

Reyker Securities plc (in special administration) (“Reyker”) Terms and conditions of the Client Money Pool distribution

All Clients should read these carefully prior to submitting the Client Money Instruction Form.

These terms and conditions relate to the distribution of the Client Money Pool and are not relevant to the transfer of Custody Assets which will be undertaken under a separate process in accordance with the terms of the Distribution Plan agreed by the Court.

Capitalised terms within this document are defined within the JSAs glossary of terms available at <https://smithandwilliamson.com/en/services/restructuring-and-recovery-services/reyker-securities-plc/>.

1. The Client Money Pool will be distributed in at least two tranches. Instructions provided by Clients in respect of the first distribution will apply to subsequent distributions except where alternative instructions are provided, either through the Portal or to the JSAs in writing. Alternative instructions need to be provided in good time and written instructions must be acknowledged by the JSAs. Reversals of transactions which have been set in motion or completed as per a Client’s original instructions will not be possible.
2. The first interim distribution will be paid to all Clients who have satisfied the JSAs’ requirements by the deadline detailed in paragraph 3 shortly after the 7 August 2020 in the sum of 85p in the £ (being 85%). Clients who are eligible for FSCS compensation will receive the full 85p in £ but for FSCS ineligible or potentially ineligible Clients the JSAs need to maintain a reserve for their share of the costs which means that the amount they will actually receive will be 80p per £. The residual balance is being retained by the JSAs as a provision against unknown and unforeseen claims against the Client Money Pool.
3. Clients will only be able to participate in the first interim distribution of Client Money if they have submitted their claim to Client Assets and submitted their Client Money Instruction Form on the Portal before **17.00 hrs on 7 August 2020**;
4. Where Clients owe any outstanding sums to Reyker (such as overdrawn Client Money balances or stamp duty), these will either be deducted from the Client Money being distributed in accordance with your instructions or, alternatively, where such funds are not sufficient, will need to be paid by Clients in advance of any Client Money being distributed;
5. Clients who have a debt outstanding as at 7 August 2020, have not submitted a claim to Client Assets or have not completed the Client Money Instruction Form, will not be included in the first interim distribution. They may, however, participate in future distributions once they have satisfied these requirements.
6. Where Clients do not participate in the first interim distribution, their share of the Client Money Pool will be safeguarded under the JSAs’ control until such time that either a second interim or a final distribution is declared. The timing of further distributions will be at the JSAs’ discretion and will be reviewed following the payment of the first interim distribution. This is to minimise the costs incurred in issuing several interim distributions.
7. A Client’s Client Money balance is summarised within the Client Money Instruction Form (located on the left-hand side of the Portal) and is broken down per Client plan (i.e. some Clients hold more than one plan with Reyker);
8. Clients must provide instructions in respect of the Client Money balance held in each plan which may include balances held in different currencies or across different investment products. Accordingly, Clients may provide different instructions in respect of the distribution of cash held in different plans.
9. By requesting the JSAs to hold a Client Money balance until such time that the Distribution Plan in respect of Custody Assets has been approved by the Court, with a view to the respective Client Money balance being distributed to the same broker or ISA manager as that Client’s Custody Assets in due course, a Client accepts that further instructions in respect of the return of the respective Client Money balance will need to be provided once the identity of their new broker for Custody Assets under the Distribution Plan has been confirmed by the JSAs. Such instructions will be able to be provided through the Portal in due course.
10. Any charges associated with the distribution of Client Money to your designated personal bank account as per your instructions, which are charged by your bank or are otherwise charged directly to you, such as bank transfer fees or the cost of foreign currency conversions, are to

be borne by you and are not payable by Reyker as part of the distribution process. Where money transfer charges are imposed by the JSAs' bank in relation to any transfer, these charges will be settled by the JSAs and form part of the overall costs of distributing the Client Money Pool.

11. The JSAs have complete discretion as to the time and date of any payments they make of Client Money once a Client has provided instructions and where, as part of any distribution, Client Money is converted from one currency to another in accordance with the instructions of the Client, such conversion will take place at the relevant rate prevailing at the time of payment.
12. The distribution of Client Money to a Client's designated personal bank account or to an alternative broker is subject to the verification checks put in place by the JSAs for the protection of Clients' assets. Where bank details cannot be verified by the JSAs' automated verification checks or otherwise, additional information may be required from Clients to participate in the first interim distribution. Where such information is not provided in a timely manner, the JSAs reserve the right to exclude a Client from the first interim distribution.
13. By requesting a distribution of Client Money to a personal bank account, a Client consents to the required automated bank account verification checks being undertaken by the JSAs. This operation will not affect a Client's credit rating or history.
14. When providing instructions for the distribution of your Client Money to your personal bank account or to an alternative broker or ISA manager, it is your responsibility to ensure the details provided are correct. The Company, the JSAs and their firm shall not be liable for any consequences of any failure by you to provide accurate, complete and up-to-date information.
15. By requesting a distribution of Client Money to an alternative broker or ISA manager, Clients consent to the JSAs contacting that broker or ISA manager to verify a Client's account details and to affect the distribution of the respective Client Money balance.
16. The distribution of Client Money to an alternative broker or ISA manager is subject to Clients contacting the proposed broker or ISA manager and opening an account in advance of providing this instruction on the Portal. Clients must make the alternative broker or manager aware that their cash will be paid directly from Reyker (as opposed to from the Client's own personal bank account) and have obtained all relevant references so that the Client's account with the alternative broker or manager can be identified by the JSAs.
17. If, for any reason, a Client's Client Money cannot be distributed to their alternative broker or ISA manager, the Client will not be able to participate in the first interim distribution of Client Money and the respective cash balance will be safeguarded under the JSAs' control until such time that either a second interim or a final distribution is declared. Clients are required to give any new broker as much information as possible in order to ensure there are no complications.
18. A Client's choice of broker or ISA manager is at their own risk and nothing within this document or the Client Money Pool distribution process and associated correspondence should be considered advice in this regard. Clients are required to make sure they are fully aware of any costs that may be incurred with their alternative broker or ISA manager prior to selecting this option and they are comfortable that their desired investment aims will be satisfied accordingly. There will be no possibility of Clients transferring back to Reyker following any distribution.
19. The JSAs will accept investment instructions from Investment Managers, acting for Clients, where those Investment Managers have satisfied the JSAs as to their authority to do so; specifically the authority to decide where to invest their clients' Client Money. Where competing instructions are received from Investment Managers and the Client, the JSAs will follow the instructions provided by the Client.
20. The option for a return of cash to a personal bank account is not provided where the Client Money balance is held within a JISA or Child Trust Fund and the Client (being the beneficiary of the plan) is below the age of 18.
21. Where Client Money balances are invested in either Self Invested Personal Pensions (SIPPs) or a Qualifying Recognised Overseas Pension Scheme (QROPS), the Company will treat the SIPP or QROPS Trustee or manager as the Client. The distribution of Client Money held within the SIPP or QROPS will be distributed in accordance with the instructions of the scheme's trustee or managers.
22. Clients with Client Money balances held overseas and considered 'offshore' investments may also have additional tax wrappers and tax benefits to consider prior to submitting their Client

Money Instructions Form. Appropriate advice should be sought by Clients from their own independent professional advisor.

23. Neither Reyker nor the JSAs can give Clients any advice whatsoever in respect of their investments and / or the distribution of Client Money and nothing within this document, the Portal, or any other associated literature issued by the JSAs should be treated as such. It is the obligation of Clients to seek independent professional advice in respect of the best option(s) for their investments, including specialist tax advice in respect of any Client Money held within ISA, JISA, IF ISA or Child Trust Fund products.

Mark Ford, Adam Stephens and Henry Shinnars of Smith and Williamson LLP were each appointed as the JSAs of the Company on 8 October 2019. The affairs, business and property of the Company are being managed by the JSAs who act as agents of the Company and without personal liability.

10 July 2020