



To: BACSL's clients

8 August 2018

Dear Sir/Madam

**Beaufort Asset Clearing Services Limited (“BACSL”) (Reg No. 06637499) in special administration (the “Special Administration”) Russell Downs, Douglas Nigel Rackham and Dan Yoram Schwarzmann (the “Administrators”)**

The Distribution Plan to return client assets was approved by the Court on 26 July 2018 and became effective on 27 July 2018.

The approved Distribution Plan can now be viewed and downloaded at <https://www.pwc.co.uk/beaufort>. We have also prepared a set of documents to help clients understand the key aspects of the plan. If you want to request a copy of the Distribution Plan and related documents to be sent to you by post, please contact the client services team using the details at the end of this letter.

We have been working alongside two brokers to enable the return of client money and client assets by way of transfer to them, starting in September 2018.

#### **Nominated broker**

The Administrators are pleased to announce that they have chosen the principal broker, The Share Centre Limited (“TSC”) for the transfer of client money and assets. TSC is authorised and regulated by the Financial Conduct Authority (“FCA”) under reference 146768. Further information about TSC and the transfer of client assets is available on the following websites: <https://www.share.com/> and [www.share.com/beaufortsecurities/](http://www.share.com/beaufortsecurities/).

This broker has been chosen with the agreement of the Creditors’ Committee (which represents both large and small clients). It marks the achievement of another milestone in the Special Administration. This will enable the Administrators to return client assets and money to clients as quickly as possible.

TSC's parent is Share plc, formerly The Share Centre (Holdings) Ltd, which was established in February 1994 as the parent company for a number of subsidiaries engaged in stockbroking related activities.

The Administrators are also in discussion with a second nominated broker for those clients who were previously clients of BACSL’s Colwyn Bay office. Further information on this prospective transfer will be provided to these clients as soon as possible.

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### **What are the next steps?**

Most clients have now agreed their claims. If you have not, please review and respond to your statement as soon as possible by following the instructions contained in previous communications to you or by contacting the client services team (the details of which are provided at the bottom of this letter).

The Administrators' team have been working hard to review all the clients' claims submitted, as well as reviewing BACSL's books and records, so that client statements can be updated. Following completion of this work, we will write to you towards the end of August 2018 with updated client asset and client money statements so that your client assets and client money can be transferred to either TSC or (mainly in respect of the Colwyn Bay clients) the second nominated broker. At the same time, more detailed information will be provided on the transfer process, including information from the nominated broker about post transfer account management and trading.

### **When can I expect my client assets and money to be transferred?**

The Distribution Plan allows for client assets and client money to be transferred in tranches. Although the aim was to transfer client assets and client money as soon as possible from 10 September 2018, we now expect that the transfers will commence towards the end of September 2018 to allow enough time to set up a framework with custodians to enable the transfer.

We anticipate a large proportion of the client assets and client money will be transferred in the first tranche at the end of September 2018. Any remaining client assets and client money that have not been transferred in the first tranche and are eligible for transfer will be moved to the relevant nominated broker in later tranches.

### **How will I know in which tranche my client assets and client money will be transferred?**

Beaufort's terms and conditions provide that certain categories of clients will be given one month's notice if their accounts are to be transferred to another broker. Where applicable, this letter constitutes notice of a possible transfer of your account.

A client statement will be sent to you at least 15 business days prior to the transfer and you will not need to take any action on receiving your client asset and client money transfer statement (unless the Administrators tell you otherwise). This statement will have details of the nominated broker and the transfer date so you will know what is being transferred, to which broker and when.

### **What about tax wrappers?**

The nominated broker is an approved ISA manager and the bulk transfer of accounts to the nominated broker seeks to preserve tax wrappers such as SIPPs and ISAs.



### **What if I have further questions or comments?**

If you have any questions or comments, or would like to request a copy of the Distribution Plan and the relating documents to be sent to you by post, please contact:

Email: [Client.Services@beaufortsecurities.com](mailto:Client.Services@beaufortsecurities.com)

Telephone: 0800 063 9283 (UK) or +44 (0)20 7293 0227

Address: Beaufort Asset Clearing Services Limited (in special administration), 63 St Mary Axe, London, EC3A 8AA

Yours faithfully

A handwritten signature in black ink, appearing to be 'RD' or similar initials, with a horizontal line underneath.

Russell Downs  
Nigel Rackham

Joint Special Administrators

*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. They are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>.*

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