



The Alternative Investment Platform Executive Summary

be
simple

*We make designing an EIS, SEIS & BPR portfolio
simplicity itself*

For professional advisers, their clients and high net worth investors only

Kuber VENTURES
Opening the door to EIS investment

Introduction

For the first time everything required for a diversified EIS, SEIS & BPR portfolio is available under one roof. Ours.

Kuber Ventures is the first digital platform in this sector specifically designed to help financial advisers advise their clients on UK tax efficient products. It enables access to the market simply, efficiently, transparently and in a cost effective way. Through the platform, financial advisers and their clients can build diversified portfolios of EIS/SEIS and BPR investments using one application form and one online platform to administer the investments going forward. Kuber is changing the way the tax efficient investment market operates and is opening its products to a larger range of advisers and investors than ever before.

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Dermot Campbell
Chief Executive Officer

What is Kuber?

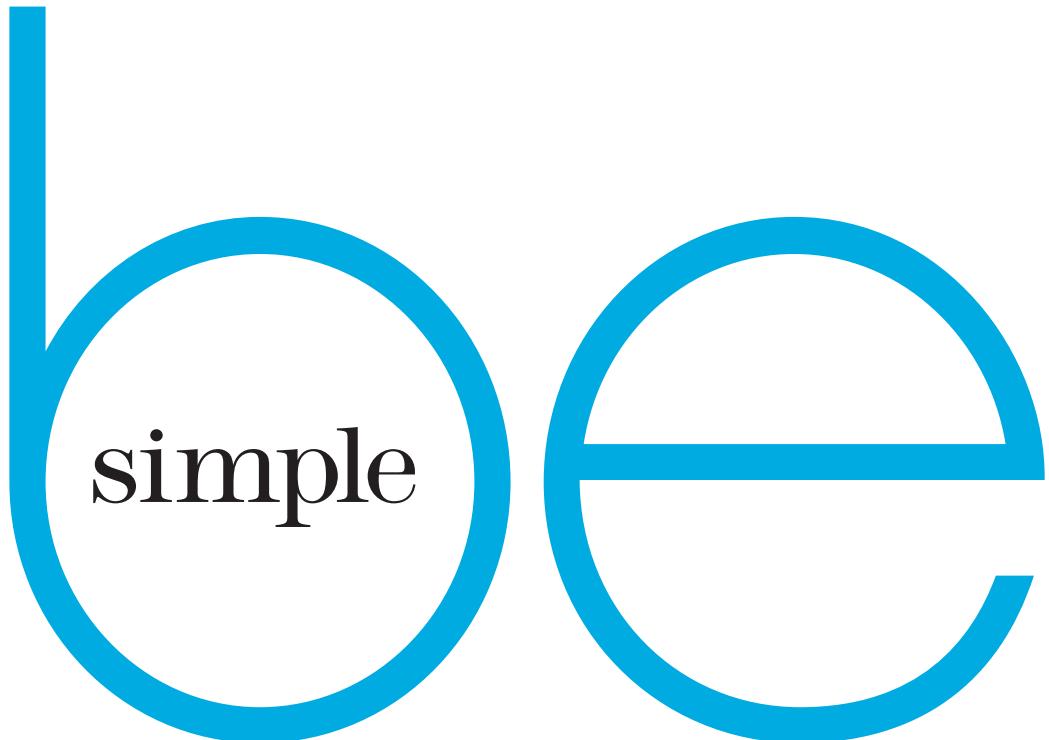
Kuber is based on the same principles as traditional fund platforms: giving you access to range of qualifying investment Schemes in one place using one application form and providing simplified e-enabled administration.

The Schemes are individual discretionary managed accounts investing in new shares issued by trading companies that aim to meet EIS, SEIS or BPR qualifying rules. Some Schemes are structured as Alternative Investment Funds which also invest in new shares issued by trading companies that aim to meet EIS, SEIS or BPR qualifying rules.



be part of it

Why invest with Kuber?



Why Kuber?

By using Kuber for your EIS, SEIS and BPR investments you can benefit from:

- > Easy access to a range of Schemes
- > Diversification of your investments over a number of Managers and Schemes, which helps to control risk
- > Simplicity – one application form and one payment
- > Online valuations – giving you a clear view of all your investments
- > Competitive pricing – we negotiate with investment managers to control the costs of investing and provide what we believe to be value for money
- > Ease of monitoring – you are able to track an extensive EIS, SEIS and BPR investment portfolio through one platform

Is Kuber right for you?

If you are looking to invest across a range of investment managers who specialise in EIS, SEIS and BPR investments and would like a simple way of administering your investments, then Kuber has been designed with investors like you in mind. In particular, EIS, SEIS and BPR investments may be right for you if the following statements apply:

- > You have accumulated significant savings and want to diversify your investments while benefitting from tax incentives
- > You are keen to benefit from the growth potential offered by investments in smaller companies
- > You would like to reduce your income tax liability
- > You would like to reduce the potential inheritance tax due on your estate
- > You would like to defer a capital gain
- > You have previously built up a significant pension fund but are now restricted by the Pension Annual or Lifetime Allowance
- > You have elected for Pension Enhanced Protection or Fixed Protection
- > You would like a tax advantaged savings vehicle without the restrictions attached to pensions
- > You are a UK resident non domicile for tax purposes and would like to invest overseas income and capital gains tax free in the UK

We believe that an EIS, SEIS and BPR portfolio is an attractive investment if you want to make larger contributions to fund your retirement or simply want to invest in a tax efficient manner. However, the tax benefits of investing via Kuber should be your secondary and not primary reason for investing. Kuber is designed to provide an excellent investment opportunity by offering you a diversified range of EIS, SEIS and BPR investment opportunities overseen by experienced and proficient managers.



More choice, more ways to invest

Kuber offers a number of different Managers and Schemes so you can allocate as little or as much of your contributions to each one (subject to a minimum of £5,000 per Scheme).

Diversifying your investment across different Managers helps you to control risk. A diversified portfolio helps reduce the unpredictable nature of returns for investors and has the benefit of reducing the impact of portfolio losses. This is similar to the saying 'don't put all your eggs in one basket'. By spreading your eggs across different baskets you might have more risk of breaking one egg but you have less risk of breaking them all.

From time to time, Kuber may change the Managers and Schemes and you will be informed if any changes are made. If a Manager with whom you chose to invest ceases to participate in Kuber, you are under no obligation to sell or redeem any investment with that Manager, and Kuber has an undertaking from each Manager not to discriminate against your investment in favour of investments from other investors.

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What does Kuber provide access to?

Your chosen Manager(s) will use your subscription to Kuber to buy shares in companies that meet certain criteria to qualify as EIS, SEIS & BPR Investments. A company meeting these criteria is referred to as a ‘Qualifying Company’.

EIS, SEIS & BPR investments can be made across a diverse range of business sectors. The industries that you gain exposure to via Kuber could include:

- > Business services
- > Catering
- > Engineering
- > Entertainment
- > Environmental building products
- > Healthcare
- > Life Sciences
- > Luxury Goods
- > Manufacturing
- > Media
- > Real Estate
- > Shipping
- > Software development
- > Sports & Leisure
- > Storage
- > Support services
- > Technology
- > Traditional energy
- > Transportation
- > Waste Management

Investing with Kuber

You can contribute to the Scheme either via a single lump sum or by regular contributions.

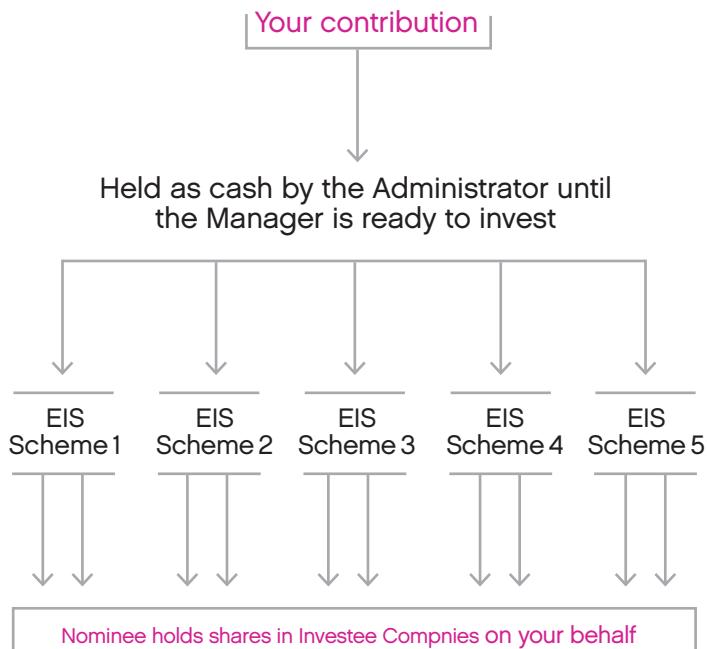
You can invest through Kuber with either a single lump sum, monthly contributions or a combination of the two:

- > The minimum monthly contribution is £500 for each EIS or SEIS Scheme
- > The minimum single lump sum investment is £20,000, with a minimum investment of £5,000 for each EIS or SEIS Scheme
- > You can change your contributions at any time (including stopping and starting them entirely) without any additional charges
- > If you are only interested in Business Property Relief the minimum investment is £50,000.



How will your contributions be invested?

The Administrator will initially hold your contributions in the client account, pending investment by the Managers that you have selected. As each Manager identifies a suitable company, it will instruct the Administrator to subscribe for shares in that company on your behalf or will request the necessary funds from the Administrator in order to allow the Manager to invest on your behalf using its own custody arrangements. This process continues until your allocation to the Scheme in question has been fully invested.



Each manager will aim to hold a spread of companies in your portfolio to help you achieve an appropriate level of diversification. The amount of diversification will vary at the discretion of the individual Portfolio Manager.

If regular contributions are only made for a short period of time then it's possible that a manager may invest all of your funds in one investee company

How much does an investment with Kuber cost?

An investment in a Scheme via Kuber will incur the following charges

- > An initial fee of 1.5% of your subscription amount is deducted before the net amount is transferred to a Scheme (in the case of applications received requesting to be treated on an elective professional basis, an initial fee of 3% of your subscription amount will be charged)
- > An annual fee of 0.2% (+ VAT) is charged and annual fees totalling 4 years' worth are taken from your initial subscription amount
- > An administration fee of £20 (+ VAT) per contribution for monthly contributions or £100 (+ VAT) for single contributions
- > A transaction fee of £7.50 (+ VAT) per investment made
- > Kuber charges Managers an annual fee of up to 0.5% (+ VAT) per annum of funds invested in Schemes for services it provides to the Manager
- > Kuber has, where possible, negotiated reduced fees with Managers to offset the costs associated with investing through Kuber. Generally, this will mean that there is minimal difference in cost between investing through Kuber and investing directly with the Manager

The charges that will apply to any investment through Kuber are intended to be clear and simple.

The services Kuber provides include arranging ongoing custodianship, administration and monitoring of investments. Kuber has negotiated fees with Managers for taking responsibility of these services from them unless otherwise identified in this Investment Guide which enables Kuber to keep the annual fees we charge you to a minimum.

Where the Manager charges investors in its Scheme a fee directly, this fee will usually be reduced for investments made via Kuber. Where the Manager charges a fee directly to Investee Companies it will not be possible for this fee to be reduced solely for those investing through Kuber. In these circumstances the Manager will arrange to rebate part of their fee received from the Investee Company to the Administrator's client account for the benefit of the investor. This amount can then be returned to you, used to purchase additional shares in subsequent Investee Companies or applied to offset against fees.



Kuber EIS, SEIS & BPR Investments

What is the Enterprise Investment Scheme ?

The EIS was introduced by the UK government in 1994 to help small UK companies raise capital from private investment.

Under the platform, investors are rewarded with considerable tax incentives in return for injecting enterprise capital into AIM listed or unlisted companies.

There are restrictions on the size of business that can receive EIS qualifying investment some types of business are excluded. The EIS offers five generous tax incentives to private investors who are resident in the UK for tax purposes:

- Up to 30% upfront income tax relief
- Tax free growth
- Tax relief on any investment losses
- Up to 100% inheritance tax relief
- Capital gains tax deferral for the life of the investment

The first three benefits are available on amounts of up to £1 million per investor per tax year with a facility to carry back to the previous year. The investment must be held for at least three years following the issue of the shares (or following the start of trade if later). Each investee company must also continue to qualify under the EIS rules during the same period. Capital gains tax deferral is unlimited in amount. Exemption from inheritance tax depends on the investee company qualifying for Business Property Relief and the shares must be held for a minimum of 2 years at the date inheritance tax (IHT)

What is the Seed Enterprise Investment Scheme ?

SEIS was introduced in April 2012. The Seed Enterprise Investment Scheme (SEIS) is designed to help small, early-stage companies raise equity finance by offering tax reliefs to individual investors who purchase new shares in those companies. It complements the existing Enterprise Investment Scheme (EIS) which offers tax reliefs to investors in higher-risk small companies. SEIS is intended to recognise the particular difficulties which very early stage companies face in attracting investment, by offering tax relief at a higher rate. Some EIS portfolios may invest in Seed Enterprise Investment Scheme (SEIS) qualifying companies. Under the platform, investors are rewarded with considerable tax incentives in return for injecting enterprise capital into AIM listed or unlisted companies.

Kuber EIS, SEIS & BPR Investments continued

There are restrictions on the size of business that can receive SEIS qualifying investment some types of business are excluded. The SEIS offers five generous tax incentives to private investors who are resident in the UK for tax purposes:

- Up to 50% upfront income tax relief
- Tax free growth
- Tax relief on any investment losses
- Up to 100% inheritance tax relief
- Capital gains tax reinvestment relief

SEIS provides income tax relief of up to 50% for individuals who invest in shares of qualifying companies, with an annual investment limit of £100,000 for individuals, and £150,000 per company; companies must have a trading history of under two years.

With SEIS, CGT benefits are more generous with capital gains tax reinvestment relief, providing relief on 50% of the qualifying gains invested in SEIS qualifying companies.

Business Property Relief

Inheritance Tax Relief

When an individual dies, the property, money and other assets less any debts which constitutes their estate are subject to Inheritance Tax (IHT). This can also apply to some gifts that are made before someone dies.

An increasing number of people are having to consider IHT planning and given that the tax free threshold is frozen until 2018 at just £325,000 and in view of continually rising property values, alternative investment opportunities such as Business Property Relief (BPR) are becoming increasingly popular.

Business Property Relief – What does it mean?

BPR was introduced in 1976 as part of the Finance Act. It was created to allow small businesses to be passed down through generations without incurring an IHT liability.

However, over the years the scope of BPR has been widened, making it an option for individuals looking to invest in companies in order to remove a potential IHT burden.

Companies that qualify for BPR

- Smaller companies that are not listed on the main London Stock Exchange
- Some companies listed on the Alternative Investment Market (AIM) or Plus stock exchanges
- Businesses considered to be ‘actively trading’

N.B Some businesses do not qualify for BPR, primarily those that deal in stocks and shares, land or buildings and some specific industries (including resources and mining companies and also not-for-profit organisations)

Risks

You must carefully consider all of the information contained in the The Alternative Investment Platform – Platform Guide to help determine whether an investment in the portfolios offered by Kuber constitutes a suitable investment for you in light of your personal circumstances, tax position and the financial resources available to you. The fund managers will be investing in unquoted, high risk companies, which are not suitable for all types of investor. You are therefore strongly recommended to seek independent financial and tax advice from a suitably qualified professional adviser before undertaking an investment through Kuber.

This section details the material risk factors that we believe could adversely impact an investment with Kuber or the availability of tax reliefs to you. It does not represent an exhaustive list of risks factors, nor have they been set out in any particular order of priority.

be transparent

Investment risks

- > There is generally no external market for the shares and it could be difficult or even impossible to realise the investment or obtain accurate performance information
- > The return on any EIS portfolio will depend greatly on the fund manager's performance. Past performance of any portfolio manager is no guide to future performance
- > EIS shares will not be listed on the London Stock Exchange. An investment in EIS should be regarded as a long term investment (a minimum three year period to retain the tax reliefs). Realisation of your investment will depend on the exit route offered by the managers
- > Investments in unquoted companies are high risk and EIS qualifying companies can fail
- > There is no guarantee that the market value of an EIS will fully reflect the underlying net asset value. Investors should be aware that the value of an investment in an EIS portfolio and the income (if any) derived from it may go down as well as up
- > The expected life of each EIS investment is three to five years or more; we can't guarantee the availability or suitability of a new investment at the end of this time
- > Any returns accrued by way of holding cash deposits will principally be affected by fluctuations in interest rates



Regulation and investor protection

An EIS “fund” or “portfolio” is a form of discretionary managed account. The Managers, Custodian and Nominee are authorised and regulated by the Financial Conduct Authority (“FCA”), and each investor in an EIS portfolio is treated as a direct client of each of the Portfolio Managers.

Kuber, as has been explained in outline in the preceding pages, is intended to afford participating investors the opportunity to select from several EIS portfolios which have been created and which are managed by different participating FCA authorised investment managers.

Cash invested through Kuber will be deposited with one or more major banks. Bank deposits in the UK are generally protected by the Financial Services Compensation Scheme (“FSCS”). There is a facility for investors to choose to have their cash held in an offshore deposit and in these circumstances, your deposits would be covered by the relevant local investor deposit arrangement. Details of these are available on request.

Further details as to the working of the FSCS and the making of claims can be found on the FSCS web site at www.fscs.org.uk

Any dispute with the Promoter, Portfolio Managers, Custodian or Nominee should be covered by the Financial Ombudsman Service.

For more information

Important Notice/Terms and Conditions

Please read the following information carefully as a professional adviser.

The information contained in this brochure is for discussion purposes only for professional advisers, their clients and high net worth individuals. It is not for Retail Clients.

EIS portfolios are not suitable for all investors as the underlying investments are often illiquid and therefore high risk. Advice should always be sought from a professional adviser prior to investing.

By proceeding through this brochure you are agreeing to the terms and conditions. For purposes of compliance with the UK Financial Services and Markets Act 2000 (FSMA), this material is communicated by Kuber Ventures; and the contents of this financial promotion have been approved for the purposes of section 21 of the FSMA by Sturgeon Ventures LLP which is authorised and regulated by the Financial Conduct Authority (FCA) and it has its trading office at Linstead House, 9 Disraeli Road, London SW15 2DR.

Kuber Ventures Limited's advisors are all regulated by the Financial Conduct Authority and can be found on www.fca.org.uk

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