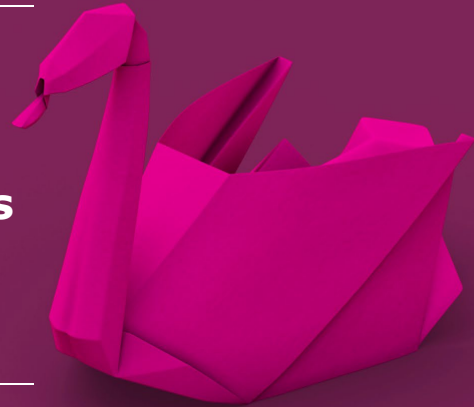


## Important Announcement to members of the Carrick Harbours Retirement Benefits Scheme ("the Scheme")



Dalriada. A better way

### Background

Dalriada Trustees Limited ("Dalriada") was appointed as Independent Trustee of the Scheme by Court Order on 19 September 2013. The powers and duties exercisable by Dalriada in its capacity as trustee are to the exclusion of any other trustees of the Scheme. Whilst the two previous individual trustees were not removed at the time, Dalriada was appointed with exclusive powers.

The Scheme was suspected of being used as a vehicle to allow members under the minimum retirement age of 55 to access their pension funds by way of a loan or some other form of cash inducement.

Dalriada established that of the funds paid into the Scheme, £200,000 was invested in buy to let hotel rooms in Dundee through DAMAF Properties Limited ("DAMAF"). A further £234,000 was invested in buy to let hotel rooms in Edinburgh through MAP Property and Leisure Springside Limited ("MAP"). DAMAF and MAP both entered liquidation on 9<sup>th</sup> April 2014 and 1<sup>st</sup> May 2015 respectively. No funds were returned to the Scheme upon completion of the liquidations.

### Fraud Compensation Fund ("FCF")

As set out in our November 2020 Announcement, it was determined, following a ruling by the High Court, that the Fraud Compensation Fund ("FCF") is open to claims by occupational pension schemes that have suffered a loss as a result of an act of dishonesty.

Following the Court's decision, the FCF agreed to consider evidence relating to the Scheme, prior to receiving a formal claim application, with a view to providing an indicative decision as to whether the Scheme had suffered losses as a result of dishonesty and, as such, whether or not an FCF claim would be successful.

Dalriada submitted the necessary evidence and we are pleased to say that the FCF have concluded that there are reasonable grounds for believing there was dishonesty within the Scheme, and there are scheme asset reductions attributable to that dishonesty offence.

# Member Announcement

Since then, we have been working with the FCF and the accountants to calculate the value of the losses to the Scheme due to dishonesty. We can confirm that the compensation agreed by the FCF will include:

- Payments to DAMAF Properties Ltd
- Payments to MAP Property and Leisure Springside Limited
- Payments to Marley Administration Services Ltd
- Payments to TWM
- Trustee and legal costs incurred by Dalriada and our legal advisors since the date of our appointment and reasonable future costs (but excluding day-to-day administrative expenses, which are not compensable by the FCF)

This is clearly very positive news and Dalriada is delighted to have achieved this positive outcome on behalf of Scheme members.

Dalriada is now working with the FCF to submit a formal claim application on behalf of the Scheme. However, in order for the Scheme to be eligible for compensation, a Section 122 insolvency notice (Scheme Failure Notice) in respect of the sponsoring employer must be obtained. The Scheme does not currently meet this requirement and Dalriada is working closely with its legal advisers and the FCF to try and resolve this issue in order that a formal application can be submitted.

The final amount of compensation to be paid will be determined by a number of factors. We are currently working with the FCF on how to progress matters and we will provide a further update to members when more information is available.

## What does this mean for members?

Dalriada understands that the dishonest acts undertaken prior to our appointment have had a major impact on the lives of members of the Scheme and that, until confirmation that an FCF claim was possible, there was a real prospect that this would result in a very poor outcome for members. We are pleased that we have been able to work with the FCF to secure a meaningful level of compensation against the benefits members faced losing.

We are moving towards being in a position to provide you with confirmation of the value of your benefits within the Scheme. There are a number of matters (as mentioned above) to work through before the Scheme can be put into wind-up and we can settle members' benefits.

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

## Further Information about the FCF?

We have added a Frequently Asked Questions document on the Schemes' website here:

<https://www.dalriadatrustees.co.uk/scheme/carrick-harbours/>

You can also visit the FCF's website for more information at - [www.fraudcompensationfund.co.uk](http://www.fraudcompensationfund.co.uk).

## 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: carrickadmin@dalriadatrustees.co.uk

## Other Useful contact details

If you have a complaint or dispute concerning your workplace or personal pension arrangements you should contact:

The Pensions Ombudsman Telephone: 0800 917 4487

Website: [www.pensions-ombudsman.org.uk](http://www.pensions-ombudsman.org.uk)

If you have general requests for information or guidance concerning your pension arrangements contact the Money and Pension Service (MaPS).

Previously pensions guidance has been provided across the three consumer facing brands of MaPS: Pension Wise (PW), The Pensions Advisory Service (TPAS) and the Money Advice Service (MAS).

MaPS has now launched **MoneyHelper** where all retirement and pensions guidance has been brought together under one brand and one website: [moneyhelper.org.uk](http://moneyhelper.org.uk).

Consumers can request an appointment by following the links, emailing [virtual.appointments@maps.org.uk](mailto:virtual.appointments@maps.org.uk) or by calling our the pensions helpline on 0800 011 3797.

These appointments are free and impartial.

The email address to the pensions guidance team for general pensions queries is [pensions.enquiries@moneyhelper.org.uk](mailto:pensions.enquiries@moneyhelper.org.uk)

**Issued by Dalriada Trustees Limited**

**May 2024**