

2 March 2018

Beaufort Securities Limited (BSL) - in administration - and Beaufort Asset Clearing Services Limited - in special administration - (“BSL” or “BACSL” or the “Firm(s)”)

Russell Downs, Dan Schwarzmann and Nigel Rackham of PwC have been appointed as joint administrators of BSL and joint special administrators of BACSL.

The Firms act as traditional stockbrokers servicing private investors, corporate clients and institutions. Around 100 staff are employed by the Firms operating from a main office in the City of London (St Mary Axe) and regional offices in Bristol and Colwyn Bay.

Approximately 14,000 clients have invested in products such as ISAs and pensions. Customer entitlements include ca. £37m of client money and £664m in client assets.

The background and events leading up to the Firms’ insolvency are set out in a statement issued by the Financial Conduct Authority (FCA). On 1 March the FCA imposed requirements upon the Firms that they:

- must cease to carry on any regulated activity; and
- shall not dispose of any of their assets without the prior consent of the FCA

Following the appointments and notices referenced above, the Firms have ceased trading.

The priority for the administrators is to identify, protect and in due course return client money and assets to rightful clients to the fullest extent possible. This process is likely to be subject to an initial delay while the administrators carry out a number of critical tasks in order to be able to make a full assessment of the situation. The administrators will be doing everything possible to expedite this process and minimise the hardship and inconvenience caused to clients.

One of the first things the administrators will be undertaking is to determine the completeness of the segregated funds and assets compared to clients’ entitlements to form an early assessment of the indicative recovery available.

The administrators expect to provide regular updates in the coming days on progress made, but will be unable to address individual queries at this stage.

With immediate effect, the Firms will not be able to:

- Complete any pending trade
- Commence any new trade
- Act on any corporate action
- Act on any instruction to move cash or assets to new firms
- Provide any specific guidance or advice

In the coming weeks the administrators will develop and publish a plan setting out how they will commence the return of client portfolios and holdings to new firms.

The administrators will also be taking steps to realise the Firms’ own assets and assess their liabilities. Further information and updates be made available as soon as possible.