

THOMPSON TARAZ

Key Information Document

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

You are about to purchase a product that is not simple and may be difficult to understand

Product

NAME:

The Sovereign IHT Solution

MANUFACTURER:

Thompson Taraz Managers Limited

www.thompsontaraz.co.uk | 020 7907 8777

Thompson Taraz Managers Limited is authorised and regulated by the Financial Conduct Authority. This Key Information Document is accurate as at 1 December 2020.

What is this product?

Type

An Alternative Investment Fund consisting of a number of investment management agreements between investors and Thompson Taraz Managers Limited, managed in parallel.

Objectives

The Sovereign IHT Solution (the "Fund") offers the opportunity to participate in the commercial potential of one or more UK companies in the music publishing or asset-backed lending sectors. The companies will be sourced and monitored by the Investment Consultant, Sovereign Media Group Ltd.

By investing in the Fund, UK taxpayers may be able to benefit from Business Relief ("BR") from Inheritance Tax ("IHT").

Intended retail investor

The fund is only appropriate for investors seeking relief from IHT who are prepared to take on a higher level of risk of loss of capital and who are prepared to stay invested until the point of death. An investment in the Fund is limited to investors who have been advised by an authorised financial advisor that the investment is suitable and who have successfully completed the application process in full.

Recommended Holding Period

The recommended holding period for the purposes of this document and the calculations below is five years and the product cannot be easily realised in all circumstances.

What are the risks and what could I get in return?

Risk Indicator



Lower risk

Higher risk

The risk indicator assumes you keep the investment for at least 5 years. You may not be able to sell the investment early or you may have to sell at a price that significantly impacts how much you get back.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the products will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product as a 6 out of 7, which is the second highest risk class.

This investment offers no capital protection against market risk and therefore you can lose all the capital you invest (but you do not bear the risk of incurring additional financial obligations or commitments). If we are not able to pay you what is owed, you could lose your entire investment (see the section 'what happens if Thompson Taraz Managers Limited is unable to pay you'). The indicator shown above does not consider any potential protection.

Performance Scenarios (excluding tax reliefs) Based on an investment of £10,000	1 Year*	3 Years*	5 Years (minimum recommended hold period)
Unfavourable scenario			
What you might get back after costs	£9,456	£6,587	£1,218
Average return each year	-5.4%	-11.4%	-17.6%
Moderate scenario			
What you might get back after costs	£9,456	£9,087	£8,718
Average return each year	-5.4%	-3.0%	-2.6%
Favourable scenario			
What you might get back after costs	£9,766	£10,371	£11,518
Average return each year	-2.3%	1.1%	3.0%

* This product cannot be easily realised in all circumstances (see the section below 'How long should I hold it and can I take money out early?'). This means it is difficult to estimate how much you would get back if you attempt to realise your investment early. You will either be unable to realise your investment early or you will have to pay high costs or make a large loss if you do so.

The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past

on how the value of this investment varies, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment.

This table shows the money you could get back over the next five years, under different scenarios, assuming you invest £10,000. The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor. The figures do not take into account your personal tax situation, which may also affect how much you get back. Your maximum loss would be that you will lose all your investment.

What happens if Thompson Taraz Managers Limited is unable to pay?

Thompson Taraz Managers Limited is covered by the Financial Services Compensation Scheme. In the event that Thompson Taraz Managers Limited cannot meet its liabilities, the scheme will cover eligible claimants for up to £85,000. Please note, the scheme does not cover a failure of the

Fund. As this fund is an Alternative Investment Fund but not a Collective Investment Scheme, investors in the Fund may not be eligible to claim against the scheme. For more information please see www.fscs.org.uk.

What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They include potential early exit penalties. The figures assume you invest £10,000. The figures are estimates and may change in the future.

Costs over time Moderate scenario (£10,000)	If you exit your investment after 1 Year*	If you exit your investment after 3 Years*	If you sell your investment after 5 Years
Total Costs	£544.50	£913.50	£1,282.50
Impact on return (RIY) per year	-5.4%	-3.0%	-2.6%

* This product cannot be easily realised in all circumstances (see the section below 'How long should I hold it and can I take money out early?'). This means it is difficult to estimate how much you would get back if you attempt to realise your investment early. You will either be unable to realise your investment early or you will have to pay high costs or make a large loss if you do so.

All costs above are expected to be paid by Investee Companies which would not therefore reduce the tax relief available to Investors. These costs will, however, reduce the value of Investors' holdings as the Investee Companies will be required to pay out these amounts at the point of investment. The returns shown in the Performance Scenarios above are after costs and exclude the effect of tax reliefs.

Composition of costs

The table below shows:

- the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period; and
- the meaning of the different cost categories.

This table shows the impact on return per year (Moderate Scenario)

One-off costs	Entry costs	-0.5%	The impact of the costs you pay when entering your investment.
Ongoing costs	Other ongoing costs	-1.8%	The impact of the costs you pay annually, including an estimate of third party costs based on reasonable assumptions.
Incidental costs	Exit Fee	-0.2%	The impact of the costs you pay when exiting your investment.

How long should I hold it and can I take money out early?

Recommended minimum holding period: 5 Years or until death

The required minimum holding period (in order to qualify for Business Relief) is until death, and at least 2 years from the point of investment. For the purposes of this document and the calculations above, the recommended minimum hold period is 5 years. If you make withdrawals, you will lose the Business Relief on the amount withdrawn and retain it only on the investment held at the point of death.

Withdrawals will be facilitated where possible, however this product cannot be easily realised in all circumstances and it is difficult to estimate how much you would get back if you attempt to realise your investment early. You may be unable to realise your investment early or you may have to pay high costs or make a significant loss if you do so. Certain withdrawal rights exist as described in the Information Memorandum, however these do not permit the withdrawal of cash which has already been used to make investments.

How can I complain?

You can complain initially to Thompson Taraz Managers Limited by contacting the Compliance Officer using the details listed on the FCA register or www.thompsontaraz.co.uk. If you remain dissatisfied with our service and you are an eligible complainant, you may ask the Financial Ombudsman Service to consider your complaint. For more information see www.financial-ombudsman.org.uk.

Other relevant information

Please read the Information Memorandum for the fund carefully, specifically the Risk Factors, before making your investment decision and confirm with your independent financial adviser that this is a suitable investment for you to make.

Prospective Investors should note that the value of an investment can fall as well as rise and investors may not get back the amount originally invested. Therefore, you should only make investments in the fund that you can afford to lose without having any significant impact on your overall financial position or commitments.

Taxation levels, bases and reliefs may change if the law changes and the tax benefits of products will vary according to your personal circumstances; independent advice should therefore be sought. Please note it cannot be guaranteed that companies invested in by the fund will achieve or retain BR qualifying status or that Investors will qualify for the tax reliefs available under these schemes.