

Alpari (UK) Limited (in Special Administration) (the “Company”)

General update to clients with Client Money protection (“Clients”) – 20 April 2015

This information is in addition to previous information

Claims Portal – New functionality

The Joint Special Administrators (“JSAs”) will shortly be releasing new functionality in the Claims Portal regarding both claiming compensation from FSCS (if eligible and subject to agreeing to FSCS Payment Terms) and the option of having distributions from the Company or compensation from FSCS (together “**Payments or Distributions**”) paid directly to an ETX Capital (“ETX”) trading account if you so choose.

Please see below for a description of this functionality and how this may affect you:

ETX

Clients agreeing their claims via the online Claims Portal will now have the option to choose whether or not they would like any Payments or Distributions to be made to an ETX account. A client must be a client of ETX in order to select this option.

Please note that it is entirely the client’s choice as to whether they wish to open an account with ETX, and if clients choose not to, their claims will not be prejudiced in any way.

In addition, the timing of any Payments or Distributions will be the same irrespective of whether clients choose to have them paid to an ETX account or to any other nominated account.

FSCS

FSCS is the UK’s statutory compensation scheme for customers of authorised financial services firms, of which the Company is one. Eligible Client claims will be compensated by FSCS up to a statutory limit of GBP 50,000.

The new functionality on the Claims Portal will allow eligible Clients to claim compensation from FSCS by agreeing to FSCS’s Payment Terms, which include agreeing to assign their claim to FSCS pursuant to those Payment Terms. Information regarding FSCS compensation, FSCS Payment Terms and other relevant information can be accessed from the online Claims Portal and on FSCS’s website.

To date, a number of Clients have already been invited to state on the Claims Portal whether they intend to claim compensation from FSCS. It had been anticipated that FSCS would then subsequently contact those Clients directly to invite them to claim compensation from FSCS.

However, following discussions with FSCS, the JSAs and FSCS can now confirm that Clients will be able to claim compensation from FSCS, should they wish to do so, directly via the online Claims Portal. A client’s prior indication of their intentions regarding FSCS compensation does not preclude or otherwise affect a Client’s ability to now seek compensation from FSCS via the online Claims Portal.

Please note: FSCS have confirmed that compensation payments will be made in USD and into the bank account provided by Clients in the Claims Portal.

What this means for you

Clients who have already agreed their claim on the Claims Portal:

You will shortly receive an email inviting you to log back onto the Claims Portal if you would like to:

- 1) claim compensation from FSCS and assign your claim to FSCS pursuant to FSCS Payment Terms; and / or
- 2) have Payments or Distributions paid to an ETX account.

You will also be required to confirm bank account details if you have selected to have Payments or Distributions made to an account other than an ETX account.

This invitation email will be sent to the email address registered with the Company that you previously used to log onto the Claims Portal, please therefore continue to monitor this email account.

Clients who have been granted access to the Claims Portal but have not yet agreed their claim:

You will shortly receive an email reminding you to log onto the Claims Portal and either agree, dispute or waive the value of your claims.

You will additionally be asked whether you would like to:

- 1) claim compensation from FSCS and assign your claim to FSCS pursuant to FSCS Payment Terms; and / or
- 2) have Payments or Distributions paid to an ETX account.

You will also be required to confirm bank account details if you have selected to have Payments or Distributions made to an account other than an ETX account.

This invitation email will be sent to the email address registered with the Company that you previously used to log onto the Claims Portal, please therefore continue to monitor this email account.

Clients who have not yet been granted access to the Claims Portal:

Please note that, following the JSA's previous update on 1 April 2015, a further 3,000 clients have now been granted access to the Claims Portal.

Approximately 11,000 clients have still not been given access to the Claims Portal to agree their claims. The JSAs continue to work towards granting access to all clients as soon as possible.

For reference, please see below the main reasons that are preventing clients from being granted access to the Claims Portal:

- **Withheld accounts**
 - The JSA's have withheld a number of accounts due to insufficient contact detail information being held on Company systems to uniquely identify the claimant for the purposes of signing into the Claims Portal.
 - A further small population of Clients have been withheld due to other bespoke issues.
 - The JSAs expect to release the remaining clients as issues are resolved but due to the nature of some of these issues it may take a number of months for all clients to be contacted.

- **Swiss trades**
 - Those Clients who held an open CHF trade at some point on either 15 or 16 January 2015 (c.1,200 Clients) will be granted access to the Claims Portal as soon as the pricing of these trades and the profit and loss due to these trades is confirmed.
 - The JSA's continue to conduct analysis on these trades, and further updates will be provided on the JSA's website as soon as further information becomes available.

If you have any questions regarding the above information, please contact alpariukclaims@kpmg.co.uk and please continue to monitor the Joint Special Administrators' website - www.kpmg.com/uk/alpari.