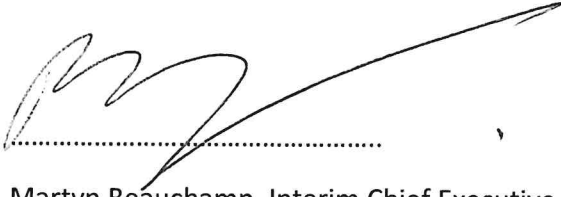


FSCS DETERMINATION INSTRUMENT 2024 [Hartley Pensions Limited: FRN 735936]

1. Using its powers in the Financial Services and Markets Act 2000 ("FSMA"), the Financial Services Authority ("FSA") made compensation rules in Chapter 7 of the Compensation Sourcebook of the FSA Handbook providing the Financial Services Compensation Scheme Limited ("FSCS") with specific rights and obligations against firms in default and third parties. On 1 April 2013, the Financial Conduct Authority ("FCA") became responsible for the conduct of business regulation for all authorised firms and prudential regulation for firms other than banks, building societies, credit unions, insurers and major investment firms. From that date, the compensation rules relevant to SIPP operators can be found in the Compensation Sourcebook of the FCA Handbook ("COMP").
2. On 29 July 2022 Peter Kubik and Brian N Johnson of UHY Hacker Young LLP were appointed Joint Administrators of Hartley Pensions Limited (the "Firm"). The Firm is unable to satisfy the protected claims against it and as a result, the FSCS has determined that the conditions of COMP 6.3.2(1) are met and declared the Firm in default on 21 February 2024 (the "FSCS Default").
3. FSCS has determined to use the powers in COMP 7.3 set out below in respect of the Firm and all eligible claimants who have protected investment claims against the Firm in respect of the costs of the Joint Administrators' SIPP exit strategy ("Exit Costs Claim") as at the date of the FSCS Default ("Protected Claimants"). For the avoidance of doubt, Protected Claimants will not include those SIPP members who have assigned their claim against the Firm to a third party, nor will it include the third party to whom the claim against the Firm has been assigned.
4. Using the powers specified below, FSCS has determined that:
 - i. The payment of compensation by it shall have the effects specified in COMP 7.3.8R(3), (4) and (5);
 - ii. In accordance with COMP 7.3.8R(3), FSCS shall be subrogated to all of each Protected Claimant's rights against the Firm and/or any third party in respect of the Exit Costs Claim; and
 - iii. In accordance with COMP 7.3.10R, in the event that any of the scenarios listed in COMP 7.3.10R(1)(a)-(c) arise, Protected Claimants shall be treated as having irrevocably and unconditionally appointed the chairman of FSCS for the time being to be their attorney and agent and on their behalf and in their name or otherwise to do such things and execute such deeds and documents as may be required under such laws of the United Kingdom or other state or law-country to create or give effect to such assignment or transfer or otherwise give full effect of those powers.
5. FSCS reserves the right to amend, remake, or revoke these determinations at any time as permitted by COMP 7.3.4R(5).
6. This instrument is made under COMP 7.3 and takes effect on 21 February 2024.

7. Unless defined in this determination, all expressions used which are also defined terms in the FCA Handbook Glossary shall have the same meaning as given to them in that glossary.

This Determination under COMP 7.3 is agreed on behalf of the Executive by:

A handwritten signature in black ink, consisting of a large, stylized 'M' followed by a long, sweeping horizontal line that extends to the right. The signature is positioned above a horizontal dotted line.

Martyn Beauchamp, Interim Chief Executive Office

Date: 21 February 2024

Time: 12:00

Statement in accordance with COMP 7.3.4R(3)

FSCS has made a determination under COMP 7.3 in respect of Hartley Pensions Limited (the "Firm"). The relevant determination instrument is available to view on the FSCS website.

The determination exercises FSCS's power under COMP 7.3 so that when FSCS pays compensation, it will automatically subrogate to all the rights of the Firm's SIPP members against the Firm and any third parties. Automatic subrogation is a way in which legal rights can pass from one party (e.g. a SIPP member) to another (e.g. FSCS) without either party having to actively do anything - the transfer happens 'automatically' by law. The transfer of rights to FSCS will happen only if a SIPP member accepts our compensation.

This applies to all SIPP members who have a protected claim in respect of the costs of the Joint Administrators' exit strategy ("Exit Costs Claim"). FSCS has not made an assessment or determination as to whether Hartley SIPP members may have any further claims.

When compensation is paid, all of the member's rights in respect of their Exit Costs Claim will transfer to FSCS.

The effect of the rights transferring to FSCS is that the SIPP member will not be able to make any legal claim in respect of those rights, either against the Firm or any other person or business.

For example, the SIPP member will not be able to receive recoveries made by the administrator in the insolvency of the Firm. Those recoveries will instead be paid to FSCS.

In the event recoveries are made, and to the extent possible given the amount recovered, FSCS will pay recoveries to the investor up to the point where the investor would have received the full amount owed (i.e. to the maximum amount they would have received had they not received compensation from FSCS which is subject to the £85,000 cap) and, thereafter, FSCS will retain recoveries to offset the compensation paid.

FSCS has to use SIPP members' rights that are vested in us to pursue all and only such recoveries as we consider are likely to be reasonably possible and cost effective to pursue. If we decide not to pursue such recoveries in relation to a particular claim, and the relevant SIPP member wishes to pursue those recoveries themselves, they can request a reassignment of their rights from FSCS.

If you have any questions about the automatic subrogation, please contact us on 0800 678 1100 or 0207 741 4100.