Target Market Statement -
RCBIM Execution Only VCT Sale Service
31 March 2026

Target Market Statement

R C Brown Investment Management (RCBIM) offers an execution only (EO) Venture Capital Trust (VCT) service which is available for both direct clients and those introduced by regulated Financial Advisers. This document has been produced by RCBIM in accordance with our regulatory responsibilities under Consumer Duty as both a manufacturer and distributor of our products and services.

Service Characteristics

RCBIM's execution only VCT service is designed to carry out sale instructions for holders of certificated VCT shares. The service does not include the provision of any investment advice regarding the appropriateness or suitability of any transaction. Many VCTs offer buybacks at periodic intervals (eg, quarterly, half-yearly) however this is not guaranteed. Clients are therefore asked to ensure buybacks are likely to be available for their holding(s) before proceeding and informed that the shares will be sold at the next available opportunity. The price of the transaction is not known in advance and RCBIM undertakes to sell at the best execution price available at the time of transaction.

Intended Target Market

RCBIM's EO VCT service is designed for retail investors who hold certificated shares in VCTs and who wish to dematerialise these into electronic form before selling back to the fund in question as part of a share buyback process. Typically, this will be after a period of five years has passed since the shares were purchased, as this is the minimum holding period to obtain the income tax relief associated with such investments. Investors will typically be UK residents, although clients from other countries may be accepted if agreed by RCBIM. The service does not offer any form of capital guarantee, meaning investors must be able to tolerate the possibility of capital loss.

RCBIM's EO VCT service may be compatible with investors:

- who prefer to manage their own investments;
- who are Retail or Professional clients;
- who are sophisticated or high net worth investors (unless advised by a Financial Adviser);
- who have held their VCT share(s) for five years or more since purchase;
- whose expected financial returns will not be excessively impacted by RCBIM's charges.

Negative Target Market

The RCBIMs EO VCT service is not compatible for investors who:

- want an investment professional to manage their investments or require investment advice;
- have not held their VCT shares for a minimum of five years;
- require a guaranteed sale price and/or time of sale.

Clients with characteristics of vulnerability

Issues which may increase a clients' risk of vulnerability include, but are not limited to, changes in their health, major life events such as bereavement, a low capacity to absorb financial shocks and a low understanding of financial matters.

We ensure our investment managers and administration staff are well trained to identify any such issues and refer any concerns to others within the team so that the client may be supported appropriately. Our relatively small size in terms of both client numbers and team assists in this process, as does the direct relationship we are able to form with clients. We therefore do not feel that vulnerable clients should be excluded by default from investing within this service and instead will manage each situation on a case-by-case basis.

Portfolio Closure

Based on our current information there are no restrictions on RCBIM's portfolio solutions that prevent investors being able to disinvest without notice (subject to trading settlement times), with this flexibility enabling customers that experience a change of circumstances to exit the service via a transfer of their shares in electronic form to another provider (without providing notice and with transfer charges capped at £5 per holding). Due to the nature of the service, liquidation of holdings is always carried out at the next available opportunity so an earlier cash exit would not be possible. The frequency of dealing points varies between funds and while a quarterly or six monthly schedule is common, this is not guaranteed.

Fair Value Assessment

In accordance with our regulatory obligations under Consumer Duty, RCBIM has undertaken a detailed value assessment of our EO VCT Sale service as of July 2026 and has determined that it represents fair value. This will be reviewed on a regular basis (at least annually) as part of RCBIM's internal governance procedures.