	<p>FINAL NOTICE under section 99(4) of the Pensions Act 2004 (the “Act”)</p> <p>The Basil L Leeder & Sons Limited Pension and Life Assurance Scheme (the “Scheme”)</p>	<p>The Pensions Regulator case ref:</p> <p>TM 5784</p>
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1. **TAKE NOTICE** that the Pensions Regulator of Napier House, Trafalgar Place, Brighton BN1 4DW has reviewed the orders made subsequent to a determination on 2 June 2009.

2. **Determination**

A hearing of a Compulsory Review (pursuant to Section 99 of the Act) took place on 9 July 2009 of the determination made under the Special Procedure by the Determinations Panel (the “Panel”) on 2 June 2009 when the Panel determined that orders be issued in the following terms:

A. Order under Section 7 of the Pensions Act 1995

1. Dalriada Trustees Limited of Chamber of Commerce House, 22 Great Victoria Street, Belfast BT2 7BA is hereby appointed as trustee of the Basil L Leeder & Sons Limited Pension and Life Assurance Scheme (the “Scheme”) with effect on and from 2 June 2009.
2. This order is made because the Pensions Regulator is satisfied that it is reasonable to do so, pursuant to the relevant provisions of the Pensions Act 1995 as set out below, in order:
 - i. to secure that the trustees as a whole have, or exercise, the necessary knowledge and skill for the proper administration of the Scheme pursuant to Section 7(3)(a);
 - ii. to secure the proper use or application of the assets of the Scheme pursuant to Section 7(3)(c);
 - iii. otherwise to protect the interests of the generality of the members of the Scheme pursuant to Section 7(3)(d).
3. The powers and duties exercisable by Dalriada Trustees Limited shall be to the exclusion of all other trustees of the Scheme pursuant to Section 8(4)(b) of the Pensions Act 1995.
4. Dalriada Trustees Limited’s fees and expenses shall be paid out of the resources of the Scheme pursuant to Section 8(1)(b) of the Pensions Act 1995 and an amount equal to the amount paid out of the resources of the Scheme by virtue of Subsection (1)(b) is to be

treated for all purposes as a debt due from the employer to the trustees of the Scheme pursuant to Section 8(2) of the Pensions Act 1995 as amended by Section 35 of the Act.

5. This order:

- (a) will take immediate effect on the date of this order;
- (b) may be terminated, or the appointed trustee replaced, at the expiration of 28 days notice from the Pensions Regulator to the appointed trustee, pursuant to Section 7(5)(c) of the Pensions Act 1995.

B. Order under Section 9 of the Pensions Act 1995

- (i) the Pensions Regulator hereby orders the vesting in, and the assignation and transfer to, Dalriada Trustees Limited of Chamber of Commerce House, 22 Great Victoria Street, Belfast, BT2 7BA, as trustee of the Basil L Leeder & Sons Limited Pension and Life Assurance Scheme, appointed under Section 7 of the Pensions Act 1995 by the Pensions Regulator, of all property and assets of the above scheme, heritable and moveable, real and personal, of every description and wherever situated;.
- (ii) this order is made by the Pensions Regulator pursuant to Section 9 of the Pensions Act 1995, as amended;
- (iii) this Order will take immediate effect on the date of this order.

3. Directly affected parties

The Regulator considers the following parties to be directly affected by this determination:

- (a) Andrew Richard Leeder –Employer Nominated Trustee
- (b) Basil Richard Leeder – Employer Nominated Trustee
- (c) Christopher John Leeder – Employer Nominated Trustee (collectively the “Existing Trustees”)
- (d) Basil L Leeder & Sons Limited (“BLL”) – Principal Employer
- (e) Messrs B L Leeder – Participating Employer
- (f) The Poplars Farm Limited – Participating Employer
- (g) Dalriada Trustees Limited – the appointed Independent Trustee

4. Decision on Compulsory Review

In carrying out its review of the determination of 2 June 2009 the Panel considered its powers under Section 99(3)(d) of the Act to deal with the matters arising on the review as if they had arisen during the Special

Procedure hearing and, having done so, the Panel determined that the decision be upheld in its entirety.

The Panel had read and fully considered all the representations that were received from the Existing Trustees.

5. Reasons

The reasons of the Determinations Panel are as detailed below.

Necessary Knowledge and Skill – Section 7 (3) (a) of the Pensions Act 1995

The Panel felt that the Existing Trustees did not have the necessary knowledge and skill to properly administer the Scheme. The Panel had regard to the following acts of the Existing Trustees:

- i. failure to pay over contributions (as evidenced by the qualification to the 2007 accounts and by the continuing non-payment of the 2008 employer contributions);
- ii. 2007 accounts qualified for this reason; 2008 employer contributions still not paid);
- iii. the withholding of members' contributions;
- iv. failure to operate a separate bank account for the Scheme;
- v. failure to prepare annual accounts, and to supply Scheme Actuary with the requisite information;
- vi. failure to co-operate and liaise with the Scheme's Actuary;
- vii. failure to produce a Statement of Funding Principles;
- viii. failure to maintain adequate records of the Scheme's membership to ensure the proper administration of the Scheme;
- ix. failure to take responsibility for, and arrange, the appointment of Member Nominated Trustees.

Conflict of interest – Section 7 (3) (a) of the Pensions Act 1995

The Existing Trustees have failed to understand and manage their conflicts of interest that exist as a result of their roles as trustees of the Scheme and their interests, as shareholders, in the Principal and Participating Employers. The Panel felt that this was particularly evident when considering the Poplars Farm Limited ("Poplars"). There was evidence before the Panel that Poplars had ceased to participate in the Scheme and that, therefore, there was the possibility that a debt, pursuant to Section 75 of the Pensions Act 1995, was due to the Existing Trustees.

There was no evidence before the Panel that the Existing Trustees had taken any steps to certify or recover this debt or to liaise with the Scheme Actuary as to the appropriate way forward. Rather the Existing Trustees seemed to have been concerned with the interests of the remaining

Principal and Participating Employer as opposed to the interests of the Scheme.

Secure Scheme Assets – Section 7 (3) (c) of the Pensions Act 1995

The Existing Trustees, despite repeated warnings, have failed to ensure that the requisite insurance premiums, for death in service cover for the Scheme, have been paid. As a result the assets of the Scheme are at risk since, should a death in service payment need to be made, then it would have to be met from the assets from the Scheme.

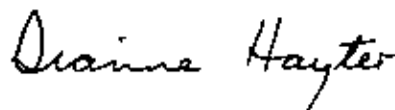
Protect the Interests of the generality of Members – Section 7 (3) (d) of the Pensions Act 1995

By reason of the above, and in particular the absence of any Member Nominated Trustees and the on-going failure to pay over contributions due to the Scheme and to take out appropriate insurance, the Panel felt that the interests of the generality of the members of the Scheme would be best served by appointing an independent trustee.

6. Referral to the Pensions Regulator Tribunal

You have the right to refer the matter to which this Final Notice relates to the Pensions Regulator Tribunal (the “Tribunal”). Under Section 103(1)(b) of the Act you have 28 days from the date this Final Notice is given to you to refer the matter to the Tribunal or such other period as specified in the Tribunal rules or as the Tribunal may allow. A reference to the Tribunal is made by way of a written notice signed by you and filed with a copy of this Final Notice. The Tribunal’s address is: 15-19 Bedford Avenue, London WC1B 3AS (tel 020 7612 9649). The detailed procedures for making a reference to the Tribunal are contained in section 103 of the Act and the Tribunal Rules.

You should note that the Tribunal rules provide that at the same time as filing a reference notice with the Tribunal, you must send a copy of the reference notice to the Pensions Regulator. Any copy reference notice should be sent to Determinations Support at The Pensions Regulator, Napier House, Trafalgar Place, Brighton BN1 4DW.



Signed:

Chairman: Dianne Hayter on behalf of the Panel

Dated: 14 July 2009