

Important Announcement to members of the following pension scheme (“the Scheme”)

Ethika Auto-Enrolment Pension Scheme

Background

We are writing to you as we believe that you and your employer have contributed to the above named pension scheme.

Dalriada Trustees Limited ("Dalriada") has been appointed as Independent Trustee with exclusive powers to the Scheme, by Order of The Pensions Regulator, effective from 26 March 2019.

The Pensions Regulator (TPR) is a statutory body which is responsible for the regulation of work based pension schemes (occupational pension schemes) in the UK. Its aims include protecting the benefits of scheme members, together with promoting good administration and understanding of occupational pension arrangements.

TPR made a request provided for by section 97 of the Pensions Act 2004 to the Determinations Panel to consider a Special Procedure Request for the appointment of an independent trustee, Dalriada Trustees Ltd, under sections 7 and 8 of the Pensions Act 1995 and for a vesting Order under section 9 of the Pensions Act 1995.

The Determinations Panel (DP) is a committee of TPR. It operates separately from other parts of the organisation, including TPR's case teams. The DP has a separately appointed membership and legal support. This enables it to make independent and impartial decisions.

More information can be found on TPR's website www.thepensionsregulator.gov.uk

All trustee powers and rights are now held by Dalriada.

Why have we been appointed as Independent Trustee to the Scheme?

TPR has the power to appoint a trustee under section 7 of the Pensions Act 1995 where it is reasonable to do so:

- to secure that the trustees as a whole have, or exercise, the necessary knowledge and skill for the proper administration of schemes
- to secure that the number of trustees is sufficient for the proper administration of schemes
- to secure the proper use or application of the assets of schemes
- to otherwise to protect the interests of the generality of the members of schemes.

Dalriada is a company that operates solely to provide trusteeship services to UK occupational pension schemes. We currently act as independent trustee to a number of schemes where we have been appointed by TPR. Dalriada has considerable knowledge and experience in all aspects of pension scheme management.

Our role as independent trustee is as follows:

- To administer the Scheme
- To manage the assets of the Scheme and understand the nature of all assets held
- To act in the best interests of all members and beneficiaries
- To assist The Pensions Regulator with any enquiries in relation to the management of the Scheme

It is not appropriate for Dalriada to comment in any detail at this stage in relation to TPR's decision to look to appoint an independent trustee.

Current position

Dalriada has been liaising with the administrators regarding member data for the Scheme; information that would provide Dalriada with an indication of where each member has invested contributions and the present values of each members' fund. This information has not been forthcoming and as such until Dalriada are advised of where the incumbent Trustees invested members' funds each month, **we are not able to provide a value of members benefits to enable transfers or facilitate drawdown requests.**

Investments

Dalriada understands that the Scheme has invested funds in the following:

- Shard Capital Limited – Approximately £1,030,000 invested prior to Dalriada's appointment
- Patagro Handels – Approximately £1,200,000 invested prior to Dalriada's appointment
- Visolaris Limited – Due to the manner in which these investments were made, Dalriada cannot confirm as this stage the total investment made in Visolaris Limited

Please be aware that Dalriada has concerns in relation to **some** of these investments and despite our best endeavours, at this point we do not know what the **present value** of a number of these investments are. Until such times that we are able to place a value on these investments, **we will not be able to transfer member benefits or facilitate drawdown requests.** We are currently not in a position to be able to advise on a timeframe for this situation to change, however we will keep members informed of the position.

Next Steps

Dalriada will attempt contact, or continue to maintain contact, with all Directly Affected Parties including but not restricted to the trustees, administrators, Directors and investment providers.

Members should be aware that it is not uncommon for the initial stages of a TPR appointment to take a significant amount of time, and we will be somewhat reliant on the cooperation of all Directly Affected Parties.

As per before, Dalriada was appointed on 26 March 2019 and following this appointment, Dalriada concluded that a triggering event had occurred with the Scheme. A triggering event in pension terms means that the Scheme will be wound up. Once the Scheme enters wind up, all contributions will cease to be paid to the Scheme. Dalriada has contacted employers in this regard to allow them to source another Master Trust provider; alternatively employers can wait and contribute to a default scheme yet to be confirmed by Dalriada.

In this respect Dalriada has been working with TPR and various Master Trust suppliers to provide the most suitable alternative provider.

Please note that the Scheme has not yet entered wind up, as soon as this happens Dalriada will inform you of this and of any options that may be available to you.

General Data Protection Regulations (GDPR)

Previously, organisations were required to comply with the Data Protection Act 1998. This Act governed the collection, storage and use of personal data held electronically or in paper records. It provided guidelines on how companies should create, store, handle or view personal data. From 25 May 2018, this Act was replaced by the General Data Protection Regulations which come into direct effect across the EU. The UK will continue to comply with these regulations following Brexit.

Dalriada Trustees Limited, as trustees of the Schemes, has a policy for meeting our obligations under GDPR and we are pleased to enclose a Privacy Notice that sets out this policy for your information. In particular, we would like to draw your attention to the following key points:

- Individuals have increased rights under the GDPR in relation to their personal data which include, in certain circumstances, the right of access to data and rectification and erasure. We hope you understand that we need to hold your data in order to be able to determine any benefits and to answer any questions about your entitlement.
- Under the GDPR, members have the right to obtain access to their personal data by way of a Subject Access Request (SAR). Members will not be directly charged for making this request and a response should be received within one month of the request.
- The general management and administration of the Scheme, including responding to Subject Access Requests, incur costs against the Scheme and therefore, should you wish to make a Subject Access Request, we would ask you to call Dalriada in the first instance on the number provided below.
- Where a Subject Access Request is received from a third party on behalf of a particular member, Dalriada's obligations are to provide the necessary information to the data subject directly i.e. to the member. Therefore we would like to reiterate that where a member is pursuing a claim through a third party that they contact Dalriada in the first instance.
- This GDPR notification does not affect your benefits entitlement in any way.

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. 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 2757

By Post: Dalriada Trustees Limited
Linen Loft
27-37 Adelaide Street
Belfast, BT2 8FE

Via email: administration@dalriadatrustees.co.uk

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