

Accelerate Week 2: The Fundamentals of BR: What/How/Why



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

Estimated reading time: 2 min

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

What are the key risks?

1. You could lose all the money you invest

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

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

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

3. You won't get your money back quickly

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

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

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

5. The value of your investment can be reduced

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

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

Business Property Relief Basics

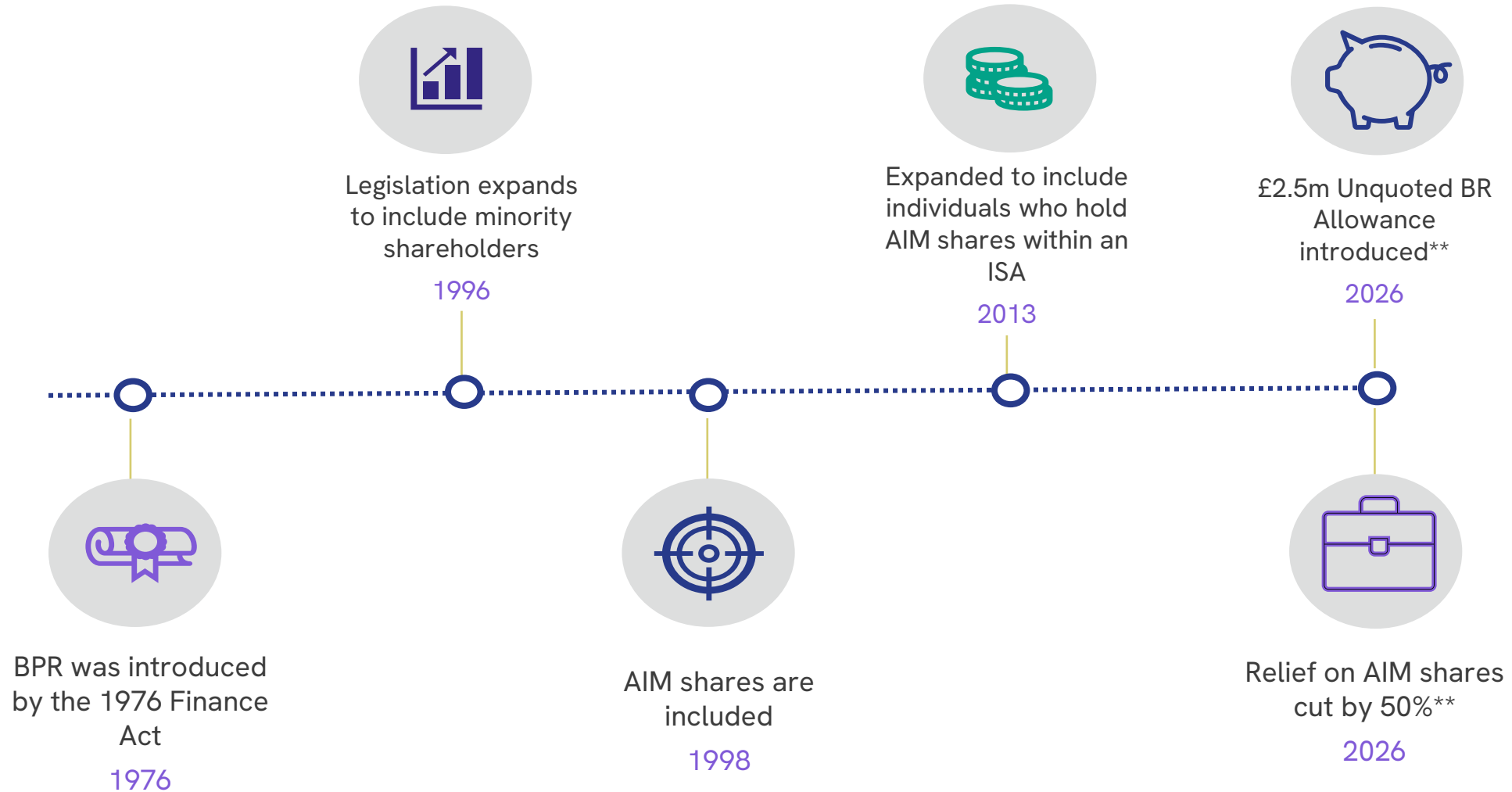
Business Relief (BR) was introduced as part of the 1976 Finance Act in order to allow businesses to be passed on through generations without incurring an Inheritance Tax (IHT) liability. The scope of BR has evolved over the years to become a method of investing for individuals looking to reduce a potentially large IHT liability at the time of their death.

Inheritance Tax Solutions have been developed to allow retail investors to access a portfolio of qualifying assets, delivering IHT relief in two years if held at death, whilst clients have access to and ownership of their money throughout the life of the investment.



*Tax treatment is subject to change and depends on individual circumstances. Tax year 2026/27. Assets qualifying for Business Relief are subject to change.

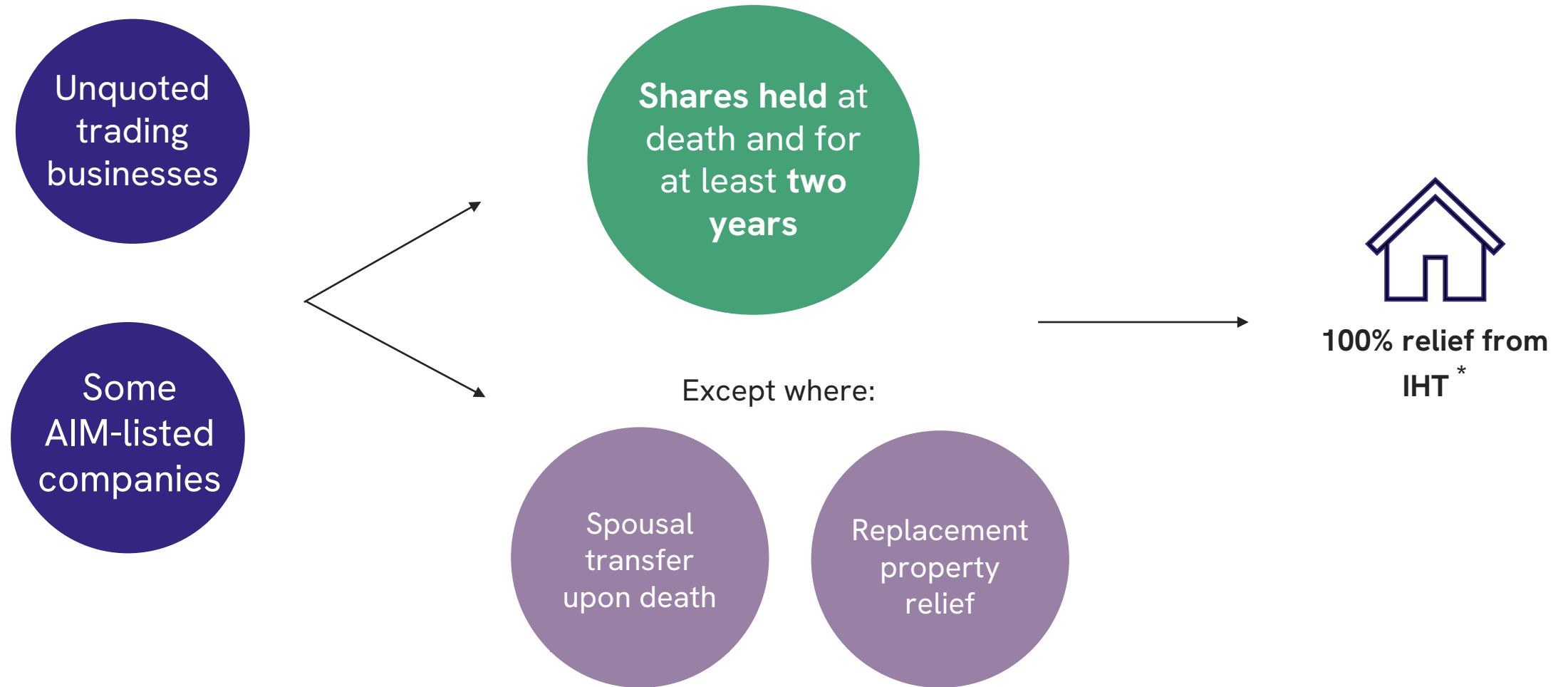
Evolution of Business Relief



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**Based on October 2024 Budget changes & consultation review

Basics of Business Relief



*BPR is subject to HMRC assessment after death

**Investments in unquoted companies, by their nature, have limited liquidity and are higher risk. Tax treatment is subject to change and depends on individual circumstances. Tax year 2026/27.

Understanding the opportunity of the BR landscape

Legislative changes creating a storm

Expand your toolkit

Stay informed and stand out in the market

Potential risk of inaction

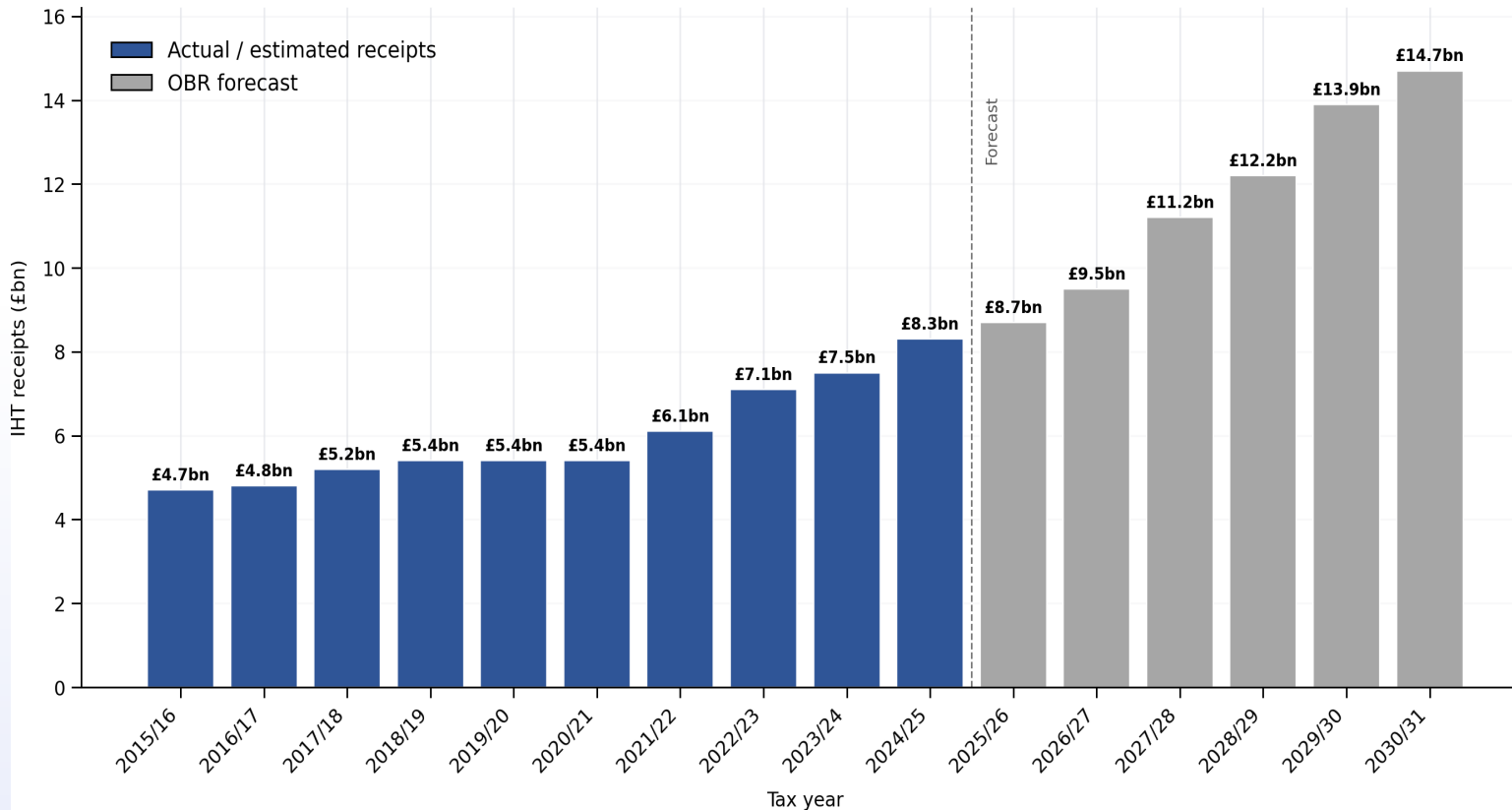
Unlock new revenue opportunities

Expand your client base



Inheritance Tax Receipts (in billion GBP)¹

UK Inheritance Tax Receipts: Last 10 Years and Forecasts



Property prices
+73% since 2013³

IHT allowances
frozen until 2031⁴

UK inflation
at 40-year highs⁵

Traditional IHT solutions don't meet many client needs (Expand your toolkit)

Business Relief investors can plan for IHT in just two years, without losing access or control of their wealth.

Strategy	Time to become exempt from inheritance tax	Doesn't use up the NRB	Access	Control	Simple
 Gifting	7 Years	✗	✗	✗	✓
 Trust planning	7 Years	✗	✗	✓	✗
 Life insurance	Immediate	✓	✗	✗	✓
 Business Relief	2 Years	✓	✓	✓	✓

Investments in unquoted companies, by their nature, have limited liquidity and are higher risk. Assets qualifying for Business Relief are subject to change. Tax treatment is subject to change and depends on individual circumstances. Tax year 2026/27.

Benefits of BR

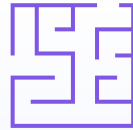
Alternatively, Investors can invest in shares that qualify for Business Relief



Control



Access



Simplicity



Speed

Provided that you hold qualifying shares for two years after your investment, your shares become exempt from IHT



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What's in it for you? A significant opportunity

New revenue opportunities

31,500
estates

The latest HMRC data shows that 31,500 estates paid IHT in 2022/23, with a further ~10,500 estates expected to fall within scope following reforms taking effect from April 2027

94%

94% of advisers report a rise in client enquiries about IHT planning since the Budget

£212,000

The average inheritance tax liability (2022/2023) increasing by 16% to £246,000 from Apr 2027



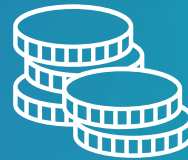
Source: [GOV.UK](https://gov.uk)
FT Advisor



The Great Wealth Transfer



Around 80% of heirs change their adviser once they receive their inheritance¹



It is estimated £5.5-£7 trillion will be passed down between generations over the next 30 years, with approximately £1 trillion transferred in 2025 alone²



Two thirds of advisers believe intergenerational planning represents an important opportunity for their business³



1) CNBC, 2025

2) Cambridge Institute for Sustainability and Leadership, 2025

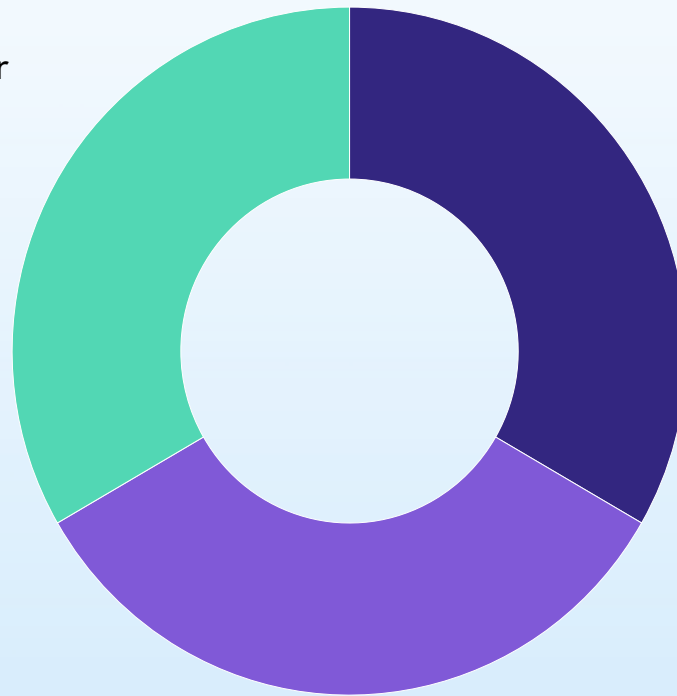
3) Fidelity Adviser Solutions' IFA DNA Study, 2025

3 Pillars to Driving Asset Value in Forestry

Why forestry can be an attractive asset class

Afforestation

The process of buying cheaper agricultural land and converting it into more valuable commercial forests through planting schemes



Carbon Credits

Planting forests generates high quality carbon credits that can be sold organisations to offset their CO2 emissions

Biodiversity & Nature Recovery

Forestry provides a positive contribution to UK's Biodiversity and Nature Recovery efforts, and allows investors to benefit from policy tailwinds

So why use BR?

Position yourself as a specialist

Expand your estate planning toolkit in a growing market

Open conversations with wider a client base

As well as increasing client retention & lifetime value

Address IHT liability

With one of the quickest and most flexible ways to mitigate IHT



Thank You

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