

WARNING TO SHAREHOLDERS – BOILER ROOM SCAMS

Shareholders should be aware of a significant increase in share fraud which affects large and small listed companies.

Share fraud includes scams where investors are called out of the blue and offered shares that often turn out to be worthless or non-existent, or they may even be offered an inflated price for shares they own.

Investors may also be called out of the blue and offered investment services in relation to shares that shareholders may hold and consider to have little or no obvious value. The investment services that are offered are often a prelude to requests for arrangement fees and other payments. Once paid, shareholders are unlikely to have any further contact from the fraudsters and little prospect of recovering the monies paid.

These calls come from fraudsters operating in 'boiler rooms' that are mostly based abroad. While high profits are promised, those who buy or sell shares in this way usually lose their money.

The **Financial Conduct Authority (FCA)** has found most share fraud victims are experienced investors who lose an average of £20,000, with around £200m lost in the UK each year.

PROTECT YOURSELF

If you are offered unsolicited investment advice, discounted shares, a premium price for shares you own, or free company or research reports, you should take these steps before handing over any money:

1. Get the name of the person and organisation contacting you.
2. Check the **FCA Register** at www.fca.gov.uk/fsaregister to ensure they are authorised.

3. Use the details on the **FCA Register** to contact the firm.
4. Call the **FSA Consumer Helpline** on **0845 606 1234** if there are no contact details on the **FCA Register** or you are told they are out of date.
5. Search our list of unauthorised firms and individuals to avoid doing business with.
6. **REMEMBER:** if it sounds too good to be true, it probably is!
If you use an **unauthorised firm** to buy or sell shares or other investments, you will **not** have access to the **Financial Ombudsman Service** or **Financial Services Compensation Scheme (FSCS)** if things go wrong.

REPORT A SCAM

If you are approached about a share scam you should tell the **FCA** using the share fraud reporting form at www.fca.gov.uk/scams, where you can find out about the latest investment scams. You can also call the **Consumer Helpline** on **0845 606 1234**.

If you have already paid money to share fraudsters you should contact **Action Fraud** on **0300 123 2040**.