

Pension Practitioner
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Merthyr Tydfil
CF48 4DR

31 July 2023

Our ref: RF061/MF/PH/NB
Direct telephone: 020 7131 8255
Email: nichola.burns@evelyn.com

By email: info@pensionpractitioner.com

Dear Sir / Madam

Reyker Securities Plc (in special administration) ("Reyker" or "the Company")
High Court of Justice, Business and Property Courts, reference CR 2019-006671

Re: Your investment in Argento loan note(s)
Client reference: 10988
Plan number(s): D1403 P1699

This letter is in relation to your following investment in loan notes issued by Argento Access SARL ("Argento") which is held on trust for you by Reyker:

Description	CURR	Compartment	Quantity
Pittford 3 Year Zero 4.09% 31/03/2020	GBP	11	157.07
Pittford 5 Year Zero 5.17 % 31/03/2022	GBP	11	158.67
Palatine Inc & Gr 6.25% 31/03/2022	GBP	53	503.69

You will be aware that in 2021 the Joint Special Administrators ("JSAs") wrote to Argento to instruct the transfer of your above loan notes to your new broker in accordance with the terms of the JSAs' Distribution Plan. Argento acknowledged receipt of a valid transfer request but declined to transfer the loan notes, claiming that the terms of the loan notes permitted them to do so. When asked why they declined to perform the instruction, Argento didn't provide a reason for their refusal to transfer the loan notes to your new broker or propose any alternative ways for you, as the underlying loan note holder, to secure access to this asset.

Evelyn Partners LLP

The affairs, business and property of Reyker Securities Plc are being managed by the special administrators Mark Christopher Ford, Adam Henry Stephens and Henry Anthony Shinnars of Evelyn Partners LLP, who act as agents of Reyker Securities Plc without personal liability.

Reyker Securities Plc is authorised and regulated by the Financial Conduct Authority. FCA reference number: 115308. Registered in England, Company number: 1747595. Registered office: 45 Gresham Street, London, EC2V 7BG

We are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment, a copy of which can be found at: <https://www.icaew.com/regulation/insolvency/sips-regulations-and-guidance/insolvency-code-of-ethics>. All Evelyn Partners insolvency practitioners are authorised and licensed in the UK by the Institute of Chartered Accountants in England and Wales. Further details of their licensing body along with our complaints and compensation procedure can be accessed at www.evelyn.com/insolvency-licensing-bodies

The Fair Processing Notice in relation to the General Data Protection Regulation can be accessed at www.evelyn.com/rsgdpr. Should you wish to be supplied with a hard copy of the notice, any attachments or documents relating to a case matter, please contact the staff member above at any time via telephone, email or by post. Any requests will be completed as soon as reasonably practicable.

The word partner is used to refer to a member of Evelyn Partners LLP. A list of members is available at the registered office

Registered in England at 45 Gresham Street, London EC2V 7BG No OC369631

Regulated by the Institute of Chartered Accountants in England and Wales for a range of investment business activities

Since 2021 the JSAs have tried various strategies to try to get the loan notes transferred to new brokers for Clients, but none have proved successful. Having consulted with a representative of a significant number of loan note holders, we are now setting out a new strategy for Clients holding the Argento loan notes to pursue, which is set out in this letter.

Background to the loan notes

Between 2013 and 2018 a number of Reyker Clients invested in Argento loan notes. We understand the monies paid by Clients to invest in the Argento loan notes were used by Argento to purchase an investment in the Tigerford Product Limited, which comprised investments in various fund products, including the Tigerford Fund, the Silverlake Fund, the Shelbrook Fund, the Pittford Fund, the Serpentine Fund and the Palatine Fund (together the "Tigerford Funds"). The investments made by Reyker's Clients were split across 12 different loan note compartments issued by Argento.

All 12 compartments are invested in the Tigerford Funds, and the JSAs understand there may be some value in this investment, although the Tigerford Product Limited have not responded to the JSAs requests for information about the investment.

Clients with an investment in compartment 53 loan notes should note that, as well as an investment in the Tigerford Funds, Argento also invested the monies in:

- (i) Notes issued by Aurum Access SARL, a securitisation company registered in Luxembourg
- (ii) Shares in and/or promissory notes issued by Chrome Services Limited, a property company

Reyker has not been provided with details of these investments so the JSAs are not aware what proportion of funds were invested in these other two companies, or whether anything will be realised in relation to these investments.

Whilst some of the loan notes were issued by Argento to other investors who are not Reyker clients, we understand, based on the information we presently possess, Reyker (as custodian for its Clients) holds the majority holding in each of these 12 loan note compartments.

The JSAs are of the view that all the loan notes are in default because no interest payments or redemption proceeds have been received by Reyker since the special administration commenced.

Proposed next steps

As a reminder, although Reyker is the legal owner of the loan notes, the Reyker Clients (you) are the beneficial owners. Reyker, acting as custodian only in respect of these loan notes, cannot and will not instigate any action (legal action or other) without an express Client instruction.

Further, the JAs' role is to facilitate the return, by Reyker, of assets to Clients or a new broker of their choosing (which we have tried to do) in line with our Distribution Plan and it does not ordinarily extend to legally challenging the actions of other brokers or asset issuers.

Reyker, acting by the JSAs, have sought legal advice from Ogier, a firm of lawyers in Luxembourg (the relevant jurisdiction for any dispute relating to these loan notes) as to the options available for Clients, as the beneficial owners of the loan notes held by Reyker. Ogier have recommended the following strategy which should hopefully address the issues with the Argento loan notes for Clients:

Stage 1 - Luxembourg

1. Reyker, expressly on the instruction of the Clients holding the loan notes and having been placed in funds as to the costs, issues notices of default to Argento in relation to the 12 loan note compartments.
2. Under the terms of the loan notes, Argento must, upon receipt of the default notices, convene a meeting of note holders within one month. At these 12 noteholder meetings, Reyker (acting at the instruction of Clients) will request that the investments in the Tigerford Funds be transferred directly to Reyker, thereby collapsing the loan notes via a payment in kind and ensuring Clients' investment in the Tigerford Funds are held directly by Reyker. The JSAs will then instruct the transfer of these assets to new brokers and / or collect any outstanding monies owed in relation to the loan notes, and pass it onto new brokers. Should Argento refuse this request, Ogier recommend that Reyker will have to make an application to Court to progress the matter. Ogier will prepare and file formal summons in Court.
3. If Argento fails to convene meetings of noteholders, Reyker, on the recommendation of Ogier and at the instruction of the Clients holding the loan notes, will make an application to Court to request the investment in the Tigerford Funds be transferred directly to Reyker.

Stage 2 – Luxembourg

4. Following filing of an application in the Luxembourg Court, Reyker will consider any defence or counter-claim made by Argento and seek instructions, and costs, from Clients holding loan notes in relation to the next steps.

Stage 1 - Cayman

5. Reyker, expressly on the instruction of the Clients holding the loan notes and having been put into funds as to the costs, applies to the Grand Cayman Court for a stop notice to be issued to the Tigerford Product Limited to prevent any transfers instructed by Argento, or payments to Argento, until the matter is resolved in Luxembourg.
6. This action is to protect Clients' interests and prevent any action which may put the value of Argento's investments in the Tigerford Funds out of the reach of Clients.

Stage 2 – Cayman

7. Should Argento contest the application for a stop notice, Reyker will seek instructions, and further costs, from Clients holding the loan notes.

Please note that there are no alternative proposals for these assets in the event that Clients do not decide to instruct Reyker (acting by the JSAs) to take the steps outlined in this letter. As these are among the very last assets to be returned by Reyker, the JSAs will classify the Argento loan notes to be Non-Returnable (as defined in the Distribution Plan). This means that the JSAs do not consider it possible to transfer these assets to Clients and they will, absent voluntary change of position by Argento, remain with the Company until its dissolution or liquidation. It is then likely to be even more difficult for you to recover any value from your investment or these assets.

To assist Clients in understanding these next steps, and to answer any questions you may have, we have arranged for a meeting to be held as follows:

Date: Thursday 17 August 2023

Time: 16:00 (London)

Format: Microsoft Teams

Weblink: [Click here to join the meeting](#)

Meeting ID: 311 502 661 420

Passcode: 9WYf2C

Audio only: +44 20 7660 8292,,390122826# United Kingdom, London

Audio ID: 390 122 826#

Ogier, as appointed counsel to Reyker Securities plc (in special administration) will be in attendance at this meeting and questions will be answered to the extent possible.

Next steps and disclaimers

Nothing in this letter is intended to constitute legal, tax, financial, investment or other professional advice given by either the JSAs or Reyker to Clients and the JSAs act at all times as agents of Reyker and without personal liability. Clients should therefore consider taking advice from their own professional advisers before issuing any instructions to Reyker in respect of the actions that Clients want Reyker to take in respect of their Argento loan notes.

In order for Reyker to take the action outlined in this letter on behalf of Clients, Clients holding the Argento loan notes will need to provide their express instructions that they wish Reyker (acting by the JSAs) to take the above outlined action.

Furthermore, even if individual Clients instruct Reyker but a majority of Clients in the relevant loan note compartment do not instruct Reyker to take this action, no further action can be taken in relation to the whole relevant compartment because to be able to take effective action under the loan notes, Reyker must be able to represent 75% of each compartment.

In order to provide your instructions, Clients will need to sign and return the attached form. This can be returned by:

Email: safecustody@reyker.com

Post: Reyker Securities Plc (In Special Administration)
45 Gresham Street
London EC2V 7BQ

Please provide your instructions as soon as you are able, and in any event by 31 August 2023 at the latest.

Costs

If Clients instruct Reyker to take the actions outlined in this letter, Reyker will incur legal costs on behalf of Clients which, given their nature, will have to be borne directly by Clients holding the Argento loan notes.

To be clear, the costs outlined below relate to actions taken as outlined in Stage 1 – Luxembourg and Stage 1 – Cayman above.

Should it be necessary to progress to Stage 2 – Luxembourg and / or Stage 2 – Cayman then further directions will be sought from Clients holding the loan notes as further costs will be incurred.

Ogier have estimated that in the worst case scenario, where an application to Court is needed, their total costs in relation to Stage 1 – Luxembourg and Stage 1 – Caymen will be EUR 288,000 (£247,500) for their diligences as described above, up until the preparation and filing of each relevant court application. The JSAs propose that these legal costs relating to the first phase be split between all Clients holding Argento loan notes, based on the quantity of loan notes held by them.

We have calculated that your share of the legal costs related to the first phase in this regard will be as follows:

Description	Compartment	Cost GBP
Pittford 3 Year Zero 4.09% 31/03/2020	11	£320.80
Pittford 5 Year Zero 5.17 % 31/03/2022	11	£324.06
Palatine Inc & Gr 6.25% 31/03/2022	53	£562.51
Total		£1207.37

When returning your instructions in respect of these next steps, please also arrange for a bank transfer of the above costs, in GBP, to the following bank account:

Bank: The Royal Bank of Scotland Plc
Account name: Reyker Securities Plc – Corporate Actions AC
Account number: 32252365
Sort code: 15-10-00
BIC: RBOSGB2L
IBAN: GB21 RBOS1510 0032 2523 65
Reference: [YOUR CLIENT REFERENCE] / Argento

In the event that a court application is not necessary and/or Ogier's fees are less than quoted, the JSAs will refund the difference to you, as long as the amount to be refunded exceeds £50 per Client.

Regarding the second phase of the litigation proceedings (Stage 2 – Luxembourg and / or Stage 2 – Cayman), which will follow the filing of the relevant court applications only be required if Argento launch a legal defence or counter-claim, and will include work relating to:

- the submission to additional writs, if necessary, the review and analysis of the writs and bundles of evidence submitted by Argento's lawyers to the court
- the attendance to the court hearings and pleadings before the judge.

Ogier is, as this stage, not in a position to estimate their final legal costs, which will largely depend on the volume of evidence submitted to the court by Argento, as well as generally the litigation strategy deployed by Argento. Therefore, in case Ogier proceeds with the filing of court applications for each compartment, we will send you a further estimate of final costs, as well as request for bank transfer as soon as we receive such estimate from Ogier. We will also seek Clients' further instructions.

Without a payment in respect of these costs, either relating to the first phase or second phase, Reyker will not be in a position to act on any instructions you provide.

We realise that Clients may have queries about these proposed actions and we would urge you to speak to your own financial adviser and join the above outlined meeting so you can raise any questions you may have. As referenced above, the JSAs and Reyker are not providing advice to Clients in respect of the loan notes and therefore if you are in any doubt as to the actions you should take, you should consult with your professional advisers.

Yours faithfully

For and on behalf of Reyker Securities Plc (In Special Administration)

A handwritten signature in black ink, appearing to read 'Mark Ford', with a stylized flourish at the end.

Mark Ford

Joint Special Administrator

To: Reyker Securities Plc (In Special Administration)
45 Gresham Street
London EC2V 7BQ

Email: safecustody@reyker.com

Client ref: 10988

Plan number(s): D1403 P1699

I / We instruct Reyker Securities Plc (In Special Administration), acting by it's Joint Special Administrators, to issue notice to Argento that my below referenced Argento loan note is in default and to take any further Court action, as necessary, to achieve the outcome whereby the loan note held by Reyker for me is extinguished and the underlying investment in the Fund is transferred to Reyker to be held on trust for me and dealt with in accordance with the Distribution Plan.

Description	Compartment	Quantity	Costs
Pittford 3 Year Zero 4.09% 31/03/2020	11	157.07	£320.80
Pittford 5 Year Zero 5.17 % 31/03/2022	11	158.67	£324.06
Palatine Inc & Gr 6.25% 31/03/2022	53	503.69	£562.51
Total			£1207.37

I / We confirm that we have paid the above amount, in GBP, towards the legal costs to be incurred in relation to the proposed action.

Signed:

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Print Name:

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Date:

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