



Boston Prime Limited – In Special Administration

Special Administrators' Fourth Progress Report

For the period 9 August 2016 to 8 February 2017

CONTENTS

- 1 Purpose of this report
- 2 Statutory information
- 3 Progress of the Special Administration
- 4 Assets still to be realised
- 5 Investigations
- 6 Special Administrators' costs
- 7 Expenses incurred in the period 9 August 2016 to 8 February 2017
- 8 Estimated outcome for creditors
- 9 Ending the Special Administration
- 10 Creditors' rights
- 11 Next report

APPENDICES

- A
 - i) Receipts and payments account from 9 August 2016 to 8 February 2017, both in native currency and GBP, and;
 - ii) Cumulative receipts and payments account from 9 August 2016 to 8 February 2017, both in GBP and native currency
- B
 - i) Time analysis for the period from 9 August 2016 to 8 February 2017, and;
 - ii) Time analysis for the period 9 February 2015 to 8 February 2017.
- C Additional information in relation to Special Administrators' fees pursuant to Statement of Insolvency Practice 9
- D Narrative guide to activities undertaken by the Special Administrators

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 August 2016 to 8 February 2017. It should be read in conjunction with the previous progress reports covering the periods 9 February 2015 to 8 August 2015, 9 August 2015 to 8 February 2016 and 9 February 2016 to 8 August 2016.
- 1.2 The report has only been prepared for the purpose of compliance with statutory requirements under the Insolvency Act 1986, Insolvency Rules 1986 (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 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”) (formerly Rollings Oliver LLP) 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”), 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 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.

Boston Prime Limited - In Special Administration

- 3.2 As all of the open trading positions between the Company and its clients had been closed out and the Company had ceased trading prior to the Special Administrators' appointment, it was not possible to rescue the Company as a going concern and Objective 3) a) was incapable of being achieved. It was therefore decided that the Special Administrators would instead pursue Objective 3) b) to wind up the Company in the best interests of its creditors.

I have outlined the Special Administrators' progress in achieving these objectives during the period 9 August 2016 to 8 February 2017 below.

Receipts and payments account

- 3.3 Attached at Appendix A(i) is a Receipts and Payments Account for the period 9 August 2016 to 8 February 2017 as well as a cumulative account (Appendix A(ii)) for the full period of the Special Administration.
- 3.4 The most significant payments made during the period this report covers were the Unsecured Creditors Dividends, Special Administrators' fees and legal fees, these total £646,770, £100,448 and £81,880 excluding VAT, respectively.

VAT totalling £213,630 has been paid to date and continues to be incurred and paid on the expenses of the Special Administration. The Special Administrators have received a partial recovery of VAT incurred as detailed below.

VAT

- 3.5 In our 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 The Company submitted VAT returns under a partial exemption basis and received a VAT refund totalling £163,418, which represented 92.85% of the VAT incurred on post-Special Administration costs in the period 9 February 2015 to 30 September 2016.

Client money claims and distribution

- 3.8 As previously advised, the Client Money Distribution Procedure established pursuant to the court order, dated 30 November 2015, provided for a distribution to be made to clients with client money entitlements within 4 months of the "bar date", i.e. no later than 5 May 2016. The payments to valid client money claimants were made on 20 April 2016.
- 3.9 Prior to making the distribution, the Special Administrators analysed and discussed the allocation of Special Administration costs against the achievement of Objective 1 under SAR with both client money claimants and unsecured creditors represented on the Creditors Committee, and the Committee accepted how these costs had been allocated. For further information on the cost allocation, please refer to previous progress reports.
- 3.10 As a consequence of the VAT refund received by the Company of £163,418, the clients of the Company were due a further distribution in relation to the VAT incurred on the allocation of Special Administration costs attributed to client money costs.
- 3.11 The second distribution to clients was calculated using the proportion of recovered VAT against the allocated client money costs. Payment of this distribution was made to the valid client money claimants on 6 February 2017. There may be one further small client money distribution.

Boston Prime Limited - In Special Administration

Unsecured Dividends

- 3.12 To date, the Special Administrators have made first interim dividend payments to unsecured creditors totalling £2,776,143. This represents 25.7544 pence in the pound of Unsecured Claims. Please note that, as a result of a small minority of creditors not providing bank details, the Special Administrators issued cheques totalling £24,471 as opposed to BACS transfers. To date, none of these cheques have been banked and, in the event that they are not banked six months from the issuing date, the cheques will be cancelled and paid to the UK Insolvency Service.
- 3.13 Following the initial dividend payments to the Unsecured Creditors of the Company, the Special Administrators sent out a notice of intended dividend on 19 October 2016 for the second interim dividend to Unsecured Creditors. Payments of this second interim dividend have now been paid to creditors, totalling £597,827, which represents 5.5664 pence in the pound of Unsecured Claims.
- 3.14 The total dividend payments to Unsecured Creditors is £3,373,970, which represents 31.3208 pence in the pound.
- 3.15 The timing and amount of further dividends, if any, is currently unknown owing to the uncertainty surrounding further asset realisations and the volume of unsecured claims.

Regulatory Matters

- 3.16 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. For the avoidance of doubt, information in respect of potential compensation claims has been disclosed to creditors previously and can be found at www.rollingsbutt.com/case-documents/bostonprime.
- 3.17 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.

4 Assets still to be realised

Debtors

- 4.1 The Statement of Affairs listed debtors (i.e. debit balances on clients' accounts) as having a book value totalling a GBP equivalent of £2,194,248, with the majority of these debts appearing to have been accrued during the period surrounding the removal of the Swiss Peg. The quantum of these debts appears to have been significantly increased by the Company having made post-transaction adjustments to a number of each of the debtors' trades. It should also be noted that there is a significant geographical spread of the Company's debtors.
- 4.2 As previously advised, the Special Administrators sent letters to the each of the Company's debtors proposing settlement of their debts. To date, recoveries of £30,151 (US\$40,500) have been realised.
- 4.3 However, as a consequence of the post-transaction adjustments to debtors' trades, and the difficulties in pursuing debtors in different jurisdictions to the Company, it was decided that the difficulties of pursuing these recoveries made it no longer worthwhile.

Liquidity providers

- 4.4 As previously reported, investigations into the Company's liquidity providers led us to direct correspondence with the Company's principal liquidity provider. A number of further queries arose from these discussions and it was confirmed that a balance of US \$1,056,055 remained on the Company's trading account and was due to the Company. This was received by the Special Administrators on 9 December 2015.

Boston Prime Limited - In Special Administration

4.5 Following on from this, the Special Administrators have been working in conjunction with their legal advisers to clarify a number of further matters relating to the Company's trading with its principal liquidity provider, including the possible effect of post transaction adjustments. The Company has not received satisfactory responses to the queries raised and is pursuing funds it is believed are due to the Company through the courts.

4.6 Therefore, following consultation with the Creditors' Committee, the Special Administrators have started proceedings in Malta against one of the Company's liquidity providers. Due to the fact that these proceedings are ongoing, however, no further details of the proceedings will be released at this stage.

BT Prime

4.7 As advised in previous progress reports, the Company lodged a claim of US\$7,200,000 in the Bankruptcy proceedings for BT Prime Ltd ("BT Prime") for several transfers made in January 2015, following the removal of the swiss peg.

4.8 The US Trustees of BT Prime have admitted US\$1,700,000 of the Company's overall claim and paid an initial dividend of US\$124,185 (£96,133), which represents 6.7% of the admitted claim.

4.9 Due to a number of issues surrounding the transfers, the remaining US\$5,500,000 of the Company's total claim against BT Prime has not been adjudicated and is contingent on the actions being taken by BT Prime against other Group Companies. We continue to be in regular dialogue with the advisers of BT Prime and as and when there are material changes in the Company's position we will notify the creditors accordingly.

Corporation Tax ("CT")

4.10 As detailed in previous progress reports, the Special Administrators have been in correspondence with HMRC in respect of the Company's terminal loss relief claim.

4.11 Since the last progress report, HMRC have not accepted this claim and therefore it has been decided that the cost of pursuing this further is likely to be significant with little prospect of recovery. As such, we are taking no further action at this time.

5 Investigations

5.1 As disclosed in the Special Administrators' previous progress report, and in accordance with the Company Directors Disqualification Act 1986, a report on the conduct of the Company's Director, and former Directors of the Company, was submitted to the Department for Business Innovation & Skills ("BIS"). As this is a confidential report its contents cannot be disclosed.

5.2 Should new information come to light in respect of the conduct of the Director, or former Directors of the Company, the Special Administrators will review and, in conjunction with the Committee, assess whether any further steps are appropriate.

6 Special Administrators' costs

Remuneration

6.1 The basis of the Special Administrators' remuneration has been fixed by resolution of the creditors' committee by reference to the time properly spent by them and their staff in attending to matters arising in the Special Administration.

6.2 Time costs for the period from 9 August 2016 to 8 February 2017 are £116,448.50. This represents 556.60 hours at an average rate of £209.21 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.

Boston Prime Limited - In Special Administration

- 6.3 Time costs for the period 9 February 2015 to 8 February 2017 total £734,214.50. This represents 2,994.50 hours at an average cost of £245.19 per hour. A cumulative Time Analysis is also attached at Appendix B ii).
- 6.4 It has been agreed with the Creditors Committee that the Special Administrators' remuneration in respect of time incurred for the period 1 May 2015 onwards would be reduced by 20% of their standard time costs, with the remaining balance to be considered at a later point in time.
- 6.5 From 9 August 2016 to 8 February 2017, £100,448 (excl. VAT) has been drawn on account. Post appointment fees to date drawn on account total £597,116 (excl VAT).
- 6.6 A narrative guide to the Special Administrators' time costs has been included at Appendix E 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>
- 6.7 Attached as Appendix D 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

- 6.8 Category 1 disbursements for the period total £168.52. Further information on Category 1 disbursements is provided at Appendix C
- 6.9 As disclosed in previous reports, the Creditors' 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 is attached at Appendix C.
- 6.10 From 9 August 2016 to 8 February 2017 the following Category 2 disbursements have been drawn:

Category 2 Disbursements	Cost (£)	VAT (£)	Total (£)
Printing and Copying	185.25	37.05	222.30

7 Expenses incurred in the period 9 August 2016 to 8 February 2017

- 7.1 The following expenses have been incurred for the above period:

Supplier/Service Provider	Nature of expense incurred	Amount incurred in Period (£)	Paid to date (£)	Amount outstanding (£)
CMS Cameron Mckenna	Legal Fees	81,880	81,880	Nil
CMS Cameron Mckenna	Legal Disbursements	221	221	Nil
Camilleri Preziosi	Legal Disbursements	1,197	1,197	Nil
Smith & Williamson	Tax Advisers	4,000	4,000	Nil
Mail & Print	Postage	260	260	Nil
Barclays Bank	Bank Charges	1,273	1,273	Nil
Total		88,830	88,830	Nil

- 7.2 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.
- 7.3 For previously incurred expenses please review the Special Administrators' three previous progress reports.

8 Estimated outcome for creditors

Clients with FCA CASS Protection

- 8.1 The Client Money Distributions have now been paid. A minimal further distribution of client monies may be paid.

Secured creditors and Prescribed Part

- 8.2 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

- 8.3 As previously stated in the Special Administrators' Proposals, the remaining employees of the Company were made redundant by the Company Director prior to the appointment of the Special Administrators. Notice of the appointment as well as the appropriate documentation to register a claim has been sent to these former employees. At the date of this report, one employee has registered a minimal claim for unpaid holiday pay which will be paid imminently.

- 8.4 As disclosed in the previous progress report, one employee registered a claim of £663 for unpaid holiday pay. This was paid in full on 18 October 2016.

Non-preferential unsecured creditors

- 8.5 Following on from the previous progress report, a second dividend has been paid by the Company to its unsecured creditors. This dividend represented 5.5664% of each creditor's total unsecured claim.

- 8.6 Further details in respect of this unsecured dividend can be found earlier in this report.

9 Ending the Special Administration

- 9.1 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.

- 9.2 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.

10 Creditors' rights

- 10.1 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.

- 10.2 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.

11 Next report

- 11.1 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

Boston Prime Limited - In Special Administration

**Receipts and Payments Account for the Period from
9 August 2016 to 8 February 2017**

Appendix A(i)

Asset Realisations	GBP Account (£)	USD Accounts (\$)
Brought Forward	4,986,483	49,716
Book Debts	126,284	-
Total Receipts	5,112,767	49,716
Payments		
Brought Forward	(3,614,636)	-
Special Administrators' Fees	(100,448)	-
Special Administrators' Disbursements	(207)	-
Accountants Fees (Tax Advisors)	(4,000)	-
Legal Fees	(81,880)	-
Legal Disbursements	(1,418)	-
Stationery & Postage	(260)	-
Bank Charges	(1,249)	(37)
Employee Arrears/Holiday Pay	(663)	-
Unsecured Creditors - Client	(646,770)	-
Client Money Distribution	-	(16,463)
Irrecoverable VAT	(10,962)	-
Disputed VAT Balance	(3,729)	-
Total Payments	(4,466,220)	(16,501)
	646,547	33,215

Notes:

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

Boston Prime Limited - In Special Administration

RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD FROM 9 FEBRUARY 2015 TO 8 FEBRUARY 2017 (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	382	6,456	-	8,635	-	-
14,945	Liquidity Provider Trading Account	-	1,056,055	-	-	-	-
2,194,248	Debtors	126,284	140	-	-	-	-
	Total Receipts	5,112,767	6,020,514	377,388	935,760	208,196	46,890,176
	COSTS OF REALISATIONS						
	IT Suppliers	(305)	-	-	-	-	-
	Statutory Advertising	(14,137)	-	-	-	-	-
	Stationery & Postage	(1,138)	-	-	-	-	-
	Storage Costs	(54)	-	-	-	-	-
(4,449)	Trade & Expense Creditors	-	-	-	-	-	-
	Legal Fees	(373,846)	-	-	-	-	(1,743,256)
	Legal Disbursements	(28,820)	-	-	-	-	-
	Accountants Fees (Tax Advisors)	(10,500)	-	-	-	-	-
(560,896)	"Client Funds"	-	-	-	-	-	-
(11,070,452)	"Customer Funds"	-	-	-	-	-	-
	Bank Charges	(2,269)	(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	(597,116)	-	-	-	-	-
	Special Administrators' Disbursements	(2,604)	-	-	-	-	-
	Employee Arreas/Holiday Pay	(663)	-	-	-	-	-
	Client Money Dividend	-	(761,753)	-	-	-	-
	Unsecured Creditors Dividend	(3,373,970)	-	-	-	-	-
	Irrecoverable VAT	(10,962)	-	-	-	-	-
	Disputed VAT Balance	(3,729)	-	-	-	-	-
	DISTRIBUTIONS						
(221,750)	Ordinary Shareholders	-	-	-	-	-	-
	Total Payments	(4,466,220)	(5,987,299)	(377,388)	(935,760)	(208,196)	(46,890,176)
		646,547	33,215	-	-	-	-

Notes:

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

Boston Prime Limited - In Special Administration

RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD FROM 9 FEBRUARY 2015 TO 8 FEBRUARY 2017 (IN UK GBP)

Appendix A (ii)

Statement of Affairs (£)	ASSET REALISATIONS	(£)	USD Accounts (£)	EUR Accounts (£)	AUD Accounts (£)	PLN Accounts (£)	JPY Accounts (£)
590,896	"Client Funds" Accounts	-	603,099	-	-	-	-
3,890,559	Cash at Bank	4,986,101	2,812,206	292,477	502,352	38,059	289,808
	Interest Received	382	4,287	-	4,422	-	-
14,945	Liquidity Provider Trading Account	-	701,232	-	-	-	-
2,194,248	Debtors	126,284	94	-	-	-	-
	Total Receipts	5,112,767	4,120,917	292,477	506,773	38,059	289,808
	COSTS OF REALISATIONS						
	IT Suppliers	(305)	-	-	-	-	-
	Statutory Advertising	(14,137)	-	-	-	-	-
	Stationery & Postage	(1,138)	-	-	-	-	-
	Storage Costs	(54)	-	-	-	-	-
(4,449)	Trade & Expense Creditors	-	-	-	-	-	-
	Legal Fees	(373,846)	-	-	-	-	(9,571)
	Legal Disbursements	(28,820)	-	-	-	-	-
	Accountants Fees (Tax Advisors)	(10,500)	-	-	-	-	-
(560,896)	"Client Funds"	-	-	-	-	-	-
(11,070,452)	"Customer Funds"	-	-	-	-	-	-
	Bank Charges	(2,269)	(25)	-	-	-	(50)
(182,855)	Liquidity Provider Trading Account	-	-	-	-	-	-
	Intercompany Transfer to GBP	-	(3,593,024)	(292,477)	(506,773)	(38,059)	(280,187)
	Special Administrators' Insurance Bond	(4,000)	-	-	-	-	-
	Special Administrators' Pre Appointment Fees	(42,109)	-	-	-	-	-
	Special Administrators' Post Appointment Fees	(597,115.80)	-	-	-	-	-
	Special Administrators' Disbursements	(2,604)	-	-	-	-	-
	Employee Arrears/Holiday Pay	(663)	-	-	-	-	-
	Client Money Dividend	-	(505,687)	-	-	-	-
	Unsecured Creditors Dividend	(3,373,970)	-	-	-	-	-
	Irrecoverable VAT	(10,962)	-	-	-	-	-
	Disputed VAT Balance	(3,729)	-	-	-	-	-
	DISTRIBUTIONS						
(221,750)	Ordinary Shareholders	-	-	-	-	-	-
	Total Payments	(4,466,220)	(4,098,736)	(292,477)	(506,773)	(38,059)	(289,808)
		646,547	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 1.5060; EUR 1.3871; AUD 1.9529; PLN 5.7250; JPY182.1316

Boston Prime Limited - In Special Administration

Time Entry - Detailed SIP9 Time & Cost for the period 9 August 2016 - 8 February 2017

Appendix B(i)

Classification of Work Function	Partner	Manager	Associate	Total Hours	Time Cost (£)	Average Hourly Rate (£)
100 : Administration & Planning	0.00	11.50	0.00	11.50	3,277.50	285.00
104 : Case Management	0.00	3.50	6.30	9.80	1,823.50	186.07
105 : Case Planning	0.70	1.00	3.80	5.50	1,150.00	209.09
107 : Statutory Reporting	0.40	19.00	30.60	50.00	10,248.00	204.96
111 : Billing	0.00	0.00	3.20	3.20	416.00	130.00
112 : Post Appointment Tax	0.90	16.90	33.40	51.20	9,722.50	189.89
116 : Case Accounting	0.90	0.00	23.90	24.80	3,530.00	142.34
117 : Bank Reconciliations	0.00	1.30	2.80	4.10	734.50	179.15
118 : Receipts & Payments	0.00	0.30	9.10	9.40	1,268.50	134.95
Administration & Planning	2.90	53.50	113.10	169.50	32,170.50	189.80
600 : Case Specific	5.60	19.60	34.70	59.90	12,946.00	216.13
Case Specific Matters	5.60	19.60	34.70	59.90	12,946.00	216.13
316 : Client Monies	1.80	1.00	0.00	2.80	1,131.00	403.93
500 : Creditors	7.40	39.70	106.10	153.20	29,177.50	190.45
505 : Creditors Committee	7.60	27.70	35.20	70.50	16,141.50	228.96
508 : Employees	0.00	0.00	0.10	0.10	20.00	200.00
510 : Pre Appointment Tax	1.20	6.80	0.00	8.00	2,502.00	312.75
Creditors	18.00	75.20	141.40	234.60	48,972.00	207.07
200 : Investigations	0.00	4.20	0.20	4.40	1,237.00	281.14
201 : CDDA Reports	0.30	8.40	22.80	31.50	5,499.00	174.57
Investigations	0.30	12.60	23.00	35.90	6,736.00	187.63
300 : Realisation Of Assets	0.00	0.00	0.10	0.10	20.00	200.00
303 : Book Debts	0.00	0.00	0.80	0.80	132.00	165.00
314 : Litigation	13.70	22.20	19.50	55.40	15,420.00	278.34
Realisation of Assets	13.70	22.20	20.40	56.30	15,572.00	276.59
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	40.50	183.10	333.00	556.60	116,448.50	209.21

Boston Prime Limited - In Special Administration

Time Entry - Detailed SIP9 Time & Cost for the period 9 February 2015 - 8 February 2017

Appendix B(ii)

Classification of Work Function	Partner	Manager	Associate	Total Hours	Time Cost (£)	Average Hourly Rate (£)
100 : Administration & Planning	6.75	59.00	28.70	94.45	23,119.00	244.78
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	5.90	15.80	7.20	28.90	7,942.50	274.83
105 : Case Planning	37.70	20.20	35.40	93.30	28,127.00	301.47
106 : Maintenance Of Records	3.00	4.50	7.10	14.60	3,466.00	237.40
107 : Statutory Reporting	24.60	59.10	123.40	207.10	46,527.75	224.66
108 : Statutory Compliance	6.75	25.40	10.50	42.65	10,912.25	255.86
111 : Billing	0.40	0.10	7.40	7.90	1,361.00	172.28
112 : Post Appointment Tax	16.20	36.90	54.30	107.40	25,752.00	239.78
115 : Meetings	30.25	6.50	23.60	60.35	18,792.50	311.39
116 : Case Accounting	3.40	3.40	97.60	104.40	14,876.00	142.49
117 : Bank Reconciliations	0.00	1.70	7.20	8.90	1,393.50	156.57
118 : Receipts & Payments	0.00	28.20	43.50	71.70	13,540.00	188.84
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	144.90	270.20	454.90	870.00	203,947.50	234.42
600 : Case Specific	77.75	96.10	81.90	255.75	71,967.00	281.40
Case Specific Matters	77.75	96.10	81.90	255.75	71,967.00	281.40
316 : Client Monies	81.15	60.10	39.90	181.15	59,181.00	326.70
317 : Customer Funds	35.75	100.30	109.50	245.55	56,538.50	230.25
500 : Creditors	49.85	147.60	413.50	610.95	119,379.00	195.40
505 : Creditors Committee	123.65	184.50	181.40	489.55	136,034.25	277.88
508 : Employees	0.70	4.40	4.10	9.20	2,169.00	235.76
510 : Pre Appointment Tax	4.00	10.30	3.80	18.10	5,328.50	294.39
Creditors	295.10	507.20	752.20	1,554.50	378,630.25	243.57
200 : Investigations	5.30	8.80	15.30	29.40	7,507.50	255.36
201 : CDDA Reports	4.70	10.90	27.10	42.70	8,944.00	209.46
Investigations	10.00	19.70	42.40	72.10	16,451.50	228.18
300 : Realisation Of Assets	10.25	38.10	18.20	66.55	16,801.25	252.46
302 : Identifying, Securing, Insuring Assets	0.00	0.00	4.90	4.90	716.00	146.12
303 : Book Debts	19.90	52.80	41.10	113.80	30,038.00	263.95
314 : Litigation	13.70	22.20	20.60	56.50	15,611.00	276.30
Realisation of Assets	43.85	113.10	84.80	241.75	63,166.25	261.29
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	571.60	1,006.30	1,416.60	2,994.50	734,214.50	245.19

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 Mckenna (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 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 August 2016 to 8 February 2017.

Type and purpose	Cost (£)
Category 1 Disbursements	
Postage	110.71
Advertising	73.00
Category 2 Disbursements	
Printing and Copying	185.25

2 Charge-out Rates

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

Staff Grade	9 August 2016 to 8 February 2017 (£ per hour)
Partner	470
Director	370
Manager	285
Associate	130-200

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 February 2017

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 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
102	Appointment	<ul style="list-style-type: none"> • Attending Court hearing
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"> • 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 (internal case management system) 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 report

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 • 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
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/Phonecalls 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@rollingsoliver.com • Administration of web portal and boston.prime@rollingsoliver.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 meeting • Preparation of documentation for Committee meeting

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"> • Liasing 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
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 in respect of litigation against third parties • Preparing and reviewing documents for court application

Trading		
403	Ongoing Employee Issues	• Preparing documents for employee claims