

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

Cranborne Star Pension Scheme
Grosvenor Parade Pension Scheme
Tallton Place Pension Scheme
The Lancaster Pension Scheme
The Portman Pension Scheme
Woodcroft House Pension Scheme

This is our 10th Announcement.

Previous trustees’ application for permission to appeal

In our 9th Announcement dated 28th January 2013 we advised that the hearing, in front of Mr Justice Bean, to hear Ms Deborah Oades’ application to be joined to the proceedings as a further representative beneficiary, effectively in place of Mr Faulds and, additionally, to have her costs met from the Schemes, was to take place on 1st February 2013.

Ms Oades was not successful in her application to obtain an order entitling her to act as a representative beneficiary and her request for payment of costs from Schemes was also declined.

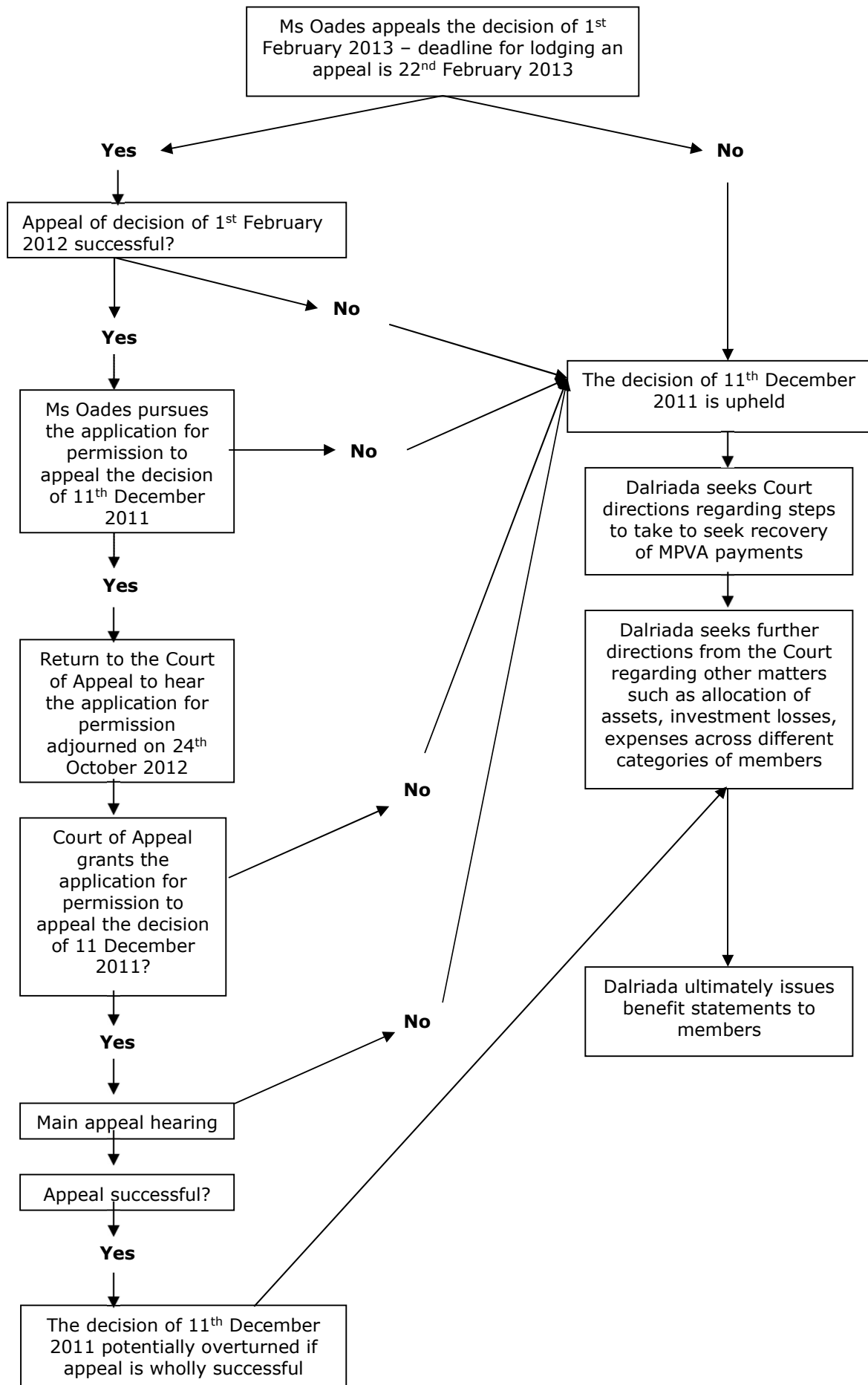
Athena and Minerva were ordered to pay the costs incurred by Dalriada and Mr Faulds in relation to the application.

We are currently awaiting a decision from Ms Oades as to whether she intends to appeal this decision (from Friday 1st February) and, more generally, to clarify whether this means that the application for permission to appeal the decision reached in December 2011 will now be dismissed or potentially still pursued.

Ms Oades' Counsel stated that a decision would be made quickly. However, to date, we have still to hear how Ms Oades intends to proceed.

Dalriada remains unable to progress matters materially until the position with regard to the appeal is known. However, we have set out below a flowchart as to how things might progress.

Dalriada. A better way



Scheme Accounts to 31st May 2012

Scheme Accounts for the year to 31st May 2012 have now been updated and audited to reflect the repayment by the Cypriot company referred to in our 9th Announcement dated 28th January 2013.

They have been published to the members' website and are available for download.

Costs accrued since 31st May 2012

Details of costs incurred in the period since our appointment (31st May 2011) to 31st May 2012 are set out in the Scheme Accounts for the year to 31st May 2012.

Since the end of May last year costs incurred to the end of January 2013 break down as follows (in round terms in total across all six schemes):

Dalriada

Member queries / benefits, Announcements and maintaining website, routine administration and data audit and verification	£29,000
Dealing with the appeal and other legal and documentation issues, including HMRC	£19,000
Preparation of the 2012 Scheme Accounts	£13,500
Investments and treasury	£12,500
Routine governance, client management and liaising with the Pensions Regulator	£11,000
Total	£85,000

Legal costs

Total legal costs across all six schemes are approximately £190,000 from 1 June 2012 to 31 January 2013 inclusive.

This consists of advice and involvement with Court proceedings during the period. It includes involvement in the Court of Appeal proceedings and the hearing of Ms Oades' application on 1 February 2013, as well as steps taken in relation to the investments, including advice concerning the Cypriot investment addressed in our tenth announcement, where £4m has been returned to the schemes together with interest of £325,000.

Approximately half of the legal costs for the period have been incurred in relation to the appeal and Ms Oades' application. Court orders have been made against Athena and Minerva to pay the costs of Ms Oades' application as well as the costs incurred as a result of the hearing that was adjourned

on 24th October 2012. Dalriada has effectively been able to recover £70,000 of those costs already by offsetting them against costs that would otherwise have been payable from scheme assets to Athena and Minerva in relation to their involvement in the original trial before Mr Justice Bean in late 2011. It is unclear whether Athena and Minerva will be able to meet the additional costs due above that sum.

Getting in contact

Dalriada will look to update members further once it knows how Ms Oades intends to proceed.

This Announcement has been uploaded onto our Frequently Asked Questions page available at www.dalriadatrustees.co.uk/ark

If you wish to address any questions to Dalriada you should make contact in one of the following ways:

By using the Get in Touch form on this website www.dalriadatrustees.co.uk/contact

By telephoning our helpline for members – 028 9041 2756

By post to:

Dalriada Trustees Limited
22 Great Victoria Street
Belfast
BT2 7BA

By emailing suzanne_wilson@dalriadatrustees.co.uk

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15 February 2013