

Rules 122 & 123

The Investment Bank Special Administration Regulations 2011

Special Administrators' progress report

Name of Company Boston Prime Limited	Company number 07435569
In the High Court of Justice, Chancery Division, Companies Court (full name of court)	Court case number 1051 of 2015

(a) Insert full
name(s) and
address(es) of
Special
administrators

We (a)
Michael David Rollings
Rollings Butt LLP
6 Snow Hill
London
EC1A 2AY

Steven Edward Butt
Rollings Butt LLP
6 Snow Hill
London
EC1A 2AY

Joint Special Administrators of the above company attach a progress report for the period

From	To
(b) 9 February 2019	(b) 8 August 2019

(b) Insert date

Signed


Mike Rollings
Joint Special Administrator

Dated

4 September 2019

Contact Details:

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form.

The contact information that you give will be visible to searchers of the public record

Mike Rollings
Rollings Butt LLP
6 Snow Hill
London
EC1A 2AY

DX Number

020 7002 7960
DX Exchange

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Boston Prime Limited – In Special Administration

Special Administrators' Ninth Progress Report

For the period 9 February 2019 to 8 August 2019

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1 Purpose of this report

- 1.1 The purpose of this report is to provide clients and creditors with information in relation to the progress of the Special Administration of Boston Prime Limited ("the Company") for the period 9 February 2019 to 8 August 2019 ("the Period"). It should be read in conjunction with the previous eight six monthly progress reports covering the period 9 February 2015 to 8 February 2019.
- 1.2 The report has only been prepared for the purpose of compliance with statutory requirements under the Insolvency Act 1986, Insolvency Rules 2016 (as amended) and The Investment Bank Special Administration Regulations 2011 ("SAR"). It has not been prepared for any other purpose and is not intended, nor suitable to be used, to inform any investment decision in relation to any debt of, or any financial interest in, the Company.
- 1.3 Any person that chooses to rely on any information referred to in this report for any purpose or in any context other than for the purpose of this report referred to above does so at their own risk.
- 1.4 To the fullest extent permitted by law, the Special Administrators, their firm, its employees and agents, do not have or assume any responsibility, and will not accept any liability in respect of, or as a result of, any decision or action taken, or refrained from, as a result of information contained in this report.

2 Statutory information

- 2.1 My colleague, Steve Butt, and I were appointed Joint Special Administrators of the Company on 9 February 2015 by the High Court of England and Wales under the court reference number 1051 of 2015.
- 2.2 This Special Administration is being handled by Rollings Butt LLP ("Rollings Butt") of 6 Snow Hill, London, EC1A 2AY.
- 2.3 The trading address of the Company was Citypoint Suite 1248, 1 Ropemaker Street, London, EC2Y 9HT.
- 2.4 The registered office of the Company is c/o Rollings Butt LLP, 6 Snow Hill, London, EC1A 2AY and its registered number is 07435569. The Company is authorised and regulated by the Financial Conduct Authority ("FCA"), with the firm reference number 539846.
- 2.5 The Special Administrators' proposals were approved without modification by a meeting of the Company's clients and creditors held on 8 April 2015. A creditors' committee ("the Committee") was formed.

3 Progress of the Special Administration*Objectives and strategy of the Special Administration*

- 3.1 As detailed in previous progress reports, and in accordance with the Special Administration Regime under the SAR, the Special Administrators have three objectives ("the Objectives") although the order in which they appear does not indicate a hierarchy of priority between them:
- 1) to ensure the return of client assets as soon as is reasonably practicable;
 - 2) to ensure timely engagement with market infrastructure bodies and the authorities;
 - 3) to either—
 - a) rescue the investment bank as a going concern, or
 - b) wind it up in the best interests of the creditors.

I have outlined the Special Administrators' progress in achieving these objectives during the Period below.

Receipts and payments account

- 3.2 Attached at Appendix A(i) is a Receipts and Payments account for the period 9 February 2019 to 8 August 2019 as well as a cumulative account (Appendix A(ii)) for the full period of the Special Administration, both in GBP and native currency.
- 3.3 The most significant payments made during the Period were the Special Administrators' fees, which totalled £12,817 excluding Value Added Tax ("VAT").
- 3.4 VAT totalling £257,223 has been incurred to date and continues to be incurred and paid on the expenses of the Special Administration. The Special Administrators have received partial recovery of VAT incurred, as detailed below.

VAT

- 3.5 In this, and previous six-monthly reports, expenses paid in the Special Administration are shown net of VAT and the cumulative amount of VAT paid is shown as VAT receivable.
- 3.6 The Company is registered for VAT, however, given the nature of the Company's business, it was unclear at the date of the Special Administrators' appointment as to what extent they may be able to recover any VAT paid within the Special Administration.
- 3.7 As previously reported, the Company has been submitting quarterly VAT returns, applying a recovery percentage of 94.97%, for costs incurred in the Special Administration.
- 3.8 The table below details the breakdown of the VAT incurred in the Special Administration. Notes to the table are provided in paragraphs 3.8.1-3.8.5.

Treatment of VAT	Total (£)	Period (£)
VAT Reclaimed	231,956.01	1,030.56
VAT to be reclaimed	1,491.50	1,491.50
Irrecoverable VAT	16,853.12	54.58
VAT to be irrecoverable	79.00	79.00
VAT in respect of the reversed charge procedure	6,843.40	Nil
Total VAT Incurred	257,223.03	2,655.64

- 3.8.1 The *VAT Reclaimed to date* shows the cumulative amounts received from HMRC as a consequence of VAT returns the Company has submitted.
- 3.8.2 The *VAT to be reclaimed* is the expected amount to be received from future VAT return(s) on VAT which has already been incurred, calculated based on the recovery percentage of 94.97%.
- 3.8.3 The *Irrecoverable VAT* shows the cumulative total which is irrecoverable as a consequence of the 94.97% recovery rate, i.e. 5.03% of incurred VAT.
- 3.8.4 The *VAT to be irrecoverable* shows the expected amount to be written off from future VAT return(s) on VAT which has already been incurred, calculated based on the recovery percentage of 94.97%.
- 3.8.5 The *VAT in respect of the reverse charge procedure* relates to the VAT incurred on services provided by EU VAT registered entities. This is treated as both input and output VAT.

Corporation Tax ("CT")

- 3.9 The Company has submitted CT returns in relation to interest incurred in the periods 9 February 2015 to 8 February 2016, 9 February 2016 to 8 February 2017 and 9 February 2017 to 8 February 2018.

Client money claims and distribution

- 3.10 As advised in previous progress reports, the Special Administrators have processed all payments due to Client Money Claimants.

Unsecured Dividends

- 3.11 As previously reported, the Special Administrators have declared and paid two interim dividends to its unsecured dividends totalling 31.3208 pence in the GBP.
- 3.12 To date, dividend payments to unsecured creditors total £3,362,971.66.
- 3.13 The Special Administrators do not intend to pay a further dividend to unsecured creditors until there is clarity on what, if any, further assets are realised. Further information on asset realisation is detailed in section 4 of this report.
- 3.14 The Special Administrators have continued to co-operate with the Financial Services Compensation Scheme ("FSCS"), assisting them to process claims by providing information on requested claimants. I can confirm that the FSCS have made payments to a number of the Company's creditors who met the relevant requirements to be able to submit a claim. For the avoidance of doubt, information in respect of potential compensation claims has been disclosed to creditors previously and can be found at <http://www.rollingsbutt.com/case-documents/bostonprime>.

Regulatory Matters

- 3.15 The Special Administrators also continue to liaise with the Financial Conduct Authority ("FCA"), keeping them informed of the progress of the Special Administration and providing them with information when required.
- 3.16 The Special Administrators have commenced the process to deregister the Company from its FCA registration. This is a result of the fact that all of the Company's client money distributions have now been finalised and there are no outstanding matters regarding the client money position.

4 Assets still to be realised*Debtors*

- 4.1 As detailed in previous reports, any further recoveries from the Company's debtors are unlikely and therefore it is not cost-effective to continue to actively pursue these debts. Should any new evidence emerge to assist the Special Administrators in collecting outstanding debts remaining due to the Company they will reanalyse their position accordingly.

Liquidity providers

- 4.2 In previous progress reports, it has been stated that the Company has commenced legal proceedings in Malta against one of the Company's liquidity providers in relation to unsatisfactory responses to queries raised by the Company about activity on the Company's account with this liquidity provider in the aftermath of the Swiss National Bank's decision to de-couple the Swiss Franc from the Euro on 15 January 2015.

- 4.3 Owing to the sensitive and confidential nature of these proceedings, a detailed account of the progress in this respect cannot be disclosed in this report. In the previous progress report, it was advised that a hearing had been rescheduled for March 2019 following the postponement of its original date of November 2018. It should be noted that, in the reporting period, there has been one further hearing in Malta, where I, as Joint Special Administrator, travelled to Malta to give evidence.
- 4.4 The Special Administrators regularly update the Company's Creditors Committee in respect of the progress of the litigation, and the key aspects and decisions of the proceedings are discussed and agreed with the Committee.

BT Prime

- 4.5 As advised in previous progress reports, the Company have received an initial dividend of US\$124,185 (£96,133) on a claim of US\$7,200,000 in the Bankruptcy proceedings for BT Prime Ltd ("BT Prime"), of which US\$1,700,000 has been partially admitted and US\$5,500,000 remains to be adjudicated.
- 4.6 The Special Administrators have continued to liaise with the legal representatives of BT Prime in respect of progress in the Bankruptcy. The legal representatives for BT Prime are undertaking an action in the US and we understand there have been no material developments in this case during the Period. This case is also being contested in respect of the relevant jurisdiction to hear the case.

5 Special Administrators' costs*Remuneration*

- 5.1 The basis of the Special Administrators' remuneration has been fixed by resolution of the Committee by reference to the time properly spent by them and their staff in attending to matters arising in the Special Administration.
- 5.2 Time costs for the period from 9 February 2019 to 8 August 2019 are £19,538. This represents 69.3 hours at an average rate of £281.93 per hour. Attached as Appendix B (i) is a Time Analysis which provides details of the activity costs incurred by staff grade during this period in respect of the costs fixed by reference to time properly spent by the Joint Special Administrators and their staff in managing the Special Administration.
- 5.3 Time costs for the period 9 February 2015 to 8 August 2019 total £897,546.50. This represents 3,701.1 hours at an average cost of £242.51 per hour. A cumulative Time Analysis is also attached at Appendix B (ii).
- 5.4 It has been agreed with the Committee that the Special Administrators' remuneration in respect of time incurred for the period from 1 May 2015 to 30 June 2018 would be reduced by 20% of their standard time costs, with the remaining balance to be considered at a later point in time. For the period from 1 July 2018 onwards, it has been agreed that the Special Administrators' remuneration would be charged at their standard time costs, details of which are provided in Appendix C.
- 5.5 From 9 February 2019 to 8 August 2019, £12,817 (excl. VAT) has been invoiced and drawn on account, which relates to the period from 1 December 2018 to 30 June 2018. Post appointment fees to date drawn on account total £750,635 (excl. VAT).
- 5.6 A narrative guide to the Special Administrators' time costs has been included at Appendix D and a copy of 'A Creditors' Guide to Administrators' Fees' is available on request or can be downloaded from <http://www.insolvency-practitioners.org.uk/regulation-and-guidance/guides-to-fees>.
- 5.7 Attached as Appendix C is additional information in relation to this firm's policy on staffing, the use of subcontractors, disbursements and details of our current charge-out rates by staff grade.

Category 1 and Category 2 disbursements

- 5.8 As disclosed in previous reports, the Committee passed a resolution authorising the Special Administrators to draw their Category 2 disbursements in accordance with the rates referred to in our proposals. A further schedule of these rates, and information on Category 1 disbursements, is attached at Appendix C.
- 5.9 From 9 February 2019 to 8 August 2019, the following Category 1 and Category 2 disbursements have been incurred:

Type and Purpose	Cost (£)	VAT (£)	Total (£)
Category 1 Disbursements			
Travel	364.59	72.92	437.51
Expenses			
Accommodation and Subsistence	354.68	70.94	425.62
Total	719.27	143.85	863.12

6 Expenses incurred in the period 9 February 2019 to 8 August 2019

- 6.1 The following expenses have been incurred in the Period:

Supplier/Service Provider	Nature of expense incurred	Amount incurred in Period (£)	Paid to date (£)
Fyfield	Storage	54	54
Black and Callow	Printing and Postage	406	406
Total		460	460

- 6.2 Details of the rationale for appointing the professional advisers that the Special Administrators are working with on this matter are set out at Appendix C.
- 6.3 For previously incurred expenses please review the Special Administrators' previous progress reports.

7 Estimated outcome for creditors

Clients with FCA CASS Protection

- 7.1 The client money distributions have now been paid. No further client money distributions are anticipated. The return to client money creditors was c.90 pence in the pound.

Secured creditors and Prescribed Part

- 7.2 There is no registered security giving charges over the assets of the Company. Consequently, the provisions of S176A of the Insolvency Act 1986 in relation to a Prescribed Part will not apply.

Preferential creditors

- 7.3 As previously reported, the only preferential claim in the Special Administration was paid in full in October 2016.

Non-preferential unsecured creditors

- 7.4 Details in respect of further dividends to unsecured creditors can be found earlier in this report and, as stated, any future dividends are based on potential recoveries.

8 Ending the Special Administration

- 8.1 At this stage, the Special Administrators intend to seek their discharge from liability under Paragraph 98 (2)(c) of schedule B1 to the Insolvency Act 1986 (as that provision applies to special administrations) immediately upon their appointment as Special Administrators ceasing to have effect. This will require the Special Administrators applying to the court.
- 8.2 As this is a Special Administration, under SAR the provisions of Paragraph 76 of Schedule B1 to the Insolvency Act 1986, which refer to an automatic end of an administration after 12 months, do not apply.

9 Creditors' rights

- 9.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Special Administrators provide further information about their remuneration or expenses (other than pre-Special Administration costs) which have been itemised in this progress report.
- 9.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Special Administrators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Special Administrators, as set out in this progress report, are excessive.

10 Next report

- 10.1 The Special Administrators are required to provide a progress report within one month of the end of the next six months of the Special Administration, or earlier if the Special Administration has been finalised.

Yours faithfully
For Boston Prime Limited

Mike Rollings
Joint Special Administrator

Michael David Rollings and Steven Edward Butt were appointed as Joint Special Administrators of Boston Prime Limited by order of the High Court on 9 February 2015.

The affairs, business and property of the Company are being managed by the Joint Special Administrators who act as agents of the Company and without personal liability

Michael David Rollings and Steven Edward Butt are licensed to act in the UK as insolvency practitioners by the Insolvency Practitioners Association

Boston Prime Limited is authorised and regulated by the Financial Conduct Authority, reference number 539846. The Company Number is 07435569 and the registered office is 6 Snow Hill, London. EC1A 2AY

**Receipts and Payments Account for the Period
from 9 August 2018 to 8 August 2019**
Appendix A (i)

Asset Realisations	GBP Account (£)
Brought Forward	5,113,672
Total Receipts	5,113,672
Payments	
Brought Forward	(4,681,808)
Special Administrators' Fees	(12,817)
Special Administrators' Disbursements	(1)
Stationery & Postage	(406)
Storage	(54)
Irrecoverable VAT	(134)
Total Payments	(4,695,220)
	418,453

RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD FROM 9 FEBRUARY 2016 TO 8 AUGUST 2019 (IN GBP)

Appendix A (ii)

Statement of Assets (€) ASSET REALISATIONS		(€)					USD Accounts (€)			EUR Accounts (€)			AUD Accounts (€)			PLN Accounts (€)			JPY Accounts (€)		
	580,896 "Client Funds" Accounts		4,986,101		603,099					292,477											
	3,890,559 Cash at Bank		677,22		2,812,206																
	Interest Received		610		4,286,92																
	Pre-Appointment Bank Refund																				
	14,945 Liquidity Provider Trading Account				701,232																
	2,194,248 Debtors		126,284		94																
	Total Receipts		5,113,672		4,120,917					292,477			506,773			38,059					289,808
	COSTS OF REALISATIONS																				
	IT Suppliers		(305)																		
	Statutory Advertising		(14,137)																		
	Stationery & Postage		(3,982)																		
	Storage Costs		(162)																		
	Trade & Expense Creditors																				
	Legal Fees		(432,518)																		
	Legal Disbursements		(30,722)																		
	Accountants Fees (Tax Advisors)		(10,500)																		
	"Client Funds"																				
	(560,896) "Customer Funds"																				
	(11,070,452) Bank Charges		(2,490)		(25)																
	Liquidity Provider Trading Account																				
	Intercompany Transfer to GBP																				
	Special Administrators' Insurance Bond		(4,000)		(3,593,024)					(292,477)			(506,773)			(38,059)					(280,187)
	Special Administrators' Pre Appointment Fees		(42,109)																		
	Special Administrators' Post Appointment Fees		(750,635)																		
	Special Administrators' Disbursements		(3,523)																		
	Employee Awards/Holiday Pay		(663)																		
	Client Money Dividend				(505,667)																
	Unsecured Creditors Dividend		(3,364,231)																		
	Unclaimed Dividend		(17,593)																		
	Corporation Tax		(718)																		
	Irrecoverable VAT		(16,932)																		
	DISTRIBUTIONS																				
	Ordinary Shareholders																				
	(221,750)																				
	Total Payments		(4,595,220)		(4,098,736)					(292,477)			(506,773)			(38,059)					(289,808)
			418,453		22,181																

Notes

All figures are exclusive of VAT. Please refer to the progress report for further information on potential VAT recovery.

Foreign Currency rate used as at 6 March 2015: USD 1.5080, EUR 1.3871, AUD 1.9529, PLN 5.7250, JPY 182.1316.

RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD FROM 9 FEBRUARY 2015 TO 8 AUGUST 2019 (IN NATIVE CURRENCY)

Appendix A (ii)

Statement of Affairs (€) ASSET REALISATIONS		(€)	USD Accounts	EUR Accounts	AUD Accounts	PLN Accounts	JPY Accounts
590,896	*Client Funds* Accounts	-	900,344	-	-	-	-
3,890,559	Cash at Bank	4,986,101	4,057,519	377,388	927,125	208,196	46,890,176
	Interest Received	677	6,456	-	8,635	-	-
14,945	Pre-Appointment Bank Refund	810	1,058,055	-	-	-	-
2,194,248	Liquidity Provider Trading Account	-	140	-	-	-	-
	Debtors	128,284	-	-	-	-	-
	Total Receipts	5,113,672	6,020,514	377,388	935,760	208,196	46,890,176
COSTS OF REALISATIONS							
	IT Suppliers	(305)	-	-	-	-	-
	Statutory Advertising	(14,137)	-	-	-	-	-
	Stationery & Postage	(3,982)	-	-	-	-	-
	Storage Costs	(182)	-	-	-	-	-
(4,449)	Trade & Expense Creditors	-	-	-	-	-	-
	Legal Fees	(432,518)	-	-	-	-	(1,743,256)
	Legal Disbursements	(30,722)	-	-	-	-	-
	Accountants Fees (Tax Advisors)	(10,500)	-	-	-	-	-
(560,896)	*Client Funds*	-	-	-	-	-	-
(11,070,452)	*Customer Funds*	-	-	-	-	-	-
	Bank Charges	(2,490)	(37)	-	-	-	(9,096)
(182,855)	Liquidity Provider Trading Account	-	-	-	-	-	-
	Intercompany Transfer to GBP	-	(5,225,508)	(377,388)	(935,760)	(208,196)	(45,137,824)
	Special Administrators' Insurance Bond	(4,000)	-	-	-	-	-
	Special Administrators' Pre Appointment Fees	(42,109)	-	-	-	-	-
	Special Administrators' Post Appointment Fees	(750,635)	-	-	-	-	-
	Special Administrators' Disbursements	(3,523)	-	-	-	-	-
	Employee Areas/Holiday Pay	(663)	(781,753)	-	-	-	-
	Client Money Dividend	-	-	-	-	-	-
	Unsecured Creditors Dividend	(3,364,231)	-	-	-	-	-
	Unclaimed Dividend	(17,583)	-	-	-	-	-
	Corporation Tax	(718)	-	-	-	-	-
	Irrecoverable VAT	(16,932)	-	-	-	-	-
DISTRIBUTIONS							
(221,750)	Ordinary Shareholders	-	-	-	-	-	-
	Total Payments	(4,695,220)	(5,987,299)	(377,388)	(935,760)	(208,196)	(46,890,176)
		418,453	33,216				

Notes

All figures are exclusive of VAT. Please refer to the progress report for further information on potential VAT recovery

Time Entry - Detailed SIP9 Time & Cost Summary for the period 9 February 2019 to 8 August 2019
Appendix B (i)

Classification of Work Function	Partner	Manager	Associate	Total Hours	Time Cost (£)	Average Hourly Rate (£)
104 Case Management	0 00	0 10	0 00	0 10	25 00	250 00
105 Case Planning	0 00	0 00	1 00	1 00	192 00	192 00
107 Statutory Reporting	1 40	0 50	12 30	14 20	3,011 00	212 04
111 Billing	0 00	0 00	1 70	1 70	280 00	164 71
112 Post Appointment Tax	0 00	0 00	5 30	5 30	960 50	181 23
116 Case Accounting	0 00	0 10	0 90	1 00	165 50	165 50
117 Bank Reconciliations	0 00	0 00	2 00	2 00	315 00	157 50
118 Receipts & Payments	0 00	0 00	2 20	2 20	409 50	186 14
Administration & Planning	1.40	0.70	26.40	27.50	5,358.50	194.85
600 Case Specific	0 00	0 00	0 90	0 90	175 50	195 00
Case Specific Matters	0.00	0.00	0.90	0.90	175.50	195.00
500 Creditors	0 00	0 00	2 20	2 20	427 50	194 32
505 Creditors Committee	1 40	0 00	15 40	16 80	3,610 50	214 91
Creditors	1.40	0.00	17.60	19.00	4,038.00	212.53
314 Litigation	17 40	0 00	4 50	21 90	9,966 00	455 07
Realisation of Assets	17.40	0.00	4.50	21.90	9,966.00	455.07
Total Hours	20.20	0.70	48.40	69.30	19,538.00	281.93

Time Entry - Detailed SIP9 Time & Cost for the period 9 February 2015 to 8 August 2019

Appendix B (ii)

Classification of Work Function	Partner	Manager	Associates	Total Hours	Time Cost (£)	Average Hourly Rate (£)
100 Administration & Planning	6.75	96.30	29.20	132.25	34,282.00	259.22
102 Appointment	1.00	0.00	0.00	1.00	420.00	420.00
103 Background Information	6.40	1.60	8.30	16.30	4,537.00	278.34
104 Case Management	6.70	29.20	17.80	53.70	13,860.00	258.10
105 Case Planning	38.10	23.80	39.50	101.40	29,990.00	295.76
106 Maintenance Of Records	3.00	4.50	7.10	14.60	3,466.00	237.40
107 Statutory Reporting	28.80	81.20	196.30	306.30	65,615.75	214.22
108 Statutory Compliance	8.05	28.10	10.50	46.65	12,270.25	263.03
111 Billing	0.40	0.50	11.30	12.20	2,120.00	173.77
112 Post Appointment Tax	16.20	38.90	80.80	135.90	30,184.50	222.11
115 Meetings	30.25	6.50	23.60	60.35	18,792.50	311.39
116 Case Accounting	3.40	3.60	118.00	125.00	17,799.00	142.39
117 Bank Reconciliations	0.00	1.70	11.30	13.00	1,989.50	153.04
118 Receipts & Payments	0.00	29.70	93.40	123.10	21,110.00	171.49
119 Closure	0.00	0.50	0.00	0.50	135.00	270.00
702 Liaison With Directors	2.55	7.30	0.70	10.55	3,046.00	288.72
Administration & Planning	151.60	353.40	647.80	1,152.80	259,617.50	225.21
600 Case Specific	78.25	100.20	86.10	264.55	73,991.50	279.69
Case Specific Matters	78.25	100.20	86.10	264.55	73,991.50	279.69
316 Client Monies	81.15	63.00	39.90	184.05	60,003.00	326.01
317 Customer Funds	35.75	100.30	109.50	245.55	56,538.50	230.25
500 Creditors	49.75	159.80	431.20	640.75	125,499.50	195.86
501 Communication With Creditors	0.00	0.00	0.10	0.10	15.00	150.00
505 Creditors Committee	139.05	211.50	280.10	630.65	165,555.75	262.52
508 Employees	0.70	4.40	4.10	9.20	2,169.00	235.76
510 Pre Appointment Tax	4.00	11.30	3.80	19.10	5,613.50	293.90
Creditors	310.40	550.30	868.70	1,729.40	415,394.25	240.20
200 Investigations	4.80	8.80	15.60	29.20	7,342.00	251.44
201 CDDA Reports	4.70	11.40	27.00	43.10	9,055.50	210.10
Investigations	9.50	20.20	42.60	72.30	16,397.50	226.80
300 Realisation Of Assets	10.55	50.30	21.80	82.65	21,131.25	255.67
301 Assets - General	0.30	0.00	0.00	0.30	148.50	495.00
302 Identifying, Securing, Insuring Assets	0.00	0.00	4.90	4.90	716.00	146.12
303 Book Debts	19.30	53.50	44.60	117.40	30,428.00	259.18
314 Litigation	81.60	90.60	104.20	276.40	79,670.00	288.24
Realisation of Assets	111.75	194.40	175.50	481.65	132,093.75	274.25
403 Ongoing Employee Issues	0.00	0.00	0.40	0.40	52.00	130.00
Trading	0.00	0.00	0.40	0.40	52.00	130.00
Total Hours	661.50	1,218.50	1,821.10	3,701.10	897,546.50	242.51

Additional Information in Relation to Special Administrators' Fees Pursuant to Statement of Insolvency Practice 9**1 Policy**

Detailed below is Rollings Butt LLP's policy in relation to:

- staff allocation and the use of sub-contractors;
- professional advisers; and
- disbursements

1.1 Staff Allocation and the use of Sub-contractors

The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a Partner, a Manager, and an Associate. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. The charge out rate schedule in section 2 below provides details of all grades of staff and their experience level.

We are not proposing to utilise the services of any sub-contractors in this case.

1.2 Professional Advisers

On this assignment, we have used the professional advisers listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Adviser	Basis of Fee Arrangement
CMS Cameron McKenna Nabarro Olswang (legal advice)	Hourly rate and disbursements
Camilleri Preziosi (legal advice)	Hourly rate and disbursements
Anderson Mori & Tomotsune (legal advice)	Hourly rate and disbursements (up to a capped fee)
Smith & Williamson	Agreed rate

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

1.3 Disbursements

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and accommodation, external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage.

On this case, the following Category 1 and Category 2 disbursements have been incurred during the period 9 February 2019 to 8 August 2019.

Type and Purpose	Cost (£)	VAT (£)	Total (£)
Category 1 Disbursements			
Travel	364.59	72.92	437.51
Expenses			
Printing and Copying	354.68	70.94	425.62
Total	719.27	143.85	863.12

2 Charge-out Rates

A schedule of Rollings Butt LLP's charge-out rates for this assignment effective for this period is detailed below.

Staff Grade	1 April 2014 - 31 March 2015	1 April 2015 - 31 March 2016	1 April 2016 - 31 March 2018	From 1 April 2018
Partner	420	445	470	495
Manager	250-335	270-350	250-370	310-420
Associate	110-175	120-190	130-200	150-225

Please note that this firm records its time in minimum units of 6 minutes.

NARRATIVE GUIDE TO ACTIVITIES UNDERTAKEN BY THE SPECIAL ADMINISTRATORS

From 9 February 2015 to 8 August 2019

Analysis Code	Description	Narrative
Administration and planning		
100	Administration & Planning	<ul style="list-style-type: none"> • Complying with internal case management procedures; filing, status checklists, IPS (internal case management system) administration, recording and analysing time incurred by the Special Administrators and their staff, maintaining/completing IP records • Preparation for internal and external meetings, including document production and review • Attending Court hearing
102	Appointment	
103	Background Information	<ul style="list-style-type: none"> • Retrieval of accounts and filings from Companies House and 3rd party Credit Search engines. • Requesting, printing, reviewing information provided by Director and 3rd parties. • Collating information relating to the Company prior to appointment, including details of assets, information relating to licence agreements, relevant online material.
104	Case Management	<ul style="list-style-type: none"> • Associate, Manager and Partner Reviews of Files
105	Case Planning	<ul style="list-style-type: none"> • Initial formulation and ongoing documentation of strategy to achieve special administration objectives • Consultation and ongoing correspondence with regulatory bodies (FCA and FSCS) to ensure strategy is appropriate • Ongoing consultation with legal advisors to ensure process and strategy are appropriate • Internal staff briefings and discussions relating to the progress of the case • Review of case workstreams to ensure appropriate staff assigned to appropriate tasks • Planning of future tasks necessary to achieve special administration objectives
106	Maintenance of Records	<ul style="list-style-type: none"> • Maintaining and amending IPS records
107	Statutory Reporting	<ul style="list-style-type: none"> • Drafting and amending the initial proposals • Preparation and maintenance of receipts and payments accounts • Drafting and preparing 6 monthly progress reports

108	Statutory Compliance	<ul style="list-style-type: none"> • Gathering of initial information to enable statutory filing and reporting to be completed, including creditor details, management accounts for Statement of affairs, details of assets/cash at bank • Initial notifications to the Registrar of Companies, Creditors, Shareholders, Directors, Court, FCA and FSCS • Advertisements in London Gazette and additional press as necessary • Review of Statement of Affairs and filing with the Registrar of Companies • Initial statutory bonding and regular checks for adequacy • Ensuring compliance with all relevant regulation and legislation within statutory periods including adherence to The Investment Bank Special Administration Regulations 2011 and (England & Wales) Rules 2011.
111	Billing	<ul style="list-style-type: none"> • Analysis of Work in Progress • Raising Rollings Butt LLP Invoices as and when approved by the creditors' committee
112	Post Appointment Tax	<ul style="list-style-type: none"> • Initial information gathering relating to the Company's tax position • Correspondence relating to post-appointment VAT, PAYE and Corporation Tax • Initial notification and subsequent communications to/from HM Revenue & Customs • Submission of relevant returns and ensuring all post-appointment liabilities are accounted for
115	Meetings	<ul style="list-style-type: none"> • Preparation of documents for initial creditors' meeting, agendas
116	Case Accounting	<ul style="list-style-type: none"> • Initial set-up and ongoing administration of special administration bank accounts • Processing of receipts and payments • Maintenance of IPS cash book • Correspondence with banks in respect of holding funds in specific currencies • Correspondence with banks in order to place funds into interest bearing accounts
117	Bank Reconciliations	<ul style="list-style-type: none"> • Reconciling IPS and bank accounts
118	Receipts & Payments	<ul style="list-style-type: none"> • Preparing and processing R&P accounts for creditors' committee and progress reports.
119	Closure	<ul style="list-style-type: none"> • Discussing the sending of a resolution to the creditors' committee
702	Liaison With Directors	<ul style="list-style-type: none"> • Email/telephone correspondence with the Director relating to the Company • Information requests from the Director relating to the Company and/or third parties. • Email/telephone correspondence in respect of payments made to other group entities and third parties, including details of both cash movements and liquidity provider movements
Case Specific		

600	Case Specific	<ul style="list-style-type: none"> • Correspondence/Emails/Phone calls regarding retrieval of data from Forexware • Collating information received from Forexware • Legal correspondence regarding retrieval of data from Forexware • Correspondence with legal advisors of BT Prime • Correspondence regarding consideration of need to seek recognition of Special Administration in other jurisdictions. • Review of licencing agreements with Forexware • Investigations and discussions regarding trading data platform, feasibility of data retrieval, and general access to "back office" systems • Correspondence with liquidity providers regarding licenses and data retrieval
Creditors		
316	Client Monies	<ul style="list-style-type: none"> • Correspondence relating to monies covered by FCA CASS rules as detailed in customer terms and conditions • Reconciling segregated client balances with Company records • Establishing the status of monies held by the Company in accordance with FCA CASS rules. • Discussions with Counsel and CMS McKenna in respect of client monies and pooled funds as per FCA CASS rules.
317	Customer Funds	<ul style="list-style-type: none"> • Collation and review of information on client positions • Review of close out positions • Review of claims information provided by customers • Review of customer terms and conditions
500	Creditors	<ul style="list-style-type: none"> • Initial notifications to Creditors • Creation of web portal to provide general creditor information • Creation of documentation to be uploaded to web portal • Investigation work to establish accurate creditor postal and email addresses • Responses to general creditor queries to boston.prime@rollingsbutt.com • Administration of web portal and boston.prime@rollingsbutt.com • Preparation of documentation and venue for initial creditors' meeting • Collating information from clients and creditors in anticipation of adjudicating claims and future distributions • Processing and recording client and creditor claims in accordance with internal requirements

505	Creditors Committee	<ul style="list-style-type: none"> • Correspondence with creditors' committee • Attendance at creditors' committee meetings • Preparation of documentation for Committee meetings
508	Employees	<ul style="list-style-type: none"> • Correspondence with former employees of the Company • Answering queries regarding the status of the Company and their employment • Managing employee claims in relation to potential arrears of pay, redundancy, holiday pay, PILON etc
510	Pre Appointment Tax	<ul style="list-style-type: none"> • Liaising with pre-appointment accountants to establish tax position of Company • Reconciliation of pre-appointment HMRC claims • Gathering information from HMRC relating to outstanding balances due for pre-appointment tax periods • Filing any returns due for pre-appointment period
Investigations		
200	Investigations	<ul style="list-style-type: none"> • Correspondence with director and former directors regarding obligations to file CDDA report • Review of information provided by Director and former directors • Investigatory work required for the completion of CDDA reports
201	CDDA Reports	<ul style="list-style-type: none"> • Drafting and filing of CDDA report
Realisation of Assets		
300	Realisation Of Assets	<ul style="list-style-type: none"> • Initial correspondence notifying banks of special administration and requirement to freeze all funds • Correspondence with banks to retrieve funds held by the Company • Reconciling funds received to funds believed to be held • Legal correspondence to retrieve funds from Japanese bank • Submitting and reviewing claim in class action against one of the Company's former liquidity providers
302	Identifying, Securing, Insuring Assets	<ul style="list-style-type: none"> • Initial notification to insurers to provide open cover • Review of Company's previous insurance provisions • Ongoing correspondence with insurers regarding potential insurance for Company assets

303	Book Debts	<ul style="list-style-type: none"> • Initial notification to debtors of the special administration • Investigation into nature of relationship with Company • Reconciling Company records with debtor records • Legal correspondence regarding debtors • Correspondence relating to retrieval of balances due from debtors • Reconciliation of received funds with Company records • Consultation with legal advisers in respect of potential future litigation against third parties
314	Litigation	<ul style="list-style-type: none"> • Correspondence with CMS Cameron McKenna Nabarro Olswang LLP and Camilleri Preziosi in respect of litigation against third parties • Preparing and reviewing documents for court application and court hearings • Attending court hearings in Malta
Trading		
403	Ongoing Employee Issues	<ul style="list-style-type: none"> • Preparing documents for employee claims