



THIS LETTER IS A NOTIFICATION PURSUANT TO FINANCIAL CONDUCT AUTHORITY'S CLIENT ASSET SOURCEBOOK RULES 7A.2.6AR (CLOSING A CLIENT MONEY POOL) AND 7A.2.6CE (CLIENT MONEY).

To BACSL's clients

Dear Sir / Madam,

Beaufort Asset Clearing Services Limited (in special administration) ("BACSL") (the "Special Administration")

We are writing further to our letters of 9 May 2018, 13 June 2018 and 12 July 2018 regarding client assets and/or client money held by BACSL on your behalf. This letter is being sent to you as BACSL's books and records indicate that it continues to hold client money on your behalf but that you have not provided BACSL with instructions that would enable it to make a distribution or transfer of the balance.

Key message

- The Administrators will shortly be closing the client money pool and thereafter taking steps to close the Special Administration.
- You have not provided BACSL with instructions that would enable it to make a distribution of client money to you.
- If you fail to submit instructions to BACSL within 28 days of this letter the Administrators will issue a further reminder allowing an additional 14 days to provide the necessary instructions, failing which **you will lose your claim to client money held by BACSL on your behalf.**

The Special Administration commenced on 1 March 2018. Since that time, the Administrators have made significant progress and distributed the vast majority of client money to BACSL's clients pursuant to the Distribution Plan. In the circumstances, the Administrators will shortly be closing the client money pool and will thereafter take steps to bring the Special Administration to a close.

Accordingly, the Administrators intend to utilise the provisions under the Financial Conduct Authority ("FCA") CASS Rule 7A.2.6AR such that clients who have not provided BACSL with instructions that enable it to make a distribution will lose their claim to client money, which will instead be applied towards the costs of the administration insofar as they relate to the distribution of client money.

If the Administrators do not receive instructions that would enable BACSL to make a distribution or transfer within 28 days of the date of this letter, they will issue one further reminder allowing clients a further 14 days to provide the necessary instructions, failing which the clients will lose their claim to client money. In those circumstances, clients will be left with an unsecured claim against BACSL only. It is not expected that there will be sufficient assets available for a return to BACSL's unsecured creditors.

What action do you need to take?

You need to respond to this letter as soon as possible (and within 28 days) providing the Administrators with instructions as to where you would like your client money transferred. Instructions can be submitted by sending a secure message via the Portal at <https://dm.pwc.com/BeaufortClientClaims>. If you do not have access to the Portal and would like to provide instructions by some other means, you may contact us by:

*PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT
T: +44 (0) 2075 835 000, F: +44 (0) 2072 127 500, www.pwc.co.uk*

PricewaterhouseCoopers LLP is a limited liability partnership registered in England with registered number OC303525. The registered office of PricewaterhouseCoopers LLP is 1 Embankment Place, London WC2N 6RH. PricewaterhouseCoopers LLP is authorised and regulated by the Financial Conduct Authority for designated investment business.



- Email: client.services@beaufortsecurities.com
- Post: Beaufort Asset Clearing Services Limited, 23 Austin Friars, London, EC2N 2QP

Please also note that our client services helpline is currently suspended. We do, however, remain fully operational by email, where you may request a call back.

CASS Communication

This letter sets out the 'further deadline' referred to in our letter of 12 July 2018 requiring your response and is a notification pursuant to CASS Rules 7A.2.6AR (Closing a Client Money Pool) and 7A.2.6CE (Client Money).

Yours faithfully

A handwritten signature in dark ink, appearing to read 'Nigel Rackham'.

Russell Downs

Nigel Rackham

Joint Administrator of BACSL and BSL acting in the capacity of agent and without personal liability

Russell Downs, Douglas Nigel Rackham, and Dan Yoram Schwarzmann have been appointed as joint administrators by the High Court to manage the affairs, business and property of Beaufort Asset Clearing Services Limited. The Administrators act as agents of the company, without personal liability. All are licensed in the United Kingdom to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales. The Special Administrators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>.

The Administrators may act as Data Controllers of personal data as defined by UK data protection law depending upon the specific processing activities undertaken. PricewaterhouseCoopers LLP may act as a processor on the instructions of the Administrators. Personal data will be kept secure and processed only for matters relating to the Administrators' appointment. Further details are available in the privacy statement on the PwC.co.uk website or by contacting the Administrators.