

Proposed restructuring of Blackmore Global PCC Limited

14 May 2021

Dear Investor,

This has been an extremely difficult period for the Company, firstly through Brexit and latterly Covid-19, which has led to a lack of liquidity and delays on underlying investment redemptions, which in turn has led to a lack of liquidity in the Company itself. The strategy of the Company is diversified long term investments over a ten-year period. Whilst we await the up to date valuations for each asset, the expectation is that the sustainable/renewable energy assets and the property assets, which equate to around 60% of the portfolio, while being affected by the pandemic, are stable and will deliver value over the long term. The more volatile assets particularly within private equity have suffered badly due to the unprecedented market conditions.

Following conversations with investors, wholesale changes have been requested, in particular to give investors more control and transparency on underlying holdings. Having taken advice on the most appropriate way to effect this, please see below for a proposal to move forward putting control in the investor's hands.

- 1. The establishment of a qualifying trust registered in the UK.*
- 2. The Trust should be discretionary in nature, to give maximum flexibility to the trustees.*
- 3. The model rules will allow for each institutional investor to hold their funds under a separate arrangement, specific to their requirements and that of the type of arrangement which the investments are attached to.*
- 4. The Trustees will be the institutions whom are also the beneficiaries of the funds. This will give better oversight and control over the assets held in each specific arrangement.*
- 5. An independent administrator will be appointed for the purposes of the submission of tax reporting to HMRC in the UK and also prepare the annual accounts.*
- 6. The Trustees will have the power to remove the settlor and the scheme rules will allow for the scheme to continue in the absence of the settlor as a closed scheme.*
- 7. Solicitors will prepare an in-specie transfer the assets held into the UK trust. As there is no change in beneficial interest in the Scheme, advisors do not anticipate that stamp duty will arise on the transfer. We have requested up to date valuations from all underlying investments in order to transfer at current value.*

We feel that this will allow each institutional investor control and transparency on the investments held as has been requested, and allow a clear and managed route to maturity and eventual redemption of these investments in line with individual investor holdings. We are open to suggestions for improvements to the above before implementation, and would invite confirmation or suggestions over the next two weeks by email following which we will instruct commencement. As soon as all valuations are received these will be sent to investors to give and up to date valuation of holdings.

Yours sincerely,

Patrick McCreesh
Director – Blackmore Global PCC Limited