

Consumer Helpline: 0800 111 6768 (freephone)



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Our Ref: RE00718

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**UPDATE ON YOUR INVESTMENTS IN THE "AFRICAN LAND SCHEME"
AND/OR THE "CARBON CREDITS SCHEME"**

Capital Alternatives Limited, African Land Limited, Reforestation Projects Limited

We believe you may have invested money with Agri Capital Limited (also known as African Land Limited), or Capital Carbon Credits Limited (also known as Reforestation Projects Limited). You may have purchased your investments via Capital Alternatives Limited.

You need to know that the Financial Conduct Authority has taken action against these firms because we believe they are operating illegally.

This letter, and the enclosed set of frequently asked questions, explains what has happened and what it might mean for you.

Update:

- Following an investigation by us, the High Court has found these schemes should have sought FCA authorisation. An appeal against that judgment will be heard at a date to be confirmed later this year;
- Court orders are preventing the schemes from being promoted or from taking in new investments until the court case is complete and we have frozen the assets of some of the defendants;
- If we are successful, we will try to get money back for investors, but be aware there may not be enough money to repay everything that is owed to you;

Who has the FCA taken action against?

The defendants are:

1. Capital Alternatives Limited
2. Capital Secretarial Limited
3. Capital Organisation Limited
4. Capital Administration Services Limited
5. MH Trustees Limited
6. Marcia Hargous
7. Renwick Haddow
8. Richard Henstock
9. African Land Limited
10. Robert McKendrick
11. Alan Meadowcroft
12. Regency Capital Limited
13. Reforestation Projects Limited
14. Mark Ayres/Eyres
15. Mark Gibbs
16. The estate of David Waygood (deceased)

What happens if someone calls me and offers to sell my investment for me?

Be very wary if you are contacted by third parties offering to help sell your investments in these schemes - particularly if you are asked to make a payment in advance.

If you think you may have been approached by an unauthorised firm or individual you should contact our Consumer Helpline on 0800 111 6768.

FAQs

What has happened?

The African Land scheme offered investments in rice farm harvests in Sierra Leone. The Reforestation Projects scheme offered investments in carbon credits intended to be generated from land in Sierra Leone, Brazil or Australia. You may have purchased your investments via Capital Alternatives Limited.

As a result of our investigation into these firms, the High Court in February 2014 found that African Land/Agri Capital and the three Reforestation Projects/Carbon Credit Schemes were 'collective investment schemes'. The firms running them should therefore have been authorised by us.

Some of the defendants are appealing that decision and the hearing will be heard in the Court of Appeal sometime between July and December 2014.

In the meantime, the companies and individuals involved are prevented from promoting the schemes or taking new investments. The assets of some defendants were frozen and some of the other defendants agreed not to dispose of their assets.

Why have we done this?

We regulate financial services in the UK and authorise firms and individuals to carry out 'regulated activities'. Being authorised means that if something goes wrong, you can complain to the Financial Ombudsman or make a claim from the Financial Services Compensation Scheme. We investigate and take action when we suspect a firm is running a 'regulated activity' without authorisation.

What will happen next?

If the Court of Appeal upholds the judgment that these firms were operating illegally, we may be able to try to get money back for investors from the defendants. However, another trial will likely need to be held for the Court to decide whether this is appropriate.

Will I get any money back?

Our previous experience in cases like this suggests that there is likely to be a shortfall between what is owed to you and other investors by the defendants and the assets available to pay those claims. If this is the case, investors may only receive a small proportion of what they are owed.

What do I need to do now?

Let us know if your address changes and keep safe any investment documents you have as they may be needed in the future.

We will write again if there are any significant changes to the position. We also have information on our website from time to time where we will post further updates: <http://www.fca.org.uk/news/consumers/capital-alternatives-court-investment-schemes>.

- We will keep you updated on developments - please let us know of any change of address so we can reach you;
- Be very wary if you are contacted by third parties offering to help sell your investments in these schemes - particularly if you are asked to make a payment in advance. If you get one of these calls you can contact our Consumer Helpline on 0800 111 6768.

I hope this information helps you to understand the current situation, what you need to do now and what may happen in the future. We will write again if there are any significant changes to the position and provide updates on our website at the following address: www.fca.org.uk/news/consumers/capital-alternatives-court-investment-schemes.

Yours faithfully,

Customer Contact Centre

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