



**Foresight**  
group

**FORESIGHT**  
**ACCELERATED**  
**INHERITANCE**  
**TAX SOLUTION**

Sustaining wealth for  
future generations

**PRODUCT SUMMARY**

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FEBRUARY 2019

# Foresight Accelerated Inheritance Tax Solution

You have worked hard all your life. It's understandable that you'd like to pass on as much wealth as you can. Inheritance Tax (IHT) can significantly reduce the estate that you leave to your beneficiaries.

Business Property Relief (BPR) was introduced in 1976 by the UK Government. It provides an incentive to invest in certain types of trading businesses. Investments in shares which qualify for BPR and which are held for at least 2 years are exempt from IHT. The Foresight Accelerated Inheritance Tax Solution (Foresight Accelerated ITS) is designed to offer additional peace of mind during those initial two years.

The Foresight Accelerated ITS dramatically improves the chances of successful IHT mitigation by combining the benefits of BPR and Life Insurance. Investors can select from three integrated life insurance options with varying degrees of cover, all without having to undergo a medical

examination or questionnaire. In the event of death during the first 2 years of investment and, assuming the investor is covered under the Insurance Cover Option selected, the life insurance will pay out 40% of the net amount invested thus effectively mitigating the impact of IHT on the investment.

In addition we believe that the Foresight Accelerated ITS represents an attractive investment opportunity. It provides investors with a diversified mix of attractive infrastructure businesses including ground mounted solar, onshore wind and smart metering.

The Foresight Accelerated ITS invests into infrastructure businesses and other related trades which have a number of attractive characteristics for investors.

## Typical Features of Infrastructure Businesses

### Contracted revenues:

Long term, often inflation protected cash flows supported by government subsidies

### Counterparties:

Large creditworthy counterparties, usually blue chip or government

### Low correlation to equity markets:

Returns not affected by stock market volatility



# Insurance Cover Options

Subject to meeting the eligibility criteria, investors may invest in the Foresight Accelerated ITS and choose one or more of the following Insurance Cover Options.



### Insurance Cover Option A

Provides immediate life insurance cover on investment for death of any cause - **available for investors aged between 62 and 85 (inclusive).**



### Insurance Cover Option B

Provides immediate life insurance cover on investment for death by accident only for the first 100 days and thereafter for death of any cause - **available for investors aged between 86 and 89 (inclusive).**






### Insurance Cover Option C

Provides immediate life insurance cover for death by accident only - **available for investors aged between 40 and 89 (inclusive).**

#### Common features

- Minimum investment amount of £25,000
- Available to Direct Investors only
- Ability to select more than one Insurance Cover Option
- 40% cover of Net Investment Amount
- Cover starts the date shares are acquired
- Cover lasts two years from the date shares are first acquired
- Policy terminates two years from the date shares are acquired or if a withdrawal is made
- Ability to make joint applications (maximum two applicants)
- Insurance premiums are payable by Foresight
- Proceeds are payable to your beneficiaries

#### Key differences between the Insurance Cover Options

Eligibility Criteria				Insurance Policy			
MINIMUM INVESTOR AGE:	MAXIMUM INVESTOR AGE ON APPLICATION:	MAXIMUM NET INVESTMENT AMOUNT:	INVESTOR DECLARATIONS:	COVER DESCRIPTION:	ANNUAL MANAGEMENT CHARGE FOR FIRST TWO YEARS: <small>(% of Net Investment Amount)</small>	EXCLUSIONS:	INSURER:
 62 years	Age less than 86 years	£1 million	Terminal Illness Declaration	Immediate death by any cause	4.30%	No Terminal Illness*	Underlying Life Insurer
 86 years	Age less than 90 years	£1 million	Terminal Illness Declaration	Accidental death only within the first 100 days Death by any cause thereafter	6.36%	No Terminal Illness* Suicide during the first 100 days**	Underlying Life Insurer
 40 years	Age less than 90 years	£5 million	None	Immediate accidental death cover	1.80%	Suicide**	A combination of Underlying Life Insurer and Accident Only Insurer

\*See p20 of Foresight Accelerated ITS Investor Guide for further details

\*\*See p21 of Foresight Accelerated ITS Investor Guide for further details

# Charges

## A charging structure based on transparency and fairness.

At Foresight we value the trust and respect of our investors, which is why we always aim for full transparency. All fees received by Foresight Group are detailed below. There are no other dealing, arrangement or administration fees.

### Initial Charges

#### Foresight Initial Charge:

2.5% of total Investment Amount

#### Initial Adviser Charge:

Agreed between Investor and Adviser

### Ongoing Charges

#### 1. Annual Management Charges during the Initial Period:

Insurance Cover Options	Annual Management Charge (% of Net Investment Amount)
A	4.30%
B	6.36%
C	1.80%

#### 2. Annual Management Charges after the Initial Period:

Insurance Cover Options	Annual Management Charge (% of Portfolio Value)
A	1%
B	1%
C	1%

#### 3. Annual Administration Charges:

An annual fee of 1.65% (of net asset value) to the companies in which the Foresight Inheritance Tax Fund directly invests

#### 4. Ongoing Adviser Charges:

Agreed between Investor and Adviser

#### 5. VAT:

All fees and charges are exclusive of value added tax, if applicable



“ Take control of who benefits from the estate you’ve worked so hard, all your life, to create.”

# About Foresight Group

Foresight Group was established in 1984 and now manages money for more than 24,000 private investors and some of the world's leading financial institutions, Government organisations, pension funds and insurance companies.

## Staff statistics



**974 years'**  
combined investment experience  
across a wide range of sectors

staff numbers now exceed  
**200**

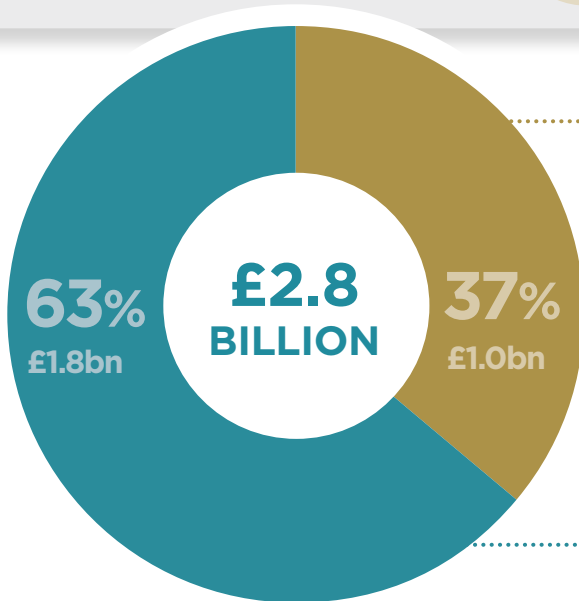
## Foresight Group in numbers



some **£2.8 billion** of assets under management

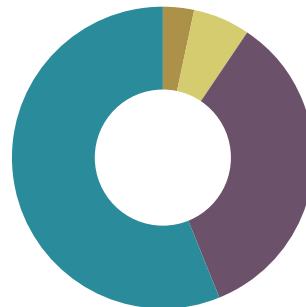
assets under management have  
**DOUBLED** in the last 3 years

## Retail & Institutional Money



### Retail 37%

BPR	38.2%
VCT	28.1%
EIS	15.6%
Other	18.1%



### Institutional 63%

Solar	69.4%
Bioenergy	20.5%
Private Equity	6.6%
Infrastructure	3.5%

Foresight Group has been managing investments for private investors & institutions

for more than  
**30 years**

Source: Foresight as at 30 September 2018

# Benefits

Foresight Accelerated ITS offers investors a unique blend of the benefits of BPR and of Life Insurance.

## BPR Benefits



### Access and Control:

You maintain access to and control of your investment



### Speed:

A route to IHT exemption in just two years



### Efficiency:

BPR qualifying assets do not impact your Nil Rate Band, maximising your IHT shelter



### Diversification:

Can complement other forms of IHT planning



### Succession:

In most circumstances, passing a qualifying BPR asset to a beneficiary will mean this asset is free from IHT in their hands



### Well-established:

BPR legislation was introduced in 1976 and is now over 40 years old

## Life Insurance Benefits



### Non-invasive:

Cover provided without medical examination or questionnaire



### Speed:

Insurance cover begins immediately (as soon as shares are first acquired)



### Cover:

40% of the Net Investment Amount



### Variety:

Investors have three Insurance Cover Options subject to eligibility

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### IMPORTANT INFORMATION

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