

INGENIOUS

INGENIOUS ESTATE PLANNING (IEP)

Apex



IMPORTANT INFORMATION

This document is intended for Retail and Professional Investors resident in the UK.

All capitalised terms have the meaning given to them in Schedule 1 of the Investor Agreement, which can be found at www.theingeniousgroup.co.uk, unless otherwise defined.

For each individual Investor in IEP Apex (the Service), a discretionary investment management mandate is provided by Ingenious Capital Management Limited (hereafter, ICML or the Manager), who selects and manages the Investor's Portfolio of Shares. Those Shares will be Shares in one or more Portfolio Companies – unquoted companies of which a number of ordinary shares are beneficially acquired for an Investor and included in the Investor's Portfolio. All of this will be carried out in line with the terms of the Investor's Investor Agreement which, together with specified areas of the Brochure and the Application Form, comprise the entire agreement between the Investor and the Manager.

This Brochure does not constitute investment, tax, legal or other advice; is provided as of the date written; and is subject to change without notice. Every effort has been made to ensure the accuracy of the information provided, but the Manager makes no warranty, express or implied, regarding such information. No person has been authorised to give any information or to make any representation concerning IEP Apex other than the information contained in this Brochure or in connection with any material or information referred to in it and, if given or made, such information or representation must not be relied upon.

Our investments are considered high risk and investment decisions regarding them must be made with the guidance of a regulated adviser. Except as otherwise required by law, ICML shall not be responsible for any trading decisions, damages or losses resulting from, or related to, the information, data, analysis, or opinions or their use. This Brochure outlines the types of trading activity the subsidiaries of the IEP Apex Portfolio Companies might carry out and shows examples of the sectors in which activity might take place as currently envisaged by the Manager. This is for illustrative purposes only and the Manager may well exercise its discretion to adjust the strategy from time to time in order to target activity best suited to achieving the Investment Objectives.

The Tax Benefits described in this Brochure are not guaranteed and are based on current tax legislation and our interpretation of that legislation. There is no guarantee that any Shares issued by Portfolio Companies into which we invest on an Investor's behalf will be wholly or partly Business Relief (BR) or Investors' Relief (IR) qualifying at the date of a future transfer of Shares or that payments made to an Investor's estate or to its Beneficiaries in connection with the Insurance Policy will not be subject to Inheritance Tax (IHT). Tax rules could change in the future and the value of any tax relief will depend on your personal circumstances.

The insurance benefits described in this Brochure have been arranged by and taken out in the name of Ingenious (IEP Cover) Limited (the Policyholder). The benefits are not guaranteed and are subject to the eligibility, termination and exclusion terms detailed on page 16 and 18 and in the Investor Agreement. The Policyholder will only pay insurance benefits to the extent that the Policyholder has received the relevant proceeds from the Insurer of the insurance policy. Neither the Manager nor the Policyholder make any warranty in connection with the solvency or ability to pay claims of the Insurer and any other Insurer with whom any insurances are placed in connection with the Service.

The Manager reserves the right to make changes to or remove the provision of the IEP Care Service, including making changes to the third party Care Adviser.

Past Performance is no guarantee of current or future returns and Investors may receive back less than invested. The value of investments and any income deriving from them can go down as well as up and are not guaranteed. Full details of the risk factors and associated mitigation strategies can be found on pages 19 - 21 of this Brochure and in the Investor Agreement, which should be read in conjunction with this Brochure. The service invests in unlisted securities which are more illiquid than listed securities. As such, it may take you longer to receive your money if you choose to exit the investment.

Ingenious Capital Management Limited is authorised and regulated by the Financial Conduct Authority under FRN 562563. Registered Address: Parcels Building, 14 Bird St, London, W1U 1BU. The Policyholder is Ingenious (IEP Cover) Limited, an appointed representative of Howden Insurance Brokers Limited which is authorised and regulated by the Financial Conduct Authority under FRN 309639. The Policyholder's registered address is Parcels Building, 14 Bird St, London, W1U 1BU | February 2023

RISK SUMMARY

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

Due to the potential for losses, the Financial Conduct Authority (FCA) considers this investment to be high risk. We care about our investors, and we want to help you fully understand our products and services ensuring that they are appropriate for your needs. It is therefore important that you read the following.

What are the key risks?

1. You could lose all the money you invest

If your investment fails, you are likely to lose up to 100% of the money you invested.

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.

Check if your investments are FSCS protected:

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, the FOS may be able to consider it. Learn more about FOS protection:

www.financial-ombudsman.org.uk/consumers

3. You're unlikely to get your money back quickly

While we will always look to settle your request for a withdrawal as soon as possible, there is no guarantee withdrawals will be paid immediately upon request. Investments in unquoted companies are less liquid than listed shares so our ability to meet your request might take several months to complete if there are several other distribution or withdrawal requests at the same time or when economic or other circumstances make it hard for the business to sell its assets.

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. Consider the following questions before you invest:

www.fca.org.uk/investsmart/5-questions-ask-you-invest

5. The value of your investment can be reduced

The value of your investment can be reduced dependent on the performance of the underlying investee companies.

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

CONTENTS

IEP Apex (the Service)	1
Inheritance tax efficiency	3
Insurance Eligibility Criteria	4
Flexibility & control	5
Fees	5
Investment strategy	7
Robust governance	11
The IEP Care Service	12
How the investment works	14
How the insurance works	15
Insurance: key information	16
Risk factors	19
Taxation	22



IEP APEX

Our most comprehensive estate planning service.

Designed to deliver Inheritance Tax (IHT) cover from day one, achieve steady growth and provide a care planning service, all within one cost-effective solution.

The Manager seeks to deliver seven key benefits to Investors

1

Carefully managed returns

Preserving and increasing wealth whilst carefully managing risk

2

IHT cover from day one of Share allotment

- Years one & two: once Shares are allotted, complimentary insurance cover pays for any IHT liabilities on the initial value of the subscription. Further details are provided on pages 3 & 4.
- Year three onwards: investments should qualify for Business Relief (BR).

3

Low volatility

Seeking steady growth with low volatility compared to BR-qualifying AIM Index, which can be more sensitive to market sentiment

4

Flexibility to adapt

- Retain access and control of your investment in case circumstances change
- Tailor your investment allocation to meet your own objectives and preferences

5

Not just an investment

Plan for complex health or care needs with a care advisory service

6

Competitively priced

IEP Apex offers a comprehensive solution at what we believe to be some of the lowest fees in the market

7

Supportive of ESG¹ objectives

We believe investments should be undertaken in a sustainable and responsible way, underlined by robust corporate governance

¹Environmental, Social and Governance

IEP APEX OBJECTIVES

- 1** Aim for long-term return of 4% per annum, net of fees*
- 2** Provide immediate IHT cover as soon as Shares are allotted
- 3** Invest in BR-qualifying companies for continued IHT efficiency after two years
- 4** Low volatility in investment returns
- 5** Invest in Investors' Relief-qualifying companies, to provide tax-efficient access to the investment and returns

We believe that through striking a balance between preserving and carefully growing savings in a tax-efficient manner, Investors can achieve the desired outcomes for both themselves and their Beneficiaries.

*Calculated over a 5-year rolling period. Targets are not guaranteed to be achieved. This is the target return for the default investment allocation selected by the Manager, however where the Investor selects a different allocation the return will likely differ, and it may be higher as well as lower. Please see page 7 for potential variations to this target.

INHERITANCE TAX EFFICIENCY: INSURANCE AS STANDARD

Traditional BR services offer cover against the impact of IHT after Shares have been held for two years. However, IEP Apex provides Investors with cover under a group life insurance policy that is designed to mitigate against IHT as soon as Shares are allotted, giving the peace of mind that the initial value of an Investor's Subscription is immediately protected from the potential impact of IHT during the usual two year qualifying period. This cover can provide a benefit of up to 40% of an Investor's initial Subscription Value, less any subsequent Withdrawals, upon the death of an Investor (or the deaths of both joint Investors) within the two year period following Share allotment. The maximum benefit under the insurance policy is £200,000.

- 1 No additional charge**
The cost of insurance is paid for by Ingenious (IEP Cover) Ltd and there is no additional charge to the Investor
- 2 Immediate**
Insurance takes effect as soon as Shares are allotted, we aim for this to be within 21 days of application
- 3 Simple**
There is no medical examination to undergo, just a simple Health Declaration

Insurance cover is available in two categories:



Single life Investor

For an individual Investor. The insurance should pay out upon an eligible death within the first two years of holding Shares.



Joint life Investor

For joint Investors. The insurance should pay out upon the second eligible death within the first two years of holding Shares, providing both deaths are within the first two years of Share allotment.



YEAR THREE ONWARDS: BUSINESS RELIEF

Business relief is a UK tax relief that enables shareholders of unquoted trading companies to pass on shares to the next generation without IHT liability. Shares in BR-qualifying companies ordinarily become 100% exempt from IHT once they have been held for two years, however with IEP Apex IHT, liability arising on the initial investment is 100% covered as soon as Shares are allotted. Please note the eligibility criteria on page 16.

IEP Apex investors acquire Shares in one or more Portfolio Companies that are engaged in a BR-qualifying trade. This means that any transfer of the Shares to Beneficiaries should also be free of IHT beyond the initial two-year period covered by insurance.

Please note: There is no guarantee that Shares will qualify for BR Tax reliefs described are based on current tax legislation and our interpretation of that legislation, are dependent on individual circumstances, and are subject to change. Refer to page 22 for more details.

INSURANCE COVER

Investors must be:



Aged 18 up to 86 years old



Resident in the UK



Registered with a UK doctor

Investors must complete a simple Health Declaration as part of their application, but no medical examination is needed. The Health Declaration must be dated no more than six weeks prior to the date of share allotment in order for it to be valid.

Full information on the Eligibility Criteria including the Health Declaration, exclusions, key medical definitions, and terms and conditions can be found on pages 16-18 of this Brochure.

It's important to remember that the insurance policy is taken out by the Policyholder, Ingenious (IEP Cover) Limited. Claims are therefore made by the Policyholder and the Investor does not have a right to make a claim directly themselves. More information on Claims can be found on page 18 of this Brochure.

FLEXIBILITY AND CONTROL

Tax-efficient access

We understand it is important for Investors to maintain control of their assets. It can be tempting to lock savings into a trust, or gift them to family members to seek IHT efficiency. But if people are subsequently faced with unexpected costs, retrieving Investors' savings can be complicated.

There are several ways in which IEP Apex Investors can, subject to liquidity, access their investment, including regular drawdown of growth, set Annual Payments or partial or full Redemption.

Investors' Relief

20% > 10%
CGT EFFICIENCY

Just as IHT can reduce the value of an Investor's savings, Capital Gains Tax (CGT) can reduce the value of Withdrawals for important life needs.

Incoming Investors into IEP Apex will receive newly issued Shares, so after three years, a disposal of the Shares during the Investor's lifetime should qualify for Investors' Relief. This means that the applicable rate of CGT should be 10% rather than the higher rate of 20%.

All realisations will be subject to the terms and conditions set out in the Investor Agreement. Any funds withdrawn during the Investor's lifetime may give rise to tax charges. Further detail on the taxation of the investment can be found in the Taxation section of this Brochure on page 22. **Tax treatments depend on individual circumstances and may be subject to change.**

SIMPLE, STRAIGHT-FORWARD FEES

Initial charges

Investment Fee

1.5% of the Subscription in the Service

Dealing Fee

1% of the Subscription upon investment

Ongoing charges

Management Fee

1% of the value of the Portfolio per annum*. This Management Fee accrues on a daily basis and is paid at the end of each quarter on Redemption

Administration Fee

0.25% of the value of the Portfolio per annum* paid to cover administrative costs and expenses of the Manager in relation to the Service. The Administration Fee accrues on a daily basis and is paid at the end of each quarter on Redemption

*Unless stated otherwise, all fees are paid to the Manager.
Calculated by reference to the applicable Portfolio NAV, prior to deduction of fees for the relevant accrual period.

Exit Fee

Joint life Investors: 0.5% of the value of Shares sold

Single life Investors: 0.5% of the value of Shares sold, subject to early Withdrawal terms below

Early Withdrawal: single life Investors only

Single life investors who need to make a partial or full Withdrawal of Shares for any reason other than transfer upon death can make a cumulative Withdrawal of up to 5% per annum of the Subscription Value over five years (ie a total Withdrawal of 25% maximum) with an Exit Fee of just 0.5%. For Withdrawals greater than 5% per annum, the applicable Exit Fee is outlined in the table below.

Years 1 - 2	Year 3	Year 4	Year 5	Year 6 onwards
4%	3.5%	2.5%	1.5%	0.5%

In addition to the Exit Fee, Investors will be charged for the stamp duty cost associated with their Share disposals at the prevailing rate (currently 0.5%).

Ongoing charge paid to the Custodian

Approximately 0.1% of the investment in the Service is paid to the Custodian for custodial and Nominee Services.

Other charges

Investors may have agreed an upfront and/or ongoing charge payable to their financial adviser. These fees can be specified in the adviser charge section of the Application Form in order for the Manager to facilitate the payment to the adviser. Upfront adviser charges will be taken from the Subscription before Shares are allotted. Ongoing charges will be paid through realisation of Shares in companies invested in by the Service. Further detail can be found in the Application Form. Investors should consult their financial adviser for any financial and tax implications of adviser charges. Any adviser payments are made after fees and the cumulative 5% annual Withdrawal limit.

The Manager and/or any affiliated company may provide or procure certain additional administration, management and other services to, or on behalf of, the Investor and/or some or all of the Portfolio Companies (as applicable). Examples of which may include, but are not limited to, custodian, nominee or similar services; legal, accounting, company secretarial, taxation, audit, administration and transactional services; and assistance in the sourcing of opportunities, structuring of opportunities, financing of opportunities, due diligence, monitoring and day-to-day trading operations, in consideration of which the company/ies providing such services shall be entitled to charge or recover (as the case may be) their reasonable costs and/or fees. The Manager reserves the right to update the fees and charges of IEP Apex and its associated services pending Investor notification.

With the aim of reducing risk while maintaining quality deal flow for Portfolio Companies, Ingenious may arrange mezzanine finance to sit behind a Portfolio Company's loan. Such finance, if provided at all, may be partly or fully provided by part of the Ingenious Group or related parties in return for which the providers of such finance will earn a return commensurate with the risk position taken.

The cost of insurance is paid for by the Policyholder and the IEP Care Service is paid for by the Manager.

All fees and charges will be subject to any applicable VAT.

**For an illustrated example of how the Service's fees impact an investment, please refer to the illustration on our website:
www.theingeniousgroup.co.uk**

IEP APEX INVESTMENT STRATEGY

Investments will be made into one or more Portfolio Companies that carry out trading activities through their subsidiaries which are consistent with the objectives of the Service. Examples of these are provided in this Brochure. Investments are managed with a view to providing each Investor with a carefully risk managed Portfolio.

The Investment Strategy outlined within this Brochure is illustrative of the typical sectors that are targeted and trading activities that are carried out by Portfolio Companies' subsidiaries.



Real Estate
3-5% per annum*



Technology, media & telecoms (TMT)
1-3% per annum*

100% secured lending strategy

The Manager may, from time to time, provide loans to projects or companies in other sectors if it feels those loans are aligned to the objectives of the Service, provide risk/return profile that is similar to our existing investments, and will ultimately provide benefits to our Investors.

At Ingenious, we have expertise, knowledge and relationships in each of these sectors that allow us to identify highly compelling opportunities for Investors and manage risk effectively.

We believe each sector offers an attractive investment opportunity as a result of the changes taking place within them and the shortage of knowledgeable capital to fund the opportunities that exist.

The Manager has the discretion to adjust this from time to time to meet evolving market conditions and trading opportunities. Should the Investor have a strong preference as to the weighting of their Portfolio, the Manager can accommodate this by providing the Investor the option to make their own selection of industry focus.

* Over a 5-year rolling period. Targets are not guaranteed to be achieved and the value of investments may go up as well as down.

RISK MANAGEMENT

When it comes to meeting the investment objectives of IEP Apex, risk management comes first. We ground every transaction in a thorough risk assessment and the Investment Strategy addresses a number of commonly encountered investment risks:

Execution risk

The secured lending model benefits from strong underlying security.

Liquidity risk

The timing of secured loan repayments is clearly set out upfront with the borrower.

Volatility risk

There should be low volatility with secured lending, given the security taken to protect repayment.

Valuation risk

Transparent valuation is achieved through an externally audited NAV and a fair value valuation methodology.

For a full description of the risk factors, see page 19.



ASSESSING OPPORTUNITIES

Given the scale of the real estate and TMT markets, the Ingenious teams can be highly selective in the opportunities and projects they engage with. They do this through a strict screening process.

Strict screening process



Understand the sector and external market in which the borrower operates. This includes the purpose of the secured loan being sought and the key associated risks



Assess the financial viability of the opportunity including valuation, credit risk and timing of any loan repayments



Determine the type and value of security for lending opportunities, which can be used to protect the full repayment of the loan



Full legal review and documentation of the opportunity

ESG factors

At Ingenious, we believe investing should be a force for good. Achieving the financial objectives of investments is our number one priority, but it does not end there. We also believe that investments must be undertaken in a sustainable and responsible way and we actively look for opportunities that have a positive impact on the communities in which we invest.



REAL ESTATE

Land and buildings are intrinsic to our daily lives, providing the spaces in which we live, work and relax. And they offer an investment opportunity that we can relate to. No complicated algorithms or financial instruments to explain, simply an investment based on bricks and mortar.

The opportunity

Portfolios are focused towards the affordable end of the residential sector, whilst also considering some commercial and mixed use developments. This strategy takes advantage of the following market themes:



Structural housing deficit

Housing is a UK Government and social imperative with 300,000² new homes needed to be built per annum to meet demand.



Pent-up demand, attractively priced

Political and economic uncertainty has also fuelled the pent-up demand for real estate both domestically and internationally. Devaluation of sterling since the EU referendum has made UK real estate particularly attractive to international investors.



Government support

Government policy, for instance Help to Buy, has been supportive of residential real estate for some time. This has heightened as the housing market is a focal part of the economy's recovery from the COVID-19 pandemic.



Online growth

The vast increase in use of online retail has given rise to rapid disruption in the warehouse storage and logistics industry.

² House of Commons Library, Tackling the under-supply of housing in England, March 2020

Types of trading activity



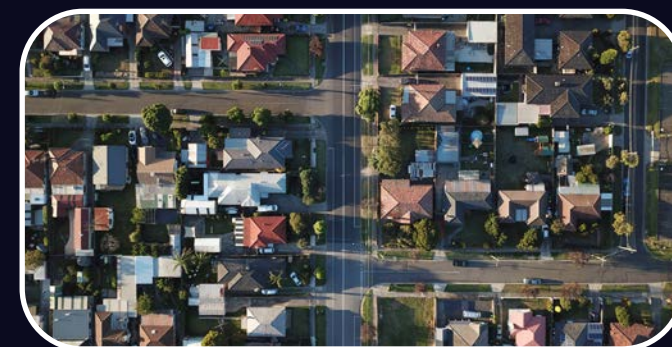
Lending secured against specific assets, such as land or property.



Development loans to help finance the construction of property. Loans are typically repaid from the sale or the refinance of the property once it is constructed.



Bridging loans are generally used to finance the acquisition of land or property by a developer so it might subsequently be approved for conversion or development. The loan is usually repaid by the sale of the land or refinanced by a new development loan to fund the build-out of the approved scheme.



TECHNOLOGY, MEDIA & TELECOMS (TMT)

The UK's creative industries are globally recognised as being world class, incorporating sectors such as film, television, music, video games, theatre, publishing, live events and beyond. Significant advances in technology and telecommunications mean that great content is now available at the press of a button or swipe of a finger, 24 hours a day, 7 days a week.

The opportunity

The TMT sector presents a wide range of opportunities for knowledgeable investors. Loans are provided to experienced counterparties with the benefit of robust underlying security to protect the repayment of the loan and interest. This strategy takes advantage of several market themes.



Proliferation of smart devices

More and more people own a smart device, be it a mobile phone, tablet, laptop or equivalent, with the ability to download or stream high quality content. The cost and capability of these devices mean people are accessing more content in more ways than ever before.



Greater connectivity

Technology has reduced the cost of creating, distributing and storing content, making it possible for creators to reach a global audience in ways that were never previously possible.



The rise of streaming platforms

The rise of streaming platforms, such as Netflix, Amazon Prime Video, Apple TV+ and others have created strong demand not only for new content, but also for content that can be licensed over and over again, reaching both new and old audiences alike.



Building brand loyalty with your audience

Beyond the expectation of being able to download and watch 24/7, there remains strong audience demand to connect with their favourite artist or programme in a range of different ways, such as shared live experiences.

Types of trading activity



Lending secured against specific assets, such as existing receivables and against estimates of future receivables from the exploitation of assets, for instance sales of a film or television series.



Lending secured against company cash flows arising from part or all of a TMT company's wider business.



ROBUST GOVERNANCE

IEP Apex benefits from a robust governance process, delivered by the Manager.

The Manager's Investment Committees are separate from the Manager's Investment Management Teams and the Non-Executive Chair of the Portfolio Company Board* is independent from the Manager.

The key governance arrangements include:



Independent Non-Executive Chair of the Portfolio Company Board*

Provides independent judgment and advice on issues of strategy, performance, resources and standards of conduct for IEP Apex.



Technical Team

Monitor BR and IR qualification.



Investment Management Teams

Identification of new opportunities and responsible for end-to-end transaction management and NAV preparation.



Investment Committees

Responsible for reviewing and approving opportunities proposed by the Fund Management Teams against investment objectives of the Service.



Portfolio Company Board*

Oversees strategy, performance, target market assessment, valuations and liquidity.



Investment Management Director

Day-to-day oversight, reporting, identification of risks and opportunities.



Net Asset Value (NAV) external audit

The quarterly NAV of the Portfolio that is externally audited every six months.

** There may be one or more IEP Apex Portfolio Companies. Each Portfolio Company will have the same Independent Non-Executive Board Chair.*

IEP Apex benefits from resources across Ingenious: The Remuneration Committee, Audit and Risk Committee, Board of Directors of the Manager and Compliance Function.

ADDITIONAL WELL-BEING BENEFITS: THE IEP CARE SERVICE

Through recognising that financial outcomes and well-being go hand in hand, Investors can ensure they make holistic plans, especially in later life, preparing not only for financial outcomes, but also for potential care needs. At Ingenious, we recognise that this is a specialist area with limited support, so investments in IEP Apex include complimentary access to the IEP Care Service.

The IEP Care Service offers independent specialist advice delivered by a third-party Care Adviser, Grace Consulting, to help families plan for care needs. The support is provided by a team of care industry experts on a bespoke basis to Investors and their immediate family. Not all Investors need the service immediately, but they have the peace of mind that support is on hand if they or a loved one require it. For complete details of how the service works, please refer to Schedule 4 of the Investor Agreement.

Grace Consulting provides independent care advice, and is not registered with the FCA as it is not authorised to provide financial advice.

The Manager reserves the right to make changes to or remove the provision of the IEP Care Service, including making changes to the third-party Care Adviser.



“My experience of planning for my husband’s care needs changed overnight with the use of the IEP Care Service. The value of being listened to and having someone spend the time to thoroughly consider his options has given me total confidence that he is now receiving the best possible care.”
IEP Care Service client.

What does the IEP Care Service offer?

The IEP Care Service is tailored to each Investor's needs, however the most common services used are:



Visit

Personalised visit or phone conversations with a dedicated specialist to assess the specific situation



Guidance

Guidance on appropriate care options for the circumstances with the individual's best interests at heart



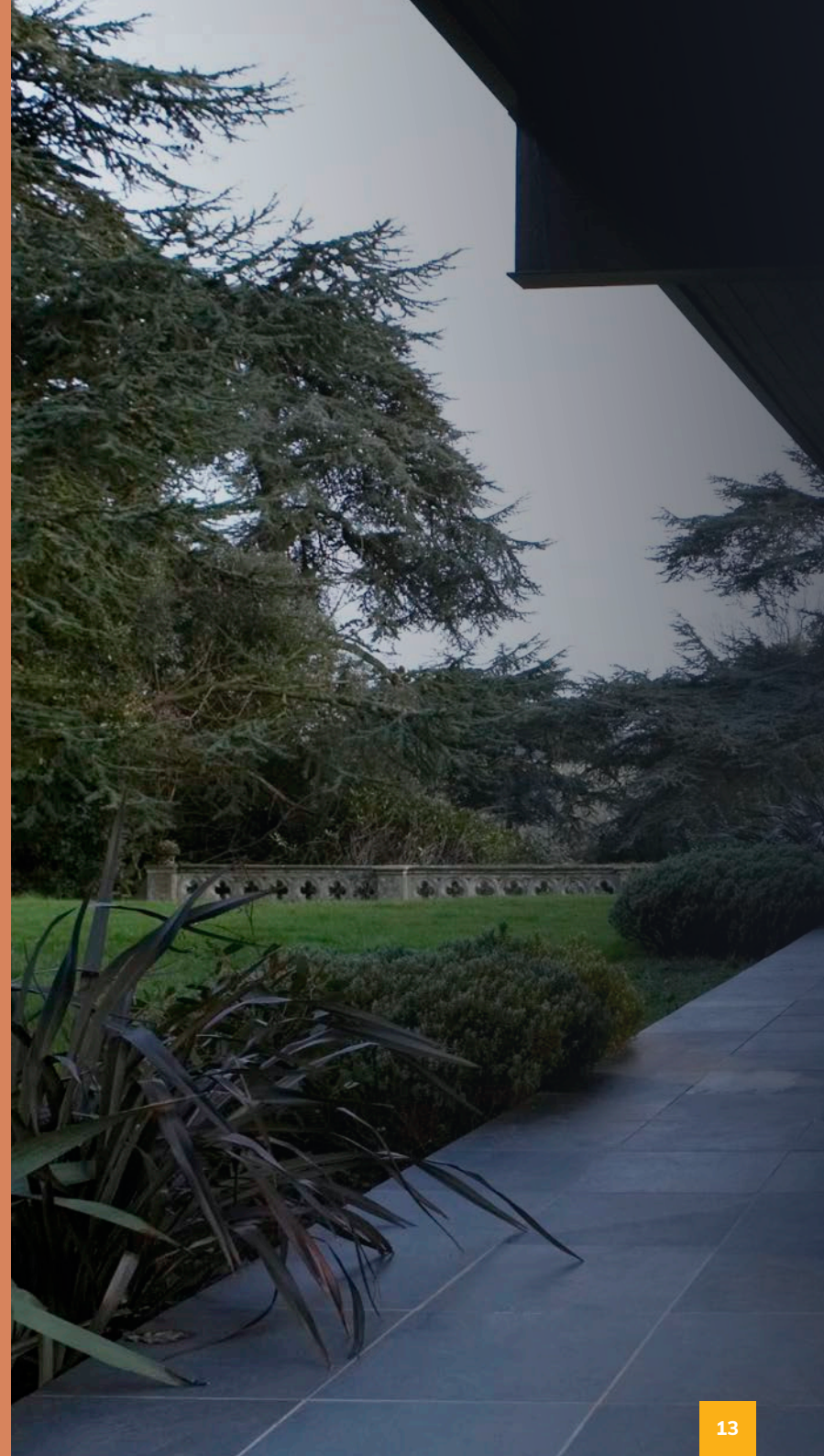
Search

Detailed, bespoke search and assessment of the most appropriate local providers



Information

Information about potential cost of care in the area and how to prepare both practically and financially



How the investment works

The potential Investor should discuss the investment, together with the insurance cover, with a regulated financial adviser and fully read and understand the Brochure and Investor Agreement.

1

The potential Investor should complete the Application Form, which can be found at www.theingeniousgroup.co.uk, providing all requested information.

2

Shares are allotted, usually within 21 days, though this can take longer. The Policyholder includes the Investor within the insurance cover and IHT cover is now in place. The countdown for the two year BR-qualification period and the three year IR-qualification period begins.

3

The Investor gains immediate access to the IEP Care Service for themselves and their immediate family. This can be used at any time.

4

The Investor and their adviser both receive a login for the myIngenious portal where they can track their investment and find relevant documentation including statements and reports.

5

Ingenious should be instructed if the Investor would like to draw regular payments from the investment. If not, the full amount will remain invested, including any growth, though it can be accessed at any time, subject to liquidity.

6

If an email address is provided upon application, the Investor begins to receive quarterly emails from Ingenious, updating them on where money is invested and the investment performance.

7

After two years, the insurance cover expires and Shares should qualify for BR, so if the Investor were to die, they can be transferred to Beneficiaries free of IHT.

8

After a further year (a total of three years), Shares qualify for Investors' Relief and so if the Investor elects to draw on growth, CGT should be capped at the current rate of 10%.

9

How the insurance works

Application process

The Investor makes an application for IEP Apex, completing the required declarations and providing an expression of wishes regarding the distribution of any proceeds successfully claimed under the policy. The Investor's application is then processed and they will receive confirmation for eligibility for the Service.

Insurance cover begins

The Policyholder will include the Investor within the insurance cover provided under the insurance policy when Shares are allotted to the Investor. Insurance cover commences at this point and no cover is provided if the Investor dies before Shares are allotted. Shares are usually allotted within 21 days of Subscription.

During the cover period

Insurance cover will remain in place for a period of two years but it will be reduced if any amounts are withdrawn from the investment during this period. The Investor may provide the Policyholder with a new expression of wishes at any time.

On death during the cover period

The Investor's personal representatives will notify the Policyholder in the event of death of an Investor (or, in the case of joint Investors, both Investors) and provide the death certificate to the Policyholder to pass on to the Insurer to make a claim. The Policyholder will request from the personal representatives any further information requested by the Insurer to process the claim. Further information can be found on pages 16 - 18.

Payment of proceeds of a claim

When the Insurer settles a claim and pays the proceeds to the Policyholder, the Policyholder will pay the amount it receives to the Investor's Beneficiaries, taking into account the Investor's most recent expression of wishes. If the Insurer is unable or unwilling to pay a claim in relation to the Investor, the Policyholder will have no obligation to make any payment to the Investor's estate or Beneficiaries.

End of cover period

At the end of the two-year period, insurance cover for an Investor shall automatically cease and the Shares should automatically become BR-qualifying.

For full exclusions, definitions, terms and conditions, please refer to pages 16 - 18 of this Brochure and the Investor Agreement.

Topping up or drawing down

The minimum initial investment is £25,000.

There is no maximum investment amount, however, the maximum insurance cover is £200,000, i.e. 40% of a £500,000 Subscription Value, whether or not the investment is by one Investor or joint Investors. This means that any subscriptions by an Investor or joint Investors above £500,000 will not benefit from any additional insurance cover.

Topping up

After initial investment, further investments of at least £10,000 can be made. Smaller amounts may be accepted at the discretion of the Manager. Shares acquired by topping up an investment will be subject to the full two-year BR qualification period.

Regular Withdrawal

The Investor can draw down the growth generated by the investment, or take a fixed amount annually (payable in February, subject to available liquidity and the Exit Fees detailed on page 6). Alternatively, growth remains in the Portfolio and should qualify for BR and IR along with the rest of the Investor's Shares.

Partial or full Redemption

The Investor or their executor(s) can elect to realise some or all of the investment at any time after the initial 12-month holding period. The Manager will aim to facilitate payments within one to six months, depending upon available liquidity.

If an Investor makes a partial Withdrawal during the term of the insurance cover, the benefits provided under the insurance cover will be reduced proportionately. The Manager will aim to facilitate payments within one to six months, though this is not guaranteed as it depends on available liquidity. If a full Withdrawal or Redemption of the investment is made by the Investor, cover under the Insurance Policy will cease.



INSURANCE: KEY INFORMATION

Key policy terms

Cover: A benefit payable upon death of an Investor or, in the case of joint Investors, the death of the last surviving Investor, in each case during the Term of Insurance (subject to exclusions).

Benefit (the Sum Insured): The Insurance Policy gives protection of 40% of the Subscription Value up to £500,000 (i.e. a maximum Sum Insured of £200,000). If an Investor Withdraws funds from the Service or makes a Redemption during the term of cover, the amount of cover under the Insurance Policy will be reduced pro-rata.

Term of Insurance

Commencement: The cover provided under the Insurance Policy for an Investor will commence upon the allotment of applicable Shares to the Investor. Prior to the acquisition of Shares, Investors will not be covered by the Insurance Policy. If an Investor dies between the date on which the Application Form is signed and the date on which Shares are allotted, the Investor will not be covered under the Insurance Policy.

Duration: Two years from the date of allotment of Shares to the Investor.

Eligibility Criteria: In order for cover to be provided under the Insurance Policy, each Investor must meet the following:

- The Investor must be aged 18 up to 86 years on the date that the Investor signs their Application Form;
- The Investor must be no older than 86 years plus two calendar months on the date that the Investor's Shares are acquired for the Investor's Portfolio;
- The Investor must fully complete and sign a Health Declaration when completing their Application Form and satisfy each of the requirements set out in the Health Declaration;
- The Investor must be a natural person;
- The Investor must be resident in the UK on the date of signature of the Application Form; and
- The Investor must be registered with a UK doctor.



Health Declaration

Before confirming, the Investor must carefully read the key medical terms to ensure they fully understand the definition of named conditions, in many instances these will only relate to certain symptoms or severity of illness. The Health Declaration must be completed and dated no more than six weeks prior to the date of Share allotment in order for it to be valid.

- The Investor must not have been diagnosed by a qualified medical doctor:
 - (a) With any form of **Terminal Illness**
 - (b) With a **Life Limiting Illness**
- Within the last ten years, the Investor must not have been diagnosed with or received treatment for:
 - (a) **Diabetes, Multiple Sclerosis, any Kidney or Liver Diseases**
 - (b) **Cancer, Stroke, Heart Disease or Chronic Lung Condition**
- The Investor must not be currently undergoing or awaiting to undergo any medical investigations, other than those exceptions below*
- The Investor must not be awaiting any form of hospitalisation or awaiting any form of surgery, other than those exceptions below*
- The Investor must not be living with the need for help with **Daily Activities**

***EXCEPTIONS : For the purposes of this health declaration please ignore the following:**

- (1) Any conditions (unless specifically mentioned in this Health Declaration) which **DO NOT** require hospital or specialist investigation or attention
- (2) Musculo-skeletal conditions or problems
- (3) Hearing or sight conditions or problems
- (4) Benign prostatic hypertrophy
- (5) Benign skin conditions
- (6) Any routine check-ups and reviews

Key medical terms

Terminal Illness – an illness that has no known cure or progressed to the point where it cannot be cured and in the opinion of a registered UK doctor the illness is expected to lead to death within 2 years

Life Limiting Illness – a medical condition for which there is no known cure and it is expected that death will be a direct consequence of the specified illness

Daily Activities – dressing, using the toilet, feeding yourself, bathing/showering **AND** the ability to get around independently

Cancer – any malignant tumours, carcinoma, leukaemia, sarcoma and lymphoma

Stroke – any cerebrovascular incident including infarction of brain tissue, cerebral and subarachnoid haemorrhage, intracerebral embolism and cerebral thrombosis including Transient Ischaemic Attack (TIA)

Heart Disease – including heart attack (myocardial infarction, cardiac arrest), angina, cardiomyopathy, heart surgery and/or heart failure

Chronic Lung Condition – requiring the need for regular oxygen treatment and/or oral corticosteroids and/or hospitalisation

Diabetes – where there is proliferative retinopathy or circulatory problems or within the past one year, hypoglycaemic or hyperglycaemic episodes

Multiple Sclerosis – where mobility is affected and assisted ambulation i.e., sticks are required or there are any speech (dysphagia) or swallowing (dysarthria) symptoms

Kidney Disease – where the severity of the disease is worse than stage 4

www.nhs.uk/conditions/kidney-disease/diagnosis/

Liver Disease – where there is evidence of cirrhosis

Making a claim

If the Investor or, in the case of joint Investors, both joint Investors die during the Term of Insurance, the personal representatives of the Investor's estate (or in the case of joint Investors, the personal representatives of the last surviving Investor's estate) must notify the Policyholder as soon as reasonably practicable using the details below:

Ingenious (IEP Cover) Limited

For the attention of: The Company Secretary

Address: Parcels Building, 14 Bird St, London, W1U 1BU

Fax number: + 44 (0)20 7319 4001

Email: groupcosec@theingeniousgroup.co.uk

The personal representatives of the Investor may be required, on request from the Insurer, to provide further information or documentation in connection with a claim. This may include, but is not limited to, proof of each Investor's age on the date that they signed the Application Form and when Shares for the Investor were allotted, medical reports and records, coroners and/or police reports, and such other information as the Insurer may reasonably require to assess the claim.

It is the responsibility of the personal representatives to collate, respond and provide all information and documentation as requested by the Insurer to the Policyholder or its Associates.

To the extent that the personal representatives of the Investor's estate are unable to provide the information requested, the claim under the Insurance Policy may fail (or the payment of a successful claim may be delayed).

Exclusions/termination

No cover is provided under the Insurance Policy, and the Insurer will not pay any claims, where:

- The Investor (or, in the case of joint Investors, either Investor) did not meet the Eligibility Criteria;
- The death of the Investor (or, in the case of joint Investors, either Investor) resulted directly or indirectly from the Investor's suicide, assisted suicide or intentional self-injury;
- The Investor has made a Redemption;
- The Investor (or, in the case of joint Investors, either Investor) provided false information in respect of age, country of residence or any answers given on their Health Declaration;
- The personal representatives of the estate of a deceased Investor fail to meet the Insurer's information requests;

- The Investor or the personal representatives of the Investor's estate (or either Investor in the case of joint Investors) make a fraudulent claim;
- The Investor Agreement between the Manager and the Investor has terminated or is cancelled; or
- The provision of the insurance, or the payment of any claim or benefit by the Insurer under the Insurance Policy would expose the Insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

Premiums: All premiums will be payable by the Policyholder and no additional premium payments are required from the Investor.

Joint applicants: Joint applicants will be eligible provided each Investor meets the Eligibility Criteria. Cover under the Insurance Policy will be limited to a maximum of £200,000 (i.e. 40% of £500,000 Subscription Value) whether or not the investment is by one Investor or joint Investors. The insurance cover applies upon the death of the last surviving of the joint Investors, provided this occurs during the Term of Insurance. This means that no cover is provided under the Insurance Policy upon the death of only one of the joint Investors during the Term of Insurance.

Policy payments: The proceeds of the Sum Insured under the Insurance Policy are payable by the Insurer to the Policyholder. Upon receipt of the payment from the Insurer, the Policyholder will pay these proceeds to the Beneficiaries of the Investor or, in the case of joint Investors, the Beneficiaries of the last surviving Investor.

These payments may be less than the amount to which the Investor's estate is subject to IHT in respect of the applicable Shares held in the Investor's Portfolio.

The Policyholder will only be obliged to pay the proceeds of a successful claim under the Insurance Policy to the Investor's Beneficiaries to the extent that the Policyholder receives such proceeds from the Insurer. This means that if, for whatever reason, the Insurer is unable or unwilling to pay a claim in relation to an Investor, the Policyholder will have no obligation to make any payment to the Investor's Beneficiaries.

Neither the Policyholder nor any Associate of the Policyholder gives any representation or warranty as to the solvency or ability to pay claims of the Insurer or anyone acting on its behalf.

Cancellation

Coverage under the Insurance Policy will cease if the Agreement between the Manager and the Investor has terminated or is cancelled. Please see Clause 4 (cancellation rights and realisation of investment) and Clause 19 (termination) of the Investor Agreement for more information.

RISK FACTORS

A potential Investor should carefully consider all of the information set out in this Brochure and whether a subscription constitutes a suitable investment in light of their personal circumstances, tax position and the financial resources available to them. A subscription involves risk and may not be suitable for all potential Investors. A potential Investor should, therefore, seek professional advice before making any decision to invest. A potential Investor is also recommended to consult a professional adviser regarding their personal tax position.

This section contains material risk factors that the Manager believes to be associated with a subscription in IEP Apex. Specific risks in relation to the insurance cover are laid out on pages 16 - 18. If any of the following events or circumstances arise the value of the Investor's Shares and/or results of the Service could be materially and adversely affected; as could the availability of tax reliefs to an Investor. In such circumstances, an Investor may lose all or part of their investment. Additional risks and uncertainties not presently known, or that are deemed to be immaterial, may also have an adverse effect on the Investor's Portfolio and the risks described are not intended to provide an exhaustive list of all the risks associated with a subscription in the Service.

There is no assurance that any targeted returns or other targets indicated in this Brochure will, in practice, be achieved. The indications on pages 7 - 10 of the current IEP Apex Investment Strategy are an indication of the Manager's current Investment Strategy which may, at the Manager's discretion, be adjusted from time to time where the Manager considers such change is necessary, having regard to the Investor's Investment Objectives.

This Brochure outlines the types of trading activity that the subsidiaries of the IEP Apex Portfolio Companies might carry out as currently envisaged by the Manager. These are for illustrative purposes only and the Manager will exercise its discretion to adjust the strategy from time to time in order to target activity best suited to achieving the Investment Objectives.

In relation to each industry sector, we have endeavoured to set out the current intentions of the Manager with regard to the nature of the trading strategy on pages 7 to 10 of the Brochure. Investors should note that the Manager retains discretion as to how, over time, with regard to evolving market conditions and the Investor's Investment Objectives, the trading strategy may change. The result may be that the investment weighting to each sector may materially change over time with the effect that most or all of the investment may be in one single sector if that is the approach deemed appropriate by the Manager or selected by the Investor.

Once Shares are allotted, an Investor's Portfolio consists of a number of Shares in one or more Portfolio Companies. The Manager has full discretion to manage the rights of each investment in an Investor's Portfolio and determine the appropriateness of each investment selected.

Financial performance risks

Whilst the Investment Strategy for an Investor's Portfolio targets steady growth and low volatility, this cannot be guaranteed. The valuation of an investment can go down as well as up and Investors could lose some or all of their investment. There is no assurance that any targeted returns or other targets indicated in this Brochure will, in practice, be achieved. The objectives for IEP Apex on page 2 of the Brochure are an indication of the Manager's current intentions and may, at the Manager's discretion, be adjusted from time to time where the Manager considers such change is necessary, having regard to the Investor's Investment Objectives. Assumptions, projections, intentions or targets included within this Brochure are not a forecast of how an Investor's Portfolio will perform. The past performance of the Manager is not a guide to future performance of the investments made through this Portfolio management service.

Diversification across multiple lending opportunities is one method by which performance risk is mitigated. If the availability of suitable deployment opportunities is limited or a Portfolio Company is capitalised with limited funds, the opportunities for diversification may be reduced, which may adversely impact returns. Diversification is not a guarantee against loss.

Risks relating to taxation and Business Relief

The Business Relief-qualifying status of investments made is contingent upon the Manager being able to identify Portfolio Companies that carry on, and continue to carry on, a sufficient level of permitted activity for the purposes of Business Relief. There is no guarantee that the investment made will qualify for Business Relief throughout the life of the investment and in this case, a liability to IHT may arise if a transfer takes place at such a time.

The tax outcomes described in this Brochure, including the treatment for Capital Gains Tax, are based on our interpretation of the current legislation and HMRC practice. These may change from time to time and, as such, they are not guaranteed and any such changes can affect the return an Investor receives from their Portfolio. Neither the Manager nor Custodian accept any liability for tax reliefs not being available, or being reduced. In addition, tax reliefs may depend on personal circumstances. For example, if the Investor borrows to acquire Shares in the Service then the investment is unlikely to qualify for Business Relief.

Market risks

As explained on page 7, IEP Apex invests in one or more Portfolio Companies that indirectly, through their subsidiaries, make secured loans to experienced counterparties.

Portfolio Companies operate in competitive industries where commercial risks are high, these include, but are not limited to counterparty credit risk, project risk, operational risk and interest rate risk.

The subsidiaries of the Portfolio Companies undertake different types of trading activity across the real estate and TMT sectors. The risks and opportunities are different in each sector in which the Portfolio Companies operate. Examples of the activities undertaken by the Portfolio Companies are described on pages 9 - 10 of the Brochure.

Any of the assumptions associated with managing market risks are subject to change. Consequently, it may be that loans and interest on loans may not be recovered in full or at all, and such consequences would negatively impact the projected returns to Investors.

As part of the assessment process for any trading activity presented to a Portfolio Company, the Manager will consider the commercial, financial and legal aspects of each opportunity, the focus of which may be different for each opportunity.

Liquidity risks

An Investor's ability to seek repayment of part or all of their investment is subject to the Manager's policy on payment requests. The Manager will have due regard for the need to fund the various commitments which the subsidiaries of the Portfolio Companies have made to existing borrowers with the requirement to fund Investor Withdrawal requests.

Whilst the Manager will seek to facilitate Investor requests for Withdrawals as promptly as possible, the Manager's ability to fund such requests immediately is driven by the underlying liquidity of the Portfolio Companies invested in. The Manager's ability to meet these Withdrawal requests may take several months, especially if a number of Withdrawal requests are made at the same time. In addition to commitments already made by the Portfolio Companies, the timing of payment of Investor Withdrawal requests may also be influenced by the timing of when loans are repaid to the subsidiaries of the Portfolio Companies.

As the Portfolio Companies are privately owned companies, there is unlikely to be a ready market to purchase Shares in these Portfolio Companies. Such investments will have less liquidity than investments in listed shares. The realisation of such investments in unquoted companies may therefore take considerably longer than targeted, particularly if a number of material company or asset disposals were to coincide.

Valuation risks

The valuation of loans made requires a forward-looking assessment of the value that the underlying asset will hold upon completion or disposal. The Manager will work with independent, external experts where appropriate to monitor the valuations and to ensure that the appropriate carrying value for each loan is reflected in the NAV. The NAV of IEP Apex is subject to audit every six months.

Indebtedness risks

The Portfolio Companies may access bank funding in order to provide additional liquidity to grow and expand their activities with the aim of increasing returns to Investors and diversification within Investors' Portfolios. Analysis by a bank of the loans being made or assets being operated adds further independent scrutiny to the activities of the Portfolio Companies. The use of bank funding may increase the financial risk to Investors in situations in which the valuations of the loans or assets on which the bank funding is secured are reduced and the bank facilities come under pressure to be repaid. This is because the bank will have a first legal charge over the loans or assets of the Portfolio Companies being financed and will therefore have the right to be repaid first in any distribution of capital from Portfolio Companies. The Manager will actively manage and monitor the level of indebtedness within the Portfolio Companies as part of its wider risk management procedures.

Conflicts of interest

Conflicts of interest may arise in situations where the Manager has an interest in the activities being undertaken. Where such conflicts arise, the Manager will ensure that the conflicts are appropriately managed through independent decision-making and in line with the Manager's conflicts of interest policy for dealing with such situations, which can be found at www.theingeniousgroup.co.uk.

Financial services compensation scheme

Investors will not be entitled to compensation from the FSCS in connection with the Insurance Policy if the Insurer cannot meet its obligations. However, the Policyholder may be entitled to make a claim under the FSCS and would use its reasonable endeavours to secure any recoveries that may be available under the FSCS. To the extent that any recoveries are received in relation to a claim, the Policyholder would distribute the proceeds to the Beneficiaries in line with the Settlement. For the avoidance of doubt, the Policyholder's ability to make any recoveries under the FSCS and the amount that may be recovered is not certain.

Forward-looking statements

The Investor should not place undue reliance on forward-looking statements, which speak only as of the date of this Brochure as they may not be a representation that such trends or activities will continue in the future.

Forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "continues", "expects", "intends", "may", "might", "will", "would" or "should".

Forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, not historical facts.

Subject to any requirement under Applicable Laws and regulations, the Manager gives no undertaking to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.



Complaints

Please see Clause 21 of the Investor Agreement for details of how to make a complaint.

TAXATION

This summary is based upon current UK tax law and practice and is intended as a guide only. It is not intended to constitute legal or tax advice and a prospective Investor is recommended to consult their own professional advisers concerning the possible tax consequences of investing in, purchasing, holding, selling or otherwise disposing of Shares. The value of any tax reliefs will depend on the individual circumstances of an Investor and may be subject to change in the future. The Service has been structured to allow for the value of an Investor's Portfolio to be eligible for relief from IHT and benefit from IR, as described here.

IHT Business Relief

The Shares should constitute relevant business property (as defined at s105 IHTA). Accordingly, once such Shares have been held for a period of two years, they should qualify for 100% Business Relief, which would reduce the IHT liability on a transfer of the Shares to nil.

Where an investment in relevant business property is made from the proceeds of a disposal of other relevant business property, the new investment should qualify when the combined ownership period over the last five years reaches two years.

Where relevant business property is inherited from a spouse, the ownership period of the transferee spouse includes the ownership period of the transferor spouse.

The ownership period commences on the date the Investor acquires beneficial ownership of the underlying Shares, and not from the date of subscription in the Service. There may be a period of time between the Investor making a subscription in the Service and the Manager allotting Shares on the Investor's behalf.

The process for claiming Business Relief

To obtain Business Relief the executors of the estate will need to complete a copy of probate return form IHT412 and return this to HMRC. The relief is assessed by HMRC and cannot be guaranteed. The estate may need to provide additional information if requested.

Investors' Relief

The Shares should constitute qualifying shares (as defined at s169VB(2) TCGA 1992). Provided such Shares have been held for the required 3 year period, Investors should be able to claim a 10% rate of Capital Gains Tax on any gains made on a disposal of the Shares. There is a lifetime limit, currently set at £10m on the amount of relevant gains that can access this lower rate of Capital Gains Tax. Investors will need to make a claim for Investors' Relief on or before the first anniversary of 31 January following the tax year of disposal.

Taxation of payments

A realisation in value from an Investor's Portfolio may be facilitated by the Manager by way of either a sale of the applicable Shares or a reduction in capital. Any return for an Investor from investments held in their Portfolio will be subject to either Income Tax or CGT, and will be dependent on the form of the transaction. If a realisation is achieved by way of sale of shares, any gain will be subject to CGT. If a capital reduction is undertaken, income tax charges may apply to any returns in excess of the amount originally subscribed for the shares. The form of the transaction will depend on the liquidity available at the time of the request, and the Manager cannot guarantee that payments will attract capital treatment in all cases. Where payments are subject to Income Tax, Exit Fees are not deductible from the profits for tax purposes.

Stamp duty

Share disposals arranged by the Manager on behalf of an Investor may be subject to stamp duty. The cost of the stamp duty at the prevailing rate (currently 0.5%) will be charged to Investors in addition to the Exit Fee.

Taxation of insurance proceeds

The proceeds of the Insurance Policy are payable by the Insurer to the Policyholder. The Policyholder will pay these proceeds to such of the family or Beneficiaries as it selects, taking into account the persons nominated in the Application Form or the Investor's most recent expression of wishes. This should ensure that any proceeds so distributed from a successful claim under the Insurance Policy should fall outside of the estate and so should not be subject to IHT.









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