

Important Announcement to members of the following pension schemes ("the Schemes")

**Bovey Cranbrook Retirement Benefits Scheme
Cotswold Ash Retirement Benefits Scheme
Dunoon Glen Retirement Benefits Scheme
Lulworth Trent Retirement Benefits Scheme
Mendip Beech Retirement Benefits Scheme
Morton Glen Retirement Benefits Scheme
Pennine Elm Retirement Benefits Scheme
Powderhan Exe Retirement Benefits Scheme
Rait Fell Retirement Benefits Scheme**



Important announcement to members of the Schemes

As advised in our earlier Announcements to members, Dalriada Trustees Limited ("Dalriada") is a professional independent trustee, experienced in dealing with pension schemes that have complex issues and/or have unusual investments. We were appointed by the Pensions Regulator ("TPR") to take over the running of the Schemes on 19 September 2013.

Dalriada is an independent trustee and is not linked in any way with the original trustees of the Schemes. Dalriada replaced the original trustees, Francine Becker and David Fellowes, and was given exclusive powers to deal with the Schemes. The original trustees have not been involved in running the Schemes since our appointment.

What action has been taken so far?

Dalriada's role as trustee of the Schemes is to act in the best interest of members. We are focused on achieving the best possible outcome for members, by attempting to maximise the recovery of Scheme funds. We investigate and gather information on how the Schemes operated historically, what actions the previous trustees took, and importantly what value, if any, the alleged investments made on behalf to the Schemes now hold.

Ultimately, our objective is to apply for compensation from the Fraud Compensation Fund ("FCF") on behalf of the Schemes. The FCF is a fund of "last resort", which means a compensation application can only be made when no further recoveries are likely, or the burden on costs would outweigh the potential return. More information on the FCF follows below.

We also continue to deal with the Schemes' legal and governance obligations wherever possible, including submitting scheme returns to TPR and preparing the annual Chair Statements. Where there are any governance breaches due to the specific circumstances of the Schemes, we have explained why these

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breaches have taken place and will continue to report them to TPR. Copies of Chair Statements and other key documents are published on the member website (detailed below).

Investments

£478,677 has been recovered from the Schemes' £10,900,000 investment, made by the original Trustees, in the Quantum Global Bond or Quantum Portfolio Bond ("the Bond"). Litigation against those involved in the investment has also concluded, with minimal recoveries to the Schemes.

Members will be aware from our previous Announcements that Dalriada considered the investment very high risk and unusual when compared to those normally made by conventional pension schemes. Dalriada established that the underlying investments had little or no value and continued to make substantial losses. We sought independent investment advice which concluded that the Schemes should disinvest from the Bond as soon as possible.

As a reminder, Scheme funds were invested by the original Trustees in Quantum Life Ltd or Quantum Leben ("Quantum"), which is a company based and regulated in Liechtenstein. The nature of investment was the purchase of the Bond. The money invested in the Bond was onward invested by Quantum, with the value of the Bond directly linked to the value of the underlying assets/investments made. Those underlying assets were made up of overseas investments through funds operated in Mauritius, tied to financing property development in South Africa and investment in Australian wheat farming.

The Fraud Compensation Fund ("FCF")

There are certain conditions to be met before the Schemes will be considered eligible to make a claim, for example, given that the FCF is a fund of last resort, Dalriada must confirm that all other avenues for potential recovery of funds have been explored and exhausted.

We are currently working towards making a formal application to FCF on behalf of all members collectively, which will comply with the appropriate regulations, including the legal formalities and timescales for submitting a claim.

Our November 2020 Announcement set out that Dalriada participated in a legal case which sought clarification on certain legislative issues in relation to the FCF. Whilst the FCF is open to claims by occupational pension schemes that have suffered a loss as a result of an act (or acts) of dishonesty, the purpose of the legal case was to provide certainty around the wording of the legislation that brought about the FCF and the rules governing eligibility for compensation. The FCF needed to be certain, before paying out any compensation, that there was proper legal entitlement to that compensation.

In short, the courts agreed that occupational pension schemes of a similar nature to the Schemes could submit a compensation claim to the FCF. The judgment also made it clear that trustee and advisor fees connected to investigating the act(s) of dishonesty can be included in an FCF claim. This means that, in the event of a successful claim, the impact of trustee fees on members' benefits should be somewhat mitigated.

Please note that the judgment does not mean that the Schemes, or any other schemes of a similar nature, will automatically be successful in their claims. Each claim submitted to the FCF will be determined on its facts. We have been advised by the FCF that, given the nature of the evidential process involved, it could take some time after submission for a decision to be made on each claim.

There are several stages to be worked through, and it is not certain that the FCF will find that dishonesty occurred, even where members might consider, on the face of it, that they have been scammed. This means we cannot provide any assurances that a claim will be successful, but we will put forward as comprehensive and compelling a case as we can based on the evidence we have, and we will update members when we can as the claim progresses.

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We have added a Frequently Asked Questions document on the Scheme website to provide further information on the FCF. You can find a copy by accessing the link below or by visiting the FCF's website at www.fraudcompensationfund.co.uk.

What can I do to help?

If you have not done so already, to assist with our investigations and FCF claim, Dalriada would be grateful if you could complete the enclosed Member Questionnaire.

Your responses will assist us in our investigations and will help to ensure that the best possible outcome for members is achieved. We are keen to gain a better understanding of how the Scheme worked, the actions of the former trustees and administrators, and how members were encouraged to join the Scheme. These will be important details in the consideration of any claim on the FCF. Please also feel free to send us any additional information that you may feel is relevant even if it isn't covered in your responses to the Member Questionnaire.

Finally, if you have not already done so, we would be grateful if you could supply copies of all correspondence and other communications that you may have received in relation to your membership of the Scheme.

Financial Services Compensation Scheme ("FSCS")

Dalriada was able to make an FSCS claim on behalf of the Schemes because advice was given to the original trustees by advisers registered with and authorised by the Financial Conduct Authority (or its predecessor).

Following Dalriada's initial FSCS claim on behalf of the Schemes, the FSCS has advised that Dalriada must find out what amount of compensation the Schemes might receive from the FCF (if any) before they will consider the claim further. We remain positive that the FSCS claim will ultimately succeed, to the extent that funds are not recovered from the Fraud Compensation Fund (details below). Please keep in mind that further work will be required from Dalriada, our legal advisers and the FSCS. It is likely to be some time before we can determine what, if any, compensation will be payable to the Scheme from the FSCS.

Individual claims to the FSCS

It is Dalriada's understanding that any FSCS claims will be put on hold pending a decision on the amount of compensation the Schemes might receive from the FCF (if any).

We understand that most members did not take any such regulated financial advice when considering transferring to one of the Schemes. Where members did take regulated advice, it is possible for them to make claims in a personal capacity on the FSCS, if the firm providing that advice subsequently 'failed' (meaning it no longer exists). Dalriada is aware that several Claims Management Companies (CMCs) have made contact with members in order to "assist" with individual applications to the FSCS for compensation.

The FSCS looks to make the claims process straightforward and members should be able to make a claim without the need for assistance or advice from third parties (in particular, CMCs), who will almost always look to take a share of any compensation payment you might receive from the FSCS.

More guidance on the claims process can be found on the FSCS website at the following address: <https://www.fscs.org.uk>

We would remind members, too, that if they receive unsolicited calls (or "cold calls") there are legislative provisions now in force which, in some circumstances, can make these calls illegal and reportable to the Information Commissioner's Office. We would ask members to bear this in mind should they receive calls from unknown CMCs. CMCs may themselves be regulated by the FCA however in some cases remain unregulated.

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What is the current position regarding transfer values and member benefit calculations?

Until we know the to what extent the Scheme may be compensated by the FCF and FSCS, it is not currently possible to provide transfer values, make any benefit payments from the Scheme, or indicate what level of benefits might be payable to members in the future.

Warning to Members – Fraudulent Letter

We have been made aware of a fraudulent letter sent to members of another pension scheme to which Dalriada was appointed independent trustee by TPR. The letter claimed to be from David Copeland, as a Director of Dalriada, and asked members to call a telephone number provided in the letter to discuss alleged claims. This letter did not come from Dalriada and the telephone number was not a Dalriada telephone number.

If you have received correspondence which appears to be from Dalriada, asking you to 'make a claim' via a telephone number, in a limited timeframe, this letter is bogus. **PLEASE DO NOT CALL THE NUMBER.** If you do call the number, you will likely be asked to make a payment or asked to provide personal information. Again, **PLEASE DO NOT DO THIS.**

Dalriada has taken this matter very seriously and has filed a report with Action Fraud and the police. If you have received a letter and/or have called the number, please get in contact with Dalriada and report the matter to Action Fraud as soon as possible. You can contact Action Fraud on:

- Telephone number: 0300 123 2040
- Crime Number: NFRC210504481800 (please include this if you make contact)

We have been advised that the matter should also be reported to your local police and the same crime number should be used when reporting to them.

To be absolutely clear, Dalriada will **NOT** ask you to make any payments. If you receive a call from (or make a call to) someone saying they are from Dalriada who then asks you for money, this is a scam and you should hang up and report the call to us and Action Fraud, as set out above.

Dalriada's legitimate contact details can be verified on our website. In light of this recent fraudulent letter, for your security, we would prefer members to contact us by e-mail and, if necessary, we will call you back. If you do contact us by telephone, you should only use the number shown in the 'What Should I Do If I Have Further Questions?' section below, a number that you can find and verify on the Dalriada website, or on the Schemes' website page.

Whilst we would ask that contact is initially made by email where possible, should you have any specific personal queries in relation to this Announcement, your membership of the Scheme, or should you wish to provide us with further information, please note that you can still contact us as set out in the 'What Should I Do If I Have Further Questions?' section below.

Data Privacy Notice

Dalriada has prepared a statement which sets out how, in its capacity as trustee, it handles personal information in compliance with Data Protection Legislation. A copy of the Data Privacy Notice can be found on the Schemes' website.

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Member website

Dalriada has set up a dedicated member website for the Schemes. Dalriada has made available through the website copies of all Announcements, alongside any relevant governance documents. The Schemes' website can be found at: www.dalriadatrustees.co.uk/scheme/becker-fellows/

Email Addresses

Going forward we would like to issue Announcements by email, in order to create efficiencies but also to further improve your experience when receiving communications from us. We would therefore be grateful if you would advise us of your email address by sending an e-mail to bfadmin@dalriadatrustees.co.uk with your full name and date of birth which will allow us to ensure our records are up to date. If you do not have an email address, we will continue to issue documents by post.

What should I do if I have any further questions?

Should you have any queries in relation to this Announcement or your membership of the Scheme, please contact us.

You can contact us as follows:

By Telephone:	028 9085 0934
By Post:	Dalriada Trustees Limited Linen Loft 27-37 Adelaide Street Belfast BT2 8FE
By Email:	bfadmin@dalriadatrustees.co.uk

**Issued by Dalriada Trustees Limited
July 2023**



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Member Questionnaire

Scheme:	The Becker Fellowes Schemes
How did you first hear about the Scheme?	
Please provide details of the company or individual you spoke with originally.	
How was contact regarding the transfer initiated (e.g., Did you receive a phone call, answer an advert, or go online and find contact details)?	
How did the company/individual describe the Scheme to you?	
Did they offer alternatives to joining the Scheme?	
What service did the company/individual offer you (e.g., a pension review)?	
What was it about the Scheme and what you were told about it that influenced your decision to transfer?	
Were you ever offered any cash payment to join the Scheme (e.g., a pension commencement lump sum or some other cash payment)? If so, by whom?	

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Scheme:	The Becker Fellowes Schemes
<p>Did you ever receive a cash payment for joining the Scheme?</p> <p>If so, please provide details of the payment including the amount paid, the date and details of who made the payment.</p>	
<p>Were you informed of how your funds would be invested?</p> <p>If so, what investments were you made aware of and by whom?</p>	
<p>Did you select how your funds would be invested (i.e., Did you make a specific choice from a variety of investment options)?</p>	
<p>Did anyone ask you what your attitude to investment risk was?</p> <p>If so, please provide details of who asked you and your response.</p>	
<p>Were the investments in the Scheme described as low, medium, or high-risk investments?</p>	
<p>Were you provided with any updates regarding the investments and how they performed?</p> <p>If so, can you please provide copies of any documentation that you may hold.</p>	
<p>Did you receive financial advice when joining the Scheme?</p> <p>If so, please provide details of your advisor.</p>	
<p>Were you made aware of any charges for joining the Scheme and/or for making the subsequent investments?</p> <p>If yes, can you set out what you were told and by whom?</p>	

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Scheme:	The Becker Fellowes Schemes
When you asked for a transfer, did your previous provider ask questions relating to pensions liberation or scams and/or provide you with leaflets about The Pension Regulator's "Scorpion Campaign"?	
Did you receive a loan from the Scheme, or from any Company connected with the Scheme? If yes, how much and what were the terms of the loan?	
If you received a loan, were you told where this was coming from or that it was explicitly linked to the Scheme and/or your pension funds? Do you have any documentation telling you this information or any payment reference?	
Have you received an unauthorised payment charge from HMRC?	

Signed:

Name (BLOCK CAPITALS):

Date:

National Insurance Number: