

Private & Confidential**13 August 2020**

Tel: 0800 048 9512

Email: clientservices@reyker.com<Address 1>
<Address 2>
<Address 3>
<Address 4>
<Address 5>

Client ID: []

Dear <Name>

**Reyker Securities Plc (in special administration) (“the Company” / “Reyker”)
In the High Court of Justice, Business and Property Courts of England And Wales, Company
and Insolvency List (Ch. D.) No. CR-2019-006671**

Adam Stephens, Henry Shinnors and I, were each appointed as the Joint Special Administrators (“the JSAs”) of the Company on 8 October 2019.

In order to return Custody Assets, the JSAs have drafted a Distribution Plan which must be approved by the Court before any assets can be returned. The Distribution Plan is a detailed legal document with accompanying asset schedules, and it details how the Custody Assets will be returned to Reyker’s clients.

I am pleased to report the terms of the Distribution Plan were approved by the Creditors’ Committee on 31 July 2020 and the Distribution Plan was submitted to Court on 6 August 2020.

The Distribution Plan has been listed to be heard by the Court on 16 October 2020 (further details are provided below).

If approved by the Court, the JSAs will return the Custody Assets using a series of partial transfers to a number of regulated brokers. The number of transfers will be limited to a maximum of five brokers which the JSAs consider to be in the best interests of Clients taking account of complexity, cost and, particularly, timescales. The identity of the Nominated Brokers will be disclosed once the final terms of the transfers have been agreed with the relevant brokers. Assets that cannot be transferred to one of these brokers will be returned to Clients by way of a distribution process.

Smith & Williamson LLP

The affairs, business and property of Reyker Securities Plc (“the Company”) are being managed by the joint special administrators Mark Ford, Adam Henry Stephens, and Henry Shinnors of Smith & Williamson LLP. They act as agents of the Company and without personal liability. Mark Ford, Adam Henry Stephens, and Henry Shinnors are licensed as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales. Reyker Securities Plc is incorporated in England and Wales under the Companies Act 2006 with registered number 01747595. The Company is authorised and regulated by the Financial Conduct Authority with FRN 115308. LSE No: 780. The Fair Processing Notice in relation to the General Data Protection Regulation can be accessed at www.smithandwilliamson.com/rsgdpr Should you wish to be supplied with a hard copy, free of charge, please contact Smith & Williamson’s offices.

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.

This letter sets out important information regarding the transfer of your Custody Assets (being the stock and securities held by the Company on your behalf) to an alternative broker subject to the Court's approval of the Distribution Plan.

The transfer of Custody Assets is a separate process from the distribution of Client Money.

Supporting documents and important information

The following documents are now available to view and download from <https://smithandwilliamson.com/reyker-securities-plc/> ("the Website"):

- Explanatory Statement
- Distribution Plan
- Annex to the Distribution Plan
- Frequently Asked Questions - Distribution Plan
- Flowchart: What do I need to do?

Clients are strongly encouraged to read the Explanatory Statement and the Flowchart which has been prepared as a summary of the Distribution Plan and to assist with your understanding of the process.

The FSCS have also provided further information regarding the Distribution Plan which Clients may find useful on their website at <https://www.fscs.org.uk/failed-firms/reyker-securities/>

The Annex is required to be submitted along with the Distribution Plan as it contains a full list of all Custody Assets held by Clients which are to be returned to Clients through the Distribution Plan. Please note:

- The Annex does not include Client Money as this is being dealt with by way of a separate distribution (further details below);
- All personal data has been anonymised within the Annex and Clients have therefore been allocated a unique Client ID in order to identify their Custody Assets (your own unique Client ID is stated at the top of this letter);
- The number of units of stock held have been prepared up to 13 July 2020 (being the latest practicable date in advance of filing the application and are subject to change); and
- For the purposes of the Distribution Plan and calculating each Client's share of the costs of returning Custody Assets, stock has been valued as at close of business on 7 October 2019 (being the last practicable valuation point prior to the JSAs' appointment).

You may request a hard copy of any of the documents listed above, which will be provided at no cost, as follows:

- Telephone: 0800 048 9512
- Email: clientservices@reyker.com
- Post: Reyker Securities plc (in special administration), 25 Moorgate, London, EC2R 6AY.

Due to the current restrictions imposed by the UK Government in response to COVID-19, there may be a short delay in responding to communications received via post and, therefore, Clients and their representatives are strongly encouraged to direct any requests by email to clientservices@reyker.com or, alternatively, by telephone on 0800 048 9512 where possible.

Court hearing on 16 October 2020

As stated above, the Court hearing for approval of the Distribution Plan has been listed for **16 October 2020**. Given the ongoing COVID-19 situation, the hearing is currently expected to be held by videoconference although this may change. If the hearing is held in person it will be held at the Business & Property Courts of England & Wales Insolvency & Companies List, 7 Rolls Building, Fetter Lane, London EC4A 1NL.

Clients are **not** required (or expected) to attend the Court hearing, however, should any Clients wish to attend the hearing, further details about the timing of the hearing and how/where it will be held, will be made available at <https://smithandwilliamson.com/reyker-securities-plc/>.

However, Clients should note that this information will only appear on the Website once it is released by the Court on 15 October 2020.

Next steps regarding your Custody Assets

No action is required by Clients prior to the Court hearing **in respect of their Custody Assets**. See below for Client Money.

If the Distribution Plan is approved, Clients will receive confirmation of this by post and be issued with a Client Assets Return Statement (via the Portal), which will detail all Custody Assets to be returned (including Corporate Action Assets received following the JSAs' appointment).

Should any action be required by Clients prior to the transfer of their Custody Assets, the JSAs will provide further information in their next communication which will be issued shortly following the Court hearing.

Contractual Notice of transfer of Client Assets

For the vast majority of Clients, the contract between them and Reyker is governed by Reyker's General Terms and Conditions of Business ("**General Terms**"). Whilst the Distribution Plan is a statutory process which facilitates the return of Custody Assets, to ensure compliance with the General Terms, Reyker hereby gives each Client at least 30 calendar days' notice of the proposed transfer of their Custody Assets to a new broker under the Distribution Plan.

Client Money

As previously advised, the return of Client Money from the Client Money Pool (i.e. cash held as at 8 October 2019) does not form part of the Distribution Plan.

Please refer to the Website for full details on the Client Money distribution process <https://smithandwilliamson.com/reyker-securities-plc/>.

Other information

Should you have any queries relating to the Distribution Plan or, alternatively, the Client Money Distribution, please refer to the Website in the first instance which provides further guidance along with Frequently Asked Questions in respect of both processes.

If you have any queries once you have reviewed the information available at <https://smithandwilliamson.com/reyker-securities-plc/>, please contact Client Services on 0800 048 9512 or by email at clientservices@reyker.com.

Yours sincerely
For Reyker Securities Plc



Mark Ford
Joint Special Administrator

Encs