DRUMNOR
INVESTMENTS

AIM Inheritance Tax Portfolio Services

Fair Value Assessment

1. Delivering high-quality service for your clients

We are dedicated to helping your clients pass more of their wealth to their loved ones after death through Inheritance Tax (IHT) planning. Our focus is on delivering a high-quality service throughout the lifetime of their investment, from outset to eventual settlement of the estate. Our AIM IHT service achieved 5-Star and 5-Diamond Defaqto ratings in 2024 and 2025 and was named 'Best AIM Portfolio Service' at the 2024 Growth Investor Awards.

2. Our Services

Drumnor Investments actively manage two platform based AIM share portfolios for Inheritance Tax mitigation:

- Drumnor Investments AIM Inheritance Tax Portfolio Service
- Drumnor Investments Sustainable Future AIM Inheritance Tax Portfolio Service

Investment is made into a portfolio of AIM-listed companies which if held for two years and at death are expected to qualify for 100% Business Relief and be free from IHT. From April 2026, the rate of Business Relief applicable for qualifying AIM shares will be 50%, resulting in an IHT liability of 20%.
Please refer to our Target Market Statement for details on the target market for our services. Our assessment of the benefits of our services found them to be appropriate for investors in our target market and to represent fair value.

3. Our Service features and Benefits for investors over their lifetime

(i) At Outset

Service features	Benefits for investors
Advised service only:	The client's Financial Adviser will determine suitability for investing in the service.
Easy to invest:	Platform service only, so we don't require any client paperwork. Existing platform holdings can easily be reinvested.
Simple to administer:	Cosolidation with other investments on the same platform simplifies administration and reporting.
No investment delay:	Trading is placed at the next dealing point, allowing the 'two-year' Business Relief (BR) qualification period to start within two days.
Cost effective:	There are no initial charges and no, or very low, initial dealing charges.
ISA friendly:	Adds IHT planning to the existing ISA tax benefits enjoyed by investors.
No medical underwriting:	No barriers to investment on medical grounds.

(ii) During the investor's lifetime

Service features	Benefits for investors
Access to capital:	Clients remain in control and can access capital if required. Withdrawals are easily facilitated by the platform.
Cost effective:	We do not charge VAT on our annual fee and aside from platform charges there are no other ongoing fees.
Low portfolio turnover:	We manage a stable portfolio with a low turnover, and being on platform means any dealing charges are very low.
Transparent:	Platforms offer a clear view of all stocks in the portfolio together with valuations, performance and transaction history.
Regular communication:	We keep the investor's adviser regularly updated with any portfolio changes and news, along with our quarterly investor factsheet.
Daily portfolio monitoring:	We check company news on a daily basis and make portfolio changes where necessary.
Portfolio growth & risk control	Our investment process is designed to allieiviate some of the risk inherent in AIM investments and deliver good investment returns over a term of five years plus.

(iii) Estate Settlement

Service features	Benefits for investors
Speed of relief:	The two-year qualification period for business relief may be particularly beneficial to those in later life or with health concerns.
Cost effective:	The cost savings from using a platform for AIM investment means more of the investor's wealth can be passed on to their beneficiaries.
Simplifying the probate process:	Our approach to portfolio management simplifies the HMRC qualification assessment and helps speed up settlement of the Estate.

4. Charges

Our AIM IHT portfolios are only available as a platform investment and are on many leading third-party platforms. Charges are clear and transparent and include our fee and the costs charged by each platform. The client may also incur an initial and/or ongoing adviser charge. Platform model portfolios offer many administative efficiencies; for example by allowing the investor to hold both their AIM and non-AIM investment in one place. There are significant cost savings too; for example there are no initial charges, no exit charges and no withdrawal fees. Our fee is one of the lowest among our platform peer group and in comparison with other industry providers.
Drumnor Investments fee: Our Annual Management Charge is 1% and is VAT Exempt.

Platform charges
Annual platform charge: Levied by all platforms.

Dealing charges: These vary between platforms. Some have no dealing charges while others charge a fixed amount per trade. For all bar the smallest of trades this is more cost effective in comparison to a percentage charge (typically 1%) of the value of stocks bought and sold.

Additional charges: While most platforms have only an annual fee and/or dealing charges, a small number have additional fees, for example to cover administration costs.

Platform availability: Our services are available on 9 leading platforms – Abrdn, Fidelity, Fundment, M&G Wealth, Morningstar Wealth, Nucleus, Scottish Widows, 7IM and Transact. Platform charges will apply.

We diligently review platform operation and functionaility both at outset and periodically to ensure there is no detriment to client outcomes. As a distributor of our AIM IHT services we recommend that our professional adviser clients refer to Platform Provider value assessments.

5. AIM IHT portfolio performance

Portfolio performance can be found on our quarterly investor factsheets and on our website, where we show daily performance from FE Analytics for all our models. Being on platform offers full transparency, allowing the user to see portfolio performance over different time periods as well as for individual stocks held.

Our performance history dates back to 31st December 2010 and when compared against the FTSE AIM All-Share index our cumulative portfolio performance has a proven track record of strong and consistent risk-adjusted returns against the index, as can be seen from our quarterly investor factsheets.

6. Assessment of Value

Having considered our own AIM IHT services, the objectives of investors in our target market, and other industry provider services, we have concluded that we deliver good outcomes for investors and are confident that the benefits of our services represent fair value.

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GROWTH INVESTOR 2024 AWARDS — WINNER BEST AIM PORTFOLIO SERVICE

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