf of the Clients and Creditors as a whole.
Company / Reyker	Reyker Securities PLC - in Special Administration
Corporate Action Income	Income arising from Custody Assets and received on behalf of Clients following 8 October 2019
Custody Assets	The securities (including stock, shares and other investments) held for and on behalf of the Clients as at 8 October 2019
Distribution Plan	A statutory distribution plan, pursuant to the Regulations and the Rules, to facilitate the return of Custody Assets
Investment Manager	An organisation that manages investments in funds and other portfolios of Client Custody Assets on behalf of Clients under the terms of an investment management agreement
JSAs	The joint special administrators
Nominated Broker	One of the designated brokers who will receive a transfer of Client Assets following the approval of the Distribution Plan
Portal	The online Client Claim Portal, available at www.reykerportal.com
Regulations	The Investment Bank Special Administration Regulations 2011 as amended by The Investment Bank (Amendment of Definition) and Special Administration (Amendment) Regulations 2017
Rules	The Investment Bank Special Administration (England and Wales) Rules 2011
S&W	Smith & Williamson LLP
Special Administration	The special administration of the Company

