



SVS SECURITIES PLC (IN SPECIAL ADMINISTRATION)

CLIENT UPDATE – 7 APRIL 2020

Positive Progress on Transfer

The Joint Special Administrators (the "**Administrators**") are pleased to inform clients that they have entered into an agreement (the "**Transfer Agreement**") with a nominated broker in respect of the transfer of the vast majority of SVS's custody assets and client money to that broker.

The nominated broker is a London Stock Exchange member firm and is an FCA regulated entity with all appropriate permissions for the transfer and holding custody assets and client money for clients.

The Administrators' Next Steps

In order to transfer custody assets and client money to the nominated broker, the Administrators are required to submit a Distribution Plan for approval by the Creditors' Committee and by the Court. The Administrators currently expect to be able to make available on the website a copy of the Distribution Plan along with an Explanatory Statement towards the end of the week commencing 20 April. These documents will set out, among other things, how the Administrators propose to transfer custody assets and what clients need to do to qualify for that transfer, to whom they will be transferred, the expected costs of the special administration process, and how the FSCS will meet those costs for eligible clients. The Distribution Plan must be approved by the Creditors' Committee and then by the Court before it can come into effect.

Approval from the Creditors' Committee is being sought this month (on the 21 April 2020), and the Court hearing for approval of the Distribution Plan has been listed at the earliest available date, being 7 May 2020.

Upon approval of the Distribution Plan by the Court, the Transfer Agreement permits the nominated broker a ten week period in which to complete the transfer. During this period, both the Administrators and the nominated broker will be required to take certain steps to migrate clients, custody assets and client money onto the nominated broker's systems. On this basis, the Administrators anticipate that custody assets and client money will be returned to clients no earlier than July for clients who qualify for the transfer to the nominated broker. Certain clients will not be eligible for such transfer unless they have taken certain actions within a period of weeks following the approval of the Distribution Plan. The Administrators will provide further updates and instructions to clients as appropriate.