In accordance with Rule 59 of the Investment Bank Special Administration (England and Wales) Rules 2011 and Paragraph 49(4) of Schedule B1 to the Insolvency Act 1986 as applied by Regulation 15 of the Investment Bank Special Administration Regulations 2011

AM03

Notice of Joint Special Administrators' Proposals

Companies House

For further information, please refer to our guidance at www.gov.uk/companieshouse

1 Company details

Company number	0 4 7 8 3 1 1 2
Company name in full	Sberbank CIB (UK) Limited

→ **Filling in this form**
Please complete in typescript or in bold black capitals.

2 Administrator's name

Full forename(s)	David Philip
Surname	Soden

3 Administrator's address

Building name/number	156 Great Charles Street
Street	Queensway
Post town	Birmingham
County/Region	
Postcode	B 3 3 H N
Country	

4 Administrator's name ❶

Full forename(s)	Robert Scott
Surname	Fishman

❶ **Other administrator**
Use this section to tell us about another administrator.

5 Administrator's address ❷

Building name/number	156 Great Charles Street
Street	Queensway
Post town	Birmingham
County/Region	
Postcode	B 3 3 H N
Country	

❷ **Other administrator**
Use this section to tell us about another administrator.

AM03
Notice of Administrator's Proposals

6 Statement of proposals

☑ I attach a copy of the statement of proposals

7 Qualifying report and administrator's statement ❶

☐ I attach a copy of the qualifying report

☐ I attach a statement of disposal

❶ As required by regulation 9(5) of The Administration (Restrictions on Disposal etc. to Connected Persons) Regulations 2021)

8 Sign and date

Administrator's Signature	Signature X X
Signature date	d 2 d 5 m 0 m 5 y 2 y 0 y 2 y 2

AM03
Notice of Administrator's Proposals

Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name: Narinder Aheer

Company name: Teneo Financial Advisory Ltd

Address: 156 Great Charles Street
Queensway

Post town: Birmingham

County/Region:

Postcode: B 3 3 H N

Country:

DX:

Telephone: +44 121 619 0120

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed and dated the form.

Important information

All information on this form will appear on the public record.

Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Continuation page

Name and address of insolvency practitioner

What this form is for
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form.❶ Use extra copies to tell us of additional insolvency practitioners.

What this form is NOT for
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

Filling in this form
Please complete in typescript or in bold black capitals.

All fields are mandatory unless specified or indicated by *

1 Appointment type

Tick to show the nature of the appointment:

- ☑ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

❶ You can use this continuation page with the following forms:
- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14,
- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s)	Matt
Surname	Roe

3 Insolvency practitioner's address

Building name/number	156 Great Charles Street
Street	Queensway
Post town	Birmingham
County/Region	
Postcode	B 3 3 H N
Country	

Teneo

The Global CEO Advisory Firm

Court Case No. 976 of 2022
High Court of Justice
Company Number: 04783112

Registered Office: Sberbank CIB (UK) Ltd (in special administration) c/o Teneo Financial Advisory Limited, 156 Great Charles Street, Queensway, Birmingham, B3 3HN

Sberbank CIB (UK) Ltd (In special administration) **("the Company")**

Joint Special Administrators' Statement of Proposals pursuant to paragraph 49 of Schedule B1 of the **Insolvency Act 1986 (as amended) ("the Act")** (as applied by regulation 15 of the Investment Bank **Special Administration Regulations 2011 ("the Regulations").**

David Philip Soden, Robert Scott Fishman and Matthew Steven Roe ("the Joint Special Administrators") were appointed as Joint Special Administrators of the Company on 1 April 2022 by Order of the Court on application of the directors of the Company.

The affairs, business and property of the Company are managed by the Joint Special Administrators. The Joint Special Administrators act as agents of the Company only and contract without personal liability. All licensed Insolvency Practitioners of Teneo Financial Advisory Limited ("Teneo") are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

For the purposes of paragraph 100(2) of Schedule B1 of the Act (as amended) and as applied by regulation 15 of the Regulations, the Joint Administrators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally.

Teneo

The Global CEO Advisory Firm

Teneo Financial Advisory Limited
156 Great Charles Street
Queensway
Birmingham
B3 3HN
UK
Tel: +44 (0)121 619 0120
www.teneo.com/service/restructuring

This Statement of the Joint Special Administrators' Proposals ("the Proposals" or "our Proposals") has been prepared pursuant to paragraph 49 of Schedule B1 of the Act (as applied by Regulation 15 of the Regulations), which requires that we, as the Joint Special Administrators, provide creditors and clients with details of our Proposals to achieve the objectives of the special administration.

The special administration objectives (the "Objectives") are as set out below, in accordance with regulation 10 of the Regulations:

(a) Objective 1 is to ensure the return of client assets, as soon as is reasonably practicable;

(b) Objective 2 is to ensure timely engagement with market infrastructure bodies and the Authorities pursuant to regulation 13; and

(c) Objective 3 is to either—

(i) rescue the investment bank as a going concern, or

(ii) wind it up in the best interests of the creditors.

As Joint Special Administrators, we are required to commence work on each of the objectives immediately after appointment, and to prioritise the order of work on each objective as we see fit, in order to achieve the best result overall for clients and creditors. We have set out in detail at page 13 the order in which we intend to pursue the objectives once our Proposals have been approved.

In accordance with paragraphs 50 and 51 of Schedule B1 of the Act (as applied by the Regulations), we are required to summon an initial creditors' meeting to provide an opportunity for creditors and clients to consider and, if thought fit, approve, our Proposals. The initial meeting of creditors will be held by correspondence on 10 June 2022, Notice of which has been posted to the website on Forms ADMIB_F03 (for creditors) and ADMIB_F03A (for clients). Please refer to the website for further details including forms and guidance.

Please also note that hard copies of any of these documents will be provided free of charge on request, using the contact details on page 4. In order to vote at the meeting, it is critical that you complete the relevant Proof of Debt and Proxy Form (creditors) or Claim and Proxy Form (clients). Our team will be available to assist completion.

We have also included the following information in this report:

- background of the Company;
- the circumstances giving rise to the appointment of the Joint Special Administrators;
- the progress of the special administration to date; and
- the Joint Special Administrators' Proposals for achieving the objectives of the special administration.

Yours faithfully
For and on behalf of the Company

Joint Special Administrator

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Key messages

Key messages

Joint Special Administrators of the Company

David Philip Soden

Robert Scott Fishman

Matthew Steven Roe

Contact details

Address: c/o Teneo Financial Advisory Limited,156 Great Charles Street, Queensway, Birmingham, B3 3HN

Email: sberbank@teneo.com

Website: https://www.ips-docs.com/case/SBERB0001I/Sberbank2022

Tel: +44 (0)121 619 0120

Date Proposals delivered to creditors and clients: 25 May 2022

	Commentary
Purpose of the administration	The Joint Special Administrators statutory objectives are set out by the Regulations. We have worked with the Company's management and key stakeholders to prioritise the order of the Objectives so as to deliver the best result overall for creditors and clients by winding down the Company's business and affairs. Please see page 14 for further details.
Joint Special **Administrators'** strategy	Return of Client Assets, as soon as reasonably practicable: • Client Assets are formed of Client Money only, as no Custody Assets were held by the Company. • The Joint Special Administrators immediately undertook a reconciliation of Client Assets to determine whether sufficient funds were available to meet the Company's obligations. The reconciliation indicates that there is a Client Money shortfall of c.$366k. • Subject to obtaining all necessary sanction licences for the Company, there is sufficient cash available to allow this shortfall to be made up from the Company's own funds. Clients will therefore be entitled to receive their Client Money in full (less any costs associated with distributing these funds). • The Joint Special Administrators will write to all Clients holding Client Asset Sourcebook "CASS" Accounts regarding the return of Client Money. Engaging in a timely manner with market infrastructure bodies and the Authorities: • The Joint Special Administrators have proactively engaged with market infrastructure bodies (i.e. exchanges, clearing houses, depositories and the FCA, amongst others) to ensure that the Company can close out open positions and, in time, complete the wind down of all trading activity. • We are working with our legal advisors to ensure adherence to the evolving international sanction regimes. Wind down: • Trading is being wound down to achieve the best outcome for the Company's creditors. • The Joint Special Administrators are seeking to crystallise volatile balance sheet positions albeit the ability to achieve this is dependent on current geopolitical events, international sanction regimes and the requisite trading markets re-opening. Please refer to page 15 for further details.
Approval of the Proposals	We are required to hold an initial meeting of creditors and clients to seek approval of our Proposals. The Initial Meeting is being held by correspondence on 10 June 2022. Notice of which (together with the written resolutions on which creditors and clients are invited to vote) has been posted to the case website together with guidance on what action is required to be taken if you wish to vote. If you would like to be provided with a hard copy of the Proposals (or any other document) free of charge, please contact the Joint Special Administrators using any of the contact details opposite.

Key messages

Joint Special Administrators of the Company

David Philip Soden

Robert Scott Fishman

Matthew Steven Roe

Contact details

Address: c/o Teneo Financial Advisory Limited, 156 Great Charles Street, Queensway, Birmingham, B3 3HN

Email: sberbank@teneo.com

Website: https://www.ips-docs.com/case/SBERB0001I/Sberbank2022

Tel: +44 (0)121 619 0120

Date Proposals delivered to creditors: 25 May 2022

	Commentary
Sanctions	• Various sanctions were issued by the Office of Foreign Assets Control of the US Department of the Treasury ("OFAC"), the Office of Financial Sanctions Implementation of H.M. Treasury ("OFSI") and a number of other international jurisdictions against certain Russian and Russian affiliated entities in March 2022 aimed at encouraging Russia to cease actions which destabilise Ukraine. • The Company, by virtue of its ownership structure, was included in these sanctions. • On 4 March 2022, OFSI issued the Company with a General Licence INT/2022/1298776 (the "Original General Licence") under Regulation 64 of the Russia (Sanctions) (EU Exit) Regulations 2019 ("the Russia Regulations"), which allowed for a 30-day wind down period of positions. • Immediately following their appointment, on 1 April 2022, the Joint Special Administrators applied to OFSI for a new general licence to enable them to perform their duties and wind-down the Company. • On 6 April 2022, OFSI and OFAC additionally imposed asset freezing measures against Sberbank. Amongst other matters, this restricted the ability of a number of third parties to process transactions involving the Company (for example Client Money), and restricted the Joint Special Administrators from performing their duties. • On 7 April 2022, an urgent application was made to OFAC by the Joint Special Administrators for a general licence to be granted. • On 22 April 2022, OFSI amended General Licence INT/2022/1280876 to include the Company (the "New General Licence"). • Following confirmation of the New General Licence, the Joint Special Administrators have taken steps to open a bank account to facilitate the wind-down of the Company. As at the date of the Proposals the bank account has not yet been opened. • As at the date of the Proposals, OFAC has not yet issued the necessary licence which is required in order to realise assets and secure assets owned, controlled or managed by US Persons (US citizens and US green-card holders globally, US domiciled entities and their foreign branches, and anyone physically located in the United States). • The initial lack of a general licence from OFSI, the absence of a general licence from OFAC and more recently the absence of a bank account has severely inhibited the Joint Special Administrators ability to realise the Company assets and commence the wind-down of the business.
Estimated Timescale	The Company will remain in special administration until such time as the winding up of its business and assets has been fully completed. On present information, this is likely to be for a period of at least 12 months.
Estimated Costs of the Special Administration	We propose to seek approval to charge our remuneration on the following basis: • Objective 1 Return of Client Assets – by reference to time properly incurred pursuant to our standard hourly charge out rates (as will be communicated to Client Asset Sourcebook "CASS" Clients); and • Objectives 2 and 3 Regulatory Matters and Engagement and Winding Down of the Business – by reference to time properly incurred pursuant to our standard hourly charge out rates. Please refer to page 26 for further details. We have provided details of the expenses which we anticipate will be incurred on page 27.

Key messages

Joint Special Administrators of the Company

David Philip Soden

Robert Scott Fishman

Matthew Steven Roe

Contact details

Address: c/o Teneo Financial Advisory Limited, 156 Great Charles Street, Queensway, Birmingham, B3 3HN

Email: sberbank@teneo.com

Website: https://www.ips-docs.com/case/SBERB0001I/Sberbank2022

Tel: +44 (0)121 619 0120

Date Proposals delivered to creditors: 25 May 2022

	Commentary
Estimated Outcomes	On current information, we anticipate the following outcome for each category of clients and creditors: Clients: Client Money will be returned in full, less any fees and associated costs incurred in dealing with Client Money (the shortfall for which can be claimed from the non-Client asset estate (the "General Estate")). Secured Creditors: The entities listed below hold security however, we are not aware that any liability was owing to any of the Secured Creditors at the date of our appointment. • Citibank N.A (fixed and floating charge security); • Goldman Sachs International (fixed charge security); • Euroclear Bank (floating charge security); and • Serf No.1 and Serf No. 2 Limited (fixed charge is a rent deposit deed in relation to the Company's premises). Preferential Creditors: Employees made redundant prior to and during our appointment will have certain preferential claims for arrears of wages and holiday pay which can be claimed from the Redundancy Payments Office ("RPO"). However, we anticipate that there will be sufficient funds available to the Company to settle these costs during the Special Administration. Secondary Preferential Creditor: We anticipate that the secondary preferential creditor, HMRC (to the extent it has a claim), will be repaid in full. Unsecured Creditors: We anticipate that there will be sufficient asset realisations to permit a dividend to the Company's unsecured creditors. The timing and quantum of such dividend is contingent on the outcome of the unwind of the Company's open trades and agreement of the net trading and loan position with the Company's Russian affiliates (Sberbank of Russia and JSC Sberbank CIB), realisation of securities and recovery of cash deposits. These actions are all impacted by ongoing international sanction regimes and as such the timescale for recoveries is uncertain at this stage. Please refer to page 20 for further details.
Shareholder	It is uncertain, at this stage, if there will be sufficient asset realisations to enable a distribution to the shareholder. This will be contingent on a number of matters including those set out above in relation to unsecured creditors and adherence to all international sanctions imposed on the Company.
Proposals	Our Proposals for managing the business and affairs of the Company can be found on page 19.

Background

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Background
The Company

Background

Operations

The Company is an FCA-regulated and authorised Markets in Financial Instruments Directive “MiFID” II Investment Firm based in London, providing integrated financial solutions and investment advisory services to its clients.

The Company’s clients includes major corporations, financial institutions, sovereign states and organisations.

Key areas of activity are corporate finance, investment banking services and market trade operations with securities. For the avoidance of doubt, the Company is not a deposit taker.

Although the Company operates globally, its primary trading corridor is the Russian market, and it is significantly reliant on its Russian parent, Sberbank of Russia.

As a non-Russian entity in a predominantly otherwise Russian corporate group, the Company has been adversely impacted by current geopolitical events and both by the sanctions imposed on Russia and Russian assets by the US, UK and EU, and the sanctions imposed by Russia in dealings with unfriendly jurisdictions.

As set out in more detail on page 11, although the Company was already in the process of winding down operations, these events have resulted in the Company experiencing uncontrollable liquidity issues and no access to funds, resulting in the directors concluding that the Company could no longer continue to wind down in an orderly way outside of insolvency. Accordingly, on 1 April 2022, the Directors applied to the High Court to appoint Joint Special Administrators.

Employees

As of 1 April 2022, the Company employed approximately 37 staff.

The Company had already commenced a wind down of the business reflective of the above events and, ahead of the Special Administrators being appointed, 11 employees were made redundant on 31 March 2022.

A further 10 employees have been made redundant (on 30 April 2022) during the Joint Special Administration and a further two employees resigned in April 2022.

The Company currently employs 25 individuals who are retained to assist with the wind down of operations.

Background (continued)

Ownership and Group Structure

The Company is ultimately 50.1% owned by the Ministry of Finance of the Russian Federation (an entity subject to sanctions from, amongst others, both the UK and US) as is the Company’s (indirect) parent (Sberbank of Russia).

The parent company and the Company’s shareholders are sanctioned entities. None of the former directors of the Company are sanctioned individuals.

Clients

The Company primarily contracts with clients under one standard sets of terms of business (“STOB”), although some clients engage with specific amendments to the STOB.

Counterparties

The Company has several brokerage, banking and custodial relationships with parties in Europe and Russia where the Company operates under the counterparty’s terms of business.

Directors

Prior to the Joint Special Administrators' appointment, the Company’s directors were:

- Andrei Mazo (Resigned 1 April 2022)
- Harmeet Marwaha Singh (Resigned 1 April 2022)
- Adam Paul Jesney (Resigned 31 March 2022)
- Marthinus John Botha (Resigned 31 March 2022)
- Neil Jonathan Holden (Resigned 7 March 2022)

None of the directors have shareholdings in the Company.

The company secretary was Cornhill Secretaries Limited (Resigned on 1 April 2022).

Background
Summary Financials

Summary Financials

Overview of Financial Information

Extracts from the Company's audited accounts for the 12-month period to 31 December 2020 and unsigned accounts for the 12-month period to 31 December 2021 are provided below.

Management accounting data is largely held and processed in Moscow by Sberbank Russia. The Company's management checks the accuracy of the data and resulting management accounts. For the period since 31 December 2021, the Company's management has concerns over the accuracy of the data received from Sberbank Moscow and hence management accounts post 31 December 2021 are not included here.

Particular data issued faced by the Company include:

- Closure of the Moscow Stock Exchange ("MOEX") in February before reopening in late March with restrictions on trading;
- Access to accurate market prices in Moscow after data suppliers such as Bloomberg terminated services;
- Cessation of access to bank and asset holding accounts as at, 31 March 2022, leading to difficulties in reconciling holdings on Euroclear.

The Company's financial information has not been verified or audited by the Joint Special Administrators or by Teneo.

Profit and Loss Commentary

In the financial years to 31 December 2020 and 31 December 2021, operating profit rose from $10m to $16m, and profit after tax amounted to $8m and $11m, respectively.

Sberbank CIB (UK) Limited - Summary Profit and Loss

$'m	12 month period to 31 Dec 20	12 month period to 31 Dec 21
Revenue	54	67
Cost of Sales	(11)	(15)
Gross Profit	43	52
Administrative Expenses	(33)	(36)
Operating Profit	10	16
Interest receivable and similar income	6	10
Interest payable and similar expenses	(6)	(13)
Profit Before Tax	10	13
Tax on Profit	(1)	(2)
Profit for the Financial Year	8	11

Source: Sberbank management accounts

Summary Financials (continued)

Balance Sheet Commentary

The Company's balance sheets as at 31 December 2020 and 2021 are summarised below:

Sberbank CIB (UK) Limited - Summary Balance Sheet

$'m	31 Dec 20	31 Dec 21
Fixed Assets		
Intangible assets	3	2
Tangible assets	0.5	1
Non-Current Assets		
Deferred tax asset	3	1
Current Assets		
Cash at bank and in hand	194	230
Investment securities	59	70
Debtors	562	837
	821	1,140
Current Liabilities		
Financial liabilities securities held for trading	(34)	(14)
Creditors: amounts falling due within one year	(640)	(968)
	(674)	(982)
Net Current Assets	147	158

Source: Sberbank management accounts

The directors' Statement of Affairs provided at Appendix B provides an estimated realisable value of the Company's balance sheet assets. The comments below relate to the Statement of Affairs.

Net PAO Settlement: This represents the net settlement position taking into account cash held in Russia and amounts owing to Sberbank Russia. The realisable value is currently unknown, and a nil recovery has been included in the Statement of Affairs.

Incomplete sell side trades: Incomplete trades are included in the "Trade Receivables" caption in the Statement of Affairs. The incomplete sell side trades represent a commitment to sell securities and they can only be converted to cash if the Company first acquires the underlying asset, or the asset is taken from inventory if available. If the Company was to acquire the asset, the net value available to the Company would be the commission earned and not the gross sale value shown in the balance sheet.

Incomplete buy side trades: Similarly, the incomplete buy side trades are included in the list of creditors and represent commitments to purchase securities at the balance sheet date.

Background
Summary Financials

(2/2)

Summary Financials (continued)

Balance Sheet (continued)

The securities held by the Company at the date of our appointment were retained and frozen by the following custodians.

Company Securities Overview (Volume)
At 1 April 2022

Volume	Depositary			
	NSD	Euroclear	Citibank	Total
Equities:				
Russian	117	1	-	118
Non-Russian	11	115	4	130
Total Equities				248
Fixed Income:				
Corporate Bonds	-	3	-	3
Russian Sovereign Bonds	4	8	-	12
Preferred Security	4	-	-	4
Structured Notes	-	4	-	4
Total Fixed Income				23
Depositary Receipts:				
Russian	10	11	-	21
Non-Russian	5	13	-	18
Total Depositary Receipts				39
Total Volume				310

Source: Management information

Summary Financials (continued)

CASS Commentary

Cash held in CASS accounts is the property of the relevant Client. These amounts are therefore not recorded on the Company's balance sheet.

At the time of our appointment, Client Money held in CASS accounts totalled c.$1.15m (at the spot rate on 1 April 2022).

Further analysis of failed and pending trades in the period between the freezing of the Company's bank accounts and the appointment of the Joint Special Administrators revealed a shortfall between the amounts held at bank and the amounts properly forming part of the Client Money pool, as at the date of the Joint Special Administrators' appointment, of c.$366k.

Background

Joint Special Administrators' Appointment

(1/2)

Circumstances Giving Rise to the Appointment of the Joint Special Administrators

Sanctions

Although the Company operates globally, its primary trading corridor is the Russian market, and it is significantly reliant on its Russian parent.

Various sanctions were issued by OFAC, OFSI and a number of other international jurisdictions against certain Russian and Russian affiliated entities in March 2022 aimed at encouraging Russia to cease actions which destabilise Ukraine. The Company by virtue of its ownership structure was included in these sanctions.

The restrictions vary between individual entity, but for the Company the restrictions resulted in:

- A specific prohibition on UK credit or financial institutions from establishing or continuing correspondent banking relationships with the Company. This meant that a current account could not be provided to the Company by a UK bank;
- Embargo on UK banks processing (including clearing or settlement) a sterling payment to, from or via the Company; and
- A specific prohibition on providing financial services for the purposes of asset management.

On 1 March 2022, OFSI issued General Licence INT/2022/1298776 (the "Original General Licence") under Regulation 64 of the Russia (Sanctions) (EU Exit) Regulations 2019 ("the Russia Regulations"), which allowed for a 30-day wind down period of positions.

Wind Down

In light of the sanction restrictions, Management commenced a wind down of the Company's operations, ceasing any new investment activity, settling and exiting trades and markets and de-risking the Company's financial exposure and counterparty obligations.

In addition, management took proactive steps to prepay for services and supplies to the business, including certain salary costs, to enable operations to continue, against the backdrop of further restrictions to its operations.

Circumstances Giving Rise to the Appointment of the Joint Special Administrators (continued)

Wind Down (continued)

Whilst a general licence was granted to enable the Company to wind-down its operations, a number of material events restricted Management's ability to do so:

- Bank accounts with JP Morgan Chase N.A., Citibank N.A. and Société Générale were frozen and Euroclear banking facilities were suspended;
- On 21 March 2022 bank accounts holding Client Money were frozen due to sanction concerns resulting in a breach of CASS rules;
- The freezing of accounts meant that no payments could be made on behalf of the Company in the ordinary course of business;
- Certain essential suppliers and providers of key services either terminated or took steps to terminate their contracts with the Company;
- The growing uncertainty facing the Company contributed to a number of key personnel with extensive know-how and expertise deciding to resign from their positions; and
- The Company was unable to renew Employers' liability insurance which expired on 28 March 2022, forcing the implementation of a mandatory firm-wide work-from-home policy, causing significant disruption to the business.

Given the disruption it was recognised that an extension to the Original General Licence would be required. Whilst an application was made, management became increasingly concerned over the feasibility of securing this prior to the expiry of the Original General Licence on 3 April 2022.

In the circumstances and due to the restrictions on its operations described above, the directors concluded on 24 March 2022 that the Company was, or was likely to become, unable to pay its debts as they fell due and that it would be prudent for it to file for special administration on an urgent basis. This was formally resolved on 30 March 2022.

Background

Joint Special Administrators' Appointment

(2/2)

Circumstances Giving Rise to the Appointment of the Joint Special Administrators (continued)

When Decision to Appoint Was Made

As a result, at an emergency board meeting at 5pm on 30 March 2022, the directors resolved to apply to Court to appoint Joint Special Administrators.

Involvement of Teneo Pre-Appointment

Teneo was approached by a member of the Board on 30 March 2022 to discuss the Company's untenable position.

At the time that Teneo were contacted, the directors had already resolved to apply to Court for permission to appoint Joint Special Administrators. A further board meeting was held on 30 March 2022 to confirm individuals from Teneo as proposed Joint Special Administrators.

Accordingly, our pre-appointment involvement with the Company was minimal, limited to a small number of telephone meetings with the board to understand the financial position of the Company at a high level and to confirm our ability to act as Joint Special Administrators and conducting urgent Day 1 planning.

Proposed Immediate Steps

In light of the sanction restrictions put in place by OFSI, OFAC and other international jurisdictions, prior to accepting the proposed appointment, the Joint Special Administrators sought legal advice in respect of their ability to act as an agent of the Company and take control of the Company's assets.

The Joint Special Administrators' Queen's Counsel ("QC") notified the proposed immediate actions to the Court as part of the Court hearing held on 1 April 2022 to appoint the Joint Special Administrators, namely:

- That immediately following their appointment, the Joint Special Administrators would submit a formal application to OFSI to request a new general licence, seeking authority for the Company to take all necessary steps required by the Special Administrator to wind-down the business and affairs of the Company;

Circumstances Giving Rise to the Appointment of the Joint Special Administrators (continued)

Proposed Immediate Steps (continued)

- That all of the Company's staff, supplier and/or counterparties, including banks, would be informed of the appointment and that no actions should be taken with respect to the Company's assets.
- Save for reconciliations of the Company's assets and Client Money, no actions would be taken in respect of the Company or its assets until an OFSI License had been obtained; and
- That the sanctions would likely inhibit the Joint Special Administrators ability to fulfil their objectives and obligations in the short term.

Post-appointment

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CASS Claim Process	23
Proposed Exit Routes	24

Post-appointment Objective

Objective

Appointment of the Joint Special Administrators

David Philip Soden, Robert Scott Fishman and Matthew Steven Roe were appointed as Joint Special Administrators of the Company on 1 April 2022 by Order of the Court, on the application of the directors of the Company.

Special Administration Objectives

The special administration Objectives are as set out in regulation 10 of the Regulations:

- Objective 1 is to ensure the return of Client Assets, as soon as is reasonably practicable;
- Objective 2 is to ensure timely engagement with market infrastructure bodies and the Authorities pursuant to regulation 13; and
- Objective 3 is to either:
  - (i) rescue the investment bank as a going concern, or
  - (ii) wind it up in the best interests of the creditors.

As Joint Special Administrators, we are required to commence work on each of the objectives immediately after appointment, and to prioritise the order of work on each objective as we see fit, in order to achieve the best result overall for the Company's clients and creditors.

Prioritisation of Objectives

From a practical perspective, we have not prioritised one objective over another, except for objective 3(ii), where we have focussed our attentions on winding up the Company in the best interests of the creditors.

Considering the current sanction restrictions and the Company's exposure to Russian financial markets and its inter-reliance on its sanctioned Russian parent, it is not feasible for the Joint Special Administrators to pursue Objective 3(i) to rescue the investment bank as a going concern.

Therefore, the Joint Special Administrators consider that Objective 3 (ii) to wind up the Company in the best interest of creditors is the appropriate Objective.

Objective (continued)

Statement of how it is considered that the objective of the special administration will be achieved

Immediately following our appointment as Joint Special Administrators we have engaged with management to assess the Company's financial position. We have also been working collaboratively with the Company's management team to review its wind down plan and to formulate and implement an updated plan in order to achieve the best overall result for clients and creditors. Full details are provided on the next page.

In conjunction with this course of action, the Joint Special Administrators immediately undertook a reconciliation of Client Money to determine whether sufficient cash was held to meet the Company's obligations to its clients.

The Joint Special Administrators will write to all CASS Clients to outline the strategy for the Client Money return process.

It should be noted that, the Joint Special Administrators ability to facilitate the return of Client Money is wholly reliant upon obtaining the necessary sanctions licences and the release of Company funds currently frozen by its bankers and other financial institutions.

Whilst settlement of Client Money may reduce the size of the Company's business, it is not considered to be incompatible with the third objective, and so it is being pursued in parallel priority to winding down the Company's operations.

In support of the Objectives, the Joint Special Administrators have proactively engaged with market infrastructure bodies (i.e., exchanges, clearing houses, depositories etc.) to ensure the Company can close out open positions and, in time, wind down all trading activity.

The Joint Special Administrators have also proactively engaged with the FCA in order to ensure that it is fully aware of the progress of the Special Administration.

Post-appointment Joint Special Administrators' Strategy

(1/4)

Joint Special Administrators' Strategy

Immediate actions

Following their appointment, the Joint Special Administrators primary focus was to ensure that controls were put in place to prevent the movement of assets and ensure that appropriate measures were in place ensure compliance with sanction restrictions.

As bank accounts were frozen prior to the appointment of the Joint Special Administrators, this principally related to ensuring that any activities controlled by the Company in respect of trading assets and receivables ceased. It should be noted that, the Company was not subject to an asset freeze on our appointment and the Joint Administrators had intended to recommence the wind-down process as soon as the OFSI general licence was received. However, a subsequent asset freeze on 6 April 2022 necessitated amendments to the OFSI and OFAC applications which has significantly hampered the Joint Special Administrators to progress with the wind down and manage the affairs of the Company.

In light of the sanction restrictions, the Joint Special Administrators also instructed all Company staff to immediately cease all trading activity.

Formal notice of the appointment of the Joint Special Administrators was sent to all creditors, suppliers, clients, counterparties, stakeholders and regulatory bodies.

This notice highlighted that the Company was subject to certain sanction restrictions, that applications had been submitted to OFSI and OFAC and that until the licenses are granted, no steps should be taken by third parties that would otherwise breach the sanctions regulations.

Sanctions

The Joint Special Administrators have liaised with their legal advisers and the Company's in-house risk and compliance team in order to:

- understand the extent of sanctions applicable to the Company, and apply these to specific situations;
- review the inter group financial position between the Company and its parent and consider the mechanisms available to settle balances owing and payable, reflective of current sanctions;
- assess the impact of sanctions on the Company's ability to pay suppliers, employees and wind down its operations.

Joint Special Administrators' Strategy (continued)

Sanctions (continued)

In addition, working with their legal advisers, the Joint Special Administrators have engaged with OFSI and OFAC to seek the necessary sanctions licences for the Company.

We summarise below the latest status of these applications.

UK / OFSI

- On 1 April 2022, the Joint Special Administrators applied to OFSI for a new general licence to enable the business of the Company to be wound down.
- On 6 April 2022, OFSI designated Sberbank for the purposes of the asset freezing measures in regulations 11 to 17 of the Russia (Sanctions) (EU Exit) Regulations 2019.
- The Company, as a subsidiary of PJSC Sberbank, was therefore subject to an asset freeze.
- The Joint Special Administrators contacted OFSI immediately to advise that the conduct of the special administration of the Company would not be possible unless a general licence was granted.
- On 22 April 2022, OFSI amended General Licence INT/2022/1280876 to include the Company (the "New General Licence"). Amongst other matters, the New General Licence provides authority for any person to make, receive or process any payments or take any other action in connection with any Insolvency Proceedings relating to the Company.

US / OFAC

- OFAC placed similar asset freezing restrictions on JSC Sberbank CIB on 6 April 2022. As a result of these changes, the Company also needed an OFAC license in order to, amongst other matters, enable US financial institutions to process transactions involving the Company (for example Client Money).
- On 7 April 2022, an urgent applications was made to OFAC by the Joint Special Administrators for a general licence to be granted.
- Whilst the Joint Special Administrators' have followed up with OFAC on several occasions with respect to the application, as at the date of this report, OFAC has not yet issued the necessary licence.

Post-appointment Joint Special Administrators' Strategy

(2/4)

Joint Special Administrators' Strategy (continued)

Market Infrastructure Liaison

We have engaged with the FCA in order to ensure that they are fully aware of the progress of the special administration.

We have also worked with market infrastructure parties and financial institutions with a view to unblocking accounts to ensure that the Company can wind down its business.

Cash and Bank Accounts

The Joint Special Administrators have taken several steps to ensure that following receipt of the New General Licence, unrestricted cash assets (i.e., GBP and EUR accounts) are transferred to the control of the Joint Special Administrators. Actions taken include:

- Liaising with NatWest regarding the opening of operational bank accounts for the Company in Special Administration;
- Corresponding with Euroclear with regards to the release of Company funds held in various accounts at the date of our appointment; and
- Corresponding with JP Morgan Chase N.A concerning the release of Client Money (upon receipt of the OFAC licence);

Client Money

We have taken steps to reconcile Client Money accounts will issue communications and statements to CASS Clients.

We will also seek instructions for the return of Client Money to these clients (pending the receipt of licences covering both the UK and US (as the Company's CASS banker is part of a US group)).

Other Assets

Whilst the sanctions restrictions restrict the ability to trade or sell assets, we have taken the following steps to develop an appropriate strategy pending receipt of an OFAC licence and bank account facilities:

- Working with the Company's trading team to develop a trading book, inventory and equities monetisation and liquidation strategy.

Joint Special Administrators' Strategy (continued)

Other Assets (continued)

- Engaging with the Russian parent to reconcile the trading, loan and deposit positions between the UK and Russia, subject to the provisions of the sanction licences.
- Liaising with Clifford Chance regarding the Company's terms of trade and the impact of the terms of trade on various trading assets and liabilities.

Creditors and Suppliers

As noted previously, we have informed creditors of our appointment and corresponded with key suppliers regarding continuity and reinstatement of services, when it is practicable to do so and subject to the sanctions licenses.

We have also engaged with the Russian parent regarding the ongoing provision and separation of shared services, subject to the provisions of the sanctions licences.

Employees

We have worked with the Company's HR department and communicated with employees in relation to:

- employee rights and entitlements;
- the special administration objectives and strategy and the impact on employee entitlements; and
- outlining our wind down strategy and agreeing what ongoing support we will require from employees to manage this process.

Wind- Down of Operations

We have worked with the Company's Management team to close the financial reporting to 1 April 2022.

We have also worked with Company staff to develop a structured wind down plan pending receipt of the necessary OFAC licence and our ability to liquidate trades.

Statutory

We have undertaken statutory matters, including notification of our appointment to the Company's stakeholders and obtaining appropriate insurance cover.

Post-appointment Joint Special Administrators' Strategy

(3/4)

Joint Special Administrators' Strategy (continued)

Details of assets available and realisation strategy

Prior to the Special Administration, the Company had wound down the majority of its non Sberbank Group (third party counterparties) related trades. However, this activity ceased pending receipt of the necessary OFSI and OFAC licenses.

The Joint Special Administrators are unable to realise assets at this stage due to the need for an OFAC licence and/or the absence of a bank account.

However, we summarise below the key assets available, current limitations on realisations and high-level steps to be taken to realise each asset.

Cash

- The directors' Statement of Affairs "SOA's" shows cash with an estimated Net Book Value "NBV" of $42m which they expect to recover in full:
  - The Joint Special Administrators have been in correspondence with Euroclear regarding the release of c$24m of cash currently held or in transit to them. We have agreed, in principle, with Euroclear to the release of this cash for the benefit of General Estate once we have an operational bank account.
  - In addition, we are in dialogue with Deutsche Bank regarding the release of c.$18m of cash currently held by them. The funds relate to a transaction initiated prior to the appointment of the Joint Special Administrators, whereby the Company attempted to transfer cash from the Company's deposit accounts held with Société Générale to Euroclear. Deutsche Bank acted as corresponding bank and the funds were frozen as a result of sanctions. As with the other cash, we expect that the funds will be recovered in full.
- There is also c$105m of cash currently held in various bank accounts with the Russian parent or held as collateral at the Russian NSD. The directors have assumed no cash recovery from this asset in their SOA, however, these funds may be utilised as part of a settlement agreement in respect of inter-company balances owing by the Company, subject to the relevant sanction restrictions.

Joint Special Administrators' Strategy (continued)

Investment Securities

- As noted in the Company's SOAs at page 35, the Company owns a portfolio of securities the majority of which are held in Euroclear and the Russian National Security Deposit ("NSD"). Minor amounts are also held with one broker in London.
- In summary the securities comprise:
  - NSD holdings: Largely comprises equity holdings in Russian entities plus a limited number of American and Global depositary receipts ("ADRs" and "GDRs");
  - Euroclear: The securities comprise equity holdings in Russian entities, equity holdings in European and US entities, exchange traded funds ("ETFs"), Russian sovereign and corporate bonds, ADRs and GDRs issued mainly by Chinese and Russian entities plus holdings in equity linked structured notes issued by major banks.
  - Broker account: Holdings in European equities.
- After closing the Moscow Stock Exchange ("MOEX") in February, MOEX reopened for trading in late March, however, non-Russian parties cannot execute new trades in securities, hence at this time it is uncertain when the securities held in Russia can be realised.
- When the Joint Special Administrators have a bank account open they will start to realise the securities held in Euroclear under the provisions of the OFSI licence, subject to confirmation from counterparties that they are not in breach of sanctions by trading with the Company in Special Administration. As the value of the securities fluctuate, we are unable to quantify the eventual realisable value for these assets, at this stage.
- An OFAC licence is required to trade with US persons, which limits counterparty availability at this time.
- An OFAC licence will be required to trade the assets held at the broker account referred to above.

Trade Receivables

- Whist the SOA's shows a net book value of c$13.4m from trade receivables, for prudence, they have assumed nil recoverable value from these debts until such time as settlement of Russian trades and the inter-group position with the parent is resolved. These debts are underpinned by the inter-group trading.

Post-appointment Joint Special Administrators' Strategy

(4/4)

Joint Special Administrators' Strategy (continued)

Inventory and Equities

- The directors estimate a realisable value of c$13m from the inventory which has a book value of c$23m.
- We anticipate that certain inventory and equities can be liquidated through brokerage arrangements although the realisable value of these assets has still to be quantified. We will engage with appropriate third-party brokers, when we are able to transact in the relevant currencies (i.e., upon opening a bank account and/or upon receipt of a general licence from OFAC or any other relevant jurisdiction).

Tangible and Intangible Fixed Assets

- The directors have attributed no significant realisable value ($17k) for office furniture and equipment with a NBV of $0.4m and for software licences of $1.8m on the basis that they are bespoke to the business, and therefore would have negligible resale value.
- The Joint Special Administrators will engage third party chattel agents to value and market these assets for sale, with a view to maximising recoveries from these assets.

Other Assets

- The directors SOA is prepared on the assumption that a rent deposit of $1.5m held by the landlord for the Company's leasehold premises is recoverable but subject to set-off of c$0.6m in respect of potential dilapidation claims. This will be evaluated further upon exit from the premises.
- The directors assume c$2.4m is recoverable from other receivables with a NBV of c.$6.8m in the SOA. This includes corporate actions, brokerage commissions and research fees, some of which remain due and payable, and prepayments no longer required for the wind down process.
- Once we have operational bank accounts, we will contact customers and suppliers seeking repayment of these assets.

CASS

- We expect to receive all Client Money held by JP Morgan Chase on receipt of an OFAC licence and will, subject to the above, have sufficient estate assets available to top up any shortfall owing to the Company's CASS clients.

Joint Special Administrators' Strategy (continued)

Details of Assets Disposed of or Sold

We have set out below unilateral actions by parties in Russia which were undertaken without the Joint Special Administrators' input or consent which have led to the realisation of certain of the Company's assets for the benefit of the relevant Russian parties.

Unilateral actions taken by parties in Russia:

- MOEX: At the date of the special administration, the Company had various short positions on MOEX. During April 2022, we were notified that MOEX had bought securities at a cost of Rub74.4million to close out the short positions. At the date of the special administration, MOEX held cash collateral of Rub120million belonging to the Company, this collateral was used to fund the short positions.
- Russian Parent: Prior to the implementation of the various sanctions on the Sberbank Group, the Russian parent prepaid the Company for delivery of c$55m of Russian and non-Russian equities. Following the announcement of the sanctions and associated difficulties, the relevant trades were not completed prior to the Special Administration.
- Once the Parent was able to complete outstanding trades relating to equities held in Russia, the Parent proceeded to settle trades and transfer equities valued at $16.4m on the basis of the prior administration settlement instructions.
- On 26 April 2022, the Joint Special Administrators were made aware by the Company's management that the transfer of the $16.4m of Company owned securities to the Parent's own depositary accounts had taken place. These securities were previously held in the Company's "NSD" account in Russia.
- This transfer of assets occurred without the instruction or prior knowledge of the Joint Special Administrators or the Company's UK management team.
- Whilst the Joint Special Administrators have been advised that there was no affirmative reporting obligation to OFSI in respect of this matter under the New General Licence under which the Special Administration is being undertaken, the matter will nevertheless be reported to OFSI.

Post-appointment

Joint Special Administrators' Proposals

The Joint Administrators' Proposals

Our Proposals for the special administration include:

- continuing to manage the affairs and business of the Company and the settlement of all special administration expenses, when it is practicable to do so; and
- assessing the affairs of the Company and reviewing and reporting on the conduct of its directors and, where required, providing assistance to any regulatory authorities with any investigation into the affairs of the Company or its management; and
- agreement of claims to the beneficial ownership, or other form of ownership, of the Client Assets; and
- agreement of claims in relation to a security interest asserted over, or other entitlement to Client Assets; and
- agreement of the claims of any secured, preferential and unsecured creditors against the Company unless we conclude, in our reasonable opinion, that the Company will have no assets available for distribution to creditors; and
- distributing Client Money to clients (including claimants with a security interest or other entitlement to Client Money) in accordance with a "Distribution Plan" where applicable;
- distributing funds to any secured and preferential creditors and, where applicable, to unsecured creditors under the Prescribed Part as and when claims are agreed and funds permit, and to make distributions to unsecured creditors, other than out of the Prescribed Part if the Court gives permission following an appropriate application; and
- following the wind down of the Company and resolution of all matters in the special administration, and as quickly and efficiently as is reasonably practicable, implement the most appropriate exit route to formally conclude the special administration.

We will seek specific approval from creditors and clients respectively to fix the basis of and the ability to draw our remuneration and expenses in respect of dealing with the General Special Administration Estate and dealing with client assets.

Please refer to pages 26 to 28 for further details.

Post-appointment Outcomes

Outcomes

Asset Realisations

As per the balance sheet provided on page 9 and summary of the Joint Administrators' strategy on page 15, the Company's assets are primarily:

- c$42m of cash held with and in transit to Euroclear (recoverable subject to sanctions licences and the Special Administrators obtaining a bank account);
- c$105m of cash held with Sberbank of Russia and NSD (uncertain recoverability);
- c$23m of equities and debt securities held on Euroclear, NSD in Moscow and one London based broker;
- c$13.4m of trade receivables; and
- c$6.8m of other receivables such as research fees, brokerage commissions and corporate actions.

As set out at pages 17 and 18, the realisable value of the Company's assets is uncertain. The most material variables, and therefore the factors on which the outcome is most dependent, are:

- the ability to recover cash held with Sberbank Russia in light of the sanctions restrictions;.
- the value attributed to securities (including Russian assets) at the time of disposal; and
- the ability to recover disposal proceeds relating to securities held in Russia.

As a result, the Joint Special Administrators are not able to provide an estimate of the estimated return to all creditors at this stage.

However, we expect realisations to include:

- Cash held with Euroclear, which we expect will be realisable in full once we have a bank account and subject to the necessary sanction licences.
- We anticipate that, income will be generated from c$6.8m of other receivables that are due and payable and/or not subject to any set-off or counter claim provisions. However, the quantum realisable is uncertain at this stage.

Outcomes (continued)

Counterparties

- Prior to the Special Administration, the Company had wound down the majority of its non Sberbank Group related trades.
- The Joint Special Administrators are aware of c.11 trading counterparties with outstanding buy and sell side trades or with amounts due to them at the date of the Special Administration, but which we expect will have no realisable value.

Intercompany Transactions and Balances

- As noted earlier, based on data provided to date, the net amount owed to the Company's Russian affiliates is estimated to be equivalent to the majority of the Company's cash held on deposit in Russia. This balance is still subject to change. Hence, even if cash can be remitted from Russia to the UK, the return from Russia is expected to be limited.
- A detailed exercise will be required to establish the net position owing to/from the Company and its Russian parent.

Clients

- Client Money: Based on current information, we currently anticipate returning Client Money in full, less any associated fees and costs incurred distributing these funds (which can be claimed from the General Estate).

Creditors

- Secured creditors: The entities listed below hold security over the Company's assets, however, we are not aware of any liability owing to any of the Secured Creditors at the date of our appointment:
  - Citibank N.A (fixed and floating charge security)
  - Goldman Sachs International (fixed charge security)
  - Euroclear Bank (floating charge security)
  - Serf No.1 and 2 (fixed charge - rent deposit deed)
- Preferential Creditors: Employees made redundant prior to and during our appointment will have certain preferential claims for arrears of wages and holiday pay which can be claimed from the RPO. However, we anticipate that there will be sufficient funds available to the Company to settle these costs during the Special Administration.

Post-appointment Outcomes (continued)

Outcomes (continued)

- Secondary preferential creditor: We anticipate that the secondary preferential creditor, HMRC, will be repaid in full.
- Unsecured creditors: We anticipate that there will be sufficient realisations to permit a dividend to this class of creditor. However, the timing and quantum of such dividend is currently uncertain, and will depend on several factors, including:
  - Total realisations, and in particular the net position vis-à-vis each counterparty; and
  - The final level of claims received, from counterparties.

Shareholders

- Shareholders: It is uncertain, as this stage, if there will be sufficient asset realisations to enable a distribution to shareholders.
- This will be contingent on several matters including the outcome of settlement of trades and corresponding liabilities, realising equities and inventory, to the extent this is possible to do so, and adherence to all international sanctions imposed on the Company (which in turn is contingent on the matters set out above).

Prescribed Part

The Prescribed Part is an amount set aside for unsecured creditors from asset realisations that would otherwise be paid to secured creditors under their floating charge, (referred to as the net property), as set out under section 176A of the Act. It applies only where the charge was created on or after 15 September 2003.

The Prescribed Part is calculated as a % of the net property and is subject to a statutory maximum of £600,000 where creation of the floating charges predate 6 April 2020 or £800,000 where the floating charges were created after 6 April 2020.

We are aware of security granted by the Company but which we do not consider will give the right to making a distribution via the Prescribed Part. The Prescribed Part provisions will therefore not apply.

Post-appointment Claims Process

Claims process – Creditors

Creditors with debts of £1,000 or less

You do not need to prove your debt for dividend purposes if the amount you are owed, according to the Company's books and records, is £1,000 or less. Instead, we will notify you if funds become available for dividend purposes and provide you with details of the amount at which your claim has been admitted. If you disagree with that amount, you will be provided with an opportunity to notify us of the amount you believe to be correct.

Please note that should you wish to vote in a decision procedure, you will need to submit a proof of claim to us.

Creditors with debts of more than £1,000

Unsecured creditors with claims of more than £1,000 are invited to submit claims to us either directly via the case website at https://www.ips-docs.com/case/SBERB0001I/Sberbank2022

or by downloading and completing a proof of debt form from the case website and which should be sent to the address on the contact details provided on page four. Alternatively, a hard copy proof of debt form will be provided free of charge on request.

Post-appointment CASS Claim Process

CASS Claims Process

Client Money held in CASS Accounts

All claims in respect of Client Money must be submitted in writing to the Joint Special Administrators.

A CASS Client Statement, covering Client Money only, will be provided to all affected CASS Clients, as soon as it is reasonably practicable to do so.

The return of a signed CASS Client Statement constitutes a claim for Client Money.

The specific process in relation to the return of Client Money is as follows:

- The special administration creates a “Primary Pooling Event”. This means that all Client Money held as at the point of entry into special administration is pooled into a single pool which is referred to as the Client Money Pool (“CMP”).
- The CMP is returned on a pro-rata basis to Client Money claimants and calculated on the amount of Money that should be held for them in the CMP as a proportionate share of the whole, less costs incurred in distributing the Client Money.
- All accepted claims are anticipated to be paid in due course, with further distributions anticipated to occur subsequently should late claims be received, subject to a bar date if appropriate.

CASS clients should refer to the CASS Return Process document for further detail.

CASS Claims Process (continued)

General Estate Claims

In respect of the shortfall caused by the costs of distributing Client Money, CASS Clients are also able to submit an unsecured claim against the General Special Administration estate.

A Proof of Debt form will be provided to all CASS clients alongside the CASS Client Statement to submit should they so wish.

A single Proof of Debt should be submitted per client, if applicable, and should include all claims against the General Estate including for a CASS client shortfall.

The return of a signed Proof of Debt form constitutes a claim against the general estate.

Bar Date for Claims (CASS Claims only)

In order to expedite the return of Client Money, the Special Administrators may set a bar date for the submission of claims to Client Money, notice of which together with guidance will be provided to CASS clients and published on the case website and in the London Gazette, in due course. This will not impact any CASS clients who have submitted a claim.

Post-appointment Proposed Exit Routes

Exit routes

In accordance with the provisions of regulation 10 of the Regulations, an investment bank special administration order will remain in force until such time as any Client Assets have been retuned and the investment bank has either been rescued as a going concern or if that is not practicable, wound up in the best interests of creditors.

As indicated on page four we anticipate that the period of the special administration is likely to be at least 12 months possibly longer to wind down the business after which the Company will be dissolved. Once the objectives of the special administration have been delivered, there are several possible exit routes from special administration:

- Dissolution – Where for purposes of paragraph 84 of Schedule B1 of the Act there are no more assets available for distribution to creditors, nor any Client Assets to return to Clients, we may file notice to that effect with the Registrar of Companies and the Company will be dissolved three months from the date the notice is filed.
- *Compulsory Liquidation ("WUC")* – where there is a possibility, but no certainty, of recoveries being made or matters such as property to disclaim or further enquiry, it may be appropriate to ask the court to end the special administration and to make an order to wind up the Company.

Based on current information and assuming no material change in global circumstances, we consider the following exit routes may be appropriate:

- Where it is not possible to rescue the Company as a going concern, dissolution (once all assets have been distributed and Client Assets have been returned).

Discharge of Joint Administrators' liability

Pursuant to paragraph 98 of Schedule B1 of the Act, as applied by regulation 15 of the Regulations, the Joint Special Administrators' discharge of liability in respect of their actions as Joint Administrators will take effect at the specific time directed by the Court.

Remuneration and expenses

Joint Special Administrators' Remuneration 26

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Remuneration and expenses
Joint Special Administrators' Remuneration

Joint Special Administrators' Remuneration

Pursuant to Rule 196 of the Rules, the Joint Special Administrators are entitled to receive remuneration for services given in respect of:

- Case A – work performed in relation to the Objectives 2 and 3 (as defined on page 1), which is to be paid out of the estate of the Company (the General Special Administration Estate); and
- Case B – work performed in relation to Objective 1 (as defined on page 1), which is to be paid out of the Client Money held by the Company.

Basis of Remuneration

- The basis of remuneration for both Cases is to be fixed:
  - (a) as a percentage of the value of the property with which the Joint Special Administrators must deal; or
  - (b) by reference to the time properly given by the Joint Special Administrators and their staff in attending to matters arising in the special administration; or
  - (c) as a set amount.

  Or any combination of the above.
- It is for the creditors' committee (if there is one formed) to determine the basis of remuneration for each Case, including in what combination and where appropriate the percentage or percentages to be fixed, or the amount of a set fee if any.
- If there is no creditors' committee, or the committee does not make the requisite determinations, the basis of the Joint Special Administrators' remuneration in each Case may be fixed by:
  - Case A – a resolution of a meeting of creditors and CASS Clients.
  - Case B – a resolution of a meeting of CASS Clients.

:

Joint Special Administrators' Remuneration (continued)

Approval of Basis Remuneration

Case A

- The Joint Special Administrators may invite creditors to form a creditors committee, which will then be asked to consider the basis of remuneration in relation to Case A.
- In this regard, the Joint Special Administrators may ask the creditors' committee to fix the basis of their remuneration by reference to the time properly given by the Joint Special Administrators and their staff in attending to matters arising in the special administration.
- In the event that a creditors' committee is not formed, or the creditors' committee declines to approve the basis of the Joint Special Administrators' remuneration, the Joint Special Administrators will convene a meeting of creditors for the purpose of considering the basis of our remuneration in relation to Case A.

Case B

- In order to accelerate the return of Client Assets, the Joint Special Administrators will, in due course, write to CASS Clients seeking approval for the basis of their remuneration in relation to Case B.
- In this regard, the Joint Special Administrators are seeking to have their remuneration fixed by reference to the time properly given by the Joint Special Administrators and their staff in attending to the distribution of Client Money.

Remuneration and expenses

Expenses

Expenses

Expenses can be divided between:

- Case A – expenses in relation to the Objectives 2 and 3 (as defined on page 1), which are to be paid out of the estate of the Company; and
- Case B – expenses in relation to Objective 1 (as defined on page 1), which are to be paid out of the Client Assets held by the Company.

Expenses are payments which are neither remuneration payable to us as officeholders nor a distribution to a creditor, client or a member.

Expenses includes disbursements; disbursements are payments first made by us out of our own funds and later reimbursed to us (to the extent possible).

Case A – Expenses Payable by the General Special Administration Estate

Expenses payable out of the Company's assets are divided into those that do not require approval before they are charged to (and recovered from) the estate ("Category 1"), and those that do require approval before they are charged to (and recovered from) the estate ("Category 2"):

- Category 1 Expenses – payments to persons providing the service to which the expense relates and who are not an associate of the officeholder. These expenses can be paid out of the estate by us without creditor approval.
- Category 2 Expenses – payments to us (as officeholder) or our associates or payments which have an element of shared costs. These expenses require creditor approval in the same manner as our remuneration.

Category 1 Expenses - Other professional costs

Prior to instructing providers of specialist advice and or services, we have evaluated whether the work/advice is both warranted and that the cost of the same represents best value for the Company's estate. We review all such arrangements periodically to ensure that best value continues to be obtained. Further details are provided below.

Expenses (continued)

Case A – Expenses payable by the General Special Administration Estate (continued)

- We have instructed Clifford Chance LLP ("Clifford Chance"), a firm of lawyers with the appropriate expertise and experience in dealing with these types of administrations, to advise on the following legal matters:
  - Trading and sanction issues;
  - General advice;
  - Interaction with parent and settlement of balances due and payable; and
  - Employee matters.

  Clifford Chance has estimated that its fees will not exceed £5m (exclusive of VAT and disbursements). To date, Clifford Chance has incurred, but not yet billed, the following cost amounting to:
  - WIP: £224,100.70 + VAT
  - Counsel fees and disbursements : £10,234.17 + VAT
- We have also instructed TLT, a firm of lawyers with appropriate experience and expertise to undertake a legal review of the validity of the Special Administrators' appointment. To date, TLT has incurred, but not yet billed, the following costs:
  - WIP: £4,616.50 + VAT
- Whilst we are not required to seek creditor approval for any of the foregoing expenses, we confirm that all professional costs are reviewed by us and analysed in detail before payment is approved or made.
- Please refer to page 36 for further information.

Category 2 Expenses

As indicated, these expenses require creditor approval in the same manner as our remuneration. Please refer to page 36 for further information.

Remuneration and expenses Pre-Special Administration Costs

Case B – Expenses payable out of Client Assets

Expenses properly incurred in pursuing Objective 1 are payable out of the Client Assets held.

- Clifford Chance are instructed to provide legal support in relation to the distribution of client assets.
- Clifford Chance has estimated that its fees will be £30,000 to £40,000 (exclusive of VAT and disbursements) on the basis of current information available.
- To date Clifford Chance has not incurred any costs in relation to the distribution of client assets.
- Whilst we are not required to seek creditor approval for this expense, we confirm that all professional costs under Case B are reviewed by us and analysed in detail before payment is approved or made.

Pre-Special Administration Costs

Payment of unpaid pre-administration costs as an expense of the special administration is subject to approval under Rule 136.

Joint Special Administrators' Pre-Special Administration Costs

The Joint Special Administrators were first introduced to the Company on the morning of 30 March 2022. No engagement was entered into by the Joint Special Administrators (or Teneo) prior to the Joint Special Administrators' appointment.

During the course of 30 March, the Joint Special Administrators undertook various actions including:

- Liaising with Management (including remote attendance at meetings) to discuss Day 1 plans and wider strategy for the Company in special administration;
- Liaising with lawyers, Clifford Chance, in relation to the preparation and signing of appointment documents;
- Liaising with the FCA in relation to our appointment;
- Preparation and signing of consent to acts;
- Initial take on processes and compliance; and
- Day 1 planning, including, research into the Company's business and preparation of initial communications to the Company's stakeholders.

Pre-Special Administration Costs (continued)

Costs incurred in relation to the above totalled £34,172.50 (of which, none has been paid).

As such, for the sake of prudence, the Joint Special Administrators are seeking approval of all costs incurred on 30 and 31 March 2022 separately to their general remuneration approval.

Where these actions occurred prior to our appointment, they were either: (1) necessary steps as part of the appointment process; or (2) in order to prepare for the appointment in an orderly manner.

Other Pre-Special Administration Costs

In addition to the costs incurred by the Joint Special Administrators, Clifford Chance incurred various costs and expenses up to 31 March 2022, as follows:

- Costs: £62,131.41 + VAT
- Counsel Fees and disbursements: £41,955 + VAT

To date, none of the above costs have been paid.

These costs included:

- Preparatory analysis, including calls with Management, research regarding applicable sanctions, reviewing special administration rules and regulations and CASS rules, review of the Company's constitutional documents, creating steps plan, and briefing counsel.
- Liaising with proposed joint special administrators and the FCA.
- Preparation of Court application, including drafting and reviewing documents and attending a board meeting.
- Court hearing, including liaising with the court regarding time slots and logistics for an urgent hearing, conference with counsel, and attendance at court.
- Post hearing matters, including distributing application notice and immediate advice to Joint Special Administrators.

Additional information

Case Specific Matters and Investigations 30

Additional information

Case Specific Matters and Investigations

Case specific matters

Third party assets

Should you believe that you own or have a claim regarding items that may have been present at the Company's premises at the date of our appointment please contact us, as soon as possible.

Shareholders

Following our appointment, the Company is no longer able to process transfers of shares, nor re-issue unclaimed dividend cheques.

Investigations

As part of our duties, we are obliged shortly after our appointment to review all of the information available to us and conduct an initial assessment of whether there are any matters that might lead to a recovery for the benefit of creditors. This initial assessment includes enquiries into any potential claims that may be brought against parties either connected to or who have had past dealings with the Company.

In addition, we are required to consider the conduct of the directors and any person we consider to have acted as a shadow or de facto director in relation to their management of the affairs of the Company and the causes of failure and we will submit a confidential report to the Insolvency Service, a division of the Department for Business, Energy and Industrial Strategy. Creditors who wish to draw any matters to our attention should contact us using the contact details given on page 4 as soon as possible.

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Appendices

Appendix A: Statutory Information

Statutory Information

Website

In order to facilitate communication, all statutory reports, documents and notices will be posted on to a website which has been set up specifically for the Company. The web address is https://www.ips-docs.com/case/SBERB0001I/Sberbank2022.

We will write to all creditors and CASS Clients each time a document is uploaded to the website.

All documents will be retained on the website, which will remain live for a period of at least three months from when a document was first made available.

Please contact the Joint Special Administrators or members of the team using any of the contact details below if you would like to be provided, free of charge, with a hard copy of documents posted either now, or in the future, to the website:

- Tel: +44 (0)121 619 0120
- Email: sberbank@teneo.com
- Address: c/o Teneo Financial Advisory Limited,156 Great Charles Street, Queensway, Birmingham, B3 3HN

Appendices

Appendix B: Statement of Affairs

Statement of Affairs

The directors listed below were notified on 7 April 2022 that they are required to make out and deliver a statement of the Company's affairs to us by 18 April 2022.

- Andrei Mazo (Resigned 1 April 2022)
- Harmeet Marwaha Singh (Resigned 1 April 2022)
- Adam Paul Jesney (Resigned 31 March 2022)
- Marthinus John Botha (Resigned 31 March 2022)

At the directors' request, this deadline has been extended until 25 May 2022.

A completed statement of affairs a summary of the Company's financial position as of 1 April 2022, is presented on the following pages and a schedule of the Company's creditors is presented in Appendix G.

Sberbank CIB (UK) Limited Statement of Affairs as of 01 April 2022

Statement of Affairs

In accordance with Paragraph 47 of Schedule B1 of the Insolvency Act 1986 as applied by the Investment Bank Special Administration Regulations 2011 and rule 53 of the Investment Bank Special Administration (E&W) Rules 2011

Sberbank CIB (UK) Limited	Company Number 04783112
In the High Court of Justice	Court number CR-2022-000976

The particulars and other information shown in this statement of affairs and any continuation sheets give a full and complete statement of the company's affairs on
25 May 2022

Insert date statement made up to (not more than 14 days before the date of the resolution for winding up)

Statement of Truth

I believe that the facts stated in this statement are true.

Full name Andrei Mazo

Signed

Dated 25 May 2022

Appendices

Appendix B: Statement of Affairs

Sberbank CIB (UK) Limited Statement of Affairs as of 01 April 2022

A - Summary of Assets -

Assets

	Book Value USD	Estimated to realise USD
Assets subject to fixed charge		
Rent deposit	1,555,027	981,752
	0	0
Less monies due to fixed charge holder(s)		
	1,555,027	981,752
Assets subject to floating charge		
Cash		
Cash at Euroclear (available)	23,181,158	23,181,158
Cash in TRANSIT (from Soc Gen to Euroclear. "stuck" at Deutsche)	18,717,485	18,717,485
Cash at Sberbank of Russia subject to future settlement	97,865,825	97,865,825
Tangible Fixed Assets		
Leasehold improvements	69,612	0
Fixtures & fittings	5,843	0
Computers	330,356	16,517
Office equipment	17,587	0
Intangible Fixed Assets		
Software licenses	1,792,219	0
Trade Receivables		
Net PAO settlement	7,363,900	0
Alfa Capital Markets Limited	190,203	0
April Capital Limited	1,835,572	0
Autonomous Research LLP	31,111	0
JPM Securities plc	2,930,469	333,047
LGT Bank AG	450,669	0
UBS AG LONDON BRANCH - XNYS	361,429	21,390
VTBC Asset Management International Limited Milltrust VTB Russia Fund	259,361	117,022
Inventory		
Total	23,093,777	13,067,063
Less: amounts sold to trade counterparties	0	(171,459)
Other Assets		
Corporate Actions	2,042,613	1,021,307
Brokerage commissions	1,906,092	943,178
Fees receivable for Research Services	588,700	261,881
Prepayments	1,522,307	152,231
VAT receivable	95,608	76,486
Deferred tax	651,322	0
Total assets available for preferential creditors	186,858,243	156,284,882

Signed

Dated 25 May 2022

Appendices

Appendix B: Statement of Affairs

Sberbank CIB (UK) Limited Statement of Affairs as of 01 April 2022

A1 - Summary of Liabilities

		Estimated to realise USD
Total assets available for preferential creditors (carried forward from page A)		**156,784,882**
Liabilities		
Preferential creditors	(458,396)	
Estimated deficiency/surplus as regards preferential creditors		**155,826,486**
Secondary Preferential creditors (for all insolvencies after 1 Dec 2020. See guidance notes)	(4,035,887)	
Estimated deficiency/surplus as regards preferential/secondary preferential creditors		**151,790,599**
Estimated prescribed part of Net Property where applicable (to carry forward)	(781,740)	
Estimated total assets available for floating charge holders		**151,008,859**
Debts secured by floating charges	0	
Estimated deficiency/surplus of assets after floating charges		**151,008,859**
Estimated prescribed part of net property where applicable (brought down)	781,740	
Total assets available to unsecured creditors		**151,808,859**
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	(109,786,875)	
Estimated deficiency/surplus as regards non preferential creditors (excluding any shortfall to floating charge holders)		**41,021,984**
Shortfall to floating charge holders (brought down)		**0**
Estimated deficiency/surplus as regards creditors		**41,021,984**
Issued and called up capital	158,648,867	
Estimated total deficiency/surplus as regards members		**(117,626,883)**

Signature [signature] Date 25 May 2022

/A Nazo/

Appendices

Appendix B: Statement of Affairs

Sberbank CIB (UK) Limited Statement of Affairs as of 01 April 2022

COMPANY CREDITORS

Name of Creditor or Claimant	Address (with postcode)	Amount of debt $	Details of any security held by creditor	Date security given	Value of security $
[illegible]	NA	1,028,895.23			
Computer Support Creditors	NA	0.00			
Sberbank Payable (subject to future settlements)	(Trade Payable)	97,863,820.17			
Aurgomax Ventures Ltd	(Trade Payable)	633,034.48			
Danske Capital, a Division of Danske Bank A/S FCG LLM	(Trade Payable)	80,802.93			
AF NORDAN SECURITIES PLC	(Trade Payable)	542,841.64			
RENAISSANCE SECURITIES (CYPRUS) LIMITED	(Trade Payable)	1,074,268.95			
UCP Industrial holdings Ltd	(Trade Payable)	4,086,741.21			
Wolfgang Sandung AG Wirtschaftsprüfer	(Trade Payable)	284,218.00			
Corporate Actions		1,780,660.79			
FX RATES	(Trade Payable)	3,175.00			
ACSL	(Trade Payable)	1,751.80			
ALTIUM GROUP INC	(Trade Payable)	1,264.23			
Amen Computers Ltd	(Trade Payable)	241,090.00			
Arrows Jewellers	(Trade Payable)	500.00			
Baker Tilly	(Trade Payable)	5,859.44			
BDO LLP	(Trade Payable)	15,976.45			
BLOOMBERG TRADEBOOK SINGAPORE PTE LTD	(Trade Payable)	2,149.13			
British Telecommunications PLC	(Trade Payable)	1,174.00			
Bonami Petit Gâteau B.V	(Trade Payable)	91.00			
Chelsea Bower Development Limited	(Trade Payable)	1,496.00			
Cridpad	(Trade Payable)	255.74			
City of London Bistro	(Trade Payable)	0.00			
Companies House Voucher Services Ltd	(Trade Payable)	148.73			
Dan Corporate Services Trading Limited	(Trade Payable)	0.00			
Data Cracks	(Trade Payable)	57,806.00			
DTCC Data Repository (Ireland) PLC	(Trade Payable)	1,180.01			
DTCC Derivatives Repository Ltd	(Trade Payable)	57.70			
DTCC Hotel Ltd Limited	(Trade Payable)	355.48			
Eurofunds	(Trade Payable)	12,960.00			
Fox Corporate Transaction Services LLC	(Trade Payable)	5,400.00			
FCA	(Trade Payable)	76,454.70			
FCA Fitness Solutions	(Trade Payable)	284.80			
Fujitsu	(Trade Payable)	5,196.94			
Gas Gas Systems, Inc	(Trade Payable)	6,490.00			
HM Revenue & Customs	(Trade Payable)	0.00			
Instant Garage Limited	(Trade Payable)	180.00			
JPC Information System	(Trade Payable)	51,134.86			
Jorgen Jacobsen	(Trade Payable)	163.60			
Jhoor SAS	(Trade Payable)	3,185.90			
JAC	(Trade Payable)	7,727.00			
Lowes	(Trade Payable)	0.00			
Lyddite Ltd	(Trade Payable)	12,949.94			
London Taxi Exchange	(Trade Payable)	41,747.85			
MOJ Ltd	(Trade Payable)	0.00			
NYSE Inc	(Trade Payable)	1,585.00			
NYSE Market Inc (N)	(Trade Payable)	1,145.00			
Ofgem, Price Reporting Authority LLC	(Trade Payable)	28.10			
PPI, PPS	(Trade Payable)	848.19			
Pricewaterhouse Cooper LLP	(Trade Payable)	60,000.00			
Redbridge Trustees	(Trade Payable)	928.10			
Regus Limited (former Reuters Ltd)	(Trade Payable)	6,240.00			
Revisor Deutschland, data solution	(Trade Payable)	349.93			
SecurWise	(Trade Payable)	0.00			
Simmons & Simmons	(Trade Payable)	800.78			
Sue Ingram Technology Group Ltd	(Trade Payable)	0.00			
SUEZ solutions Limited	(Trade Payable)	3,616.00			
Tangent Information	(Trade Payable)	0.00			
TURN / Trampoline	(Trade Payable)	185.93			
The International Capital Market Association	(Trade Payable)	464.00			
The Times	(Trade Payable)	31,886.67			
Tri-Optimo AB	(Trade Payable)	3,443.78			
TSA Group	(Trade Payable)	48,187			
Twist Technology	(Trade Payable)	4,867.78			
Wells	(Trade Payable)	0.00			
Wrightsenning Ltd	(Trade Payable)	658.17			
Wrisley Ltd	(Trade Payable)	567.00			
YouLane	(Trade Payable)	44.93			
Linn 3 Systems Ltd	(Trade Payable)	4,100.00			
AXIMP	(Trade Payable)	7,994.60			
AXIMP	(Trade Payable)	0.00			
AXIMP	(Trade Payable)	0.00			
AXIMP	(Trade Payable)	0.00			
Allen & Overy LLP	(Trade Payable)	2,015.80			
Wenner-Bergren AB	(Trade Payable)	490.00			
Hamburger Abgabenordnung Carrosserie Hannover	(Trade Payable)	51.33			
Total General creditors		756,054.73			
Sberbank Group	Account Sberbank (Intell Agreements)	1,984,542.57			
Total unsecured creditors		105,988,874.83			
HMRC (VAT payable)		17,719.98			
HMRC (Corporation Tax Payable)		1,998,147.00			
Total 2nd Preferential creditors		2,015,866.98			

Signature /A Mazo/ Date 15 Apr 2022

Sberbank CIB (UK) Limited Statement of Affairs as of 01 April 2022

[illegible]

[illegible]

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Signed [illegible] Date [illegible]

Sberbank CIB (UK) Limited Statement of Affairs as of 01 April 2022

C
SHAREHOLDERS

No	Name of Shareholder	Address (with postcode)	Type of shares held	Nominal amount of share (£)	Number of shares held	Amount per share called up (£)	Total called up (£)
1	[illegible]	15 Vine [illegible] Street, [illegible]	Ordinary	1	[illegible]	-	[illegible]
							[illegible]
							[illegible]
							[illegible]
							[illegible]
							[illegible]

Signature [illegible] Date 25 May 2022

Appendices

Appendix C: Receipts and Payments

Receipts and Payments Account ("R&P")

As outlined earlier in our report, due to the fundamental change in international sanctions in place post appointment, the Joint Special Administrators have been unable to open operational banks accounts for the special administration, nor have they been in a position to receive any funds held on behalf of the Company by various clearing banks and financial institutions. We have received correspondence recently to indicate that administration bank accounts should be opened soon.

We can however confirm that, the following receipts and payments have been processed through various currency account held with Euroclear up to 30 April 2022, during the period of the special administration, but which have not yet been remitted to the Special Administrators, for the reasons set out above.

Summary	USD	EUR	CAD	CHF	GBP
Dividend income	13,792	1,934	5,630	-	-
Interest income	210,458	-	-	-	-
Other income (trade)	491	1,567	-	-	-
Interest expense	- 176	- 12,833	-	- 53	-
Bank servicing fees	- 194	- 166	-	-	- 679
	224,371	- 9,498	5,630	- 53	- 679

A small number of trade cancellations have occurred during the special administration period, for certain open trade positions whereby no financial receipt or payment has been made or received, but the corresponding asset and/or liability position has been crystallised.

We have also been unable to make any payments to the Company's suppliers for the provision of ongoing services to support the wind down of operations. Any agreed commitments in this regard will only be possible once we have operational administration bank accounts in place and funds to process payments and, in the case of US persons, will require the necessary sanctions licence from OFAC being obtained. The processing of payments will also need to be fully compliant with all imposed international sanctions. We can advise that we are in the process of communicating directly with suppliers on this matter.

As such, we are not currently able to present a complete R&P.

Appendices

Appendix D: Time costs to date

Joint Special Administrators' time costs incurred to 18 May 2022

As indicated at page 26, in advance of seeking approval to fix the basis of our fees on a time costs basis in relation to Case A, a summary of our time costs to 18 May 2022 is provided below with a detailed analysis of the same provided overleaf.

Please note that all staff (including cashiers) assigned to the case record their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment is not recorded or recovered. The appropriate staff will be assigned to work on each aspect of the case based upon their seniority and experience, and, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed. Time is recorded in six minute units.

Summary of time costs incurred to 18 May 2022

Grade	Senior Managing Directors & Directors	Associate Directors	Managers	Consultants	Associate Consultants & Support	Total		
Category	Hours	Hours	Hours	Hours	Hours	Hours	Value (£)	Avg Rate £/h
Administration & Planning	96.6	95.5	159.6	0.7	16.8	369.0	£ 350,584.34	£ 950.01
Investigations	28.8	2.5	-	-	0.2	31.5	£ 27,677.00	£ 878.63
Trading	41.0	18.5	54.8	-	-	114.3	£ 111,479.00	£ 975.03
Realisation of Assets	283.8	207.0	117.8	59.9	-	668.5	£ 647,423.40	£ 968.40
Creditors	15.0	15.6	-	13.4	0.3	44.2	£ 45,862.33	£1,038.39
Case Specific Matters	39.2	28.5	0.7	0.3	0.3	68.9	£ 61,217.09	£ 888.92
Total	504.3	367.5	332.9	74.2	17.5	1,296.4	£ 1,244,243.15	£ 959.73
Average rate/h per grade	£ 976.59	£ 945.12	£ 945.88	£ 999.34	£ 876.14			

Appendices

Appendix E: Detailed time costs to date

Joint Special Administrators' time costs incurred to 18 May 2022

Detailed time costs incurred to 18 May 2022

	Senior Managing Directors & Directors		Associate Directors		Managers		Consultants		Associate Consultants & Support		TOTAL		Average rate/h
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Cost (£)
Administration and Planning													
Cashiering and Statutory Filing	-	-	-	-	-	-	-	-	0.10	81.50	0.10	81.50	815.00
Case Management and Closure	34.05	31,504.00	59.95	58,183.00	132.67	124,945.00	0.67	648.34	16.70	14,623.50	244.03	229,903.84	942.10
Initial Actions	56.00	59,252.50	35.50	31,505.00	26.90	24,459.00	-	-	-	-	118.40	115,216.50	973.11
Liaison with Other Insolvency Practitioners	-	-	-	-	-	-	-	-	-	-	-	-	-
General Reporting	6.50	5,382.50	-	-	-	-	-	-	-	-	6.50	5,382.50	828.08
	96.55	96,139.00	95.45	89,688.00	159.57	149,404.00	0.67	648.34	16.80	14,705.00	369.03	350,584.34	950.01
Investigations													
Investigations	28.80	25,277.00	2.50	2,180.00	-	-	-	-	0.20	220.00	31.50	27,677.00	878.63
Reports on Directors' Conduct	-	-	-	-	-	-	-	-	-	-	-	-	-
	28.80	25,277.00	2.50	2,180.00	-	-	-	-	0.20	220.00	31.50	27,677.00	878.63
Trading													
Day 1 Control of Trading	35.10	37,322.00	14.00	13,190.00	7.33	7,137.50	-	-	-	-	56.43	57,649.50	1,021.55
Ongoing Trading	5.90	5,197.00	4.50	4,492.50	6.50	6,740.00	-	-	-	-	16.90	16,429.50	972.16
Monitoring Trading	-	-	-	-	41.00	37,400.00	-	-	-	-	41.00	37,400.00	912.20
Closure of Trade	-	-	-	-	-	-	-	-	-	-	-	-	-
	41.00	42,519.00	18.50	17,682.50	54.83	51,277.50	-	-	-	-	114.33	111,479.00	975.03
Realisation of Assets													
Book Debts	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Assets (e.g. Stock)	283.80	277,903.00	207.00	195,962.50	117.83	113,659.16	59.92	59,898.74	-	-	668.55	647,423.40	968.40
Chattel Assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Property - Freehold and Leasehold	-	-	-	-	-	-	-	-	-	-	-	-	-
Retention of Title	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Business / Assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Third Party Assets	-	-	-	-	-	-	-	-	-	-	-	-	-
	283.80	277,903.00	207.00	195,962.50	117.83	113,659.16	59.92	59,898.74	-	-	668.55	647,423.40	968.40
Creditors													
Employees	0.50	550.00	5.80	6,351.00	-	-	12.22	12,450.83	-	-	18.52	19,351.83	1,045.10
Preferential	-	-	-	-	-	-	-	-	-	-	-	-	-
Secondary Preferential	-	-	-	-	-	-	-	-	-	-	-	-	-
Secured	-	-	-	-	-	-	-	-	-	-	-	-	-
Shareholders	-	-	-	-	-	-	-	-	-	-	-	-	-
Unsecured	14.45	14,877.50	9.75	10,451.25	-	-	1.20	978.00	0.25	203.75	25.65	26,510.50	1,033.55
	14.95	15,427.50	15.55	16,802.25	-	-	13.42	13,428.83	0.25	203.75	44.17	45,862.33	1,038.39
Case Specific Matters													
Litigation	-	-	-	-	-	-	-	-	-	-	-	-	-
Pensions	-	-	-	-	-	-	0.25	225.00	-	-	0.25	225.00	900.00
VAT	-	-	3.00	2,445.00	0.67	543.34	-	-	0.25	203.75	3.92	3,192.09	815.00
Tax	39.20	35,227.50	25.50	22,572.50	-	-	-	-	-	-	64.70	57,800.00	893.35
	39.20	35,227.50	28.50	25,017.50	0.67	543.34	0.25	225.00	0.25	203.75	68.87	61,217.09	888.92
TOTAL HOURS & COST	504.30	492,493.00	367.50	347,332.75	332.90	314,884.00	74.25	74,200.90	17.50	15,332.50	1,296.45	1,244,243.15	959.73
AVERAGE RATE/HOUR PER GRADE		£ 976.59		£ 945.12		£ 945.88		£ 999.34		£ 876.14			
FEES DRAWN													

Appendices

Appendix F: Category 1 and 2 Expenses

Joint Special Administrators – Category 1 Expenses

As described on page 27, these are payments to persons providing the service to which the expense relates and who are not an associate of the officeholder. These expenses can be paid out of the estate by us without creditor approval.

Category 1 Expenses

£ (net)	Estimated	Incurred in report period	Paid	Unpaid
Travel	10,000	1,046	-	1,046
Accomodation	15,500	484	-	484
Parking	100	22	-	22
Subsistence	18,000	-	-	-
Venue Hire	5,000	-	-	-
Telephone	500	-	-	-
Postage/Couriers	500	-	-	-
Specific Penalty Bond	250	-	-	-
Total Expenses	49,850	1,552	-	1,552

Joint Special Administrators – Category 2 Expenses

As described on page 27, these are payments to us (as officeholder) or our associates or payments which have an element of shared costs. Specific approval is required before these expenses can to be drawn from the administration estate

Our estimate of Category 2 disbursements is given below, all figures are shown exclusive of VAT.

Category 2 Expenses

£ (net)	Estimated	Incurred in report period	Paid	Unpaid
Mileage	200	-	-	-
Total expenses	200	-	-	-

Mileage is calculated by reference to the mileage properly incurred by the Joint Special Administrators and their staff, at the prevailing standard mileage rate used by Teneo at the time when the mileage is incurred (currently up to 45p per mile).

Appendices

Appendix G: List of Creditors

(1/6)

List of Creditors – Counterparties

Name of Creditor or Claimant	Registered Address	Amount of Debt				Details of any security held by the creditor	Date of security given	Value of security
		EUR	GBP	RUB	USD			
Alfa Capital Markets Limited	Elenion Building, Themistokli Dervi 5, 1066, Nicosia, Cyprus	TBC	TBC	TBC	TBC	None	N/A	N/A
April Capital Limited	P.O Box 866S, 2nd Floor, Willow House, Cricket Square, George Town, Cayman Islands	TBC	TBC	TBC	TBC	None	N/A	N/A
Autonomous Research LLP	50 Berkeley Street, London, W1J 8SB	TBC	TBC	TBC	TBC	None	N/A	N/A
Danske Bank A/S	Holmes Kanal 2-12, 1060 Kobenhavn, K, Denmark	TBC	TBC	TBC	TBC	None	N/A	N/A
J.P Morgan Securities PLC	25 Bank Street, Canary Wharf, London, E14 5JP	TBC	TBC	TBC	TBC	None	N/A	N/A
LGT Bank AG	Herrengasse 12, Postfach 85, 9490 Vaduz	TBC	TBC	TBC	TBC	None	N/A	N/A
Renaissance Securities (Cyprus) Limited	Arch Makarious III 2-4, Capital Center, Floor 9, 1065, Nicosia, Cyprus	TBC	TBC	TBC	TBC	None	N/A	N/A
UBS AG London Branch	5 Broadgate, London, EC2M 2QS	TBC	TBC	TBC	TBC	None	N/A	N/A
VTBC Asset Management International Limited	4th Floor, West Wing, Trafalgar Court, Admiral Park, St Peters Port, Guernsey, GY1 2JA	TBC	TBC	TBC	TBC	None	N/A	N/A
UCP Industrial Holdings Limited	Arentrikas 3, South Church Stree, Larnaca, Cyprus	TBC	TBC	TBC	TBC	None	N/A	N/A
Wolfgang Steubing AG	Goethestrabe 29, Frankfurt am Main, Germany, 60313	TBC	TBC	TBC	TBC	None	N/A	N/A
Sberbank CIB/PAO	19 Vavilova St, 117312 Moscow, Russia	TBC	TBC	TBC	TBC	None	N/A	N/A
Sberbank CIB/AO	19 Vavilova St, 117312 Moscow, Russia	TBC	TBC	TBC	TBC	None	N/A	N/A

Source: Management information

Appendices

Appendix G: List of Creditors

(2/6)

List of Creditors – Trade

Name of Creditor or Claimant	Registered Address	Amount of Debt USD	Details of any security held by the creditor	Date of security given	Value of security
PEARTREE	Peartree Cleaning Services Limited, Peartree House, 1 Britannia Road, Warley, Brentwood, CM14 5LD	3,325.50	None	N/A	N/A
ACSEL	ACSEL S.L, Dr. Nequi 8, office 4, AD500 Andorra la Vella, ANDORRA	1,251.00	None	N/A	N/A
ALTRUM GROUP, INC	ALTRUM 15 Maiden Lane, Suite 200 New York, NY, USA 10038	1,264.32	None	N/A	N/A
Aman Computers Ltd	Aman Computers Ltd, 28 Baruch Hirsh St, Benei Brk 51202, Israel.	297,050.00	None	N/A	N/A
Artsiom Shraibman	Individual entrepreneur Artsiom Henadzievich Shraibman 9-346, Dzerzhinskogo av Minsk, 220089	500.00	None	N/A	N/A
Bates Wells	Bates Wells & Braithwaite London LLP, 10 Queen Street Place, London EC4R 1BE	3,859.44	None	N/A	N/A
BDO LLP	BDO LLP, 55 Baker Street, London W1U 7EU	15,426.45	None	N/A	N/A
	BLOOMBERG Tradebook Singapore PTD LTD, 23 Church Street, 12th Floor, Capital Square, Singapore 049481	2,149.17	None	N/A	N/A
British Telecommunications PLC	1 Braham Street , London E1 8EE	1,326.00	None	N/A	N/A
Business Entity Data B.V.	Bernhardplein 200 Amsterdam Netherlands 1097 JB	91.00	None	N/A	N/A
Charles River Development Limited	5th floor, 1 Aldermanbury Square, London EC2V 7HR	2,496.00	None	N/A	N/A
CitySprint	CitySprint (UK) Ltd, Ground Floor, RedCentral, 60 High Street, Redhill Surrey RH1 1SH	255.79	None	N/A	N/A

Source: Management information

Appendices

Appendix G: List of Creditors

(3/6)

List of Creditors – Trade

Name of Creditor or Claimant	Registered Address	Amount of Debt USD	Details of any security held by the creditor	Date of security given	Value of security
Computershare Voucher Services Ltd	The Pavilions, Bridgwater Road, Bristol, BS13 8AE	148.72	None	N/A	N/A
Delta Capita	40 Bank Street, Canary Wharf ,London E14 5NR	52,806.00	None	N/A	N/A
DTCC Data Repository (Ireland) PLC	23 SHELBOURNE ROAD23 Shelbourne Road, Ballsbridge, Dublin 4, Ireland	1,130.01	None	N/A	N/A
DTCC Derivatives Repository, Ltd	DTCC Derivatives Repository PLC Broadgate Quarter 7th Floor One Snowden Street London UK , EC2A 2DQ	52.20	None	N/A	N/A
DTCC ltp (UK) Limited	1 Snowden Street, Broadgate Quarter, London EC2A 2DQ	959.48	None	N/A	N/A
Eversheds	Eversheds Sutherland (International) LLP, LondonOne Wood Street, EC2V 7WS	17,940.00	None	N/A	N/A
Eze Castle Transaction Services LLC	Eze Castle Transaction Services LLC, 12 Farnsworth Street, 6TH Floor, Boston,MA02210, USA	5,400.00	None	N/A	N/A
FCA	12 Endeavour Square, London E20 1JN	76,454.20	None	N/A	N/A
FCM Travel Solutions	322 High Holborn, London WC1V 7PB	764.80	None	N/A	N/A
Fidessa		9,760.99	None	N/A	N/A
FlexTrade Systems, Inc.	111 Great Neck Road, Suite 314, Great Neck NY 11021	6,450.00	None	N/A	N/A
HM Revenue & Customs (VAT)		37,739.98	None	N/A	N/A
HM Revenue & Customs (CT)		3,998,147.00	None	N/A	N/A

Source: Management information

Appendices

Appendix G: List of Creditors

(4/6)

List of Creditors – Trade

Name of Creditor or Claimant	Registered Address	Amount of Debt USD	Details of any security held by the creditor	Date of security given	Value of security
Instinet Europe Limited	Instinet Europe Limited, 1 Angel Lane, London, EC4R 3AB	780.00	None	N/A	N/A
IPC Information System	67-73 Worship Street, Tower House, London, EC2A 2DZ	51,234.86	None	N/A	N/A
Iron Mountain	IRON MOUNTAIN (UK),LondonGround Floor, 4 More London Riverside,SE1 2AU	163.80	None	N/A	N/A
Itiviti SAS	Itiviti SAS | 21 Boulevard Haussmann | 75009 PARIS | France	2,185.00	None	N/A	N/A
JAC	JAC Design & Project Management Limited, 8 Boundary Row, LONDON SE1 8HP	7,722.00	None	N/A	N/A
Kusaidia Ltd	Suite C3 Coveham House Downside Bridge Road Cobham Surrey KT11 3EP	22,949.94	None	N/A	N/A
London Stock Exchange	London Stock Exchange Plc., Registered office: 10 Paternoster Square, London, EC4M 7LS.	43,747.85	None	N/A	N/A
NYFIX,Inc	NYFIX INC PO BOX 9493 New York, NY 10087-9487 United States	1,580.00	None	N/A	N/A
NYSE Market Inc ($)	NYSE Market (DE), Inc. P.O. Box 734514 Chicago, IL 60673-4514	1,345.00	None	N/A	N/A
Options Price Reporting Authority L.L.C.	OPTIONS PRICE REPORTING AUTHORITY P.O. BOX 775625 CHICAGO, IL 60677 - 5625	283.50	None	N/A	N/A
PPL PRS	PPL PRS Ltd, Mercury Place, St. George Street, Leicester LE1 1QG	848.29	None	N/A	N/A
PricewaterhouseCoopers LLP	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH	60,009.09	None	N/A	N/A

Source: Management information

Appendices

Appendix G: List of Creditors

(5/6)

List of Creditors – Trade

Name of Creditor or Claimant	Registered Address	Amount of Debt USD	Details of any security held by the creditor	Date of security given	Value of security
Redcliffe Training	Redcliffe Training Associates Ltd 1 Abbey View London NW7 4PB	928.20	None	N/A	N/A
Refinitiv Limited (former Reuters Ltd.)	Refinitiv Limited Five Canada Square, Canary Wharf London E14 5AQ United Kingdom	6,240.00	None	N/A	N/A
Restore Datashared_data solution	Unit Q1 Queen Elizabeth Distribution Centre, Purfleet, Essex, RM19 1NA	349.93	None	N/A	N/A
Sberbank CIB USA, INC.	Carnegie Hall Tower, 152 West 57th Street, 46th Floor New York, NY 10019	1,944,542.52	None	N/A	N/A
Simmons&Simmons	Simmons & Simmons LLP Citypoint 1 Ropemaker Street London EC2Y 9SS United Kingdom	800.28	None	N/A	N/A
SS&C solutions Limited	SS&C Solutions Limited (formerly Tradeware Global UK Ltd.) 1 St Martin's Le Grand London, EC1A 4AS United Kingdom	5,616.00	None	N/A	N/A
SWIFT/ Lexington	6th floor, The Corn Exchange 55 Mark Lane London EC3R 7NE	785.91	None	N/A	N/A
The International Capital market Association	International Capital Market Association Dreikönigstrasse 8 CH-8002 Zurich	594.00	None	N/A	N/A
TIM Group	10 Queen Street Place London EC4R 1BE	11,786.67	None	N/A	N/A
TriOptima AB	TriOptima AB Mäster Samuelsgatan 17 SE-111 44 Stockholm, Sweden	3,449.70	None	N/A	N/A
TSX Group	TSX Inc. 100 Adel aide St W Toronto, ON M5H 1 S3 Canada	583.87	None	N/A	N/A
Twin Technology	Twin Technology Ltd Ground Floor (St Albans Road Wing) 21 Station Road Watford, Hertfordshire WD17 1AP	4,367.29	None	N/A	N/A

Source: Management information

Appendices

Appendix G: List of Creditors

(6/6)

List of Creditors – Trade

Name of Creditor or Claimant	Registered Address	Amount of Debt USD	Details of any security held by the creditor	Date of security given	Value of security
Vero Screening Ltd	Vero Screening Ltd Princes House, 53-54 Queens Road, Brighton, East Sussex, BN1 3XB	658.32	None	N/A	N/A
Vivreau Ltd	Brita Vivreau Limited | 1st Floor | Beaufort House | Cricketfield Road | Uxbridge | UB8 1QG	507.00	None	N/A	N/A
Vodafone	Brunel Park, Brunel Drive, Newark, Nottinghamshire NG24 2EG	44.93	None	N/A	N/A
Level 7 Systems		9,100.00	None	N/A	N/A
MAPP	MAPP 180 Great Portland Street London W1W 5QZ	7,994.60	None	N/A	N/A
White & Case LLP	White & Case LLP 5 Old Broad Street London EC2N 1DW United Kingdom	2,035.80	None	N/A	N/A
Wiener Borse AG	Wiener Börse AG, 1010 Vienna, Wallnerstraße 8	450.00	None	N/A	N/A
Нотариус г.Москвы Адлейба Светлана Павловна		51.33	None	N/A	N/A
ПАО Сбербанк	19 Vavilova Street, 117997, Moscow, Russia	TBC	None	N/A	N/A
СБЕРБАНК КИБ (ДИЛЕР)	19 Vavilova Street, 117997, Moscow, Russia	TBC	None	N/A	N/A

Source: Management information

Appendices
Glossary

ADR	American Depositary Receipts	NBV	Net Book Value
"We", "our", "Us"	The Joint Special Administrators	OFAC	Office of Foreign Assets Control (US Sanctions)
CASS	Client Asset Sourcebook	OFSI	Office of Financial Sanctions Implementation (UK Sanctions)
Client	Any client to which the company holds client assets	Proof	Proof of Debt
Client Assets	Client Money and Custody Assets	R&P	Receipts and Payment Account
Client Money	Cash held for clients by the Company in accordance with CASS rules	RPO	Redundancy Payments Office
Custody Assets	Individual stocks and shares and other investments that form the rest of a client's holding with the Company	SOA	Statement of Affairs
CMP	Client Money Pool	STOB	Standard Terms of Business
Distribution Plan	A document provided to clients which sets out the schedule of dates on which client assets are to be returned, the quantum to be returned and to whom, in accordance with s.144 of The Investment Bank Special Administration (England & Wales) Rules 2011.	Teneo	Teneo Financial Advisory Limited
EUR	Euro	The Act	The Insolvency Act 1986
FCA	Financial Conduct Authority	The Company	Sberbank CIB (UK) Limited (in special administration)
FX	Foreign Exchange	The Joint Special Administrators	David Soden, Robert Fishman and Matthew Roe
GBP	Great British Pound	The Objectives	The Special Administration Objectives
GDR	Global Depositary Receipts	The Regulations	Investment Bank Special Administration Regulations 2011
General Estate	Non-client Asset Estate	The/Our Proposals	The Statement of the Joint Special Administrators' Proposals
HMRC	Her Majesty's Revenue and Customs	US Persons	US citizens and US green-card holders globally, US domiciled entities and their foreign branches and anyone physically located in the United States.
MiFID	Markets in Financial Instruments Directive	VAT	Value Added Tax

Appendices
Important notice

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