

Reyker Securities Plc - In Default - Agency and Principal Capacities

Default Completion Report to the Financial Conduct Authority

1. This Default Completion Report is made by the London Stock Exchange plc (“the Exchange”) to the Financial Conduct Authority in respect of the default by Reyker Securities Plc (“Reyker”). Reyker was declared a defaulter at 13:15 hours on 23 October 2019.
2. The Exchange published two Stock Exchange Notices in relation to the default to notify members and investors of the default and to publish a hammer price:
 - N14/19 - Declaration of Default - Reyker Securities Plc
 - N17/19 - Reyker Securities Plc - In Default - hammer price

These are available at:

<https://www.londonstockexchange.com/resources/london-stock-exchange-notices>

3. Reyker traded on Exchange in an agency and principal capacity. Following the declaration of default, the Exchange requested unsettled trade data from Reyker and member firm counterparties in respect of all unsettled agency and principal contracts to which Reyker was a party at the time of the declaration of default.
4. Unsettled trade data was ultimately obtained from:
 - the Exchange’s trade report records;
 - the records of unsettled trades in the UK’s central securities depository, CREST, operated by Euroclear UK and Ireland (EUI) Ltd;
 - the records of Reyker in the possession of the Special Administrators at Smith & Williamson (“the Special Administrators”); and
 - member firm counterparties.

Agency Contracts

5. In respect of Reyker’s unsettled relevant agency contracts, the Exchange issued Settlement Directions to three member firm market counterparties in respect of three Reyker clients. In the Settlement Directions the Exchange provided market counterparties with the details of four unsettled on Exchange trades and two corporate action claims (with copies sent to the Special Administrators). The Settlement Directions detailed the unsettled trade/s allocated to each market counterparty, together with the identity and contact



details of each underlying client of Reyker with whom they were required to settle under the Exchange's default rules.

Principal Contracts

6. As a result of the data reconciliation process, and in accordance with the Exchange's default rules in respect of unsettled relevant principal contracts, the Exchange issued two final Net Amount Certificates, one to a member firm counterparty and one to a Reyker non-member client with copies provided to the Special Administrators. In accordance with section 162(1) of the Companies Act 1989 ("the Act"), the relevant amounts are stated in the table at Annex 1 to this Default Completion Report.

Completion of default procedures

7. The Exchange confirms that, having issued the Settlement Directions in respect of Reyker's agency market contracts and having issued the Net Amount Certificates in respect of Reyker's unsettled principal market contracts of which it was aware, it has now completed proceedings under its default rules in respect of this default.
8. The Exchange also confirms that, in accordance with section 162(3) of the Act, a copy of this Default Completion Report has been supplied to the Special Administrators (acting on behalf of Reyker).

Signed:.....

Date:.....26/02/2021.....

Liam Smith, Default Official, London Stock Exchange

