

Foresight Accelerated Inheritance Tax Solution

Sustaining wealth for future generations

Investor Guide & Customer Agreement

26 July 2024

Foresight
FOR A SMARTER FUTURE



FCA Prescribed Risk Warning

Don't invest unless you're prepared to lose all the money you invest. This is a high-risk investment.

Estimated reading time: 2 min

Due to the potential for losses, the Financial Conduct Authority (FCA) considers this investment to be high risk.

What are the key risks?

1. You could lose all the money you invest

- If the businesses you invest in through this product fail, you are likely to lose 100% of the money you invested in that business.

2. You are unlikely to be protected if something goes wrong

- Protection from the Financial Services Compensation Scheme (FSCS), in relation to claims against failed regulated firms, does not cover poor investment performance. Try the FSCS investment protection checker here – <https://www.fscs.org.uk/check/investment-protection-checker/>.
- Protection from the Financial Ombudsman Service (FOS) does not cover poor investment performance. If you have a complaint against an FCA-regulated firm, FOS may be able to consider it. Learn more about FOS protection here – <https://www.financial-ombudsman.org.uk/consumers>.

3. You won't get your money back quickly

- Even if the businesses you invest in through this product are successful, it may take several years to get your money back. There is no guarantee that you will be able to sell or withdraw your investment early.
- You should not expect to get your money back through dividends. It is not expected that the businesses you invest in through this product will pay dividends to you.

4. Don't put all your eggs in one basket

- Putting all your money into a single business or type of investment for example, is risky. Spreading your money across different investments makes you less dependent on any one to do well.
- A good rule of thumb is not to invest more than 10% of your money in high-risk investments: <https://www.fca.org.uk/investsmart/5-questions-ask-you-invest>.

5. The value of your investment can be reduced

- The percentage of the businesses that you own through this product will decrease if the businesses issue more shares. This could mean that the value of your investment reduces, depending on how much the businesses grow. The businesses you invest in through this product are expected to issue multiple rounds of shares.
- These new shares could have additional rights that your shares don't have, such as the right to receive a fixed dividend, which could further reduce your chances of getting a return on your investment.

If you are interested in learning more about how to protect yourself, visit the FCA's website – <https://www.fca.org.uk/investsmart>.

Important Information

This document constitutes a financial promotion pursuant to section 21 of the Financial Services and Markets Act 2000, as amended (**FSMA**) and is issued on 26 July 2024 by Foresight Group LLP (**Foresight**) of The Shard, 32 London Bridge Street, London SE1 9SG. Foresight is authorised and regulated in the United Kingdom (**UK**) by the Financial Conduct Authority (**FCA**), under firm reference number 198020.

This document relates to the Foresight Accelerated Inheritance Tax Solution (**Foresight Accelerated ITS**), which is part of the Foresight Inheritance Tax Fund. **The opportunity described in this document is NOT suitable for all investors.** Investors for whom an investment in the Foresight Inheritance Tax Fund through the Foresight Accelerated ITS may not be suitable, or for which they are not eligible, may wish to consider an investment in the Foresight Inheritance Tax Fund through the Foresight Inheritance Tax Solution (**Foresight ITS**). If you are in any doubt about the content of this document and/or any action that you should take, you should seek advice from a financial adviser authorised under FSMA who specialises in advising on opportunities of this type.

This document is addressed and distributed by Foresight to financial advisers that are authorised and regulated by the FCA. This promotion is only suitable for, and should only be onward distributed to, individuals who are classified as being one of the following:

- a) an existing client of a financial adviser authorised by the FCA in accordance with COBS 4.12A.17(2);
- b) a person who meets the requirements for being a professional client in accordance with COBS rule 3.5;
- c) a person who qualifies as a certified high net worth individual in accordance with COBS 4.12A.22R;
- d) a person who qualifies as a certified sophisticated investor in accordance with COBS 4.12A.22R;
- e) a person who qualifies as a self-certified sophisticated investor in accordance with COBS 4.12A.22R; or
- f) a person certified as a restricted investor within the meaning of COBS 4.12A.22R.

The Foresight Accelerated ITS is designed specifically for those investors who are expected to be eligible for cover in respect of the insurance element. Investors should carefully read the full terms of the insurance element, including the eligibility criteria and the exclusions, which can be found in the Customer Agreement, before applying to the Foresight Accelerated ITS to ensure eligibility. Investors believed by Foresight not to meet the eligibility criteria will not be accepted into the Foresight Accelerated ITS.

The Foresight Inheritance Tax Fund is an alternative investment fund (AIF) for the purposes of the Alternative Investment Fund Managers Regulations 2013, as amended (AIFMD).

Foresight is the alternative investment fund manager (**AIFM**) in respect of the Foresight Inheritance Tax Fund and is authorised by the FCA to act as a full scope AIFM for the purposes of AIFMD. Prospective investors will, therefore, benefit from any rights in the AIFMD in respect of which Foresight is obliged to comply. As an AIFM, Foresight is required to manage the Foresight Inheritance Tax Fund in accordance with AIFMD and must disclose certain prescribed information pursuant to AIFMD and the FCA Rules (FUND 3.2.2). Your attention is, therefore, drawn to the disclosures on pages 63 to 66.

Foresight considers that the Foresight Inheritance Tax Fund (i) is a retail investment product for the purposes of the Retail Distribution Review, (ii) is a restricted mass market investment for the purposes of the High Risk Investments Policy Statement PS22/10 (due to its underlying investments being in non-readily realisable securities) and (iii) does not constitute an unregulated collective investment scheme under FSMA.

Your attention is drawn to the key risks set out on pages 35 and 36 and the detailed risk factors set out on pages 37 to 41 which should be carefully considered. The value of your investment in the Foresight Inheritance Tax Fund could go down as well as up and should be considered a long-term investment. Investing in unquoted shares may expose you to a significant risk of losing all the money you invest. Furthermore, unquoted securities may be difficult to sell. You should consider carefully the suitability of an investment in small to medium-sized unquoted companies. Tax reliefs are dependent on individual circumstances and any reference to tax laws or levels in this document is subject to change. There can be no guarantee that your investment in the Foresight Inheritance Tax Fund will continue to qualify for Business Relief (**BR**). A failure to meet the BR qualifying requirements could result in your investment in the Foresight Inheritance Tax Fund losing its inheritance tax exempt status, resulting in adverse tax consequences. Past performance is not a guide to future performance and may not be repeated.

Investment in the Foresight Inheritance Tax Fund is only permitted through authorised financial advisers. Your application will be subject to your authorised financial adviser certifying that your participation in the Foresight Accelerated ITS meets your objectives, that you have the expertise, experience and knowledge to understand the risks and that you are able to bear the associated risk involved in participating in the Foresight Inheritance Tax Fund. Investors who do not have an authorised financial adviser who will provide this confirmation will not be able to participate in the Foresight Accelerated ITS.

Nothing in this document should be regarded as constituting, and Foresight cannot provide, legal, tax, financial, investment or other advice. Prospective investors are advised to consult their own professional advisers before contemplating any investment. Any decision to invest in the Foresight Inheritance Tax Fund through the Foresight Accelerated ITS should be made on the basis of the information contained in this document.

For further information on our terms of business, please see the Customer Agreement on pages 47 to 62 and the separate Application Form relating to this Investor Guide and Customer Agreement.

This document does not constitute and may not be used for the purposes of an offer or invitation to any person in any jurisdiction outside the UK. This document and the information contained in it are not for publication or distribution to persons outside of the UK.

This promotion does not constitute a public offering in the UK. Foresight has taken all reasonable care to ensure that all the facts stated in this document are true and accurate in all material respects and that there are no other material facts or opinions which have been omitted where the omission of such would render this document misleading. Assumptions, estimates, opinions and beliefs contained in this document represent Foresight's own assessment, judgement and interpretation of information available to them as at the date of this document and are subject to change without notice. Any statements, views, projections or forecasts are based on a number of assumptions as to market conditions. No representation or guarantee is given that these are correct and that any projected results or the objectives of the Foresight Accelerated ITS will be achieved. The information in this document was produced in 26 July 2024 and may not be current.

Foresight is covered by the Financial Services Compensation Scheme (**FSCS**). The FSCS may pay compensation to qualifying investors in the event that investors have a qualifying claim against Foresight, and Foresight is unable to meet its obligations. The maximum sum of compensation payable under the FSCS is currently £85,000 per eligible investor.

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Welcome

Welcome to Foresight Group, one of the UK's most experienced managers of tax-efficient investments.

At Foresight, we understand that investors want simple solutions to their Inheritance Tax (IHT) planning.

Founded in 1984, Foresight Group is a leading investment manager in infrastructure, real assets and capital for growth.

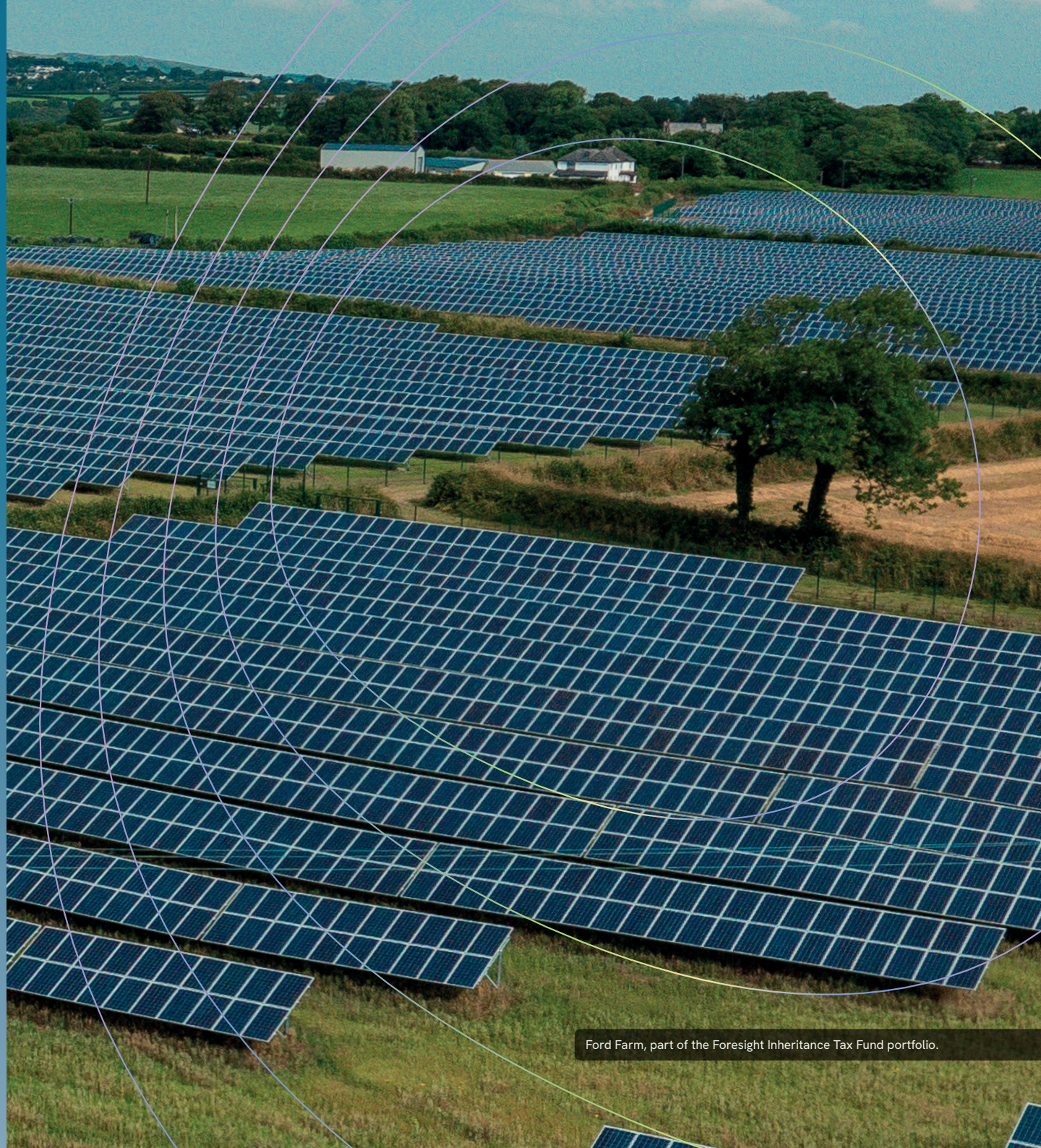
Foresight Group aims to provide attractive returns to its institutional and private investors from hard-to-access private markets.

Foresight Group operates in eight countries across Europe and Australia with assets under management of £12.1 billion.

£12.1bn

assets under management

on behalf of leading institutional and private investors



Ford Farm, part of the Foresight Inheritance Tax Fund portfolio.

Summary

The Foresight Accelerated ITS uniquely blends the benefits of Business Relief (BR) with life insurance. This innovative solution immediately improves your chances of successful IHT mitigation.

The Foresight Accelerated ITS is an integrated BR and insurance solution that gives investors immediate IHT mitigation. We achieve this by investing in shares that should qualify for BR, which renders shares exempt from IHT after being held for two years. The Foresight Accelerated ITS' integrated Insurance Cover is designed to offer additional peace of mind during those initial two years. Since launching in 2016, just under £500 million has been invested into the Foresight Accelerated ITS, with over 98% of claims having been successful.

The Foresight Accelerated ITS is available:

- to direct investors (applications through a power of attorney will not be accepted) who are able to complete the terminal illness declaration; and
- without investors having to undergo a medical examination or questionnaire.

The cover available to you depends on whether you are an individual investor or joint investors:

Single Life Cover

Available to individual investors only and pays out on an eligible death within the initial two-year period.

Joint Life Second Death Cover

Available to joint investors only and pays out on the second death only (both deaths must be within the initial two-year period and must be eligible deaths).

Joint Life Second Death Cover is only intended for joint investors who will benefit from Interspousal Transfer Relief (see page 24 for details of who qualifies).

Dependent on your age, there are two Insurance Categories available to individual and joint investors depending on whether Single Life Cover or Joint Life Second Death Cover is selected:

Category A

Available to investors aged between 62 and 85 (inclusive):

- Single Life Cover: provides protection resulting from death by any cause after 90 days and Accidental Death during the first 90 days.
- Joint Life Second Death Cover: provides immediate protection resulting from death by any cause.

Category B

Available to investors aged between 86 and 89 (inclusive):

- Single Life Cover: provides protection resulting from death by any cause after 180 days and Accidental Death during the first 180 days.
- Joint Life Second Death Cover: provides protection resulting from death by any cause after 100 days and Accidental Death during the first 100 days.

The integrated life insurance materially increases your chance of successful IHT mitigation on your investments.

The insurance is in place for the first two years of your investment. If you die during this period and you are covered under the Insurance Cover, the insurance proceeds will effectively mitigate the impact of IHT on these investments. The insurance proceeds will be equal to 40% of your Net Investment Amount and should fall outside of your estate.

In addition, we believe the Foresight Accelerated ITS represents an attractive investment opportunity.

The portfolio of underlying assets and trades consists of:

1. a diversified range of underlying investments focused on infrastructure businesses and other trades that benefit from some or all of the following characteristics:
 - contracted revenues;
 - stable and predictable returns;
 - low correlation to equities; and
 - high barriers to entry; and
2. an attractive mix of asset classes that currently includes, but is not limited to renewable energy, energy production and storage, forestry, fibre broadband and structured lending.

Your attention is drawn to the section headed 'How it Works' on page 21 and the risk factors on page 37 under the heading 'Tax Implications'.

Summary continued

We have worked hard to find a solution that gives investors options to significantly improve their chances of successful IHT mitigation. The Foresight Accelerated ITS is a solution that is exclusive to Foresight, which uniquely combines the benefits of two elements:

1. Business Relief (BR)
2. Life Insurance

The product materially improves the chances of successful IHT mitigation for investors on these investments.

The BR element should render shares exempt from an IHT liability after two years, whilst the insurance element provides protection during the initial two-year period.

Over the next few pages we explain how the Foresight Accelerated ITS works and we hope to answer some of the questions that you might have about IHT.

If you have any queries or require any documentation in a larger font, please contact the Foresight Sales Team.

Tel: 020 3667 8199

Email: sales@foresightgroup.eu



About Foresight Group

Foresight Group was established in 1984 and now manages money for c.40,000 retail investors and over 200 institutional investors, including some of the world's leading financial institutions, government organisations, pension funds and insurance companies.

Foresight Group is a leading investment manager in real assets and capital for growth, whose parent company, Foresight Group Holdings Limited, is listed on the London Stock Exchange.

Foresight Group is a global business, operating in eight countries across Europe and Australia, with well established local connections.

Through three core investment strategies, Infrastructure, Private Equity and Foresight Capital Management, Foresight Group targets attractive returns from hard-to-access private markets, as well as ambitious companies on public markets, for institutional and private investors. At the crux of Foresight Group's approach is the alignment of its investment strategies to the key themes shaping societies and the planet for future generations.



Shares in

Foresight Group Holdings Limited

began trading on the Main Market of the London Stock Exchange in February 2021

Foresight Group Holdings Limited was

Awarded the Green Economy mark on IPO

This recognises companies that derive 50% or more of their revenues from environmental solutions



About Foresight Group continued

Foresight Group

£12.1bn

assets under management

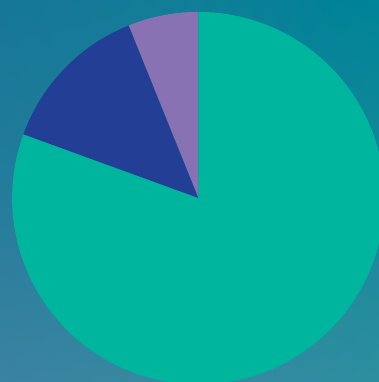
on behalf of leading institutional and private investors

200+

institutional investors

including BlackRock, the European Investment Bank, British Business Bank and Local Authority Pension Funds

Group AUM



£12.1bn
AUM

Infrastructure

80.7%

Private Equity

13.4%

Foresight
Capital
Management

5.9%



Planning for Inheritance Tax

With the number of estates becoming liable to IHT increasing year-on-year, it is no surprise that more and more people are looking for a solution. In 2023/2024, HMRC receipts for IHT generated £7.5 billion for the Treasury. Projections are for receipts to increase in the future.

£7.5bn

in IHT receipts to HMRC in financial year 2023/2024

Source: HMRC

Everyone has a tax-free allowance called the Nil Rate Band. The Nil Rate Band is currently £325,000 (or £650,000 for a married couple or civil partners when taken together) and will remain frozen at this level until 2028.

Alongside this Nil Rate Band, the Residence Nil Rate Band provides an additional tax-free allowance of £175,000 (or £350,000 for a married couple or civil partners when taken together) when the estate includes a family home that is being passed to lineal descendants.

Estates valued above these allowances could be liable for IHT at the rate of 40% on death. What is more, estates valued at more than £2 million will lose the Residence Nil Rate Band at a rate of £1 for every £2 above the £2 million threshold.

Your estate could become liable to a 40% IHT bill.

Solutions

There are several measures that you could consider to mitigate the impact of IHT on your estate. Here are two popular solutions:

1. **Gifting and trusts**
Gifts typically take seven years before they are fully exempt from IHT. Depending on how old you are, there is a substantial risk that your beneficiaries will still face an IHT charge on those assets. In addition, setting up a trust or making a gift usually means giving up access to your money, which involves a loss of control.
2. **Investing in shares that qualify for Business Relief**
Provided that you hold qualifying shares for two years after your investment, your shares become exempt from IHT. You keep access to, and remain in control of, your investment. Because you have to survive just two years, the chances of you mitigating IHT successfully are enhanced. This provides much greater peace of mind. But, for many, two years can feel like a long time.

Planning for Inheritance Tax_{continued}

You have worked hard all your life. It's understandable that you would like to pass on as much wealth as you can.

IHT can significantly reduce the estate that you leave to your beneficiaries. Planning for IHT is something everyone should consider, even those with modest estates. The larger the estate, the greater your need to plan.



Fordie Estate, part of the Foresight Inheritance Tax Fund portfolio.

Introduction to Business Relief

What is Business Relief?

Introduced by the UK government in 1976, Business Relief (BR) is an established tax relief designed to incentivise investment into trading businesses.

How does BR work

Shares that qualify for BR can be passed down to beneficiaries free from IHT, providing they have been held for a minimum of two years. That means investors who choose to own BR qualifying shares can protect against inheritance tax in just two years.

What are the benefits of BR?

Access and Control:

you maintain access to and control of your investment.

Speed:

a route to IHT exemption in just two years.

Efficiency:

BR qualifying assets do not impact your Nil Rate Band, maximising your IHT shelter.

Diversification:

can complement other forms of IHT planning.

Succession:

in most circumstances, passing a qualifying BR asset to a beneficiary will mean this asset is free from IHT in their hands.

Well-established:

BR legislation was introduced in 1976 and is now over 45 years old.

Case Study

Mrs Collins has £100,000 available for investment. We assume that the shares acquired for Mrs Collins remain valued at £100,000 at the time of death*. The investment would be fully chargeable to IHT because all allowances are fully utilised by other assets within Mrs Collins' estate.

Current situation

with no BR planning

IHT DUE



£40,000

NET FOR ESTATE



£60,000

IHT SAVING

=

NIL

With BR planning

after two years

IHT DUE



NIL

NET FOR ESTATE



£100,000*

IHT SAVING

=

£40,000

* The value of an investment can go up and down, and will be subject to product charges. The value of an investment being maintained or increasing is not guaranteed.

Insurance Categories and Insurance Cover

BR investors must hold their investment for a minimum of two years for it to qualify for IHT relief.

There is a risk that investors will not survive for the two-year period and that IHT relief will not be achieved on their BR investment. To help investors to mitigate this risk, we have created two types of Insurance Cover that provide investors with additional peace of mind during the first two years of their BR investment. Whether you are an individual investor or joint investors determines which Insurance Cover is available to you:



Single Life Cover

Available to individual investors only and pays out on an eligible death within the Initial Period.



Joint Life Second Death Cover

Available to joint investors only and pays out on the second death only (both deaths must be within the Initial Period and must be eligible deaths)*.

Insurance Cover is paired with an Insurance Category that immediately improves your chances of successful IHT mitigation. The Insurance Category available to you is determined by your age:



Category A

Available to investors aged between 62 and 85 (inclusive):

- Single Life Cover: provides protection resulting from death by any cause after 90 days and Accidental Death during the first 90 days.
- Joint Life Second Death Cover: provides immediate protection resulting from death by any cause.



Category B

Available to investors aged between 86 and 89 (inclusive):

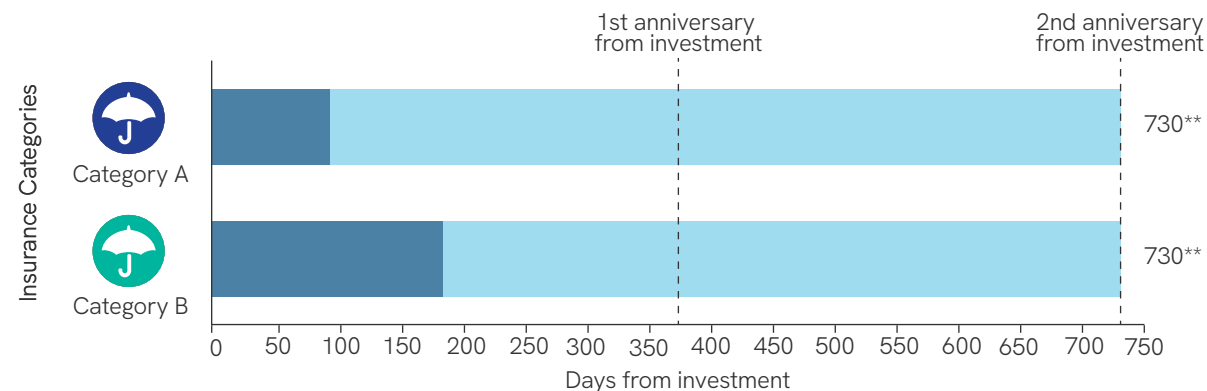
- Single Life Cover: provides protection resulting from death by any cause after 180 days and Accidental Death during the first 180 days.
- Joint Life Second Death Cover: provides protection resulting from death by any cause after 100 days and Accidental Death during the first 100 days.

* Joint Life Second Death Cover is only intended for joint investors who will benefit from Interspousal Transfer Relief (see page 24 for further details).

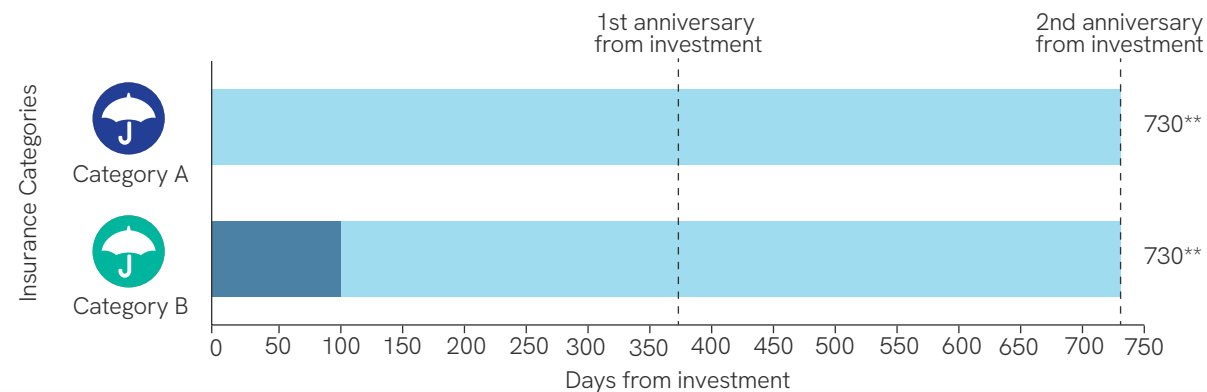
Insurance Categories and Insurance Cover continued

What is insured by each Insurance Category over time under the relevant Insurance Cover*?

Single Life Cover



Joint Life Second Death Cover



● Death by Accident Only ● Death by Any Cause

* In respect of Joint Life Second Death Cover, both deaths are assumed to be eligible.

** Where the Initial Period spans a leap year, the Initial Period will last a total of 731 days.

The Benefits

Cover provided without medical examination or questionnaire

(simply requires you to sign a declaration that to the best of your knowledge you are not suffering from a Terminal Illness)

Insurance cover immediately

(as soon as shares are first acquired)

Cover:

40% of the Net Investment Amount

Insurance Categories and Insurance Cover continued

Common features and key differences

Investors must meet the eligibility criteria to invest in the Foresight Accelerated ITS. Investors should read the eligibility criteria and exclusions in this Investor Guide and Customer Agreement carefully.

Common features:

Minimum subscription amount

£25,000 for individual investors and for joint investors.

Maximum Net Investment Amount

£1 million for individual investors and £2 million for joint investors.

Investor type

Available to direct investors only*.

Additional contributions

£10,000 or more for individual or joint investors at any time subject to the aggregate Maximum Net Investment Amount referred to above**.

Insurance premiums

Payable by Foresight.

Cover

40% of Net Investment Amount.

Cover starts

The date shares are first acquired (which must be within two calendar months of the date of the Application Form).

Cover ends

Two years from the date that shares are first acquired.

Termination of insurance for investor

Withdrawal from the Foresight Accelerated ITS (other than for adviser charges).

Investor declaration

No Terminal Illness (see page 19 for details).

Claim exclusions

False declaration of Terminal Illness (where relevant) or age. Failure by the personal representatives of your estate to meet Insurer information requests.

Joint investors

Both investors will need to meet the eligibility criteria independently for their relevant Insurance Category.

Proceeds

The proceeds of the Insurance Policy will be payable to your beneficiaries, taking into account the persons you nominate in your Application Form, and should fall outside of your estate.

Non-qualifying death

If an investor dies during any applicable Moratorium Period other than by way of Accidental Death, Foresight will pay to the investor's estate an amount equal to any annual management charge paid. This payment may, subject to individual circumstances, be subject to income tax and/or inheritance tax.



Insurer

Underlying Insurer, who has an investment grade credit rating.

* By 'direct' investors, we mean investors signing the Application Form themselves in person and not by an attorney on their behalf. For the avoidance of doubt, the fact that a power of attorney may exist in relation to an investor does not preclude them from applying to participate in the Foresight Accelerated ITS provided that they sign the Application Form in their personal capacity.

** Each 'top-up' will take two years from the date shares are acquired to become IHT exempt and will be separately covered under the Insurance Policy. The eligibility criteria will need to be met, and declarations restated, at the time of such 'top-up'.

Insurance Categories and Insurance Cover continued

Key differences:				
Eligibility Criteria				
	Minimum investor age:	Maximum investor age:		
		On application	At the time shares are first acquired	
	Single Life Cover Category A investor	Age 62 years on the date on which the Application Form is completed and signed.	Age less than 86 years on the date on which the Application Form is completed and signed.	Age less than one calendar month following 86th birthday.
	Single Life Cover Category B investor	Age 86 years on the date on which the Application Form is completed and signed.	Age less than 90 years on the date on which the Application Form is completed and signed.	Age less than one calendar month following 90th birthday.
	Joint Life Second Death Cover Both Category A investors	Age 62 years on the date on which the Application Form is completed and signed.	Age less than 86 years on the date on which the Application Form is completed and signed.	Age less than one calendar month following 86th birthday.
	Joint Life Second Death Cover Both Category B investors	Age 86 years on the date on which the Application Form is completed and signed.	Age less than 90 years on the date on which the Application Form is completed and signed.	Age less than one calendar month following 90th birthday.
	Joint Life Second Death Cover One Category A investor and one Category B investor	Category A: Age 62 years Category B: Age 86 years on the date on which the Application Form is completed and signed.	Category A: Age less than 86 years Category B: Age less than 90 years on the date on which the Application Form is completed and signed.	Category A: Age less than one calendar month following 86th birthday. Category B: Age less than one calendar month following 90th birthday.

The above information is intended as a guide only and should not be taken as a recommendation as to which Insurance Cover to choose. Investors should take appropriate advice from an independent financial adviser authorised under FSMA who specialises in advising on opportunities of this type. An investment in the Foresight Inheritance Tax Fund through the Foresight Accelerated ITS may not be suitable for all investors.

Insurance Categories and Insurance Cover continued

Key differences:				
	Insurance Policy			
	Cover description:	Insurance Proceeds paid:	Exclusions:	Initial period annual management charge: (% of Net Investment Amount)
	Accidental Death only within the first 90 days. See page 19 for a full description of Accidental Death. Death by any cause thereafter.	On eligible death within the Initial Period.	No Terminal Illness. See page 19 for more details. Death, other than Accidental Death, during the first 90 days (including suicide). See page 19 for a full description of Accidental Death.	3.95% plus VAT
	Accidental Death only within the first 180 days. See page 19 for a full description of Accidental Death. Death by any cause thereafter.	On eligible death within the Initial Period.	No Terminal Illness. See page 19 for more details. Death, other than Accidental Death, during the first 180 days (including suicide). See page 19 for a full description of Accidental Death.	5.80% plus VAT
	Immediate death by any cause.	On the second eligible death within the Initial Period.	No Terminal Illness. See page 19 for more details.	1.22% plus VAT
	Accidental Death only within the first 100 days. See page 19 for a full description of Accidental Death. Death by any cause thereafter.	On the second eligible death within the Initial Period***.	No Terminal Illness. See page 19 for more details. Death, other than Accidental Death, during the first 100 days (including suicide). See page 19 for a full description of Accidental Death.	3.59% plus VAT
	Category A: Immediate death by any cause. Category B: Accidental Death only within first 100 days. See page 19 for a full description of Accidental Death. Death by any cause thereafter.	On the second eligible death within the Initial Period***.	Category A/Category B: No Terminal Illness. See page 19 for more details. Category B: Death, other than Accidental Death, during the first 100 days (including suicide). See page 19 for a full description of Accidental Death.	2.49% plus VAT

*** In the case of joint investors under Joint Life Second Death Cover, where the first death is a Category B investor who dies during the first 100 days (other than by Accidental Death), the Joint Life Second Death Cover will automatically terminate for both investors. Joint investors can make an election on initial application for the survivor to benefit from Single Life Cover in such circumstances (see page 20).

Insurance Categories and Insurance Cover_{continued}

Foresight Accelerated ITS Insurance Cover comes without the need for a medical examination or questionnaire.

Investor(s) checklist

To be eligible for the Foresight Accelerated ITS Insurance Policy, investors must:

- ✓ meet the corresponding age eligibility requirements;
- ✓ confirm the Terminal Illness declaration;
- ✓ be a direct investor (i.e. applications through a power of attorney will not be accepted); and
- ✓ sign and date the Application Form.



Insurance Categories and Insurance Cover continued

All investors are required to make a declaration in the Application Form that they are not suffering from a Terminal Illness.

Terminal Illness Declaration

To the best of your knowledge you are not suffering from a Terminal Illness.

You will be deemed to have a 'Terminal Illness' if:

- you have received a Diagnosis (as defined below) by your attending Consultant (as defined below) of an illness that has no known cure or has progressed to the point where it cannot be cured; and
- your attending Consultant has estimated that the illness will lead to your death within twelve (12) months of such Diagnosis; or
- if your attending Consultant has estimated that the illness will lead to your death ranging between a minimum and a maximum, the minimum estimate will lead to your death within twelve (12) months of such Diagnosis.

For these purposes:

- a 'Diagnosis' means the identification of the nature of an illness or condition by examination of the symptoms; and
- a 'Consultant' means a medical doctor of senior rank within a specified field and for the avoidance of doubt includes General Practitioners.

In Section 4 of the Application Form you will be required to sign a declaration that to the best of your knowledge you are not suffering from a Terminal Illness and consenting to the release of your medical records following your death. This includes any post-mortem examination and may be used by the Insurer to verify the eligibility of your claim.

Benefits will not be paid in respect of an investor who before completing and signing the Application Form, had received from their attending Consultant a Diagnosis with no life expectancy estimate and, in the reasonable opinion of an independent Consultant appointed by the Insurer during the claims process, the illness or condition would have been expected to lead to the investor's death within twelve (12) months of the Diagnosis.

If you are unsure about having a diagnosis of a Terminal Illness, it is advised that you engage with your attending Consultant before signing this declaration.

Accidental Death

Accidental Death means death of an insured person as a direct result of an Accident, the injuries directly sustained from the Accident and independently of any other cause.

Accident: A sudden, unexpected, unusual, specific, external event which occurs at an identifiable time and place.

Exclusion: For the avoidance of doubt, death due to, or caused by, contributed to or related to, suicide (assisted or not) or self-inflicted injury is excluded from this definition of Accidental Death.

Non-Qualifying Death

If an investor dies during any applicable Moratorium Period other than by way of Accidental Death, Foresight will pay to the investor's estate an amount equal to any annual management charge paid.

This payment may, subject to individual circumstances, be subject to income tax and/or inheritance tax.

Insurance Categories and Insurance Cover continued

Joint Life Second Death Cover – Category B Investor Death

In the case of joint investors under Joint Life Second Death Cover, where the first death is a Category B investor who dies during the first 100 days (other than by Accidental Death) the Joint Life Second Death Cover will automatically terminate for both joint investors. In this situation the surviving joint investor will, if the joint investors made the relevant election in their Application Form, automatically benefit from Single Life Cover for the same Category (A or B) as applied to the survivor in respect of the Joint Life Second Death Cover. If the surviving joint investor has not made this election they will cease to have any life insurance cover.

Where the surviving joint investor automatically benefits from Single Life Cover:

- the amount insured in relation to the Single Life Cover is 40% of the full joint Net Investment Amount;

- the annual management charge for the whole of the Initial Period will be recalculated and applied (on the full Joint Net investment Amount) at the rate applicable to the Single Life Cover which corresponds to the Insurance Category applicable to the surviving joint investor. See page 31 for further details; and
- in respect of the surviving investor:
 - the 90 day Accidental Death cover applicable for a Category A investor; or
 - the 180 day Accidental Death cover applicable for a Category B investor

commences on the date of investment in relation to the original Joint Life Second Death Cover (and does not restart on the first death), however, investors should note that these periods are longer than the equivalent periods under the Joint Life Second Death Cover.

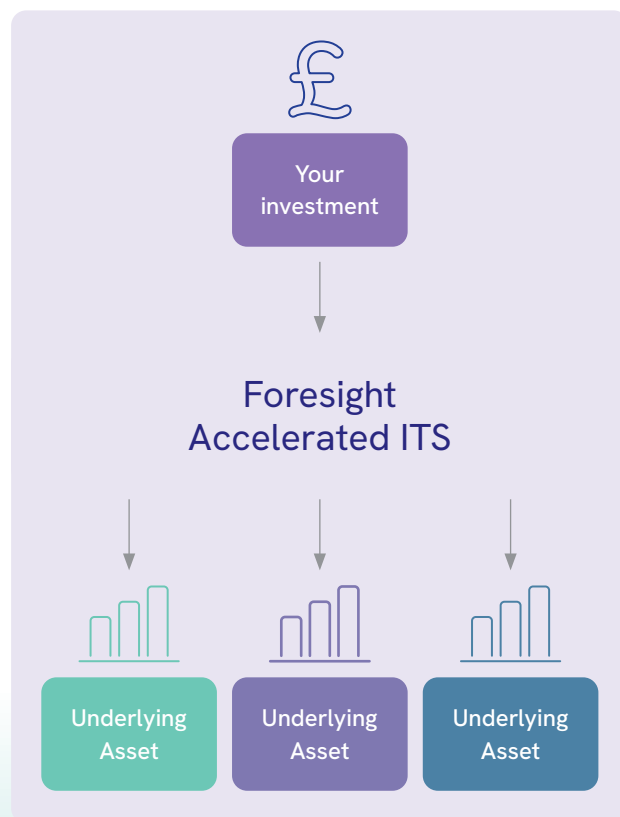
Exclusion: For the avoidance of doubt, death due to, or caused by, contributed to or related to, suicide (assisted or not) or self-inflicted injury is excluded from this definition of Accidental Death.

Insurance Policies

- We have arranged two group life policies in respect of the Insurance Cover, one covering Single Life Cover and the other covering Joint Life Second Death Cover.
- The insurer under these policies (Insurer) has fully reinsured its policies with an insurer that has an investment grade credit rating (Underlying Insurer). The Underlying Insurer has provided a direct guarantee to Foresight.
- It is not anticipated that any profit or loss would arise to Foresight Group Holdings Limited in relation to the Insurer. Foresight does not have any holding in the capital of the Underlying Insurer, nor does the Underlying Insurer have any holding in the capital of, or any voting rights in, Foresight. Foresight Group Holdings Limited (the ultimate parent of Foresight) is the holder of all shares in the Insurer, however, the Insurer is independently managed. The Insurance Policy has been negotiated by Foresight on arms-length commercial terms with the Underlying Insurer.

How it Works

The Foresight Accelerated ITS invests in shares of unquoted trading companies that are expected to qualify for BR.



Your investment

When you subscribe to the Foresight Accelerated ITS, we will use your subscription amount, less initial Foresight charges and any initial charges you have agreed with your adviser, to acquire shares in one or more trading companies on your behalf.

The number of shares acquired will be rounded down to the nearest whole number of shares. The actual price paid for the number of shares capable of being acquired will be your 'Net Investment Amount'. The acquisition of shares is what we mean by 'investment' as opposed to the date on which your application form is completed and signed or the date on which we receive, process or accept your application.

Our multi-award-winning investment team, comprised of over 100 specialists, makes investments across a broad range of underlying trades, including infrastructure, renewable energy and lending, to create diversification. This helps reduce risk and protect the value of your capital.

Our principal objective is to make investments in shares that we expect to qualify for BR and deliver stable and predictable returns for investors.

Once you have held your shares for two years, they should be exempt from IHT. If you die within the Initial Period and you are covered under your chosen Insurance Cover, the insurance proceeds paid to your beneficiaries will go towards mitigating the reduction in your estate resulting from any IHT liability on the value of the shares.

Target return

The Foresight Inheritance Tax Fund targets an annual return of 3.0% – 4.5%, net of all Foresight charges*. This is delivered through a combination of income and capital growth from the underlying assets, and offers the potential for inflation-correlated returns, while reflecting the conservative risk mandate preferred by our investors.

*Applicable to Foresight Accelerated ITS investors after their Initial Period.

Flexible access

One of the benefits of Foresight Accelerated ITS is that you keep access to your capital, should you wish to make a withdrawal. This means, you can request that some or all of your shares are sold, on a regular or ad hoc basis, should your circumstances change. Because withdrawals are generally made through a disposal of shares, they will typically be subject to capital gains tax, although tax treatment cannot be guaranteed.

Remember that the IHT shelter will be lost on the amount withdrawn and the value of the investment will similarly be reduced. Partial withdrawals are not permitted during the Initial Period other than to meet ongoing adviser fees. **During the Initial Period, only a full withdrawal will be possible, however, please note that this will terminate your cover under the Insurance Policy and you will lose your IHT shelter.** We will assist you in joining the Foresight ITS should you wish for any part of your investment to continue in a Foresight BR solution.

Liquidity

Liquidity for withdrawals is targeted within one month from receipt of written instruction. Investments in unquoted companies, by their nature, have limited liquidity. There is, therefore, no guarantee that withdrawals can be effected when requested or within the targeted timescales.

Payments to HMRC

If requested, Foresight can sell down the proceeds of a Foresight Accelerated ITS investment and pay them directly to HMRC during probate as either a partial or a full settlement of any residual IHT liability. This could allow beneficiaries to avoid interest payments due on bridging loans used to pay an IHT liability, before probate has been granted.

How it Works continued

What happens after you invest?

Step 1

Application

You and your authorised financial adviser consider whether or not an investment in the Foresight Inheritance Tax Fund through the Foresight Accelerated ITS is suitable (noting in particular the eligibility criteria and the Terminal Illness declaration) and, if so, select the Insurance Cover appropriate to you, complete the Application Form (to be signed by the investor) and Adviser Certificate, and send it to the Receiving Agent with your cheque or confirmation that you have made a bank transfer. **You and your authorised financial adviser should be aware that failing to complete the Application Form fully and provide any information required for anti-money laundering checks could delay the application process.**

Step 2

Acknowledgement

Your Application Form will be processed and, provided it is accepted, we send you and/or your authorised financial adviser a letter confirming acceptance of your application. Due to the necessary anti-money laundering checks, under certain circumstances the acknowledgement period may extend beyond five days.

In the event that, owing to any delay in the application process, shares may not be acquired **within two calendar months of the date on your Application Form**, we may require you to re-sign and date the Application Form accordingly.

Your 14-day 'cooling-off' period starts on the date of acceptance.

Step 3

Investment

We deduct any upfront charge you have asked us to pay to your authorised financial adviser and our own initial charges. We then invest the balance (the Net Investment Amount) in shares. The Insurance Cover will commence on the day and time when shares are first acquired for you.

We send you a Welcome Pack confirming the investment date, the Net Investment Amount and the date on which the investment should become IHT exempt. We will also send you an opening statement.

Every 6 months

Reporting

We send you an update on the portfolio of underlying investments and a valuation statement.

Our Client Portal provides your authorised financial adviser with 24/7 online access to all information relating to your investment, including the latest portfolio valuation.

Your authorised financial adviser can register by visiting: <https://portal.foresight.group/LoginPortal#>.

On death during the Initial period

Your personal representatives notify us of your death

Your personal representatives will provide us with an original or certified copy of your death certificate (in respect of Joint Life Second Death Cover, for both of you) for us to begin the insurance claim. For investors that have selected Joint Life Second Death Cover, your personal representatives will need to notify us upon the second death only within the Initial Period. Any claim is subject to investigation from the Insurer.

If the Insurer requests further information on your estate or eligibility we will contact your personal representatives and pass the details on.

Payment of the proceeds

The insurer settles the claim and pays the proceeds to us

Once the Insurer makes payment to us, we will pay the proceeds to your beneficiaries, taking into account your expression of wishes*. The length of time that it takes for the Insurer to process claims is outside of our control and will typically take a minimum of six weeks.

2 years

Second anniversary

On the second anniversary of your investment, the Insurance Policy cover ceases and your investment should become an exempt asset for IHT purposes**.

* The payment of the proceeds to your beneficiaries could itself trigger a small IHT charge. Please see further details in paragraph 8 under the heading 'Tax Implications' on page 39.

** Transfer of shares after the Initial Period may have adverse tax consequences. Please see paragraph 5 under the heading 'Tax Implications' on page 39.

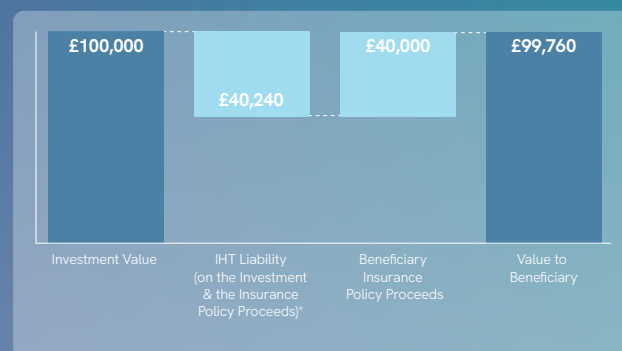
How it Works_{continued}

Single Life Cover Case Study

Mrs Collins has £100,000 to invest in the Foresight Accelerated ITS under Single Life Cover. Let's assume this is the only amount of her estate in excess of her Nil Rate Band and that if invested the value remains constant and that no product charges are suffered.

Scenario A

Beneficiary value if Mrs Collins invests in the Foresight Accelerated ITS and dies midway through the Initial Period and is eligible under the Insurance Cover.

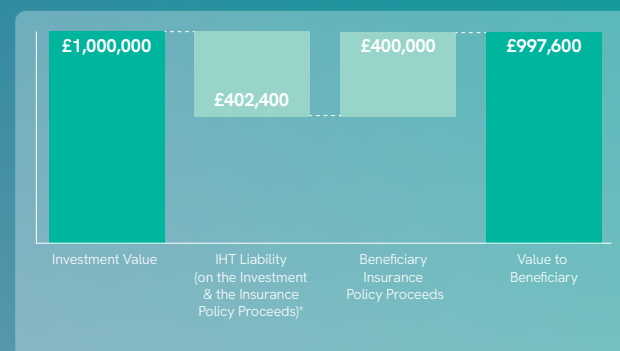


Joint Life Second Death Cover Case Study

Mr and Mrs Jones have £1,000,000 to invest in the Foresight Accelerated ITS under Joint Life Second Death Cover. Let's assume that this is the only amount of their estate in excess of their Nil Rate Band and that if invested the value remains constant and that no product charges are suffered.

Scenario B

Beneficiary value if Mr & Mrs Jones invest in the Foresight Accelerated ITS, both die midway through the Initial Period and both deaths are eligible under the Insurance Cover.



Scenario C

Beneficiary value if Mr & Mrs Jones invest in the Foresight Accelerated ITS, Mr Jones dies midway through the Initial Period and their joint investment in Foresight Accelerated ITS passes to Mrs Jones via an interspousal transfer. Mrs Jones survives the Initial Period.



* The IHT liability on the value of the shares is 40% of their value. In the event of any payment of proceeds under the Insurance Policy, there will also be a small amount of IHT on such proceeds (sometimes referred to as an exit charge). For further details please see paragraph 8 under the heading 'Tax Implications' on page 39.

The value of an investment can go up and down, and will be subject to product charges. The value of an investment being maintained or increasing is not guaranteed.

Interspousal Transfer Relief

What is Interspousal Transfer Relief?

Typically, upon your death, there is no IHT to pay if you transfer the value of your estate above your Nil Rate Band allowance to your spouse or civil partner.

Who qualifies for Interspousal Transfer Relief?

You and your partner must be considered as spouses or civil partners under UK law.

You and your partner may either be domiciled in the UK or non-domiciled (subject to certain restrictions).

This explanation of Interspousal Transfer Relief is for introductory purposes only and does not constitute tax advice. Tax treatment will depend on the individual circumstances of each client and may be subject to change in the future.



Underlying Investments

Our principal objective is to make investments that we expect to qualify for BR and deliver stable returns for investors.

The Foresight Inheritance Tax Fund achieves these aims by investing into a diversified portfolio of underlying infrastructure businesses and other trades, with the objective of managing risk to capital and delivering predictable returns.

These businesses tend to benefit from a number of attractive characteristics:

Long-term contracted revenues

A high proportion of infrastructure revenues come from long-term contracts that are often linked to inflation and interest rates. This makes the asset class attractive when seeking stable returns.

Stable & predictable demand

Infrastructure assets can benefit from consistent, strong demand especially if they provide critical services for daily living like energy generation or healthcare businesses. This makes their financial performance relatively consistent and insensitive to economic and market cycles.

High barriers to entry

Infrastructure assets are typically large physical assets that take substantial time and investment to develop and maintain. The capital-intensive nature of infrastructure assets creates a barrier to entry that results in limited numbers of competitors, and sometimes effectively monopolistic conditions. Low competition can make returns more predictable.

Low correlation to equity markets

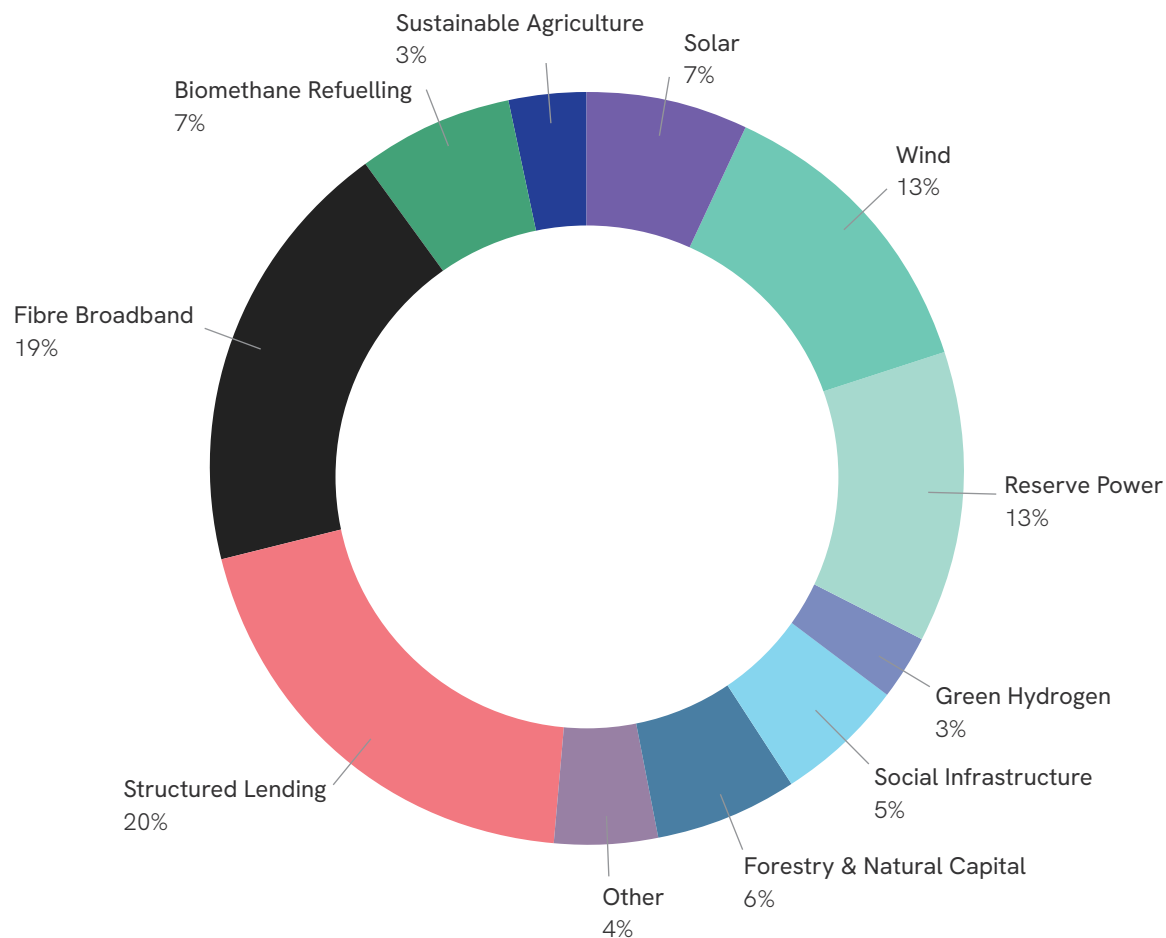
These companies tend to have significant real asset bases, limited technology risk, good operating margins and often trade in large markets with strong counterparties. For all these reasons and those listed above, returns are not typically affected by stock market volatility or economic cycles.

Co-investment

We may co-invest funds from the Foresight Inheritance Tax Fund alongside other funds managed by Foresight Group and/or introduce other third-party co-investors to opportunities. The decision as to allocation and co-investment will be at our sole discretion, but subject to our internal conflicts and allocation policies.

Underlying Investments continued

The Foresight Inheritance Tax Fund portfolio has a range of underlying investments, which is diversified, UK focused and cash generative. The current portfolio (excluding cash) is comprised of the following:



As at 31 March 2024

Foresight Inheritance Tax Fund
Renewable Energy Statistics (for
the year to 31 March 2024)

Underlying wind, anaerobic
digestion & solar assets produced

312 GWh
of clean energy

That's enough to power

107,546
UK households for a year

Why Foresight?

Three reasons why you should consider sheltering your assets through the Foresight Accelerated ITS.



1 Global Infrastructure and Real Asset Specialist

Foresight Group manages over £9.8 billion of infrastructure and real assets for their institutional and retail clients.

Since 2008, when it first started making renewable energy investments, Foresight Group has established itself as one of the most experienced infrastructure and real asset investment managers in the BR industry.

Foresight ITS investors benefit from Foresight Group's award winning investment team, comprised of over 100 infrastructure and real asset investment specialists based across the UK, Ireland, Spain, Italy and Australia.

Having this resource and level of expertise in-house makes Foresight well placed to manage the infrastructure and real assets held through the Foresight Inheritance Tax Fund.

2 Trusted by Institutions

Alongside c.40,000 retail investors introduced to Foresight Group by financial advisers, Foresight Group also manages £8.4 billion (as at 31 March 2024) for more than 200 institutional investors, which describes professional organisations, such as asset managers and pension funds, employed to invest large sums of money for others.

To gain institutional investments, Foresight Group is subject to thorough and lengthy due diligence procedures, which can cost the institution hundreds of thousands of pounds. Institutions do not benefit from tax relief on their investments, so they choose Foresight Group based entirely on the strength of its investment team, investment track record and processes.

3 Diversification

Diversification describes the process of spreading investments across a variety of assets to reduce risk.

Foresight Inheritance Tax Fund investors benefit from a diversified portfolio of over 11 different underlying trades, which reduces the chance of any asset-specific risks significantly impacting performance.

Having grown to over £1.5 billion of assets under management, the Foresight Inheritance Tax Fund's scale also promotes improved diversification allowing exposure to a greater number of underlying trades and assets. Again, this reduces the risk of portfolio performance being negatively affected by any one variable, for example energy prices.

Increased portfolio diversification is made possible by the broad range of expertise present in Foresight Group's large team of infrastructure investment specialists.



Tirgwynt wind farm, part of the Foresight Inheritance Tax Fund portfolio

Global Initiatives

Foresight Group has long been an active supporter of the following global initiatives:

UN Global Compact

Founded in 2000, the UN Global Compact is the world's largest voluntary corporate sustainability initiative. The UN Global Compact advances transparency and accountability across all areas of business operations and has established Ten Principles on Human Rights, Labour Rights, the Environment and Anti-Corruption. As a member, Foresight Group is committed to investments that advance these objectives.

In 2021, Foresight Group published its inaugural Communication on Progress, describing its actions to advance the Ten Principles of the UN Global Compact and outlining how the Principles have been integrated into its business activities and day-to-day operations. The full report can be found at www.foresight.group.

Principles for Responsible Investment (PRI)

Foresight has been a signatory to the PRI since 2013. PRI is a globally recognised voluntary framework focused on the incorporation of ESG considerations into the investment decision making process. It provides a basis for potential and existing investors to judge the quality of a company's ESG processes and positioning within an industry sector.

Foresight Group has committed to submitting an annual assessment that grades its business performance across different modules. In 2023, Foresight Group was recognised once again for its management of "environmental, social and governance considerations", earning it the top classification of five stars from the PRI for both Foresight's Private Equity and Infrastructure Teams, as well as for Foresight Group as a whole.

Foresight Group Renewable Energy Statistics (for the year to 31 March 2024)

438 infrastructure assets globally

4.7 GW

of total renewable energy generating capacity

Which delivered over

2.8m

tonnes of CO₂e emissions avoided

That's enough to power over

2.8m

UK households for a year

Global Initiatives continued

UN Sustainable Development Goals

The UN Sustainable Development Goals (SDGs) are a set of 17 goals for sustainable development to be achieved by 2030. They recognise that ending poverty must go hand-in-hand with strategies that build economic growth and address a range of social needs including education, health, social protection and job opportunities, while tackling climate change and environmental protection too. Using recognised frameworks for calculation, Foresight measures and quantifies the Foresight Inheritance Tax Fund's contribution to the SDGs and their underlying targets:



3.1 Good Health & Well-Being

168,000 kg

NOx (Nitrous Oxide)
avoided vs energy
generated from gas

2,900 kg

PM10 avoided (µm10
Particulate Matter)

124,000 kg

SOx (sulphur dioxide)

1,300 kg

PM2.5 avoided (µm2.5
Particulate Matter)



7.2 Affordable & Clean Energy

312GWh

Renewable energy
generated

107,546

Homes powered for a year



9.1 Industry, Innovation & Infrastructure

200 MW

of renewable generation capacity added to the
electricity grid



13.3 Climate Action

38,310 tCO₂e

(Tonnes of Carbon Dioxide equivalent) emissions
avoided compared to coal



15.5 Life on Land

26,817 ToE avoided

Tonnes of Oil equivalent contributing to avoidance
of fossil fuel use

Charges

A simple charging structure.

Initial Charges

1. Foresight Initial Charge

The Foresight Accelerated ITS is subject to an initial charge of 2.50% payable to the Promoter which will be deducted from the amount subscribed. This charge will not apply to any amount deducted to facilitate payment of adviser charges.

2. Initial Adviser Charge

An investor can specify on the Application Form the amount of any up-front adviser charge agreed with their authorised financial adviser in connection with investing in the Foresight Accelerated ITS. We will deduct such charge from the amount subscribed and facilitate payment to the authorised financial adviser.

Ongoing Charges

1. Initial Period Annual Management Charges

During the Initial Period, we will charge an annual management charge in respect of each investor (or, as applicable, joint investors) to the companies in which the Foresight Inheritance Tax Fund directly invests. The amount of our annual management charges is dependent on the applicable Insurance Category and the Insurance Cover selected.

These charges will be payable quarterly and an investor's Portfolio holding will be reduced accordingly through a buyback, for no consideration, of shares with a value equal to those charges. There will be no tax implication of the buyback for an investor as this will be effected at nil value.

If a full withdrawal is made during the Initial Period, any unpaid annual management charges for the relevant year to the next anniversary of the date on which shares were first acquired will be taken in full. This applies if the withdrawal is made during the lifetime of the investor or on death.

If an investor dies during the applicable Moratorium Period (if any) under the relevant Insurance Cover other than by way of Accidental Death, Foresight will make a payment to the investor's estate of an amount equal to any annual management charge paid in respect of that investor. This payment may, subject to individual circumstances, be subject to income tax and/or inheritance tax.

Single Life Cover

Insurance Categories	Annual Management Charge (% of Net Investment Amount)
Category A	3.95% plus VAT
Category B	5.80% plus VAT

Joint Life Second Death Cover

Insurance Categories	Annual Management Charge (% of Net Investment Amount)
Both Category A	1.22% plus VAT
Both Category B	3.59% plus VAT
Category A/Category B	2.49% plus VAT

For the avoidance of doubt, no annual management charge applies after the Initial Period.

If one of the joint investors dies during the Initial Period the joint investment will remain invested in the Foresight Inheritance Tax Fund and will automatically pass to the surviving investor. The annual management charge will continue to be charged on the full joint Net Investment Amount as set out above.

Where the first death is a Category B investor, the annual management charge for the Initial Period will be recalculated where:

- the Category B investor dies during the first 100 days; and
- the Category B investor dies other than by Accidental Death; and
- the joint investors elected in their Application Form for the surviving joint investor to automatically benefit from Single Life Cover.

The recalculation will be applied on the full joint Net Investment Amount. The annual management charge applicable to the surviving investor will correspond to the Insurance Category applicable to the surviving investor. The recalculation and application of the revised annual management charge will take place when Foresight first becomes aware of such first joint investor death, and the higher charge will apply accordingly.

Charges continued

2. Administration Charges

Annual Administration Charge

2.00% plus VAT of investee company net assets

We will charge an annual administration fee to the companies in which the Foresight Inheritance Tax Fund directly invests. In respect of each investee company, the annual administration fee will be an amount equal to 2.00% plus VAT per annum of the investee company's net asset value calculated quarterly (before the deduction of any administration and annual management charges) at the end of the investee company's relevant quarter.

The administration fee is an 'all inclusive' fee for the regular services that Foresight Group may provide to investee companies. It includes all company secretarial, administration, deal and arrangement services to an investee company, and related costs. It does not include the normal trading and operational costs of an investee company group nor any fees and costs in relation to independent directors, audit, legal, stamp duty and exceptional items.

3. Ongoing Adviser Charges

An investor can also specify in the Application Form the amount of any ongoing charges they have agreed with their authorised financial adviser in connection with investing in the Foresight Accelerated ITS. Ongoing charges will be paid at the end of each calendar quarter following the first full quarter after shares are acquired for an investor. We will effect a withdrawal from the investor's investment and facilitate payment of the ongoing charge to the authorised financial adviser.

The withdrawal will generally be effected through a disposal of part of the investor's holding in shares. See details on page 21 in relation to taxation consequences and other implications of withdrawals.

4. VAT

All fees and charges are stated exclusive of value added tax, if applicable.

Fees and charges paid by the investee companies (these being the Initial Period annual management charges and administration charges) in which the Foresight Inheritance Tax Fund invests will be subject to applicable VAT and any irrecoverable VAT will reduce the value of an investor's Portfolio.

Amounts requested for facilitation in respect of initial or ongoing adviser charges will be assumed to include any applicable VAT.

Further Details

Further details on how initial and ongoing charges are calculated and paid can be found in clause 6 of the Customer Agreement on pages 50 and 51.

How we Help Financial Advisers

Dedicated resource



We have a well-resourced sales team who provide support across the whole of the UK and are on hand to answer your questions and support your business.



To answer questions relating to your existing Foresight investors, we have a large in-house Investor Relations team, with a specific representative assigned to your account.



If you're unsure of who your local Foresight representatives are please contact Retail Sales:

+44 (0) 20 3667 8199

sales@foresightgroup.eu

24/7 online access

Our online portal provides instant access to all your client information and reports.



Latest client valuations



Submit new applications



Update client details

Business partnership

How can we help your business?



Identify new IHT planning opportunities



Provide specialist training



Develop valuable professional connection relationships



Support client events and meetings



Key Risks

The Foresight Accelerated ITS might not be suitable for all investors and we recommend that those considering making an investment through the Foresight Accelerated ITS should seek tax and independent financial advice. Foresight is not able to provide advice about whether this investment opportunity is suitable for you or which Insurance Cover should be selected.

Foresight believes that the following nine key risks apply to an investment in the Foresight Inheritance Tax Fund through the Foresight Accelerated ITS. Further details of these and other risks are set out in pages 37 to 41.

It is important that you read and that you understand fully all the risks involved with an investment of this nature to decide whether it is right for you. You should not commit to invest any more than you can afford to lose.

1. Performance

The value of an investment may fall as well as rise and you may lose some or all of your investment. Past performance is not a guide to future performance and there is no guarantee that a return will be achieved.

2. Liquidity

The investment should be considered a long-term investment and, in the event of a withdrawal, it may be difficult or impossible to realise your investment in whole or part. No partial withdrawals may be made until after the Initial Period aside from to meet ongoing adviser fees.

3. Tax Relief

If your investment is not held for at least two years you will lose the IHT relief. If you sell or withdraw any of your holding after two years, you will lose the IHT relief on the amount withdrawn and retain IHT exemption only on your remaining investment. Tax regulations are also subject to change. In particular, the change in government following elections in the UK on 4 July 2024 may result in potential changes to IHT and the BR regime.

4. Diversification

Your investment may only be in one or two companies whose activity is predominantly focused on limited sectors and, accordingly, the diversification of your Portfolio may be restricted.

5. Conflicts of Interest

Companies in which the Foresight Inheritance Tax Fund invests might deal with funds managed by or connected with Foresight Group and the outcome of investment decisions may, on occasion, be more beneficial to one or more of such parties than others.

Key Risks continued

6. BR Qualification

There is no guarantee that your investment will remain a BR qualifying investment and, if it ceased to be a qualifying investment, IHT relief would be lost.

7. Economic Conditions

General market risks, including economic and global political uncertainty, inflation rate increases, real or perceived unfavourable market conditions, market volatility, movements in interest rates, spending cuts, changes in domestic and international economic conditions, and physical climate change risks may impact on the level of economic growth and earning capability and prospects, and accordingly the valuation, of the underlying businesses in which the Foresight Inheritance Tax Fund has invested or may invest.

8. Climate Change

Companies in which the Foresight Inheritance Tax Fund invests may be adversely affected by the effects of climate change (and change of UK and global policies in relation thereto).

9. Insurance

Insurance cover is only available to investors who meet the eligibility criteria for the relevant Insurance Category (see pages 15 to 20 and clause 20 of the Customer Agreement on pages 57 to 59). Failure to meet such criteria or a misrepresentation in the eligibility declaration could result in the Insurer refusing to settle Foresight's claim under the Insurance Policy. Joint investors selecting Joint Life Second Death Cover should note that if one or both of them is a Category B investor and a Category B investor dies (other than by Accidental Death) within the first 100 days from the Insurance Cover commencing, both investors will fail to meet the eligibility criteria for the Insurance Cover. See page 20 in respect of the election joint investors can make on initial application for the survivor to benefit from Single Life Cover in such circumstances.



CNG Fuels, biomethane refuelling station,
part of the Foresight Inheritance Tax Fund portfolio

The Risks in Detail

The Foresight Accelerated ITS might not be suitable for all investors and we recommend that anyone considering making an investment through the Foresight Accelerated ITS seeks tax and independent financial advice before they commit. Foresight is not able to provide advice about whether this investment opportunity is suitable for you, or which Insurance Cover should be selected.

The Risks in Detail

The risks and the uncertainties described below are not the only ones investors who participate in the Foresight Accelerated ITS may face. Additional risks not currently known to Foresight, or which Foresight currently believes are not material, may also adversely affect the performance of investments made through the Foresight Accelerated ITS.

Performance

1. Foresight cannot guarantee any targeted level of returns, since the level of returns that will be generated by your Portfolio will depend on the performance of the underlying assets. There is no guarantee that the assets will perform or that external factors will not hamper performance.
2. The value of an investment through the Foresight Accelerated ITS may fall as well as rise and investors may not get back the full amount invested. In the event that the value of an underlying asset of a company in which investments through the Foresight Accelerated ITS are made is adversely affected, it may not be possible to recover all of the money that has been invested and investors may therefore lose some or all of their investment. Investing in unquoted shares may expose you to a significant risk of losing all the money you invest. There is no guarantee that the valuation of an investment from time to time will fully reflect its underlying value or that it can be sold at that valuation.
3. Although the value of your investment may fall, the annual charges during the Initial Period are fixed and may, as a percentage of value, therefore represent a larger percentage than the percentage of cost stated at outset.
4. The past performance of investments made by Foresight Group is not a guide to the future performance of the Foresight Accelerated ITS.

5. Foresight has been appointed as the investment manager of the Foresight Inheritance Tax Fund and is dependent on certain key individuals and on their business and financial skills. The success of the Foresight Accelerated ITS will depend upon the ability of Foresight to retain such individuals and to identify, source, select, complete, monitor and manage appropriate investments in respect of the Foresight Inheritance Tax Fund.

Qualifying companies and underlying investments

1. The Foresight Inheritance Tax Fund targets investments in companies which are reasonably believed to qualify for BR. However, Foresight cannot guarantee that any investment will remain a qualifying investment at all times. In the event that a company in which an investment through the Foresight Accelerated ITS is made ceases to be a qualifying investment, BR would be lost.
2. Whilst investments through the Foresight Accelerated ITS are sought to be made in companies which offer predictable cash flows and low correlation to equity markets, including infrastructure assets such as solar power plants, onshore wind and reserve power plants, investment in unquoted companies by its nature involves a higher degree of risk than investment in companies listed and/or traded on a regulated market.

Infrastructure investments are particularly susceptible to fluctuations in energy prices and demand, as well as the availability and pricing of raw materials.

The Risks in Detail continued

3. In certain circumstances, a company in which an investment through the Foresight Accelerated ITS is made, directly or indirectly, might take out insurance to mitigate particular risks that they are exposed to but in the unlikely event that the insurer becomes bankrupt or for any other reason does not pay a claim, investors could lose some or all of their investment.
4. Companies in which investments through the Foresight Accelerated ITS are made may have debt that ranks in priority to the investor's investment in the company. This may increase the exposure to adverse economic factors such as rising interest rates and downturns in the economy, which in turn will have an adverse impact on the investment. While such leverage may increase returns or the funds available to the company, if the company defaults on any indebtedness, the entire investment in the company could be lost.
5. General market risks, including economic and global political uncertainty, inflation rate increases, real or perceived unfavourable market conditions, market volatility, movements in interest rates, spending cuts, changes in domestic and international economic conditions, and physical climate change risks may impact the level of economic growth and earning capability and prospects, and accordingly the valuation, of the underlying businesses in which the Foresight Inheritance Tax Fund has invested or may invest. This could result in changes to the availability of materials, suitable staff or services required by, or demand for products or services offered by companies in which investments through the Foresight Accelerated ITS may be made.

This could also result in such companies being subject to onerous contracts, competition, litigation, political and natural events, changes in governments, economic, political, fiscal or monetary policies, taxation (particularly in relation to IHT and BR) and other laws and regulations (including in connection with Brexit) and acts of war and terrorism, any of which could have an adverse effect on the value of the investment and any follow-on investments.

6. Companies in which the Foresight Inheritance Tax Fund invests may be adversely affected by the effects of climate change (and change of UK and global policies in relation thereto).

Liquidity

1. Investments in unquoted companies, by their nature, have limited liquidity compared to companies that are listed and/or traded on a regulated market as there is no available public market for them. As a result, it may be difficult or impossible to realise your investments if you decide to terminate the Customer Agreement or make a withdrawal. You must, therefore, be able and be willing to accept such risk and illiquidity.
2. Although we will endeavour to implement withdrawal requests, there is no guarantee that withdrawals will be paid when requested or that investment monies will be returned within any targeted timescales after receipt of the written request. Factors such as difficulties in realising underlying investments, a higher than anticipated volume of requests for withdrawal and changes in legislation could all result in there being insufficient liquidity to satisfy withdrawal requests and the process for returning monies could be longer than anticipated. The same risks apply in relation to termination.

3. No partial withdrawals may be made until after the Initial Period (i.e. the second anniversary of the date on which shares are acquired for you under the Foresight Accelerated ITS), other than withdrawals for the purposes of meeting ongoing adviser charges.
4. If a full withdrawal is made during the Initial Period, any unpaid annual management charge for the relevant year will be taken in full. This applies if the withdrawal is made during the lifetime of the investor or on death.
5. Any withdrawal, whether regular, one-off or to facilitate adviser charges, will reduce the value of your Portfolio, reducing the IHT shelter and eroding future returns.

Tax implications

1. To obtain the tax reliefs set out in this Investor Guide, the personal representatives of an investor's estate will need to complete and file the necessary probate returns for assessment by HMRC and no guarantee is made that any such assessment will result in relief being granted.
2. Statements in this Investor Guide regarding taxation and tax reliefs are based on our interpretation of current UK legislation. This interpretation may not be correct. Tax legislation, rates of tax, tax benefits, reliefs and allowances are based on current legislation and HMRC practice which may change over time and are not guaranteed. In particular, the change in government following elections in the UK on 4 July 2024 may result in potential changes to IHT and the BR regime. A change in legislation, in addition to reducing the tax benefits provided by investments through the Foresight Accelerated ITS, may also make the underlying investments difficult to sell, particularly in the short term, or reduce their value.

The Risks in Detail continued

3. Tax treatment also depends on individual circumstances and you should seek input from your professional advisers about whether investments through the Foresight Accelerated ITS are suitable for your circumstances.
4. To qualify for BR the shares will need to be held for at least two years, and any withdrawal from a Portfolio, whether as a request by the investor or payment of charges to the investor's authorised financial adviser, will reduce the value of the investment qualifying for BR.
5. In addition to the requirement to hold the shares for a minimum of two years, if you transfer the shares during your lifetime, whether to an individual or to the trustees of a discretionary trust or to some other entity, there will be a retrospective clawback of BR claimed on the transfer if the transferee does not hold the shares for at least the shorter of (i) seven years and (ii) the remainder of your life.
6. The two-year holding period required for the investment potentially to qualify for BR starts when qualifying shares are purchased. Typically shares will be acquired under the Foresight Accelerated ITS within two calendar months of applications being accepted. However, this cannot be guaranteed. Any delay in acquiring shares will, therefore, delay the date of potential IHT relief.
7. Foresight will assume that all investments are new investments (i.e. are not replacement property for other 'relevant business property' which qualifies for BR) requiring a full two-year holding period for BR and will report to you on this basis. If your investment in the Foresight Inheritance Tax Fund through the Foresight Accelerated ITS is replacement property, it will be your responsibility to assess your holding

period for BR and whether any transfer prejudices any prior holding period, and no responsibility is taken by Foresight in this regard.

8. The payment of the insurance proceeds to your beneficiaries could itself trigger an IHT charge (sometimes referred to as an exit charge). However, such payments will benefit from a Nil Rate Band of £325,000, which is separate to your personal Nil Rate Band of £325,000. This separate Nil Rate Band is available to the trustees of a settlement for the purposes of calculating the ten-year anniversary and exit charges that apply. Under the Insurance Policy the maximum proceeds payable in respect of any one investor is £800,000 (being 40% of the maximum Net Investment Amount under Joint Life Second Death Cover, which would be the relevant amount in respect of the surviving joint investor). This separate Nil Rate Band is reduced by any gifts, transfers of value and the proceeds of any other relevant insurance policies made during the seven years prior to the settlement. In this case, provided that this separate Nil Rate Band has not been reduced by any gifts or transfers of value made during the seven years immediately prior to the investment (i.e. the date on which shares are acquired for you through the Foresight Accelerated ITS), your beneficiaries could receive insurance proceeds of up to £325,000 without any IHT charge on the payout itself. If there is an IHT charge whether due to the size of the insurance proceeds or because the trustees' Nil Rate Band has been reduced by previous transfers of yours, it should not, under current legislation, be greater than 1.2% of the value of the proceeds. The rate of tax for the exit charge is a fraction of 6%.

The fraction is the length of time between establishing the trust and making the payment as a proportion of ten years. If the insurance proceeds were paid out after two years, the rate of tax would be 2/10ths of 6% (i.e. 1.2%). The policy proceeds will only be paid out in full following confirmation from the personal representatives of your estate that the relevant amount of IHT charge has been paid to HMRC (or that there is no charge).

9. Foresight will make a payment to the investor's estate of an amount equal to any annual management charge paid if an investor dies during the applicable Moratorium Period (if any) under the relevant Insurance Cover other than by way of Accidental Death. This payment may, subject to individual circumstances, be subject to income tax and/or inheritance tax.

Diversification

1. Foresight will aim to invest your money into BR qualifying shares. These shares may only be in one or two companies whose activity is likely to be predominantly focused on the infrastructure sector and related investments. As a result, diversification may be limited and you should consider whether this works in the context of your overall portfolio, seeking advice from your authorised financial adviser as necessary.

The Risks in Detail continued

Conflicts of interest

1. Companies in which the Foresight Inheritance Tax Fund invests might deal with other funds managed by Foresight Group or entities in which Foresight Group and funds managed by Foresight Group are interested, including as shareholders or lenders. Foresight Group may also receive arrangement fees and monitoring and similar fees in relation to such entities.
2. All decisions made by Foresight for investors in the Foresight Inheritance Tax Fund through the Foresight Accelerated ITS will comply with the objectives of the Foresight Inheritance Tax Fund. However, the outcome of those decisions may, on occasion, be more beneficial to one or more affected persons than others. Foresight has protocols in place to manage such conflicts.
3. Effective management of conflicts of interest is required under the FCA Rules. Foresight Group manages 45 investment funds and vehicles, many of which invest in private companies. Some of these funds may co-invest alongside each other and therefore a fair and a transparent allocation policy is required. To the extent that Foresight Group is conflicted in its management of individual or multiple funds it declares the issue and discusses it with the relevant boards or advisory committees of the relevant funds.
4. Foresight's policy on conflict management is one of transparency from an early stage. This is set out in Foresight's management contracts, limited partnership agreements and its compliance manual, and demonstrates Foresight's experience in managing conflicts of interest.

5. Foresight provides the board or advisory committee of each fund with a formal submission when a potential conflict of interest arises and this is managed and documented alongside normal investment management procedures. This submission outlines all relevant facts and any resultant decisions are made by the relevant board or advisory committee. Foresight's compliance officer is informed of every conflict. Foresight takes comfort in the robustness of its applied controls and mechanisms which are verified by an independent auditor. In addition, an independent auditor performs an external financial statement audit of the company or companies in which the Foresight Inheritance Tax Fund directly invests.

Insurance element

1. The Foresight Accelerated ITS is specifically designed for investors who are expected to be eligible for cover under the Insurance Policy. Please carefully read the eligibility criteria and exclusions on pages 15 to 20 of this Investor Guide and in clause 20 of the Customer Agreement before you proceed. Investors must take care when completing the Insurance Policy eligibility declaration not to make any misrepresentations, including about their health and age. This could result in the Insurer refusing to settle an investor's claim under the Insurance Policy.

In particular, there are certain age criteria and restrictions in respect of each Insurance Category which apply in relation to the date on which the Application Form is signed and in relation to the date on which shares are first acquired through the Foresight Accelerated ITS on your behalf. In addition, shares must be first acquired within two calendar months of the date the Application Form is signed to be eligible under the Insurance Policy. The date on which shares are first acquired is expected to be no later than two calendar months following receipt of your application, however this cannot be guaranteed.

While Foresight will use reasonable endeavours only to accept investors who appear to meet, and whose applications can be processed and shares acquired to be able to meet, the eligibility criteria under the Insurance Policy, this cannot be guaranteed and investors may be accepted who are ultimately not eligible under the Insurance Policy.

2. Insurance Cover will commence when shares are first acquired. This can be several weeks after a fully completed Application Form and cleared funds are received. Prior to the purchase of shares, investors will not be covered by the Insurance Policy. If you should die between the date on which you sign the Application Form and the date on which shares are acquired, you will not be covered under the Insurance Policy. Coverage under the Insurance Policy will also depend on the applicable Insurance Category, the Insurance Cover selected and the circumstances of death. Notification of when shares are acquired and the insurance has commenced will be included in the welcome pack.

The Risks in Detail continued

3. Joint investors selecting Joint Life Second Death Cover should note that if one or both of them is a Category B investor and a Category B investor dies (other than by Accidental Death) within the first 100 days from the Insurance Cover commencing the Joint Life Second Death Cover will terminate and the Insurance Cover will not apply to either investor. In this situation the surviving investor will only benefit from life cover if the joint investors had made an election in their Application Form for the surviving joint investor to automatically benefit from Single Life Cover.
4. To the extent that insurance proceeds are received by Foresight from the Insurer, Foresight will pay these insurance proceeds to beneficiaries of the deceased investor but these proceeds may be less than the amount to which the investor's estate is subject to IHT in respect of the shares held under the Foresight Accelerated ITS.
5. Failure by the personal representatives of your estate to provide the Insurer (via Foresight) with an original or certified copy of your death certificate and any other information (including medical records) requested by the Insurer to settle a claim under the Insurance Policy may result in the Insurer refusing to pay a claim.
6. Should you make a full withdrawal from the Foresight Accelerated ITS during the Initial Period, the Insurance Cover will cease once the withdrawal is made. Please read carefully the implications of withdrawals on fees on page 31 of this Investor Guide and clause 6.6 and clause 14 of the Customer Agreement before requesting a withdrawal.
7. Foresight has taken out group policies with the Insurer. The Insurer has fully reinsured its policies with the Underlying Insurer. The Underlying Insurer has provided a direct guarantee to Foresight in relation to the performance of the Insurer's obligations. Foresight does not, however, warrant or provide any assurance or guarantee regarding the solvency or creditworthiness of the Insurer or the Underlying Insurer, or their ability to pay claims (or the ability of the Underlying Insurer to settle any call on the guarantee provided by it to Foresight).



Definitions

In this Investor Guide the following defined words and phrases are used:

Accident	A sudden, unexpected, unusual, specific, external event which occurs at an identifiable time and place.	Application Form	The Application Form provided with this Investor Guide or as otherwise approved by Foresight as an application form for the Foresight Accelerated ITS, together with any addendum thereto.	Category A	The Category A insurance category as described on pages 15 to 20 of this Investor Guide.
Accidental Death	The death of an insured person as a direct result of an Accident, the injuries directly sustained from the Accident and independently of any other cause.	Approved Bank	A bank in the UK nominated or agreed with Foresight.	Category B	The Category B insurance category as described on pages 15 to 20 of this Investor Guide.
Affiliate	Any Foresight Group corporate body or entity and any member or director of any such corporate bodies or entities.	Beneficiaries	The persons specified in an investor's expression of wishes in Section 5 of the Application Form, the persons entitled on the death of that investor to share in the distribution of their estate and such persons as are added as beneficiaries in accordance with clause 4 of the Settlement (and each Beneficiary).	COBS	The rules of the FCA for regulating the conduct of business of authorised persons carrying on designated investment business as set out in the Conduct of Business Sourcebook comprised in the FCA Rules.
AIF	An alternative investment fund for the purposes of AIFMD.	BR	Business property relief within the meaning of section 105 of the Inheritance Tax Act 1984.	CRS	The Common Reporting Standard.
AIFM	An alternative investment fund manager for the purposes of AIFMD.	Business Day	Any day (other than a Saturday or Sunday) on which banks in London are open for business.	Customer Agreement	The Foresight Accelerated ITS customer agreement between an investor in the Foresight Accelerated ITS and Foresight in the form provided with this Investor Guide (as amended and supplemented, including as may be set out in the Application Form, from time to time).
AIFMD	The Alternative Investment Fund Managers Regulations 2013 (as amended), relevant retained EU law and the Investment Funds Sourcebook in the FCA Rules.	Cash Custodian	Woodside, acting in its capacity as custodian and administrator of cash within an investor's Portfolio.	Depository	Any entity (which may be an Affiliate or a third party), whom We appoint to provide depository services in relation to the Foresight Inheritance Tax Fund, the current depository being NCM Depository Services Limited.
Applicable Rules	Relevant European and UK legislation and rules and guidance issued by the FCA.				

Definitions continued

Depository Agreement	The depository agreement entered into by, inter alia, the Depository and Foresight dated 23 January 2020 (as amended).	Foresight Group	Foresight Group Holdings Limited and any body corporate or entity directly or indirectly controlled by Foresight Group Holdings Limited, of which Foresight is a subsidiary undertaking.	Insurance Categories	Category A and Category B (each an Insurance Category).
FATCA	The US Foreign Account Tax Compliance Act.	Foresight Inheritance Tax Fund	The Foresight ITS, the Foresight Accelerated ITS and any other inheritance tax solution variant launched by Foresight which it intends to manage collectively with the Foresight ITS and the Foresight Accelerated ITS.	Insurance Cover	Single Life Cover and/or Joint Life Second Death Cover (as the context permits).
FCA	Financial Conduct Authority.	Foresight ITS	The Foresight Inheritance Tax Solution (being the non-insured solution variant), first made available to investors by Foresight pursuant to an investor guide dated July 2013 and any replacement investor guide thereto from time to time.	Insurance Policy	Both or one of (as the context permits) the group insurance facility in respect of the Single Life Cover and the group insurance facility in respect of the Joint Life Second Death Cover, in each case arranged by, and effected in the name of, Foresight in respect of the Insurance Categories.
FCA Rules	The Financial Conduct Authority handbook of Rules and Guidance.	FSMA	The Financial Services and Markets Act 2000, as amended.	Insurer	The insurer with whom Foresight has arranged the Insurance Policy.
Foresight, Us, We or Our	Foresight Group LLP, a limited liability partnership registered in England and Wales under registered number OC300878 and having its registered office at The Shard, 32 London Bridge Street, London SE1 9SG.	HMRC	Her Majesty's Revenue & Customs.	Interspousal Transfer Relief	The relief available to spouses and civil partners as explained on page 24.
Foresight Accelerated ITS	The Foresight Accelerated Inheritance Tax Solution (this being the insured solution variant), first made available to investors by Foresight pursuant to an investor guide dated June 2016 and any replacement investor guide thereto from time to time (including this Investor Guide).	IHT	Inheritance tax.	Investor Guide	This document.
		Initial Period	The period of two years commencing from the date on which shares are first acquired for an investor for their Portfolio.	Joint Life Second Death Cover	The joint life second death insurance cover as described on pages 15 to 20.

Definitions continued

Money Laundering Regulations	The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (as amended, updated and supplemented) within the guidance for the UK Financial Sector issued by the Joint Money Laundering Steering Group.	Nominee	Any entity (which may be an Affiliate or a third party) whom We appoint to provide nominee services in relation to the Foresight Inheritance Tax Fund.	Residence Nil Rate Band	The additional tax-free allowance in relation to family homes as described on page 9.
Moratorium Period	With regard to Single Life Cover, the first 90 days in respect of a Category A Investor or the first 180 days in respect of a Category B Investor and, with regard to Joint Life Second Death Cover, the first 100 days in respect of a Category B Investor.	Portfolio	An investor's portfolio of investments (including any uninvested cash) within the Foresight Accelerated ITS which is managed in accordance with the investment policy as described in the Investor Guide pursuant to the Customer Agreement.	Settlement	The settlement established by an investor in the form set out in Schedule 2 of the Customer Agreement pursuant to clause 20.8 of the Customer Agreement.
Net Investment Amount	The amount of the monies used to acquire shares for an investor's Portfolio (this being the amount subscribed by an investor in the Foresight Accelerated ITS, less initial Foresight and initial adviser charges and less any excess amount resulting from the number of shares capable of being acquired being rounded down to the nearest whole number).	Promoter	Foresight Group Promoter LLP, a limited liability partnership registered in England and Wales under registered number OC421343 and having its registered office at The Shard, 32 London Bridge Street, London SE1 9SG (or such other entity designated by Foresight as the promoter for the purposes of this Investor Guide).	Single Life Cover	The single life insurance cover as described on pages 15 to 20.
Nil Rate Band	The upper limit on the aggregate of relevant transfers of value by an individual, in life or on death, that qualify for inheritance tax at 0%, currently £325,000.	Qualifying Investment	Shares which qualify as relevant business property for the purposes of section 105 of the Inheritance Tax Act 1984.	Terminal Illness	As defined on page 19 of the Investor Guide.
		Receiving Agent	Woodside, acting in its capacity as receiving agent in connection with applications and application monies received from investors in relation to the Foresight Accelerated ITS.	UK	The United Kingdom of Great Britain and Northern Ireland.
				Underlying Insurer	A global insurer with whom the Insurer has fully reinsured its obligations in respect of the Insurance Policy.
				US	The United States of America.
				Woodside	Woodside Corporate Services Limited, authorised and regulated by the FCA under firm reference number 467652, and whose registered office is at 1st Floor, 12-24 Masons Avenue, London EC2V 5BT.

Definitions_{continued}

You or Your References to 'You', 'Your' shall be in respect of the relevant investor(s), or their personal representatives, if applicable.

References to statutes, Applicable Rules and any other rules or regulations shall be taken to include any amendment, re-enactment or regulations made thereunder for the time being.

Unless the context otherwise requires, words in the singular include the plural and in the plural include the singular.

Customer Agreement

We recommend that you take independent advice on this Customer Agreement. This Customer Agreement relates to the Investor Guide issued by Foresight dated 26 July 2024 in connection with the Foresight Accelerated Inheritance Tax Solution.

1. Legal Status and Definitions

1.1 This Customer Agreement constitutes the contract between You and Us appointing Us to constitute and manage Your Portfolio in accordance with the Investor Guide. By signing the Application Form You agree and/or confirm that:

1.1.1 You have received, read and understood the Investor Guide and this Customer Agreement;

1.1.2 Your investment will be managed and operated in accordance with and on the terms and conditions of the Customer Agreement;

1.1.3 You have not relied on any statement, representation or warranty made or given by Foresight Group, other than those expressly set out in this Customer Agreement;

1.1.4 You have sought independent advice in respect of Your investment in the Foresight Inheritance Tax Fund through the Foresight Accelerated ITS;

1.1.5 all information that You have provided to Us (or authorised to be provided to Us), including the information in Your Application Form, is true, accurate and complete in all material respects and You have not omitted any information which may be material to the services to be provided to You and any changes to information You have provided shall be notified to Us in writing as soon as reasonably practicable; and

1.1.6 where You comprise two persons as joint investors, We shall be entitled to act on the instructions and directions of any one of such persons.

1.2 Save as otherwise provided, definitions in the Investor Guide shall apply to this Customer Agreement.

2. Regulatory Status

2.1 Foresight is authorised and regulated in the UK by the FCA (FCA number: 198020) for the provision of investment management and advisory services.

2.2 We shall act as manager of the Foresight Inheritance Tax Fund. You will be an investor in the Foresight Inheritance Tax Fund through the Foresight Accelerated ITS and Your investment and investment portfolio will be managed on the terms of this Customer Agreement. The Foresight Inheritance Tax Fund shall be Foresight's client for the purposes of the FCA Rules and Foresight will not owe any obligations under the rules of the FCA to You, save for any applicable requirements in COBS 18.5A.

2.3 We will comply with FCA rules on best execution, namely COBS 11.2, as more particularly detailed in Schedule 1 of this Customer Agreement.

2.4 We will always comply with the Applicable Rules in relation to the Foresight Inheritance Tax Fund.

2.5 The Foresight Accelerated ITS is only suitable for persons who are likely to be subject to IHT and who meet the eligibility criteria for the Insurance Policy. This document is not addressed to, or being sent to, any non-UK residents.

2.6 Foresight is covered by the Financial Services Compensation Scheme. If You qualify as a 'retail client' in the event that Foresight ceases trading You may be eligible to claim compensation from the Financial Services Compensation Scheme in certain circumstances. However, professional clients and eligible counterparties will not qualify for recourse to the scheme. Most types of investment business are covered in full for the first £85,000 per investor, although certain investors may not be eligible to claim under this scheme. For further information please contact Us or the Financial Services Compensation Scheme directly at www.fscs.org.uk.

2.7 Foresight is authorised by the FCA to act as a full scope AIFM for the purposes of AIFMD. Investors in the Foresight Inheritance Tax Fund benefit from the rights and obligations imposed on Foresight by AIFMD as the AIFM of the Foresight Inheritance Tax Fund.

3. Commencement Date, Identity Verification and Right of Cancellation

3.1 This Customer Agreement will take effect on the date We accept Your duly completed and signed Application Form.

3.2 All Our obligations under this Customer Agreement are subject to Our first being satisfied with any compliance procedures required of Us in accordance with all Money Laundering Regulations and receipt of cleared subscription funds. The compliance procedures include

Customer Agreement continued

requiring proof of Your identity and of Your address, or that of any person with legal control over the investment. You authorise Foresight, its Affiliates and the Receiving Agent to undertake any electronic searches necessary for the purposes of verifying Your identity and address and to check the details You supply against Your particulars on any database (public or otherwise).

3.3 We may pass on any information supplied by or on behalf of You as We consider necessary to comply with any legal or regulatory obligation to which We or any Affiliate are subject (including, for the avoidance of doubt, to the Insurer and any party appointed by Us for the purposes of administering, or making a claim under, the Insurance Policy). Foresight may also use Your details in the future to assist other companies for verification purposes. A record of this search will be retained. If Your identity cannot be verified, We may ask You to provide, among other things, a certified copy of a recent bank statement or utility bill and a certified copy of Your passport or driving licence.

3.4 Following acceptance of an Application Form, We will write to You (or Your authorised financial adviser if that is Your elected preference) confirming acceptance and enclosing a cancellation notice form. You may exercise a right to cancel the Customer Agreement by notification to Us within 14 days of the date of the cancellation notice. This should be done by notification sent to Us at the address given in clause 21.6 of this Customer Agreement.

3.5 If You exercise Your cancellation rights, We shall arrange for the refund of any monies paid by You, less any charges We have already incurred for any services undertaken pursuant to the terms of this Customer Agreement or paid out in respect of agreed adviser charges and/or, if relevant, transferring into Your own name any shares acquired for You.

3.6 We will endeavour to arrange the return of any monies pursuant to clause 3.5 of this Customer Agreement as soon as possible (but in any event not more than 30 days following cancellation). You will not be entitled to any interest on such monies. The Receiving Agent is obliged to hold Your subscription monies until the Receiving Agent has satisfactorily completed the requisite money laundering checks.

3.7 The right to cancel set out in clause 3.4 of this Customer Agreement is without prejudice to the right under clause 16.1 of this Customer Agreement to terminate this Customer Agreement, which is a separate right.

3.8 The right to cancel under the FCA Rules does not give You the right to cancel, terminate or reverse any particular investment transaction executed for Your account before such cancellation takes effect.

3.9 We do not intend to acquire shares for You through the Foresight Accelerated ITS until after the expiry of the 14 day cancellation period referred to in clause 3.4 of this Customer Agreement. If You cancel after shares in investee companies have been acquired for You, We will endeavour to realise any holding acquired, however, the proceeds may not reflect the value of such shares. Further, if we are unable to realise Your holdings You should note that:

3.9.1 there will be no established market for those shares and, if You wished to sell them, You would be responsible for trying to do so, including finding a buyer;

3.9.2 the shares may not be redeemable by the issuing company; and

3.9.3 You will be responsible for recovering any facilitation fee that has been paid to Your authorised financial adviser on Your behalf.

4. Investment Management

4.1 The Foresight Inheritance Tax Fund is a discretionary managed AIF for the purposes of AIFMD. By entering into this Customer Agreement, You grant to Us the right on Your behalf and on a discretionary basis to select and manage investments (alongside all other investors in the Foresight Inheritance Tax Fund on a collective basis) in accordance with the objectives and principles of the Foresight Accelerated ITS, as set out in the Investor Guide. We will acquire appropriate investments to build Your Portfolio and when You wish to withdraw funds from Your Portfolio, sell down such holdings in Your Portfolio as We deem appropriate. The number of shares in any company which We acquire for Your Portfolio will be rounded down to the nearest whole number of shares and You agree that any remaining excess from the monies subscribed by you in the Foresight Accelerated ITS may be released by Us to such company for it to use as it sees fit. Generally We shall act as We think appropriate in relation to the management of the Portfolio, but subject always to the provisions of this Customer Agreement and the Applicable Rules.

4.2 By entering into this Customer Agreement, You acknowledge that Foresight Group has not provided You with advice about the Foresight Accelerated ITS or the Foresight Inheritance Tax Fund. You further acknowledge that the Foresight Inheritance Tax Fund is not a collective investment scheme nor is it regulated and accordingly does not provide for protections typical of such schemes or regulated products.

Customer Agreement continued

4.3 We will acquire for Your Portfolio investments which We reasonably believe to be Qualifying Investments at the time of acquisition (but no commitment is given that any such investment will be a Qualifying Investment or remain a Qualifying Investment at all times thereafter). There shall be no restriction on the amount invested in any one investment, or on the proportion of Your Portfolio in any one investment, or any particular type of investment unless specified in the Investor Guide and Applicable Rules.

4.4 It is likely that the trading activities of the entities in which Your Portfolio invests, directly or indirectly, will include dealings with companies and other entities in which Foresight and its Affiliates or funds advised by Foresight and its Affiliates have an interest. Such interests may include being a subsidiary undertaking or otherwise having equity investments and/or debt investments and/or the provision of services. Such dealings may include the provision of credit facilities on preferred or subordinated terms. Accordingly, Foresight and its Affiliates may be entitled to gains, profits or fees from or in relation to such companies and entities. The conduct of Your Portfolio will always be in accordance with the objectives and principles set out in the Investor Guide.

4.5 Any sale of investments by Us on Your behalf may trigger tax consequences about which You should speak to Your professional financial and/or tax adviser. A sale of Qualifying Investments will mean You lose the benefit of BR in relation to those Qualifying Investments. We are not responsible for the taxation consequences of any transaction. Except for BR, We are not required to take into account tax issues for You in the management of the Portfolio.

4.6 We will not be responsible for any disclosures or notifications from time to time required of You by legislation or regulatory bodies such as the Panel on Takeovers and Mergers.

4.7 We shall not, except as expressly provided in this Customer Agreement or unless otherwise authorised, have any authority to act on behalf of, or in respect of, You or to act as Your agent.

4.8 We have appointed NCM Depositary Services Limited to act as depositary of the Foresight Inheritance Tax Fund pursuant to the Depositary Agreement. The Depositary will fulfil the duties and responsibilities of a depositary provided for by AIFMD, and in particular will ensure that the Foresight Inheritance Tax Fund's cash flows are properly monitored and that all payments made by You or on Your behalf in respect of Your subscription funds have been received and that all cash of the Foresight Inheritance Tax Fund has been booked in accounts opened in the name of the Foresight Inheritance Tax Fund or as otherwise provided for by AIFMD. We will have the authority to enter into an agreement with the Depositary (or any successor depositary to the Depositary) appointed in accordance with the provisions of AIFMD and to issue orders and instructions (including, without limitation to, the Depositary) with respect to the making and disposition of investments in respect of Your Portfolio, the payment and/or the deposit of monies, securities and other assets of the Foresight Inheritance Tax Fund, in each case without Your consent.

4.9 You hereby authorise Us or Our agents to act on Your behalf and in Your name to negotiate, agree, execute and do all such acts, transactions, agreements and deeds as We or Our agents may deem necessary or desirable

in connection with the Foresight Inheritance Tax Fund for the purposes of making, managing and disposing of investments and cash on Your behalf and generally fulfilling the objectives and purposes of the Foresight Inheritance Tax Fund (including facilitating the payment of adviser charges on Your behalf) and this authority shall be irrevocable and shall survive, and shall not be affected by, Your subsequent death, disability, incapacity, incompetence, termination, bankruptcy, insolvency or dissolution. This authority will terminate upon You ceasing to hold any cash or other assets in the Foresight Inheritance Tax Fund through the Foresight Accelerated ITS.

5. Financial Advice

5.1 Foresight and its Affiliates have provided no financial, legal, tax or investment advice in relation to the suitability of the Foresight Accelerated ITS for You. It is Your responsibility (on the advice of Your authorised financial adviser) to keep Your financial circumstances, objectives and risk profile under review, and to assess whether the Foresight Accelerated ITS and other investments selected by (or on behalf of) You remain suitable for Your needs. We are not liable for any losses You suffer or incur as a result of Your investment in the Foresight Inheritance Tax Fund through the Foresight Accelerated ITS (whether or not You have received advice from an authorised financial adviser) and We cannot and do not make any representation that such investment is (and/or investments made on Your behalf through the Foresight Inheritance Tax Fund are) suitable or appropriate for Your specific needs and requirements.

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5.2 We will provide You with information on investments held within Your Portfolio from time to time. Any information on investments or markets such as market trends, investment analysis or commentary on the performance of selected investments or companies is for information purposes only and should not be viewed as a personal recommendation.

5.3 We may, subject to Applicable Rules and unless You notify Us in writing, accept instructions and deal with any agent or other adviser notified to Us in writing rather than dealing with You directly and We may share with such person, details of Your investments with Us.

5.4 Where Your Application Form has been submitted through an authorised financial adviser then You warrant and represent that such person is acting as Your agent.

6. Fees and Charges

6.1 Fees and charges are summarised in the Investor Guide and are described in more detail in clause 6 of this Customer Agreement.

6.2 The Promoter will be entitled to an initial charge of 2.50% of the monies subscribed by You in the Foresight Accelerated ITS. This initial charge will be deducted from the monies subscribed before the balance, net of initial adviser charges, is invested on Your behalf. This charge will not be applied to any amount deducted to facilitate payment of initial adviser charges.

6.3 We may make, or procure the making of, facilitation payments in respect of charges You have agreed with Your authorised financial adviser on Your behalf as detailed in the Investor Guide. You confirm that any ongoing agreed charges payable to Your authorised financial adviser are

and will be for ongoing services to You in relation to the Foresight Accelerated ITS. You have the right to cancel the facilitation of ongoing charges at any time by notice in writing to Us. You may also request that facilitation of ongoing charges be paid to a new authorised financial adviser who is advising You in relation to the Foresight Accelerated ITS in place of the previous authorised financial adviser. Any such request must be by at least 30 days' notice in writing to Us. No facilitation of ongoing charges will be made unless these are exceeded by the value of Your Portfolio. Facilitation of ongoing charges will, in most cases, be facilitated through withdrawals from Your Portfolio and, if required, will be rounded down to the amount capable of being realised through the disposal of the nearest whole number of shares within Your Portfolio. For the avoidance of doubt, any balance of ongoing charges as a result of roundings will not be carried forward. We may decline to make, or procure the making of, facilitation payments, or alter the structure of such facilitation payments for legal, tax or regulatory reasons. All facilitation payments will be made in accordance with the Foresight Group terms of business for financial intermediaries from time to time.

6.4 During the Initial Period, We shall be entitled to annual management charges of an amount equal to Your Relevant AMC Percentage of Your Net Investment Amount (for the avoidance of doubt, ignoring partial withdrawals (if any) during the Initial Period), and for these purposes Your Relevant AMC Percentage will be:

- (a) if You have selected Single Life Cover:
 - (i) 3.95% if You are a Category A investor; or
 - (ii) 5.80%; if You are a Category B Investor, and

(b) if You have selected Joint Life Second Death Cover:

- (i) 1.22% if You are both Category A investors; or
- (ii) 3.59% if You are both Category B investors; or
- (iii) 2.49% if one of You is a Category A investor and the other is a Category B investor.

Your joint investment will automatically transfer to the surviving joint investor if one of You dies. If one of You dies during the Initial Period, the annual management charge will continue to be charged on the full joint Net Investment Amount as set out above.

In the case of joint investors under Joint Life Second Death Cover, where the first death is a Category B investor who dies during the first 100 days (other than by Accidental Death) and the joint investors made the relevant election on the Application Form for the surviving investor to automatically benefit from Single Life Cover for the same Insurance Category (A or B) as applied to the survivor in respect of the Joint Life Second Death Cover, the annual management charge for the Initial Period will be re-calculated and applied (on the full joint Net Investment Amount) at the rate applicable to the Single Life Cover which corresponds to the Insurance Category applicable to the surviving investor. The re-calculation and application of the revised annual management charge will take place when Foresight first becomes aware of the first death, and the higher charge will apply accordingly. If this is during the Initial Period, Foresight will re-calculate the annual management charge and charge the appropriate sum in respect of the period of the Initial Period already expired and will apply the relevant higher annual management charge for the remainder of the Initial Period.

Customer Agreement^{continued}

6.5 The annual management charges set out at clause 6.4 of this Customer Agreement will be paid by the companies in which You hold Qualifying Investments, shall be payable quarterly and Your Portfolio holding shall be reduced accordingly through a buyback, for no consideration, of shares with a value equal to those charges (rounded down to the nearest whole number of shares within Your Portfolio).

6.6 If a full withdrawal request is made during the first year of the Initial Period, annual management charges for the first year will be taken in full following the withdrawal request. Similarly, if a full withdrawal request is made during the second year of the Initial Period, annual management charges for the second year will be taken in full following the withdrawal request. This applies if the withdrawal request is made during Your lifetime or on Your death. If You die during the applicable Moratorium Period (if any) under the relevant Insurance Cover other than by way of Accidental Death, We will make a payment to Your estate of an amount equal to any annual management charge paid in respect of Your investment.

6.7 We will charge an annual administration fee to the companies in which the Foresight Inheritance Tax Fund directly invests of an amount equal to 2.00% of each investee company's net asset value. Such fee will be calculated quarterly as an amount equal to 0.5% of each investee company's net asset value as at the end of that investee company's relevant quarter but before the deduction of the administration fee and any Foresight Accelerated ITS annual management charges for that quarter. The annual administration fee is for the regular services that Foresight Group may provide to investee companies and includes all company secretarial,

administration, deal and arrangement services to an investee company, and related costs. It does not include the normal trading and operational costs of an investee company group nor any fees and costs in relation to independent directors, audit, legal, stamp duty and exceptional items.

6.8 The administration fees to which We are entitled from an investee company pursuant to clause 6.7 of this Customer Agreement shall be paid quarterly in advance based on Our estimates of the investee company's expected net asset value as at the end of that quarter.

6.9 We shall, as soon as reasonably practicable following the end of the relevant investee company's quarter, calculate the actual administration fee in respect of the relevant quarter based on that investee company's books and records for that quarter. To the extent that:

6.9.1 the administration fee payment paid to Us by the relevant investee company based upon Our estimate for a relevant quarter is less than the administration fee actually payable by that investee company for that quarter, then the balance shall be payable to Us by that investee company as soon as reasonably practicable; or

6.9.2 the administration fee payment paid to Us by the relevant investee company based upon Our estimate for a relevant quarter is more than the administration fee actually payable by that investee company for that quarter, the excess amount shall be repaid by Us to that investee company as soon as reasonably practicable.

6.10 We may fix the financial year of the Foresight Inheritance Tax Fund from time to time which may be a shorter or longer period than a 12-month period as We in our absolute discretion decide.

6.11 All fees and charges are stated exclusive of VAT, if applicable. Fees and charges paid by the companies in which the Foresight Inheritance Tax Fund invests will be subject to applicable VAT and any irrecoverable VAT will reduce the value of Your Portfolio.

7. Delegation and Use of Agents

7.1 Any of Our functions under this Customer Agreement may be delegated to an Affiliate or suitably qualified (and if relevant, appropriately regulated) third party of Our choice to perform such functions. This does not prevent the assignment by Us of any agreement pursuant to clause 21.1 of this Customer Agreement.

7.2 In particular We may at Our discretion, delegate the provision of administration, nominee and safe custody services to such professional entity or entities as We see fit. We may change such entity and amend the terms of the relationship with such entity from time to time and will negotiate such terms on an arms' length basis in good faith.

7.3 We will act in good faith and with due diligence in the selection, use and monitoring of third party agents and delegates. Save as provided in this clause and clause 7.4 of this Customer Agreement We are not responsible or liable for the acts, omissions and errors of any agent or delegate.

7.4 Where any functions have been delegated to an Affiliate, We will, save as otherwise set out in this Customer Agreement, accept responsibility for all acts and omissions of such Affiliate as if they were Our own.

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8. Custody

8.1 The Nominee or Depositary will, subject to the Applicable Rules, hold all investments in Your Portfolio in safe custody on the following basis:

8.1.1 any registrable investment acquired for Your Portfolio will normally be registered in the name of the Nominee. For legal and tax purposes, You will be the beneficial owner of such investments but the Nominee will be the legal owner;

8.1.2 title documents (if any) to investments in respect of which such documents are issued will be physically held by the Depositary; and

8.1.3 any documents of title to investments in bearer form will be held by the Depositary.

8.2 Investments held by the Nominee for the account of Your Portfolio may be pooled with other holdings held by the Nominee and, as such, may not be readily identifiable by separate certificates, other physical documents of title or equivalent electronic record. As a result, should the Nominee default, You will share in any shortfall in proportion to Your original share of any investments in the Nominee's pool. In addition, where the Nominee holds the same investments for You and another investor in the Foresight Inheritance Tax Fund, Your investments may in effect be used to settle that other investor's transaction, which will not affect the Nominee's record of Your entitlements.

8.3 We have discretion to exercise or decline to exercise any conversion, subscription, voting or other rights relating to investments held in Your Portfolio, and to give suitable instructions to the Nominee, without consulting with You beforehand. By entering into this Customer

Agreement, You hereby authorise Foresight to act on Your behalf and exercise all rights attaching to the investments held in Your Portfolio as it shall deem fit and at its discretion.

9. Client Money

9.1 Application monies received in connection with the Foresight Accelerated ITS will be held by the Receiving Agent until invested with an Approved Bank in a client account, together with application monies of other investors. Interest will not accrue on Your application monies.

9.2 Following processing of Your Application Form and Your application being accepted, cash within Your Portfolio prior to investment or otherwise realised in relation to realisations and withdrawals will be held by the Cash Custodian with an Approved Bank in one or more client accounts, together with cash balances belonging to other investors. Interest does not currently accrue on any such cash balances. Should this change, any interest earned on cash balances will be added to Your Portfolio.

9.3 The client accounts referred to in clauses 9.1 and 9.2 will have trust status and will be kept separate from any money belonging to Us, the Receiving Agent, the Cash Custodian or to the Depositary. The Receiving Agent and the Cash Custodian are subject to the FCA's client money rules and, therefore, any of Your monies held by the Receiving Agent and the Cash Custodian will receive the protections afforded by the FCA's client money rules.

9.4 No responsibility is accepted for any acts or omissions of the Receiving Agent, the Cash Custodian or the Approved Bank. Should the Receiving Agent, the Cash Custodian or the Approved Bank become insolvent, We will claim on behalf of Our clients.

9.5 After termination of this Customer Agreement, and subject to any Applicable Rules, We may direct Your money be donated to a registered charity of Our choice if it remains unclaimed for a period of at least six years and provided that We have taken reasonable steps (or have procured that such reasonable steps have been taken) to trace You and return the balance.

9.6 Clauses 9.1 to 9.5 of this Customer Agreement do not apply to the proceeds of any claim made under the Insurance Policy received by Us. We will hold such monies in a separate bank account in Our name with an Approved Bank in the UK. The payment of the proceeds to Your Beneficiaries will be subject to the trust declared by You pursuant to clause 20.8 of this Customer Agreement.

10. Valuations and Reports

10.1 You will receive statements twice a year confirming the value of Your Portfolio as at the last day of the period in question. All such reports will be provided within 90 days of the period end. On request We can provide You with a statement for an interim three-month period.

10.2 All investments will be valued at close of business on the last day of the relevant period in accordance with clause 10.3 of this Customer Agreement. Periodic statements will also show the opening value of Your Portfolio, any withdrawals and/or other adjustments to Your Portfolio holdings and the closing value of Your Portfolio.

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10.3 Foresight will value the investments, incorporating capital and income returns, in Your Portfolio quarterly and on a basis consistent with the valuation principles issued by the British Private Equity and Venture Capital Association from time to time, but using discounted cashflows where appropriate. The company or companies in which investments are made are typically audited annually. In calculating the fees and charges of Foresight relevant to a withdrawal or annual returns for any period, the applicable valuation statements issued by Foresight or Affiliates in relation to Your Portfolio shall be final and binding. The performance of the investments held within Your Portfolio will not be measured against any stock market or other index.

11. Conflicts of Interest

11.1 We have implemented a conflicts of interest policy that identifies those circumstances that constitute, or may give rise to, conflicts of interest that pose a material risk of damage to Our customers. This policy also addresses the effective organisational and administrative arrangements that We maintain and operate to manage those conflicts. A copy of such policy is available on request.

11.2 Your attention is drawn to clauses 4.4 and 20.9 of this Customer Agreement.

12. Dealing

12.1 In effecting transactions for the Foresight Inheritance Tax Fund, We will act in accordance with the FCA Rules.

12.2 We will act in good faith and with due diligence in Our choice and use of counterparties. All transactions will be effected in accordance with the rules and regulations of the relevant market, exchange or trading facility (if relevant), and We may take all such steps as may be required or permitted by such rules and regulations and/or by appropriate market practice.

12.3 We may aggregate transactions with those of other customers and employees of Us and Our Affiliates in accordance with the Applicable Rules. It is unlikely that the effect of such an allocation will work to Your disadvantage, however, occasionally this may be the case. We will allocate aggregated transactions promptly on a fair basis in accordance with the requirements of the Applicable Rules (if applicable) so that:

- (a) if there is any conflict between the provisions of this Customer Agreement and any such rules, customs or Applicable Rules, the latter shall prevail; and
- (b) action may be taken as thought fit in order to ensure compliance with any such rules, customs or Applicable Rules. You should, however, be aware that Your Portfolio will be invested in a range of unlisted securities and there is generally no relevant market or exchange and consequent rules and customs and there will be varying practices for different securities.

Transactions in shares of such securities will be effected on the best commercial terms which can be secured.

12.4 Save as detailed in clause 2.3 of this Customer Agreement, We shall take reasonable steps to obtain the best possible result when executing orders. This duty of best execution is owed by Us to the Foresight Inheritance Tax Fund, further details of which are set out in the Order Execution Policy, provided in Schedule 1 to this Customer Agreement.

13. Liability

13.1 We will act in good faith and with due diligence in managing Your Portfolio in accordance with this Customer Agreement. We accept responsibility for loss to You only to the extent that such loss is due to negligence or wilful default by Us or Our Affiliates. We will not be responsible for any losses to the extent arising from any information provided by You and/or Your agent being untrue, inaccurate or incomplete.

13.2 Should the Nominee, the Cash Custodian or the Depositary fail to deliver any necessary documents or to account for any investments, We will take all reasonable steps on Your behalf to recover such documents or investments or any sums due or compensation in lieu thereof but save where the Nominee, the Cash Custodian and/or the Depositary is Our Affiliate, and subject to Our general duty of good faith, no liability is accepted for such failure.

13.3 Save as provided in the Applicable Rules if there is a total or partial failure, interruption or delay in the performance of Our obligations to the extent resulting from acts, events or circumstances not reasonably within Our control (including, but not limited to: acts or regulations of any governmental, regulatory or supranational bodies or authorities; Insurer failure or insolvency; breakdown, failure or malfunction of any

Customer Agreement continued

telecommunications or computer service or services; acts of god and natural disasters; and acts of war, terrorism or civil unrest). We shall not be liable to You or in breach of this Customer Agreement.

13.4 Subject to clause 13.1 of this Customer Agreement, We shall not be liable for any loss or damage of any direct or indirect nature caused by changes in revenue law or practice as determined by HMRC from time to time.

13.5 We will assume that all investments made on Your behalf under the Foresight Inheritance Tax Fund are new investments requiring a full two-year holding period for BR and will report to You on this basis. If You are transferring an existing BR investment into the Foresight Inheritance Tax Fund it will be Your responsibility to assess Your holding period for BR qualification and whether any transfer prejudices any prior holding period and We accept no responsibility in this regard.

13.6 Nothing in clauses 13.1 to 13.4 of this Customer Agreement shall limit any liability We may have to You under the terms of the Applicable Rules.

13.7 No responsibility is accepted for loss of an indirect or consequential nature such as loss of goodwill, profit or opportunity nor in respect of any failure or refusal by the Insurer to settle any claim under the Insurance Policy or the failure by Us to successfully claim under the guarantee with the Underlying Insurer.

13.8 Nothing in this Customer Agreement shall exclude or limit Our liability for fraud or fraudulent misrepresentation by Us or Our Affiliates or for death or personal injury.

14. Withdrawals

14.1 You may not make any withdrawal from investments in Your Portfolio during the Initial Period, save for a withdrawal of your entire investment, or withdrawals for the purposes of meeting ongoing adviser charges.

14.2 Subject to clause 14.1 of this Customer Agreement, any request for, or other necessary, withdrawal from investments in Your Portfolio (including regular and ad hoc withdrawals) must be made in writing. Withdrawals will generally be made through a disposal of Your holding in shares which may be taxable to income tax or capital gains tax. Requests for partial withdrawals will, unless otherwise requested, be rounded down to the amount capable of being realised through the disposal of the nearest whole number of shares within Your Portfolio. We will endeavour to effect withdrawals in as tax-efficient manner as possible at the time, typically with a capital gains tax treatment, but withdrawals, and their tax treatment, cannot be guaranteed (in particular for full withdrawals). As the underlying investments are illiquid, there is no guarantee that We can effect withdrawals in the targeted timescales, if at all, or that the proceeds will reflect the value of such holdings. Subject to availability of readily realisable funds, We will realise the cash sum required and pay the net sale proceeds to You upon receipt of such proceeds by Us into Your nominated bank account (net of any applicable charges or sums due). If We are required to effect a share buyback to generate realisable funds to enable a withdrawal request, or if there are a substantial number of withdrawal requests, there may be a considerable delay in paying out on the withdrawal request.

14.3 We may deduct from funds payable to You (or at Your direction) any fees, charges or sums due or payable to Us or any Affiliates or any delegates.

14.4 In exceptional circumstances such as a change in law or practice We may choose to satisfy withdrawal requests (including on termination) wholly or partly by the transfer of investments.

15. Amendments

We may amend the terms of this Customer Agreement or Our arrangements with You by sending You written notice. Such changes shall take effect on the date specified in the notice being not less than ten Business Days from the date of such notice unless the changes are for legal or regulatory reasons when such changes shall take effect on the date specified in the notice.

16. Termination

16.1 You may terminate this Customer Agreement at any time by notice in writing to Us. Foresight may terminate this Customer Agreement by giving You 30 days' written notice. Where required to do so by applicable law or regulation or where it becomes impossible, impractical or unreasonable for Us to continue to manage Your Portfolio We may terminate this Customer Agreement immediately by notice in writing. Termination will not affect accrued rights or any contractual provision intended to survive termination, in particular in relation to the liquidation and/or distribution of Your Portfolio. For the avoidance of doubt, the termination of this Customer Agreement will also immediately terminate Your cover under the Insurance Policy.

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16.2 Following termination of this Customer Agreement We will use Our reasonable endeavours to realise the investments in Your Portfolio in an orderly fashion (although there is no guarantee that the proceeds will reflect the value of such holdings) and this Customer Agreement will continue to apply from termination until Your Portfolio has been realised and/or transferred to You in full. The net proceeds of sale will be remitted to You after all deductions permitted by this Customer Agreement. If We are unable to liquidate some or all of the investments in Your Portfolio We may transfer investments to You to effect termination of this Customer Agreement. In such circumstances, You should note the potentially adverse consequences in clauses 3.9.1 and 3.9.2 of this Customer Agreement.

16.3 We reserve the right to settle outstanding transactions for Your Portfolio at the effective date of termination.

16.4 Where We endeavour to liquidate Your Portfolio, this may take place over an extended period of time as there may be limited liquidity for Your Portfolio's investments.

16.5 Subject to clause 16.3 of this Customer Agreement, termination will take effect on the date stated in the written notice of termination provided that date is no earlier than the date of receipt of the termination notice by Foresight or any later date agreed with You; and shall be without prejudice to the completion of transactions already initiated, which shall be completed in an orderly manner.

16.6 On termination, You will be liable to pay (meaning that We may debit from Your Portfolio and/or any cash payable to You or, if there are insufficient funds, invoice You):

16.6.1 all fees and other charges mentioned at clause 6 of this Customer Agreement, accrued and remaining outstanding at the date of termination;

16.6.2 any additional expenses necessarily incurred by Us in terminating this Customer Agreement and winding up Your Portfolio; and

16.6.3 Our charges (if any) in connection with liquidating Your investments or transferring Your investments into Your name.

16.7 On termination, We may retain and/or realise such investments as may be required to settle transactions already initiated and to pay Your outstanding liabilities. If there is a dispute as to the payment of fees to Us, You may require the disputed amount to be held in an escrow account pending resolution of the dispute.

16.8 Please note that if Qualifying Investments are sold You will lose any potential entitlement to BR unless the sale proceeds are reinvested into other relevant business property and HMRC accepts that the new Qualifying Investments have replaced the old Qualifying Investments within the meaning of section 107 Inheritance Tax Act 1984.

16.9 We will endeavour to liquidate all investments comprising Your Portfolio within a reasonable time, but given the nature of the investments no liability is accepted in respect of any delays. You acknowledge that in the event of any material change to the legislation governing Qualifying Investments, the liquidation of investments may take a considerable period of time.

16.10 We will provide You with a closing valuation of the Portfolio prepared in the manner described above once all outstanding transactions have been accounted for and from which point Our management responsibility for the Portfolio will cease entirely.

17. Data Protection and Consents

17.1 We and the Receiving Agent respect Your privacy and are committed to protecting Your personal data. If You would like to find out more about how We and the Receiving Agent use and look after Your personal information, please refer to our respective privacy notices, which can be found at:

Us: www.foresight.group/privacy-policy/

Receiving Agent: www.woodsidecorporateservices.co.uk/WCSLPrivacy-Policy.pdf

17.2 Certain information may be shared with Affiliates, Our delegates, the Promoter, the Nominee, the Depositary, the Receiving Agent, the Cash Custodian and/or any Approved Bank and/or the Insurer and/or any person appointed by Us for the purposes of processing Your Application Form, administering, or making a claim under, the Insurance Policy and performing the obligations to You pursuant to this Customer Agreement and/or in order for Us, Our Affiliates, Our delegates, the Promoter, the Nominee, the Depositary, the Receiving Agent, the Cash Custodian and/or any Approved Bank and/or the Insurer to fulfil Our respective regulatory and contractual obligations. Information may also be shared with regulatory bodies to the extent any of the above entities are required, or consider obliged, to do so in accordance with any statute or regulation or if governmental, judicial and law enforcement bodies so require.

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17.3 We will at all times keep confidential all of Your information acquired in connection with the Foresight Inheritance Tax Fund, except for information which:

- (a) is in the public domain; or
- (b) We may be entitled or bound to disclose under the Applicable Rules; or
- (c) is requested by regulatory agencies; or
- (d) is given to professional advisers where reasonably necessary for the performance of their professional services; or
- (e) is authorised to be disclosed by You; or
- (f) is necessary or desirable for the purposes of administering, or making a claim under, the Insurance Policy,

and shall use reasonable endeavours to prevent any breach of this clause 17.3 of this Customer Agreement.

17.4 We will procure that any agent or delegate that is an Affiliate appointed by Us will observe and comply with the provisions of clauses 17.2 and/or 17.3 of this Customer Agreement.

17.5 You have certain rights in relation to Your personal information, including the right to receive a copy of the information that We and the Receiving Agent hold about You. For more details, please refer to our respective privacy notices referred to above.

17.6 You authorise Us to provide any information as provided by You to Us and by Us to You in connection with Your participation in the Foresight Inheritance Tax Fund to Your authorised financial adviser detailed on Your Application Form or other financial adviser notified

to Us from time to time. You acknowledge that any such communication may be sent to Your authorised financial adviser prior to, or where requested, in place of, being sent to You in such form as may be agreed with Your authorised financial adviser. Information may also be provided more frequently where agreed. You also authorise Us to accept changes to Your personal details as provided by Your authorised financial adviser (subject to such evidence and/or verification as We may request).

17.7 The provisions of clause 17 of this Customer Agreement shall apply to personal data provided in relation to Beneficiaries and references to 'You' and 'Your' shall be construed accordingly.

18. Risk Factors and Further Disclosures

18.1 Your attention is drawn to the risk factors set out on pages 37 to 41 of the Investor Guide dated 26 July 2024. The Foresight Accelerated ITS will not be suitable for everybody and it is important that You consider these risks, and the nature of the investment, seeking advice from Your financial or tax adviser as required.

18.2 The value of investments and the income derived from them may go down as well as up and You may not get back some or the entire amount invested. Due to the nature of tax reliefs available under the Foresight Inheritance Tax Fund, an investment in the Foresight Inheritance Tax Fund is not suitable as a short-term investment and should be held for at least two years.

18.3 No monies shall be borrowed nor securities (or similar transactions) granted or entered into for the account of Your Portfolio.

18.4 Subject to clause 16.6 of this Customer Agreement, there is no requirement for additional monies to be called upon for addition to Your Portfolio.

18.5 No direct investments in warrants, in units in collective investment schemes or in derivatives of any sort shall be made in any Portfolio.

18.6 We do not warrant or provide any assurance or guarantee regarding the solvency, or ability to pay claims, of the Insurer, the Underlying Insurer and any insurer with whom any insurances are placed in connection with the Foresight Accelerated ITS or, in respect of the Underlying Insurer, its ability to settle any call on the guarantee provided by it to Us.

19. Complaints Procedure and Compensation

19.1 If You have a complaint, You can contact Us via phone, email or in writing as follows:

For the attention of

Foresight Investor Relations
Foresight Group LLP
The Shard, 32 London Bridge Street
London SE1 9SG

020 3667 8181

investorrelations@foresightgroup.eu

We will investigate the circumstances and report back to You. A copy of Our complaints handling procedure is available on request. Complaints from eligible complainants will be dealt with in accordance with the FCA Rules.

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19.2 Complaints that We are unable to settle may be referred to the Financial Ombudsman Service, which is an independent service set up to resolve disputes between customers and businesses providing financial services. The Financial Ombudsman Service can be contacted at: Exchange Tower, Harbour Exchange, London E14 9SR. Further information can be found at www.financial-ombudsman.org.uk. Only complainants that are 'retail' clients or professional clients that are acting outside the course of their profession, trade or business will be eligible to refer their complaints to the Financial Ombudsman Service.

19.3 Foresight is covered by the Financial Services Compensation Scheme as referred to in clause 2.6 of this Customer Agreement.

20. Insurance Element

20.1 We have taken out group insurance policies with the Insurer as set out on pages 15 to 20 of the Investor Guide. We will use reasonable commercial endeavours to procure that cover is available under the Insurance Policy as provided for in the Investor Guide (subject to You meeting eligibility criteria and subject to the Insurance Policy exclusions) and to make claims under the Insurance Policy. In respect of Single Cover, the Insurer will provide insurance cover of 40% up to the first £1 million of Your Net Investment Amount. In respect of Joint Life Second Death Cover, the Insurer will provide insurance cover of 40% up to the first £2 million of Your joint Net Investment Amount.

20.2 The Insurance Policy will be held in Our name with the benefit of the Insurance Policy being for investors notified by Us to the Insurer. Provided that You have satisfied the eligibility criteria, including the age restrictions applicable to when the Application Form is completed and signed, and when shares are acquired for Your Portfolio and the timescale within which shares must be first acquired, as set out on pages 15 to 20 of the Investor Guide, cover under the Insurance Policy will commence on the date on which shares are first acquired by You under the Foresight Accelerated ITS (subject to any restrictions on when cover commences as set out on pages 15 to 20 of the Investor Guide), which must be within two calendar months from the date on which the Application Form is signed and dated by You.

20.3 By signing the Application Form You (and where a joint application is made, each of You):

20.3.1 confirm that You are, on the date of completing and signing the Application Form:

(a) where Category A is applicable, aged 62 or older but less than 86; or

(b) where Category B is applicable, aged 86 or older but less than 90.

20.3.2 confirm that to the best of Your knowledge You are not suffering from a Terminal Illness on the date on which the Application Form is completed and signed;

20.3.3 confirm that You consent upon Your death to the release of Your medical records, including any post-mortem examination, as may be necessary to enable the Insurer to adjudicate any claim under the Insurance Policy;

20.3.4 acknowledge:

(a) the maximum age eligibility criteria relating to the date on which Your Application Form is completed and signed and the date on which shares are first acquired for you, as set out on page 16 of the Investor Guide, and the two month calendar period from the date on which Your Application Form is completed and signed within which shares must be first acquired for Your Portfolio, in each case in order to be covered under the Insurance Policy for the applicable Insurance Category;

(b) that although typically shares will be first acquired for Your Portfolio within two calendar months of receipt of Your Application Form, this cannot be guaranteed and it may not be possible to acquire shares prior to the expiry of the age eligibility and share acquisition timescale requirements referred to in clause 20.3.4(a), in particular where Your Application Form is received towards the end of the age restrictions set out in clause 20.3.1 and/or there is a delay in your Application Form being delivered to us following the date on which it is signed by You;

(c) that no cover will be available under the Insurance Policy if, at the time You sign the Application Form, You have received a Diagnosis from Your attending Consultant with no life expectancy estimate and, in the reasonable opinion of an independent Consultant appointed by the Insurer during the claims process, the illness or condition would have been expected to lead to Your death within twelve (12) months of the Diagnosis;

(d) that if You have selected Single Life Cover and are a Category A investor, on Your death (other than by Accidental Death) within the first 90 days from the date on which shares are first acquired for Your Portfolio You will not be covered under the Single Life Cover;

Customer Agreement^{continued}

(e) that if You have selected Single Life Cover and are a Category B investor, on Your death (other than by Accidental Death) within the first 180 days from the date on which shares are first acquired for Your Portfolio You will not be covered under the Single Life Cover;

(f) that if You have selected Joint Life Second Death Cover and one or both of You is a Category B investor, on the death (other than by Accidental Death) of a Category B investor within the first 100 days from the date on which shares are first acquired for Your Portfolio neither of You will be covered under the Joint Life Second Death Cover;

(g) that non-disclosure or misrepresentation by You of a material fact may affect the benefits payable under the Insurance Policy; and

(h) that the Insurance Policy has no surrender value; and

20.3.5 acknowledge that, where You are joint investors, where a Category B investor dies during the first 100 days (other than by Accidental Death) the Joint Life Second Death Cover will automatically terminate for both of You unless You have made the relevant election in the Application Form for the surviving investor to automatically benefit from Single Life Cover, as more particularly detailed on page 20 of the Investor Guide, and further acknowledge the annual management charge that will be applicable, as set out in clause 6.4.

20.4 If You have selected Single Life Cover and die during the Initial Period, the personal representatives of Your estate will need to notify Us and provide Us with an original or certified copy of Your death certificate. If You have selected Joint Life Second Death Cover, the personal representatives of Your estate will need to notify Us only upon the second death within the Initial Period

and provide Us with the respective original or certified copies of both Your death certificates. We will not be able to make a claim under the Insurance Policy if no death certificate is received. The Insurer may request further information to validate the claim. We will forward such requests to the personal representatives of Your estate and it will be their responsibility to collate and provide all such information requested to Us to forward on to the Insurer via any agent appointed by Us to administer, or make a claim under, the Insurance Policy. We will not otherwise have any responsibility to progress a claim under the Insurance Policy. To the extent the personal representatives of Your estate are unable to provide the information requested (or the provision of such information is delayed), the claim under the Insurance Policy may fail (or the proceeds of a successful claim may not be paid out in a timely manner).

20.5 Only We will be able to make claims under the Insurance Policy. Neither the personal representatives of Your estate nor Your Beneficiaries will have any right to claim (directly or indirectly) under the Insurance Policy. In the event that the Insurer disputes or refuses to settle any claim under the Insurance Policy (Rejected Claim), We shall not be obliged to take any further action in respect of a Rejected Claim, if in Our sole opinion and having regard to the facts of the Rejected Claim We consider the decision of the Insurer to be reasonable. If We agree, in our absolute discretion, to take any further action in respect of a Rejected Claim, We shall be entitled to seek payment in advance from Your estate to cover the anticipated costs thereof in accordance with clause 18 of the settlement detailed in Schedule 2 of this Customer Agreement.

20.6 We will only be obliged to pay the proceeds of a successful claim payable in the event of Your death under the Insurance Policy to Your Beneficiaries (net of any amount required to settle the IHT liability in respect of such proceeds) to the extent that We receive proceeds from the Insurer and We will have no other direct or indirect liability to make any payment to Your estate and/or Your Beneficiaries. We may request (as a condition precedent to distributing some or all of the proceeds of a claim under the Insurance Policy) an indemnity from the personal representatives of Your estate or Your Beneficiaries to whom Insurance Policy proceeds are paid to cover any IHT liability in respect of such proceeds if, for any reason, the amount calculated and settled either by the personal representatives of Your estate or Us is insufficient.

20.7 You acknowledge that the cover under the Insurance Policy will terminate on the expiry of the Initial Period or if you withdraw from the Foresight Accelerated ITS during the Initial Period (other than to meet ongoing product or adviser charges).

20.8 By signing the Application Form, upon an investment being acquired for Your Portfolio, You automatically assign Your beneficial interest in the Insurance Policy to Us as trustee according to the terms of the settlement detailed in Schedule 2 of this Customer Agreement and We accept the role of trustee of that settlement on the terms and conditions detailed in Schedule 2 of this Customer Agreement.

Customer Agreement^{continued}

20.9 Foresight Group Holdings Limited (Our ultimate parent) is the holder of all shares in the Insurer, however, the Insurer is independently managed. The Insurance Policy has been negotiated by Us on arms-length commercial terms with the Underlying Insurer. The business plan of the Insurer, as submitted to the regulator of the Insurer, does not anticipate that any profits would arise to Foresight Group Holdings Limited.

21. General

21.1 We may assign the benefit of this Customer Agreement to any appropriately authorised and regulated person, such assignment being effective upon written notice to You. This Customer Agreement is personal to You and You may not assign it.

21.2 This Customer Agreement constitutes the entire agreement between Us in respect of Your Portfolio and Your investment in the Foresight Inheritance Tax Fund through the Foresight Accelerated ITS and supersedes any other or previous terms and conditions. Save as provided in clause 15 of this Customer Agreement, any amendment to this Customer Agreement shall be effective only if made in writing and agreed by both parties.

21.3 It is not intended that any term contained in this Customer Agreement shall be enforceable, whether by virtue of the Contracts (Rights of Third Parties) Act 1999, common law or otherwise, by any person who is not a party to this Customer Agreement save that any Affiliate shall have the benefit of any provision of this Customer Agreement expressed to be for the benefit of Affiliates.

21.4 If any part of the wording of this Customer Agreement shall become or is declared to be illegal, invalid or unenforceable for any reason, such part or wording shall be deleted and shall be divisible from the rest of the Customer Agreement, which will continue in force.

21.5 The failure of Foresight or its Affiliates to exercise or delay in exercising a right or remedy provided by this Customer Agreement or by law does not constitute a waiver of the right or remedy or a waiver of other rights or remedies.

21.6 Any notice under or relating to this Customer Agreement shall be in writing. We may send any communication to You at the address which You provide to Us in the Application Form (or to any provided postal address or email address). You must communicate with Us at Foresight Group LLP, The Shard, 32 London Bridge Street, London SE1 9SG (or such other postal, fax or email address notified to You for this purpose). Notice sent by first class post to such address is deemed to have arrived on the second Business Day after posting. Notice sent by fax or email or hand-delivered is deemed to be delivered immediately (or on the next Business Day if sent after 5pm on a Business Day or on a non-Business Day). Our telephone numbers are 020 3667 8100 (general) and 020 3667 8181 (investor relations). Telephone calls may be recorded or monitored for our mutual protection.

21.7 This Customer Agreement shall be governed by and construed in all respects in accordance with English law and You hereby submit to the exclusive jurisdiction of the English Courts in relation to any disputes arising out of or in connection with this Customer Agreement.

21.8 This Customer Agreement is supplied in English and We will only be required to communicate in English during the course of our relationship with You.

21.9 Where You comprise more than one person at any time We may rely upon any notice from any one of such persons on behalf of You and any waiver or agreement with any one of such persons shall be binding upon You. On the death of a joint holder we shall be entitled to treat the survivor(s) as the only person(s) having title or ownership of the Portfolio of the joint holder.

21.10 In respect of individual investors, on and following Your death, We may (acting in good faith) act on the directions of Your personal representatives or the persons holding themselves out as Your personal representatives pending grant of representation.

Schedule 1 – Order Execution Policy Execution factors and execution criteria

We have an obligation when executing orders for the Foresight Inheritance Tax Fund to obtain the best possible outcome.

The FCA requires various execution factors to be taken into account including price, cost, speed, market impact, likelihood of execution and settlement, size or any other consideration meriting a high relative importance in obtaining the best possible result. However, in some circumstances, We may appropriately determine that other execution factors are more important than price in obtaining the best possible execution result. We will determine the relative importance of the execution factors by using Our commercial judgement and experience in light of market information available and taking into account the execution criteria.

Customer Agreement continued

The execution criteria are defined as the characteristics of the client, order (orders placed in the market will indicate a price range that is suitable for the investment decision), type of financial instrument (some shares are more liquid than others, and illiquid shares will be less easily tradable in volume) and the execution venue.

The scope of activities undertaken by Us does not currently include placing orders with brokers or dealers. Should We place orders with brokers or dealers for execution We will satisfy ourselves that the broker or dealer has arrangements in place to enable Us to comply with Our best execution obligations to Our clients. Specific arrangements will be put in place such that brokers will confirm that they will treat Us as a professional client and will, therefore, be obliged to provide best execution.

Special purpose vehicles (SPVs)

We may establish special purpose vehicles for the purpose of investments. As shares in SPVs cannot be obtained from any other sources there is limited opportunity to apply some of the execution factors.

Monitoring and review

We will review the effectiveness of Our execution policy and order execution arrangements on an annual basis. Whenever a material change occurs that affects Our ability to continue to obtain the best possible result for You, We will notify You of any material changes to Our execution arrangements or Our execution policy by posting an updated version on Our website (www.foresight.group).

Schedule 2 – Assignment and Form of Settlement

Parties:

(1) The investor (Settlor)

(2) Foresight Group LLP of The Shard, 32 London Bridge Street, London, SE1 9SG (the Trustee)

RECITALS

(A) The Settlor wishes to assign absolutely to the Trustee all of their beneficial interest in the trust established in respect of the Insurance Policy (as defined in the Investor Guide) (the Property) for the Trustee to hold on trust subject to the terms of this settlement (Settlement).

(B) It is intended that this Settlement shall be irrevocable. The parties to this Settlement accept that the Insurance Policy is a pure protection policy that has no surrender value. No rights or obligations under this Settlement may be assigned by any party.

Part 1 – Operative Provisions

1. Definitions and Interpretation

In this Settlement, where the context admits, the following definitions and rules of construction shall apply.

1.1 The Trust Fund shall mean:

(a) the Property; and

(b) any interest earned by the Trustee on the Property and any other accumulations of income added to the Property, all of which shall be held subject to the powers and provisions of this Settlement.

1.2 The Trust Period shall mean the period ending on the earlier of:

(a) the last day of the period of 125 years from the date of this Settlement; and

(b) such date as shall for the time being be specified pursuant to the power conferred by clause 7 of this Settlement.

1.3 The Beneficiaries shall have the meaning set out in the Investor Guide.

1.4 The Investor Guide shall mean the investor guide (including the customer agreement contained therein) issued by the Trustee in respect of the Foresight Accelerated Inheritance Tax Solution dated 26 July 2024.

1.5 Words denoting any gender shall include both the other genders.

2. Effective Date

This Assignment and Settlement shall take effect upon the date that the Settlor acquires shares through the Foresight Accelerated ITS (as defined in the Investor Guide) and shall apply to the Property to the extent it relates to such shares.

3. Assignment

The Settlor hereby assigns absolutely and irrevocably to the Trustee all the Settlor's interest in the Property in consideration of the Trustee paying £1 (one pound) to the Settlor, receipt of which is hereby acknowledged.

4. Power to add Beneficiaries

4.1 The Settlor or his survivor or such person as the Settlor or his survivor shall have nominated in writing or if none the Trustee, may, at any time during the Trust Period, add to the Beneficiaries such persons as the person making the addition shall, subject to the application, if any, of the rule against perpetuities, determine.

Customer Agreement continued

4.2 Any such addition shall be made in writing to the Trustee:

(a) naming the persons to be added; and

(b) specifying the date or event, being before the end of the Trust Period, on the happening of which the addition shall take effect.

4.3 This power shall not be exercised so as to add to the Beneficiaries the Settlor or any person who shall previously have added property to the Trust Fund or the spouse or civil partner for the time being of the Settlor or any such person.

5. Discretionary trust of capital and income

5.1 The Trustee, whilst agreeing to make reasonable endeavours to act in accordance with the Settlor's wishes set out in the Settlor's Application Form, shall hold the capital and income of the Trust Fund upon trust for or for the benefit of such of the Beneficiaries in such manner, and to make payments to the Beneficiaries at such times, as the Trustee shall in its discretion decide.

5.2 The exercise of the Trustee's powers under clause 5.1 of this Settlement shall be subject to the application of the rule against perpetuities.

5.3 The Trustee may, in its sole discretion, make from its own funds payments on account to Beneficiaries in respect the Property of which they are a beneficiary and, on receipt of such Property, be reimbursed from the Property accordingly.

6. Trusts in default of appointment

6.1 Subject to the provisions of clause 5 of this Settlement, the Trustee shall hold the capital and income of the Trust Fund upon trust absolutely for such of the children and remoter issue of the Settlor as shall be living at the end of the Trust Period and, if more than one, in equal shares per stirpes, so that no person shall take if any of his ascendants is alive and so capable of taking.

6.2 If at the end of the Trust Period, there is no one who meets the requirements of clause 6.1 of this Settlement, the Trustee shall hold the capital and income of the Trust Fund on trust absolutely for a charity of the Trustee's choosing.

7. Power to alter Trust Period

The Trustee may, at any time during the Trust Period, specify by deed, in relation to the whole or any part of the Trust Fund, a date for the purposes of clause 1.2(b) of this Settlement. The date specified shall not be earlier than the date of execution of such deed or later than the date on which the applicable perpetuity period expires.

8. Administrative powers

The Trustee shall, in addition and without prejudice to all statutory powers, have the powers and immunities set out in Part 2 of this Settlement. No power conferred on the Trustee shall be exercised so as to conflict with the beneficial provisions of this Settlement and the powers conferred on the Trustee shall be exercisable only during the Trust Period and subject to the application, if any, of the rule against perpetuities.

9. Proper law, forum and place of administration

9.1 The proper law of this Settlement shall be that of England. All rights under this Settlement shall be construed, and its construction and effect shall be determined, according to the laws of England.

9.2 The courts of England shall be the forum for the administration of these trusts.

10. Exclusion of Settlor and spouse or civil partner

10.1 No discretion or power conferred on the Trustee or any other person by this Settlement or by law shall be exercised, and no provision of this Settlement shall operate directly or indirectly, so as to cause or permit any part of the capital or income of the Trust Fund to become in any way payable to or applicable for the benefit of the Settlor or any person who shall previously have added property to the Trust Fund or the spouse or civil partner for the time being of the Settlor or any such person.

10.2 The prohibition in this clause shall apply notwithstanding anything else contained or implied in this Settlement.

Part 2 – Administrative Provisions

11. Power of investment

11.1 The Trustee may apply any money to be invested in the purchase or acquisition of such property, of whatever nature and wherever situate and whether of a wasting nature, involving liabilities or producing income or not, or in making such loans with or without security, as they think fit so that they shall have the same powers to apply money to be invested as if they were an absolute beneficial owner.

Customer Agreement continued

11.2 The Trustee shall not be required to diversify the investment of the Trust Fund.

12. Power of management

12.1 The Trustee shall have all the powers of an absolute beneficial owner in relation to the management and administration of the Trust Fund.

12.2 The Trustee shall administer the Trust Fund in accordance with the principles set out in the Investor Guide.

13. Power to insure property

The Trustee may insure all or any part of the Trust Fund against any risk, for any amount and on such terms as they think fit but shall not be bound to do so.

14. Payment of expenses

The Trustee shall have power to pay out of income or capital, as it may in its discretion determine, any expenses relating to the Trust Fund (or any assets comprised within it) or its administration.

15. Power to appoint agents

The Trustee may employ and pay at the expense of the Trust Fund any agent in any part of the world to transact any business in connection with this Trust without being responsible for the fraud, dishonesty or negligence of such agent if employed in good faith.

16. Powers to delegate

16.1 The Trustee may engage any person or partnership as investment adviser to advise it on the investment of all or any part of the Trust Fund and it may, without being liable for any consequent loss, delegate to such investment adviser discretion to manage investments on such terms as the Trustee thinks fit.

16.2 The Trustee may, without being liable for any consequent loss, delegate to any person the operation of any bank, building society or other account.

17. Payment of taxes

In the event of any inheritance tax or probate, succession, estate duty or other duties, fees or taxes whatever becoming payable in any part of the world in respect of the Trust Fund or any part of it in any circumstances whatever, the Trustee may pay all such duties, fees or taxes (notwithstanding that they are not recoverable from the Trustee or the Beneficiaries) out of the capital or income of the Trust Fund at such time and in such manner as it thinks fit. The power to pay duties, fees and taxes conferred by this clause shall extend to any related interest and penalties and to the provision of information to, or the filing of returns with, any relevant tax authorities.

18. Trustee charging

The Trustee shall be entitled to reimbursement of its proper expenses and to remuneration for its services in accordance with such terms and conditions as may from time to time be agreed between the Trustee and the Settlor.

19. Protection of the Trustee generally

The Trustee shall not be liable for any loss to the Trust Fund however arising except as a result of the fraud or dishonesty of the Trustee.

20. Release of powers

The Trustee may by deed release or restrict the future exercise of all or any of the powers conferred on it by this Settlement.

21. Power to vary administrative provisions

The Trustee may by deed amend or add to the administrative provisions of this Settlement.

AIFMD Disclosures

Alternative Investment Fund: Foresight Inheritance Tax Fund (AIF or Fund)

AIF Manager: Foresight Group LLP (the Manager)

FUND 3.2.2R (1a)	<p>A description of the investment strategy and objectives of the AIF</p> <p>The strategy of the Fund is to invest in companies that qualify for Business Relief. The Fund invests in infrastructure businesses and other trades that have a number of attractive characteristics for investors, namely investments that offer a combination of stable and predictable cash flows, low correlation to economic, business and market cycles and relatively low default rates.</p>
FUND 3.2.2R (1b)	<p>If the AIF is a feeder AIF, information on where the master AIF is established</p> <p>Not applicable.</p>
FUND 3.2.2R (1c)	<p>If the AIF is a fund of funds, information on where the underlying funds are established</p> <p>Not applicable.</p>
FUND 3.2.2R (1d)	<p>A description of the types of assets in which the AIF may invest</p> <p>Shares in companies that the Manager believes will qualify for Business Relief, as set out in this Investor Guide.</p>

FUND 3.2.2R (1e)	<p>The investment techniques that the AIF, or the AIFM on behalf of the AIF, may employ and all associated risks</p> <p>Please see the Underlying Investments section on page 25, the Key Risks section on pages 35 and 36 and the Risks in detail section on pages 37 to 41 of the Investor Guide.</p>
FUND 3.2.2R (1f)	<p>Any applicable investment restrictions</p> <p>The Fund aims to invest only in companies that qualify for Business Relief, as set out in this Investor Guide.</p>
FUND 3.2.2R (1g)	<p>The circumstances in which the AIF may use leverage</p> <p>The Fund will not employ leverage. Companies in which the Fund invests may employ leverage, as set out on page 38 of the Investor Guide.</p>
FUND 3.2.2R (1h)	<p>The types and sources of leverage permitted and the associated risks</p> <p>The Fund will not employ leverage. The risks associated with the investee companies employing leverage are set out on page 38 of the Investor Guide.</p>
FUND 3.2.2R (1i)	<p>Any restrictions on the use of leverage and any collateral and asset reuse arrangements</p> <p>Not applicable as the Fund will not employ leverage.</p>
FUND 3.2.2R (1j)	<p>The maximum level of leverage which the AIFM is entitled to employ on behalf of the AIF</p> <p>Not applicable as the Fund will not employ leverage.</p>

AIFMD Disclosures continued

FUND 3.2.2R (2)

A description of the procedures by which the AIF may change its investment strategy or policy, or both

In the unlikely event that the Fund changes its strategy, all investors would be notified of the change in writing with a minimum of ten days' notice.

FUND 3.2.2R (3)

A description of the main legal implications of the contractual relationship entered into for the purpose of investment, including information on jurisdiction, the applicable law and the existence or absence of any legal instruments providing for the recognition and enforcement of judgments in the territory where the AIF is established

A Customer Agreement between each investor and the Manager will govern the management of their investment in the Fund. Customer Agreements shall be governed and construed in all respects in accordance with English law and the parties agree to submit to the exclusive jurisdiction of the English Courts.

FUND 3.2.2R (4)

The identity of the AIFM, the AIF's depositary, the auditor and any other service providers and a description of their duties and investors' rights

AIFM: Foresight Group LLP – responsible for the management of the Fund.

Auditor: Menzies LLP – responsible for auditing the Fund's financial statements.

Cash Custodian: Woodside Corporate Services Limited – responsible for custody and administration of cash.

Depositary: NCM Depositary Services Limited – provides depositary services, including cash monitoring and asset verification.

Receiving Agent: Woodside Corporate Services Limited – responsible for holding investor funds and other receiving agent services.

Promoter: Foresight Group Promoter LLP – responsible for the promotion and marketing of the Fund to prospective investors.

FUND 3.2.2R (5)

A description of how the AIFM complies with the requirements (professional negligence) relating to professional liability risk

Professional liability for risks of loss or damage through the negligent performance of activities for which the Manager is responsible is covered by the Manager holding additional funds of 0.100% above assets under management.

AIFMD Disclosures continued

FUND 3.2.2R (6a)	<p>A description of any AIFM management function delegated by the AIFM</p> <p>See clause 7 of the Customer Agreement on page 51 of the Investor Guide.</p>	FUND 3.2.2R (8)	<p>A description of the AIF's liquidity risk management, including the redemption rights of investors in normal and exceptional circumstances and the existing redemption arrangements with investors.</p> <p>The Fund is closed-ended and investors have no redemption rights during the life of the Fund. However, the Manager will endeavour to implement withdrawal requests. See page 21 of the Investor Guide for more information. Because there is no right to redemption, the Manager is not required to (and does not) maintain a liquidity risk management policy.</p>
FUND 3.2.2R (6b)	<p>A description of any safe-keeping function delegated by the depositary</p> <p>Not applicable.</p>	FUND 3.2.2R (9)	<p>A description of all fees, charges and expenses and the maximum amounts directly or indirectly borne by investors</p> <p>See the Charges section on pages 31 and 32 of the Investor Guide.</p>
FUND 3.2.2R (6c)	<p>A description of the identity of each delegate appointed in accordance with FUND 3.10 (Delegation)</p> <p>The promotion of the Fund is delegated to Foresight Group Promoter LLP.</p>	FUND 3.2.2R (10)	<p>A description of how the AIFM ensures a fair treatment of investors</p> <p>All investors are treated in a fair and equal manner in accordance with the Manager's Treating Customers Fairly policy and FCA Rules.</p>
FUND 3.2.2R (6d)	<p>A description of any conflicts that may arise from such delegations</p> <p>Not applicable.</p>	FUND 3.2.2R (11a)	<p>Whenever an investor obtains preferential treatment or the right to obtain preferential treatment, a description of that preferential treatment</p> <p>Not applicable.</p>
FUND 3.2.2R (7)	<p>A description of the AIF's valuation procedure and the pricing methodology for valuing assets, including the methods used in valuing hard-to-value assets in line with FUND 3.9 (Valuation)</p> <p>See clause 10 of the Customer Agreement on pages 52 and 53 of the Investor Guide.</p>		

AIFMD Disclosures continued

FUND 3.2.2R (11b)	<p>Whenever an investor obtains preferential treatment or the right to obtain preferential treatment, a description of the type of investors that obtain preferential treatment</p> <p>Not applicable.</p>	FUND 3.2.2R (15)	<p>Where available, the historical performance of the AIF</p> <p>The historical performance of the Fund can be obtained by contacting the Foresight Investor Relations team on 020 3667 8181 or at investorrelations@foresightgroup.eu.</p>
FUND 3.2.2R (11c)	<p>Whenever an investor obtains preferential treatment or the right to obtain preferential treatment, a description of, where relevant, their legal or economic links with the AIF or AIFM</p> <p>Not applicable.</p>	FUND 3.2.2R (16a)	<p>The identity of the prime brokerage firm</p> <p>Not applicable.</p>
FUND 3.2.2R (12)	<p>The procedure and conditions for the issue and sale of units or shares</p> <p>Please see pages 21 to 23 of the Investor Guide.</p>	FUND 3.2.2R (16b)	<p>A description of any material arrangements of the AIF with its prime brokerage firm and the way any conflicts of interest are managed</p> <p>Not applicable.</p>
FUND 3.2.2R (13)	<p>The latest net asset value of the AIF or the latest market price of the unit or share of the AIF, in line with FUND 3.9 (Valuation)</p> <p>The historical performance of the Fund can be obtained by contacting the Foresight Investor Relations team on 020 3667 8181 or at investorrelations@foresightgroup.eu.</p>	FUND 3.2.2R (16c)	<p>The provision in the contract with the depositary on the possibility of transfer and reuse of AIF assets</p> <p>The Depositary may not transfer or reuse the Fund's assets.</p>
FUND 3.2.2R (14)	<p>The latest annual report, in line with FUND 3.3 (Annual report of an AIF)</p> <p>The most recent annual report can be obtained by contacting the Foresight Investor Relations team on 020 3667 8181 or at investorrelations@foresightgroup.eu.</p>	FUND 3.2.2R (16d)	<p>Information about any transfer of liability to the prime brokerage firm that may exist</p> <p>Not applicable as there is no prime brokerage firm.</p>
		FUND 3.2.2R (17)	<p>A description of how and when the information required under FUND 3.2.5 and FUND 3.2.6R will be disclosed</p> <p>Any changes to the Fund's leverage, liquidity or risk profiles will be notified to investors as and when required.</p>

Notes

Notes continued

Notes continued



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