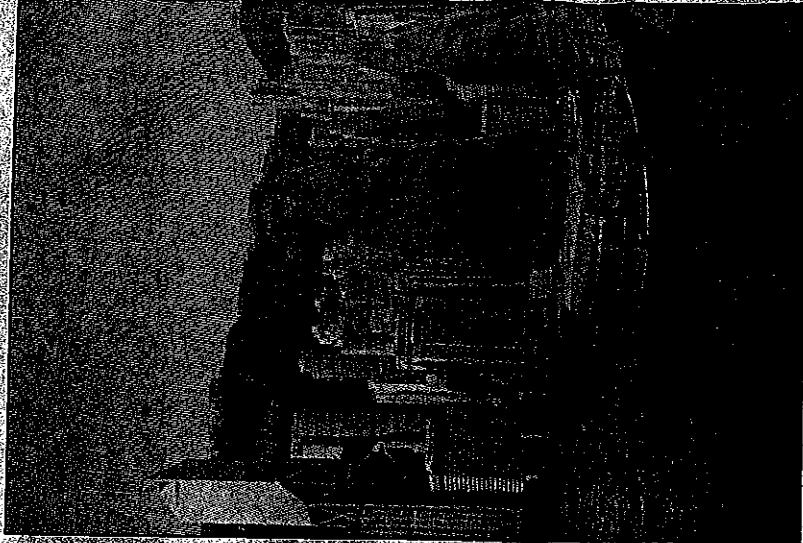


FOREIGN FRAUDSTERS CASH IN AFTER A ROGUE BROKER'S COLD CALL

I paid out £34,000 to sell shares



R. D. writes: I bought 5,245 shares in an American company called Med Gen Inc through stockbroker Pacific Continental after being cold-called by a salesman. That was in 2004. Late last year I was called by Morgan Capital Partners of Hong Kong, who said they could sell my Med Gen shares if I first paid about US\$10,000 (£6,100) for the removal of a legal restriction attached to the shares. I paid this and then I received a letter from the International Mergers & Acquisitions Commission saying that warrants attached to my shares meant I needed to send a further \$36,715, though I managed to get this reduced by half when I paid. Then in February a further letter from IMAC requested \$51,401 for taxes. Morgan Capital go, this reduced to \$25,700, which I sent. Now all contact has ceased and Morgan Capital does not reply to calls or emails.

AS you must know in your heart you have been swindled. The fund shares sold to you by the notorious London broker Pacific Continental cost you £2,055, but you have lost a

Tony Hetherington
The Readers' Champion

Further £24,000 to the crooks at Morgan Capital Partners. They told you that your shares in Med Gen had mysteriously become worth a fortune and that as soon as you paid the various sums due, you would receive about £20,000.

In fact, just as Morgan Capital was contacting you last November, investment watchdogs in Hong Kong were issuing a public warning saying the firm was not licensed there and that there was no sign of it at the address it was using.

I am sure you were reassured to receive the letter from the International Mergers & Acquisitions Commission in Tokyo, which seemed to know all about the Med

JUNK DEAL
An unlicensed firm from Hong Kong promised a bonanza

Gen share deal, even if it did ask for money to cover taxes. Sadly, IMAC, which poses as an international market regulator, is every bit as fake as Morgan Capital Partners. You paid all these demands by bank transfer payments to Morgan Capital of Hong Kong went to an account in Belize, while the 'taxes' demanded by the international regulator in Tokyo went to a bank in Costa Rica. This might have sounded alarm bells, but clearly didn't.

You have been defrauded and can take a complaint to the police, though in all honesty I doubt whether much, if anything, can be done.

You know where your money

went, but you have no idea where the fraudsters might be. Ironically, after a series of reports published in financial Mail, Pacific Continental Securities was investigated by the financial Services Authority and went out of business.

Thousands of its customers who were created are now in line for payments from the Financial Services Compensation Scheme. More than 3,000 have applied so far and about 2,000 have already been paid a total of £25 million.

If it is likely you were mis-sold the Med Gen shares, in the first place, stake your claim by contacting FSCS (phone 020 7892 7300). I am just sorry that any payout will cover only the original £2,055 you invested, there is no compensation for losses to foreign investors.

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