

# The Deepbridge Life Sciences Enterprise Investment Scheme

Information Memorandum

**i**NNOVATIVE<sup>TM</sup>  
**INVESTING**

Funding advances  
in medical sciences

**EIS**

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## IMPORTANT NOTICE

This document is approved by Enterprise Investment Partners LLP (the Investment Manager, or 'Enterprise') for the purposes of section 21 the Financial Services and Markets Act 2000 relating to the communication of invitations or inducements to engage in investment activity. Deepbridge is an Appointed Representative of Enterprise Investment Partners LLP ("EIP" or the "Manager") which is authorised and regulated by the FCA. This document does not constitute a prospectus as defined by the Prospectus Regulations 2005 (the "Regulations").

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This Investment Memorandum is provided for the purpose of providing certain information about investment in the Deepbridge Life Sciences EIS (the "Fund" or the "Deepbridge Life Sciences EIS"). The Fund is managed by Enterprise Investment Partners LLP who is advised by Deepbridge Advisers Limited (the "Investment Adviser" or "Deepbridge"). The individuals who carry out the day-to-day responsibilities of the Investment Manager are employees or otherwise associated with Deepbridge Advisers Limited and seconded to the Manager.

Investment in the Deepbridge Life Sciences EIS is offered solely on the basis of the information contained in this Investment Memorandum. No person has been authorised to give any information or make any representations other than those contained in this Investment Memorandum, or in any written brochure, notice or report which accompanies this Investment Memorandum, in connection with the offer in the Deepbridge Life Sciences EIS. Neither the Investment Adviser nor the Manager or any of its respective directors, officers, employees, and agents accept any liability for any direct, indirect or consequential loss or damage suffered by any person as a result of relying on any information or opinions contained herein or in any other communication in connection with an investment in the Fund except where such liability arises under FSMA, regulations made under FSMA or the FCA Rules and which may not be excluded.

The Investment Adviser believes that the factual content hereof is accurate and that statements of opinion herein are reasonably held. Subject to the Investment Adviser's overriding duty under the FCA Rules to ensure that the content of the Information Memorandum is presented in a manner which is fair, clear and not misleading with respect to the persons to whom the Fund is promoted by it, the Investment Adviser and Manager accept no responsibility to any recipient of this Information Memorandum for inaccuracies in factual representation or for any consequences to such persons of placing reliance upon statements of the Investment Adviser's or Manager's opinion except to the extent required by law. Additionally, some material included in this document is derived from public or third party sources, and each of the Investment Adviser and the Manager disclaims all liability for any errors or misrepresentations which any such inclusions may contain. This Information Memorandum contains certain information

that constitutes "forward-looking statements" which can be recognised by use of terminology such as "may", "will", "should", "anticipate", "estimate", "intend", "continue", or "believe" or their respective negatives or other comparable terminology. Forward-looking statements are provided for illustrative purposes only. Due to various risks and uncertainties, actual events, results or performance may differ materially from those reflected or contemplated in such forward-looking statements.

In making an investment decision, investors must rely on their own independent assessment of the Fund and the terms of the offering contemplated hereby. There are significant risks associated with an investment in the Deepbridge Life Sciences EIS. The investments of the Deepbridge Life Sciences EIS in non-quoted equity will be long-term, of an illiquid nature and investors must be prepared to tie up their money for at least 5 years. The information contained in this Investment Memorandum is current at the date of publication. It is the responsibility of prospective investors relying on this Investment Memorandum to ensure that the information contained herein is up to date and that there have been no revisions, updates or corrections.

This Information Memorandum should not be considered as a recommendation by the Manager, the Investment Adviser or its subsidiaries or affiliates (or their respective directors, shareholders, partners, officers, affiliates, employees, agents or advisers) to invest and each potential investor must make his/her own independent assessment of the merits or otherwise of investing in the Deepbridge Life Sciences EIS and should take his/her own professional advice. Neither the issue of the Information Memorandum nor any part of its contents is to be taken as any form of commitment on the part of the Manager, or the Investment Adviser or any of its subsidiaries or affiliates to proceed with an investment envisaged by the issue of the Information Memorandum and the Manager and Investment Adviser reserve the right to terminate the procedure and to terminate any discussions and negotiations with any prospective investor at any time and without giving any reason. In no circumstances will the Manager, or the Investment Adviser or its subsidiaries or affiliates be responsible for any costs or expenses incurred in connection with any appraisal or investigation of the Deepbridge Life Sciences EIS or for any other costs or expenses incurred by prospective Investors in connection with such investment. Neither the Manager nor the Advisor are liable for information published in other public sources.

The information contained in this/her Information Memorandum makes reference to the current laws of the United Kingdom concerning Deepbridge EIS Relief and associated tax benefits as at the date of the Information Memorandum. The levels and bases of relief may be subject to change. The tax reliefs referred to herein are those currently available and are of summary nature only. The application and value of such tax reliefs depends upon individual circumstances of each Investor. Accordingly the tax reliefs may or may not apply to any specific individual depending on their circumstances, and may change or be withdrawn by the government or the taxation authorities. If you are in any doubt as to your position, you are strongly advised to consult your professional advisor before making an investment.

For further information on the Deepbridge Life Sciences EIS, please contact the Investor Relations team on 01244 746000 or at [info@deepbridgecapital.com](mailto:info@deepbridgecapital.com).

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**The global  
life sciences  
industry** is one  
of the leading  
sources of  
innovation  
available today.

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# A.

## Welcome



### Dear Investor

We live in unprecedented times, with digitalisation and decoding of the human genome, combined with sufficient computational power, providing a fertile backdrop for medical innovation to solve the biggest health problems facing the world in this century. The global healthcare spend in 2010 was \$6.5trn with increasing population trends, ageing populations in developed nations, improving economic wealth and education levels of emerging markets driving future growth.

Here in the UK, 30% of the population suffers from a chronic condition and the World Health Organisation estimates some \$3.4bn is lost annually from the overall economy as a result of deaths from chronic conditions. The management of chronic disease has been estimated to account for 70-75% of all UK healthcare costs.

With rising costs, overburdened national health systems are looking to improve efficiencies. The growing gap in the supply and demand imbalance necessitates the adoption of new models of healthcare and healthcare IT will play an increasing role in this rapid evolution. It is often SMEs that carry the burden of innovation. They remain a significant link with academia and are more agile to take risks which result in more efficient innovation. Yet, many of these early stage companies face a funding gap with the 'Series A crunch' responsible for the destruction of significant amounts of value. Even the businesses that succeed with Series A funding, the process is

often long winded and takes key personnel out of the business for considerable amounts of time. It is our opinion that this funding gap has revealed a compelling opportunity for investors to secure attractive entry terms into such businesses. Often with these businesses, successful 'proof of concept' results in significant valuation uplift that far outweighs risks associated with the economic cycle, which is a feature of investing in more traditional industries.

We therefore believe now is an advantageous time to invest in emerging medical technology opportunities via the Enterprise Investment Scheme (EIS). Whilst the tax incentives are compelling, investors should also seek to engage an investment team that can not only identify attractive pre-commercialisation investment opportunities, but also actively mentor and assist these opportunities to accelerate their journey towards full commercialisation and in doing so unlock significant shareholder value.

As Head of Life Sciences at Deepbridge, I believe our Enterprise Investment Scheme offers investors the unrivalled expertise of the Deepbridge team and supervisory board, coupled with an opportunity to take advantage of the generous tax incentives offered through the current tax legislation. The opportunity to invest in a range of identified companies through the Deepbridge Life Sciences EIS is both timely and compelling.

Yours faithfully,

### Dr Savvas Neophytou

Partner, Head of Life Sciences

# B.

## Executive summary

### 1. The opportunity

The Deepbridge Life Sciences EIS represents an opportunity for private investors to participate in a selected portfolio of healthcare innovation, whilst taking advantage of the tax benefits available under the Enterprise Investment Scheme. The investment strategy of the Deepbridge Life Sciences EIS is to invest in a diversified portfolio of up to ten investee companies that participate in one of the following:

- Biopharmaceuticals
- Biotechnology
- Medical Technology.

The Deepbridge Life Sciences EIS is not an Unregulated Collective Investment Scheme.

#### Key benefits:

- An engaged hands-on approach from an experienced investment management team
- Free of manager fees to the Investor, up to 100% allocation of investor funds
- All EIS tax advantages applicable
- Target return of 22.4% p.a. over a minimum of 4 years
- Performance fee aligned to the investors interests, applied after return of 120p for every 100p invested.

#### The 100% Rule

The Deepbridge Life Sciences EIS is a manager fee-free EIS opportunity at the point of investment. Investors are therefore not charged any manager fees at the point of investment, if subscriptions are received via a financial adviser. Upfront and ongoing manager fees are paid by the Investee Companies: this structure allows investors to enjoy up to 100% of EIS tax benefits and have up to 100% of their investment actually put to work at the Investee Companies. In adherence to the Retail Distribution Review, an investor's financial advisory fees can be met by either a deduction from their subscription or by direct billing arrangement with their financial advisor.

#### The target return

The investment objective of the Deepbridge Life Sciences EIS is to generate tax-efficient mid-case capital growth of 170p for every 100p invested, over a minimum 4 year period.

Exit events will be sought at the earliest opportunity after the third anniversary of the investment made.

#### Who is the Deepbridge Life Sciences EIS targeting?

The Deepbridge Life Sciences EIS is targeting UK taxpaying individuals:

- Seeking an attractive, medium term investment opportunity
- With income tax liability in the current or prior tax years
- With large capital gains to defer
- Who will benefit from IHT relief

The minimum individual investment in the Deepbridge Life Sciences EIS is £10,000. Investors should note that their investment comprises of shares in small unquoted companies (often with high risk) and that they are unlikely to have access to their capital for at least 3-4 years from the date of application. Please refer to the risk section for further information.



**The Deepbridge Life Sciences EIS represents a compelling opportunity for private investors to participate in a selected portfolio of healthcare innovation,** whilst taking advantage of the potential tax benefits available under the Enterprise Investment Scheme.

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# About the Deepbridge Life Sciences EIS

## 1. The investment opportunity

Participation in the Deepbridge Life Sciences EIS represents an opportunity to access the investment expertise of a knowledgeable team in possession of over 200 years of cumulative experience of successfully mentoring entrepreneurs and building successful businesses.

A discretionary managed portfolio service for retail and elective professional investors, the goal of the Deepbridge Life Sciences EIS is to create tax-efficient capital growth for Investors over a 3-4 year period. This will be delivered by the commercialisation and market realisation of emerging medical technology companies, whilst aiming to reduce investment risk by employing an engaged 'hands-on' approach to investment management delivered by a highly experienced team.

## 2. Offer terms

<b>Structure</b>	Discretionary managed portfolio service
<b>Maximum raise</b>	Uncapped
<b>Deployment threshold</b>	£1,000,000
<b>Minimum subscription:</b>	£10,000 per investor
<b>Target return</b>	170p per share, an equivalent return of c.22.4% per annum (not guaranteed)
<b>Fees and charges</b>	100% manager fee-free at point of investment <sup>1</sup>
<b>Focused investment strategy</b>	<p>The Deepbridge Life Sciences EIS seeks to offer investors a diversified exposure to selected ten investee companies each of which is engaged in (but not restricted to):</p> <ul style="list-style-type: none"> <li>• Medical devices</li> <li>• Diagnostic technologies</li> <li>• Sensor and monitoring equipment</li> <li>• Biotechnology</li> <li>• Healthcare medical equipment</li> <li>• Healthcare information technology.</li> </ul>

<sup>1</sup>Please refer to the section Fees and Charges in this Information Memorandum

### 3. About the investment team

Deepbridge Advisers Limited (“Deepbridge”) is an investment and corporate advisory business that brings together a team of highly experienced business professionals, with proven operational, financial and management credentials.

The Deepbridge Investment Team possesses a depth of knowledge and expertise across a range of investment opportunities, including medical technologies, biotechnologies, renewable energy, disruptive growth technologies, and specialist software sectors.

The Deepbridge Investment Team has identified a critical and growing gap in the funding needs of entrepreneurial growth companies and has developed an investment methodology that seeks to bridge this gap and exploit the large return on capital that investment in such companies can offer.

The Deepbridge Investment Team has a proven track record of working with emerging companies to create value for shareholders through a hands-on investment methodology.

Enterprise Investment Partners LLP (“EIP”), regulated and authorised by the Financial Conduct Authority (FCA), is the Manager of the Deepbridge Life Sciences EIS and the team of Deepbridge acts as Investment Adviser to the Manager. In order to promote the Deepbridge EIS, Deepbridge is an Appointed Representative of EIP.

EIP is a private, independent investment management and corporate finance advisory firm. The senior team is comprised of highly specialised, senior professionals with expertise in investment banking, principal investments, private equity and private and public debt. The Manager’s team includes senior members who have the necessary approvals from the FCA and will make the investment management decisions based on the advice from the Investment Adviser.





## The EIS tax advantages available

Investors can, depending on their individual circumstances, enjoy some or all of the tax benefits available under the Enterprise Investment Scheme. The following is a general summary of the main current tax advantages that may be available to an Investor under the Enterprise Investment Scheme in respect of an investment made in an Investee Company during the tax year.

- 30% upfront **INCOME TAX** relief up to a maximum investment of £1,000,000 per tax year (6 April to 5 April) per individual.
- **CAPITAL GAINS TAX** deferral of unlimited gains on the sale of any assets if an EIS investment made within one year before or three years after the date of the disposal of the assets which give rise to a gain.
- No **CAPITAL GAINS TAX** on the disposal of shares which have been held for at least three years in EIS Qualifying Companies.
- 100% **INHERITANCE TAX** exemption after EIS qualifying investment has been held for at least two years.
- **LOSS RELIEF** providing total tax relief of up to 61.5% for a 45% tax payer.

The above tax advantages can only be claimed at the time when the investment is made, rather than when an investor makes an initial subscription to the Deepbridge Life Sciences EIS. However, as investment monies will be deployed immediately, claims will be affected at the earliest opportunity. There is no limit to the amount of gains that can be deferred for CGT purposes. Please note that the terms of Enterprise Investment Scheme may change and the benefits available today may not be available in the future.

The above does not constitute tax advice to any person: it is recommended that any investor who has any doubt as to the suitability of the Deepbridge EIS and its tax consequences should seek personal advice from a qualified professional adviser.

**Please note:** The returns of the Deepbridge Life Sciences EIS are substantially enhanced with EIS tax reliefs, subject to the personal circumstances of each investor. This summary is based upon current UK tax law and practice and is intended as a guide only. Prospective Investors should consult their own professional advisers on the implications of investing in the Ordinary Shares. The summary below does not set out all the rules which must be met during the Deepbridge EIS Three Year Period by the Investee Company and the Investor. The tax treatment depends on the individual circumstance of each Investor and may be subject to change in future. The examples in this section are set out for illustrative purposes only. They are not, and should not be construed as, forecasts or projections of the likely performance of the Fund.

## 1. How can you, the investor, benefit?

Investor proceeds before EIS reliefs	Annualised rate of return before EIS reliefs	Investor proceeds including EIS reliefs	Annualised rate of return including EIS reliefs
£1.00	0.0%	£1.30	15.1%
£1.10	2.4%	£1.40	17.1%
£1.20	4.7%	£1.50	19.0%
£1.30	6.8%	£1.60	20.8%
£1.40	8.8%	£1.70	22.4%
£1.50	10.7%	£1.80	24.1%

Note: Assuming a four year investment period. The above figures are indicative only and not guaranteed.

For a higher-rate taxpayer, an investment of £50,000 will attract an initial 30% income tax relief and capital loss relief (45% of 70p invested) which in total will mean your capital risk could be 38.5p for every £1 invested. Capital gains from EIS investment are free of tax.

Therefore, downside protection is up to 61.5p for every 100p invested.

All tax reliefs are dependent on an individual's personal circumstances which may impact the overall downside protection. Investors should seek professional tax advice should they have any queries.



# The Deepbridge advantage

## 1. The Investment criteria

Deepbridge employs strict investment criteria in preparing and reviewing the investment opportunities it sources from its wide dealflow network. Generally, Deepbridge seeks investment opportunities that exhibit the following qualities:

- A focus on life sciences and medical device technology;
- Significant market potential with clear need and market growth;
- Provide a solution to a recognised clinical or healthcare need;
- Innovation-driven products that have the potential to create new market segments or displace current technologies;
- Medical technology businesses with a clear and realistic path to commercialisation;
- Robust intellectual property which may provide patented or patentable IP protection;
- Passionate, energetic, experienced and aligned founding team; and
- Clear exit strategy to be implemented within 4-5 years with alignment of interests with our stakeholders.

Deepbridge will take an active executive role on the Board of the investee companies to utilise the strengths and commercial experience that the Deepbridge team possess in order to accelerate the growth of the investee company.

## 2. Conflicts of interest

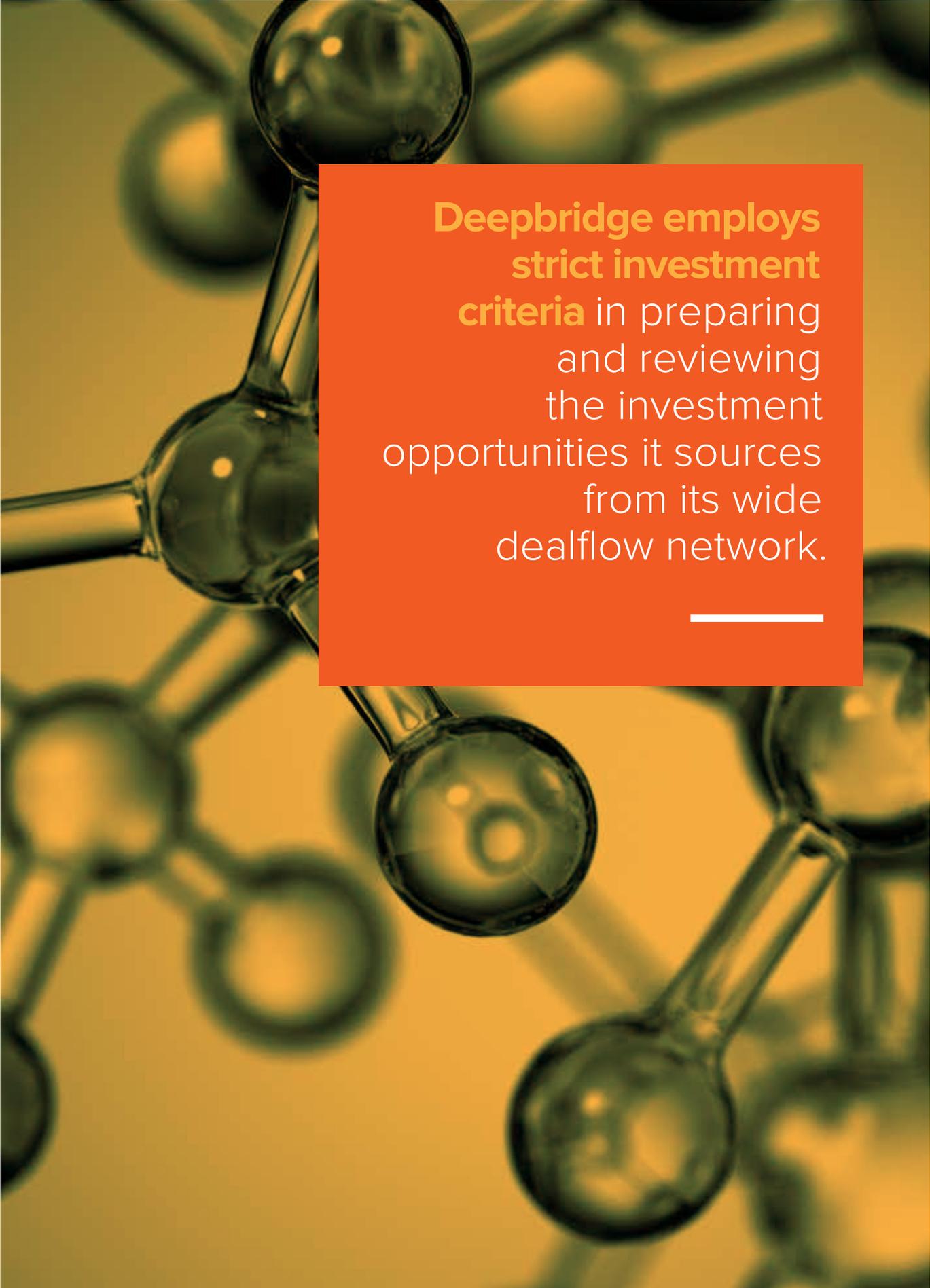
Deepbridge also offers the Deepbridge Technology Growth EIS, the Deepbridge Life Sciences SEIS, the Deepbridge Sci-Tech Daresbury SEIS, and the Deepbridge IHT Service, and intends to launch further offerings in the future. Although the target investments for the Deepbridge Life Sciences EIS have been identified and Deepbridge is not currently advising any other person or entity in relation to an investment in any of these target investments, it is possible that in the future Deepbridge may have other clients for whom these target investments may be considered suitable investments either in a follow-on funding round or in relation to an exit or even for subsequent investors in this EIS (and Investors should be aware that the Deepbridge EIS is made up of a number of different Investors' portfolios and is not aggregated so Investors coming into the

Deepbridge

EIS at different times may have different investments and/or investments in the same company but acquired at a different time/price). In those circumstances Deepbridge may have to manage a conflict of interest. Therefore, an entity managed by Deepbridge may be investing in circumstances where the Deepbridge Life Sciences EIS is unable to participate in the investment round or where not all Investors in the Deepbridge Life Sciences EIS are able to invest.

In circumstances where Deepbridge is not comfortable such conflict of interest can be adequately managed and resolved internally, Deepbridge may write to any affected Investors setting out the proposal and giving them not less than 14 days to confirm their agreement or otherwise. Deepbridge shall in good faith identify any different interest groups and the proposal shall be deemed to be approved if not less than 75% by portfolio value and 50% by number of Investors in each identified interest group approve the proposal. Provided a clear statement to that effect is included in the correspondence, Deepbridge shall be entitled to assume that any Investor not replying within the 14 day period has consented to the proposal.

In addition, the key individuals at Deepbridge may have relationships with the target investments. It is proposed that any such conflicts arising be dealt with by way of the conflicted member of the management team abstaining from any vote on whether to make the investment and, if considered appropriate by the other members of the management team, withdrawing from any negotiations and discussions on behalf of Deepbridge in relation to the relevant investment.



**Deepbridge employs strict investment criteria** in preparing and reviewing the investment opportunities it sources from its wide dealflow network.

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# Operation of the Deepbridge EIS

## 1. How the Deepbridge EIS works

The maximum size of the Deepbridge Life Sciences EIS is uncapped, and Deepbridge will focus on the quality of investment opportunities as well as the spread of investments across the portfolio commensurate to the overall portfolio value. EIS tax reliefs are applicable on a company by company basis (as opposed to aggregated over the entire portfolio).

Each investor will enter into a discretionary managed portfolio arrangement which constitutes the Service with the Manager by means of the Terms and Conditions of Investment (please see Section). The Manager will be responsible for discretionary decisions in relation to the selection of, and the exercise of rights in relation to, investments in Investee Companies, but the Investor will retain beneficial ownership of the Qualifying Shares. An investor cannot require the Manager to dispose of his or her interest in an Investee Company prior to disposal of the Service's overall Investment in that company. The Manager may, at its absolute discretion, however, have regard to any requests made to it by an investor to liquidate any individual shareholdings in the Investee Companies (but such termination may result in a loss of EIS Reliefs and crystallisation of any deferred capital gain).

The Manager, with guidance from the Investment Adviser, seeks to invest each Subscription across the portfolio of Investee Companies. As mentioned above, these investments may comprise both new opportunities and follow-on funding rounds for existing Investee Companies. In doing so, Investors are expected to benefit from diversification across the sectors, and participate in existing portfolio companies as well as new entrant companies to the Deepbridge EIS portfolio.

Capital is returned to investors as realisations are made and will therefore not be re-invested by the Manager unless a specific instruction is received from the Investor. EIS relief is obtained on a company-specific deal-by-deal basis. Deepbridge will send each investor an EIS3 certificate after each investment is made (this is obtained by the Investee Company from HMRC). The EIS3 certificate is then filed with the investor's tax return in order to obtain the Deepbridge EIS tax reliefs.

## 2. A diversified approach

The Deepbridge EIS will target companies that are post-proof of concept and in the early stages of their commercialisation, which possess a particular innovation or product development that has a significant high growth opportunity either in new or established healthcare markets. These companies can typically accelerate rapidly, generating better than average results within a medium-term time frame.

The aim of the portfolio diversification is to maximise the likelihood of overall returns to investors by mitigating technology-specific investment risk. Furthermore, the time-horizon of each Investee Company is expected to differ, with some expected to realise investor returns sooner than others.

The scarcity of available capital for small and medium-sized enterprises, together with the Supervisory Investment Committee members' expertise in the relevant sectors, is expected to enable both the Investment Adviser and the Manager to negotiate highly attractive entry terms with Investee Companies thus creating greater upside potential for investors.

## 3. Governance and oversight

Confidence in the Deepbridge team's credibility and competence is a critical factor in ensuring high levels of service to the Investor. The activities of Deepbridge will be overseen by the Supervisory Investment Committee, to ensure high standards of governance and service are adhered to, in the interests of the Investors.

Specifically, Deepbridge will be responsible for:

- Sourcing investment propositions
- Researching investment proposals and carrying out due diligence
- Preparing investment recommendations to the Investment Supervisory Board
- Negotiating the terms of investment
- Monitoring the performance of Investee Companies and reporting to the Investment Committee
- Monitoring the Deepbridge EIS status of Investee Companies

- Reporting to the Investors of the Deepbridge EIS
- Recommending investment opportunities to the Investment Committee.

The primary roles of the Supervisory Investment Committee include:

- Assessment of each investment or sale
- Appointing specialists such as investment, legal, accountancy and technical professionals
- Monitoring the diversification and allocation of investments held
- Monitoring the exit to Investors.

The Deepbridge EIS is likely to invest in highly technical innovation and the Supervisory Investment Committee will seek to invest in companies that have potential to generate revenue in the short term, and/or have a proven business model and are seeking additional development and growth capital.

As a priority, new technologies will be sought across all sectors with particular emphasis in the creation and exploitation of intellectual property.

## 4. Costs and fees

The goal of the Deepbridge Life Sciences EIS is to maximise the allocation of shares in each company the Investor invests in and in turn the Investor will receive full tax relief on the investment. To this end, fees will be charged to the Investee Company post the investment and not prior to investment.

### a) Facilitation of financial adviser remuneration

For intermediary sales, the Investor will ordinarily meet the costs of any payments due to their Financial Adviser, in accordance with the Retail Distribution Review.

For advised sales made via an FCA authorised financial adviser, Adviser remuneration can be met by an Adviser Facilitation Charge paid to that Adviser by Deepbridge, subject to a maximum 3% fee of the subscription amount, upon express permission received by the Investment Manager from the Investor. Please note that this Adviser Facilitation Charge will be deducted from the subscription, and therefore Deepbridge will deploy the net subscription after the Adviser Facilitation Charge is deducted.

For non-advised sales made via an FCA authorised financial adviser, where no advice is given, Adviser remuneration may be met by an Intermediary Facilitation Charge subject to a maximum 2% fee of the subscription amount, upon express permission received by the Investment Manager from the Investor. Please note that this Intermediary Facilitation Charge will be deducted from the subscription, and therefore Deepbridge will deploy the net subscription after the Intermediary Facilitation Charge is deducted.

### b) Corporate advisory and arrangement costs

The Investment Adviser will charge the Investee Companies a corporate advisory and arrangement fee of up to 5% of funds invested in that Investee Company. For direct investors (i.e. those that subscribe without a financial adviser involved), an additional charge of 2.5% including VAT will be deducted from your subscription to cover the Manager's costs associated with verifying the suitability and appropriateness of the Deepbridge EIS application. This fee will be deducted from the subscription and therefore 97.5% of the subscription will be invested in the underlying companies.

### c) Annual maintenance fee

An annual maintenance fee of 2% of the funds invested in an Investee Company will be paid to the Investment Adviser by each Investee Company on an annual basis. From this fee, the Investment Adviser will pay certain operating costs of the Investee Company including the ongoing monitoring of each Investee Company.

### d) Dealing and custody fees

The Investment Adviser will charge each Investee Company a dealing fee of 0.65% on the sale and purchase of shares, and a Custody Administration fee of 0.50% p.a. for the provision of custody services.

### e) Performance incentive fee

The Manager will receive an incentive fee of 20% of the amount of cumulative total cash returned to the Deepbridge EIS by the Investee Companies in excess of the amount of the funds invested in the Investee Companies. For clarification, once the Investor has received in cash the first 120 pence per 100 pence invested (ignoring any tax relief and representing a 20% hurdle on funds invested), any additional distributable cash will be paid as to 80% to the Investor and 20% to the Manager. This is intended to align the interests of the Investment Manager with those of the Investors and the incentive fee will therefore only become payable if the total cash returned to Investors exceeds the amount of initial capital invested by 20% or more.

### f) Investor marketing and other fees

The Manager reserves the right to levy additional fees to the Investee Company to meet any costs relating to investor marketing, additional fundraising and administration, custody and dealing services provided.

### g) Shares, options and warrants

In certain instances, the Manager may also seek to take shares, options or warrants in the Investee Companies either in lieu of any of the above charges or fees in addition and in line with standard industry practice.

All fees, costs and expenses levied on the investee companies are stated excluding any VAT which will also be charged where applicable.

## 5. The investment process

The Manager is responsible for the deployment of investments, and in doing so the Investor assigns the collective power to enable the structure of any Investment to be negotiated to the ultimate benefit of the Investor. The combination of Investments by the Deepbridge EIS provides Deepbridge with strength when negotiating the terms of shareholders agreements and minority shareholder rights in Investee Companies on behalf of each individual Investor.

Investee Company oversight is delivered by the active participation of a Deepbridge representative in a Board position at each Investee Company, providing deep insight into the management and progress of the Investment made.

## 6. Monitoring investee companies

Growing companies require expert guidance and mentoring as well as adequate funding to stay focused on their strategies exploit new opportunities and prepare for the next stage of development or exit. Investments will only be made in companies where Deepbridge either engages or has vetted experienced professionals to work with the management team. Deepbridge will take board positions in all investee companies and takes an “active role” to guide, mentor and counsel the management team.

The Deepbridge EIS will only be invested in Investee Companies which propose to follow a conservative business model that is in line with the investment strategy of the Deepbridge EIS. In doing so, Deepbridge intends to appoint one or more of officers from Deepbridge to the board of each of the Investee Companies, once the decision to invest in each such company has been made. Any decisions or actions required in relation to the investor’s rights and interests in the Investee Companies will be taken by the Manager, acting in its sole discretion. Deepbridge will provide monitoring services to each Investee Company, including appointing a director to the board to assist the Investee Company in delivering and monitoring adherence to, and compliance with, its business plan.

## 7. The exit strategy

Investee Companies will need to demonstrate a clear exit strategy in order to provide investors with their returns. Deepbridge considers that flexibility is key, therefore the Deepbridge team will assess any opportunity to capitalise on exit opportunities, notwithstanding the 3 year EIS period, if an early exit is in Investors’ best interests.

In any event, by the end of the initial three year period, if not before, the Investee Companies should have established revenue streams supported by a three year track record. As such, Deepbridge believes that either a sale of the Investee Companies, or a sale or refinancing of the assets owned by the Investee Companies, will enable funds to be returned to Investors.



**Investee Companies will need to demonstrate a clear exit strategy** in order to provide investors with their returns.

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## The market opportunity

Deepbridge believes it is vitally important to assess the suitability of Investee Companies in the context of their respective market environment. The three sectors in which the Deepbridge Life Sciences EIS is invested, and will invest, bear a common theme of increasing economic globalisation, population growth, and regional economic development.

### 1. Medical technologies and processes

Demand for Healthcare is a fundamental pillar of civilised societies. Some 17% of GDP in the world's biggest market in the U.S. is spent on healthcare, with Western Europe pegged on 10% whilst in emerging economies and the rest of the world demand is rising. Importantly, healthcare spending is broadly independent of the economic cycle. The rising wealth in emerging economies such as China, India and Brazil may open up new opportunities for medical and biopharmaceutical companies eager to secure new markets for emergent and established medical technologies. The Pharmaceutical market is expected to exceed \$1.7trn by 2025 whilst the medical technologies (including medical devices and patient monitoring equipment) market will exceed \$583bn. Healthcare IT should exceed \$202bn, Medical equipment and in-vitro diagnostics \$57bn, Biopharmaceuticals \$121bn, Vaccines \$48bn, and Cell & Gene therapy \$21bn.

The UK may only be the fifth largest country in Europe in terms of population size, but its well-established biopharmaceutical and medical technologies industry continues to make a significant input into worldwide research and development. As outlined in the Strategy for UK Life Sciences, published by the UK Government, the overall picture is of an industry developing well to capitalise on strong UK geographic bioscience clusters, the shift to more specialist service companies, and new models of R&D collaboration.

The UK is one of the best places in the world for life sciences, on a par with premier life science destinations such as Boston, San Francisco, San Diego and Singapore. The sector consists of over 5,700 companies employing over 231,000 with an annual turnover of around £61.8bn according to the Strength & Opportunities report issued in 2015. The UK also boasts 4 of the top 10 universities in the world, 19 of the top 100 universities, one of the world's 3 major financial centres, a stable of quality service providers, world class charitable supporters of the industry and a rich heritage of globally recognised medical research.

Given the adverse economic climate in recent years, the UK Government has made a significant number of regulatory changes in a concerted attempt to ensure that the UK retains its place as one of leading centres of biopharmaceutical and medical technology research and innovation. This represents a significant opportunity to the Investment team at Deepbridge, a sector in which the skillset of the Deepbridge team is particularly adept and is therefore eager to exploit.

A photograph of laboratory glassware, including test tubes and a beaker, containing a bright orange liquid. The background is a soft, out-of-focus green. An orange rectangular box is overlaid on the right side of the image, containing white text.

**The UK is one of the best places in the world for life sciences,** on a par with premier life science destinations such as Boston, San Francisco, San Diego and Singapore.

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## Summary of possible investment outcomes

Please find below an overview synopsis of five possible outcomes for the Deepbridge Life Sciences EIS over a four year period (excluding any potential benefits from IHT Relief or CGT Deferral relief):

Assumed performance	-30%	-15%	0%	15%	30%
Cost on investment	£100,000	£100,000	£100,000	£100,000	£100,000
Less Income tax relief at 30%	-30,000	-30,000	-30,000	-30,000	-30,000
Net of tax	70,000	70,000	70,000	70,000	70,000
Exit proceeds (after 4 year)	70,000	70,000	70,000	70,000	70,000
Tax-free profit	0	15,000	30,000	45,000	60,000
Net tax-free return p.a.	0.0%	4.5%	8.4%	12.0%	15.1%
Gross equivalent return p.a. (for a 40% tax payer)	0.0%	7.2%	13.4%	19.2%	24.2%

### Important information:

- Based on exit events in year 4 post-investment
- Illustrative returns are based on a linear average over the expected holding period
- The above returns are only indicative and are not guaranteed
- The Gross equivalent return is calculated by dividing the Net tax-free return by 0.6 for a 40% tax payer.

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## The Executive Management Team

With over 200 years combined experience, the Executive Management team has ultimate responsibility for the management of Deepbridge. The Partners will identify, appoint and co-ordinate any necessary employees, contractors and advisers, taking the key commercial and legal decisions and resolving issues to ensure that the strategic expansion is executed efficiently and seamlessly.



### **Ian Warwick** Managing Partner

Ian is a successful entrepreneur and CEO with a complete set of business skills earned over more than 20 years working with and for private and public companies. He spent the last 10 years leading publicly listed (OTCBB) technology businesses in the UK and USA, focusing on business structure, capital investment, transformation and growth. Immediately prior to establishing Deepbridge Advisers Limited and Deepbridge Capital LLP, Ian spent 5 years as Chairman and CEO of Aftersoft Group Inc. (now MAM Software Group Inc. OTCBB: MAMS), supplying Enterprise Resources Planning software solutions to the automotive aftermarket in the US, Canada and the UK. Ian successfully led the turnaround, re-capitalization and listing of the business (OTCBB: MAMS), returning it to profit. He currently holds personal investments in a number of technology companies whose new products are in the proof of concept stage. He holds a Business Education Diploma from the University of Newcastle, and a Licentiatehip (LCGI) (NVQ Level 4) from the Royal Navy.



### **Dr Savvas Neophytou** Head of Life Sciences

Savvas is the Head of Life Sciences at Deepbridge. Prior to joining Deepbridge, Savvas enjoyed a 15 year career in the City, working as an investment banker at JP Morgan, Bear Stearns, Shore Capital, Cantor Fitzgerald, and Panmure Gordon. Savvas was also CEO of telemedicine business Now Healthcare Group. As a highly acclaimed analyst, Savvas has won multiple awards, most recently in 2015 when Savvas was ranked 2nd overall in the prestigious Reuters Starmine survey, a position he also held in 2014. In the same year, Savvas was also runner-up in the CityAM Analyst of the Year awards. Savvas holds a PhD in psychopharmacology from Nottingham University and a BSc (Hons) degree in pharmacology from Manchester University.



**Kieran O’Gorman**  
**Technical Partner**

Kieran has acquired a wealth of experience in financial services, including institutional fund management within the Lloyd’s of London insurance community, HNW private client stockbroking at Popes Stockbrokers (now Brewin Dolphin), as well as roles in institutional client relationship management and fund structuring within the alternative assets space. With an in-depth knowledge of the private capital markets, Kieran’s role involves identifying new sources of investment capital, ensuring consistent high standards of investor communication, as well as co-ordinating fund-raising efforts on behalf of the Deepbridge team, particularly with respect to the IHT Service and the managed EIS portfolio service. Kieran has been a Fellow of the Chartered Institute of Securities and Investments since 2001.



**Gareth Groome**  
**Chief Finance Officer**

As Chief Finance Officer, Gareth manages and oversees the financial and investment accounting function for the Deepbridge propositions. A full member of the Institute of Chartered Accountants in England and Wales, coupled with a solid commercial background as a Chartered Accountant and Chief Finance Officer, Gareth has a proven depth of understanding of the efficient management of complex fund and investment structures, including the production of NAV and asset performance data. His wide breadth of experience includes directorships in a number of financial services companies, as well as regulatory, legislative and risk management expertise. Prior to his recent role as CFO at a major alternative asset manager, with over £900m funds under management, Gareth was employed at Saffery Champness Chartered Accountants in Cheshire.

# The Deepbridge Supervisory Investment Committee

Comprehensive in-depth due diligence skills are deployed by the Supervisory Investment Committee members for each potential investee company. The core discipline of the Committee is advisory corporate finance, a significant part of which is to review every aspect of an Investee Company and to set the investment and operational strategy as appropriate. The Committee members and their affiliates have specific technological, operational and financial management experience in technology companies from early stage to exit and therefore can conduct due diligence on each investment to a high level of granularity and detail.

The Supervisory Investment Committee may deploy sound quality advice from tax professionals teamed with its own management, who understand the need to monitor the Investee Company's growth, This is intended to considerably reduce the risk of inadvertent breach of EIS status, unless otherwise advantageous to Investors. In summary, the Supervisory Investment Committee provides independent oversight on all matters relating to the investments made by the Deepbridge team, thus ensuring compliance as to its duties in the execution of the investment mandate of the products and services it manages on behalf of investors. The Committee comprises the independent members plus Deepbridge's Technical Partner, representing the executive management of Deepbridge.



## **Professor Chris Wood** **Senior Medical Adviser**

Chris has over 20 years of experience in the biotechnology sector, having founded, managed and successfully exited two biotechnology companies, Bioenvision Inc. (NASDAQ:BIV, which grew to a market capitalisation of \$345 million, and was acquired by Genzyme Corporation in October 2007), and Medirace Limited (later Medeva PLC, traded on both the London Stock Exchange and the New York Stock Exchange, and subsequently acquired by Celltech Group PLC, now UCB, for £554 million). Chris is currently involved in several biotech projects with outstanding prospects for growth. He is an Honorary Professor at Imperial College London, holds an M.D. from the University of Wales School of Medicine, and is a Fellow of the Royal College of Surgeons of Edinburgh.



## **Professor Nagy Habib** **Supervisory Investment Committee Member**

Nagy Habib is Professor of Hepatobiliary Surgery, at the Department of Cancer Surgery, at Imperial College London. With principal research activities focusing on the improvement of surgical technologies, Nagy has also been instrumental in the development of remediation and/or cure of diseases of the liver as either a complement or replacement to surgery with particular focus on gene therapy, the use of stem cells and immunotherapy. Nagy has also pioneered novel clinical trials for the treatment of liver cancer. Nagy has extensively published on a wide range of related topics, and is the inventor of, and co-author of the first publication about the use for, radiofrequency in devices used in liver surgery. Awarded by the Advisory Committee for Clinical Excellence, which is given in recognition of exceptional contributions from NHS consultants, Nagy has been named as one of Britain's top surgeons by the Saturday Times Magazine in 2011.



**Professor Raj Chopra**  
**Supervisory Investment Committee Member**

Professor Raj Chopra is Director of the Cancer Research UK Cancer Therapeutics Unit and Head of the Division of Cancer Therapeutics. He is currently a member of the Cancer Research UK Drug Discovery Committee and of the Scientific Board of the California Institute of Regenerative Medicine (CIRM). Raj received his M.D. at the University College and Middlesex School of Medicine, London and his Ph.D. from the University of London. Raj was previously part of the leadership team for the largest Oncology group in AstraZeneca, and established Translational Medicine for AstraZeneca in Boston, Massachusetts, US. He was also a leader within the Executive R&D Team and Corporate Vice President of Translational and Early Drug Development at Celgene Corporation. In addition, he has been a Non-Executive Director for e-Therapeutics (Oxford, UK) and has been on the Board of Agios (Boston, Massachusetts, US).



**Dr Geoff Davison**  
**Supervisory Investment Committee Member**

Geoff is the Chief Executive of Bionow, the life sciences membership organisation for the North of England. Having founded the business in 2011, Bionow has 15 University members and 300 industry members across the North of England and North Wales. Geoff is regularly invited to advise and comment on industry requirements and represent the Bionow membership both regionally and nationally. Previously, Geoff founded 2 biotech companies, Biorite Ltd and Advanced Biomedical Ltd, both spin-out companies from the University of Manchester focused on developing point of care diagnostic technologies. Geoff has a degree in Biochemistry and a PhD from the School of Pharmacy, University of Manchester. Geoff is also a Board Member and Treasurer of the Academy of Pharmaceutical Sciences, a member of the Liverpool LEP Health and Life Sciences Advisory Board, member of Health Innovation Manchester Exec group and member of Northeast LEP Health and Life Sciences Advisory Board.



**Dr Gary O'Hare**  
**Supervisory Investment Committee Member**

Gary graduated from Trinity College, Dublin with MB BCH BAO, in 1997. Subsequently he undertook training in various medical specialities prior to being awarded AFRC SI from Royal College of Surgeons, Ireland in 2001. Subsequently he undertook general practice training in the Mersey Deanery and was awarded Merit in the MRCPG examinations 2006. Further he studied at Manchester University to obtain Certificate of Occupational Health. Gary has been a GP Principal and Partner in an 8000 patient practice in Cheshire. This experience gives him an understanding of front-line medical services and a distinct insight into the needs of patients and clinicians. Gary is also clinical lead for Primary Care, a Governing Body member at Halton CCG and has been selected to study on the Nye Bevan program at the NHS leadership Academy.



### **Lloyd Price**

#### **Supervisory Investment Committee Member**

Lloyd co-founded, launched and scaled Zesty from an idea in July 2012 into one of the UK's leading Digital Health companies, winning multiple awards and raising in excess of \$10M in funding.

Zesty was selected as "1 of the UK's 30 Finest Early Stage Technology Businesses" by TechCityUK for the Upscale program in 2015 and subsequently Lloyd was voted "1 of the 100 most influential people in HealthTech globally" in 2016 by HotTopics magazine.

Prior to his 5 years in Healthcare, Lloyd had 15 years' experience building Digital Businesses within 6 Industries - Retail, Travel, Finance, Advertising, Dating and Social Networking. Lloyd studied Business Administration at Coventry University and Corporate Finance at London Business School.



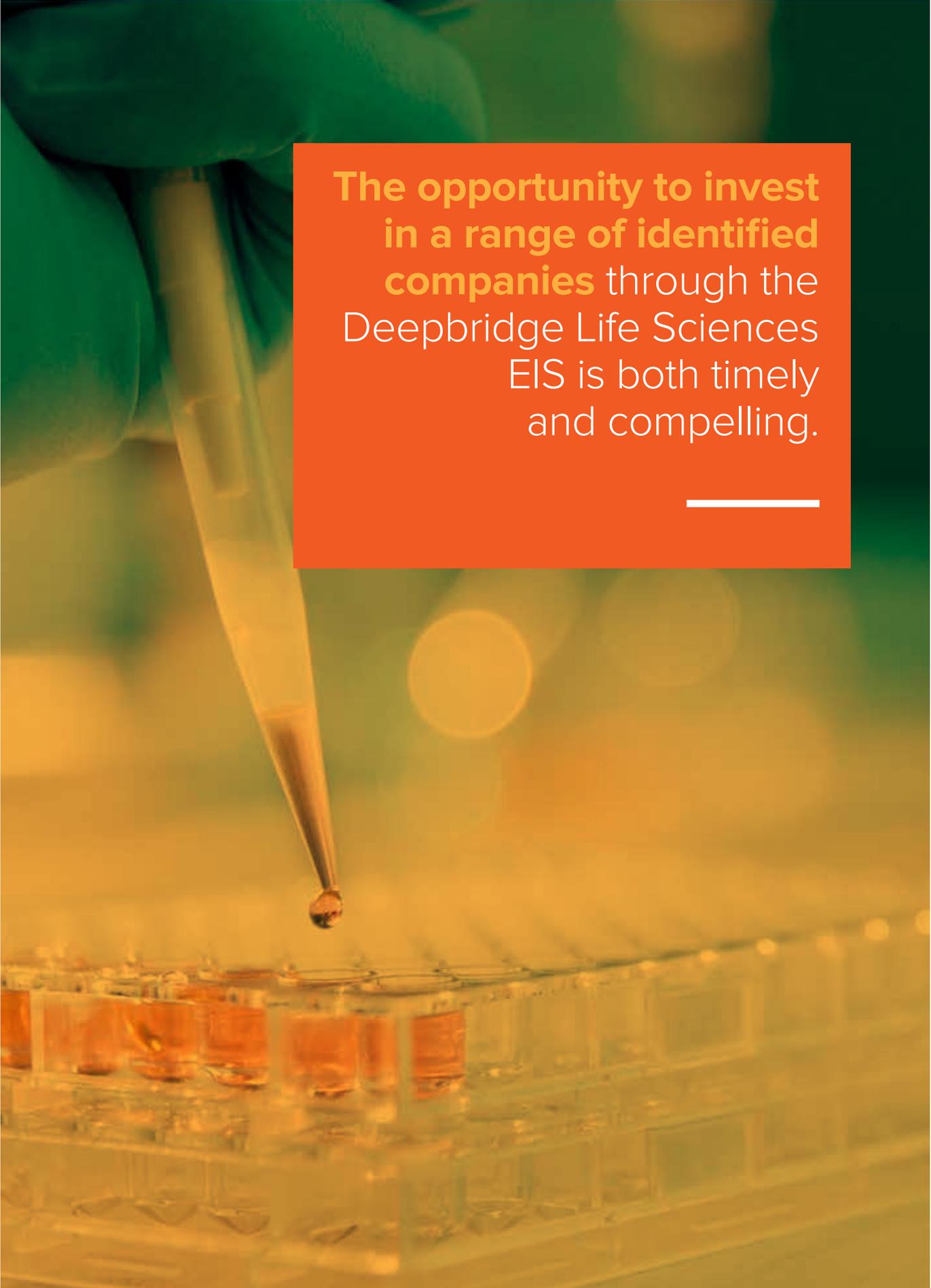
### **Miss Rebecca Roberts**

#### **Supervisory Investment Committee Member**

Rebecca is a paediatric surgeon at the Bristol Royal Hospital for Children. A member of the Royal College of Surgeons (England) and the British Association of Paediatric Surgeons, she has experience in surgical and medical settings in India, Tanzania, South Africa and Cambodia. Graduating from The University of Sheffield Medical School, Rebecca also holds a Masters' in Health Research from the University of Lancaster and the Diploma in Tropical Medicine & Hygiene from the London School of Hygiene & Tropical Medicine. She is an Advanced Paediatric Life Support Instructor and has presented her research at many national and international surgical conferences.

## **The Supervisory Investment Committee**

provides independent oversight on all matters relating to the investments made by the Deepbridge team.



**The opportunity to invest  
in a range of identified  
companies** through the  
Deepbridge Life Sciences  
EIS is both timely  
and compelling.

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# Administrative arrangements, costs and fees

## 1. Investor fees

The Deepbridge Life Sciences EIS is a manager fee-free EIS opportunity at the point of investment. Investors are therefore not charged any manager fees at the point of investment, if subscriptions are received via a financial adviser. Upfront and ongoing manager fees are paid by the Investee Companies: this structure allows investors to enjoy up to 100% of EIS tax benefits and to have up to 100% of their investment actually put to work at the Investee Companies. In adherence to the Retail Distribution Review, an investor's financial advisory fees can be met by either a deduction from their subscription or by direct billing arrangement with their financial advisor.

## 2. Governance and reporting

Investors into the Deepbridge EIS will receive regular reports, as well as semi-annual valuations of their holdings from the custodian/administrator appointed.

Investors will also be invited to engage with the Deepbridge Team on a real-time basis, and review the execution of the oversight function of the Supervisory Investment Committee.

## 3. Custody and administration

The function of the Custodian will be to perform (or procure the performance of) custodial and associated administrative services, which are conferred upon it by the terms of the Custodian Agreement. The Custodian will also ensure that the Nominee will perform the nominee service and that the Nominee will accept the appointment by the terms of the Nominee Agreement.

By completing the Application Form, prospective Investors will, inter alia, be deemed to have irrevocably agreed to the Manager having appointed the Custodian and Nominee on behalf of Investors, to exercise the powers, and to carry out duties, on behalf of the Investors in accordance with the provisions of the Custodian Agreement and Nominee Agreement, certain provisions of which are summarised below. Investors should note that the following does not summarise all the provisions of the Custodian Agreement and Nominee Agreement. Investors may request a copy of either agreement from the Manager.

EIS Shares will be issued in the name of the Nominee and will be treated as if they were subscribed for and issued to the Investors who will retain beneficial ownership over them. All documents of title will be held by the Nominee.

Under the terms of the Custodian Agreement with the Manager, the Custodian will hold funds arising from Investor Subscriptions in a designated bank account pending investment in the Deepbridge EIS deploy funds on the instructions of the Manager acting in accordance with the Investor Agreement appoint the Nominee to acquire the participation in the Deepbridge EIS and hold the corresponding shares and share certificates in its name, and act on the instructions of the Investment Adviser to realise investments for Investors.

Among other, the Custodian will be authorised to do the following:

- buy, sell, retain, convert, exchange or otherwise deal in the Investor's EIS Shares upon the instructions of the Manager;
- exercise voting and other shareholder rights in relation to the Investor's EIS Shares upon the Instructions of the Manager; and
- carry out such other acts and deeds which are in its reasonable opinion necessary or reasonably incidental to its appointment as a Custodian, acting in compliance with ITA, IHTA, FSMA and the FCA Rules as applicable.

The Nominee will acquire and hold EIS share certificates and maintain the register of each Investor's holding as nominee of such Investor.



**The UK's life science sector generates over £60 billion and 220,000 jobs for the UK economy each year**, providing products which the NHS and UK patients rely on every day.

(Source: UK Govt, Statement from Life Science Minister)



## Risk factors

**Prospective Investors should consider carefully all the information in this document including the risks described below. The risks and uncertainties described below are the material risk factors facing the Fund and which are currently known to the Manager.**

These risks and uncertainties are not the only ones facing the Fund and additional risks and uncertainties not presently known or currently deemed immaterial may also have a material adverse effect on the Fund's performance. If any, or a combination, of the risks materialise, the Fund's performance and income deriving there from, could be materially and adversely affected to the detriment of the Fund and its Investors. The value of shares can go down as well as up and this could result in an Investor incurring a total loss of their Investment. If you cannot afford to lose all of your Investment, you should not consider applying to subscribe through the Fund. An investment may not be suitable for all Investors. Investors should be aware that investing in unquoted companies carries with it a high degree of inherent risk.

This section contains the material risk factors that the Company believes to be associated with an investment in the Company, but does not necessarily include all the risks associated with such an investment. An investment in the Fund may not be suitable for all recipients of this document. In particular, potential investors should seek advice from both specialist tax advisers and FCA- authorised independent financial advisers before investing in the Fund. This document does not constitute a recommendation or advice to Investors. An investment in the Fund is suitable only for investors who are capable of evaluating the risks and merits of this type of investment and who have sufficient resources to bear any loss which may result from such an investment. Investors may not get back the full amount initially invested. The Fund can make no guarantee of the performance of the Fund or that the Fund objectives will be achieved. Force majeure events may delay or prevent the Fund from fulfilling its obligations.

Investors should be aware that investment in smaller unlisted companies (including EIS Qualifying Companies) carries with it a high degree of inherent risk whether or not it is done through via a diversified portfolio and regardless of any tax advantages which such an investment might carry and/or any steps taken to attempt to mitigate that risk. Investment in the Deepbridge EIS should therefore be considered a high risk investment.

Any statements in this Information Memorandum in relation to taxation, tax advantages or reliefs or EIS reliefs are of summary nature only, may or may not apply to any specific individual depending on their circumstances and may change or be withdrawn by the government or the taxation authorities.

Any person considering an investment in the Deepbridge EIS should consider carefully this Information Memorandum as a whole and their personal circumstances and are advised to take advice from an independent professional adviser qualified to advise in relation to investments of this type. Any person in any doubt or who feels he or she does not understand any part of the Information Memorandum should not invest in the Deepbridge Life Sciences EIS.

A number of risks relating to the Deepbridge Life Sciences EIS are set out below (although this list is not exhaustive). In addition there may be additional risks which are currently not apparent or not considered material by Deepbridge EIS which become apparent later or impact upon the Deepbridge EIS.

## 1. Liquidity and capital risk

An investment in the Deepbridge Life Sciences EIS should be considered a medium to long term investment. The participations in the Deepbridge EIS will not be listed or traded on any exchange and are unlikely to be transferable and as such are illiquid investments.

The Investee Companies in the Deepbridge EIS have each received advance assurance from the HMRC for EIS purposes. However, it is illiquid and therefore it may be difficult to predict when an exit may take place and there can be no guarantee that an exit will ever take place.

In addition, the Deepbridge EIS rules require minimum holding periods in respect of the underlying investments or the Deepbridge EIS reliefs may be withdrawn. It is therefore very unlikely that any exit will occur during this minimum holding period. There can be no guarantee that market conditions will be propitious in respect of the sale of any holding at the time the Deepbridge EIS has targeted an exit. This may delay or make impossible the targeted exit. Accordingly, Investors may potentially lose the total amount of their investment and should therefore only consider investing if this is a risk they can afford to bear.

## 2. Other risks associated with EIS qualifying companies

EIS Qualifying Companies are generally considered to be high risk investments. They will be dependent on the skills of a small group of key executives, the loss of which may be particularly detrimental to those companies. Investee Companies may need to borrow funds from third parties. This exposes the Investee Company to additional risk and means that shareholders will rank as creditors behind lenders in an insolvency situation. The current market for borrowing for smaller companies may be significantly constrained by wider economic factors and an investee company may be (i) unable to borrow on terms as planned, acceptable terms or at all, or (ii) may have existing or promised funding withdrawn unexpectedly.

Many EIS Qualifying Companies do not and may never pay dividends. As such, any investment based on EIS Qualifying Companies should not be considered as an income producing investment.

In the event that an Investee Company does not perform as expected (or even if the Investee Company does perform as expected), it may require a further equity investment. In such circumstances, the Deepbridge EIS may be faced with a choice of making a further investment in that company (increasing its exposure and potentially its percentage holding) or having its stake significantly diluted.

## 3. Deepbridge Advisers Limited

There is no mechanism to remove or change the Investment Adviser and Manager of the Deepbridge EIS other than by way of termination of the Investment Agreement. The Deepbridge EIS should therefore be considered a captive investment and an Investor should assume that any Investment in the Deepbridge EIS will be managed by the Manager together with the Investment Adviser until realised. A departure of one or more of the key members of Deepbridge may have a significant impact on the ability of Deepbridge to manage the Deepbridge EIS. It may not be possible to replace such an individual either with a suitably qualified replacement or at all.

## 4. Wider economic risk

Deepbridge is committed to a fair allocation of investment opportunities between the different Deepbridge offerings, but it retains discretion to allocate each opportunity between the Deepbridge offerings as it sees fit, and this can result in a lower or higher proportionate allocation to you of investment opportunities. Valuations will be provided to Investors. No warranty is given that any such valuation is capable of being attained on a disposal, flotation or other realisation and is based on certain bases and assumptions which may or may not be realised and valuation rules and guidelines that may be more or less suitable for certain companies.

## 5. Tax and regulatory environment

The tax treatment and regulatory environment for the Deepbridge Life Sciences EIS in general may change from time to time depending on governmental and regulatory priorities and circumstances. There is no guarantee that the expected EIS reliefs will always be available in the form expected. It is possible that some or all of the expected reliefs are withdrawn by the government, potentially retrospectively. In particular, the government and HM Revenue & Customs have been taking steps recently to tighten the regulations in relation to EIS investments which seek to provide capital protection and to remove EIS benefits from some such investments.

Given the nature of the Deepbridge Life Sciences EIS, it is not envisaged that such actions will impact upon the Deepbridge offering, as no company in the portfolio is permitted to or does offer capital protection.

There are circumstances in which an Investor could cease to qualify for the taxation advantages offered by the Deepbridge EIS. For example (and without prejudice to the generality) Capital Gains Deferral relief could be lost if an Investor ceases to be resident or ordinarily resident in the United Kingdom during the three year minimum holding period. In addition, an Investor could cease to qualify for EIS income tax relief if he receives value from one of the investee companies during the period beginning one year before the shares in the investee companies are issued and ending on the conclusion of the three year minimum holding period. Payment of a dividend, however, would not typically be regarded as a receipt of value.

If any of the Investee Companies cease to carry on business of the type prescribed for EIS Qualifying Companies during the three year period, this could prejudice their qualifying status under the Deepbridge EIS. If Deepbridge does not comply with the rules in relation to utilisation of the invested funds with the applicable time limits then this again could prejudice its qualifying status under EIS.

The consequences of any of the Investee Companies ceasing to qualify for EIS purposes could include withdrawal of any tax reliefs already received by an Investor (including repayment for example of any income tax relief to HMRC) and the loss of any future EIS reliefs.

## 6. Forward looking statements

Investors should not place reliance on forward-looking statements. This document includes statements that are (or may be deemed to be) “forward looking statements“, which can be identified by the use of forward-looking terminology including the terms “believes”, “continues”, “expects”, “intends”, “may”, “will”, “would”, “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts.

Forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements contained in this document, based on past trends or activities, should not be taken as a representation that such trends or activities will continue in the future. It should be noted that no assurances can be provided that EIS or SEIS status will be maintained or granted for the 3 year period that the investment is required to be held for CGT and Income Tax benefits.

It should further be noted, that where tax reliefs are available, they are only available on the actual amounts invested in the investee companies, and therefore no tax relief is available for charges.



Investment opportunities  
derived from a long-lasting  
legacy of **scientific research  
and innovation** in the UK.

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# The Investor agreement

This Investor Agreement (the “Agreement”) sets out the terms and conditions for the Deepbridge Life Sciences EIS, acceptance of an Investor’s Application Form by the Manager will constitute a binding agreement between such Investor and the Manager.

## 1. Definitions

- 1.1. This Agreement employ the same defined terms as are found in the glossary and definitions section.
- 1.2. Words and expressions defined in the FCA Rules which are not otherwise defined in or for the purposes of this Agreement shall, unless the context otherwise requires, have the same meaning in this Agreement.
- 1.3. Any reference to a statute, statutory instrument or to rules or regulations shall be references to such statute, statutory instrument or rules and regulations as from time to time amended, re-enacted or replaced and to any codification, consolidation, re-enactment or substitution thereof as from time to time in force.
- 1.4. References to the singular only shall include the plural and vice versa.
- 1.5. Unless otherwise indicated, references to Clauses shall be to Clauses in this Agreement.
- 1.6. Headings to Clauses are for convenience only and shall not affect the interpretation of this Agreement.

## 2. Investing in the Deepbridge Life Sciences Enterprise Investment Scheme

- 2.1. By signing the declaration contained in the Application Form, the Investor agrees to be bound by the terms and conditions of this Agreement.
- 2.2. The Investor hereby appoints the Manager to manage the Investment for the Investor on the terms set out in this Agreement. The Manager agrees to accept its appointment and obligations on the terms set out in this Agreement.

2.3. The Manager is authorised and regulated by the Financial Conduct Authority with references number 550103 and has its offices at 134 Buckingham Palace Road, London, SW1W 9SH.

2.4. The Investor has the right to cancel this Agreement for a period of up to 14 days from the day on which the Manager accepts the Application Form. If the Investor wishes to cancel this agreement, he must submit a cancellation request to the Manager, in writing. In the event of cancellation:

- 2.4.1. the Investor will receive back from the Manager or the Custodian his Subscription, net of the Custodian’s reasonable processing costs, within 28 days thereafter; and
- 2.4.2. all further provisions of this Agreement shall cease thereupon to apply.

## 3. Subscriptions

- 3.1. In respect of the Service:
  - 3.1.1. The Investor shall make a Subscription of not less than £10,000 at the same time as submitting his Application Form to invest in the Deepbridge EIS. There is no maximum Subscription but EIS Income Tax Relief is limited to £1 million in any one tax year, although this may be carried back to a previous tax year to the extent of unused EIS Income Tax Relief.
  - 3.1.2. The Investor may make further Subscriptions to the Deepbridge EIS up to five working days before the current tax year end. The total Subscriptions made to the Deepbridge EIS by the Investor shall be the initial value of the Investor’s participation in the Deepbridge EIS.
- 3.2. The Investor may only terminate the Agreement pursuant to Clause 15 below.
- 3.3. The Administrator shall deposit Subscriptions received in a non-interest bearing client account pursuant to Clause 7 pending their investment.

- 3.4. The Manager reserves the right not to proceed with the Deepbridge EIS, in which case clause 3.2 above applies to the monies subscribed, mutatis mutandis.

#### 4. Services

- 4.1. The Manager will manage the Deepbridge EIS on the terms set out in this Agreement. The Manager will exercise all discretionary powers in relation to the selection of, or exercising rights relating to, Investments on the terms set out in this Agreement.
- 4.2. The Manager has engaged the Administrator to provide safe custody services in relation to the Portfolio Investment and the cash.
- 4.3. The Manager shall not, however, except as expressly provided in this Agreement or unless otherwise authorised, have any authority to act on behalf of, or in respect of, the Investor or to act as the agent of the Investor.

#### 5. Investment objectives and restrictions

- 5.1. In performing their respective roles and services, the Investment Adviser and Manager shall at all times have regard to:
- 5.1.1. the need for the Investments to attract EIS Income Tax Relief and/or CGT Deferral Relief, and
- 5.1.2. all Applicable Laws.
- 5.2. Generally, the Manager reserves the right to return uninvested cash if it concludes that it cannot be properly invested for the Investor and it considers it to be in the best interests of the Investor having regard to availability of EIS Relief and CGT Deferral Relief for the Investor.
- 5.3. In the event of a gradual realisation of Investment prior to termination of the Deepbridge EIS under Clause 15.1, the cash proceeds of the realised EIS Investment may be placed on deposit or invested in government securities or in other investments of a similar risk profile.

#### 6. Terms applicable to dealing

- 6.1. In effecting transactions for the Service, the Manager will act in accordance with the FCA Rules and will ensure that best execution is sought at all times and deals are made on such markets and exchanges and with such counterparties as the Manager thinks fit. The Manager maintains a written execution policy with respect to these matters and will provide the Investor with a copy upon written request.
- 6.2. Subject to the FCA Rules, transactions for the Deepbridge EIS may be aggregated with those of other clients of the Manager (including other Investors), and of the Manager's employees and associates and their employees. Investments made pursuant to such transactions will be allocated on a fair and reasonable basis in accordance with the FCA Rules and endeavours will be made to ensure that the aggregation will work to the advantage of each of the Investors, including the Investor, but the Investor acknowledges that the effect of aggregation may work on some occasions to the Investor's disadvantage.
- 6.3. Where deals are aggregated with those for other Investors, the Manager shall have absolute discretion as to the number of shares in the Deepbridge EIS Company held as an Investment allocated to the Investor, provided that Investors shall not have fractions of shares. Minor rounding up or down may be allowed to prevent Investors being deemed to be interested in fractions of shares and the aggregate of fraction entitlements may be held by the Administrator for the Manager but the investor is always the beneficial owner of the shares held for him/her.
- 6.4. Certain categories of professional persons are required to be excluded from any Investments to which they or their employer are connected, for the purposes of prevailing EIS legislation.
- 6.5. The Manager will act in good faith and with due diligence in its choice and use of counterparties but, subject to this obligation, shall have no responsibility for the performance by any counterparty of its obligations in respect of transactions effected under this Agreement:

- 6.5.1. if purchasing Investments, be entitled to Investments actually delivered by the relevant counterparty and thereafter to a cash sum from the client settlement bank account equal to the whole or relevant part of the sum debited to the account in respect of the relevant Investments; and
- 6.5.2. if selling Investments, be entitled to cash actually paid to such relevant counterparty and thereafter to Investments held by the Administrator in the nominal value of the bargain made for the Investor.

## 7. Custody and administration arrangements

- 7.1. The Manager has engaged the Administrator to provide a custody, safe-keeping and administration service for Investors and the Deepbridge EIS. The Administrator engages with each Investor pursuant to its own terms of business, a copy of which will be provided to each Investor by the Manager. For the avoidance of doubt:
  - 7.1.1. references to the Administrator in this Clause 7 (and in this Agreement generally) do not themselves create a contractual relationship between the Administrator and the Manager; but
  - 7.1.2. the Custodian's Terms and Conditions of Business will preside over any provisions in the Agreement; and
  - 7.1.3. insofar as the Administrator's own terms of business purport to offer services which go beyond those that the Administrator is required or expected to perform in the context of the Deepbridge EIS, the Investor is free to avail himself/herself of such extra services of the Administrator provided that these are not in material conflict with the Investor's obligations or the Manager's duties under this Agreement.
- 7.2. The Administrator will be responsible for the safe keeping of Investments and cash comprised in the Deepbridge EIS, including the settlement of transactions, collection of income and the effecting of other administrative actions in relation to the Investments.
- 7.3. Investments will be registered in the name of the Nominee on behalf of the Investor, and will therefore be beneficially owned by the Investor at all times, but the Nominee will be the legal owner of the Investments in the Deepbridge EIS.
- 7.4. The Administrator will hold any title documents or documents evidencing title to the Investments.
- 7.5. Investments or title documents may not be lent to a third party and nor may there be any borrowing against the security of the Investments or such documents.
- 7.6. An Investment may be realised in order to discharge an obligation of the Investor under this Agreement, for example in relation to payment of fees, costs and expenses.
- 7.7. The Administrator will arrange for the Investor to receive details of any meetings of shareholders in the Deepbridge EIS and any other information issued to shareholders in the Deepbridge EIS if the Investor at any time in writing requests such details and information (either specifically in relation to a particular Investment or generally in respect of all Investments). The Investor shall be entitled, as a matter of right, to require the Nominee to appoint the Investor as his proxy to vote as the Investor may see fit at any meeting of shareholders in a company in which an Investment is held for the Investor in respect of such Investor's beneficial shareholding. In the case of an Investor who is not validly appointed as the Nominee's proxy for the purposes of a meeting of the shareholders of a company in which an Investment is held for that Investor, the Nominee will appoint the Manager as its proxy to vote at that meeting to the extent that the voting and other rights exercisable by the Manager shall not exceed 50% of the aggregate rights relating to any Investment. In the case of variations in the share capital, receipts of a notice of conversion or proposal to wind up, amalgamate or takeover a company in which an Investment is held for the Investor:
  - (a) a bonus or capitalisation issue will be automatically credited to an Investor's beneficial holding;
  - (b) otherwise (where appropriate) the Manager will be sent a summary of the proposal and the required action to be taken (if any);
  - (c) if, on a rights issue, no instruction is received from the Manager, the Nominee will allow the rights to lapse. Lapsed proceeds in excess of £3 will be

credited to the Investor. Sums less than this will be retained for the benefit of the Administrator. However, if nil paid rights in a secondary market are acquired for the Investor, such rights will be taken up, unless the Manager provides contrary instructions;

(d) all offers will be accepted upon going unconditional whether or not any instructions have been received; and

(e) entitlement to shares will be to the nearest whole share rounded down and the aggregate of fractional entitlements may be held by the Nominee for the Administrator. If partly paid shares are held for the Investor and are subject of a call for any due balance and no instruction is received, the Administrator may sell sufficient of the Investments to meet the call.

7.8. The Administrator will hold cash subscribed by the Investor in accordance with the Client Money Rules of the FCA. Such cash balance will be deposited with an authorised credit institution in the name of the Administrator. The Administrator may debit or credit the Investor's account for all sums payable by or to the Investor (including dividends receivable in cash and fees and other amounts payable by the Investor).

7.9. Interest will not be payable on credit balances by the Custodian.

## 8. Reports and information

8.1. The Investment Adviser shall send the Investor a report every six months, in compliance with the FCA Rules. Reporting will commence following the end of the current tax year. Reports will include a measure of performance once valuations are available for the Investment.

8.2. Details of dividends, if any, which are received in respect of the Investments will be provided in respect of each tax year ending 5 April and appropriate statements sent to the Investor.

8.3. Contract notes will be provided for each transaction for the Investor's participation.

8.4. The Manager shall supply (or arrange for the Administrator to supply) such further information

which is in its possession or under its control as the Investor may reasonably request as soon as reasonably practicable after receipt of such request.

8.5. Any statements, reports or information provided under Clause 8.4 to the Investor will state the basis of any valuations of Investments provided.

## 9. Fees and expenses

9.1. The Administrator shall receive fees for their respective services, payable by the Manager, upon presentation of invoice to the Manager.

9.2. Investors participation in the Deepbridge Life Sciences EIS shall be free of fees, thus ensuring 100% allocation of Investors capital delivering maximum tax efficiency for the Investor.

9.3. No discounts or cash rebates relating to investor subscriptions in the Deepbridge EIS are available.

## 10. Management and administration obligations

10.1. The Manager and the Administrator shall devote such time and attention and have all necessary competent personnel and equipment as may be required to enable them to provide their respective services properly, efficiently and in compliance with the FCA Rules.

10.2. Except as disclosed in the Information Memorandum and as otherwise provided in this Agreement (for example on early termination), neither the Manager nor the Administrator will take any action which may prejudice the tax position of the Investor insofar as they are aware of the relevant circumstances, and in particular which may prejudice obtaining the Deepbridge EIS Relief and/or CGT Deferral Relief for the Investments.

## 11. Obligations of the investor

11.1. The Investor's participation in the Deepbridge EIS shall be on the basis of the declaration made by the Investor in his Application Form which includes statements by the Investor in relation to the following matters, namely:

11.1.1. whether or not the Investor wishes to claim EIS Income Tax Relief and/or CGT Deferral Relief for the Investment;

- 11.1.2. that he agrees to notify the Investment Adviser if the Investment with which the Investor is connected within section 163 and sections 166 to 171 of the Income Tax Act 2007, (in which case 6.4 of this Agreement will apply at once);
- 11.1.3. that he agrees to notify the Investment Adviser if, within three years of the date of issue of shares to his EIS participation or within three years of commencement of trade if later, the Investor becomes connected with the company or receives value from such company (in which case clause 6.4 will apply at that time); and
- 11.1.4. the Investor's tax district, tax reference number and National Insurance number. The Investor confirms that the information stated in the Application Form in these (and all other) respects is true and accurate as at the date of this Agreement.
- 11.2. The Investor agrees immediately to inform the Investment Adviser in writing of any change of tax status, other material change in circumstance and any change in the information provided in the Application Form to which Clause 11.1 above refers.
- 11.3. In addition, the Investor agrees to provide the Investment Adviser with any information which it reasonably requests for the purposes of managing the Service pursuant to the terms of this Agreement.
- 11.4. If the Investor has requested in the Application Form that the Manager should facilitate the payment of Financial Intermediary Fees which the Investor's Financial Intermediary has agreed relate to the advice that the investor received to invest in the Service or to the arrangement of the Investor's Subscription to the Service, the Investor shall ensure that the details of such Financial Intermediary Fees are clearly specified, and shall further undertake to inform the Manager forthwith if the Investor terminates his relationship with the Financial Intermediary in question, such that further Financial Intermediary Fees for continuing services to the Investor are not applicable and should not therefore become payable in any or all of the three years following closing.

## 12. Delegation and assignment

The Manager may, where reasonable, employ agents, including associates, to perform any administrative,

custodial or ancillary services to assist the Manager in performing its services, in which case it will act in good faith and with due diligence in the selection, use and monitoring of agents. Any such employment of agents shall not affect the liability of the Manager under the terms of this Agreement.

## 13. Potential conflicts of interest and disclosure

The Manager may provide similar services or any other services whatsoever to any other client and shall not in any circumstance be required to account to the Investor for any profits earned in connection therewith. So far as is deemed practicable it will use all reasonable endeavours to ensure fair treatment as between the Investor and other clients in compliance with the FCA Rules. The Manager has in place a conflict of interest policy (the "Conflicts Policy") pursuant to the FCA Rules which sets out how it identifies and manages conflicts of interest. Under the Conflicts Policy, the Manager is required to take all reasonable steps to identify conflicts of interest between:

- (1) the Manager, including its employees and contracted consultants, or any person directly or indirectly linked to them by control, and a client of the Manager; or
- (2) one client of the Manager and another client. The Manager believes that it should identify any conflicts that may arise in other situations including between the Manager and any of its shareholders. Where the Manager owes a duty to such clients, it must maintain and operate arrangements to prevent any conflict from giving rise to a material risk of damage to the interests of its clients. A copy of the Conflicts Policy is available upon request.

## 14. Liability of the Manager

- 14.1. The Manager will at all times act in good faith and with reasonable care and due diligence. Nothing in this paragraph 14 shall exclude any duty or liability owed to the Investor by the Manager under the FCA Rules.
- 14.2. The Manager shall not be liable for any loss to the Investor arising from any investment decision made in accordance with the Investment Objective and the Investment Restrictions or for other action in accordance

with this Agreement howsoever arising except to the extent that such loss is directly due to the negligence or wilful default or fraud of the Manager or of its Associates or any of their respective employees.

- 14.3.** The Manager shall not be liable for any defaults of any counterparty, agent, banker, nominee or other person or entity which holds money, investments or documents of title for the Fund, other than such party which is its Associate.
- 14.4.** In the event of any failure, interruption or delay in the performance of the Manager's obligations resulting from acts, events or circumstances not reasonably within its control including but not limited to acts or regulations of any governmental or supranational bodies or authorities and breakdown, failure or malfunction of any telecommunications or computer service or systems, the Manager shall not be liable or have any responsibility of any kind to any loss or damage thereby incurred or suffered by the Investor.
- 14.5.** The Manager does not give any representations or warranty as to the performance of the Fund. The Investor acknowledges that Investments are high risk Investments, being non-readily realisable investments. There is a restricted market for such Investments and it may therefore be difficult to sell the Investments or to obtain reliable information about their value. The Investor undertakes that he has considered the suitability of investment in EIS Qualifying Companies carefully and has noted the risk warnings set out in the Information Memorandum.

## 15. Termination

- 15.1.** The Manager shall reserve the right to terminate the Deepbridge Life Sciences EIS. On termination of the Deepbridge EIS, all shares held in the Deepbridge EIS Investee Company/ies will either be sold and cash transferred to the Investor and/or the shares will be transferred into the Investor's name or as the Investor may otherwise direct.
- 15.2.** An Investor may withdraw cash from his EIS Investee Company/ies at any time. An Investor may withdraw from the Deepbridge EIS prior to termination of the Deepbridge EIS. Where an Investor wishes to withdraw from the Deepbridge EIS, Investments will be sold and

cash proceeds transferred as directed, but the Investor acknowledges:

- 15.2.1.** that he may lose EIS Relief and/or CGT Deferral Relief in respect of Investments sold; and
- 15.2.2.** that it may not be practicable for the relevant shares to be immediately sold in which case there may be a delay in completing the withdrawal. If it is practicable to effect, and the Investor decides to proceed with an early withdrawal, the Manager will, unless the Investor otherwise requests, endeavour to effect the withdrawal on the last business day of the month following that in which such decision is made;
- 15.2.3.** the Manager has a lien on all assets being withdrawn from the Deepbridge EIS Company and shall be entitled to dispose of some or all of the Deepbridge EIS Company in order to discharge any liability of the Investor to the Manager. The balance of proceeds will then be passed to the Investor.
- 15.3.** If the Manager gives to the Investor not less than three months' written notice of its intention to terminate its role as Manager under this Agreement or the Manager ceases to be appropriately authorised by the FCA or becomes insolvent, then the Manager shall endeavour to make arrangements to transfer the Deepbridge EIS to another appropriately constituted and authorised fund manager in which case that fund manager shall assume the role of the Manager under this Agreement, failing which this Agreement shall terminate forthwith and, subject to Clause 16, the Investments in the Deepbridge EIS Company shall be transferred into the Investor's name or as the Investor may otherwise direct.

## 16. Consequences of termination

- 16.1.** On termination of the investors agreement with this Agreement pursuant to Clause 15, the Manager will use reasonable endeavours to complete all transactions in progress at termination expeditiously on the basis set out in this Agreement.
- 16.2.** Termination will not affect accrued rights, existing commitments or any contractual provision intended to survive termination and will be without penalty or other additional payments save that the Deepbridge EIS Company will bear the cost of fees, expenses and costs

properly incurred by the Manager or the Administrator up to and including the date of termination and payable under the terms of this Agreement.

- 16.3.** On termination, the Manager may retain and/or realise such Investments as may be required to settle transactions already initiated and to pay the Investor's outstanding liabilities, including fees, costs and expenses payable under Clause 9 of this Agreement, the details of which are set out in costs and fees section of the Information Memorandum.

## **17. Confidential information**

- 17.1.** Neither the Manager nor the Investor shall disclose to third parties information the disclosure of which by it would be or might be a breach of duty or confidence to any other person.
- 17.2.** The Manager shall not be required to take into consideration for the purposes of this Agreement information which comes to the notice of an employee, officer or agent of the Manager or of any Associate but does not come to the actual notice of the individual employees, officer or agent of the Manager providing services under this Agreement to the Investor.
- 17.3.** The Manager will at all times keep confidential all information acquired in consequence of this Agreement, except for information which
- 17.3.1.** is public knowledge; or
- 17.3.2.** which may be entitled or bound to be disclosed under compulsion of law; or
- 17.3.3.** required to be disclosed by regulatory agencies; or
- 17.3.4.** is given to its professional advisers where reasonably necessary for the performance of their professional services;
- 17.3.5.** needs to be shared with the Administrator for the proper performance of this Agreement; or
- 17.3.6.** is authorised to be disclosed by the other party and shall use all reasonable endeavours to prevent any breach of this sub-clause.

## **18. Complaints and compensation**

- 18.1.** The Manager has established procedures in accordance with the FCA Rules for consideration of complaints. Details of these procedures are available on request. Should an Investor have a complaint, he should contact the Manager. If the Manager cannot resolve the complaint to the satisfaction of the Investor, the Investor may be entitled to refer it to the Financial Ombudsman Service.
- 18.2.** The Administrator participates in the Financial Services Compensation Scheme, established under the Financial Services and Markets Act 2000, which provides compensation to eligible Investors in the event of a firm being unable to meet its customer liabilities. Payments under the protected investment business scheme are limited to a maximum of the first £50,000 of the claim. Further information is available from the Administrator.

## **19. Notices, instructions and communications**

- 19.1.** Notices of instructions to the Manager should be in writing and signed by the Investor, except as otherwise specifically indicated.
- 19.2.** The Manager may rely and act on any instruction or communication which purports to have been given by persons authorised to give instructions by the Investor under the Application Form or subsequently notified by the Investor from time to time and, unless that relevant party receives written notice to the contrary, whether or not the authority of such person shall have been terminated.

## **20. Unsolicited real time financial promotion**

The Manager may communicate an unsolicited real time Financial Promotion (i.e. interactive communications such as a telephone call promoting EIS Qualifying Company investments) to the Investor.

## 21. Amendments

The Manager may amend this Agreement by giving the Investor not less than ten business days' written notice. The Manager may also amend this Agreement by giving the Investor written notice with immediate effect if such is necessary in order to comply with HMRC requirements in order to maintain the Deepbridge EIS Relief and CGT Deferral Relief or in order to comply with the FCA Rules, and the Investor shall be bound thereby.

## 22. Data protection

All data which the Investor provides to the Manager and Investment Adviser is held by the Manager subject to the Data Protection Act 1998. The Investor agrees that the Manager may pass personal data to other parties insofar as is necessary in order for it to provide services as set in this Agreement and to the FCA and any regulatory authority which regulates it and in accordance with all other Applicable Laws.

## 23. Entire agreement

**23.1.** This Agreement, together with the Application Form, comprises the entire agreement of the Manager with the Investor relating to the provision of its services and supersedes all earlier meetings, any correspondences, or discussions that may have taken place preceding the signing of the Application Form.

**23.2.** Clause 23.1 is without prejudice to the Administration agreement.

## 24. Rights of third parties

Aside from the Administrator, who may enforce

provisions of this Agreement which refer to it by name and to its rights and obligations in relation to the Investor, a person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement, but this does not affect any right or remedy of such third party which exists or is available apart from that Act.

## 25. Severability

If any term, condition or provision of this Agreement shall be held to be invalid, unlawful or unenforceable to any extent, such term, condition or provision shall not affect the validity, legality or enforceability of the remainder of this Agreement.

## 26. Governing law

This Agreement and all matters relating thereto shall be governed by and construed in accordance with English Law and the parties submit to the exclusive jurisdiction of the English Courts.

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## Glossary and definitions

<b>Administration</b>	Reyker Securities PLC.
<b>Application Form</b>	An application form to invest in the Deepbridge Life Sciences EIS completed by the prospective Investor.
<b>Associate</b>	Any person, company or other entity which by direct or indirect means exerts control over, or is itself controlled by, Deepbridge where “control” shall include the ability to exercise significant influence over the operating or financial policies of the relevant person or entity.
<b>Client Suitability Form</b>	The questionnaire that evidences the investor circumstance and level of understanding, in the context of investing in the Deepbridge Life Sciences EIS.
<b>Custodian</b>	Reyker Securities PLC (a company authorised and regulated by the FCA) or such other company(ies) as may be appointed as administrator and/or custodian and to provide nominee services by the Manager on behalf of the Investors from time to time.
<b>Custodian Agreement</b>	The Agreement between the Custodian and the Manager on behalf of the Investors, which governs the appointment of the Custodian.
<b>Deepbridge Team</b>	The team of investment professionals of the Investment Adviser.
<b>Deepbridge Life Sciences EIS</b>	The Deepbridge Life Sciences EIS as described in this Information Memorandum.
<b>Deepbridge</b>	Deepbridge Advisers Limited, the Investment Adviser, a private limited company by shares registered in England and Wales under registration number 08614835 and with its registered office at Deepbridge House, Honeycomb East, Chester Business Park, Chester CH4 9QN.
<b>EIS Qualifying Company</b>	A company that meets the requirements for a qualifying investor to be eligible for income tax relief and capital gains tax deferral under the rules of the Enterprise Investment Scheme.
<b>EIS</b>	Enterprise Investment Scheme.

<b>FCA Rules</b>	The rules and guidance contained within the FCA Handbook.
<b>FCA</b>	The Financial Conduct Authority, and any successor.
<b>Financial Intermediary Fee</b>	The fee payable by the Manager to the appointed financial intermediary of the Investor, at the express direction of the Investor.
<b>Fund</b>	The Deepbridge Life Sciences Enterprise Investment Scheme.
<b>HMRC</b>	Her Majesty's Revenue and Customs.
<b>IHT</b>	Inheritance Tax.
<b>Information Memorandum</b>	This information memorandum issued in relation to the Deepbridge Life Sciences EIS.
<b>Investee Company</b>	A company in which an Investment is made under the Deepbridge Life Sciences EIS.
<b>Investment</b>	An investment made in the Deepbridge Life Sciences EIS.
<b>Investment Objective</b>	The aggregate amount subscribed by an Investor in the Deepbridge Life Sciences EIS.
<b>Investor Agreement</b>	The agreement to be entered into by each Investor in the terms set out in this Information Memorandum.
<b>Investor Subscription</b>	The aggregate amount subscribed by an Investor in the Deepbridge Life Sciences EIS.

<b>Investor</b>	A person who completes an Application Form and who is accepted by the Custodian and the Manager as an investor in the Deepbridge Life Sciences EIS.
<b>Manager</b>	Enterprise Investment Partners LLP, the Manager of the Deepbridge Life Sciences Enterprise Investment Scheme which is advised by Deepbridge; a limited liability partnership registered in England and Wales with its registered office at Hyde Park House, 5 Manfred Road, London, SW15 2RS.
<b>Nominee</b>	Reyker Nominees plc, 17 Moorgate, London EC2R 6AR.
<b>Outcome Driven Methodology</b>	The proprietary methodology developed by the Investment Adviser.
<b>Qualifying Shares</b>	Ordinary shares of a company that meets the requirements for a qualifying investor to be eligible for income tax relief and capital gains tax deferral under the rules of the Enterprise Investment Scheme.
<b>Subscription</b>	The aggregate amount invested by an investor under the terms of the Investor Agreement.
<b>Supervisory Investment Committee</b>	The independent oversight committee that provides an oversight function to the Investment Adviser.
<b>Three Year Period</b>	The period beginning on the date on which the shares in the Company are issued and ending three years after that date.



**With over 200 years  
combined experience,**  
the Executive Management  
team has ultimate  
responsibility for the  
management of Deepbridge.

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## Notes

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Deepbridge Advisers Limited is registered in England & Wales, Company No. 08614835. Registered Office: Deepbridge House, Honeycomb East, Chester Business Park, Chester CH4 9QN. Deepbridge Advisers Limited is an appointed representative of Enterprise Investment Partners LLP which is authorised and regulated by the Financial Conduct Authority. Deepbridge Advisers Limited is a subsidiary of Deepbridge Capital LLP, a limited liability partnership registered in England & Wales, No. OC356449.