

To all shareholders in the
Singer & Friedlander AIM VCTs

UK Shareholders Association
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UKSA Raises Concerns About the Performance, Cost Structure and Other Aspects of the Singer & Friedlander AIM Venture Capital Trusts

Are you concerned with the performance or other aspects of your investment in the Singer & Friedlander AIM VCTs? If not perhaps you should be, particularly if you are a shareholder in the first two of the three trusts. For example, the original S & F AIM VCT showed a net asset value of 36 pence in March 2005 compared with your initial investment of £1. And the AIM2 VCT had a net asset value of 70 pence. Note also that if you tried to sell your shares you would get substantially less than even those figures.

Even taking into account dividends received, the Total Return from these two companies was a negative 8% and 6.4% per annum respectively. Undoubtedly these companies have been a rather poor investment for shareholders, and compare unfavourably with many other venture capital trusts.

The United Kingdom Shareholders Association (UKSA) represents the interests of private shareholders and we have commenced a campaign to improve the performance of Venture Capital Trusts (for example we are also running campaigns on the Quester and Murray VCTs). We would like to see changes in such companies where they consistently underperform and where the cost structures are excessive.

UKSA is also seeking better reporting to shareholders, and more accountability of the boards of such companies to their shareholders. If you support our views on this matter, please do the following:

- Return the enclosed slip so that we can send you more information on the issues affecting the Singer & Friedlander AIM VCTs and how you can help to improve matters. Please supply an email address if possible as communicating via post is very expensive for a non-profit making organisation like UKSA.
- Look at the benefits of membership in UKSA in the enclosed leaflet. By joining UKSA you will gain many personal benefits and promote the interests of all private shareholders. The more members we have, the better we can represent your interests to companies, the government, the stock exchange and other financial institutions. The small cost of joining UKSA will be the best investment you can make!

Otherwise, if you have any questions on this matter, or on UKSA membership, please contact me by email, telephone or post to the above address.

Yours sincerely

Roger Lawson
Communications Director