

<p>The Pensions Regulator</p>	<p style="text-align: center;"><b>DETERMINATION NOTICE</b>  <b>pursuant to Section 96(2)(d) of the</b>  <b>Pensions Act 2004</b>    <b>("the Act")</b>    <b>Mr Stephen Alexander Ward</b></p>	<p style="text-align: center;">The Pensions Regulator case ref:  <b>C46205159</b></p>
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## Introduction

1. By a Warning Notice dated 9 December 2016 the Pensions Regulator (the "**Regulator**") acting by its Case Team (the "**Case Team**") sought orders under section 3(1)(c) of the Pensions Act 1995 ("**PA 95**") prohibiting two individuals, Mr Stephen Alexander Ward ("**Mr Ward**") and Mr Anthony Mustafa Salih ("**Mr Salih**"), from acting as trustees of trust schemes in general.
2. The power to make an order under section 3(1)(c) of PA 95 is a "reserved regulatory function", pursuant to paragraph 4 of Schedule 2 to the Act. It must therefore be exercised by the Regulator's Determinations Panel ("**the Panel**"). The matter was accordingly referred to the Panel on 20 July 2017 and the Panel held an oral hearing on 7 November 2017, following a period in which the parties provided further representations.
3. Mr Ward and Mr Salih were represented by Mr Uberoi of counsel and the Case Team was represented by Mr Friedman of counsel.
4. This Determination Notice gives notice of the Panel's determination in respect of Mr Ward. Although the factual background to the cases against Mr Ward and Mr Salih was in most respects the same, the matters that were relevant to the Panel's decisions in respect of each of them were significantly different. For that reason the Panel has decided to give a separate Determination Notice in the case of Mr Salih.
5. The Panel considers Mr Ward to be the only party directly affected by this determination.

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6. This Determination Notice is structured as follows:
  - a. Factual Background – paragraph 7;
  - b. The Law - paragraph 47;
  - c. The case on honesty and integrity – paragraph 60;
  - d. The case on competence and capability – paragraph 82;
  - e. Conclusion – paragraph 96.

## Factual Background

7. Mr Ward and Mr Salih were directors of a company called Dorrioxo Alliance (UK) Limited ("**Dorrioxo**"), which acted as corporate trustee to an occupational pension scheme that was established on 30 April 2012 as the London Quantum Occupational Pension Scheme ("**the Scheme**"). The Scheme's name was changed to the London Quantum Retirement Benefit Scheme on or around 30 June 2014.
8. Mr Ward was a director of Dorrioxo from its incorporation on 13 October 2011 to 28 April 2015. He was reappointed as a director of Dorrioxo on 22 June 2015. Mr Salih was a director of Dorrioxo from 1 April 2015. Dorrioxo was dissolved on 16 August 2016.
9. Dorrioxo was wholly owned by Mr Ward until 30 April 2015, when he transferred his shareholding to Mr Salih.
10. The Scheme is presently governed by a trust deed and rules dated 19 April 2014 (the "**Trust Deed**" and "**Rules**"). The Trust Deed states that it amends the original deed and rules dated 30 April 2012.
11. A company called Quantum Investment Management Solutions LLP ("**QIMS**") has at all material times been the sole sponsoring employer of the Scheme.
12. The original trustees of the Scheme were Mr XXXX XXXXXX and Mr XXXXXXXX XXXXX (XXX XXX XXXXXXXX XX XXX XXXXXXXX XXXXXXXX XXXXXXXX). Mr XXXXXXXX and Mr XXXXX XXX XXXX XXXXXXXX XX XXXX. They resigned as trustees on or around 19 April 2014 (as recorded on the face of the Trust Deed). The Regulator was notified of this on 30 June 2014.
13. Dorrioxo became the sole trustee of the Scheme on 19 April 2014. Dorrioxo is also recorded as being the Scheme administrator.
14. On 18 June 2015 and in accordance with the Special Procedure under section 98 of the Act, the Regulator appointed Dalriada Trustees Limited ("**Dalriada**") as an independent trustee to the Scheme, with exclusive powers. This followed proceedings contested by Dorrioxo, with an oral hearing at which it was represented, culminating in a Final Notice dated 8 February 2016 ("**the IT Proceedings**").
15. Dorrioxo received £63,000 in fees from the Scheme during the 14 month period in which it was the Scheme's sole trustee. Its actions in providing trustee services for remuneration as part of its business constitutes it a professional trustee in the Panel's judgment. Dorrioxo was also a trustee of other pension schemes.
16. The life of the Scheme prior to the appointment of Dalriada can conveniently be split into two periods of time, referred to by the Panel in its Final Notice in the IT Proceedings as, respectively, the first and second life-cycles. The period from the Scheme's inception to the appointment of Dorrioxo as trustee in April 2014 is referred to hereafter

as the “first life-cycle” of the Scheme, and the period starting with the appointment of Dorrixo in April 2014 and ending with the appointment of Dalriada as trustee of the Scheme on 18 June 2015 is referred to as the “second life-cycle” of the Scheme. As stated above, Dorrixo was the trustee of the Scheme during the second life-cycle.

### ***The first life-cycle of the Scheme***

17. During the first life-cycle the Scheme had three members: Mr XXXXXX, Mr XXXXX and Mr XXXXX, for whose benefit the Scheme was originally established. A total of £616,383.58 was transferred into the Scheme from the original members’ pensions.
18. Of the amount transferred into the Scheme, a total of £600,000 was transferred out to the original members between 25 May 2012 and 14 November 2012 in the course of acquiring an investment in London Quantum One Limited (“**Quantum One**”). Mr XXXXX received in total £273,000 and Mr XXXXXX £196,000. Of these amounts, £300,000 was paid by the Scheme to Mr XXXXXX and Mr XXXXX the day after the Scheme’s bank account had become active. Mr XXXXX received £131,000 in total. Quantum One was dormant from the time of the investment until at least 30 April 2014 (according to its annual accounts for the years ended 30 April 2013 and 30 April 2014).
19. In the circumstances, the Regulator was concerned that the Scheme was a plan for pension liberation.
20. Quantum One was incorporated on 30 April 2012. XXXXXXXXXXXX XX XXXXXXXXXXXX XXXXXXXXXXXX XX XXX XXXXX, XX XXXXXXX, XX XXXXX XXX XX XXXXX XXXX XXXXXXXXXXXX XXXXXXXXXXXX XX XXX XXXXXXXX XX XX XXXXX XXXX (XXXXXXXXXX XX XXX XX XXXXXXXXXXXXXXX XXXXXXXXXXX XXXXXX XXX XX XXXXX XXX XX XXXXX XXXX XXX XXXXXXXXXXXX XX XXXXXXXXXXXX XXXXX XXXXXXXXXXX XXXX). XX XXXXXXX XXX XXX XXXX XXXXXXXXXXXXXXX XXX XX XXXXX XXX XXX XXXXXXXXXXXX XXXXXXXXXXXX.
21. It was common ground in these proceedings that at the date of Dorrixo’s appointment as trustee of the Scheme, nearly all of its assets were invested in Quantum One, and that Quantum One was “connected” with QIMS for the purposes of the restriction on employer-related investments imposed by section 40 of PA 95 (“**ERI**”s).

### ***The second life-cycle of the Scheme***

22. Following the appointment of Dorrixo as trustee in April 2014 the Scheme was opened up to new members.
23. The following is a summary of how the Scheme operated in the second life-cycle. The relevant findings of the Panel in the IT Proceedings, are set out below and are relied on by the Case Team in these proceedings. The following findings were not challenged by Mr Ward or Mr Salih in these proceedings, and are accepted by this Panel. We

note however that Mr Ward did not accept the entirety of the Panel's findings in the IT Proceedings).

24. Amongst the difficulties the Panel in the IT Proceedings faced in making findings was that certain documents and records that it expected Dorrixo to have retained were missing, including a full set of Scheme documentation. Mr Ward accepted in these proceedings that Dorrixo neither received nor sought a copy of the Scheme's original rules when it became trustee. There is no full set of minutes of trustee meetings. There is no comprehensive set of correspondence. Further, key documents relating to the investments made by Dorrixo during the second life-cycle are missing (assuming that they ever existed at all, which is unclear).
25. The Scheme increased its membership to between 91 and 96 members during the second life-cycle. The original members remained members of the Scheme during its second life-cycle. Members who joined the Scheme during the second life-cycle are referred to below as "the new members". At the time Dalriada was appointed trustee, the Scheme was on the cusp of having 100 members (Dorrixo made clear in the IT Proceedings that there was no plan to limit the Scheme to 99 members), and would have very likely far exceeded that number. Following its appointment Dalriada discovered that there were approximately 609 files on record relating to potential new members, each at various stages of progression towards becoming a new member, although in some cases the potential new member had elected not to join the Scheme.
26. Dalriada carried out a reconciliation of the Scheme's bank accounts which show that the Scheme's assets increased to approximately £6.8 million during the second life-cycle (including the original investment in Quantum One), reflecting in large part the transfer into the Scheme of new members' pension pots.
27. QIMS and Dorrixo explained to Dalriada (following its appointment as trustee of the Scheme) that during the first life-cycle QIMS were looking to get involved with the investment side of the Scheme but were conflicted because Mr XXXXXX and Mr XXXXX were the trustees of the Scheme. QIMS stated that it was advised by Mr XXXX XXXXXX of Gerard Associates Limited ("**Gerard**") that a new trustee should be appointed, and he recommended Mr Ward and Dorrixo. As stated above, Dorrixo was appointed trustee of the Scheme on 19 April 2014.
28. The Scheme was promoted to potential new members by introducers. These included the following entities: GoBMV; Baird Dunbar; What Partnership; the Resort Group PLC; Friendly Investments; Premier Mark Consultants and Quantum Wealth Management Solutions Limited. It appears that some of the introducers had agents working on their behalf. For example, the Resort Group PLC had an agent called First Review, which ran a call centre through which it promoted the Scheme to potential members. The introducers appear to have received commission in respect of each new member who transferred

their pension pot into the Scheme on the basis of the investments chosen by each member.

29. Gerard was responsible for producing template risk letters, member application forms, pro forma declarations stating that the person signing them was a self-certified sophisticated investor, member booklets and the statement of investment principles (of which there were four versions). There existed various iterations of these documents, but the Panel in the IT Proceedings was satisfied that the content of the different versions of each document was materially the same. Gerard sent these documents to members once they had been introduced to the Scheme by an introducer. Gerard also sent new members a letter setting out Gerard's conditions and fees. Mr XXXXXX explained to Dalriada that he would forward the completed documentation to Dorrixo.
30. Mr XXXXXX also described Gerard's role in connection with the Scheme to Dalriada. He stated that Gerard "*simply helped the process of people joining the Scheme*" in the way described in the paragraph above. On 24 March 2014 Mr Ward emailed Mr Salih saying that he was "liaising" with Mr XXXXXX "*in order to get the scheme across to Dorrixo as trustee*" and that "*XXXX ... will help in administering transfers*". It is unclear whether Gerard was formally appointed for this purpose, or any other purpose.
31. Mr Ward's First Representations state that Mr XXXXXX was appointed a member of the Scheme's investment committee on 23 April 2015. There is no evidence of an earlier appointment although Mr Ward says Mr XXXXXX provided investment advice to the Scheme in 2014 and exhibits an email from Mr XXXXXX to Mr Ward discussing the potential loss from an investment. From evidence adduced by Mr Ward it is clear that Mr XXXXXX was appointed a signatory of the Scheme's bank account on 19 April 2014. The reason for this is not clear.
32. The Warning Notice states that Gerard was paid fees totalling approximately £253,000 from transfers *into the Scheme*, without provision in the Trust Deed and Rules to do so. Mr Ward and Mr Salih do not deny these payments were made. The letter sent to new members setting out Gerard's fees stated that Gerard would charge a minimum of £2,100 or 4% of the transfer value up to £100,000, with further sums payable on additional amounts transferred in. This was to be paid "*by deduction from the pension transfer funds received by the new scheme.*" Mr XXXXXX of Gerard says that this was in accordance with Gerard's agreement with their client, who was the potential new member. Mr Ward indicated that the fee was levied by Dorrixo as trustee of the Scheme in accordance with the Scheme rules.
33. Mr XXXXXX also told Dalriada that Gerard did not provide advice to new members regarding the suitability of investing in the Scheme. The documentation sent by Gerard to new members stated that no advice was being given. For example, a risk letter sent by Gerard to a new member (referred to as Member A), stated: "*The documents included*

*with this report should allow you to evaluate the decisions you make about potentially transferring your pension fund. The investment strategies you have expressly requested are not regulated by the Financial Conduct Authority...and therefore highest risk. You confirm receipt from another party and understanding of each individual investments prospectus and promotional material that comply with the Financial Services Act 2012. This is important as Gerard Associates Ltd are not advising you on the suitability of the Investments you have chosen..."* The Panel in the IT Proceedings made no finding as to whether or not Gerard (or, indeed, any other person), provided investment advice to new members.

34. Mr Ward's position in these proceedings is that Gerard was appointed to provide proper advice on investments within the meaning of s.36 of PA 95, that Mr Ward believed Mr XXXXXX was qualified to provide such advice, and that Mr XXXXXX did in fact advise in relation to investments. Mr Ward accepted that he failed to have the advice subsequently confirmed in writing, as s.36(7) of PA 95 requires.
35. When joining the Scheme, new members were required by Gerard to sign a declaration stating that they were self-certified sophisticated investors. The declaration stated: *"I declare that I am a self-certified sophisticated investor for the purposes of the restriction on promotion of non-mainstream pooled investments. I understand that this means: (i) I can receive promotional communications made by a person who is authorised by the Financial Conduct Authority, which relate to investment activity in non-mainstream pooled investments; (ii) the investments to which the promotions will relate may expose me to a significant risk of losing all of the property invested."*
36. The member files inspected by Dalriada after its appointment show that a number of the new members transferred in relatively small pension pots. The Panel in the IT Proceedings concluded that this was a material fact of which Dorrixo ought to have been aware. Further, Dalriada carried out an exercise collating information from a sample of new members including asking them about their risk appetite and what they understood the risk profile of the Scheme's investments to be. The Panel in the IT Proceedings made a finding of fact from this information that a material number of the new members had a low or medium appetite for investment risk and, in any event, were unaware that the Scheme's investments were high-risk investments. The Panel in this case has reached the same conclusion.

### **Structure of the Scheme**

37. The Panel was troubled by the apparent disconnect between members' appetite for risk and the high risk nature of the investments made by Dorrixo. Mr Ward accepted that the Scheme's investments were high risk, but claimed this was made clear to new members in the Member Booklet. However it appears that no steps were taken to understand new members' attitude to risk.

38. The Trust Deed provided that, once a new member had joined the Scheme: *“The Trustee shall hold the assets in separate Personal Accounts. The Trustees shall ensure that the assets attributable to a Personal Account are at all times separately identifiable within the Fund. The liabilities...attributable to each Personal Account under clause 5 shall then be met out of the Personal Account”* (see clause 4(3) of the Trust Deed).
39. On its appointment, Dalriada was provided by Dorrixo with an electronic spreadsheet which, notionally at least, shows that funds in each of the investments were allocated to individual members. The spreadsheet has separate tabs for each introducer and shows the members that were introduced to the Scheme by them. The spreadsheet also shows fees deducted by Gerard and “London Quantum”. It was unclear whether this is a reference to QIMS or Quantum One, or another entity, or what the fees are for.
40. It was also unclear to the Panel in the IT Proceedings whether or not Dorrixo maintained separately identifiable personal accounts during the currency of the second life-cycle of the Scheme. Mr Ward’s position in these proceedings was that the Scheme was not segregated in that way, and never claimed to be so structured. The Case Team’s case is that there had been a breach of clause 4 of the Trust Deed, which required assets to be *“attributable”* and *“separately identifiable”*.

#### ***The Scheme investments***

41. At the time Dorrixo was appointed as trustee of the Scheme, the Scheme held shares in Quantum One acquired during its first life-cycle. Mr Ward and Mr Salih accepted that this investment was an employer-related investment within the meaning of PA 95 and thus should not have been held by the Scheme. They denied being aware of this, and argued that to have discovered the true position would have required examination of the Scheme’s papers in considerably greater detail than Mr Ward or Mr Salih did. Mr Ward argued that at the time of Dorrixo’s appointment as trustee there was rapid activity in the form of transfers in and the making of new investments (which diluted the proportion that the Quantum One investment made up of all Scheme investments).

42. Dorrixo made a number of investments on behalf of the Scheme. The position with regards to the Scheme's investments (excluding the Quantum One shares) can be summarised as follows:

Investment	Nature of investment	Sum invested	Dalriada report documents missing?	Commission (from Report by Jagger & Associates)	Value at March 17 (according to Dalriada's investment summary)	Date(s) of investment
<b>Quantum PYX Managed FX Fund</b> ("the Quantum Fund investment")	Regulated UCITS (Ireland)	£1,029,238			Sold for £764,278	unclear
<b>Reforestation Group Ltd</b> ("the Reforestation investment")	Company with purported 'land rights' to 21 plots of Brazilian farm land that is to be used for growing eucalyptus trees	£220,000	Yes	7% not disclosed	unclear	3.10.14 – 31.3.15
<b>Park First</b>	18 car park spaces in Glasgow	£340,000	Yes	30%, not disclosed	unclear	30.9.14 – 20.4.15
<b>Best International (Dubai Car Parks)</b> ("the Dubai car parks investment")	Purported agreements for 99 year leases on car park spaces in Dubai with alleged guaranteed income	£189,000	Yes	2%, not disclosed	unclear	1.10.14 – 17.4.15
<b>The Resort Group</b>	Purported investment in hotel rooms in Cape Verde (the hotel is said to be under construction)	£485,151.52		Not known	Investment repaid	31.3.15 – 20.4.15
<b>Best International (ABC Corporate Bond)</b> ("the Best International bond investment")	Three series of corporate bonds with a term of 4 years issued by ABC Alpha Business Centres Limited	£409,000	Yes	Not known	Company associated with Issuer entered administration in January 2017. value unclear.	27.10.14 – 24.12.14
<b>Dolphin GmbH</b> ("the Dolphin loan note investment")	Nine corporate loan notes with a term of 5 years issued by Dolphin Capital GmbH (a German company)	£424,641.88		Not known	May 2016 Scheme received offer of £300,000 but did not accept it	unclear
<b>Colonial Capital Group plc</b> ("the Colonial bond investment")	Corporate bonds with a term of 3 years issued by Colonial Capital Group plc	£24,000		17.5%, not disclosed	Issuer entered administration in March 2017.	31.1.15
Mallets Loan Note	Unsecured loan note with a term of 6 years	£8,000		Not known	Issuer entered liquidation in May 2016	20.8.13

43. Dalriada instructed an independent investment adviser and actuary, Jagger & Associates Limited ("**Jagger**"), to carry out a high level review of the Scheme's investments. Jagger's conclusions are set out in a written report from November 2015 ("**the Jagger Report**"). Jagger is regulated by the Institute of Actuaries (under a Delegated Professional Body licence, pursuant to the Financial Services and Markets Act 2000 ("FSMA")) to provide investment advice. The Jagger Report was the only independent professional opinion concerning the Scheme's investments received by the Panel.

44. The Jagger Report concluded that the investments made by Dorrioxo on behalf of the Scheme should be realised as soon as expedient by Dalriada. Jagger described them as of very limited liquidity, having only one investment traded on a regulated market, and including investments that were in a number of cases volatile; attended in some cases by high costs (i.e. commission); had a high level of risk and in three cases quoted implausibly high returns. Mr Ward notes in these proceedings that Jagger described the investments as more suited to high net worth or sophisticated investors, which the Scheme was in fact aimed at.
45. Dalriada produced an Investment Summary as at March 2017 showing that by that time certain investments had been realised at a loss (Quantum PYX Managed FX Fund) while others appear to have been long-term and illiquid (Dolphin Trust, London Quantum One Limited, Park First Glasgow Limited (the exit is at the discretion of Park First), Reforestation Group Limited) or no likely value (Malletts Solicitors Limited has entered liquidation, Colonial Capital Group has entered administration). Only the Resort Group investment has resulted in repayment in full.
46. The Panel in the IT Proceedings accepted Dalriada's submission that there were material concerns about the legitimacy of some of the investments, including because a number of the investments lacked complete and comprehensive contractual documentation. The Panel in those proceedings found that there were concerns regarding whether most of the Scheme's investments were properly made and adequately documented. This Panel agrees with that conclusion. The evidence in the IT Proceedings showed:
  - (1) The Reforestation investment: The investment is a right to share profits generated by the land, rather than ownership of the land itself. There is no signed documentation or proof of ownership of the land in question by the other party to the agreement. The agreement itself is a draft agreement. The purported investment does not match the documentation (which refers to an investment in the value of £230,000, not £220,000).
  - (2) The Park First investment: The nature of the rights in the car parks is unclear (i.e. whether it is a lease or sub-lease or some other contractual right). There is no documentation for the purchase or registration of the alleged rights to the car parks. The registered freehold owner of the car parks is not a party to any documentation that exists. The investment is in a class of investments which has been highlighted by Action Fraud as potentially fraudulent.
  - (3) The Dubai car parks investment: The agreements are incomplete with a number of pages and schedules missing. There is also an inconsistency in the documentation as to whether the income is guaranteed or not.

- (4) The Best International bond investment: The documentation is incomplete and has inconsistencies. For example, the contract note for one of the bonds (the B5-14 bond) is missing.

## The Law

47. Section 3(1) of PA 95 allows the prohibition of a person from being a trustee of trust schemes in general, or of particular schemes, if the Regulator is satisfied they are not a “fit and proper” person to be a trustee of the schemes to which the order relates.
48. Pursuant to section 3(6) of PA 95, the Regulator has published statements of the policies it intends to adopt in relation to exercising powers under this section.
49. The statement from July 2016 (“**Statement**”) was in the papers before the Panel and states that it replaced the statement issued on 25 June 2013. No party suggested that we should not have regard to the 2016 Statement, or that there were material differences between the two.
50. The Statement describes the test of being a “fit and proper person” as being answered in particular by reference to information concerning:
- a. honesty
  - b. integrity
  - c. competence and capability, and
  - d. financial soundness.
51. The Case Team’s case against Mr Ward was based on allegations of failures of competence and capability, and also a lack of honesty and integrity in some instances.
52. As regards those latter allegations, the parties agreed that the guidance in the case of *In Re H (Minors)* [1986] AC 563 was applicable. This is that although the standard of proof is on the balance of probabilities, the more serious an allegation the more convincing must be the proof required to tip that balance.
53. We should also record a passage from the authority particularly relied on by the Case Team for its case that Mr Ward displayed a lack of honesty and integrity. This was *Arch Financial Products LLP & Ors v FCA* [2015] UKUT 0013 at [200] (in turn quoting part of an earlier judgment):
- “13. The meaning of integrity was considered by the Tribunal in Hoodless and Blackwell v FSA (2003). The Tribunal observed at [19]: “In our view “integrity” connotes moral soundness, rectitude and steady adherence to an ethical code. A person lacks integrity if unable to appreciate the distinction between what is honest or dishonest by ordinary standards. (This presupposes, of course, circumstances where ordinary standards are clear. Where there are genuinely grey areas, a finding of lack of integrity would not be appropriate.)”*

14. While the passage quoted above is useful guidance as to the meaning of the concept, the second sentence is clearly not the only circumstance in which a person can be said to lack integrity. In the subsequent cases of *Vukelic v FSA* (2009) at [23] and *Atlantic Law LLP and Greystoke v FSA* [2010] UKUT B30 (TCC) at [96], the Tribunal has cautioned against attempting to formulate a comprehensive definition of integrity. As the Tribunal in *Vukelic* observed, integrity remains a concept “elusive to define in a vacuum but still readily recognisable by those with specialist knowledge and/or experience in a particular market.”

15. The Tribunal in *First Financial Advisors Limited v FSA* [2012] UKUT B16 (TCC) agreed with the observation in *Vukelic* and endorsed the guidance in *Hoodless* and *Atlantic Law*. At [119], the Tribunal observed:

“Even though a person might not have been dishonest, if they either lack an ethical compass, or their ethical compass to a material extent points them in the wrong direction, that person will lack integrity.”

We agree. A lack of integrity does not necessarily equate to dishonesty. While a person who acts dishonestly is obviously also acting without integrity, a person may lack integrity without being dishonest. One example of a lack of integrity not involving dishonesty is recklessness as to the truth of statements made to others who will or may rely on them or wilful disregard of information contradicting the truth of such statements. Such behaviour was found to be evidence of a lack of integrity by the Tribunal in *Vukelic* at [119]:

**“It may be that Mr Vukelic was not dishonest on this transaction in the sense of deliberately participating in a scheme to deceive and we are prepared to accept that he was not. But he turned a blind eye to what was obvious and failed to follow up obviously suspicious signs. We do not believe that an educated professional in a senior position could have been oblivious to the signs that the transaction depended on concealment for its success. It is possible, but unlikely, that Mr Vukelic simply failed to spot what should have been obvious to a person in his position. But if that had been so it would have resulted from an inexcusable failure to ask obvious questions.”**

**201 It is clear from the above passages that acting recklessly is one example of acting without integrity. The passage from *Vukelic* referred to above indicates that a person acts recklessly when he turns a blind eye to what was obvious to a person in his position.**

202 In our view such a formulation results from no more than an application of the authoritative formulation of the concept of recklessness by Lord Bingham of Cornhill at page 1057 of the opinion of the House of Lords in *R v G* [2004] AC 1034 where he stated that a person acts recklessly when he acts with respect to (i) a circumstance when he is aware of a risk that exists or will exist and (ii) a result when he is aware of a risk that it will occur; and it is in the circumstances known to him, unreasonable to take the risk. This formulation was

*recently adopted by this Tribunal in Amir Khan v The Financial Conduct Authority FS 2013/002 (January 2014)."*

(emphasis added)

54. The Case Team also relied on a number of breaches of statutory duty. A number of these were not controversial, for example Mr Ward admitted a breach by Dorrixo of the duty under section 47 of PA 95 to appoint an auditor. He also admitted a breach by Dorrixo of section 40 of that Act, concerning employer-related investments, and of the requirements imposed by regulations made under sections 41 and 49 of that Act (regarding disclosure and record-keeping respectively).
55. However there was dispute in relation to two areas of statutory obligation, which we therefore set out. The first is section 36 of PA 95. So far as relevant this provides:

*"(3) Before investing in any manner (other than in a manner mentioned in Part I of Schedule 1 to the Trustee Investments Act 1961) the trustees must obtain and consider proper advice on the question whether the investment is satisfactory having regard to [the requirements of regulations under subsection (1), so far as relating to the suitability of investments, and to the principles contained in the statement under section 35.*

*(6) For the purposes of this section "proper advice" means— [*  
*(a) if the giving of the advice constitutes the carrying on, in the United Kingdom, of a regulated activity (within the meaning of the Financial Services and Markets Act 2000), advice given by a person who may give it without contravening the prohibition imposed by section 19 of that Act (prohibition on carrying on regulated activities unless authorised or exempt);*

*(b) in any other case, the advice of a person who is reasonably believed by the trustees to be qualified by his ability in and practical experience of financial matters and to have the appropriate knowledge and experience of the management of the investments of trust schemes.*

*(7) Trustees shall not be treated as having complied with subsection (3) or (4) unless the advice was given or has subsequently been confirmed in writing."*

56. The second area is that set out in sections 1 and 4 of the Trustee Act 2000. Section 1 defines "the duty of care" which a trustee must exercise in certain prescribed circumstances, as the duty to "*exercise such care and skill as is reasonable in the circumstances, having regard in particular— (a) to any special knowledge or experience that he has or holds himself out as having, and (b) if he acts as trustee in the course of a business or profession, to any special knowledge or experience that it is reasonable to expect of a person acting in the course of that kind of business or profession.*"

57. This is a duty that applies to trustees when exercising investment powers (Schedule 1 to that Act, paragraph 1).
58. Section 4 of the Trustee Act 2000 provides:
- “(1) In exercising any power of investment, whether arising under this Part or otherwise, a trustee must have regard to the standard investment criteria.*
- (2) A trustee must from time to time review the investments of the trust and consider whether, having regard to the standard investment criteria, they should be varied.*
- (3) The standard investment criteria, in relation to a trust, are—*
- (a) the suitability to the trust of investments of the same kind as any particular investment proposed to be made or retained and of that particular investment as an investment of that kind, and*
- (b) the need for diversification of investments of the trust, in so far as is appropriate to the circumstances of the trust.”*
59. This supplements the common law duty on trustees to invest scheme assets in the way that the ordinary prudent man of business would, if he were under an obligation to provide for others (*Re Whiteley* (1886) 33 Ch D 347).

#### **The case on honesty and integrity**

60. The Case Team relied on three matters to show Mr Ward lacked honesty and / or integrity.
61. The first was the failure, on or after Dorrixo’s appointment as trustee, to do anything in respect of the Scheme’s investment in Quantum One, Quantum One despite it being an ERI. The second was Mr Ward’s involvement with “pension liberation” as an introducer of members to the “Ark” schemes. The third was his alleged misleading of Metro Bank. We take these in turn.
62. In relation to all these allegations, and to allegations regarding competence and capability, we recognise that Dorrixo was the person actually appointed as trustee of the Scheme. However Mr Ward was its sole director and owner until 1 April 2015. It is clear from his representations, including his admission that if there was a failure to maintain records then he is the person that should have done more, that responsibility for Dorrixo’s actions lay with him (at least while he was its director). It is his conduct in controlling Dorrixo, evident from Dorrixo’s acts and omissions, that the Panel relies on in its assessment of whether to prohibit him from acting as a trustee.
63. The Panel noted in this context that Dorrixo’s evidence in the IT Proceedings had shown Mr Ward was a very experienced pensions professional, with over 40 years’ experience of pensions matters. Dorrixo described him as follows:

*“Stephen Ward was previously a director of Pilgrim Trustee Services Ltd, a SIPP and SSAS trustee company, FCA authorised and*

*regulated. Pilgrim was dissolved following the sudden incapacity, caused by a stroke suffered by the Managing Director. He is the author (or contributor to) of numerous well known textbooks covering pensions which in one case includes substantive content on scheme trusteeship and governance. He has nearly 40 years' experience of pensions matters generally. He was the author (or co-author) of numerous pensions study texts including for the Institute of Financial Services and the PMI. He was the first senior examiner for the CII [Chartered Insurance Institute] G60 specialist pensions exam, and is PMI qualified by examination. He is an ex PMI examiner, an ex IFP senior examiner at Fellowship level, and a former trainer on pensions for the Chartered Insurance Institute. He is a recognised pensions expert and fully understands the roles and responsibilities of pension trusteeship."*

### *Employer-related Investment*

64. Mr Ward's case on this first allegation is that he would have had to examine the Scheme's papers in greater detail than he did to uncover the ERI, and that this was a busy time for the Scheme due to transfers in and investments being made.
65. However this was the Scheme's only investment when Dorrixo was appointed, and it had a very similar name to the employer. It should have been investigated by any diligent trustee on taking up their position. The most rudimentary of enquiries would have revealed a risk that the ERI requirements in PA 95 were being breached. The previous trustees were involved with the Scheme (including remaining on the bank mandate) and were in contact with Mr Ward, for example at the end of the period he was a director of Dorrixo as they sought to open a bank account for the Scheme with Metro Bank. He could have contacted them at any time and they would have been obvious sources of information for him on this issue had he paid appropriate attention to it.
66. As regards his case that he would have needed more time to discover the ERI, the Panel takes the view that this is tantamount to an admission that he gave the matter of investigating Scheme investments insufficient time.
67. While the period of Dorrixo's appointment may have been busy with transfers in and making investments, these were matters that Mr Ward acting through Dorrixo chose to initiate and could, at all times, have controlled. The Panel takes the view that an experienced pensions professional ought not to have begun new, time-consuming activities before examining the Scheme's existing investment and should have deferred such activities if they prevented that enquiry being pursued. Mr Ward does not claim to have carried out any real scrutiny of this investment.
68. The Panel considered that this was a situation where it was appropriate to apply the principle set out in the case of Vukelic highlighted above,

where an experienced professional was confronted with very obvious signs of a breach of the law. We are satisfied that Mr Ward:

- a. was an experienced pensions professional;
  - b. was faced with obvious signs of a possible breach of ERI restrictions;
  - c. failed to carry out any investigation of that issue, despite the obvious risk this posed to members (in particular as the investment (in Quantum One) was in a dormant company);
  - d. behaved in a manner that was reckless in all the circumstances, and amounted to turning a blind eye to the issue and failing to ask obvious questions.
69. We consider this amounts to a lack of integrity by him, lasting for the entirety of his period of appointment as a director of Dorrioxo, as the investment remained contrary to the ERI requirements throughout that time.

#### *Pensions Liberation*

70. The Case Team also relied on Mr Ward's alleged involvement with "pensions liberation" as a "promoter" of investment into pensions schemes (the "Ark" schemes) that were found to be vehicles for pensions liberation in *Dalriada v Woodward* [2012] EWHC 2162.
71. Mr Ward did not dispute that a company of his (Premier Pensions Solutions SL) was involved in introducing members to the Ark Schemes, but states that the relevant activity pre-dated any finding by the courts of pensions liberation and that Mr Ward had no knowledge that the schemes were being used for such activity. The Position Statement prepared on behalf of Mr Ward for the hearing of this case stressed that at the time of making the introductions the schemes in question were registered with HMRC and the Regulator, and that Mr Ward was not a trustee or administrator of those schemes. The Panel was told in oral submissions on behalf of Mr Ward that no such trustee or administrator has been prohibited from acting as a trustee on the basis of dealings with the Ark Schemes.
72. The evidence shows that Mr Ward's company introduced 176 of some 487 members of the Ark Schemes, and made some £350,000 in profit as a result.
73. It is now clear from High Court judgments of December 2011 and June 2012 that the Ark schemes were vehicles for illegal activity (namely making payments contrary to the provisions of the Finance Act 2004).
74. However the Panel did not consider there was sufficient evidence of Mr Ward having actual knowledge of, or turning a blind eye to, the illegal nature of the activity of the Ark Schemes when carrying out his role as introducer before December 2011. We therefore did not find a lack of honesty or integrity on this issue.

75. The Panel took the view that a person of competence would, however, have learned from his experience with the Ark schemes. Mr Ward ought to have gained knowledge and experience from a close involvement with a pension scheme that was found to be a vehicle for pension liberation and had such grave consequences for members. Mr Ward ought to have taken that knowledge and experience and improved his capability and diligence in the course of his future work with a professional trustee of pension schemes. This conclusion informed our assessment of Mr Ward's competence and capability failings set out below.

*Misleading Metro Bank*

76. The other matter relied on as evidence of a lack of honesty or integrity concerned an application to Metro Bank to open a bank account for the Scheme.

77. Metro Bank informed the Case team, by letter of 14 August 2014 that:

- a. Metro Bank does not accept bank account applications by corporate trustees of UK pensions schemes where the sole director of the trustee is not domiciled in the UK;
- b. in September 2014 Dorrioxo applied for an account with Mr Ward as a director, but he was based in Spain. The application was accordingly declined;
- c. on 27 April 2015 Dorrioxo (via Mr XXXXXX) contacted Metro Bank again asking if the account could be opened if the overseas trustee director were removed and replaced with a UK domiciled trustee. The Bank "*indicated it would only review the application on the basis of this taking place*";
- d. this was done by replacing Mr Ward with Mr Salih as the director of Dorrioxo, and the Bank informed of it (and of the transfer of Mr Ward's shares in Dorrioxo to Mr Salih);
- e. an application was then made to open an account, on 28 April 2015;
- f. an account was then opened;
- g. the Bank was not informed that shortly after this, Mr Ward was re-appointed a trustee director.

78. The Case Team accused Mr Ward of misleading Metro Bank on the grounds that he had always intended to resume his directorship of Dorrioxo, and that when he did resume it he did not tell Metro Bank. Mr Ward's case is that his re-appointment occurred only because of the appointment of Dalriada as IT, meaning it was not appropriate to leave Mr Salih as sole director of Dorrioxo.

79. In the IT Proceedings Dorrioxo originally stated that the issue regarding Metro Bank was the only reason for Mr Ward's resignation, but this was then changed to claiming that it was a permanent resignation and fitted with Mr Ward's retirement planning. Mr Ward did not offer an explanation in these proceedings for this change of position. He accepted that he failed to inform Metro Bank of his re-appointment and

should have done so, and accepted that his resignation and subsequent reappointment “raises questions”.

80. The Case Team also relied on text in Metro Bank’s application form by which applicants for a bank account undertook to tell Metro Bank if the information in the information form altered. However the form required details of all trustees and all scheme members and the obligation to keep Metro Bank informed of any alteration is unlimited in time. The text in question was in small type and appeared to be standard form wording that was ill-suited to a form opening an account for a pension scheme trustee where details such as membership would change very regularly. Further, the application form was not in fact signed by Mr Ward.
81. The Panel did not consider the argument of a lack of honesty or integrity in relation to the application to Metro Bank was made out. However, the Panel was concerned about the uncertainty in the evidence as to whether Mr Ward had genuinely relinquished control and ownership of Dorrixo when he resigned as director on 28 April 2015. At that time he transferred his ownership of Dorrixo to Mr Salih without receiving any apparent consideration in return. He also continued to attend meetings of Dorrixo. The Panel was unable to resolve this concern during these proceedings.

### **The case on competence and capability**

#### *Admissions by Mr Ward and Mr Salih*

82. The Case Team relied on a number of specific failures in relation to the administration of the Scheme which were accepted by Mr Ward and Mr Salih:
  - a. as noted above, they accepted the investment in Quantum One was an employer-related investment within the meaning of PA 95 and thus should not have been held by the Scheme;
  - b. they accepted they did not obtain written confirmation of investment advice received;
  - c. they accepted there were “organisational lapses” in relation to the investments, but said they had no adverse impact on the value of members’ benefits;
  - d. they accepted that if there was a shortfall in maintaining proper records of investments, then they themselves should have done more;
  - e. they admitted failing to appoint an auditor to the Scheme, contrary to section 47 of PA 95;

- f. they admitted failing to provide the Regulator with registrable information in the form of details of membership, trustees, benefits, contrary to section 60 of the Act;
- g. they admitted failing to obtain the Scheme Rules from 2012, but noted that these were not relevant as Dorrixo replaced the Scheme's Rules on appointment;
- h. they admitted an "administrative oversight" in failing to inform the Scheme's bank that Dorrixo had been appointed sole trustee, meaning that the former trustees continued to have access to the Scheme's bank account.

83. Mr Ward has thus accepted a number of failures under this heading, as described above and in paragraph 54 above. However his case was that they were not sufficient to justify a prohibition order. In particular he relied on the lack of adverse impact to members as a result of the failures. He accepted that certain investments had been sold at a loss by Dalriada, but argued that such sales by Dalriada after they were appointed as trustees were unnecessary or untimely.

84. The Panel found that these failures had, as a matter of fact, a significant adverse impact on member benefits; they exposed the members to significant and avoidable risk (e.g. the lack of proper advice, lack of record keeping regarding investments, and lack of an auditor) and to loss, due to the performance of the high risk and illiquid investments entered into without appropriate advice and without a proper understanding of the risk appetite of the scheme members.

#### *Investments*

85. The Panel was concerned by the evidence of further competence failings, in particular the imprudence of the investments and the high commission rates that were charged to the Scheme in the course of making some of them. The Panel in the IT Proceedings had concluded that Dorrixo breached its various common law and statutory duties to invest Scheme assets. It stated that "*Dorrixo exercised its powers of investment with a serious disregard of some obvious risks, and indifference to other risks posed by the Scheme's investments; namely to the security and safeguarding of the Scheme's assets, and the interests of the members of the Scheme*". The Panel in this case agrees.

86. The Panel finds that the lack of any record of investment advice to the Scheme is a serious failing by Dorrixo and hence Mr Ward. A competent trustee would not have allowed such uncertainty over a matter as important as the Scheme's investment advisory relationship.

87. Furthermore, the Panel considers that the evidence clearly establishes that Mr Ward had taken no proper steps to ensure that investment decisions were made prudently and competently having regard to Dorrixo's statutory and common law duties as a pension scheme

trustee and the interests of the Scheme's investors, who he ought to have known may not have received any investment advice from Gerard and whose appetite for risk he did not assess. Mr Ward's experience means that he should have been aware of the positive duty of care on Dorrixo, as trustee, under section 1 of the Trustee Act 2000 and the common law duty to invest in the manner that an ordinary prudent man of business would, if he were under an obligation to provide for others. The Panel finds that Dorrixo acted imprudently in making high risk and illiquid investments at high cost to the Scheme without any written investment advice and without keeping a proper record of the investments.

88. This issue of inappropriate investments would have become more acute once the Scheme passed one hundred members. This is because the exercise of a trustee's power of investment is subject to the Occupational Pension Schemes (Investment) Regulations 2005 ("the Investment Regulations"). In cases where a scheme has fewer than 100 members, regulation 7 of the Investment Regulations requires a trustee to have regard to the need for diversification of investments, insofar as appropriate to the circumstances of the Scheme. The Panel in the IT Proceedings found that the Scheme's investments lacked diversity, in breach of this regulation, and this Panel agrees.
89. Where a scheme has 100 members or more, the trustee is also required to exercise the power of investment in accordance with the investment requirements set out in regulation 4 of the Investment Regulations:
- (1) The powers of investment, or discretion, must be exercised in a manner calculated to ensure the security, quality, liquidity and profitability of the portfolio as a whole (regulation 4(3)).
  - (2) The assets of the Scheme must consist predominantly of investments admitted to trading on regulated markets (regulation 4(5)). A regulated market is one recognised for the purposes of the Investment Services directive (93/22/EEC) and the Markets in Financial Instruments Directive (2004/39/EC), and as otherwise described in regulation 4(11).
  - (3) The assets of the Scheme must be properly diversified in such a way as to avoid excessive reliance on any particular asset, issuer or group undertakings and so as to avoid accumulations of risk in the portfolio as a whole. Investments in assets issued by the same issuer or by issuers belonging to the same group must not expose the scheme to excessive risk concentration (regulation 4(7)).
90. The Panel in the IT Proceedings concluded that the membership of the Scheme was on the cusp of reaching 100 members and would have done so imminently but for the appointment of Dalriada by the Regulator. Dorrixo had no plans to stop this occurring and no plan to enable the Scheme to comply with its obligations when it did occur. The Panel in this case regards this as further evidence of a lack of the

competence and capability required to act as a pension scheme trustee.

91. The Panel also considered that the running of the Scheme as a common fund appeared to breach clause 4 of the Trust Deed (set out in paragraph 38 above), and perhaps more importantly found that this was done in a way that could have made it even harder for members to transfer out from the Scheme's illiquid investments. This is because they had no account to call their own.

#### *Payments out of Scheme funds*

92. The Panel noted that Mr XXXXXX had received some £250,000 of fees taken from the transfers in of funds by investors, in circumstances where there was no written record of Gerard's appointment, the scope of its services, and / or the advice it gave to the Scheme. Mr Ward would have known that Gerard was not offering advice to investors. A diligent or competent trustee would have identified concerns over whether the new members were sophisticated investors. Mr Ward did not do so. The evidence remains wholly unclear as to whether Gerard provided the Scheme with investment advice. However, it is clear that any such advice was not in writing. The payments to Gerard appear, at best, to be an inappropriate and imprudent use of Scheme funds to pay very high fees for administrative and marketing support. A competent trustee would have identified the problem and either prevented or properly documented the amount and purpose of these fees.
93. In addition to the payments made out of Scheme funds by way of commission to introducers and to Gerard for administrative and marketing services, Dorrixo also took £63,000 in fees for itself over a period of 14 months despite most of the administration of the Scheme being performed by Gerard and the lack of attention to detail in the record keeping and investment decisions of the Scheme.
94. The Panel finds that Dorrixo's stewardship of Scheme funds whilst under Mr Ward's control fell below the standard to be accepted of a competent and capable professional trustee.
95. The Case Team also relied on certain alleged failures in relation to other pension schemes (called Headforte and Halkin), of which Mr Ward was a trustee. These are denied by him (e.g. an allegation of failure to appoint an auditor to those schemes) and the Panel did not consider it necessary to make findings in respect of them.

## **Conclusion**

96. The Panel has carefully reviewed Mr Ward's conduct over the fourteen month period in which he was a director of the trustee of the Scheme. Throughout that time the Scheme breached the ERI legislation, initially by the Scheme's sole investment. Mr Ward, as sole director of Dorrixo, allowed this to continue to happen, in circumstances we have found

amounted to recklessness on the part of Mr Ward. As set out above, we consider that Mr Ward:

- a. was an experienced pensions professional;
- b. was faced with obvious signs of a possible breach of ERI restrictions;
- c. failed to carry out any investigation of that issue, despite the obvious potential risk this posed to members (in particular as the investment (in Quantum One) was in a dormant company);
- d. had dealings with the previous trustees responsible for the ERI such that they were a readily available source of information for him.

97. The Panel concludes that Mr Ward's conduct was reckless in all the circumstances, and amounted to turning a blind eye to a significant issue and failing to ask obvious questions. Such recklessness amounts to a lack of integrity on the part of Mr Ward.

98. Throughout that same period, the evidence shows a catalogue of failures by the Scheme trustee controlled by Mr Ward, in particular in relation to the entry into high risk, high cost, illiquid and unsuitable investments and in the lack of controls and adequate administration. These failures are particularised above. They left Scheme members worse off than they should have been, due to inappropriate charging, a lack of proper advice and unsuitable risk. They amount to a series of extremely serious failings demonstrating, at best, Mr Ward's serious lack of competence and capability to be a pension scheme trustee. In addition to the failings that have been admitted and are set out above, and upon which this Panel relies, Mr Ward was responsible for:

- a. a failure properly to review the Scheme's only investment on Dorrixo's appointment;
- b. immediately changing the operation of the Scheme and seeking new members to transfer their existing pensions savings into the scheme without properly assessing the rules governing the Scheme;
- c. a failure properly to review or check the risk appetite or sophistication of the members transferring in to the Scheme;
- d. a failure properly to review or check the suitability of the investments made with the Scheme's funds;
- e. a failure properly to appoint investment advisers or obtain written advice on investments;
- f. a failure to appoint auditors, or provide registrable information to the Regulator;
- g. procuring the Scheme to invest in a series of high risk illiquid and undiversified investments, without proper investment advice;
- h. a failure properly to control or to take account of the very high commission rates and fees paid by the Scheme and the impact of these payments on the performance of investments;
- i. a failure properly to document or maintain adequate records of the investments;

- j. a failure to comply with the investment duties of a pensions scheme trustee and to plan to achieve compliance with the increase in regulatory requirements when the Scheme's membership reached 100;
- k. the failures set out at paragraphs 91 and 94 above.

99. The above matters caused the Panel to be satisfied that Mr Ward was not a fit or proper person to be a trustee of trust schemes, and that the public interest required him to be prohibited from acting as such a trustee.
100. In the Panel's view, Mr Ward's very serious conduct and capability failures in relation to the Scheme fully justify a prohibition order on the basis of the need to protect the public from repetition of such comprehensive failings in relation to another pension scheme.
101. Given his 40 years of experience in the pensions industry and his experience with the Ark Schemes, it is difficult to believe that Mr Ward was unaware of the risks that his actions and failings posed to members and the likelihood that they breached the requirements of pensions legislation.
102. For these reasons the Panel determines that a prohibition order should be made in respect of Mr Ward under section 3 of PA 95, prohibiting him from being a trustee of trust schemes generally. A general prohibition is appropriate in this case, rather than a prohibition for only one scheme or a class of schemes, given the seriousness of our findings in relation to competence and capability and a lack of integrity over a long period, Mr Ward's level of knowledge and experience, his refusal to acknowledge the gravity and extent of his failings and the number of pension schemes he has been involved with to date.
103. The Panel therefore determines that an Order be made in the following terms:

*"The Pensions Regulator hereby orders as follows, pursuant to section 3 of the Pensions Act 1995:-*

*Stephen Alexander Ward (date of birth 11 July 1955) is hereby prohibited from being a trustee of trust schemes in general.*

*This order has the effect of removing the above-named individual from all or any schemes of which he is a trustee.*

*By section 6 of the Pensions Act 1995, any person who purports to act as a trustee of a trust scheme whilst prohibited under section 3 is guilty of an offence and liable*

- (a) on summary conviction to a fine not exceeding the statutory maximum,*
- and*
- (b) on conviction on indictment to a fine or imprisonment or both."*

**Reference to the Tribunal**

104. **Appendix 1** to this Determination Notice contains important information about the Directly Affected Parties' rights to refer this decision to the Upper Tribunal.

**Chair**        XXXXX XXXXXXXXXXXXX

**Date**        20 December 2017

## **Appendix 1**

### **Referral to the Tax and Chancery Chamber of the Upper Tribunal**

You have the right to refer the matter to which this Final Notice relates to the Tax and Chancery Chamber of the Upper Tribunal (“the Tribunal”). Under section 99(7) of the Act you have 28 days from the date this Final Notice is sent 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:

Upper Tribunal  
(Tax and Chancery Chamber)  
Fifth Floor  
Rolls Building  
Fetter Lane  
London  
EC4A 1NL

Tel: 020 7612 9700

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 Panel Support  
The Pensions Regulator  
Napier House  
Trafalgar Place  
Brighton  
BN1 4DW.

Tel: 01273 811852

A copy of the form for making a reference, FTC3 ‘Reference Notice (Financial Services)’, can be found at:

[http://hmctsformfinder.justice.gov.uk/HMCTS/GetForm.do?court\\_forms\\_id=3043](http://hmctsformfinder.justice.gov.uk/HMCTS/GetForm.do?court_forms_id=3043)