

# Smith & Williamson

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**TO ALL KNOWN PACIFIC TRADER CLIENTS**

19 November 2007

Our Ref:  
SRC/JEM/KM6/DT6/PA738-  
SAXO CFD

Dear Sir/Madam

**Pacific Continental Securities (UK) Limited (in Administration) ("the Company")**

I refer to my appointment as Joint Administrator of the Company, together with Joanne Milner, pursuant to an out of court application made by the Directors of the Company on 20 June 2007.

I now provide the following update in regard to Pacific Trader clients who held accounts with Saxo Bank A/S ("Saxo"):

***Cash Balances***

I advise that all letters have now been forwarded to Saxo clients with positive cash balances. If you believe that you have funds owing from Saxo and have not received a letter to date, please contact either Jeff Stower or Dana Tomanova of this office.

In regard to the signed authorities received to date, I advise that the Joint Administrators have received a number of queries from clients advising of apparent discrepancies in the information provided by Saxo which was included in the above letters. As a result of these discrepancies, the Joint Administrators are concerned about the accuracy of the information provided by Saxo and are subsequently delaying the payment of cash balances to clients until Saxo has been given the opportunity to respond to these queries.

Directors acting as insolvency practitioners contract without personal liability

Stephen Cork is licenced to act as an insolvency practitioner by the Insolvency Practitioners Association.

Joanne Milner is authorised to act as an insolvency practitioner whose licence is issued by the Institute of Chartered Accountants in England and Wales

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

**Smith & Williamson Limited**

Registered in England at the above address No. 4534022

Regulated by the Institute of Chartered Accountants in England and Wales for a range of business activities

Smith & Williamson Limited is a member of Nexia International, a worldwide network of independent accounting firms



Once sufficient feedback has been received and the Joint Administrators are satisfied that the information provided by Saxo is true and accurate, the Joint Administrators will then commence processing claims and distributing funds to clients. I appreciate the urgency in which clients require their funds and note that the Joint Administrators are looking to resolve this matter in a quick and timely manner.

If you have received your letter and have any queries in regard to the information provided or require a copy of your Statement of Account, I ask that you please forward your query **in writing** either to this office by post or by email to [pacific.continental@smith.williamson.co.uk](mailto:pacific.continental@smith.williamson.co.uk) if you have not already done so. This query will be forwarded to Saxo and a response to your query will be provided as quickly as possible.

***Share Transfers***

I advise that a letter will be forwarded shortly to clients who had shares acquired on their behalf by the Company and are currently held with Saxo. This letter will include the following:

- A listing of the clients' current shareholdings ;
- Details of dividends paid on these shares to date; and
- Options available to clients in regard to these shares.

Again, should you have any queries in regard to your shareholdings once you have received your letter, please forward any queries you may have in writing either to this office by post or by email to [pacific.continental@smith.williamson.co.uk](mailto:pacific.continental@smith.williamson.co.uk).

Please note that this update is only in regard to Pacific Trader clients who held accounts through Saxo.

Should you have any further queries, please contact Jeff Stower or Dana Tomanova of this office.

Yours sincerely  
For and on behalf of  
Pacific Continental Securities (UK) Limited



SP  
Stephen Cork  
Joint Administrator