

# The UK Shareholders Association (UKSA)

## Campaigns Update (May 2009)

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UKSA\_Campaigns\_Update\_May2009.ppt (Revised 11-May-09)

# Current Campaigns

- Northern Rock.
- Bradford & Bingley.
- Banks in general, plus specifically, Lloyds and RBS.
- Spark VCT.
- Artemis VCT.
- Traditional Group.

# Traditional Group

- Share options issued and exercised but then not paid for. Dividends paid on those shares. Scheme effectively used to remunerate three directors but these arrangements not disclosed to shareholders.
- Letter going to shareholders and questions to the Chairman.

# Artemis VCT

- When Artemis AIM VCT's merged the performance fees were reset with a new base, and a very peculiar structure.
- In process of requesting share register and asking Chairman for meeting.

## Spark VCT

- Paid unnecessary performance fee to former fund managers, and atrocious performance over 10 years.
- Sent letter to 5,000 shareholders, and got 570 responses. Got the board replaced, so some success already. AGM yesterday.

# Royal Bank of Scotland

- Being left to independent groups to pursue legal action on the rights issue – of which there are at least four and I am running one.
- See [www.rbosaction.org](http://www.rbosaction.org)

# Lloyds Banking Group



- Still considering legal issues. Issues are: merger done for benefit of HBOS shareholders and financial stability (at Government prompting).
- Have share register of 1.5 million names and addresses.

# Bradford & Bingley

David Blundell, B&B Committee Chairman,  
addressing Bingley meeting.





# Bradford & Bingley

- Mailed about 35,000 out of 800,000 shareholders with 5,000 responses.
- Legal action of rights issue being left to Leon Kaye.
- We are simply making representations to the “Independent Valuer” that it was a “going concern” when nationalised to maximise the valuation and hence the compensation.

# Northern Rock

Demonstration outside the High Court for the Judicial Review



# Northern Rock

- Application to the High Court for a Judicial Review based on the European Convention on Human Rights.
- In essence that the Act and the Compensation Order is unfair and is disproportionate in that it is clear that no compensation will be paid if the Government's valuer follows the laid down terms of reference. It's simple confiscation of private property. The independent valuer is not being allowed to follow normal practice or use his own judgement.
- Back to the Appeal Court on June 10<sup>th</sup>, but likely to end up in the European Courts

# Legal Action Details

Court case being pursued by UKSA (via representative group of private shareholder plaintiffs), SRM and RAB. Legal & General also supporting.

Our legal costs will be limited going forward.

Have 42,000 people registered out of total of about 200,000 shareholders (many in nominee accounts).

Raised £300,000 and more than covering costs including about £130,000 legal costs.

## More Details

- Go to relevant pages of UKSA web site.
- Register your interest to receive a regular email newsletter.

# The Objectives of our Campaigns

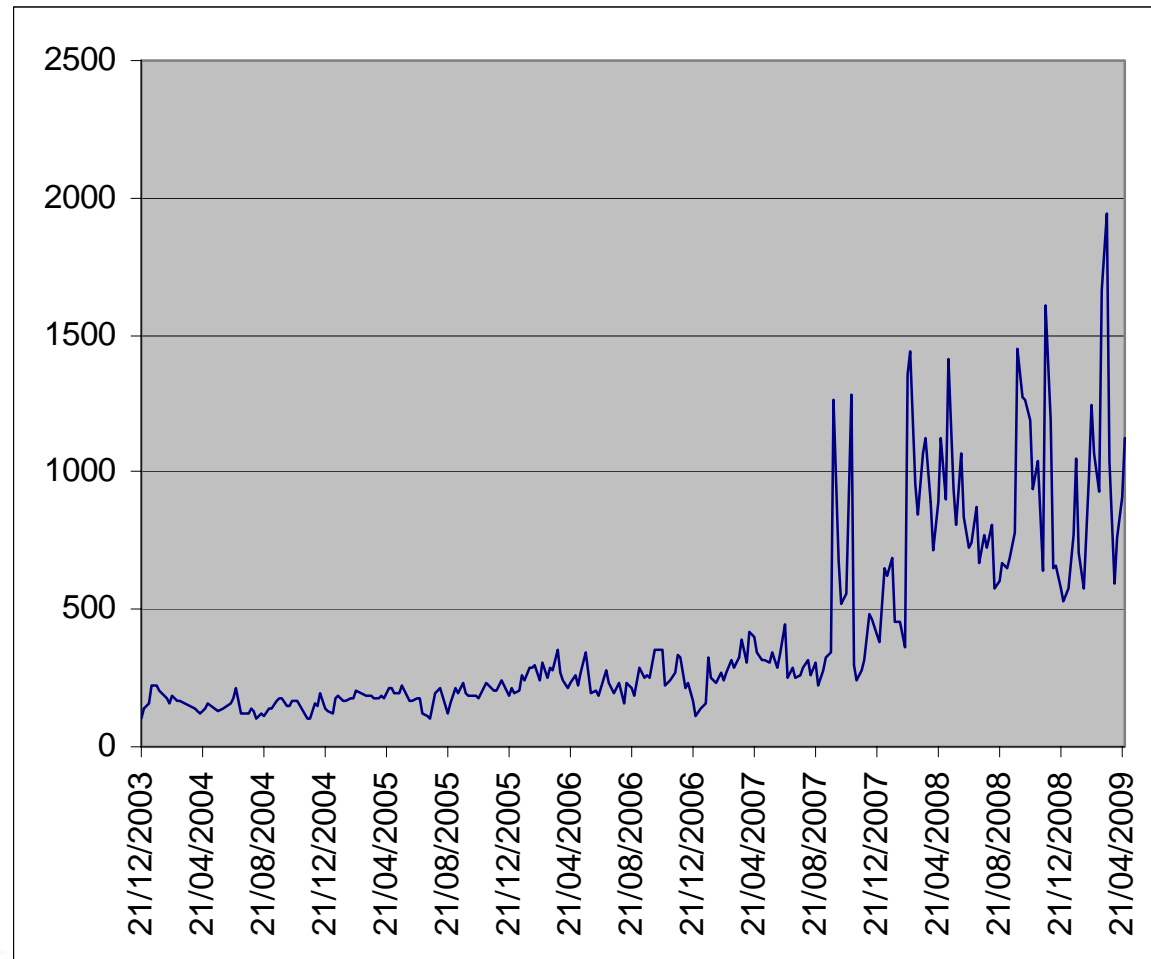
- To correct any “wrongs” and fight for shareholder rights, via persuasion, shareholder votes, legal action, political action, and other means.
- To inform the shareholders of the true facts, so they act and vote correctly.
- To use the campaigns to raise the profile of UKSA and recruit members.
- To represent and promote members views.
- To educate the shareholders and general public.

# Impact on Membership

- When I first got involved in UKSA (July 2004), we had about 500 members (400 memberships) and the numbers were falling. We now have 1900 members (1500 memberships).
- Awareness of UKSA has grown enormously because of press coverage.

# Web Site Statistics

- Page views per day.





# Direct Membership Recruitment

- 611 new members from Northern Rock campaign, 76 from Bradford & Bingley, etc.

# Finance

- All campaigns have more than covered their costs so far, as insisted by the board (except for a minor deficit on the banking campaign which is in its early stages).
- All campaign income and costs are accounted for separately and there is no transfer to fund any general UKSA expenses.

# Resources

- Two part-time staff and one full time (junior).
- Also handle membership secretary function now.
- At least the phone gets answered and we have a permanent base and address.

# Questions

