



Strand Capital Limited - In Special Administration (“Strand”) Update for clients and other stakeholders April 2020

This is an update for clients and other stakeholders affected by the special administration of Strand. It sets out updated details on the return of Client Monies and Client Custody Assets to clients of Strand

Return of Client Monies

The JSAs have now declared a second interim distribution of 10 pence in the pound from the pool of Client Money automatically created as a result of the special administration of Strand.

This distribution, in conjunction with the previous dividend, equates to a return of 75% of clients’ Client Monies claim balances to date, and is calculated on each client’s total Client Monies claim balance, which is the first balance on clients’ Statements of Claim. For those clients holding OWG bonds, the balance being used excludes the December 2016 OWG coupon interest.

Please note that where clients have already received compensation from the FSCS in respect of their Client Monies, these distributions were paid by the JSAs directly to the FSCS.

If a client has not already been compensated in full for their Client Monies claim balance by the FSCS, the FSCS may be required to make a further payment to the client following receipt of the interim distributions, in accordance with the FSCS’s compensation rules.

We envisage there will be a further distribution of client monies in due course. We continue to liaise with the affected parties and will provide further updates as appropriate.

Return of Client Custody Assets

The JSAs Distribution Plan was approved by Court on 2 April 2020, and since that date the JSAs have been working to return assets to clients.

The JSAs have taken steps to action all transfer requests made of them, but the custodian transfer process has been slow, and remains ongoing. However, many clients have now received back part, or all, of their Client Custody Assets. The JSAs remain hopeful that the process will be finalised in the near future. We thank the many clients who have engaged with us.

There are still a small number of clients who have yet to provide their instructions of where their assets should be sent. We therefore welcome instructions from any clients in this position.

Distribution Plan

The committee have approved some amendments to the Distribution Plan which enable the JSAs to deal with some of the issues arising as a result of the return of Client Custody Assets. Copies of the original and amended Distribution Plan can be found on our webpage:

www.smithandwilliamson.com/strand-capital-limited.

The affairs, business and property of the Strand Capital Limited (“the Company”) are being managed by the joint special administrators Adam Henry Stephens, Henry Anthony Shinnors of Smith & Williamson LLP and Virgil Levy of LA Business Recovery Limited who act as agents of the Company and without personal liability. Adam Henry Stephens and Henry Anthony Shinnors are licensed as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales. Virgil Levy is licensed as an insolvency practitioner in the UK by the Insolvency Practitioners Association. Strand Capital Limited is authorised and regulated by the Financial Conduct Authority. FCA reference number: 494001. Registered in England, Company number: 03747386. Registered office: 25 Moorgate, London, EC2R 6AY. The word partner is used to refer to a member of Smith & Williamson LLP. A list of members is available at the registered office. Registered in England at 25 Moorgate, London EC2R 6AY No OC369631. Regulated by the Institute of Chartered Accountants in England and Wales for a range of investment business activities. A member of Nexia International, a worldwide network of independent accounting firms. To the fullest extent permitted by law, neither the Joint Special Administrators, Strand Capital Limited, Smith & Williamson LLP or LA Business Recovery Limited assume any responsibility for the content of this information only update and do not accept any personal liability in respect of this document to any party.

