

Beaufort Asset Clearing Services Limited (in Special Administration) Abandonment of Assets and/or Cash

A number of Clients have indicated that they do not wish to pursue claims in respect of some or all of their assets still held by BACSL.

In certain circumstances, the Distribution Plan makes specific provision for clients to abandon their rights to assets (e.g. when the relevant Claimant is not FSCS protected and has been informed by the Administrators that his total assets held with BACSL have been valued by the Administrators at less than £10,000). In such cases, the Administrators will continue to apply the provisions of the Distribution Plan in relation to any indication by a Claimant that he wishes to abandon some or all of his assets.

In other circumstances, whilst the Distribution Plan does not specifically provide a mechanism by which Claimants can abandon their assets, the Administrators are nonetheless willing to facilitate such abandonment, where that reflects Claimants' wishes.

In such instances, Claimants will be asked formally to confirm (without prejudice to any claims that they may have against BSL in respect of the circumstances in which they came to hold the assets in question, or any derivative claim against the FSCS for compensation, "**Mis-Selling Claims**", or against any other third-party otherwise than on a proprietary basis) that they fully and finally abandon any proprietary or other rights they may have in respect of the specified assets; and that they irrevocably release and discharge BACSL and the Administrators from any and all claims in respect of such assets and/or their value.

Claimants will be asked to acknowledge that BACSL shall accordingly be beneficially entitled to relevant assets (and in due course any proceeds realised in respect of them) and, where applicable, that they have no further claims against the FSCS in respect of the value of such assets.

Insofar as applicable, the FSCS has confirmed that, for the purposes of assessing any Mis-Selling Claim relating to any such assets, the FSCS will treat them as having been worth such amount as is agreed between the Administrators and the relevant Claimant, as at the time of their abandonment by the relevant Claimant.

Additionally, a number of clients have expressed an interest in abandoning pre-administration cash balances on their accounts. This predominantly relates to clients with cash only balances in non-GBP currencies who the administrators have been unable to transfer to a nominated broker. The administrators are willing to accept clients abandoning their entitlement to client money balances in writing or by email.

Any such abandoned cash balances will (in accordance with the FCA's applicable rules) initially be applied to make good the shortfall in the client money pool. Any balance in excess of that shortfall will be used against costs of distributing the client money pool. Any abandoned balances are not eligible for FSCS compensation.

Claimants are reminded that the Distribution Plan contains various modes by which Claimants may elect to have their assets, or the value of their assets, returned to them, including instructing the Administrators to liquidate some or all of their assets and pay the proceeds to the relevant Claimant. Claimants should accordingly consider their positions carefully, before deciding to abandon their assets held by BACSL.

If you have any questions, please contact us on **0800 063 9283** (UK) or **+44 (0)20 7293 0227** (Internationally) or at client.services@beaufortsecurities.com.