

## FREQUENTLY ASKED QUESTIONS

### Reyker Securities Plc (in Special Administration) ("Reyker" or "the Company")

**Mark Christopher Ford, Adam Henry Stephens and Henry Anthony Shinnars  
of Smith & Williamson LLP were appointed Joint Special Administrators of Reyker Securities  
Plc - in Special Administration on 8 October 2019.**

#### IMPORTANT NOTICE

The frequently asked questions ("FAQs") list has been prepared with the current information available to the Joint Special Administrators concerning Reyker's circumstances. It will likely be amended as matters develop.

**THIS DOCUMENT DOES NOT CONSTITUTE LEGAL, TAX, FINANCIAL OR OTHER PROFESSIONAL ADVICE TO CLIENTS OF REYKER. CLIENTS SHOULD TAKE ADVICE FROM THEIR OWN PROFESSIONAL ADVISERS BEFORE TAKING ANY ACTION IN CONNECTION WITH THEIR INVESTMENTS.**

#### Some points to highlight

1. We, the Joint Special Administrators, are working to reconcile client custody assets and client money holdings with the aim to return them to clients as quickly as possible;
2. Currently clients will not have access to their monies and assets held by Reyker;
3. We are liaising with the FCA, FSCS, and many other public bodies, banks, custodians and the LSE;
4. We will be writing to all of Reyker's clients and creditors shortly; and
5. Further updates will be provided on the Reyker webpage.

The affairs, business and property of the Company are being managed by the special administrators Mark Christopher Ford, Adam Henry Stephens and Henry Anthony Shinnars of Smith & Williamson LLP who act as agents of the Company and without personal liability. Mark Christopher Ford, Adam Henry Stephens and Henry Anthony Shinnars are licensed as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales.

Reyker Securities Plc was authorised and regulated by the Financial Conduct Authority, reference number: 115308. Registered in England, Company number: 01747595. LSE No: 780

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 us on [Reyker.Securities@smithandwilliamson.com](mailto:Reyker.Securities@smithandwilliamson.com)

Smith & Williamson LLP: 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

## CONTENTS

### SPECIAL ADMINISTRATION

- Q. What is a Special Administration?
- Q. What is the difference between Client Monies and Custody Assets?
- Q. Who is regulating the current activities being performed by the JSAs?
- Q. Which business does the Special Administration cover?
- Q. What did Reyker do?
- Q. Why has Reyker Securities Plc entered special administration?
- Q. As a Client of the Company what does this mean for me?
- Q. What are the next steps for Reyker Securities Plc
- Q. Are you in contact with the FCA?
- Q. Are you in contact with Reyker's management?
- Q. Will I be able to access the Reyker online portal to see my investment?
- Q. Did the Company segregate client monies and custody assets in line with the Financial Conduct Authority's Client Assets Sourcebook ("CASS") regulations?
- Q. Am I client of Reyker?
- Q. Does Reyker have a Client Monies and/or Custody Assets deficit?
- Q. Are my investments protected by the FSCS and what is the procedure to get my money back?
- Q. Do I need to make a claim?
- Q. Can I sell investments held by Reyker for me to someone else?

### INFORMATION ABOUT STATUS OF ACCOUNTS

- Q. Will I be able to start transactions /trading again? If so, when?
- Q. When will I hear from the JSAs?
- Q. I would like to close my account now and have the funds and custody assets returned to me - can you action this?
- Q. If I find another broker, can my investments and assets be transferred?
- Q. I recently paid money to Reyker relating to my SIPP or ISA What will happen to that money?
- Q. What happens if I want to sell some of my investments?
- Q. Will dividends / returns on investments continue to be added to my account during the Special Administration?
- Q. What is the position in relation to any unsettled trades?
- Q. Will the JSAs facilitate corporate actions in relation to custody assets held on my behalf?
- Q. Can I speak to the person in charge?
- Q. What is the current value of my Custody Assets?

### RETURNING CUSTODY ASSETS AND CLIENT MONIES

- Q. My cash and assets were held in segregated accounts, why can't they just be returned?
- Q. What does pro-rata mean in regards to distributions?
- Q. Do I have a claim into the client money pool?
- Q. Will I get a statement of amounts due to/from me?
- Q. How can I claim for the return of my Client Monies and/or Custody Assets?
- Q. What are Statements of Claim?
- Q. How will the Joint Special Administrators deal with assets held in a SIPP?
- Q. How will the JSAs deal with assets held in an ISA?
- Q. Will I receive back all of my Client Monies or Custody Assets?

### CLAIMING FOR COMPENSATION FROM THE FSCS

### CLAIMS MANAGEMENT COMPANIES

### SCAMS

### SPECIFIC QUERIES IF YOU ARE A SUPPLIER OF REYKER

### CONTACT DETAILS

## 1. SPECIAL ADMINISTRATION

### Q. What is a Special Administration?

- A. The Investment Bank Special Administration Regulations 2011 (subsequently amended by The Investment Bank (Amendment of Definition) and Special Administration (Amendment) Regulations 2017, “Special Administration Regulations”) were introduced in an attempt to improve the process where an investment bank fails. An investment bank for these purposes is a firm which holds [Client Monies](#) and [Custody Assets](#) (together referred to as Client Assets in this document) and holds certain permissions from the [FCA](#). [Reyker](#) is covered by the Special Administration Regulations.

In some respects a [Special Administration](#) is very similar to an ordinary administration, for example it is subject to the supervision of the English High Court in London. However, some of the differences are set out below:

The Joint Special Administrators (‘the [JSAs](#)’) have to pursue three objectives (although the order in which they appear is not important):

- To ensure the return of [Client Assets](#) as soon as is reasonably practicable;
- To engage with market bodies and regulators both here and abroad in a timely fashion; and
- To rescue the investment bank as a going concern or to wind it up in the best interests of the creditors.

There are a number of complex requirements in a special administration. For instance, any Client Monies held by Reyker at the date of the Special Administration forms a single Client Monies Pool or [CMP](#) in accordance with the FCA’s client money rules. The JSAs following their appointment start work to quantify and crystallise the Client Monies held in the CMP and then take steps to establish the claims that [Clients](#) have against the CMP to enable the distribution of the funds in the CMP to Clients.

As a result of the Company entering Special Administration, a primary pooling event of Client Monies occurred. The JSAs are working to reconcile and resolve Clients’ entitlements.

By law, the costs and expenses returning Client Assets are to be paid out of relevant Client Assets. Other costs and expenses are paid out of the Company’s own/firm assets. If Clients suffer a shortfall as a consequence of these costs and expenses it is likely they will have a claim against the Financial Services Compensation Scheme (“FSCS”) in this respect, and accordingly the JSAs will be liaising with the FSCS. Please note that there are eligibility criteria for an FSCS claim. Further details can be found at the FSCS website [www.fscs.org.uk/your-claim/eligibility-rules/](http://www.fscs.org.uk/your-claim/eligibility-rules/)

**Overall it is worth reiterating, that a key part of the JSAs work, in simple terms, is getting all of Reyker’s Clients’ monies and custody assets either returned to Clients or moved to a new provider as soon as possible.**

## Q. What is the difference between Client Monies and Custody Assets?

A. [Client Monies](#) is the cash held for [Clients](#) by Reyker.

[Custody Assets](#) are the individual stocks and shares and other investments that form the rest of a Client's holding with Reyker.

They are often collectively called [Client Assets](#).

## Q. Who is regulating the current activities being performed by the JSAs?

A. The [JSAs](#) are performing their duties in line with the Special Administration Regulations (and associated rules) and the [FCA's](#) rules. As part of this, the JSAs are and will be in regular communication with the FCA and FSCS on the progress and strategy of the [Special Administration](#). They will also liaise with the LSE.

It should be noted that Reyker remains authorised by the FCA.

The JSAs are regulated by the Institute of Chartered Accountants in England and Wales, and the Special Administration is subject to the oversight of the Court.

## Q. Which business does the Special Administration cover?

A. Reyker Securities Plc has been placed into Special Administration.

No other Reyker related companies have been placed into Special Administration or any other insolvency process. Clients and/or creditors of any other business should continue to speak to their usual contact

It should be noted that the JSAs do have control over the (wholly owned subsidiary) nominee companies that hold custody assets relating to Reyker.

## Q. What did Reyker do?

A. Reyker began as a retail service provider, but in recent years the core target market was providing custody related services to other financial institutions and corporate clients. Reyker principally provided the following services:

- dealing and trade execution services, providing access for clients to global markets in equities, fixed interest funds and structured notes;
- specialist safe custody of client assets and client money;
- settlement services across a range of asset classes including equity, debt, funds, EIS, IHT, private equity and structured finance instruments;
- outsourced administration services to a wide range of investment product and service providers including funds, wealth managers and brokers covering the entire administrative life cycle from application and client query handling through to client reporting;

- funds management and investment advisory services on both an execution and discretionary advice basis to Self-Invested Personal Pension ("SIPP") trustees, Qualifying Recognised Overseas Pension Scheme ("QROPS") administrators, fund managers and other advisory firms and professional clients; and
- technology and connectivity solutions, risk management guidance and limited compliance and consulting services to financial institutions and businesses growing or entering the fast-changing regulated financial arena.

In addition to the institutional client base, the Company provided products and services directly to private clients and advisers, including structured investments, dealing in access to major stock exchanges and discretionary fund management.

The Company is authorised and regulated by the FCA (registration number 115308). It is also authorised by HMRC to offer ISAs as an ISA manager (reference Z1098) and is a member of the London Stock Exchange with LSE No. 780. Reg No. 1747595.

## Q. Why has Reyker Securities Plc entered special administration?

- A. Over recent months the Company had been exploring an accelerated merger and acquisition process and certain shareholders were separately working to progress a sale of their shares in the Company. The latter led to a potential sale of the Company.

Until 1 October 2019 it was hoped that this sale would result in the Company being taken over by another FCA regulated firm as a going concern, but unfortunately despite every effort being made it did not prove possible to conclude that sale.

This failed sales process, related shareholder issues, other legal actions being faced by the Company and the directors and significant change in the pricing of structured products in the market, among other things, resulted in a significant impact on the Company's financial position.

For the avoidance of doubt, Reyker had been in regular contact with the FCA together with its professional advisers throughout recent months.

There were no other interested parties able to move sufficiently quickly to acquire the Company or its assets and as the Company's cashflow could not sustain the business much longer, the directors therefore provided an update to the FCA on the Company's position. Following these discussions, a Voluntary Requirement (**VREQ**) was agreed by the Company with the FCA on 4 October 2019.

The VREQ prevented the Company from undertaking its day to day business. Therefore, Reyker took immediate steps to ensure protection of clients' money and assets by placing the Company into special administration pursuant to the Investment Bank Special Administration Regulations 2011.

Please note that since entering special administration the JSAs have successfully facilitated the entire removal of the VREQ requirements.

## Q. As a Client of the Company what does this mean for me?

- A. In the short term, it means that you will not be able to trade or otherwise use your Custody Assets or Client Monies held with Reyker - they are effectively frozen.

The JSAs recognise that this is a very difficult position to be put in. One of the JSAs key objectives is to resolve this position as quickly as possible.

In the longer term a plan will be developed to return the Custody Assets and Client Monies either to Clients directly or to another provider. This FAQ document sets out further details on this.

## Q. What are the next steps for Reyker Securities Plc

- A. The [JSAs](#) are currently considering the options for the business going forward, including a sales process or transfer of the whole or part of the business.

At present the Company's staff have been retained by the [JSAs](#) to support a sale / transfer, the ongoing client reconciliation, or alternatively, an orderly wind down of the business with the concurrent return of Custody Assets and Client Monies.

## Q. Are you in contact with the FCA?

- A. Yes, we are in contact with the FCA, and the FCA has consented to us being appointed as JSAs of the Company.

## Q. Are you in contact with Reyker's management?

- A. Yes, we are in contact with Reyker's management. They are assisting us. Reyker's staff are also assisting us at the moment.

## Q. Will I be able to access the Reyker online portal to see my investment?

- A. 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 Client statements specifically relating to the Special Administration process.

We are aware that the client portal may experience 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.

**Q. Did the Company segregate client monies and custody assets in line with the Financial Conduct Authority's Client Assets Sourcebook ("CASS") regulations?**

- A. The [JSAs](#) continue to review the records of the Company to assess their compliance with the CASS regulations.

A further update on this will position will be provided in due course but at this stage there is nothing to suggest that they did not.

**Q. Am I client of Reyker?**

- A. Unfortunately, we cannot give a generic answer to this question, as it will depend upon the contractual terms you have with Reyker as to how your assets are held.

Reyker provided custody and dealing services to institutional and retail clients. We understand that Reyker has circa 3,500 clients with Client Monies positions, and circa 11,500 clients with Custody Asset positions.

The JSAs are reviewing the contractual positions between Reyker and all parties for whom it holds client monies and custody assets to establish the relevant contractual relationships.

The JSAs are in the process of contacting all clients directly via post and email in the coming days. Further details will follow in due course.

**Q. Does Reyker have a Client Monies and/or Custody Assets deficit?**

- A. Based on current information and data the [JSAs](#) do not initially believe there is a shortfall in respect of [Client Monies](#) or [Client Assets](#).

However, we will only be in a position to confirm this upon the conclusion of the initial reconciliation of [Client Monies](#) and [Client Assets](#).

**Q. Are my investments protected by the FSCS and what is the procedure to get my money back?**

- A. We have been in discussion with the FSCS prior to our appointment as Special Administrators. The FSCS is the compensation fund for private individuals and small businesses in circumstances where a firm is insolvent and the claims are eligible under the FSCS compensation scheme.

It is our understanding that the FSCS will confirm this position in due course. However, for eligible claims the FSCS will pay up to £85,000 per eligible client.

We will provide further guidance in that regard, including details of how to make a claim, as soon as possible. In the meantime, general guidance may be found on the FSCS website [www.fscs.org.uk](http://www.fscs.org.uk).

**Q. Do I need to make a claim?**

We talk about this elsewhere in this document, (namely section 3), but to answer this question simply. Yes, in due course.

We ask that you do not take steps to notify us of claims at this time, as there will be a claims notification process following us writing to all clients and creditors. We will be in contact about this in due course.

**Q. Can I sell investments held by Reyker for me to someone else?**

No, this will not be possible. Further details about this are given in section 3.



## 2. INFORMATION ABOUT STATUS OF ACCOUNTS

### Q. Will I be able to start transactions /trading again? If so, when?

- A. The Company is unable to action transactions or any trades, this includes any requests made prior to the appointment of the [JSAs](#) that remain outstanding.

Should there be a sale / transfer of all or part of the business, the Client Assets included in such a sale would transfer to the purchaser and you would then have the ability to deal with them. However, at this stage, the likelihood and timeframe of any such sale is unclear. Should there be no such sale of the business, your client money or Custody Assets will be returned to you.

### Q. When will I hear from the JSAs?

- A. The JSAs are very mindful of Clients' and other creditors' understandable concerns about the current situation.

The JSAs are in the process of contacting all Clients directly via post and email in the coming days.

We understand that there are some 15,000 clients of Reyker. It is, regrettably, not cost effective to correspond with every client in a detailed and specific manner at present.

All creditors (as distinct from Clients) will also receive notification from the JSAs.

### Q. I would like to close my account now and have the funds and custody assets returned to me - can you action this?

- A. The Company is unable to action requests for withdrawals from Client accounts, including requests made prior to the appointment of the [JSAs](#) that remain outstanding.

Unless the JSAs are able to transfer the business and assets of the Company as part of a sale of all or some of the business, if you held an account that had a cash balance or held custody assets at the date of commencement of the special administration, then you will be required to follow the claims process (in due course) in order to receive a distribution in respect of assets owed to you.

Details of the claims process will be published on the website as soon as possible. Unfortunately, we are unable to provide any further details on possible timings or the amount of any distributions at this time.

The [JSAs](#) will provide detailed information as regards the process of returning custody assets as and when we are able.

**Q. If I find another broker, can my investments and assets be transferred?**

- A. Clients will not be able to transfer any asset and/or investment until the [JSAs](#) have:
- 1) Reconciled Clients' positions and holdings and had them confirmed by the Client; and
  - 2) Agreed a suitable method of distribution to all clients.

We anticipate this process will take a number of months to complete. Please be assured that we are seeking to complete this as soon as practicable.

**Q. I recently paid money to Reyker relating to my SIPP or ISA What will happen to that money?**

- A. Where the money had already been invested, the investments will be held as part of your custody assets.

Any un-invested money held by Reyker relating to your investment portfolio held prior to Reyker entering special administration will form part of the CMP.

Dividends, interest, coupons and returns on investments accruing after Reyker entered special administration (being 8 October 2019) will be held in a separate money account.

The parties entitled to such funds will be identified and such receipts will be held specifically for those clients entitled and will not form part of the CMP.

**Q. What happens if I want to sell some of my investments?**

- A. The Company is not in a position to facilitate the sale of any of your investments or assets.

Once all Client positions have been reconciled by the [JSAs](#) and holdings have been confirmed by the clients, information will be provided to clients on how they may transfer their investment or assets to another broker or institution. Clients will then be able to liaise with their chosen broker to initiate the sale of their shares /investments.

**Q. Will dividends / returns on investments continue to be added to my account during the Special Administration?**

- A. Dividends, interest, coupons and returns on investments accruing after Reyker entered Special Administration (being 8 October 2019) will be held in a separate money account.

The parties entitled to such funds will be identified and such receipts will be held specifically for those clients entitled and will not form part of the CMP.

## Q. What is the position in relation to any unsettled trades?

This question relates to any sales or purchases of client custody assets which had been agreed prior to 8 October 2019 for and on behalf of clients of the Company but which had not settled by the time the special administrators were appointed.

On 23 October 2019, the Company was declared in default by the London Stock Exchange ("LSE"). As a result, any unsettled LSE trades will be subject to the default rules of the LSE. The special administrators have been made aware of four LSE trades and they are providing the LSE with any required information to support the LSE with the implementation of their default rules. The default rules that apply are different for trades entered on an agency basis and those on a principal basis. Where a transaction has been completed on an agency basis, the LSE are likely to contact the client directly in relation to the potential completion of the trade. Clients should note, however, that any client monies forming part of the client money pool and client custody assets held within the special administration cannot at this stage be made available by the Company to clients for these purposes.

In respect of all other unsettled trades, the special administrators are continuing to work with CREST and other stakeholders in order to reach a finalised position. Further information will be provided when that process has been completed and confirmation can be given as the status and treatment of any unsettled trades.

## Q. Will the JSAs facilitate corporate actions in relation to custody assets held on my behalf?

- A. As the Company has entered Special Administration, Clients are currently unable to effect corporate actions in relation to custody assets held on their behalf, such as:
- participating in rights issues, bonus issues, open offers, tender offers, consolidations, and returns of capital.
  - exercising conversion rights and redemption rights;
  - exercising warrants; and
  - exercising shareholder rights to vote:
    - at company general meetings;
    - on schemes of arrangement;
    - on takeover offers; and
    - on de-listings, de-mergers, liquidations, and changes of name;

We are seeking to complete the transfer and return of Client Money and Custody Assets to Clients as soon as practicable. If successful, Clients will then be able to perform corporate actions described above in the usual way (it is envisaged that further details of the transfer process will be provided in the JSAs' proposals to be issued within 8 weeks of the JSAs appointment).

Should it become clear that the process to transfer or return Custody Assets is likely to become protracted, we will then consider whether and how it might be appropriate to give effect to clients' requests in relation to such corporate actions. This may involve a

cost to the Client.

We will be seeking to develop an approach which is fair and consistent. As part of this, we will need to be satisfied that it is appropriate to comply with each request (for example, by verifying that the client making the request owns the relevant assets and is the only Client entitled to make that request, and that the relevant assets are not subject to any restrictions that would prevent us from complying with the request). This is the approach which has been adopted in other special administrations.

#### Updated 30 October

The JSAs continue to investigate the position as regards to implementing any corporate actions. Unfortunately, it remains the position that the Company cannot undertake any corporate actions at this time. We recognise that this must be frustrating for clients, their intermediaries, and other stakeholders.

### Q. Can I speak to the person in charge?

- A. The JSAs are unable to answer individual client queries at this time, we recognise that this is a difficult message to hear. It should be noted that Reyker's client service team is still in place.

Regular updates will be posted on the Reyker website: [www.reyker.com/](http://www.reyker.com/)

The JSAs will provide further updates once in a position to do so and therefore request you continue to monitor the website.

Please note that due to the volume of queries being received the JSAs will only be responding via website updates at this time and not to individual email queries at this juncture. Please see at the end of this document for the correct details.

### Q. What is the current value of my Custody Assets?

- A. Custody Assets continue to be held, and their value continues to be determined in the manner used prior to the invocation of the special administration.

As you will be aware, the value of your Custody Asset investments can go down as well as up and you may get back less than you originally invested or less than the value stated as at the date of Special Administration.

The JSAs intend to upload a recent client statement to the portal within the next two weeks.

For the avoidance of doubt, the JSAs are not held responsible for any diminution in the value of your asset holdings during the period of the special administration.

### 3. RETURNING CUSTODY ASSETS AND CLIENT MONIES

#### Q. My cash and assets were held in segregated accounts, why can't they just be returned?

- A. Pursuant to the SAR and the FCA's Client Asset rules, this is not permitted. In broad principles, a process has to be followed to ensure that everyone is given an opportunity to make a claim. In the case of Client Monies, generally client money accounts are pooled and any client (with a client monies claims) will be entitled to receive in a share of the [CMP](#) on a pro-rata basis. Until the overall total of claims against the CMP are established, money cannot be returned to individual clients having a claim against the CMP.

#### Q. What does pro-rata mean in regards to distributions?

- A. Clients will be paid distributions in proportion to the value of their claims. For example, if the [JSAs](#) were to declare a distribution rate of 95 pence in the £ on client monies, a client with a claim of £1,000 would receive a distribution of £950; and a client with a claim of £10,000 would receive a distribution of £9,500.

Please note that the above is not an indication of the anticipated level of distributions that clients will receive; it is simply an example to illustrate the meaning of the term "pro-rata".

#### Q. Do I have a claim into the client money pool?

- A. All clients for whom Client Money should have been segregated will have a claim against the [CMP](#).

#### Q. Will I get a statement of amounts due to/from me?

- A. Yes, you will receive one in due course. This will confirm both the value of your claim and its classification (either [Client Monies](#) or [Custody Assets](#)). Information will also be provided should you wish to dispute your statement.

#### Q. How can I claim for the return of my Client Monies and/or Custody Assets?

- A. The client statements to be produced and provided to clients by the [JSAs](#) is the first step in this process.

A formal claims process is being put in place, whilst work is ongoing on the initial reconciliation. We understand that there are some 15,000 underlying clients, this will take time to establish the most cost effective way of dealing with claims.

The JSAs are currently exploring the ability to set up an online Claims Portal utilising the Company's existing infrastructure, through which Clients with claims to Client Monies, Custody Assets or both will be able to agree their claims with the JSAs.

There will be updates on this process, once procedures are established.

Please note as a client, if you fill out a Proof of Debt form, or attempt to lodge a claim via email at [clientservices@reyker.com](mailto:clientservices@reyker.com) then these will not be accepted as a formal claim. The JSAs are working to set up a suitable claim's submission mechanism as quickly as possible and will inform clients as soon as it is available.

## Q. What are Statements of Claim?

- A. The JSAs initial task is to reconcile the accounts and records of Reyker to determine exactly what Client Monies and Custody Assets should be held for each separate Client.

The [JSAs](#) will send in due course a "Statements of Claim" to all [Clients](#) who the JSAs were aware had [Client Assets](#) invested with Reyker and for whom they have contact details.

The Statement will set out separately the [Custody Assets](#) and [Client Monies](#) that the JSAs understand were, or should have been, held by Reyker for Clients at the date of the [Special Administration](#), based on Reyker's books and records.

Where an individual has invested in Reyker via a [SIPP](#) or through a pension scheme, the JSAs will need to send these Statements of Claim to the SIPP providers or the pension scheme trustees.

## Q. How will the Joint Special Administrators deal with assets held in a SIPP?

- A. If you are invested via a SIPP or Pension Scheme, your SIPP provider or Pension Scheme Trustees will be contacted to agree a Statement of Claim, assist with any potential claim to the FSCS and ultimately how the return of [Custody Assets](#) and [Client Monies](#) should be completed.

The [JSAs](#) will be making detailed enquiries into any such arrangements and will update clients as soon as possible.

## Q. How will the JSAs deal with assets held in an ISA?

- A. The [JSAs](#) will be making detailed enquiries into any such arrangements and will update Clients as soon as possible as regards the return of [Custody Assets](#) and [Client Monies](#).

The [JSAs](#) will also liaise with HMRC as regards maintaining the tax status of ISAs.

## Q. Will I receive back all of my Client Monies or Custody Assets?

- A. It is not possible to be certain at present as to what and when Client Monies and Custody Assets will be returned. It is dependent on, amongst other things, either identifying a suitable alternative provider dealing with the practicalities of transfer (such as around know your client processes), and the extent of any shortfall in Client Assets or Monies identified, the quantum of professional fees (such as the JSA's) and the role of the FSCS.

#### 4. CLAIMING FOR COMPENSATION FROM THE FSCS

As noted above the [FSCS](#) protects consumers when an eligible authorised firm, such as Reyker, fails.

Clients of Reyker may be eligible for compensation from the FSCS and such compensation may meet some or all of the costs of the [Special Administration](#) which are deducted from [Custody Assets](#) and/or [Client Monies](#) as appropriate. It is always subject to the £85,000 per client cap.

Where a Client accepts a compensation payment from the FSCS the Client will be asked to transfer its legal rights against Reyker to the FSCS, and the FSCS will then pursue recoveries against Reyker.

If your claim for compensation from the FSCS is rejected, or you choose not to accept compensation from the FSCS, you will be entitled to continue to claim in your own right in the claims process for all amounts due to you.

Further information about the FSCS can be found at:

[www.fscs.org.uk/what-we-cover/](http://www.fscs.org.uk/what-we-cover/)



## 5. CLAIMS MANAGEMENT COMPANIES

There is a possibility that because of Reyker's Special Administration, you will be contacted by claims management companies purporting to be able to expedite the return of Client Monies and/or Custody Assets.

For a significant proportion of Clients of Reyker, it is likely that there will be no benefit in involving a third party in reclaiming your assets as the FSCS have a clearly defined and easy to follow process.

You should be aware that claims management companies are likely to charge a fee for their involvement. Therefore, there is the prospect that such fees would diminish the ultimate recovery a client receives than would otherwise be the case. However, the ultimate choice (of whether to use such a company) remains with Clients, and we do not offer advice in this regard.

Should you have any concerns in respect of the above, please refer to the Financial Services Compensation Schemes guidance on claim management companies which can be found at [www.fscs.org.uk/your-claim/claim-management-companies](http://www.fscs.org.uk/your-claim/claim-management-companies).

## 6. SCAMS

All clients should remain alert to the possibility of fraud. At this stage Reyker, Smith & Williamson LLP, the JSAs or the FSCS will not be calling you directly. If you are cold called by someone claiming to be from Reyker, Smith & Williamson LLP please end the call.

Updates will be provided to you in writing and uploaded Reyker website.

### **SCAMS - stopping fraud**

Where financial firms enter administration, fraudsters may sometimes approach investors claiming to be able to recover their investment in return for an advance fee. Sometimes the fraudsters claim to be from the company or the administrators' office. You should be wary of any unexpected call, email or other contact which asks you for money in this manner. FCA guidelines are available at

[www.fca.org.uk/consumers/protect-yourself-scams](http://www.fca.org.uk/consumers/protect-yourself-scams)

### **Clone websites - beware**

Please note that the Reyker website is [www.reyker.com/](http://www.reyker.com/) , and the only website currently on which the JSAs will be posting updates and relevant information. Should this position change we will notify parties accordingly.

## 7. SPECIFIC QUERIES IF YOU ARE A SUPPLIER OF REYKER

### Q. I am a supplier of Reyker, what should I do?

- A. The JSAs will write to you in due course regarding outstanding balances and any ongoing supply required. The continued provision of essential supplies (broadly defined) is a key requirement in the Regulations.

### Q. I am a creditor of Reyker, what should I do regarding outstanding balances due to me?

- A. The JSAs will write to you in due course regarding outstanding balances. However, you are welcome to write to us, giving details of your claim with supporting paperwork, by writing to us at the address details at the end of this document.

## 8. CONTACT DETAILS

Website: [www.reyker.com/](http://www.reyker.com/)

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

Helpline: 0800 048 9512

**Given the volume of calls, you may not be able to get through immediately. We apologise for this and request that you keep trying or visit the website for assistance with queries.**

Post: Reyker Securities Plc (in Special Administration), c/o Smith & Williamson LLP, 25 Moorgate, London EC2R 6AY

The JSAs will provide further updates once in a position to do so and therefore request you continue to monitor the website. Please note that due to the volume of queries being received, the JSAs will only be responding via website updates at this time and not to individual email queries.

The affairs, business and property of the Company are being managed by the special administrators Mark Christopher Ford, Adam Henry Stephens and Henry Anthony Shinnars of Smith & Williamson LLP who act as agents of the Company and without personal liability. Mark Christopher Ford, Adam Henry Stephens and Henry Anthony Shinnars are licensed as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales.

Reyker Securities Plc was authorised and regulated by the Financial Conduct Authority, reference number: 115308. Registered in England, Company number: 01747595. Registered Office: 17 Moorgate, London, EC2R 6AR

The Fair Processing Notice in relation to the General Data Protection Regulation can be accessed at <http://smithandwilliamson.com/rsgdpr> Should you wish to be supplied with a hard copy, free of charge, please contact the special administrators at [Reyker.Securities@smithandwilliamson.com](mailto:Reyker.Securities@smithandwilliamson.com).

## 9. GLOSSARY OF TERMS

Client	A Client is anyone for whom Reyker held investments or Monies at the date of the Special Administration. The Client may be the SIPP provider or pension scheme that managed investments on behalf of a number of underlying individuals.
Client Assets	Client Monies and Custody Assets held by Reyker for its Clients.
Client Monies	Client Monies are the cash balance held by Reyker pursuant to the FCA's client money rules for Clients. The total Client Monies held at the date of the Special Administration form the CMP.
CMP	The Client Monies Pool is a notional pool comprising the total Client Monies held by Reyker in any account at the date of the Special Administration.
Custody Assets	Custody Assets are investments held in financial instruments, such as bonds or shares.
FCA	Financial Conduct Authority is the regulatory body having oversight of Reyker and its business offering financial services.
FSCS	Financial Services Compensation Scheme is the UK's compensation scheme for customers of authorised financial services firms.
IFA	Independent Financial Advisors are professionals who offer independent advice on financial matters to their clients and can recommend financial products.
ISA	An Individual Savings Account is a class of retail investment arrangements available to residents in the UK. It qualifies for favorable tax status.
JSAs	The Joint Special Administrators were appointed by the Court on 8 October 2019. They are Mark Ford, Adam Stephens and Henry Shinnars of Smith & Williamson LLP.
JSAs Proposals	Following their appointment, the JSAs issue a report which outlined their Proposals for how the Special Administration of Reyker will be conducted. This report is required by the relevant legal framework governing the Special Administration.
SIPP	Self Invested Pension Plan which enables the holder to choose and manage the investments made. In many instances, individuals held SIPPs in Reyker via a SIPP provider.

Special Administration	This is a formal insolvency process governed by The Investment Bank Special Administration Regulations 2011 subsequently amended by The Investment Bank (Amendment of Definition) and Special Administration (Amendment) Regulations 2017 (“Special Administration Regulations”). The Special Administration of Reyker commenced on 8 October 2019.
Statement of Claim	Statements of Claim is Reyker’s record of all Client Monies and/or Custody Assets held, or that should have been held, by Reyker for its Clients on 8 October 2019, i.e. the date of the Special Administration.
Reyker or Company	Reyker Securities Plc was a company authorised and regulated by the FCA. Reyker was primarily providing custody services to institutional and retail clients.