

Important Announcement to members of the following Pension Schemes (“the Schemes”)

Mendip RBS Pennines RBS

This is our ninth Announcement.

In our eighth Announcement we advised members that the Court had decided to give appropriate directions to authorise Dalriada to continue to pursue the litigation.

Dalriada remains committed to bringing matters to a conclusion as quickly and as cost effectively as possible.

To that end, Dalriada has lodged its own Summary Judgment application. It is hoped that the Court will find Dalriada’s claim sufficiently strong that it is able to uphold it without the need for legal proceedings going to full trial (which would be both expensive and lengthy).

However, Dalriada has agreed to ‘stay’ this application and to take part in a mediation with the previous trustees and the Hedge companies in an attempt to reach a negotiated settlement.

Some details are still being discussed. However, Dalriada can confirm that a day has been set aside for the mediation with a respected and experienced QC instructed by the parties as the independent mediator, who will assist in trying to achieve a settlement. This will take place on the **5th March 2013**.

Dalriada will update members after the 5th March. However, if a settlement is not reached, it will continue with the Summary Judgment application.

As before, this Announcement will be uploaded onto our website www.dalriadatrustees.co.uk/pennines-and-mendip

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**Issued by Dalriada Trustees Limited
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