

6 March 2020

<Name>  
<Address>  
<Address>  
<Address>

Dear &lt;Name&gt;

**Reyker Securities PLC (In Special Administration) (“the Company”/“Reyker”)  
In the High Court of Justice, Business and Property Courts of England and Wales, Insolvency  
and Companies List, Court Case Number: CR-2019-006671**

As you are aware, Mark Ford, Adam Stephens and Henry Shinnors, were each appointed as the Joint Special Administrators (“the JSAs”) of the Company on 8 October 2019.

**ACTION REQUIRED: This letter sets out important information regarding the return of Client Assets (being Client Money and / or Custody Assets) and explains certain actions which you are required to take by 17.00 hours (GMT) on 7 April 2020 in order to submit your claim.**

**Purchaser and wholesale transfer of Client Money and Custody Assets**

As per the JSAs’ report and proposals dated 25 November 2019, we consider that the quickest and most cost-effective way for Client Assets to be returned to Clients is for them to be transferred to a single regulated broker by way of one wholesale transfer. This is the strategy that the JSAs are pursuing.

Since the JSAs’ appointment we have been marketing the business and assets of the Company for sale. Following a thorough process, where the JSAs and their professional advisors have contacted 132 interested parties, the JSAs are pleased to confirm an offer for the Company’s business and assets was accepted on 28 January 2020, subject to contract. The JSAs and the proposed purchaser have engaged solicitors and are in the process of negotiating the sale contract based on the agreed headline terms.

**Notification of Custody Assets Bar Date and Client Money Bar Date**

In order to expedite the return/transfer of Client Assets and because it is a condition of the purchaser’s offer, the JSAs need to set a Custody Asset bar date and a Client Money bar date in accordance with Regulations 11, 12A and 12E of the Investment Bank Special Administration Regulations 2011.

**Smith & Williamson LLP**

The affairs, business and property of Reyker Securities Plc (“the Company”) are being managed by the joint 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/rrsgdpr](http://www.smithandwilliamson.com/rrsgdpr) Should you wish to be supplied with a hard copy, free of charge, please contact Smith & Williamson’s offices.

For reasons of efficiency, the Custody Assets bar date and the Client Money bar date will occur simultaneously. The bar date, in respect of both Custody Assets and Client Money, is **17.00 hours (GMT) on 7 April 2020** (the “Bar Date”).

The Bar Date represents the deadline by which Clients are required to submit their claim(s) for Client Money or Custody Assets. This letter provides information to enable you to submit your claim(s) via an online claims’ portal (“the Portal”). Clients that cannot access the internet should call Client Services on **0800 048 9512**.

### Statutory documents

Further details regarding the statutory process required to effect the transfer to the purchaser, including the setting of a bar date, can be found in the JSAs’ report and proposals dated 25 November 2019.

The following documents are available to view and download at <https://smithandwilliamson.com/en/services/restructuring-and-recovery-services/reyker-securities-plc/>:

- Notice of Bar Date in respect of Custody Assets
- Notice of Bar Date in respect of Client Money

You may request a hard copy of these documents, which will be provided at no cost, as follows:

Email: [clientservices@reyker.com](mailto:clientservices@reyker.com)  
Telephone: 0800 048 9512  
In writing: Reyker Securities plc (in special administration), c/o Smith & Williamson,  
25 Moorgate, London EC2R 6AY.

### Submitting your claim

The JSAs have established the Portal to allow you to submit your claim for both Custody Assets and Client Money. The Portal is now live.

**To access the Portal and submit your claim, please use the following details:**

Website: <https://reykerportal.com/login>  
Client ID: [To be merged]  
Password: [To be merged] (you will be prompted to change this on first log-in)

The password provided above is unique to your online account and should not be shared with any other person; save for any person you specifically authorise to submit a claim on your behalf (see next section). You will be required to change your password when you first log in to the Portal and this will be the password required for all future access. Please keep it safe and secure.

The Portal will enable you to view your Client statement(s) confirming your holdings of Custody Assets and/or Client Money as at **8 October 2019** (the date of the special administration) according to the records of the Company which have been adjusted, where required, to reflect any discrepancies identified by the JSAs’ reconciliation.

The statements are prepared as at 8 October 2019 and identify the proportion of your Custody Assets and / or Client Money held in either the Client Money Pool or Client Asset Pool which crystallised upon the JSAs’ appointment.

**The statements on the Portal do not therefore include dividends and bond coupons received after that date nor do they reflect any corporate actions post 8 October 2019.** We can confirm that all dividend and bond coupon receipts continue to be received and banked separately by the JSAs and are held in designated bank accounts for Clients. It is presently envisaged these will also be transferred to the purchaser in due course.

Should you agree with your online statement(s), please confirm your agreement via the Portal in order to validly submit your claim. If you do not agree with any of the information held, please contact Client Services on 0800 048 9512 or, alternatively, at [clientservices@reyker.com](mailto:clientservices@reyker.com).

Guidance on how to use the Portal and submit your claim can be found at <https://smithandwilliamson.com/en/services/restructuring-and-recovery-services/reyker-securities-plc/> and on the Portal. This includes a user guide and updated ‘frequently asked questions’ document.

**Clients that cannot ultimately agree their holdings and claim, even after having contacted Client Services, must confirm this in writing to the JSAs using the contact details set out on the previous page, providing details of what they consider their claim to be as soon as possible and no later than 17.00 hours (GMT) on 7 April 2020.**

Should you not have access to the internet or are experiencing difficulties accessing the Portal, please contact Client Services on 0800 048 9512 or, alternatively, at [clientservices@reyker.com](mailto:clientservices@reyker.com).

### **Client representatives**

As per legal advice, the JSAs must issue each Client’s password to the Client directly and it cannot be sent to any corporate intermediary or IFA that may have previously assisted you with your investments.

We appreciate, however, you may prefer for an intermediary, IFA, or close friend or family member to assist with accessing the Portal, agreeing your holdings and submitting your claim on your behalf (“Client Representative”).

Should you wish for a Client Representative to submit your claim on your behalf, they will need to log-in to the Portal using the details provided herein and, when submitting your claim, complete a declaration confirming they are authorised by you to act on your behalf. They will be prompted to input their own contact details for our records, together with details of when and how they are authorised by you.

The JSAs reserve the right to request additional documentation from either the Client or the Client Representative to verify the relationship.

### **Financial Services Compensation Scheme (“FSCS”)**

As previously reported, the costs of pursuing Objective 1 of the special administration (i.e. the return of Client Assets) are paid from Client Assets and, therefore, Clients who don’t receive FSCS compensation may receive a shortfall in their Client Assets following a deduction of their share of the costs.

We have been liaising closely with the FSCS in order to streamline the process by which eligible Clients may receive compensation in order to mitigate the need for an eligible Client to submit a claim direct to the FSCS themselves and, where possible, to ensure Client Assets are transferred to the proposed purchaser whole.

Accordingly, the FSCS has confirmed that it has exercised its power under [COMP 3.2.1A](#) of the FCA Handbook (<https://www.handbook.fca.org.uk/handbook/COMP/3/2.html>) and will treat all Clients with Client Assets with a total value of less than £85,000 as at 8 October 2019 as if they have claimed compensation. This means:

- Subject to the total value of your Client Assets being less than £85,000 as at 8 October 2019, you will automatically be treated as having submitted a claim for compensation from the FSCS and you do not need to take any further action in this regard. The JSAs are in the process of reviewing each Client’s eligibility jointly with the FSCS;

- Clients who have Client Assets with a total value as at 8 October 2019 either equal to or greater than £85,000 will not be treated as having automatically claimed compensation from the FSCS. Such Clients are asked as part of the online claims process to confirm whether they wish to submit a claim for FSCS compensation or not.

*The Portal automatically determines which of the above categories you are deemed to fall into as part of the 'Declaration' and claim submission process and you will only see options that are relevant to you.*

The FSCS can pay up to £85,000 per eligible Client for claims in respect of Reyker Securities plc (in special administration), including those in respect of their share of the Objective 1 costs. Further information on eligibility criteria may be found at <https://www.fscs.org.uk/how-we-work/eligibility-rules/>

Any eligible Client with Client Assets with a total value equal to or greater than £85,000, who does not pursue FSCS compensation via the Portal may have to meet their share of the Objective 1 costs upon the transfer of the Client Assets to the purchaser and the JSAs may reserve sufficient Custody Assets or Client Money to cover those costs.

Where Clients are either deemed to have claimed or, alternatively, select to claim compensation from the FSCS and it is subsequently determined that they are not eligible in accordance with the FSCS' eligibility criteria, the JSAs will shortly write to all such Clients to confirm the options available.

#### **Failure to Submit Your Claim**

If you (or your Client Representative) fail to submit a claim by the Bar Date, then once any distribution or transfer of Client Assets is made by the JSAs you will lose any right to dispute your claim per the Company's records and, therefore, it is not guaranteed that your full claim will be taken into account when a distribution or transfer is effected.

For any Client who does not submit a claim via the Portal by the Bar Date, the JSAs intend to effect the transfer of Custody Assets and/or Client Money to the proposed purchaser based on the Company's records. You are therefore strongly encouraged to submit your claim on or before the Bar Date of **17.00 hours on 7 April 2020**.

Where claims are submitted after the Bar Date, it may be possible for the JSAs to consider and, where appropriate, include late claims in any distribution or transfer. However, this is at the discretion of the JSAs and ultimately depends on the progress of the special administration at the time of receipt of any late claims, taking into account available Client Money and Custody Assets and completion of the sale to the purchaser.

#### **Next steps**

To submit a claim to your Client Assets, please:

1. Log-in to the Portal and submit your claim to Custody Assets and/or Client Money as at 8 October 2019 (the date of the JSAs' appointment) before the Bar Date of **17.00 hours on 7 April 2020**; or
2. Alternatively, should you wish for a Client Representative to do this on your behalf, please pass a copy of this letter to them for their information.

Further guidance on how to use the Portal and submit your claim can be found at <https://smithandwilliamson.com/en/services/restructuring-and-recovery-services/reyker-securities-plc/> and on the Portal itself.

Should you not have access to the internet or are experiencing difficulties accessing the Portal, please contact Client Services on 0800 048 9512 or, alternatively, at [clientservices@reyker.com](mailto:clientservices@reyker.com).

Thank you in advance for your continued patience and assistance in respect of this matter.

Yours sincerely  
For and on behalf of the Company



**Mark Ford**  
Joint Special Administrator

## Glossary

Capitalised terms within this document are defined as follows:

Term	Definition
Bar Date	The deadline for Clients to submit their claims in respect of Client Money and/or Custody Assets
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
Client Representative	An individual acting on behalf of the Company's Client who is named on the Client Statement(s) and has explicit authority to act on behalf of the Client for the purpose of submitting their claim to Custody Assets and / or Client Money in the special administration and someone with whom the Client has shared their unique user-name and/or password details to access the Portal.
Company	Reyker Securities plc - in special administration
Custody Assets	The securities (including stock, shares and other investments) held for and on behalf of the Clients
Distribution Plan	A statutory distribution plan, pursuant to the Regulations and the Rules, to facilitate the return of Custody Assets
FSCS	Financial Services Compensation Scheme
IFA	Independent Financial Advisor
JSAs	The joint special administrators
Objective 1	To ensure the return of Client Assets as soon as is reasonably practicable, as set out in the Regulations.
Portal	The online Client Claim Portal developed by the JSAs and available at <a href="https://reykerportal.com/login">https://reykerportal.com/login</a>
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