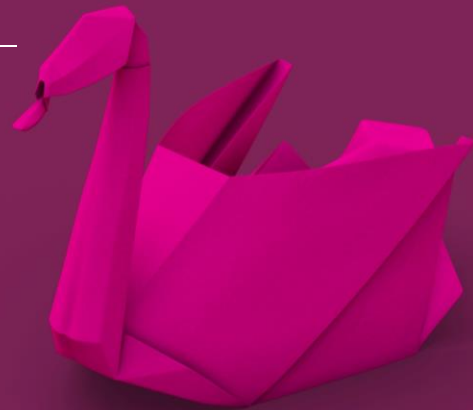

Optimum Retirement Benefit Plan ("the Scheme")



Dalriada. A better way

Important announcement to members of the Scheme

Dalriada Trustees Limited ("Dalriada") was appointed as independent trustee to the Scheme by Order of The Pensions Regulator ("TPR") on 13 February 2018, to protect the interests of the members.

Dalriada have written to you previously regarding your membership of the Scheme. This Announcement provides an update to members on the recent Determination of The Pensions Ombudsman against the former trustees of the Scheme, as well as an update regarding a claim to the Fraud Compensation Fund on behalf of all members.

The Pensions Ombudsman ("TPO")

As has been outlined in earlier announcements, Dalriada submitted a complaint to TPO against the former trustees of the Scheme, which was joined with the complaint of a Scheme member. An oral hearing took place on 30 March 2022.

TPO upheld the complaints from Dalriada and the Scheme member. Issuing its final Determination on 20 December 2022, TPO concluded that the former trustees were in breach of their statutory duties towards the membership, had committed several breaches of trust and numerous acts of maladministration. The judgment also concluded that one of the former trustees personally profited from the Scheme. TPO ordered the former trustees to repay the losses the Scheme had suffered, totalling £12,578,051.44 (albeit with the former trustees liable for varying amounts), with one of the former trustees directed to pay £10,740,471.49.

Full details of TPO's Determination can be found via the following link:

<https://www.pensions-ombudsman.org.uk/decision/2022/cas-80110-k1m0/optimum-retirement-benefit-plan-cas-80110-k1m0>

Member Announcement

In terms of enforcing the Determination, Dalriada is currently considering what next steps are in the best financial interests of the members. A crucial aspect of those considerations will be whether the former trustees have personal assets to satisfy the significant sums being claimed. Furthermore, we also have to consider any appeal(s) of the Determination that may be issued by the former trustees.

The Fraud Compensation Fund ("FCF")

As a reminder, Dalriada participated in a legal case with the Pension Protection Fund ("PPF") which sought clarification on certain legislative issues in relation to the FCF and whether potentially fraudulent pension schemes, like the Scheme, could apply for compensation.

In short, it was decided that a claim could be submitted to the FCF for compensation in relation to the losses suffered by such pension schemes. The judgment also made it clear that trustee and advisor fees related to the act of dishonesty can be included in FCF claims. This means that, in the event of a successful claim, the impact of trustee fees on members' benefits should be somewhat mitigated.

As previously noted, the judgment does not mean that the Scheme, or any other schemes of this nature, will automatically be successful in their claims to the FCF. For any claim to be successful there must be evidence that a scheme has suffered a financial loss that can be attributed to an 'offence involving dishonesty'. We cannot be certain that the FCF will find that 'offences involving dishonesty' took place in relation to any scheme, even if members might consider that they have been scammed.

Whilst we cannot guarantee that the FCF will agree, we do consider the findings of TPO in its Determination (linked above) support the conclusion that the losses suffered by the Scheme are attributable to act(s) of dishonesty. In our view the TPO Determination provides a basis for an FCF claim, but it will be ultimately a decision for the FCF as to whether offences of dishonesty took place in relation to the Scheme.

Dalriada is now working with the FCF with regard to the information and evidence they require to determine if the Scheme is eligible for compensation and, if so, how much that compensation will be.

A formal application has not yet been submitted on behalf of the Scheme as it does not yet meet all of the FCF's pre-conditions for eligibility. However, Dalriada has submitted initial documentation (including the TPO Determination) in support of a future claim for the FCF's consideration and review. Should the conditions for eligibility be satisfied, Dalriada will look to make a formal application on behalf of all members collectively, which will comply with the appropriate regulations and timescales for submitting a claim.

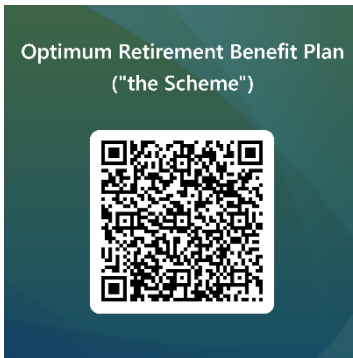
Member Questionnaire

As commented above, successful claims to the FCF will depend on whether it can be evidenced that there were 'offences involving dishonesty'. One such 'offence' would be that the Scheme, the investments, or any other aspect of membership of the Scheme, was misrepresented to members. It would therefore be very helpful if members could complete a questionnaire, detailing various aspects of how they came to transfer their pension to the Scheme.

We appreciate that you may already have completed a questionnaire and submitted documents in response to our announcement in May 2022, however response rates were quite low. We have now developed a more user friendly, online questionnaire, which we hope you'll find more convenient to complete.

Please complete the questionnaire online, either by using the link or scanning the QR code, both overleaf.

Member Announcement



<https://forms.office.com/e/gqyVmTn9G6>

We appreciate that some of the information being sought will require members to reference events that happened a number of years ago. However, we would urge all members to complete the questionnaire to the best of their knowledge.

If you still have it, please also provide us with any correspondence you have retained relevant to the transfer of your pension to, or your subsequent membership of, the Scheme. This includes any marketing material and/or correspondence you might have received from the time you were advised, or decided to transfer your benefits to the Scheme.

Please supply copies of any relevant material to either the email address or postal address provided at the bottom of this Announcement. If posting your documents to our office, please state your name and the name of the Scheme (as shown at the top of this letter) in a covering response.

Alternatively, if you require a free-post envelope to be sent to you, please request one either in an email or by giving us a call on the telephone number provided overleaf.

Member Announcement

What should I do if I have any further questions?

Dalriada has set up a dedicated member website for the Scheme. Dalriada has made available through the website copies of all Announcements, alongside any relevant governance documents. A link to the Scheme website can be found below:

Should you have any queries in relation to this Announcement or your membership of the Scheme, please contact us. As above, please also supply copies of all correspondence or other communications which you may have received in relation to your membership of the Scheme.

You can contact us as follows:

By Telephone: 028 9041 2027

By Post: The Trustee of the Optimum Retirement Benefit Plan
Dalriada Trustees Limited
Linen Loft
27-37 Adelaide Street
Belfast
BT2 8FE

By Email to either optimum@dalriadatrustees.co.uk

Issued by Dalriada Trustees Limited

April 2023

Dalriada.
A better way

Belfast
T: +44 (0)28 9041 2018
Birmingham
T: +44 (0)121 389 2320

Bristol
T: +44 (0)117 959 5000
Glasgow
T: +44 (0)141 331 1053

Leeds
T: +44 (0)113 426 4489
London
T: +44 (0)20 7495 5515

Manchester
T: +44 (0)161 641 6313
dalriadatrustees.co.uk



Signatory of:

