

26<sup>th</sup> October 2011

Dear Shareholder,

## **SHAREHOLDER FRAUD ADVICE**

We would like to make our VCT shareholders aware of the frauds that are attempted against investors and where more information can be found about such frauds and what to do if a fraud is attempted against you.

The misuse of the Albion name by third parties who claim to have a connection in some way with us is quite common, unfortunately. They may say that they work with us on investment matters or that they have produced some research on our VCTs, but neither is true. What they are attempting to do is sell you shares in companies that have little or no value at a price that may seem good at the time, but is entirely fictitious. The result being that you will find it extremely difficult to sell the shares and will lose money.

## **PLEASE NOTE**

Albion Ventures will never pass your details on to a third party without advising you first and then only with your permission. We will never contact you by telephone unless you have requested us to do so, nor will Capita which keeps the share registers. These callers take your details from the VCTs' Registers of Shareholders which are public records kept by all companies.

Companies are obliged under the UK Companies Act to provide a copy of the Register when requested and have limited legal rights to refuse to provide a copy. We monitor all requests for copies of the VCTs' share registers that are received by Capita and have not authorised any request without knowing who has requested the copy and for what purpose. Your home telephone number is obtained from lists of telephone numbers that are for sale via the Internet.

## **TYPES OF SHAREHOLDER FRAUD**

The most common types of attempted shareholder fraud are either:

- someone offering to buy your shares at a price above the market so that you can invest the proceeds in shares of another company that will do better; or
- someone offering to send you investment research, again with a view to you buying shares recommended by them.

The attempts are usually by telephone using a company name that sounds trustworthy. Most calls are from offices outside the UK, even though a UK address may be quoted and a UK telephone number provided. Any mail goes to an accommodation address and the telephone calls are routed overseas.

These people are not authorised in any way to conduct investment business in the UK or in any other jurisdiction. Thus, if you do lose any money by investing with them then there is little the UK regulator, the Financial Services Authority, can do to help you get your money back.

## **WHAT YOU CAN DO TO HELP**

You can avoid becoming a victim of share fraud by:

- Hanging up the telephone if you get an 'out of the blue' call offering you shares;
- Checking that anyone offering to sell you shares is registered with the FSA;
- Calling the company back using the details in the FSA register to verify their authorisation; and
- Reporting any company that cold calls you to sell shares, as below.

## REPORTING FRAUD

If someone does call you then you can report the matter as follows:

1. To Action Fraud by telephone on 0300 123 2040 or through the website at [www.actionfraud.org.uk](http://www.actionfraud.org.uk)
2. To Albion Ventures by telephone on 020 7601 1850 or by e-mail to our Compliance Officer at [info@albion-ventures.co.uk](mailto:info@albion-ventures.co.uk)

## FOR MORE INFORMATION

If you want more information on the frauds that take place or to check whether the caller is genuine or not then you may go to:

1. The FSA Register on the FSA website at [www.fsa.gov.uk/register/home](http://www.fsa.gov.uk/register/home) to see if a firm or caller is registered in the UK to carry out investment business;
2. The FSA Consumer Information on the FSA website at [www.fsa.gov.uk/Pages/consumerinformation/scamsandswindles/index](http://www.fsa.gov.uk/Pages/consumerinformation/scamsandswindles/index) for more information on scams and swindles;
3. To check to see if the caller or the firm are on the FSA list of Unauthorised Firms and Individuals on the FSA website at [www.fsa.gov.uk/pages/Doing/Regulated/Law/Alerts/unauthorised](http://www.fsa.gov.uk/pages/Doing/Regulated/Law/Alerts/unauthorised);
4. The Action Fraud website at [www.actionfraud.org.uk/](http://www.actionfraud.org.uk/) for more information on fraud generally.

## SHAREHOLDER ALERTS

In February 2010 we issued an alert to shareholders on boiler room scams. If you would like a copy then please telephone on 020 7601 1850 or by e-mail to [info@albion-ventures.co.uk](mailto:info@albion-ventures.co.uk)

We have also added a new page to our website headed "Fraud Advice" and this may be found on the Home page where there is a button to click on.

If you have any concerns then please contact us as set out above.

Yours sincerely,



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