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EDGE LINES UP FOR THE NEW YEAR WITH PREMIER LEAGUE IHT PRODUCT

EDGE Investment Management has launched a new inheritance tax service based upon factoring transfers of football players between Premier League and Championship clubs.

UK taxpayers paid £3.8 billion in inheritance tax in 2008 with HM Revenue & Customs able to claim 40% of an estate above the £325,000 threshold. The Edge Inheritance Tax Service (EITS) offers investors the opportunity to reduce their inheritance tax liability by investing in ESM Factoring, a business which will factor high value football transfer fees between Premier League and Championship football clubs.

Football clubs rarely receive the full amount of transfer fees upfront, with many millions of pounds typically being paid in stages over one or more years. ESM Factoring effectively buys the right to receive the stage payments of the transfer fee and takes on the obligations of invoicing and collecting those payments. Such deals are made more attractive because under Premier League and Football League rules, if a club defaults on a transfer fee, the leagues may cover the debt by deducting it from the

payments due to the club from TV and sponsorship deals.

Investments in ESM Factoring will qualify for "business property relief" after only two years rather than the customary seven years required to shelter assets from inheritance tax.

In addition, EITS offers investors the flexibility to top up or reduce their investment, uniquely without having to start the clock again for relief from inheritance tax. Minimum investment is £50,000, and then in sums of £10,000 thereafter.

EITS is targeting a minimum 3% annual return to investors, which in the current low interest rate environment, is significantly higher than

could be achieved by most savings accounts. Edge says it believes in the product so much that it will make the following commitments:

- if the amount invested has not been preserved in full over the first two years, ie: all costs haven't been earned back, Edge Investment Management will contribute an amount up to 3% of the capital value.
- for the third year and each subsequent year for as long as the investment is held, if an investor does not earn at least 3% per annum on the full amount invested, Edge Investment Management will contribute an amount up to 3% per annum of the capital value of the investment.

Edge Investment Management chairman Gordon Power said, "The problem with so many of the products offering to shelter assets from IHT is that they are inflexible, expensive and you have to wait seven years before they kick in. The great thing with the Edge Inheritance Tax Service is that not only does it help you escape inheritance tax, it is effectively underwritten by the Premier and Football Leagues."



Gordon Power

Edge appointed by Taste Music to seek potential buyer

EDGE has been retained to seek out a potential buyer on behalf of Taste Music.

The Taste Music catalogue includes rights to many of the early songs with which million-selling rock band Muse first made their name.

Edge was appointed by Safta Jaffery of the Taste Media group who was the band's original manager, label and mentor until 2005.

The Taste Music catalogue includes North American music publishing rights to Muse's first three studio albums Showbiz (1999), Origin of Symmetry (2001) and Absolution

(2003) in addition to several other B sides and live tracks (including the Hullabaloo double live album and DVD 2002) plus some other copyrights by SHED 7 and other artists which it controls for the world

Edge Group co-founder Richard Baskind says marketing the rights to these choice copyrights will be high on his agenda when he travels to the Midem music industry convention in Cannes this month. "Muse are one of the most important and biggest selling UK rock acts to have emerged over the past decade," he said, "and we have already fielded a number of enquiries from interested parties."

Edge nominated as UK's Best VCT Provider

EDGE Investment Management has been nominated for a top award by leading IFA publication Professional Advisor.

Edge has been shortlisted in the Best VCT Provider category alongside industry heavyweights Downing, Octopus and ProVen, the latter originally founded by Edge Investment Management chairman Gordon Power.

Edge founder David Glick said, "When Edge launched, inevitably we were compared with some of the specialist entertainment industry operators. This nomination is confirmation that we have grown beyond that limited grouping and our peers within the industry are now the mainstream players. Whether we win this award or not, it is very pleasing that our investment strategy is being vindicated by our own industry."

Edge launches EIS with built-in performance

EDGE Investment Management is extending its successful "Edge Performance" brand to the Enterprise Investment Scheme (EIS) market with a plan to raise up to £10m.

The EIS offers income tax, inheritance tax and capital gains tax benefits and has a target life of six years.

As with the successful Edge Performance VCT, the new EIS will target investment in the entertainment industry, including live events. As the biggest fund in the sector, Edge has established strong relationships with a number of promoters and venues, in particular SJM, a leading UK concert promoter, and AEG Live UK, whose parent company is Los Angeles based Anschutz Entertainment Group Inc, one of the leading sports and entertainment promoters in the world.

The EIS is structured so that under current legislation, investors should receive upfront income tax relief at 20% of the amount of their

initial investment in Edge Performance EIS plus additional income tax relief at a further 20% of the amount reinvested by the fund after three years has elapsed, offering the potential for significant enhancement of investors' post-tax return.

The initial closing date of the fund is 31 March 2010, or, if sooner, the date on which aggregate subscriptions of £10 million have been received, with the intention that funds received by the initial closing date will be invested in investee companies before 6 April 2010.

Edge Investment Management director Alasdair George said, "The Edge Performance VCT has become well-known as the leading independent investment fund in the entertainment business, so it makes sense to extend the brand to the EIS market, giving investors the choice of two complementary products sharing the same investment philosophy but with a choice of different tax reliefs."

Pop maestro Carlsson selects Edge to broker catalogue sale

ANDREAS Carlsson, the songwriter behind scores of hits by the likes of the Backstreet Boys, N'Sync and, most recently, Katy Perry, has selected Edge Media – Edge Group's corporate finance arm – to broker the sale of some of his choicest copyrights.

Records containing Carlsson compositions have sold more than 100m copies worldwide. Music industry bible Billboard said of the writer, "Andreas Carlsson is to a song what Sweden is to Pop music. Quite simply, the world..."

The 258 copyrights in the Carlsson catalogue sale include:

- I Want It That Way, made famous by N'Sync and named by Rolling Stone as one of the 10 best pop songs of all time;
- That's The Way It Is, now a signature tune for Celine Dion;
- Waking Up in Vegas, which hit the Number One spot in the US only last year for Katy Perry.

Edge Media director Alasdair George said, "Catalogues of this level of quality do not become available every day so we are expecting significant interest in this sale."

Edge Media has a particular expertise in the sale of music publishing assets having masterminded the sale of a number of important catalogues including Deston Songs, Big Life Music, Extreme Music and Right Said Fred.



Tried and trusted VCT launches 'F' share issue

THE successful Edge Performance VCT has launched its latest 'F' Share issue with a target of raising £10m, of which at press-time Edge has already raised £6.4m.

This latest share offer comes after a strong result for the Edge Performance VCT's original Ordinary share issue.

In June 2009, Edge announced it had turned the 60p per share original cost of investment of its Ordinary shareholders into 85p in just three years, exceeding target by 66%. In terms of cash returned that made the Edge Performance VCT Ordinary share class one of the Top 10 best-performing VCTs ever.

Edge Investment Management director Alasdair George said, "The Edge Performance VCT was our first product and it is still the one for which we are best known. Low charges, managed risk and a strong commitment to the timely return of cash all mean we expect strong demand this year."

The Edge Performance VCT focuses on the entertainment industry including live events. Over the past four years investors in the Edge Performance VCT have backed 200 concerts by the likes of Kanye West and Backstreet Boys.

For its 'F' share issue, the VCT has set a target return of 130p in cash for every 70p invested (assuming income tax relief at 30%, equivalent to a return of 160p per 100p invested).

Edge Legal signs girl group Freefall to Mercury

EDGE Legal's team of entertainment industry specialists had a busy fourth quarter advising on a whole series of deals, including one of the most hotly-contested signings of 2009, Mercury Records deal with new girl group Freefall.

Edge represented the three-piece in its negotiations with Mercury and Steve Morton's production company Be-Union.

Edge Legal director Richard Baskind said, "Freefall are a very exciting act and it is a pleasure to be a part of what will be one of the most eagerly awaited projects of 2010.

"We are extremely pleased to have been able to advise Freefall at this early but crucial stage in their career."

Edge Key Contacts



Sanjay Wadhvani



Alasdair George



Gordon Power



Richard Baskind

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About Edge Group

Edge Group is the leading advisory and investment boutique for the entertainment industry

The Edge difference is its unrivalled network of entertainment industry professionals which ensures quality deal flow and industry-leading expertise to evaluate opportunities

Edge Legal offers a highly commercial approach working with clients to develop companies and careers

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Edge Media is a specialist corporate finance house with a particular expertise in buying and selling rights catalogues

Edge Investment Management has quickly built a strong reputation in tax efficient investments in the live music and events business.

For more information visit
www.edge.uk.com

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Edge Group 1 Marylebone High Street London W1U 4LZ Telephone: 020 7317 1300 www.edge.uk.com