

29 October 2021

Pension Practitioner Trustees
Office 12 - Venture Wales Building
Pentrebach
Merthyr Tydfil
CF48 4DR

Client ID: 10988

Dear Pension Practitioner Trustees

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

IMPORTANT INFORMATION - This letter provides an update to Clients with regard to their Client Money and confirms the JSAs' intention to pay a second interim distribution of 13.25p in the £ (less a provision for a Client's share of the costs where a Client is not (or may not be) an FSCS Protected Claimant). This will take the total amount of Client Money to be distributed up to 98.25% for the majority of Clients.

No further action is required from you unless you need to modify your previously submitted Client Money Instruction Form. Should you wish to modify your Client Money instructions, please read this letter carefully and submit your revised instructions to clientservices@reyker.com by no later than 12 November 2021.

As you are aware, Mark Ford, Adam Stephens and Henry Shinnars, were each appointed as the Joint Special Administrators ("the JSAs") of the Company on 8 October 2019. This letter contains important information regarding your Client Money.

1. Update on closing the Client Money Pool

As per our last report, the JSAs have been paying all Clients who correctly submitted a claim to Client Money a first interim distribution of 85 pence in the pound (or 80 pence in the pound where the Client is not (or may not be) an FSCS protected claimant). The JSAs also intended, to pay a final distribution once the Client Money Pool (CMP) had been closed to Client claims.

The JSAs need to formally close the CMP to Client claims prior to returning the full balance of Client Money in order to protect Clients that receive Client Money, the Company and the JSAs. The timing for closing the CMP is largely contingent on when all, or nearly all, Clients have submitted their claim to Client Money.

Smith & Williamson LLP

The affairs, business and property of the Company are being managed by the joint special administrators, Adam Stephens, Henry Shinnars and Mark Ford ("the JSAs"), who act as agents of the Company and without personal liability. The JSAs are licensed as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales. As such we are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.

The Fair Processing Notice in relation to the General Data Protection Regulation can be accessed at <http://smithandwilliamson.com/rrsgdpr>
Should you wish to be supplied with a hard copy, free of charge, please contact the staff member above.

Reyker Securities plc is authorised and regulated by the Financial Conduct Authority. FCA reference number: 115308. LSE number: 780. Registered in England, Company number: 1747595. Registered Office: 25 Moorgate, London EC2R 6AY. Former registered office: 17 Moorgate, London, EC2R 6AR.

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.

The JSAs, and their legal advisors, consider the most appropriate way to do this is by way of an application to Court to set a hard bar date, being a final date by which any claims to Client Money must be made by any party ("Closure Date"). After the Closure Date, the CMP would be closed to new or increased claims and the JSAs can distribute 100% of Client Money claimed by Clients.

Until the CMP is closed, a balance of funds will be retained as a provision against unforeseen increased or new claims (and the share of costs for Clients ineligible for FSCS compensation).

Prior to an application to Court, the JSAs need to have taken steps to contact Clients in order to demonstrate to the Court that there is no reasonable prospect of any further claims to Client Money being received.

Despite undertaking and completing an extensive client tracing exercise (in liaison with the FCA and over and above that set out in Client Money legislation referred to as CASS rules), there presently remains more than 900 Clients yet to submit a claim to Client Money and new claims continue to be received each week.

Accordingly, based on explicit legal advice and counsel opinion, it is too early to apply to Court for a Hard Bar Date with a view to paying a final (100%) distribution of Client Money this calendar year.

2. Second interim distribution of Client Money (13.25 pence in the pound)

Given the JSAs will not be able to close the CMP and pay a final distribution this calendar year, the JSAs have retained a suitable provision (of less than 2% of the CMP) for unknown claims and consider it in Clients' best interests to pay a second distribution of 13.25 pence in the pound (less a provision for a Client's share of the costs where a Client is not (or may not be) an FSCS Protected Claimant).

This will take the total amount of Client Money to be distributed up to 98.25% for the majority of Clients.

The JSAs will commence the second distribution following 12 November 2021 (in order to give Clients an opportunity to update Client Money instructions as necessary). As before, given the volume of Clients and variety of Client Money instructions received, the distribution process will take several weeks to complete.

The JSAs will endeavour to pay all second distributions by the end of the calendar year, subject to all requisite information being provided by Clients and/or their respective new brokers (where applicable).

Clients that have recently submitted their claim to Client Money and have not therefore participated in the first distribution will receive a payment of 98.25% of their Client Money (less a provision for their share of costs where necessary).

3. What do I need to do?

You do not need to take any further action at this time.

The JSAs have received your claim to Client Assets and your Client Money Instruction Form and, accordingly, will distribute your second interim distribution in accordance with the latest instructions held on record.

If you wish to update your Client Money Instruction Form, e.g. due to a change of bank account details or broker details since your instructions were last submitted, please provide details of your new instructions in writing to client services by no later than **12 November 2021**. Revised instructions can be sent:

By post: Reyker Securities plc (in special administration), c/o Smith & Williamson Limited,
25 Moorgate, London, EC2R 6AY; or

By email: clientservices@reyker.com

4. Terms and conditions of the Client Money Distribution

Full details regarding the terms and conditions of the Client Money distribution can be found at

the website (<https://smithandwilliamson.com/rekker-securities-plc/>) and through the Portal (www.rekkerportal.com).

Please note, instructions provided by you in respect of the first interim distribution will apply to subsequent distributions except where alternative instructions are provided in writing.

Alternative instructions need to be provided in good time. Reversals of distributions which have been set in motion or completed as per your original instructions will not be possible.

5. FSCS compensation

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 not eligible for or choosing not to claim FSCS compensation will receive a shortfall in the Client Assets to which they lay claim following the

1. Enter login code - **Reyker** (case sensitive) and select the case from the drop-down menu;
2. Enter the unique ID - **R3yk3r19** (case sensitive) and click 'LOGIN';
3. When you select a document, you will be sent an email link to allow you to open it.

Please note that you may request a hard copy of the progress report, which will be provided at no cost. To request a hard copy, please telephone 0800 048 9512 or email clientservices@reyker.com or write to Reyker Securities plc (in special administration), 25 Moorgate, London EC2R 6AY.

Capitalised terms referenced herein are as defined within previous documents issued in respect of the Special Administration. A full glossary of terms is also available on the Website.

If you have any queries please contact client services for assistance on 0800 048 9512 or clientservices@reyker.com.

Yours sincerely
For and on behalf of the Company



Mark Ford
Joint Special Administrator