Thrive Corporate Management Service

Tax-Advantaged Investments

BR IHT Review

APRIL 2019

Contents

Overview

Blackfinch Investments Limited ("Blackfinch" or "the Manager") is raising funds for "Thrive Corporate Management Service (the "Service" or "CMS"), an evergreen BR-qualifying opportunity. Under a Corporate Service Agreement, clients will appoint Blackfinch to adopt a trading strategy based on asset-backed lending and property development lending. The Service provides investors with the option to choose the risk-return profile, including the target return.

The Offer opened originally on the 15th January 2016.

Investment Details:

Score:	84
Offer Type	Evergreen
IHT Strategy	Specialist
BR IHT AUM (Pre-Offer)	£7.6 Million
Manager AUM	£296 Million
BR Risk Level	Medium

Investment:

Minimum subscription	£200,000
Maximum qualifying subscription per tax year	n/a
Early bird discount	No

Closing Date:

Evergreen – No Closing Date

Risk Warning for BR IHT Schemes

Individuals should always read and bear in mind the 'Risk Warning' notices that are included within providers' investment offer literature/documentation, including Prospectuses, Information Memorandums, Securities Notes, Brochures and other related marketing literature. While the following list is by no means exhaustive, some of the main risks to be aware of are:

- Investments may be made in small, unquoted companies and/or partnerships, and should be considered as high risk;
- Investments may be highly illiquid and difficult to realise. Realisations and distributions could be further delayed if a substantial proportion of the investors in a product/service wish to exit around the same time;
- A BR IHT investment should be viewed as a long-term investment;
- Legislation, together with the nature and level of tax reliefs, is subject to change. There can be no guarantee that investments will be eligible or remain eligible for business property relief;
- Past investment performance is not and never should be used as a guide to future performance. The value of your investment may go down as well as up;
- Investment strategies employed by various managers differ from each other. Individuals should ensure that they understand the nature and inherent risks of the product/service for which they are considering a subscription;
- BR IHT insurance options may have exclusions and termination/renewal dates;
- BR IHT investments should only be undertaken by sophisticated investors who understand and have given careful consideration to the underlying investment strategy and associated risks. For help in determining potential investment suitability, we recommend that professional advice should be sought.

Executive Summary

MANAGER:

Blackfinch Investment Limited are an investment manager based in Gloucester. After parting ways with their Austrian parent company in 2016, they have increasingly sought to grow by providing products in the tax-advantaged market, including the Service under review. Although some former products are no longer eligible for tax reliefs because of recent rule changes, they have experience in managing a media EIS, raised £25.6m into an asset-backed EIS (split across leisure, construction, storage and shipping sectors), as well as currently offering a ventures based EIS. In 2018, the Manager mainly focussed on the launch of a non-tax-advantaged Service, which is now established and has raised £28.5 million in its very early launch stages. They have an AUM of £296 million, and have plans to grow considerably over the next few years, with the target of reaching £1 billion by 2020, although in practice this will require a significant improvement in fund raising.

PRODUCT:

Thrive Corporate Management Service (the "Service" or "CMS"), was originally launched in January 2015, although the first investments were only made in December 2017. The Service provides Trading Businesses with the opportunity to earn a return on surplus cash in the business, while still maintaining Business Relief. Under a Corporate Management Service Agreement, directors of these Trading Businesses will appoint Blackfinch to develop an additional trading strategy on top of their main business. This strategy will be based on asset-backed lending and property development lending and is undertaken in accordance with the risk profiles set by the Trading Businesses. All loans will be sourced through Blackfinch's existing IHT companies: Lyell Trading Limited and Henslow Trading Limited.. However, unlike Blackfinch's Adapt IHT strategy, CMS clients will invest directly into the underlying loans, and thus will not have any equity interest in the business. Lyell Trading specialises in property development financing and Henslow Trading provides asset-backed lending. Unlike the Blackfinch Adapt IHT Service which is discretionary, CMS clients will determine their own return profile, including the expected target return, level of diversification along with other key lending criteria. The target return will set by each client, and can range between 4% and 7%, with 70% of current funds positioned in the 6% target. The Service has deployed in excess of £7 million, although it has only a limited track record, we understand that all client portfolios are currently achieving a return in line with or above the target return.

SUMMARY OPINION:

Though they have only in the last few years become independent from their Austrian parent company, Blackfinch have built a strong reputation within the tax-advantaged space, and their BR Service is well-established, having been established before the Manager became independent. The financial stability of the Manager has continued to grow over time, whilst Blackfinch have created a well-developed formalised governance system.

The Investment Team is experienced within their sectors, and the investment strategy leverages this experience well. The option for investors to choose the investment strategy, including the target return and level of diversification will likely appeal to company directors. The returns since the inception of the Service, are consistent with those targeted by each client, albeit over a short time horizon. Having said this, through its Adapt IHT Service, Blackfinch can point to an established track record of returning cash to investors. Unlike the Adapt IHT Strategy, the Service is concentrated into a single sector, real estate gives some limited diversification benefits, and leaves each portfolio exposed to a downturn in the real estate sector. Although CMS clients will not invest directly into the underlying companies as equity investors, they will invest in loans sourced by them, and therefore benefit from the broader Blackfinch Team and processes. The due diligence carried out on new investments and projects, and the selection process of these projects, is thorough and well-thought out. The risk management process is robust and appropriate for the strategy. Whist annual management charges are low and the tapering provisions appear attractive, there is a 2% service charge and a 1% transaction fee so total charges are in line with those products requiring more manager skill. Whilst the Service has demonstrated an ability to deliver the target returns we question whether it is appropriate for investors in the Service to subsidise other clients of Blackfinch by virtue of receiving only 75% of loan interest.

Positives

AT THE MANAGER LEVEL:

- Since Blackfinch's new ownership team assumed responsibility for the Manager and it relinquished its interest in managing Traded Endowment Policies, to concentrate primarily on the tax-advantaged sector, fundraising in this space has picked up and, with further investments made into the Manager's business development function, fundraising should grow in the future;
- The Manager has made several new hires on the business development side of the business, which bodes well both for fundraising capacity but also for investor servicing and communications;
- Senior management have a substantial ownership stake in the business, which aligns them somewhat with the success of their main products;
- The Manager recognises the need to grow the infrastructure to keep up with increases in headcount and products offered, and has already undertaken steps to help enable the Manager to grow without incident in terms of this necessary support in realising the Manager's ambitious growth plans;
- The independent members who sit on the investment committee and the restructuring of the governance structure to build in more checks, for example, between the compliance function and the investment function, is a welcome development;
- The Manager has increased its operating profits over previous years, giving it financial headroom to further invest in the firm's future growth;
- The Manager has identified three new products which they intend to launch over coming years that should help the Manager diversify away from a reliance on simply the tax-advantaged space, and have recently launched one new product which has already raised £28.5 million with more money pledged for Q2 2019.

AT THE PRODUCT LEVEL:

- Clients of CMS will have flexibility with regard to the make-up of their portfolio by determining the target return, level of diversification and other portfolio metrics. Offering this choice allows investors to have a portfolio that better matches their individual risk-reward aims;
- The Investment Team is well resourced and team members have a depth of experience relevant to their given sectors. Consequently, the Team have developed networks of contacts which they can leverage for access to new projects;
- There is a dedicated property team with relevant experience and expertise, and can be supported by the necessary back-office staff for that sector;
- The wide range of due diligence documents that Blackfinch have provided MJ Hudson Allenbridge show the depth of analysis that they carry out for potential investments;

- The risk management controls implemented by Blackfinch are appropriate for the size and strategy. In-depth due diligence, along with ongoing monitoring of each project allows for risk mitigation, and helps the Investment Team to be able to react to any potential issues as they arise;
- Blackfinch has a lower annual management charge ["AMC"] than its competitors. That they do not charge the AMC unless they meet the return targets, and even then charge it on a sliding scale, creates a pseudo-performance fee incentivising the Team to meet the return targets, It should be borne in mind that the Manager does charge an ongoing fee to the investee companies as well as a transaction fee;
- Based on the performance data from inception, all CMS portfolios have at least met or exceeded the elected target return, albeit over a particularly short time horizon, in some instances less than six months.

Issues to consider

AT THE MANAGER LEVEL:

- The Manager's Assets Under Management fell sharply on a one-off basis as it has moved away from Traded Endowment Policy funds, but has risen impressively since the Manager renewed attempts to establish itself in the tax-advantaged space;
- While the Manager's growth in tax-advantaged products has been impressive over the last few years, there has been a lot of change in a short space of time: a recent office move from Malvern, a proposal to purchase an additional adjoining space at their new location, as well as some turnover in staff both leaving as well as several new hires. This could pose a challenge in terms of integration into the Manager's teams and wider culture;
- Blackfinch's growth targets are ambitious, they want to increase AUM from £296 million to £1 billion by 2020, which could be considered challenging and might distract management from focussing on identifying sound investments;
- Blackfinch already manages a wide array of products relative to its peers and has plans to launch several more in the coming months.

AT THE PRODUCT LEVEL:

- Not every team member is dedicated full time to the BR team. Notably Richard Simmonds' position as Chief Investment Officer especially means that the team is less substantial as it at first appears although Blackfinch would like to note that the property team works exclusively in real estate;
- The portfolio solely invests in the real estate sector. Even though there is a wide range of investments within these sectors, the portfolio is still left open to being strongly impacted by sector-specific risks;
- The charges Blackfinch levy on the investee companies counter-balance the low AMC, and this is not deferred until return targets are met. This means that the fees are closer to industry standard fees than they at first appear and charging fees to investee companies creates conflicts of interest and the potential for a lack of transparency;
- Under the Service's current allocation policy, CMS clients will only receive 75% of the coupon rate for each loan sourced through each of Lyell and Henslow; however Blackfinch have advised that this reduction has

been put in place to compensate Lyell and Henslow for the time taken to time to find and complete legal due diligence on each deal;

- In the event that there is a decline in dealflow, Henslow and Lyell will get preference with regard to allocation, although Blackfinch feel that given the level of deal flow which it receives, the risk of this scenario playing out is particularly subdued.
- Trading Businesses that already own their own premises might wish to reflect that the Service will further increase their exposure to property valuations.

Manager Quality

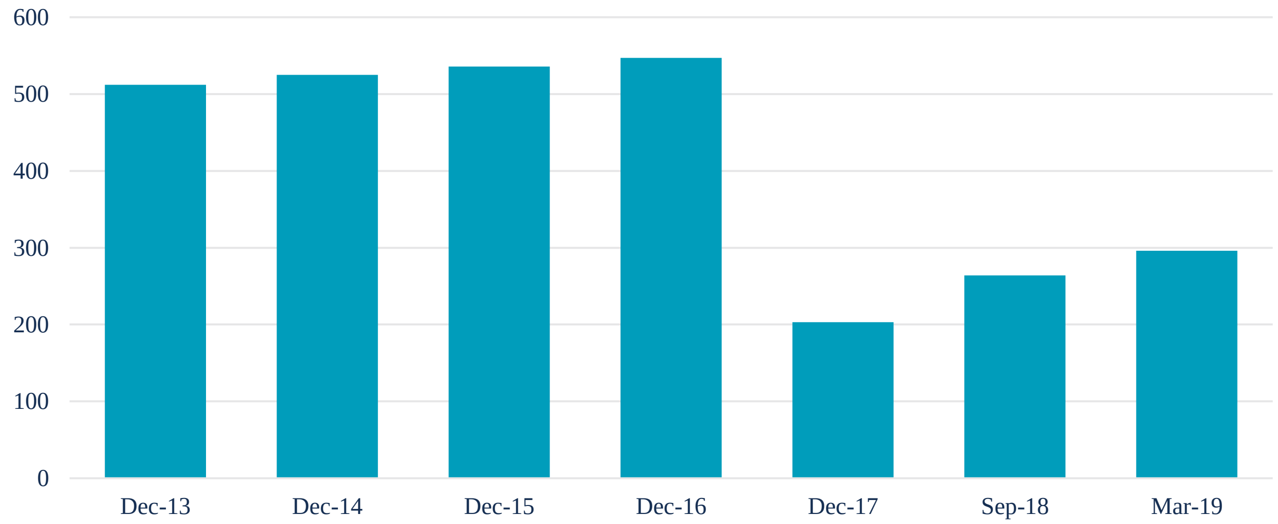
Manager Profile

Blackfinch Investments Limited ("Blackfinch") was founded by Richard Cook in 2013, being known as Neville James up to that date. Historically, Neville James belonged to a UK Group ("The Blackfinch Group" or "The Group") which specialised in Traded Endowment Policies ("TEPs") and which was founded in 2004 by Richard Simmonds, as Managing Director, and Richard Cook as a partner and COO. The company grew as an asset administrator and broker over this period and, after the credit crisis of 2008, the company evolved to provide UK-based private portfolios for high net worth individuals. Currently the Manager offers SEIS, EIS and estate planning products, has syndicated investments for existing investors, and is developing a product offering for institutional investors. Approximately 17% of the assets of the Manager are currently in EIS and SEIS products, and the growth in fundraising for the Manager's BR products has been especially impressive.

The Management Team is made up of Richard Cook, as the group's CEO, Richard Simmonds as CIO and Jerry Price, as the Chief Distribution Officer. The Manager has a total headcount of 83 employees and is headquartered in Gloucester (after moving from Malvern), they have no other offices. The Group is primarily owned by the two corporate directors and their families: Richard Cook with 53%, Richard Simmonds with 24.5%, Ingeborg Heins with 18.5%, Baldenhall Consulting with 2% and Stone Barn Consulting Limited (owned by Richard Cook) own an additional 2% each.

The assets under management of Blackfinch saw a sharp drop two years ago. The Manager has stated this is principally down to part of a transition agreement that saw the current Directors take over the business from the previous Austrian shareholders at the end of 2016. The agreement saw the cessation of Blackfinch's management of a majority of institutional Traded Endowment Policy funds which contributed greatly to their AUM figures. Blackfinch has therefore concentrated its efforts and resources on the creation and management of its tax-advantaged product range, servicing the needs of UK investors via the IFA market. Blackfinch's management believes this focus will give it the capacity to further grow this core offering into the wider IFA market.

CHART 1: FIRM AUM AS AT MARCH 2019 (£ MILLIONS)



Source: Blackfinch; AdvantageIQ

As of 31st March 2019 Blackfinch had an AUM of £296 million; the Manager hopes that its AUM will continue to grow and is targeting a figure of around £1 billion by the end of 2020. This is an ambitious target for growth, although detailed planning by the Manager to reach this target, shared with MJ Hudson Allenbridge, does at least suggest there is a plan to achieve the target. The approximately £27 million already raised for the Manager's Managed Portfolio Service also serves as a further data point to support the Manager's ability to raise funds effectively, albeit at a level well below that required to meet their target. The Manager intends to diversify away from tax-advantaged products into other investment markets by the end of 2018 and into 2019, with new products including:

TABLE 1: FUTURE PRODUCT LAUNCHES BY BLACKFINCH GROUP

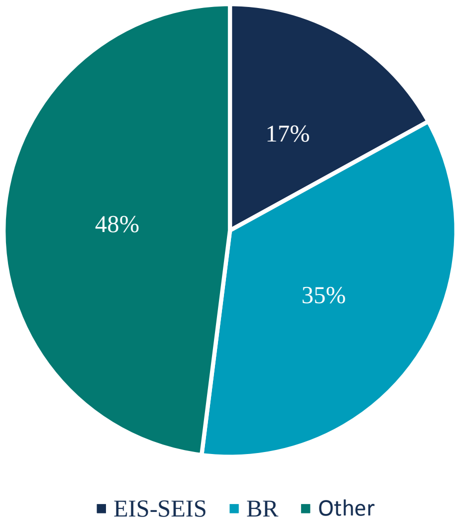
PRODUCT	TARGET RAISE	TIME PERIOD	DETAILS	TARGET
UK Farmland Investment Fund	£80 million	2-3 Years	Structured as a Property Authorised Investment Fund (PAIF)	Private client, institutional and retail channels, available through SIPP and ISA.
Managed Portfolio Service	£150 million	3 Years	Risk rated, discretionary investment into risk adjusted model portfolios	Private client and retail channels, available through SIPP and ISA.
Ventures EIS Fund	£50-60 million	3 Years	Focused on risk-based, R&D-heavy, technology-based investee companies	IFA networks, private banks and wealth managers.
Bond Offering	£TBD	TBD	Focused on property lending listed bonds.	IFA networks, private banks and wealth managers.

Source: Blackfinch; AdvantageIQ

Future expansion into product lines such as these will require considerable growth in terms of staff and office space. The Manager said that they intend to acquire more office space (through acquiring a space in the same office park) and increase total headcount to around 95 employees to grow in line with its ambitions.

The Manager currently offers a number of products (EIS and BR IHT), with the latter being the largest in terms of AUM. Blackfinch's SEIS and EIS products include Blackfinch Media EIS Portfolios (£18.7m AUM), Blackfinch SEIS Music Portfolios (£0.8m), Blackfinch AFEIS Portfolios (£25.6m), and Blackfinch Wealth Ventures (£1.2m). Blackfinch's three IHT products Blackfinch IHT Portfolios (£77.5m), Blackfinch AIM IHT Portfolios (£12.4m), and Blackfinch Thrive CMS (£7.2m). Listed as "Other" in Chart 2, below, are the legacy TEPS business (£110m) and Blackfinch's Managed Portfolio Service (£24.2m). The Manager told MJ Hudson that it was contemplating launching a VCT in the medium-term future. The number of products on offer is significantly greater than many of its peers with similar AUM and could lead to a lack of focus and/or conflicts of interest between those products.

CHART 2: ASSETS UNDER MANAGEMENT BREAKDOWN AS AT NOVEMBER 2018.

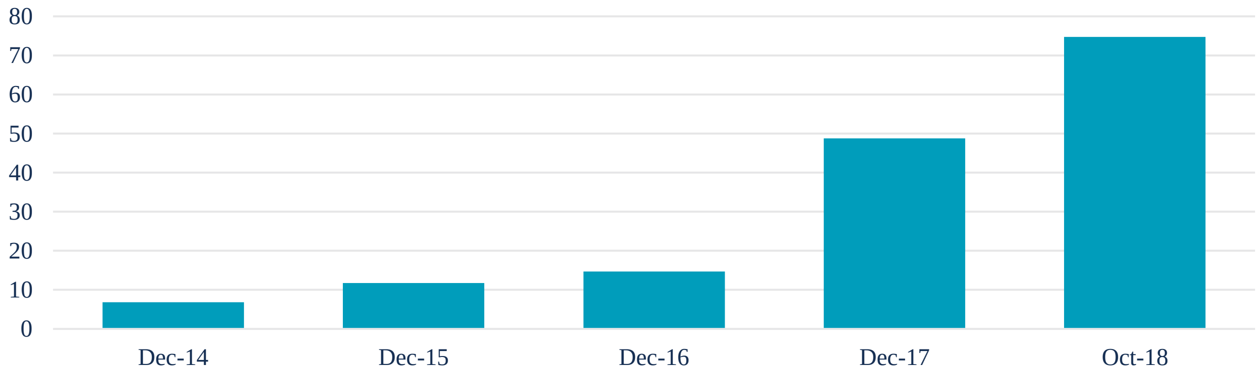


Note: Blackfinch; AdvantageIQ

In terms of client services, Blackfinch has a dedicated team of 20 individuals, which is currently run by Jerry Price, who worked for many years in Business Development for Octopus. Jerry is looking to increase the number of Business Development Managers to 22 over the next few months to better manage workload and increase the Manager's geographical footprint, as it strives to reach its goals to increase rapidly its assets under management. Investor communications take place via quarterly reports and valuations, with commentary on investment performance and underlying trading activity. As the investment and marketing teams both grow this year, the company aims to create regular newsletters to constantly evolve and improve their service and communication.

Blackfinch is regulated by the FCA. As such it is subject to FCA rules which require them to manage conflicts of interest fairly and in the best interests of investors. The Manager has an in-house compliance team and detailed compliance procedures in place to meet FCA requirements. Having reviewed these procedures, we found them to be adequate for a Manager of this size. The Manager has only received two complaints which required escalation to the Financial Ombudsman Service (FOS) in the last twelve months, one of which have been found in favour of the Manager by the Ombudsman, the second relating to an incorrect valuation listed on a statement which was corrected (although the valuation had already been submitted to the client's accountant). The Manager reimbursed the client for the Accountants fee and also provided a voucher to both the adviser and client as a way to repay them for the time they had spent resolving this.

CHART 3: FUNDRAISING TRACK RECORD



Source: Blackfinch; AdvantageIQ

As shown by the chart above, over the last four years, the Manager raised funds at a growing rate, helping to fund the expansion of the firm but well below the growth required to meet their AUM target in 2020. The Manager stated that this is due to new product launches and investment into their business development function. Based on the plans shown to us by the Manager, and the investment undertaken into the team and support functions, the Manager expects AUM to increase quickly over the next few years.

Overall, we believe the Manager to be successfully operating with its current structure and to be developing well. Furthermore, Blackfinch is developing new products, with the relevant addition of resources, to make new opportunities available to investors. This is also a positive move in terms of continuing to limit any concentration risk. Although launching new products comes with its difficulties, the Manager is ensuring it is well-equipped in the long term to remain successful in an increasingly competitive market. In addition, rapid growth comes with its challenges such as the integration of a new team and dealing in new product space. In order to assist with its growth and hiring process, Blackfinch is currently looking to add a senior HR Director which is encouraging, however further challenges will be faced by the Manager with expansion at this rate.

Financial & Business Stability

As previously stated, Blackfinch Investments Limited (previously Neville James) was 100% acquired by Blackfinch Investment Group International Limited in January 2010 and remains a 100% subsidiary. The Manager was owned by an Austrian holding company up until 2016, when Richard Cook and Richard Simmonds & Family purchased the shares of the other owners and became joint owners of the business.

Regarding financial stability, the Manager has grown in revenue and operating profit at a particularly consistent rate over the last five years, which have run parallel to their expansion in number of employees and a larger scale operational office.

TABLE 2: KEY FINANCIAL METRICS SUMMARY OF BLACKFINCH INVESTMENTS LIMITED

(£'000)	2017	2016	2015	2014	2013
Revenues	3,022	1,241	1,043	405	337
Operating Profit	1,133	618	652	81	(8)
Net Profit Margin	30%	39%	50%	14%	-3%
Net Balance Sheet Assets	2,386	1,486	999	482	424
Debt to Assets Ratio	27%	8%	5%	8%	10%
Net cash flow from Operating Activities	157	35	-	-	-

Source: Financial statements of Blackfinch Investments Limited for the financial year ending 31 October 2013, 31 October 2014, 31 October 2015, 31 October 2016 and 31 October 2017.

In 2013 the Manager ceased to promote its Traded Endowment Policy portfolios due to legislative change regarding the products' tax status. Previously, the policies were subject to Capital Gains Tax and could be utilised for profit within an annual allowance. They then moved to income tax and the computation made the investments unattractive. In 2016, the Manager ceased to promote its Music SEIS Portfolios due to changes in the sector and how revenues were driven and collected, as well as the scale of the product not being in line with the Manager's own growth of inflows. In 2018, the Manager discontinued fundraising for some of its previous EIS products, including a media offering and another which had an 'asset-backed' investment strategy.

In terms of senior management, Richard Cook, Richard Simmonds and Jerry Price have all worked together for over five years, and the firm has made a number of senior hires in the last year or two in order to facilitate the aggressive growth plans of the management team. In addition to this while this growth is to be welcomed, and the ambition shown is admirable, it will likely mean more change over the next few years as the organisation grows.

Quality of Governance and Management Team

The Manager outlined their governance structure as below in AdvantageIQ

TABLE 3: OVERSIGHT COMMITTEES/WORKING GROUPS

COMMITTEE	DETAILS
Investment Committee	**Mandate:** Responsible for scrutinising all deals which are arranged and executed within the underlying trading companies. **Members:** Gregor Robertson (Leisure); Chris Stutter (Construction); Jamie Dellow (Construction); Terry Back (Media) Paul Chivers (Energy and Banking); Rupert Christie (Media) Andrew Troughton (Lending and Valuations) Admiral Rix (Shipping); Richard Cook (CEO); Richard Simmonds (CIO); Stefan Agopsowicz (Senior Investment Manager); Ian Brown (Media). **Frequency:** Weekly
Risk Committee	**Mandate:** Review key risks within the products and businesses which we manage, as well as the corporate risks, the committee is tasked with ensuring that the company and products are aware of these risks and have processes and mitigation strategies in place where possible **Members:** Richard Cook, Richard Simmonds, Hamish Masson, Rebecca Copsey, Jerry Price and Robert Stainsby **Frequency:** Quarterly
Conflicts Committee	**Mandate:** To deal with any conflicts which may arise in line with the conflicts policy **Members:** Richard Cook, Richard Simmonds, Hamish Masson, Jerry Price and Robert Stainsby **Frequency:** As and when required
Systems and Controls	**Mandate:** To review the oversight and monitoring of the company's systems and controls. Ensure that TCF processes and principles are being followed and adhered to. Address any known breaches and focus on improvement of processes to prevent in future. Focus on resource to ensure that the company can perform in line with client service targets and FCA rules. **Members:** This committee used to exist before there was an independent compliance officer. It no longer exists but will be brought back if required. **Frequency:** Monthly

Source: Blackfinch; AdvantageIQ

We view the governance approach of the Manager as good for a manager of its size. We reviewed minutes from the Investment, Risk, and Conflicts committees and found them detailed and suitable for purpose. While both Richard Simmonds and Richard Cook serve on all of the committees, on top of their broader vital management roles, we regard this as appropriate for a manager of this size although, if the stated growth targets are achieved, a more formal spread of responsibilities in terms of some of these may well be required. The Manager showed MJ Hudson Allenbridge minutes of the main governing committees, and we found them to be suitable for committees of this kind. We particularly appreciate the separate compliance function and the separation of the risk committee and investment function.

Blackfinch's management team seem well-qualified for the task and show good knowledge of the opportunities and challenges of running a firm of this kind. Their ownership role, and the fact that they have worked together for a while, are both strengths in terms of thinking of alignment and their likely continued stewardship of the firm into the future.

Product Quality Assessment

Investment Team

There are six individuals directly and primarily involved with the assessment of opportunities and management of the portfolio (“the Team”), consisting of David Higson (senior investment manager), John Hartigan (Investment Manager) Nicola Mayes (Assistant Investment Manager) and three Investment Analysts, along with Richard Simmonds (Chief Investment Officer), who is less involved than previously. They are supported by a two person finance team led by Chris Osipiuk (Fund Accountant), and the three person Investment Legal Team. David Higson spends the majority of his time working on BR (95%), but will also spend a minority of his time with the EIS construction investments (5%). The support teams, and Richard Simmonds split time with a range of other Blackfinch Services.

The Team has a depth of experience in industries relevant to the strategy each Team Member is involved with. Richard Simmonds, and David Higson have both had a history of involvement with property investments, which Blackfinch points to as a crucial aspect of their competitive advantage, and of crucial importance to property development finance. The core investment team have worked together since Blackfinch began its tax-advantaged investment funds in 2014. Although David Higson joined in March 2017, he has relevant investment experience within the specific prior to joining Blackfinch, and by now he should have been integrated well into the Team. In the future Blackfinch plan to increase the overall number of employees, aiming to significantly expand the sales, operations, and legal teams, which will increase the support provided to the Investment Team. The Manager is looking to expand the property sector team, and the EIS teams as well; the former of these Investment Team changes will have a direct impact on BR team, however the impact of the latter will be minimal. The Team structure was created to provide inbuilt redundancy such that if any investment manager were to step away from the Team, there would be someone to replace them. Through this Blackfinch have reduced key man risk without having gone so far as to create an over-sized Team.

We are satisfied with the organisation, structure, and credentials of the Team. It is well resourced for the strategy being followed, and has a good level of support from the back-office and legal teams. The Team has been working together for almost five years, with Richard Simmonds and Richard Cook having worked together for 13 years. That the Team is dedicated to the BR portfolios is of further importance. Overall, the Team is very well resourced and has the relevant mix of experience to effectively execute on deals to the stated mandate.

We present the biographies of key members of the investment team in the appendix to this report.

Investment Strategy & Philosophy

Unlike the Blackfinch Adapt IHT Portfolio Service which is discretionary management service, the Thrive Corporate Management Service is bespoke. The Service is targeted at Trading Businesses with surplus cash on their balance sheet and aims to provide these companies with the opportunity to generate a return on this surplus cash, and at the same time ensure that these assets continue to qualify for Business Relief. Trading Businesses interested in the Service will approach Blackfinch Corporate Services Limited, either directly or via an appointed advisor. Blackfinch will be appointed, under a Corporate Management Service Agreement, to provide the Service to the Trading Business. Following a discussion with the directors, a trading strategy will be formulated in order to meet the risk profile of the Trading Business. More specifically the directors of these businesses can elect the type of loans which it would like to invest surplus cash in, with the strategy based on the following factors:

- **Required level of return**: 4%, 5%, 6%, or 7%
- **Type of borrower:** Property Developers, Property Purchases/Sellers (eg bridging finance), or Operating Businesses (asset backed finance)
- **Maximum Preferred Term:** 18, 24 or 36 months

- **Location:** preferred geographical locations for

In addition to the items above, Blackfinch will discuss measures such as Loan to Value ("LTV"), Loan to Gross Development Value ("LTGDV"), diversification across loans, and other qualitative and quantitative. All underlying loans and investments will be sourced through Blackfinch's existing investee companies, Lyell Trading Ltd ("Lyell") and Henslow Trading Ltd ("Henslow"), however, given the bespoke nature of the Service, all portfolios will have a different composition. By tweaking the proportions each portfolio holds in each of the operating companies, different risk and growth profiles can be met.

Trading Businesses will enter into a Participation Agreement Lyell and Henslow, in order to gain access to the underlying loan books. Under this agreement, these Trading Businesses will place funds with the creditors (in this case Lyell or Henslow) on terms such that any funds placed with Lyell or Henslow when corresponding amounts of principal or interest have been received by Lyell or Henslow. As a result, the Trading Businesses will have an agreement with Lyell or Henslow as oppose to a direct relationship with the underlying borrower, and Trading Businesses effectively delegate all subsequent management responsibilities. As it will take some time for Lyell and Henslow to source new loans, there will be an element of cash drag on returns. However, as CMS clients will invest directly into each loan, the portfolio will be fully invested. Therefore, in order to compensate Lyell and Henslow, CMS clients will receive 75% of the coupon paid by each loan, with Lyell and Henslow retaining the other 25%. This in itself creates a conflict of interest between Blackfinch's clients and does raise the question as to why it is appropriate for those investing in the Service to subsidise Blackfinch' other clients.

In general, Blackfinch will seek to meet redemption requests by matching these with new subscriptions, or by redeeming back these loans to Lyell or Henslow, if they have a strong flow of regular subscriptions. Blackfinch has indicated that it expects to be able to redeem an investment within one month, although in some instances it expects to be as quick as two weeks. Redemptions are on a monthly basis after a notice period of 30 days.

As each Trading Business will determine its own portfolio, the target return will vary between a net IRR of between 4% and 7%. For the lower end of this target return, the aim is to create a portfolio which benefits from the relative liquidity of property development finance. In order to reach this target return, a gross IRR of between 7% and 10% is required in order to pay the 2.4% service charge (including VAT) costs and 0.6% annual management charge (including VAT), which effectively means that all returns must be 3% higher than the stated target.

The strategy followed by Lyell Trading Ltd is the higher risk, and higher growth, of the two operating companies. It engages in property development deals, which involves the lending of money to companies for new building projects, redevelopments, and major renovation works. The company provides developers with 6-24 months of funding to construct new build schemes, or convert existing buildings, with such projects being sold on the open market after completion. Lending is secured on a first charge basis against land and buildings with planning permission, or development rights. Such securities are independently valued. Personal guarantees are provided by developers, allowing Blackfinch to call upon the personal assets of the developers in the event of default. All such loans go through a strict credit policy as part of the due diligence process.

Each developer typically seeks between £500,000 and £10 million of finance, whilst Blackfinch seeks to provide £2 million to £6 million per deal. The cost of due diligence on each deal means that anything much lower does not bring the returns that Lyell seeks. The average net loan-to-value (LTV) ratio of each deal is 65%, though they will occasionally consider up to 75%. Blackfinch sources potential deals through its network of contacts, who it calls its 'preferred partners' who have a depth of experience within the industry that has allowed them to build substantial networks of their own. The range of projects allows the company to diversify within its sector, through providing finance for a wide variety of different developments with different purposes, and each property can be acquired by businesses in a variety of industries looking at residential, commercial, and leisure property. Each project is overseen by both external and internal property and construction lawyers, and surveyors who ensure that each project is progressing as planned, and will be seen to completion. Whilst this oversight will cost Lyell Trading, it reduces the risk of each project and complements the pre-deal due diligence undertaken by the company.

Blackfinch does not take a London-centric view of these investments, instead they are willing to facilitate such deals across large parts of the country. They tend to stick to regions in which they have experience dealing with property development projects, most notably London, the north of England, and parts of Scotland (Edinburgh, Glasgow, and Aberdeen). They are willing to provide finance for projects outside of these areas, but only if the deal quality outweighs the disadvantage of lack of experience in the region.

Blackfinch sees much room to continue scaling this operation far beyond the amount of financing that they currently provide. This would allow them to continue with the same strategy for property development loans even as AUM grows.

Henslow Trading Ltd engages in asset-backed lending, providing structured finance for business and property transactions. Such lending is normally undertaken within sectors, and with partners, which the Manager feels are well-established. For most deals, Blackfinch arrange a first charge security over assets, most commonly residential or commercial property, which lasts until the capital is repaid. The lending is over a shorter period than that of Lyell, with asset-backed lending lasting only 6-12 months, which helps the BR portfolios with liquidity, as well as ensuring that BR qualification is maintained, and risk is reduced.

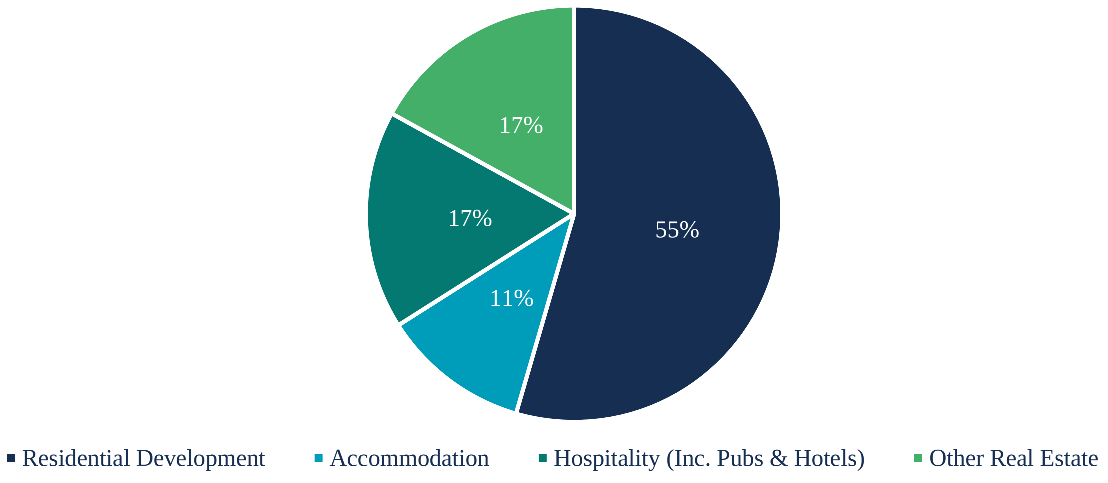
In general, the two investing strategies adopted by Blackfinch seek firstly (and unsurprisingly) to maintain BR qualification. This is, obviously, of vital importance to clients. More widely, each strategy seeks to provide its own unique liquidity, risk, and growth profile.

Overall, the investment strategy is well-thought out, and has much to commend it. The sectors of the investment strategy are based on the sectors with which the team members have the most experience, though not all of these team members work on the Service full-time.

Pipeline/Prospects and Current Portfolio

As a bespoke service, each portfolio will be unique, however we understand that as of March 2019, clients in the Service were spread across 21 separate real estate loans within the residential development and hospitality sectors. The sector split of the current sector split for current clients of the Service is illustrated below. According to the data provided by Blackfinch, all portfolios are fully deployed, with no surplus cash:

CHART 6: PORTFOLIO COMPOSITION BREAKDOWN AS AT MARCH 2019, ALL CMS CLIENTS



Source: Blackfinch; AdvantageIQ

The current aggregate portfolio across all CMS clients is heavily exposed to Real Estate, although this is unsurprising when considering the trading strategies of the two underlying companies. However it does mean that an investor's funds are going to be heavily impacted by sector-specific events, such as changes in real estate demand. This risk will primarily be mitigated through diversification. Turning to the individual loan books of all current CMS clients, key metrics are illustrated in the table below. Investors should note that MJ Hudson Allenbridge has not analysed the commercial viability or risks relating to the underlying investments.

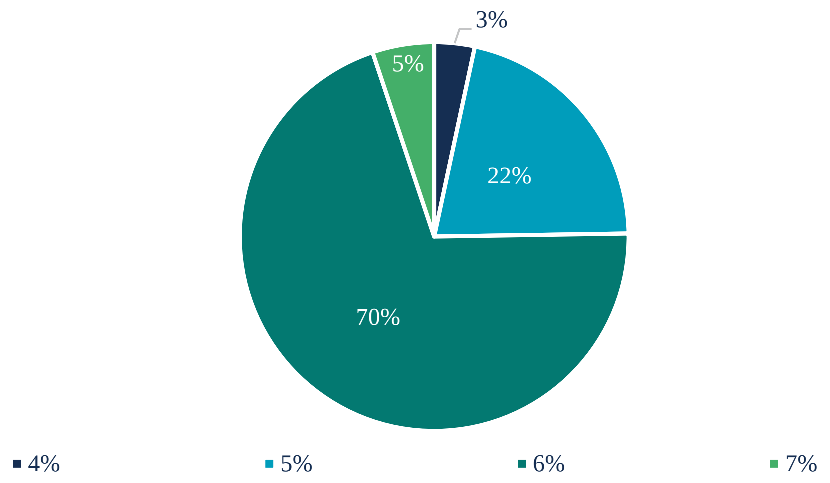
TABLE X: SUMMARY OF LOAN BOOK DATA FOR CURRENT CMS CLIENTS AS AT 31 JANUARY 2019

	REQUIRED RETURN	NO. OF LOANS	AVERAGE LOAN SIZE	AVERAGE YIELD (BEFORE AMC)
Portfolio 1	6%	10	£101,024	6.11%
Portfolio 2	5%	5	£50,273	5.64%
Portfolio 3	5%	8	£37,548	5.31%
Portfolio 4	4%	6	£16,388	4.57%
Portfolio 5	7%	8	£12,520	7.44%
Portfolio 6	6%	5	£35,945	6.60%
Portfolio 7	6%	5	£103,775	6.61%
Portfolio 8	5%	9	£56,312	5.65%
Portfolio 9	6%	9	£22,309	6.58%
Portfolio 10	6%	10	£257,668	6.50%
Portfolio 11	5%	7	£34,874	5.76%
Portfolio 12	7%	9	£23,016	7.59%
Portfolio 13	6%	9	£56,141	6.61%
Portfolio 14	7%	5	£15,479	7.17%
Portfolio 15	6%	8	£30,316	6.58%

Source: Blackfinch, AdvantageIQ

As can be seen from the table above, as at 31 March 2019, there were 15 separate CMS clients currently. The first of these deployed capital in December 2016 and the most recent, according to the data provided was in December 2018. Across all of these loans, the Service has deployed just over £7 million. The average target return for each portfolio is 6%, although as can be seen by the chart below, the majority of clients have chosen a target return of 5 or 6%. The average yield of the portfolio is 6.31% with a range of 4.57% to 7.59%.

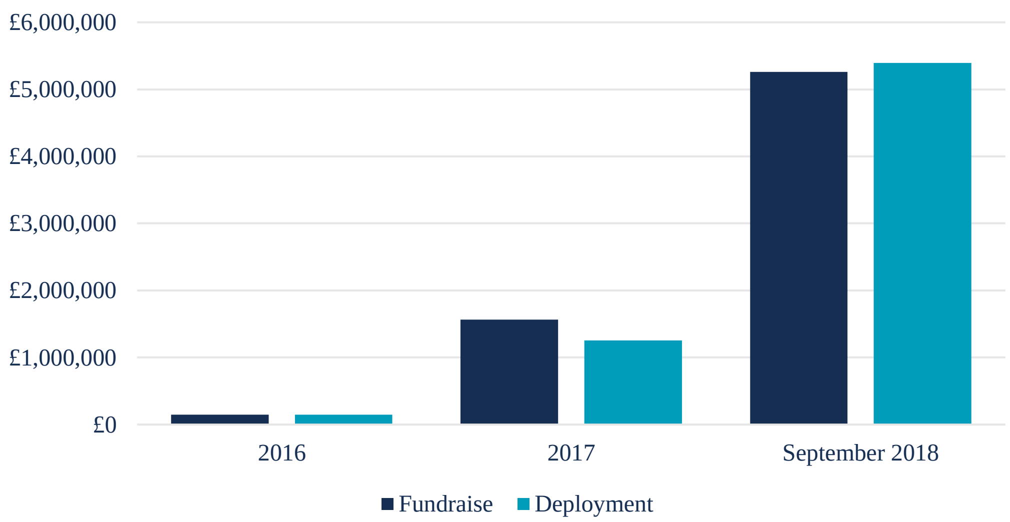
CHART 6: TARGET RETURN DISTRIBUTION BY NUMBER OF CLIENTS



Source: Blackfinch; AdvantageIQ

Since the inception of the Service, capital deployment has always matched the funds raised in the previous quarter, thus capital deployment timelines have been healthy since the inception of the Service. The capital raise and corresponding deployment rate over the past three years is illustrated in the graph below. It shows a significant ramp up in the levels of funds raised through the Service, and will add to the levels which will be raised through the Blackfinch Adapt IHT Service. The Manager sees sufficient opportunities to continue the rate of deployment into the foreseeable future, with the real estate sectors offering a continuous supply of new deals. This largely reflected in the chart below, with Blackfinch broadly deploying capital in line with its raise. We understand that Lyell and Henslow will have preference over all loans sourced, however Blackfinch have advised that given the level of deal flow which it provides, it does not expect that it will have to implement this allocation policy.

CHART 3: FUNDRAISING AND DEPLOYMENT TRACK RECORD



Source: Blackfinch; AdvantageIQ

As has been noted the current portfolios do not carry any cash, and as such there will be limited impact from cash drag on returns. However, in order to ensure that this remains the case, the Manager must ensure that it has ample deal flow in order to meet the level of funds raised. However given the past rate of deployment, and given the Manager's comments on the future pipeline, the risk of significant cash drag is unlikely to be significant.

Investment Process

The Manager has described its investment process as follows in AdvantageIQ:

TABLE 5: INVESTMENT PROCESS

INVESTMENT PROCESS	DETAILS
Asset Allocation & Deal Sourcing	The asset allocation will be 100% debt. All deals are sourced from the Group IHT companies Henslow and Lyell and chosen from available loans in the portfolio.
Deal sourcing/origination	Deals are sourced from the Group IHT companies Henslow and Lyell and chosen from available loans in the portfolio
Deal filtering and selection	Asset Backed and Property Development Deal Filtering: • Deals tested against extensive investment criteria such as: ○ LTV ○ LTC ○ Size ○ Location ○ Price ○ Term ○ Credit Rating • Profitability to initially be selected by Henslow and Lyell and then a portfolio is constructed with available loans based on the LTV and return wishes of the CMS company.
Due diligence process	All loans come from Henslow and Lyell and have followed the strict due diligence process. Asset Backed and Property Development Due Diligence: • **Phase 1:** Extensive internal due diligence is carried out by the internal investment team. • **Phase 2:** Due Diligence carried out by internal Solicitors Phase 3: Independent RICS surveyor carries out due diligence and provides red book valuation • **Phase 4:** Additional property DD may be required such as structural surveys, asbestos surveys etc • **Phase 5:** Independent Monitoring Surveyor will write a report on the costs and viability of the project and or construction (not always relevant for bridge deals) • **Phase 6:** Internal solicitors will sign off all conditions precedent as well as complete comprehensive title review • **Phase 7:** Investment committee will have final sign off after having been kept informed through the whole process.
Transaction Sizing	Asset Backed and Property Development Transaction size: Target Sizes are typically £500K to £10Million. Larger sites will be considered if split across multiple phases and units, however consideration will always be given to not putting undue single

	exposure into the company/portfolios. The CMS will enter into loan tickets based on the size of its balance sheet. Actual portfolio data will be shared.
Deal approval (including any oversight mechanisms such as any investment committees)	For deal approved please see the due diligence section above. But also note that independent experts have a veto on any deal at IHT level. The suggested portfolio is then sent to the company for approval, leaving the control with the CMS company, which is an important tax point.

Source: Blackfinch; AdvantageIQ

We have reviewed the investment process for the Fund and were impressed with the structure and rigour of the procedures followed. Blackfinch appears to have diverse source of deal flow, using a number of different sources. Blackfinch will source property deals from direct relationships, and has recently joined the NACFB (National Association of Commercial Finance Brokers), noting that it has received 32 new lending opportunities for January 2019, totalling £150 million. Where a deal is sourced from a third party, Blackfinch will generally pay a fee of 1% of capital deployed.

All deals are then put through a robust screening process, arguably ensuring that any deal which does not meet the required standard is discarded early on in the process. All deals which pass this stage are then subject to a rigorous process, with up to seven individual stages for Asset Backed and Property deals. It is also encouraging to note that throughout the process Blackfinch will involve third parties including lawyers and surveyors which will provide an additional level of oversight, and governance. It is important to note, that as part of the due diligence process, ultimate sign off is left to the Board of each Trading Business, following Blackfinch’s recommendation. In order to maintain IHT relief, it is important that each Trading Business retains control of the capital.

As an illustration, Blackfinch has provided MJ Hudson Allenbridge with a copies of the due diligence materials utilised through the loan origination and due diligence process. The documents show the level of detail which each loan must be assessed on, and illustrates the consistent and thorough approach undertaken in the process. Overall, we are encouraged by the robustness of the investment selection and due diligence process.

Risk Management

We identify the following as the key risks of an investment in the Fund: counterparty-defaults, residual value risk, liquidity risk, real estate market risk, failure to originate sufficient loans, loss of government subsidies for Renewable Energy sites, maintenance of BR tax benefits, inflation and interest rate risks. We have assessed the policies and controls that Management has in place to minimise these risks, and have found them to be appropriate for the size and strategy of the Business.

Risks relating to counterparty-defaults are primarily mitigated during the investment process, and through the criteria assessed by the Team and the investment committee. However, post investment, Blackfinch will undertake specific monitoring procedures for the Property and Asset Backed investments, as outlined below.

For Property and Asset backed investments, all construction loans will be monitored on a monthly basis, with a site visit undertaken by a company appointed quantity surveyor, who will issue a report on progress and any perceived risks related to the progress and development of the project. In addition to this, metrics including credit ratings of the borrower, overall LTV of the loan book, as well as progress on the sales of units in each development will be monitored on a monthly basis. A full audit of the loan book will be undertaken by accountancy firm, Mercer & Hole.

With regard to the overall portfolio monitoring process, the Blackfinch Risk Committee will consider 12 key risks, with the appropriate action in order to mitigate these, and outlined below. We note that the risk management process will for all intents and purposes be the same process as that of the Blackfinch Adapt IHT Portfolio Service.

RISK	ACTIONS TO ADDRESS
Strategy and Sector Risks	All loans are verified internally, and the strategy of the borrower is given significant consideration, as well as their ability to repay loans and the method by which this will happen. All loans are made in adherence to Blackfinch's credit policy. LTVs are expected to be no higher than 60%, which Blackfinch feel provide some room for any slippage in property prices. All Renewable Energy assets are expected to be eligible for FiTs, which therefore introduce a floor to the export price, index linked to inflation.
Market Risk and Competition Risk	The Service will invest in specific sectors and under specific mandates, and all activities accessed via individual portfolios require formal approval from the Investment Committee. New activities including individual development loans or renewable energy sites will undergo a more stringent due diligence process, which will be undertaken by external solicitors and backed up by the Investment Committee. We understand that Blackfinch will constantly monitor sectors currently not invested in on order to potentially enlarge the scale and breadth of the Service, as well as to reduce sector concentration risk.
Economic and Political Risk	Blackfinch feels that it would require a 40% decline in the property market before investor portfolios would suffer sustained capital loses. In the event that housing development and construction projects are delayed as a result of continued uncertainty of the EU Referendum, Blackfinch feels that it has a diversified source of deal flow that it would still be able to match investment inflows.
Tax Risk	Blackfinch acknowledges that IHT relief is retrospective, and therefore cannot be guaranteed. However, it feels that by limiting asset classes to individual companies, the risk that certain activities no longer qualify is mitigated somewhat
Key Person Risk	As Blackfinch is wholly owned by its Chief Executive and Chief Investment Officer, it feels that the risk of key departures is low. However, it also notes that given the depth and experience of it investment team, a replacement can easily be found should a senior member of the team become unavailable
Counterparty Risk	We understand that all property development loans are secured on a first charge basis against land and buildings (in most instances), and Blackfinch will step in where necessary, bringing in developers to bring projects to completion. As Renewable Energy sites benefit from government subsidies, counterparty risk is low. However, operational and maintenance contracts with third parties will minimise the risk of outages.
Country and Currency Risk	As all assets are held in country, this risk is non-existent at present
Natural Events Risk	All development sites are reviewed for flooding risks as part of the initial due diligence process, and Blackfinch must be made aware of the all risks contractors insurance policy before a loan is provided. Renewable Energy sites are insured against fire and flood damage.

Dilution Risk	Blackfinch notes that all investee companies will receive funding based on its NAV, and will continue to add assets in order to account for any additional capital. In addition to this it notes that there is an assumed capacity for up to £1 billion for the current trading activities, and it will use its discretionary mandate to deploy funds into additional sectors if necessary.
Exit risk	As investee companies are unquoted, they are not readily realisable. However, in order to meet any liquidity requests on the death of an investor, Blackfinch maintains a liquidity buffer of 10% in cash across the portfolio. In addition to this, as the portfolio grows in size, it expects exits to increasingly be met by incoming investor inflows.
Conflicts of Interest Risk	Blackfinch refer to its Conflict of Interest Policy when dealing with such risks which include the allocation of shares within an individual portfolio, as well conflicts which may arise within investee companies.
Performance Risk	Blackfinch intend on following the same model irrespective of performance, and expects to benefit from economies of scale, and reduced costs as the Service grows in size.

Note: Blackfinch; AdvantageIQ

Each individual portfolio will similarly be monitored to ensure that the correct allocation initially set out is maintained. Concentration risk is addressed through the allocation across multiple borrowers. Investors should bear in mind that as the Service was launched in 2016, the risk management approach has never been fully tested against adverse economic conditions such as falling property prices.

Key Features

The following fees (number 1-3) describe the fees directly payable by the investors and the product fees (number 4) incurred by Blackfinch.

1. INITIAL AND ONGOING FUND MANAGEMENT FEE

TABLE 6: FEES TO THE MANAGER

INITIAL FEES	ON-GOING ANNUAL MANAGEMENT FEES	SERVICE FEE
3% of the amount subscribed	0.5% of the amount subscribed plus VAT per annum	2% plus VAT of the NAV paid by each investee company

Source: Blackfinch; AdvantageIQ

2. SUBSCRIPTION/APPLICATION FEES

TABLE 7: SUBSCRIPTION/APPLICATION FEES

TYPE OF INVESTOR	INITIAL APPLICATION FEE (AND INITIAL COMMISSIONS/INITIAL ADVISER CHARGES)	ONGOING MANAGEMENT CHARGES (AND ONGOING COMMISSIONS / ONGOING ADVISER CHARGES)
Direct Application (investors who make an application, without using a financial advisor or 'execution-only intermediary)'	3% of the amount subscribed	0.5% of the amount subscribed plus VAT
Application through an adviser	3% of the amount subscribed plus Adviser Charges up to a maximum of 5%	0.5% of the amount subscribed plus VAT, plus any ongoing adviser fee
Application through an execution-only intermediary	Up to 3% of the amount subscribed, dependent on intermediary charges	0.5% of the amount subscribed plus VAT, plus up to 0.5% to introducing agent

Source: Blackfinch; AdvantageIQ

3. PERFORMANCE FEE

Blackfinch do not charge a performance fee as such although the AMC tapering (see below) serves to reward the Manager for returns in excess of their chosen target.

4. PRODUCT FEES

The detailed fees are listed in the following table.

TABLE 8: FEE DETAILS

FEES	DETAILS
Annual Management Charge	0.5%
Dealing Fees	1% on all investments and withdrawals (after deduction of initial fee and adviser fees), inclusive of any required stamp duty.
Service Fee	A fixed annual fee of 2.0% plus VAT charged to each investee company to pay for Blackfinch's provision of business services (such as taxation, accountancy, and legal fees).

Source: Blackfinch; AdvantageIQ

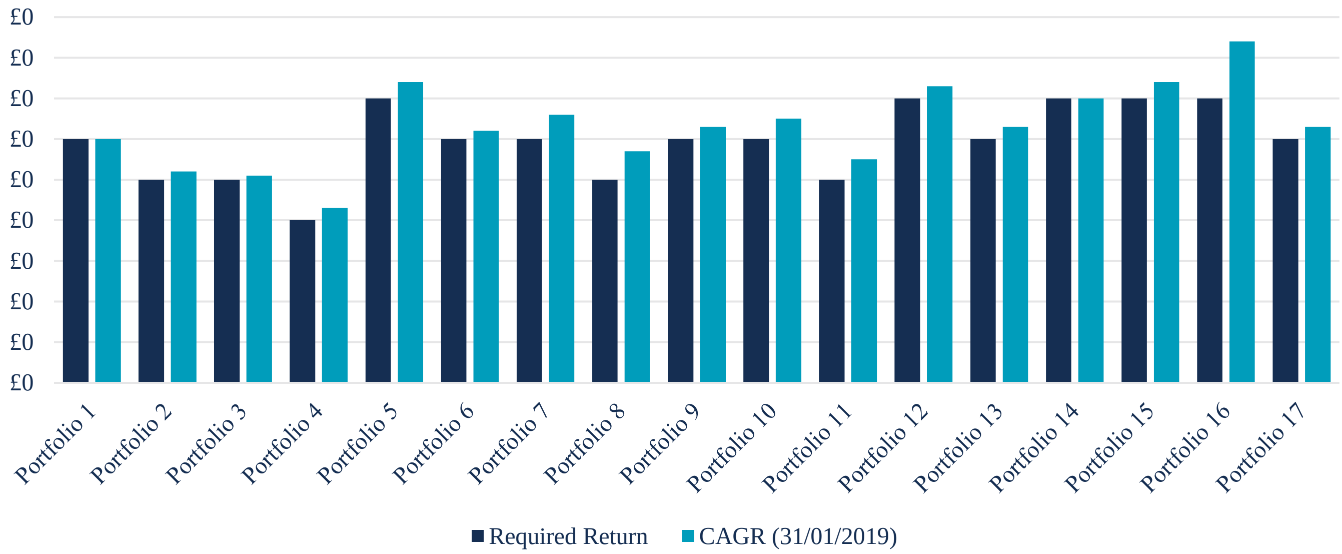
The annual management fee will only be charged after the portfolio has achieved the target return for the chosen portfolio (set between 4%-7%), any return above this will incur the AMC on a sliding scale of up to 0.5% plus VAT.

Performance

The first portfolio was invested in December 2016. With just two years of operation, it is too early to make inferences concerning the consistency of returns. However, according to the loan books which Blackfinch has provided to MJ Hudson Allenbridge all portfolios have met or exceed the target return, as set out as part of the initial discussion between Blackfinch and the directors of the Trading Business. However, it is important to reiterate that many of these periods of performance are less than six months, and should therefore be taken in context.

We understand that there has been one exit for the Service, with the portfolio generating a return of 6.93% between December 2016 and August 2018, thus marginally below the target of 7%. Encouragingly, Blackfinch is not aware of any queries or refusals from HMRC with regard to tax relief.

CHART 3: CURRENT CMS PORTFOLIO UNREALISED RETURN



Source: Blackfinch; AdvantageIQ

Furthermore, as an indication the potential returns generated by the Service, Blackfinch has provided the realisation details for equity positions since inception for the two underlying companies Henslow and Lyell. The table below is an aggregate of the 28 individual realisations as a result of investor death, and can therefore be seen as some indication of the returns which can be expected from the types of loans into which CMS clients will be invested in. It should be noted however, as investors in the Service will not hold any equity in these businesses, these level of returns serve only as a proxy for performance.

TRADING COMPANY	TOTAL INVESTMENT	TOTAL REALISED	EXIT MULTIPLE
Henslow Trading Limited	£517,728	£574,569	1.11
Lyell Trading Limited	£1,095,683	£1,232,595	1.12

Note: Blackfinch; AdvantageIQ

Although the illustrated realisations are over varying periods, Blackfinch clearly has a track record and demonstrable ability to generate positive returns to investors.

Appendix 1: Key Personnel

Key Investment Professionals

NAME	JOB TITLE	DATE STARTED	BIOGRAPHY
Richard Cook	Chief Executive	2005	Richard has been the Chief Executive Officer of Blackfinch since 2009. He has been involved in the structuring and management of tax-efficient investment assets for over 14 years. Richard conceptualised and launched the Blackfinch brand and has overseen the growth and expansion of the company within the UK retail market. Previously, Richard worked in senior banking roles within Merrill Lynch and the Bank of New York.
Richard Simmonds	Chief Investment Officer	2005	Richard has 15 years' senior experience in financial services, specialising in asset-backed fund management. Richard has extensive project, corporate finance and fund management experience across multiple asset classes. Richard holds an Executive MBA from IE Business School, the Certificate in Discretionary Investment Management, and the Diploma in Financial Planning. Prior to joining Blackfinch, Richard held roles at Natwest, FTSE and Credit Suisse in London and New York.
Guy Lavarack	Investment Director	2016	Guy brings in-depth knowledge of corporate finance gained through a number of structured finance (debt and equity investment) roles within Lloyds Banking Group. Other roles prior to Blackfinch include sales and marketing and divisional statutory company director for a FTSE-listed outsourced services provider, and the Wind Prospect Group, where he led the project financing/sale of renewable energy assets. Guy has a master's degree from Cambridge University and is a Fellow of the Royal Geographical Society
Gordon Pugh	Investment Manager	2015	Gordon's main role is as a Senior Business Development Manager. His experience and qualifications allow him to step in if required with Investment Management work. Gordon brings extensive experience working in the tax efficient investment sector. He started his career in the Enterprise Investment Scheme at Close Brothers Investment where he was involved with a number of technology, pub and film EIS companies as well as VCTs and inheritance tax mitigating trading companies. He then joined Octopus distributing VCTs, IHTs portfolios and EIS products. Subsequently, he helped to start up Stellar Asset Management and was involved with forestry, hotel, farming, EIS funds and their trading companies for IHT. Gordon has the IMC and completed the first stage of the CFA.

Andrew Troughton	Property and Lending Specialist	2014	Andrew is a Chartered Surveyor with over 16 years' experience in the residential and agricultural markets, working predominantly on valuations, tenancy work, compensation claims, planning and development. Andrew is also owner and manager of Carver Knowles, a successful and established Chartered Surveying business. Andrew is a key independent member of the investment committee and has veto over any property related lending deals.
John Hartigan	Investment Manager	2018	John is, responsible for placing and managing property loans. He brings a wealth of knowledge and experience to the property team. Previously he worked for eight years at Royal Bank of Scotland and more recently at ThinCats. John is a chartered accountant who trained with PwC and led commercial refinance for Deloitte in the Midlands
Nicola Mayes	Assistant Investment Manager	2018	Nicola joined the Blackfinch property team in 2018, bringing experience in negotiation and analysis. Previously she worked at a mid-market private equity and investment banking firm. She then moved on to the BP Commercial Graduate scheme, where she was promoted into the BP investment management team. Nicola holds a degree in Business Management & Economics from Aston University.
Paul Chivers	Renewable Energy Specialist	2014	Paul has over 25 years' experience in the energy and commodity sector, working in senior-executive positions for various international banks and trading houses. Some of these include Mercuria Energy Trading S.A., BNP Paribas, Deutsche Bank and Credit Agricole Indosuez. Paul also worked on the wave of government utility privatisations from the late eighties in the electricity and gas sectors, as well as working on upstream oil and gas financing and renewable energy. Paul holds a B.Eng. (hons) in Electrical and Electronic engineering from the University of Liverpool. Paul is a key independent member of the investment committee and has a veto over any energy deals.
David Higson	Senior Investment manager	2017	David is Senior Investment manager with a main focus in the Property and asset backed lending areas. His previous role was as Manager in the Transaction Services team at PwC London where his focus was performing financial due diligence on deals across a range of sectors. David holds a degree in Economics from the University of York, is an ICAEW qualified chartered accountant, and is studying for the Investment Management Certificate. In his spare time, he enjoys playing cricket, hiking, and investing in property.
Henry Clarke	Legal Consultant	2016	Henry is a Consultant for Blackfinch with a specialisation in Development Finance. Henry is a solicitor advocate who holds a Distinction in his LLM from the University of London. He trained professionally with top international law firm Clifford Chance before working for international law firms Clyde & Co and Dentons including in the Middle East. Henry's private practice career has spanned the

			areas of finance, commercial law, construction projects and construction disputes which gives him a wealth of experience to draw upon when reviewing construction projects and investment opportunities.
Hamish Masson	Legal Director	2018	Hamish joined Blackfinch in 2018, bringing over 14 years' experience as a corporate and finance lawyer. Previously he worked at Addleshaw Goddard, Barclays Bank, DLA Piper, and Harneys, and in private practice was ranked in all the major legal directories. Hamish has a masters' degree from the University of London and a bachelors' degree from the University of Durham.
Jolyon Ridgewell	Investment Manager	2018	Jolyon works within Blackfinch's Renewables/Energy team. He brings a wealth of highly relevant experience and knowledge. His most recent role was at Ecotricity where he worked as a Strategic Investment Manager for two and a half years, focused on the origination, refinancing and divestment of renewable energy projects.

Source: Blackfinch; AdvantageIQ

NOTE: Please be aware that the Manager mentioned in this report purchased the rights to distribute our report only (no payment was taken to undertake the research which is fully independent). To access full research services, including further tax-advantaged investment research reports, which can be used for the purpose of investment advice, please visit **www.advantageiq.co.uk** where both individual reports and subscriptions are available for purchase.

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