pxn INVESTMENTS

Praetura Inheritance Tax Planning Service

Information Memorandum

Inheritance Tax receipts continue to rise. The Office for Budget Responsibility forecasts receipts will reach £9 billion in 2025-26, climbing to £14.5 billion by 2030-31

Source: OBR – Economic and fiscal outlook, November 2025

Key risks

Don't invest unless you're prepared to lose all the money you invest. This is a high risk investment and you are unlikely to be protected if something goes wrong.

You can only invest in the Praetura Inheritance Tax Planning Service ("PITPS" or "the Service") if it has been assessed as being suitable for you and meets your objectives, that you have the expertise, experience and knowledge to understand the risks and that you are able to financially bear the associated risks involved in such an investment. If you are investing through a Financial Adviser, they will be responsible for undertaking this assessment. Here are the key risks of subscription, however, you should read in full the risks on page 28 of this document, along with the Investor Agreement prior to investing.

General

Past performance is no indication of future results and share prices and their values can go down as well as up. The forecasts in this document are not a reliable guide to future performance. Actual outcomes and results may differ materially from what is expressed or forecast in such forward-looking statements. There can be no guarantee that any returns can or will be achieved.

Capital at risk

Subscription for shares in private trading companies, including Quay Street Trading Ltd, can be viewed as high risk. Shareholders' capital may be at risk and shareholders may get back less than their original subscription.

Tax reliefs

Tax reliefs depend on individuals' personal circumstances, minimum holding periods and may be subject to change. There can be no guarantee that PITPS will fulfil the criteria to obtain Business Relief.

Liquidity

It is unlikely that there will be a liquid market in the shares of private trading companies and it may prove difficult for shareholders to realise immediately or in full proceeds from the sale of shares. Access to capital is subject to the discretion of the directors, applicable law/regulation and the availability of sufficient cash reserves.

Legal disclaimer

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This document was published in November 2025 and all figures are quoted as at 30 September 2025, unless otherwise stated.

PXN Investments

About Us

The Praetura Inheritance Tax Planning Service ("PITPS") is managed by PXN Investments, part of PXN Group – the venture capital and tax-efficient investment business created by the merger of Praetura Investments and Par Equity.

While PITPS is managed by PXN Investments, the Service continues to be underpinned by the lending expertise of Praetura Debt Services[1]. The team has arranged over £1.4bn of loans since inception with a 0% net capital loss to date[2], providing the track record and secured lending strategy that supports the stable returns and diversification sought by the Service.

Together, PXN Investments and Praetura Debt Services bring a unique combination of venture capital and secured lending expertise, maintaining the commitment to delivering more than money to investors, businesses, and advisers across the UK.

[1] Praetura Ventures Limited, as part of the PXN Group, maintains a strong commercial relationship with Praetura Debt Services, a separate business with which it was previously under common ownership. References to experience in secured lending relate to the expertise of Praetura Debt Services and its long-standing track record in this area.

[2] Net Capital Loss is calculated on a deal by deal basis and aggregated across the entire loan portfolio. Net Capital loss is calculated on each loan as the difference between outstanding capital at default and recovery proceeds. Net Capital Loss is the aggregate of all capital losses and recovery profits in the loan portfolio, expressed as a percentage of total capital advanced to customers.

Figures correct as at 30 September 2025. Source: Praetura Debt Service.
Past performance is not a reliable indicator of future result.

Key stats

250+
Employees

£1.2BN+
AUM

£1.4BN+
Lent since inception

8
Offices

Figures for Praetura Debt Services and PXN Group as at 30 September 2025

Inheritance Tax and the benefits of Business Relief

Understanding Inheritance Tax

Under current UK legislation, an individual's estate greater than £325,000 (the nil rate band) is subject to 40% Inheritance Tax (IHT), payable after death. The nil rate band was set at the current level in 2009 and has been frozen until April 2031.

For married couples, no tax is charged on the first death if the entire estate is left to the spouse. On the second death, the two nil rate bands can be combined, totalling £650,000.

The government has also added a main residence extension to the nil rate band (known as the residence nil rate band) which, when combined with the existing nil rate band, will allow individuals to pass on estates worth up to £500,000 (£1 million for couples) without paying IHT, provided the main residence is left to 'direct descendants', as defined by HMRC.

The value of an estate (minus any outstanding allowable debts) includes assets such as properties and investments, as well as any gifts made in the seven years prior to death. Crucially, from April 2027, most unused pension pots will also be included in the value of an estate for IHT purposes. The entire estate minus the available nil rate band(s) is liable for 40% IHT.

Important Changes from April 2026

Under current rules, qualifying Business Relief (BR) assets are eligible for 100% IHT relief. This will change from 6 April 2026, as announced in the Autumn Budget 2025.

Under the new rules, 100% IHT relief on qualifying assets (including unquoted shares and agricultural property) will be limited to the first £1 million. This £1 million allowance is a lifetime limit that is transferable between spouses and civil partners, meaning couples can effectively shelter up to £2 million of qualifying assets at 100% relief.

Any qualifying assets above this allowance will be eligible for 50% IHT relief (an effective IHT rate of 20%). Any companies that are, or become, quoted on AIM will be eligible for 50% IHT relief (an effective IHT rate of 20%) on the full holding.

£14.5BN

The Office for Budget Responsibility forecasts that Inheritance Tax receipts will rise to £14.5 billion by 2030-31

Source: OBR – Economic and fiscal outlook, November 2025

The key benefits of Business Relief in estate planning

Business Relief (BR), also known as Business Property Relief or BPR, is a tax relief that works to mitigate Inheritance Tax via investment into BR-qualifying investments. BR can be used as a valuable tool in estate planning. Here are some of the key benefits:

Speed
BR-qualifying investments are intended to benefit from IHT relief after a two-year holding period.

Access and control
Investors maintain access to and control of BR-qualifying investments, making decisions reversible should an individual's circumstances change.

Simplicity
BR-qualifying investments avoid complicated legal structures such as trusts.

Inheritance Tax relief
A BR-qualifying investment can be passed down with relief from IHT, if held for at least two years and still held at the time of death.

The number of estates on which IHT was payable rose to 31,500 in the 2022-23 tax year.

Source: Inheritance Tax liabilities statistics: commentary (July 2025), HMRC.

A worked example

The best way to explain how the Praetura Inheritance Tax Planning Service works is to show you. So, meet Jan, a typical investor.

Jan is 82 and is a widow. She understands that the size of her £1.3 million estate, including a healthy investment portfolio, means that when her children inherit, they'll need to pay an Inheritance Tax bill.

Her adviser explains that she can afford to give away some of her assets. However Jan has been in control of her wealth all her life and is reluctant to make gifts or use trusts.

Jan worries that if her health deteriorates, she might want to use the money to pay for her care. And in seven years she'll be 89. She's worried that if she passes away before then, she will still leave her beneficiaries with an Inheritance Tax bill, even if she gives away assets immediately.

Jan speaks to her adviser who assesses her needs and objectives, appetite for risk and capacity to bear losses and deems her suitable for an investment that qualifies from Business Relief. If BR-qualifying investments are held for two years and at the time of death, they should be able to be left to beneficiaries free from or with reduced levels of Inheritance Tax.

BR-qualifying portfolios invest in the shares of one or more unquoted or AIM-listed companies. They are higher risk investments than Jan's portfolio of main-market listed equities.

Jan has discussed the risk of investing in BR-qualifying shares and is willing and happy to take additional risk for this proportion of her wealth to ensure she retains access and control of her capital.

Jan's adviser suggests investing £200,000 of her liquid assets in BR-qualifying shares.

While Jan is not expected to need to access this pot of money during her life, the investment will remain in her name, and so she can request a withdrawal should she need to. Her adviser makes it clear, however, that withdrawals cannot be guaranteed.

Jan's adviser makes it clear to her that the value of a BR-qualifying investment, and any income from it, can fall as well as rise. She may not get back the full amount she invests.

Other key risks include:

Tax reliefs: Tax reliefs are not guaranteed, depend on individuals' personal circumstances, minimum holding periods and may be subject to change.

Past Performance: Past performance of the investment manager in relation to its other future results.

You may lose your money: An investment in smaller companies is likely to be higher risk than other investments. Investors may get back less than their original investment.

Liquidity: Shares in private trading companies are illiquid. It may prove difficult for investors to realise their investment immediately or in full.

Long-term investment: An investment in PITPS should be considered a long-term investment

This example is for illustration purposes only and should not be read as advice. For the purpose of this scenario, the nil-rate band and residence nil-rate band have been used by other assets. It is assumed Jan is fully invested in BR-qualifying companies and has not utilised her £1 million lifetime allowance for 100% relief on other agricultural or business assets.

Jan

82 year old widow

	✕ Jan keeps her investment portfolio	✓ Jan invests in the Praetura Inheritance Tax Planning Service
Gross Investment	£200,000	**£200,000**
2% Initial charge	n/a	-£4,000
1% dealing fee (inclusive of any stamp duty payable)	n/a	-£1,960
Net investment subscribed for shares	n/a	£194,040
Value of investment after two years assuming growth of 5.1% each year	£220,920	£214,337
Annual Management Charge accrued after 2 years (0.5%+VAT)	£2,515	£2,440
Amount lost through 40% Inheritance Tax on death	£88,368	n/a
1% dealing fee	£2,209	£2,143
Cash value to beneficiaries	**£127,828**	**£209,753**

The Praetura Inheritance Tax Planning Service

Introducing the Praetura Inheritance Tax Planning Service

The Praetura Inheritance Tax Planning Service (“PITPS” or the “Service”) is an investment solution that aims to provide investors with relief from Inheritance Tax after two years. It invests your funds in private trading companies seeking stable and predictable returns. These companies are underpinned by high-quality assets and have a conservative trading strategy.

Praetura Ventures Ltd (the “Manager” or “Praetura”) is the discretionary manager of PITPS and is responsible for identifying, monitoring and advising the Service’s portfolio companies in which your funds will be invested.

What types of company will you be investing in through PITPS?

We target companies for the PITPS portfolio that we believe are capable of delivering long-term attractive returns for shareholders. In particular, we seek to invest in companies that have a strong reputation for secured lending or similar trades that are familiar to the PXN Group. In seeking to mitigate risk, portfolio companies of PITPS focus on lending against realisable assets or debts as part of their prudent underwriting approach Praetura has a demonstrable track record within this market.

Target returns: 4.5% per annum after charges

PITPS can provide a range of benefits to investors. Not only does the Service seek to achieve a 4.5% annual return (after paying annual fees and expenses), it also seeks to provide attractive tax reliefs, including Business Relief (BR). BR-qualifying investments can be passed down free from or with reduced Inheritance Tax (IHT) if held for two years and at the point of death.

Performance of the lending team behind its portfolio company, Quay Street Trading Ltd

£1.4BN+
of loans to date

0%
Net capital loss to date[1]

13YEAR
Successful track record of lending

4,683
Number of live agreements

[1]Net capital loss is calculated on a deal by deal basis and aggregated across the entire loan portfolio. Net capital loss is calculated on each loan as the difference between outstanding capital at default and recovery proceeds. Net capital loss is the aggregate of all capital losses and recovery profits in the loan portfolio, expressed as a percentage of total capital advanced to customers.Past performance is no indication of future results, and share prices and their values can go down as well as up. Figures correct as at 30th September 2025

Why choose PITPS

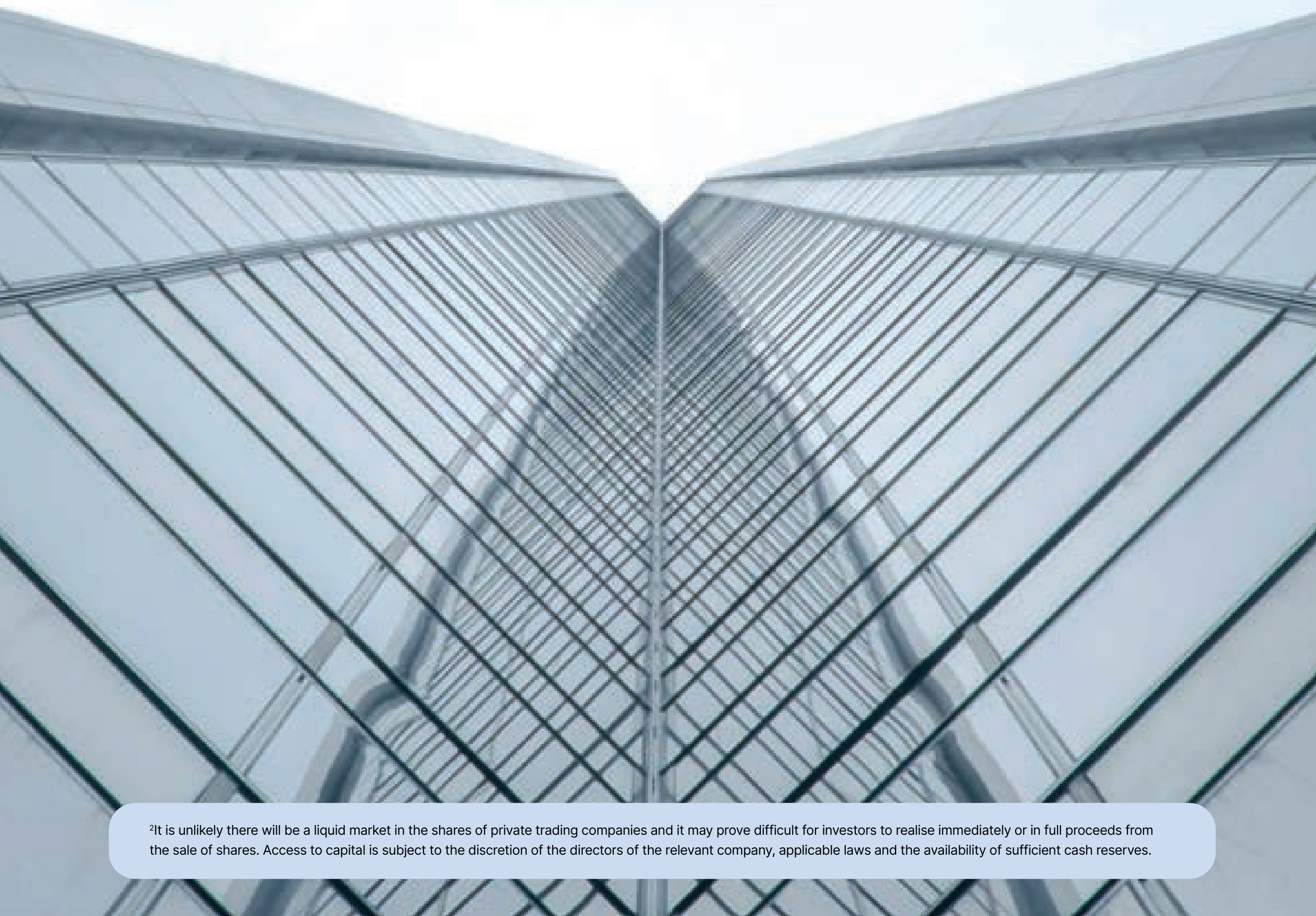
Diversification
Through funding a wide range of businesses, assets and organisations across multiple industries. Investors benefit from access to a highly diversified, secured lending strategy and other complimentary PXN assets.

Aligned interests
Praetura's annual management charge of up to 0.5% (+ VAT) per annum is deferred until full or partial withdrawal from the service. The charge only applies if the investor achieves a minimum 4.5% net compound annual return.

Experience
A proven track record from an experienced team who have lent over £1 billion with 0% net capital loss to date.[1]

Uncorrelated and predictable returns
The Service has consistently achieved a return in excess of the target net return of 4.5% p.a. for investors who've passed the two year business relief holding period.

Liquidity and control[2]
The Service is designed to allow you to withdraw all or part of your capital if your plans change.



[2]It is unlikely there will be a liquid market in the shares of private trading companies and it may prove difficult for investors to realise immediately or in full proceeds from the sale of shares. Access to capital is subject to the discretion of the directors of the relevant company, applicable laws and the availability of sufficient cash reserves.

Your investments in action

Examples of the Praetura Lending Team's previous loans are detailed below.

Transport
A coach hire business purchases a new minibus – Hire Purchase | £25,000 | 12 months

Oil and gas
A petrol station invests in new petrol pumps – Finance Lease | £66,000 | 60 months

Healthcare
A healthcare facility look to expand to a second UK site - Acquisition | £10m

Haulage
A logistics specialist finances two new vans for their fleet – Hire Purchase | £60,000 | 24 months

Agriculture
A farmer purchases more stock with increased working capital – Asset Refinance | £400k | 18 months

Dentist surgery
A local surgery upgrades their technical equipment – Professional Loans | £600k | 36 months

Automotive
Loan to a specialist car parts manufacturer so it can expand its premises – Asset Refinance | £1m | 12 months

Retail
A chain of convenience stores refurbish one of their premises – Commercial Loan | £30,000 | 36 months

Construction
A crane operator wants to better manage working capital to help with new contracts - Invoice Discounting | £1m

Example loan

The Praetura Lending Team arranged a £3.25m funding package for the market leading static bike manufacturer Wattbike in May 2022 to develop their digital product suite and target new international markets.

The Purpose of the Funding:

The loan enabled Wattbike to fuel its growth in the USA, Japan, Australia and Southeast Asia. The deal helped the business invest in its digital offering to enhance the health & performance of every Wattbiker.

The £3.25m sales-based lending facility helped the team invest in its Hub App to further enhance the health and fitness of every Wattbiker, which works in tandem with its indoor exercise bikes, as well as target key global territories in the North America and Asia-Pacific regions.

Why our lending team liked the business:

After launching in 2008, Wattbike has seen unprecedented growth, securing its position as the indoor exercise bike of choice for the world's leading sports teams, athletes and coaches, British Cycling, Manchester City and cycling fanatics across the UK. As the only exercise bike endorsed by British Cycling, Wattbikes are now used by over 1000 professional sports teams and 500 Olympic medal winners. The team has sold over 100,000 bikes, with over 240,000 sessions uploaded per month.

What the borrower said about the transaction:

Richard Baker, CEO at Wattbike, said:

"Praetura's ability to get in and understand the business quickly, see the opportunity and create ways to unlock finance options for Wattbike made them a natural partner."

Example loan

The Praetura Lending Team arranged a funding package for the market leading printed canning solutions business Oasthouse Engineering in October 2022.

The Purpose of the Funding:

The company had identified a gap in the market that nobody was fulfilling in the UK. Due to the minimum order quantity from wholesale suppliers of digitally printed cans being 350,000, smaller businesses were missing out, by not having the necessary product, means, finances to fulfil a minimum order, so the option of digitally printed cans was not possible. Oasthouse wanted to change this and started looking to invest in a new machine that would bridge this supply gap and could provide bespoke digitally printed cans for the smaller SMEs across the country, including craft breweries, gravy producers and coffee manufacturers, to help them get their products to market and grow their businesses.

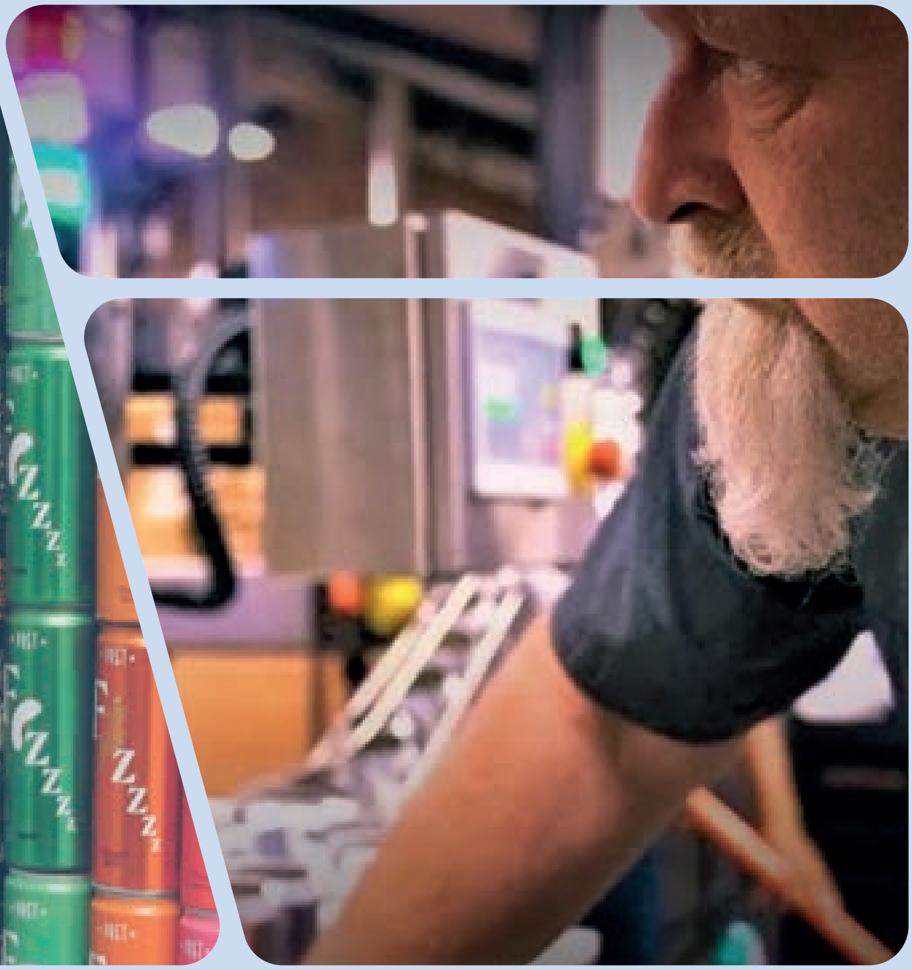
Why our lending team liked the business:

Oasthouse engineering are an ambitious SME with over 20 years' experience supporting the UK's food and beverage market with labelled, sleeved and digitally printed canning solutions. The business has grown to 21 employees supplying over 60 million cans a year.

What the borrower said about the transaction:

Oasthouse's managing director, Karl Morris told us:

"Eventually we were put in touch with Praetura, and honestly it was the first sensible conversation we had, and they've backed us all the way. This new machine will give Oasthouse longevity in the market, with digitally printed cans being fully recyclable which give the supplier sustainability."



Our investment strategy

Your money will be managed by PXN Investments. This means we use the money to invest in one or more companies on your behalf. We select companies that we believe will grow at a steady rate, targeting sustainable growth over the long term. We continually monitor the progress of the companies we invest in with these aims in mind. We invest in companies that in are not listed on a stock exchange.

We target annual growth of 4.5% net of charges

We target annual growth of 4.5% for investors (after our annual management charge) over the period you hold the investment. This target growth is based on the amount you invest, after deducting initial charges and the initial dealing fee on the investment. The performance of the Praetura Inheritance Tax Planning Service depends on the growth in value of the company, or companies, we invest your money in.

Returns are not capped, although because we look to deliver sustainable and predictable growth in line with our target rather than deliver high returns, you should not expect a return significantly higher than 4.5% per year over the life of your investment.

Our interests are aligned with yours

We defer our annual management charge until you or your family ask us to sell shares. We expect to be able to deliver growth of 4.5% net of charges on average each year over the lifetime of the investment, net of our annual management charge, and we will not take our full annual management charge if the target isn't met.

Our main aims are to achieve Inheritance Tax exemption for your investment and deliver sustainable and predictable growth over the long term.

An example portfolio company

We invest in Quay Street Trading Limited ("Quay Street"), a UK company that has carried out a successful asset-backed trade since it was founded. While currently focused on secured lending, its broader business activities are in line with the business aims of the Praetura Inheritance Tax Planning Service.

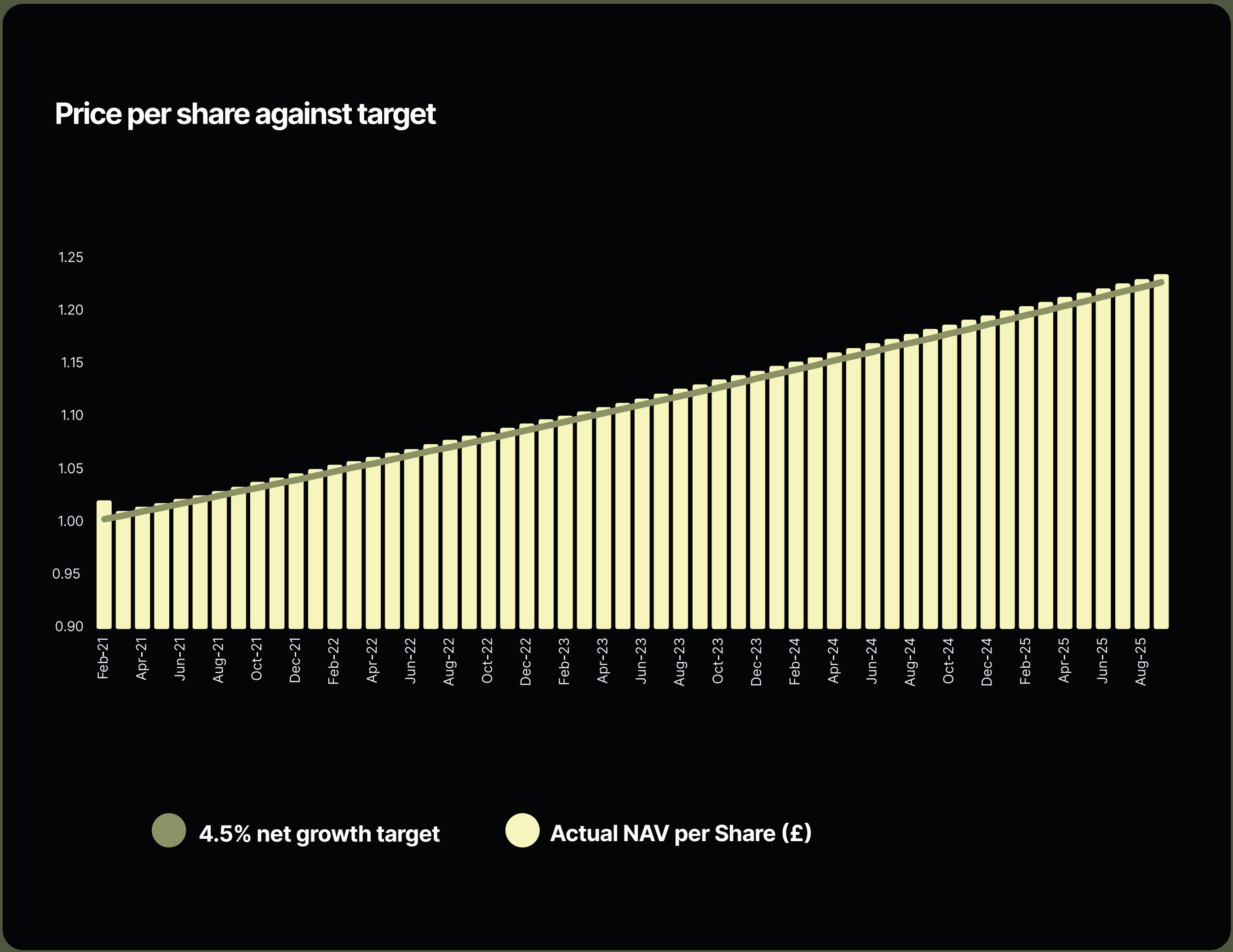
About Quay Street

Quay Street is entirely owned by investors in the Praetura Inheritance Tax Planning Service. Quay Street operates in sectors where Praetura Debt Services and PXN Group have extensive experience. These include asset finance, commercial finance, invoice finance, and other sectors where the team have a demonstrable track record.

Quay Street will leverage the Praetura group of companies' wealth of experience and an exceptional track record providing asset backed financing facilities to SMEs. Quay Street targets sustainabe growth over the long term through assets that meet the PITPS mandate.

Why we like Quay Street:
Established track record of delivering consistent returns

Quay Street has consistently delivered in excess of our target return of 4.5% per annum for all BR-qualifying investors.



Past performance is not a reliable indicator of future performance.

The performance graph shows Quay Street Trading Limited's net asset value per share. It does not take account of initial or dealing fees or the Annual Management Charge associated with investing in the Praetura Inheritance Tax Planning Service.

Note: Past performance is no indication of future results and share prices and their values can go down as well as up. Figures correct as at 30th September 2025. Source: Quay Street Trading Ltd.

Why we like Quay Street:
Significant diversification

Diversification is a key feature of the Praetura Inheritance Tax Planning Service.

The underlying lending agreements beneath Quay Street are diversified in three ways to assist in maintaining a conservative risk profile

1. **Number of agreements:**
   Over 4,683 underlying lending agreements.

2. **Loan Size:**
   Loans range in size from £50,000 to £25 million with the current average loan size being approximately £174,702.

3. **Sector Diversification**

- Wholesale & Retail
- Arts & Entertainment
- Construction
- Health & Social
- Manufacturing
- Industrial Machinery
- Transport & Storage
- Professional Services
- Automotive
- Mail Services
- Recruitment

Figures correct as at 30 September 2025. Source: Quay Street Trading Ltd. Past performance is not a reliable indicator of future results.
Share prices and their values can go down as well as up.

What sets PITPS apart: An expert team

Portfolio companies benefit from independent Board members comprising highly experienced senior independent directors, an expert credit committee, and independent auditors. Each portfolio company in PITPS is required to be independently audited by a major auditing firm, providing additional reassurance to our investors.

David Allanson

Independent Non-Executive Chairman, Quay Street Trading Ltd

David is a career banker and a former Managing Director at Lloyds Banking Group where he spent over 20 years. Throughout his career, he has supported SMEs and larger regional businesses such as Euro Garages, JD and Redrow. More recently, he has worked in non-executive and board advisory roles for the likes of KPMG and Tosca Debt Capital.

Susan Kelly

Non-Executive Director Quay Street Trading Ltd

Susan was a career lawyer and a former Partner at Squire Patton Boggs where she spent 20 years and led the European Restructuring Practice Group. Susan previously worked for Linklaters. Susan was a Fellow of the Association of Business Recovery Professionals, a board member of the Turnaround Management Association Europe and was certified by the European Association of Certified Turnaround Professionals.

Peadar O'Reilly

CEO of Praetura Lending Division and Director of Quay Street Trading Ltd

Peadar is a co-founder of Praetura Group and has over 25 years lending experience, having held senior roles at ABN Amro and Bank of Ireland, where he helped to establish a successful UK ABL business.

Scale

The lending team behind Quay Street (the Praetura Lending Team) has advanced over £1.4 billion to SMEs since 2013 and have built a lending book of over £500m.

Data management

The Praetura Lending Team has over 13 years of robust data management, combined with proprietary asset management analytics. The strength of the Lending Team's data management is evidenced by the securitisation and facilities advanced by high street banks including NatWest, RBS and ABN Amro.

0% Net capital loss

The Praetura Lending Team has 0% net capital loss to date across it entire loan book.[1]

Sector experience

The Praetura Lending Team has long-standing experience in lending having been part of senior management teams of market leading lending teams including Close Brothers, Bank of Ireland and Centric Commercial Finance.

[1] Net capital loss is calculated on a deal by deal basis and aggregated across the entire loan portfolio. Net capital loss is calculated on each loan as the difference between outstanding capital at default and recovery proceeds. Net capital loss is the aggregate of all capital losses and recovery profits in the loan portfolio, expressed as a percentage of total capital advanced to customers.

What sets PITPS apart: Liquidity

By investing in companies focussed on short-term secured loans and other assets that meet the mandate, PITPS regularly generates cash, creating natural liquidity. This makes it easier for you to access your investment, should you choose to.

The underlying lending agreements and other assets beneath Quay Street are diversified and short-term. This creates natural liquidity as loans mature over different repayment timelines.

What sets PITPS apart: Two extra buffers

1. How our deferred Annual Management Charge helps you

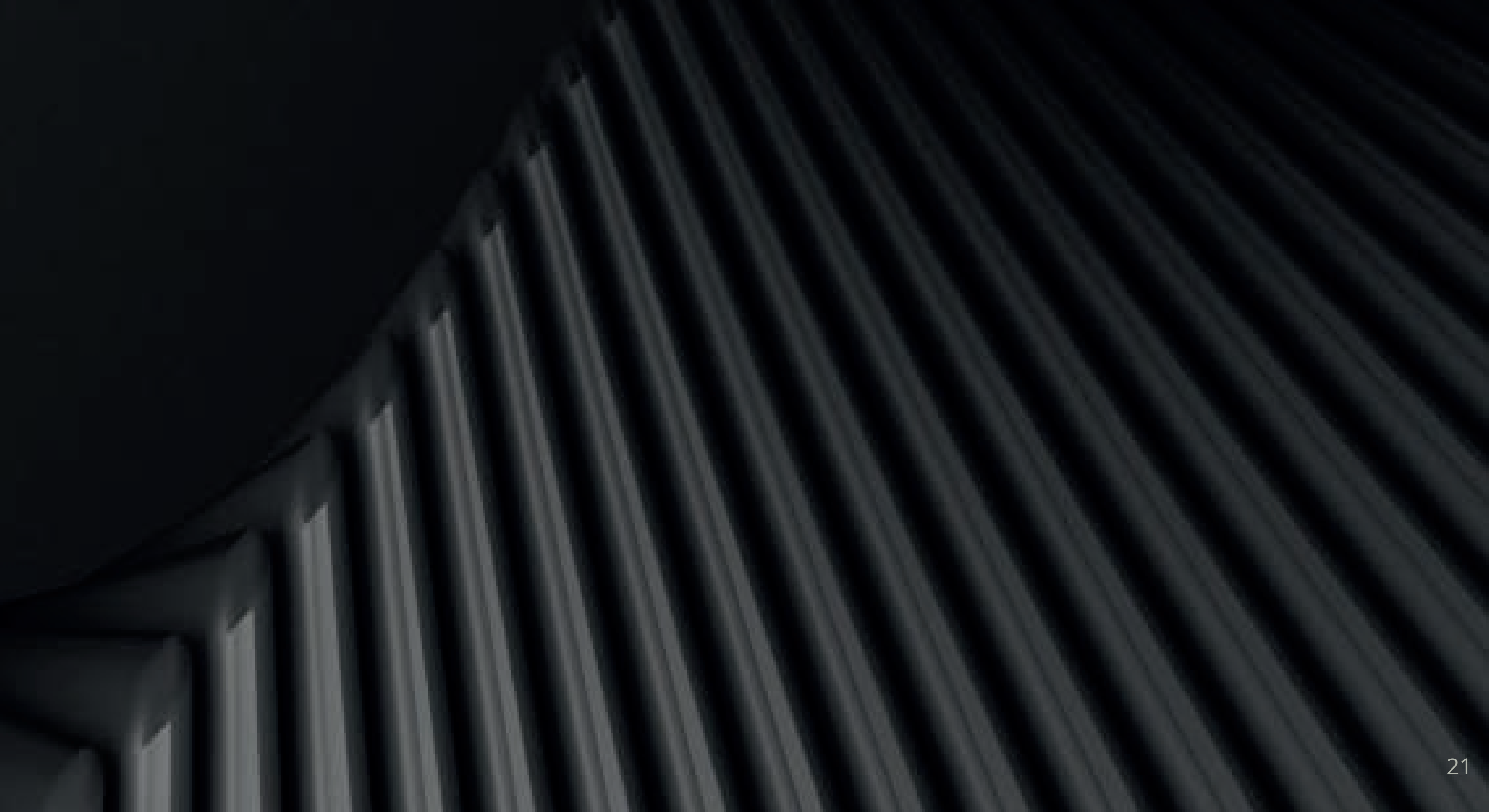
In an effort to align our interests with yours, we defer taking our Annual Management Charge each year, instead receiving it when your portfolio is sold. Importantly, we will only receive our Annual Management Charge if we have achieved our 4.5% annual target return over the same period (net of our Annual Management Charge).

This approach not only means that we have to deliver for you in order to take our Deferred Annual Management Charge, but also over time, a buffer is built up.

2. How our lending structure helps to mitigate risk

We structure our underlying lending agreements to typically include a first loss capital position. This is designed to act as a buffer within each specific facility. This means that in the event of a default or loss within a specific lending book, the first loss capital associated with that facility is intended to absorb the initial financial impact before PITPS investors' capital is affected.

Please note: This protection is specific to each lending facility and is not aggregated across the Service.



What is the application process?

We recommend investors take financial advice before making any investment decisions. Your financial adviser will be able to help you understand if this investment is right for you.

Application

- Read our Service literature
- Complete an application

Account

- We will confirm acceptance of your application
- We will create your Investor account
- You will be given access to your personalised investor portal

Deposit

- Deposit subscription amounts via bank transfer or cheque
- Investor portal will be updated with subscription details

Investment

- We aim to invest 100% of funds, less fees, within 30 working days of receipt of funds
- Investment will be made into one or more private trading company such as Quay Street Trading Ltd.

Valuations

- Valuations will be provided on a monthly basis via our online portal
- Valuation of your investment will be based on the Net Asset Value (NAV) of the private trading company (or companies) in your portfolio.

Updates

- We will provide you with a detailed investment report

Can I make withdrawals?

Unlike many IHT planning tools, PITPS offers built-in flexibility, so you can apply to top up your investment or set up ad hoc or regular withdrawals at any time, if your circumstances change.

We appreciate that you may need to withdraw or transfer money from your portfolio. You can send us a written request to liquidate all or part of your portfolio at any time, subject to deduction of dealing costs. However, as described more fully in the Investor Agreement, it's important that you are aware that it may not always be possible for the portfolio investment to be released immediately, in which case there may be a delay in completing your withdrawal.

It's also important for you to know that if you withdraw money from your portfolio then IHT relief may be lost.

Our aim is to make sure you are clearly informed about how to access your investment, to make that access as flexible as possible, and to ensure you have maximum control over your investment. If you would like to know more about access to your investment, our Client Services team are on hand to talk you through this.

Liquidity: It is unlikely there will be a liquid market in the shares of private trading companies and it may prove difficult for shareholders to realise immediately or in full proceeds from the sale of shares. Access to capital is subject to the discretion of the directors, applicable law and the availability of sufficient cash reserves.

Fees and charges

Type of Charge		Description
Initial Charge	**2%**	An initial charge is payable to the Manager, this charge will be reflected in the number of shares issued upon investment.
Deferred Annual Management Charge	**0.5%**	The Manager shall also receive an Annual Management Charge of up to 0.5% per annum for managing the service. This charge is deferred until full or partial withdrawal from the service and is contingent upon the Investor achieving a minimum net compound return of 4.5% per annum on the amount invested in BR Qualifying companies. Accordingly, The Manager will not achieve the full 0.5% Annual Management Charge unless an Investor's gross return is 5.1% per annum. Exit Dealing Fees are excluded from this calculation.
Dealing Charge	**1%**	Dealing charges will be payable to the Manager for executing investments and withdrawals in the service, based on the amount invested/withdrawn. These are calculated on the amount being invested/withdrawn.
Adviser Charges	**-**	Initial and ongoing adviser charges may be facilitated subject to investor approval.
Other PXN Fees	**-**	The Manager provides a range of administration, secretarial, deal monitoring, transaction and new business arrangement and other services to the underlying BR qualifying companies, such as Quay Street Trading Ltd, allowing them to access the full range of our skills and expertise. The companies pay Praetura a service charge of up to 2% p.a. for these activities. An arrangement fee may also be payable to Praetura by the companies in which investments are made

Conflicts of interest

The Manager has a Conflicts of Interest policy in place that sets out how conflicts are managed and the circumstances in which they are escalated to the Conflicts Committee.

Circumstances may arise where the interests of investors, the Service or those of the Manager may conflict with the interests of other investors, other funds managed by Praetura Ventures, those of Praetura Ventures itself, or with another member of the Praetura group of companies. The key responsibility of the Conflicts Committee is to operate in an independent, transparent and impartial manner to ensure all investors are treated fairly.

Conflicts are regularly reviewed and managed in order to ensure that our investors' best interests are not compromised. Examples of specific conflicts are set out below:

Co-investment

In some cases opportunities arise where there might be co-investment of capital from different sources. This could result in a conflict between the Manager's responsibilities to its PITPS investors and its responsibilities to other investors.

It is also possible that there could be conflicts between one group of PITPS investors and another. Co-investment widens the pool of opportunities available to PITPS and we seek to ensure that all interests are properly and fairly represented on an arm's length basis' at all times.

Valuations

There are occasions when one or more PITPS investors seek to leave the service, whilst others join. It is important that these conflicting interests in the valuations used for joiners and leavers are treated equitably and transparently.

Service provision

In some circumstances, services provided to PITPS and the companies in which investments are arranged can be provided by other members of the Praetura group of companies.

Examples are accounting and administrative support services. Such services may be provided by third parties or by one of the Praetura group of companies, where there are clear cost and quality benefits to investors that justify the appointment.

Ongoing business management

In performing its role in overseeing the trading companies in which investments are arranged through PITPS, the Manager makes recommendations on matters such as in what proportion to deploy capital between different underlying trading businesses.

These recommendations adhere to the strategies that apply to PITPS, and adopt the general objective of promoting and developing the long-term interests of those investing through PITPS, for example, building external business relationships and pipelines. At its core, our approach is to ensure that decisions are fair to all investors.

Risk factors

The below risk factors are not intended to be exhaustive but are included to help you understand the risks of investing. Investors should consider carefully whether an investment in the Fund is suitable for them in light of the information in this document and their personal circumstances.

If in any doubt whatsoever, an investor should not subscribe. In any case, it is strongly recommended that investors seek the advice of an FCA authorised and regulated adviser and / or tax adviser or other appropriately qualified professional adviser. You should only invest money that you can afford to leave for the medium to long term and/or are prepared to lose.

This document should not be considered as constituting legal, taxation or investment advice. Each party to whom this document is made available must make its own independent assessment of the Fund after making such investigations and taking such advice as may be deemed necessary. In particular, any estimates, projections or opinions contained in this document involve significant elements of subjective judgement, analysis and assumptions, and each recipient should satisfy themselves in relation to such matters.

Risk to capital

The value of an investment through PITPS may go down as well as up and investors may not get back all of the amount they originally invested. Investors should not consider investing unless they already have a diversified portfolio and are able to bear the associated financial risks involved in investing through PITPS.

Investment performance

Prospective investors should be aware that past performance is no guide to future performance and that any statements made in relation to expected future performance are projections rather than guarantees. There is no guarantee that the strategies will achieve their return expectations or targets and you should recognise that your capital is at risk and you may not get back what you invest. The amount of any fees, charges or expenses payable will affect returns.

Business risk

The performance of the companies in which the Manager arranges investment is dependent upon a number of factors which include the quality of their customer bases and their respective revenue streams, the strength of management and controls, and the value of any assets held as security.

Both specific and general circumstances can adversely affect customers' abilities or willingness to meet their obligations. Businesses may also be affected by competition, interest rates, inflation, employment rates, and other macroeconomic factors over which the investment manager has no control.

There is therefore a possibility that one or more of the businesses into which investments are arranged may underperform and cause a loss of value for PITPS Investors.

Tax risk

Tax treatment depends on individual circumstances and an investment through PITPS will not be suitable for all investors.

Tax reliefs may be lost by investors taking, or not taking, certain steps or by changes in the tax regime.

Praetura will only arrange investments through PITPS into companies that are reasonably believed to have Business Relief qualifying status; however there can be no guarantee that a company will attain or maintain such status. Levels, bases of, and relief from, taxation are subject to change. Such changes could be retrospective. The tax treatment of a sale could be affected by the mechanism of the withdrawal and thus result in income tax being due. The tax reliefs described are based on current legislation, practice and interpretation and the value of tax reliefs depends upon the individual circumstances of investors.

The availability of Business Relief is assessed by HMRC on a case-by-case basis based on the circumstances at the time of death of the investor. Investors should seek advice from a qualified financial or taxation adviser as appropriate.

Diversification

While the underlying opportunities that you access through the Service will be diversified, your investment may be arranged into a single company. This limited diversification could increase the risk for investors.

Reliance on the Investment Manager

Praetura Ventures Limited has been appointed as the Alternative Investment Fund Manager of PITPS and is dependent on certain key individuals and on their business and financial skills. The success of the Service will depend upon the ongoing ability of the investment manager to identify, source, select, complete, and monitor appropriate investments.

Investment period and illiquidity

PITPS will arrange investments in unquoted companies whose shares are not as readily realisable ('liquid') as, for example, companies listed on the London Stock Exchange. As the shares held will be unquoted, they can be difficult to value and sell. Therefore, the Manager cannot guarantee that an investor's funds will be returned in the target timeframe set out in this Information Memorandum.

Investors can request the withdrawal of funds at any time and the Manager will attempt to arrange realisation of investments within 30 days from the end of the month in which the written withdrawal request was received. However, substantial withdrawals could take longer to satisfy and therefore cannot be guaranteed to meet the above target timeframe.

In exceptional circumstances, such as a change of legislative framework, the process to realise investments could take much longer and investors may receive withdrawals in instalments and investors may be required to wait until sufficient cash is available from new subscriptions or the sale of assets.

Investments in Business Relief qualifying companies must be held for at least two years (and held at the date of death) in order to benefit from Inheritance Tax relief and you should therefore recognise that investments arranged through PITPS are long term investments. If you sell, transfer or withdraw any of your holding, you may lose the Inheritance Tax relief on the amount withdrawn.

The Fund Manager

The departure of any of the Fund Managers, directors, employees or associates could have a material adverse effect on the performance of the Service.

Whilst the Manager has entered into appropriate agreements, the retention of their services cannot be guaranteed. The Fund Managers success is also highly dependent on its continuing ability to identify, hire, train motivate and retain highly qualified personnel.

Competition for such personnel can be intense, and we cannot give any assurance that it will be able to attract or retain highly-qualified personnel in the future.

The success of the Service depends on the ability of the Manager to locate, select, develop and ultimately realise appropriate investments. There is no guarantee that suitable investments will be or can be acquired or that investments will be successful.

The Fund Management team may be unable to find a sufficient number of attractive investment opportunities to meet the Service's investment objectives.

Risk factors (continued)

Forward looking statements

Investors should not place reliance on forward-looking statements. This document includes statements that are (or may be deemed to be) 'forward-looking statements', which can be identified by the use of forward-looking terminology including, but not restricted to the terms 'believes', 'continues', 'expects', 'intends', 'may', 'will', 'would', 'should' or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts.

Forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements contained in this document, based on past trends or activities, should not be taken as a representation that such trends or activities will continue in the future.

Past performance

The past performance of any of the Praetura group of companies, is not necessarily a guide to its future performance and may not necessarily be repeated. The value of investments and income from them may go down as well as up and Investors may not get back the amount they originally invested in the Fund.

General risks

Prospective investors should not regard the contents of this Information Memorandum as constituting advice relating to legal, taxation or investment matters and should consult their own professional advisers before contemplating any investment or transaction.

The contents of this Information Memorandum makes reference to the current laws concerning Business Relief. These levels and bases of relief may be subject to change. The tax reliefs referred to in this Information Memorandum are those currently available and their value depends on individual circumstances.

All statements of opinion and/or belief contained in this document and all views expressed and all projections, forecasts or statements relating to expectations regarding future events or the possible future performance of the Service represent the Manager's own assessment and interpretation of information available to it as at the date of this document.

No representation is made or assurance given that such statements, views, projections or forecasts are correct or that the objectives of the Service will be achieved. Prospective investors must determine for themselves what reliance (if any) they should place on such statements, views, projections or forecasts and no responsibility is accepted by Praetura Ventures in respect thereof.

Prospective Investors are strongly advised to conduct their own due diligence including, without limitation, the legal and tax consequences to them of investing in the Service.

Investment objectives and policies of the Praetura Inheritance Planning Service

Investment objectives and strategy

The objective of Praetura Inheritance Planning Service ("PITPS" or the "Service") is to produce stable returns for its investors from a portfolio of unquoted UK trading businesses.

The principal objectives of PITPS are to:

- Support the growth of UK SMEs.
- Deliver stable returns to its investors over the long term.
- Invest in trading companies in the UK which the Manager believes qualify for Business Relief after the two-year initial holding period.

To date, the investment strategy of PITPS has focused on the lending sector, which the Manager considers meets these investment objectives.

Role of the Investment Manager

The Praetura Inheritance Tax Planning Service is managed by Praetura Ventures Limited (the "Manager"), which is authorised and regulated by the Financial Conduct Authority (FCA Number 817345). The Manager is responsible for allocating investors' subscriptions to PITPS in accordance with the investment objectives set out above.

The portfolio companies in which PITPS invests, including Quay Street Trading Limited, may be advised by Praetura Ventures Limited and/or its affiliates to assist the Boards of the portfolio companies in the operation and growth of their businesses.

Developing the PITPS investment strategy

The Praetura Inheritance Planning Service seeks to invest in companies that have a strong reputation for lending against realisable assets or debts as part of a prudent underwriting approach across the UK, which includes Quay Street Trading Ltd.

The Manager may also consider for the PITPS portfolio other types of lending businesses which offer the ability to generate attractive returns for its investors underpinned by real assets.

Valuation policy

Investments in the portfolio companies of PITPS will be valued at fair value in accordance with the IPEVC Guidelines. The underlying principle of IFRS as applied by the IPEVC Guidelines is that investments should be reported at fair value. Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

In estimating fair value for an investment, the methodology applied must be appropriate to the nature, facts and circumstances of the investment and its materiality based on reasonable assumptions and estimates. Such methodology, including earnings multiple, cost less a provision or net assets, should be applied consistently.

Disposals of shares

Investors who are resident in the UK are liable to capital gains tax on any gain when they sell their shares in portfolio companies of PITPS to third parties. The standard rates of capital gains tax applicable to a sale of shares are 18% or 24%, depending on their level of income and gains.

If sold by their executors after their death there is a flat rate of 24%, but in calculating the gain there is a tax-free uplift in the base cost of the shares to the market value at the time of their death. Any gain may also be reduced by the annual capital gains tax exemption available to an investor's executors.

Where you, or the executors of your estate, request to withdraw your investment in the PITPS, the Investment Manager, at its discretion, reserves the right to effect a disposal of shares in portfolio companies of the Service either by way of a matched bargain service pursuant to which the relevant portfolio company will effect the sale of the shares of investors wishing to redeem by matching them with applicants wishing to subscribe for shares and/or a share buyback.

If the shares are sold to a new shareholder under the matched bargain service, then the amount paid above the subscription price paid by the investor will be subject to capital gains tax (subject to available exemptions and reliefs).

This summary does not purport to be a complete analysis of all the potential UK tax consequences of acquiring, disposing of, or holding shares. In particular, future legislative, judicial or administrative changes or interpretations could alter or modify the tax treatment set out here.

Get in touch, we're here to help

Investors

We recommend you speak to a Financial Adviser in the first instance, as we cannot offer investment or tax advice.

If you have any other questions please contact us on **0161 250 3838** or email us at **investors@pxngroup.co.uk**

Advisers

Our expert national Distribution team are here to help and would be happy to discuss our Service and offers in more detail with you either by phone or by visiting your offices.

Please contact us on **0161 250 3838** or email us at **investors@pxngroup.co.uk**

For further information, please visit **www.pxninvestments.co.uk**