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25 January 2016
REF: RIMONDI/EM/[SCHEME]

Dear [SALUTATION],

THE LIFETIME SIPP RE [NAME]

I write regarding your investment in the Rimondi Grand Resort and Spa.

In December I wrote to you outlining the concerns the Trustees had with the investment due to the missing rental payments. The questions I put to Paolo Management Services in September were:

- *Where is the money for the rental payments held?*
- *Is it in an escrow type account or completely ring-fenced (and protected) from the other assets of the company?*
- *Please provide proof of the account and a full reconciliation of the monies due to our clients within that account.*
- *What is happening with ongoing rental payments?*
- *We need to see a reconciliation of each payment period and proof that the monies are being added to the account above.*
- *What are the sale or inspecie transfer options for our clients?*
- *What safeguards prevent the client visiting the resort and claiming the outstanding funds (and /or use the facilities in lieu)them selves direct from Rimondi?*

Following a number of calls, I received the attached letter in December, which I have copied verbatim for you to consider. At this stage it does not fully answer my questions, but in the absence of a full response will give you some indication of the situation with your investment and the outstanding rental payments. I have also enclosed a copy of the client update to which Paolo Management refer . We will of course continue to press for a full response and monitor payments whether paid or accrued and withheld by the Management Company, but should you have any questions regarding the investment you should direct them to the management company at paolomanagementservices@gmail.com.

The Lifetime SIPP Company (Lifetime) are not authorised to give any form of advice to its clients. In order to ascertain what action you should take now you will need to seek independent financial advice from an adviser authorised and regulated by the Financial Conduct Authority (FCA).

However at this time I must remind you that the annual administration fee applicable to your Lifetime SIPP remains payable even if your chosen investment is no longer paying the income that was initially expected. If the SIPP does not have sufficient funds available to pay the fee then you will be required to pay this fee personally or to make a contribution into the SIPP to cover the payment of the fee. A copy of the scheme key features document, which covers funding options can be found at http://www.thelifetimesipp.com/client_access.php , This website also contains all the updates (past and future) on the investment.

I will keep you updated of progress in due course, but if you have any questions about your SIPP you can email me at compliance@thelifetimesipp.com.

Yours Sincerely

Eleanor Miller Cert CII(FS)
Compliance Manager