

## **Alpari (UK) Limited (in special administration) (“the Company”)**

### **NOTICE TO CLIENTS - COMPENSATION PAYMENTS MADE BY FSCS**

This information is in addition to previous information.

In light of the recent payments made by FSCS to those clients who had assigned their claims to FSCS, we have received numerous communications from clients who are asking why the amount received into their nominated bank account is different to what they had agreed on the Claims Portal with the Joint Special Administrators. In response to these queries we would like to highlight the following to the clients who have chosen to assign their claims to FSCS.

In the Claims Portal, clients agree the balance of their individual account(s), their client money entitlement and their contractual claim amount.

As noted in the Claims Portal, the denomination of the Client Money Pool (“CMP”) is USD, therefore all clients’ account balances which were not held in USD are required to be converted to USD. This is, by law, at the spot rate prevailing at the time of the appointment of the Joint Special Administrators, which is 2.45 pm GMT, on 19 January 2015. This amount is the client money entitlement and payment in respect of this claim would be paid in USD, as that is the denomination of the CMP.

The contractual claim amount relates to any unsecured contractual claim the clients may have against the Company arising out of the Client Agreement. The designation of the general estate is GBP, therefore all claims in the general estate of the Company are required to be converted to GBP. This is, by law, at the official exchange rate, which is the mean of the buying and selling spot rates prevailing in the London market as published at the close of business on 19 January 2015.

**Please note, that any amount recovered from the CMP under your client money entitlement would reduce the value of your contractual claim by an equivalent amount. As a result you cannot recover both the full amount of your client money entitlement and the full amount of your contractual claim.**

When a client agrees their client money entitlement and contractual claim amount in the Claims Portal and elects to assign their claim to FSCS, the Joint Special Administrators provide FSCS with both claim amounts.

FSCS decided to pay all compensation payments in USD to align with the denomination of the CMP. As such, FSCS would have made a compensation payment to clients in USD.

FSCS will pay out on the higher of a clients’ client money entitlement or contractual claim, however payment will **always** be made in USD. The reason why a client may receive a different amount to that in the Claims Portal is due to a clients’ bank converting the USD payment into the denomination of the nominated bank account and further a clients’ bank may deduct fees.

If clients are concerned about the amount received, we suggest that those clients should contact their bank and confirm with them the amount in USD that was received. This amount will agree to the values that were agreed in the Claims Portal, as long as a clients’ claim is less than £50,000.

Clients who have any further queries in respect of the compensation payment received from FSCS should contact them directly (<http://www.fscs.org.uk/contact-us/>).