

**TO ALL KNOWN CLIENTS OF REYKER SECURITIES PLC****Private & Confidential**

17 October 2019

[client\_full\_name]  
[Address 1]  
[Address 2]  
[Address 3]  
[Address 4]  
[Address 5]  
[Post code]

Dear Sir/Madam

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

**Intermediary provider: [Column provider\_firm\_name]**

We are writing to confirm that we were appointed on 8 October 2019 by the Court as Joint Special Administrators (“JSAs”) of Reyker Securities Plc, pursuant to the Investment Bank Special Administration Regulations 2011.

Following an application by Reyker because of ongoing financial difficulties, the Financial Conduct Authority (“FCA”) imposed regulatory requirements on Reyker meaning that from 4pm on 4 October 2019 Reyker effectively ceased to conduct regulated activities except for holding and safeguarding client money and client custody assets. Shortly afterwards, on 8 October 2019, Reyker was placed into special administration following an urgent application made by the directors of the Company.

Reyker has ceased to conduct regulated activities. Accordingly, please note that Reyker will not be able to:

- Complete any pending trade;
- Commence any new trade;
- Act on any corporate action;
- Act on any instruction to move client money or custody assets to alternative businesses;  
or
- Provide any specific guidance or advice.

This is a complex process with numerous issues that will need to be resolved. We appreciate this will cause difficulty to clients and other stakeholders of the Company during this challenging time.

**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 Shinnerson Smith & Williamson LLP. They act as agents of the Company and without personal liability. Mark Ford, Adam Henry Stephens, and Henry Shinnerson 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.

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 are currently considering the options for the business going forward, including a transfer of the whole or part of the business. Our priority is to facilitate an orderly and coordinated return of client money and client custody assets to clients in accordance with their interests to the fullest extent possible.**

We are currently securing approximately £55million in segregated client money accounts and approximately £960 million in client custody assets. **It is our current understanding that there is no shortfall in client money or client custody assets as at 7 October 2019.** One of the special administrators' primary roles is to verify this position, and as we hope you can understand this will require the special administrators to assess the business, the client money and client custody assets held and take full control of clients' positions. This process will take some time and we are unable to comment on individual clients' positions until this process is concluded.

The JSAs are maintaining, under their oversight, the Company's operations in the City of London to assist this process.

### **Continued On-line access to client portal**

The JSAs are working to ensure continued access to the existing client portal for clients. The portal will however, have limited functionality in the special administration given the Company's inability to trade. We are mindful that parties may currently be suffering an inability to access client holdings which may be a source of uncertainty and concern. We are doing everything we can to minimise disruption. It is intended that in due course the Reyker client portal will be used for the provision of statements specifically relating to the special administration.

We are aware that the client portal is experiencing heightened traffic and we are seeking means to bolster the current systems to deal with the increased level of activity. If you therefore have been unsuccessful in attempts to access the portal please try again later, when fewer parties may be seeking to access the systems.

Information on the portal will be based on the records the Company held immediately before the Special Administration commenced. This will need to be verified by the JSAs in due course and forms part of the initial reconciliation process.

### **Return of client money and client custody assets**

At such an early point in our appointment, we cannot confirm the likely timings for the return of client custody assets or client money or their potential transfer to any third party who completes an acquisition of the Reyker business in due course. We will aim to provide further information on our proposals covering these matters in future updates.

### **Potential eligibility for compensation**

We have already been in contact with the Financial Services Compensation Scheme ("FSCS") in respect of Reyker and will provide further guidance and information about the position of the FSCS in relation to the special administration of Reyker when we are able. General guidance and information in respect of the FSCS, including who it provides compensation to and for what, may be found on the FSCS website [www.fscs.org.uk/failed-firms/reyker-securities/](http://www.fscs.org.uk/failed-firms/reyker-securities/)

**Finding further information**

You can find further, and more detailed, information (including our initial Frequently Asked Questions) on Reyker's website:

Website: [www.reyker.com/](http://www.reyker.com/)  
This includes a frequently asked question document.

Telephone - Client Helpline: 0800 048 9512

Please bear with us and Reyker staff, as we expect that phone lines will be busy. Staff will be very limited in what they can say at this early juncture.

Email: [clientservices@reyker.com](mailto:clientservices@reyker.com)

**Next steps**

We will write again as soon as we are able to with a further update on matters.  
This letter has been sent to all clients on Reyker's database.

Yours faithfully  
For and on behalf of  
Reyker Securities Plc



Mark Ford, Adam Stephens & Henry Shinnors  
**Joint Special Administrators**