

**Advanced assurance from HMRC that the Investee Companies should qualify as Qualifying Companies for EIS purposes has been obtained.**

**The Solar PV assets have been identified and are ready for purchase under an Asset Purchase Agreement. The underlying assets should generate a largely predictable earnings stream with revenues derived from credit worthy energy companies such as E.ON.**



**“The distinct advantage of the Goldfield Solar EIS compared to its competitors is that it has pre-identified a portfolio of assets that are already in place producing electricity and are in receipt of payments under the Feed in Tariff Scheme. As such, they have removed many of the risks associated with investing in this sector.”**

**Martin Churchill, Tax Efficient Review, 17 January 2011**

## **INVESTMENT SUMMARY:**

Target exit proceeds of at least £1.11 for each 80p invested (£1.00 subscribed less 20% income tax relief) in approximately four years. If the target return is achieved, the Compound Returns to Investors will be approximately 40% tax-free over a 4 year period which is equivalent to 13.3% p.a. gross to a 40% taxpayer or 16.0% p.a. gross for a 50% taxpayer.

The residential Solar PV Systems will be registered at OFGEM and the lease relating to each system at the Land Registry under a unique title number. An agreement will be made with a FITS supplier to make any payments due under FITS for 25 years from the date of entry to the OFGEM register.

The investments in the Investee Companies are intended to also qualify for Enterprise Investment Scheme (EIS) tax reliefs. It is anticipated that an exit will be sought for Investors around the end of year 4. There are a number of potential options at exit - a trade sale, an asset sale to long term investors such as pension funds, sale of individual units, or a refinancing with bank debt to allow individual Investors to exit.

This opportunity may be suitable for investors with the following characteristics:

- High net worth individuals.
- Investors who have sufficient income tax liability to reclaim income tax relief at 20% of the amount subscribed.
- Investors who are seeking to shelter assets from inheritance tax.
- Investors who have realised a capital gain since 6th April 2008.
- Investors who are concerned about the mid term outlook for inflation and who are looking for index linked investments.
- Investors who wish to reduce or entirely offset their carbon footprint.
- Investors who do not require access to their capital for at least four years and that are comfortable with higher risk investments

## MARKET COMMENTARY

The Feed-in-Tariff-Scheme (FITS) was introduced by the UK Government in April 2010 through the Department of Energy and Climate Change. Implemented with cross-party support the scheme remained untouched in the Comprehensive Spending Review demonstrating the UK Government's commitment to combating climate change.

Solar electrical power (Solar PV) has been granted the longest and most generous tariff in the scheme. The legislation also allows for the owners of a Solar PV System to be different to the owner of the house on which the system is installed.

This is not a State funded scheme. Payments are made to owners of the systems by the Power Utility Companies who in turn pass the cost onto the consumer. It is intended that E.ON (or other FITS supplier) will be making the payments to the Investee Companies which will own the systems but any licensed electricity supplier with over 50,000 customers is obligated by law to make the payments when due under FITS.

The lease appertaining to each Solar PV System is registered at the Land Registry under a unique title number. Each system is also registered at OFGEM. Homeowners moving from the property on which a system is installed will have no impact on the beneficial interests vested within the lease.

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## FUND STRATEGY

The Operator of the Fund has appointed Goldfield Partners Ltd as Asset Managers. Assuming HMRC agree the investments are qualifying for EIS purposes, on behalf of EIS Qualifying Companies the Asset Manager will purchase MCS certified Solar PV Systems that have been installed on domestic properties in the UK. After purchase the Asset Manager will monitor and maintain the Solar PV Systems on behalf of the EIS Qualifying Companies which will include insuring the Systems for loss and damage with AXA (or other similar company subject to availability and terms).

**The Fund is different to various other Funds within the renewable energy sector in that the underlying assets have already been identified. This means that Investors should not be exposed to significant planning, development or construction risk. Nor should they be exposed to any significant delay in the Fund utilising the money raised. It is therefore anticipated that Investors can expect their EIS certificates quickly. The power yield from Solar PV Systems is predictable within a range with the legal ownership structure already established. Finally, the Fund will offer Investors the possibility to remain invested beyond the four years, as the Solar PV Systems have the potential to remain income producing for the balance of the 25 years under the current FITS legislation.**

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## GOLDFIELD SOLAR EIS FUND

### IMPORTANT NOTICE TO BE READ BEFORE READING THIS DOCUMENT

This document is issued by Prosper Capital LLP. This document should be read in conjunction with, and in the context of, the Information Memorandum of Goldfield Solar EIS Fund (the "Fund") which has been prepared to comply with the terms of this Preliminary Promotion is only being distributed to investors to whom it can be promoted in accordance with the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemptions) Order 2001 ("the Order") as amended by the Financial Services and Markets Act 2000 (Financial Promotion and Promotion of Collective Investment Schemes) (Miscellaneous Amendments) Order 2005. Such investors will include investment professionals (Article 14 of the Order), high net worth companies, unincorporated associations, partnerships and trusts (Article 22 of the Order), sophisticated investors (Article 23 of the Order), and other persons to whom it can lawfully be promoted in accordance with the order. Investments in assets described in the Preliminary Promotion will only be available to such persons, and other persons should not rely upon its contents. Reliance on this promotion for the purpose of buying the units to which the promotion relates may expose an investor to a significant risk of losing all of the property or other assets invested. If you are uncertain of your status for the purposes of the Order you should take independent advice. If you are uncertain of the suitability of the assets described you should take independent financial advice. Where this Preliminary Promotion is being distributed overseas, it is not intended as a solicitation or other promotion in such jurisdiction, nor is it intended for distribution to persons where such distribution would be unlawful. As a recipient, you undertake that, either, the distribution of this Preliminary Promotion to you is lawful in your jurisdiction or that you will not invest in the assets described in it.

#### YOUR ATTENTION IS DRAWN TO THE FOLLOWING:

The price, value or income of or from securities may fall against your interests and you may get back less than you invested.

No personal recommendation is being made to you

the securities referred to may not be suitable for your circumstances and if you have any doubts, you should seek advice from your investment adviser.

Investments of this nature are not readily realisable and you may not be able to sell your stake at short notice.

Investment involves risk, in view of the long term illiquid nature of the investment it is deemed a medium to long term investment.

E.ON and AXA are not party to this document.

#### FOR FURTHER INFORMATION:



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