

Marketing bosses dupe shareholders into £3.5m investment

Lee Anthony Skinner (60) has been banned for 10 years, while Karen Ferreira (60) has been disqualified for 7 years. The pair are banned from acting as directors directly or indirectly being involved, without the permission of the court, in the promotion, formation or management of a company.

The pair were directors of an online affiliate marketing company, Our Price Records Ltd, which remained dormant until 2014 before Karen Ferreira and Lee Skinner attempted to raise funds from the sale of shares in the company.

The company, however, entered into administration in April 2017 before being referred to the Insolvency Service for further enquiries.

Investigators established that Karen Ferreira and Lee Skinner sold shares to 260 investors and secured almost £3.5 million. The pair, however, secured the investment under false pretences and breached financial regulations.

Karen Ferreira and Lee Skinner created promotional material duping prospective shareholders into believing that their brand was well known, despite having their application to register Our Price Records as a trademark opposed by the original owner.

Our Price Records sold the shares through a third party but neither had the authority to engage in investment activity, breaching financial regulations.

The pair also failed to tell investors that Our Price Records had entered into agreements to pay up to 50% of total funds raised to the third parties selling the shares. In total, Karen Ferreira and Lee Skinner paid at least £1.58 million in commission to third parties.

Investigators uncovered that Karen Ferreira was a director of two other companies which had entered into general service agreements with Our Price Records. But investors were not made aware of this nor that Our Price Records paid the company in total more than £750,000.

One of the companies that Karen Ferreira was a director of entered into a commercial loan agreement with Lee Skinner and granted a loan of up to £1 million on the understanding he would pay for Our Price Record's administrative and marketing services. A total of more than £760,000 was paid to Lee Skinner and no repayments have been made.

The funds raised remain outstanding to the investors in the administration and the investors are not protected under the UK Financial Services Compensation Scheme

The [FCA secured a restitution order](#) in the High Court earlier this year against Lee Skinner, Karen Ferreira and the company. The Court found that individuals and the company were in breach of Financial Services and Markets

Act.

On 28 September 2020, the Secretary of State accepted a disqualification undertaking from Lee Skinner, after he did not dispute that he had caused Our Price Records to breach the Financial Services and Markets Act 2000, used the 'Our Price' brand at a time that the 'Our Price' trade marks were subject to dispute and caused the distribution of false and/or misleading information to investors regarding the use of the investment funds. His ban is effective from 16 October 2020 and lasts for 10 years.

Karen Ferreira's 7-year disqualification was accepted by the Secretary of State a few days later on 5 October 2020. In her undertaking, Karen Ferreira, did not dispute that she allowed Our Price Records to breach the Financial Services and Markets Act 2000, allowed Our Price Records to use the 'Our Price' brand at a time that the 'Our Price' trade marks were subject to dispute and allowed the distribution of false and/or misleading information to investors regarding the use of the investment funds. Her ban is effective from 26 October 2020.

Robert Clarke, Chief Investigator at the Insolvency Service, said:

Using an agent, Karen Ferreira and Lee Skinner made false and misleading promises to prospective investors when they were trying to entice them to invest into Our Price Records. Not only did this breach financial regulations but investors were totally unaware of other agreements Our Price Records made, which saw millions of pounds being handed over to third parties.

Unfortunately, investors have suffered significant financial losses. However, these bans should serve as a warning to other directors tempted to raise funds by illegitimate means that we will investigate and remove them from the business environment.

Lee Skinner is from Essex and his date of birth is November 1960.

Karen Ferreira is from Essex and her date of birth is July 1960.

Our Price Records Ltd (Company number 04792445)

Disqualification undertakings are the administrative equivalent of a disqualification order but do not involve court proceedings.

Persons subject to a disqualification order are bound by a [range of other restrictions](#).

Further information about the work of the Insolvency Service, and how to complain about financial misconduct, is [available](#).

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