

Blackfinch Media EIS Portfolios

Investment Objective

The Blackfinch Media EIS Portfolios allow investors to access the attractive tax benefits of EIS by investing into EIS qualifying media companies managed under a capital preservation mandate.

The Blackfinch Media EIS Portfolios will invest into two sectors: music publishing and television distribution. Each investee company has a funding requirement of up to £5,000,000 and has received

Advanced Assurance from HM Revenue & Customs that they qualify for EIS relief.

First Score Music Limited, the music publishing company, will create and own the music copyright for a catalogue of at least 40 original music scores and soundtracks for different films

and television programmes. Each music score will generate publishing royalties. Music publishing royalties are the revenues due to the creator of that underlying intellectual property and are generated from a number of sources.

Back Catalogue Distribution Limited, the television distribution company will sell the broadcast rights for television programmes on behalf of producers. The companies acquire the distribution rights for those television programmes by advancing money to the television producer which is recovered in first position, along with sales commission and expenses, from the sales of the programme to international broadcasters who license those rights.

Exit Strategy

The Blackfinch Media EIS Portfolios are a medium to long term investment. Investments made by Blackfinch Media EIS Portfolios are in unquoted companies and therefore are not readily realisable, unlike companies listed on the London Stock Exchange. Investors should be prepared to leave their money invested for at least three years from the commencement of trade. We will not be able to arrange liquidity in the underlying investments during the three year period.

At the end of the EIS holding period (3 years from the start of trade date), the directors of the companies will, having consulted the shareholders, decide what the future for the companies are. The typical options will be:

1. Continue to operate the companies – however no further tax reliefs will be due to the investors. CGT deferral continues.
2. Sell the companies. Buyers may include the Blackfinch IHT Portfolios or other media related third parties.
3. Monetise any future income streams within the company and either buy back the shares of exiting investors or liquidate the company through a voluntary liquidation process.

It is anticipated that the manager will be able to provide an exit opportunity in 3-4 years. There are numerous purchasers available for the underlying portfolios of deals, as well as third party purchasers for the companies such as Blackfinch IHT Portfolios. This leaves the manager well placed to facilitate this exit.

Fund at a glance

Scheme Categorisation

The Scheme is structured as a Discretionary Managed Service and the Information Memorandum can be found at blackfinch.com/inv-media-eis-portfolios.html

Target Return

The Base Case envisages a return of £1.05 and the Target Case envisages a return of more than £1.20 (net of fees).

Scheme Strategy

Private Equity EIS

Investment Sector

Generalist

Target Diversification

Blackfinch Media EIS Portfolios currently invest in two sectors. However, as this is a discretionary portfolio service, Blackfinch may look to introduce additional sectors so long as there is Advance Assurance in place and the investment proposition meets the mandate for the EIS Portfolios.

Nominee & Custody Arrangements

The Nominee: Woodside Nominees Limited
The Custodian: Woodside

Fund Manager

Blackfinch Investment Solutions

Blackfinch is an established UK provider of capital protected and tax efficient investment solutions. Our philosophy is based on transparency and simplicity.

Our services provide real solutions to real financial planning challenges faced by individuals today. We have been operating in the UK retail investment market since 1992. Our focus has been primarily on tax efficiency, coupled with capital preservation, and our track record reflects a growing client base, with group assets under administration and management of approximately £500 million.

For more information please visit [Blackfinch.com](https://www.blackfinch.com)

Fund Provider

Blackfinch Investment Solutions

Fees

Blackfinch will charge an establishment fee of 2%. Please note that 1% of this fee is payable to Kuber.

Annual Management Fee (AMF)

Blackfinch will charge an annual management fee equivalent to 2% of capital invested.

The Blackfinch annual management fee is charged at underlying company level so investors will gain tax relief benefits from this amount.

Performance Fee

Blackfinch, company directors, or key management will be entitled to no more than a total of a 25% share of returns from the investment, subject to the investors receiving £1.05 for every £1.00 invested (ignoring tax reliefs).

Blackfinch retains the right to recover reasonable expenses (e.g. legal, accounting, arrangement, company secretarial, audit) incurred by Blackfinch and its affiliates in managing and administering the service and the investee companies which Blackfinch Media EIS Portfolios invests. Blackfinch also retains the right to charge monitoring and exit fees to the investee company.

All fees and costs are exclusive of VAT, which will be charged where applicable.

For further information please do not hesitate to

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Important Notice

Please read the following information carefully as a professional adviser. The information contained in this document is for discussion purposes only for professional advisers and their clients, it is not for Retail Clients. EIS Portfolios are not suitable for all investors as the underlying investments are often illiquid and therefore high risk. Advice should always be sought from a professional adviser prior to investing. By proceeding through this document and accompanying Platform Guide you are agreeing to the terms and conditions. For purposes of compliance with the UK Financial Services and Markets ACT 2000 (FSMA), this material is communicated by Kuber Ventures; and the contents of this financial promotion have been approved for the purposes of section 21 of the FSMA by Sturgeon Ventures LLP which is authorised and regulated by the Financial Conduct Authority (FCA) and it has its trading office at Linstead House, 9 Disraeli Road, London SW15 2DR. Kuber Ventures Limited advisors are all regulated by the Financial Conduct Authority and can be found on www.fca.gov.uk/fcaregister Kuber Ventures Limited FRN 574987 is an Appointed Representative of Sturgeon Ventures LLP which are Authorised and Regulated by the Financial Conduct Authority. Kuber Ventures Limited, 25 Sackville Street, London, W1S 3AX Registered number: 8693809, VAT: 175 9290 69.