
**Tyson Sanford Retirement Benefits Scheme
Asara Retirement Benefits Scheme
Hi-Line Motors Pension Scheme
("the Schemes")**



Dalriada. A better way

Important announcement to members of the Schemes

The purpose of this Announcement is to serve as a reminder of the actions being taken by Dalriada Trustees Limited ("Dalriada") to recover members' funds, and to provide an update to members on the situation regarding the Fraud Compensation Fund ("the FCF"). If members have any specific queries in relation to this Announcement or their membership of the Schemes in general, please contact us. Our details are on the final page of this Announcement.

As advised in our earlier Announcements, 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 15 May 2018, due to concerns as to how the original trustees were administering the Schemes and to protect the members interests.

Dalriada is an independent trustee and is not linked in any way with the original trustees of the Schemes. The original trustees (Lorenna Limited) have not been involved in running the Schemes since our appointment.

The Fraud Compensation Fund ("FCF")

Ultimately the best chance of any significant recovery for members of the Schemes is via a claim for compensation to the FCF. The FCF is a fund, managed by the Board of the Pension Protection Fund ("PPF"), that provides compensation where schemes have suffered a loss as a result of an offence involving dishonesty. Further detail on Dalriada's interactions with the FCF, as well as the legal case which sought clarification on certain legislative issues to do with the FCF, is set out in the Announcement issued to members in November 2020.

Dalriada has been working closely with the FCF with regards to submitting a potential claim on behalf of members of the Schemes. We provided initial evidence to the FCF that would allow them to gain an understanding of how the Schemes were set up and run.

Member Announcement

We are very pleased to confirm that the PPF Board have agreed that there are reasonable grounds for believing there was dishonesty within the Schemes, and that there are Scheme asset reductions attributable to that dishonesty.

This is clearly very positive news and Dalriada is delighted to be able to communicate this positive outcome to members of the Schemes.

The total value of compensation to be paid to the Schemes is still to be calculated and agreed with the FCF. We will be appointing accountants for this purpose and will continue to work closely with the FCF towards an agreed level of compensation, as well as to confirm the date of payment to the Schemes.

In order to proceed with a formal claim, the Schemes need to satisfy a number of requirements. For example, the FCF is a compensation fund of "last resort", which means that the FCF will need to be satisfied that no further recoveries can be made from elsewhere, or else, that the costs and/or time likely to be incurred pursuing any recovery could outweigh any potential return. Dalriada will therefore be working with the FCF on the extent to which recovery actions should continue to be pursued.

Unfortunately, we cannot at this point confirm to members any timescales, but we aim to complete the outstanding steps as soon as it is practicable.

Further information on the FCF

We have added a Frequently Asked Questions document on the Schemes' website which provides 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. Please contact Dalriada directly with any queries and not the FCF.

FAQ Document: https://www.dalriadatrustees.co.uk/wp-content/uploads/2019/12/FCF_FAQ_Members.pdf

Scheme Costs

Members should be aware that the Schemes have inevitably incurred, and will continue to incur, significantly higher costs than would be the case for similarly sized conventional schemes. This is typical when dealing with schemes of this nature that have been mismanaged by previous trustees, and where TPR has seen fit to intervene and appoint a professional trustee (like Dalriada) to take appropriate, necessary actions.

Dalriada has and will continue to report on costs accrued in its annual Chair Statements. Copies of the relevant documents can be accessed via the Scheme's website:

<https://www.dalriadatrustees.co.uk/scheme/tyson-sanford-asara-and-hi-line-motors/>

As the majority of the costs incurred by both Dalriada and our legal advisers are attributable to dealing with the fraud and/or dishonesty offences involved, these costs will form part of the compensation claims on the FCF.

Member website

Dalriada has a dedicated member website for the Schemes, which includes copies of all Announcements, alongside any relevant governance documents. A link to the Schemes' website can be found below:

<https://www.dalriadatrustees.co.uk/scheme/tyson-sanford-asara-and-hi-line-motors/>

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:

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