

COMMITTED CAPITAL 

Growth EIS Portfolio Service

2019-2020



If you are in any doubt about the action you should take in regard to this document and its contents (including the additional Application Form), you should contact an independent financial adviser or other professional adviser authorised under the Financial Services and Markets Act 2000. Reliance on this promotion for the purpose of engaging in any investment activity may expose an individual's investment to a number of significant risks. Nothing in this document constitutes investment, tax, financial or other advice. Not all investee companies may qualify for EIS relief and therefore tax benefits are not guaranteed. Investors may lose all capital invested. Your attention is drawn to the section "The Risks".

## IMPORTANT NOTICE

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Committed Capital Limited is an Appointed Representative of Sapia Partners LLP, which is authorised and regulated by the Financial Conduct Authority (FRN 550103).

This document does not constitute a prospectus as defined by the Prospectus Regulations 2005 (the "Regulations").

This document is only intended for release in the United Kingdom and does not constitute an offer, or the solicitation of an offer, in relation to shares in any jurisdiction in which such offer or solicitation is unlawful. It is the responsibility of any person outside the United Kingdom wishing to make an application to invest in the Fund or subscribe for shares in Investee Companies to satisfy himself as to full observance of the laws of any relevant territory in connection therewith, including obtaining any requisite governmental or other consents, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory.

This Information Memorandum is provided for the purpose of providing certain information about investment in the Committed Capital Growth Enterprise Portfolio Service (the "Fund" or the "Committed Capital Growth EIS"). The Fund is managed by Sapia Partners LLP who is advised by Committed Capital. The individuals who carry out the day-to-day responsibilities of the Investment Manager are employees or otherwise associated with Committed Capital.

Investment in the Committed Capital Growth EIS is offered solely on the basis of the information contained in this Information Memorandum. No person has been authorised to give any information or make any representations other than those contained in this Information Memorandum, or in any written brochure, notice or report which accompanies this Information Memorandum, in connection with the offer in the Committed Capital Growth EIS.

Neither the Investment Adviser nor the Investment 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 Financial Conduct Authority ("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 the Investment Manager accepts 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 the Investment 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 Investment 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 Committed Capital Growth EIS. The investments of the Committed Capital Growth EIS in non-quoted equity will be long-term and of an illiquid nature and that investors must be prepared to tie up their money for at least 3 years. The information contained in this Information Memorandum is current at the date of publication. It is the responsibility of prospective investors relying on this Information 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 Investment 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 own independent assessment of the merits or otherwise of investing in the Committed Capital Growth EIS and should take his 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 Investment 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 Investment 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 Investment Manager, or the Investment Adviser or their subsidiaries or affiliates be responsible for any costs or expenses incurred in connection with any appraisal or investigation of the Committed Capital Growth EIS or for any other costs or expenses incurred by prospective investors in connection with such investment. Neither the Investment Manager nor the Investment Adviser are liable for information published in other public sources.

The information contained in this Information Memorandum makes reference to the current laws of the United Kingdom concerning 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 Committed Capital Growth EIS, please contact the Investor Relations team on 020 7529 1350 or at [info@committedcapital.co.uk](mailto:info@committedcapital.co.uk).

# REASONS TO INVEST

**The Committed Capital Growth EIS invests in UK technology enabled companies poised for rapid growth and helps drive that growth in order to capture potential high returns for investors.**

These returns can be enhanced by EIS tax benefits.

Five compelling reasons to consider investing with us:

1. The interests of our investors are central to everything that we do.
2. The Committed Capital Growth EIS is designed to be flexible: you can opt for our discretionary managed portfolio or the self-select option, where you are in control.
3. Investments we make must be intrinsically attractive and provide for a positive return to our investors, irrespective of the available tax reliefs.
4. We are investing your money. If you ever want to talk with one of the team, ask any questions, would like to provide us with any feedback, or would like to meet us, please call us on 020 7529 1350.
5. Smaller UK EIS qualifying technology companies are dynamic and potentially one of the highest growth sectors in the market. New rules<sup>1</sup> which became law in 2015 and further modifications in the Finance Bill (No2) 2017-2018 encourage investment into these companies as the legislation originally intended<sup>2</sup>. This aligns perfectly with our investment strategy. This is our core area of expertise.

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<sup>1</sup> Finance (No.2) Act 2015

<sup>2</sup> The Finance (No2) Act 2015 and the Finance Bill (No2) 2017-2018 significantly tightened up the legislation around this to encourage investors to provide risk capital to small, UK based, growing companies that would otherwise find it difficult to raise capital, in return for tax reliefs and subject to meeting certain conditions of holding the shares (see page 5).



**The interests of our investors are central to everything that we do.**

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# WELCOME



## DEAR INVESTOR

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**The interests of our investors are central to everything that we do. Investors in the Committed Capital Growth EIS trust us to manage their money, and to generate tax-relief enhanced rates of return from high growth investments in smaller UK EIS qualifying technology-enabled companies, which are dynamic and one of the potentially highest return sectors in the market<sup>3</sup>, and our core area of expertise.**

**Any investment we make must be intended to provide for a positive return to our investors, irrespective as to whether investors can claim the generous EIS tax reliefs that are available.**

The Committed Capital Growth EIS potentially provides an effective solution for investors who are frustrated with low returns on savings due to persistently low interest rates, or for those who are looking to defer (or potentially reduce) a capital gain, significantly reduce their income tax liability, and reduce (or potentially eliminate) exposure to inheritance tax.

With tighter limits on annual and lifetime pension allowances, and a further freeze on the IHT threshold until 2021, increasing numbers of investors and their advisers are looking at EIS as an attractive, legitimate, tax efficient investment option.

It is really important that you read and fully understand the risks involved so that you can decide whether it is right for you. These risks are outlined on pages 17 to 18 of this Information Memorandum.

We hope that you find this Information Memorandum informative and clear. We recommend that you speak to your financial adviser before investing but, if you have any questions please call us on 020 7529 1350.

A handwritten signature in black ink, appearing to read 'Steve Harris'.

**Steve Harris**  
CEO, Committed Capital Limited

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<sup>3</sup> See, for example, [www.consultancy.uk](http://www.consultancy.uk) article on 7 June 2018: Bullish UK technology sector worth over £180 billion; or the UK Government's Tech Nation Report 2018 (<https://technation.io/insights/report-2018/>)

# OVERVIEW

## INTRODUCTION

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**The Committed Capital Growth EIS offers investors an opportunity to invest in a portfolio of fast-growing UK smaller companies. For UK investors, returns may be enhanced, depending on personal circumstances, by EIS tax relief.**

Committed Capital Limited (“Committed Capital”) is an investment and corporate advisory business that was founded on the basis that smaller businesses need support as well as cash to realise their plans.

The Committed Capital Investment Team has a proven track record of working with fast-growing smaller companies to create value for shareholders through careful investment selection, rigorous investment due diligence, efficient transaction execution and providing investee companies with ongoing hands-on support.

### THE INVESTMENT MANAGER

Committed Capital acts as Investment Adviser to the Investment Manager of the Fund and, in order to promote the Committed Capital Growth EIS, Committed Capital is an appointed representative of the Investment Manager. Sapia Partners LLP (“Sapia”), regulated and authorised by the FCA, is the Investment Manager of the Committed Capital Growth EIS.

Sapia 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 Investment 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.

## EIS TAX BENEFITS

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The tax advantages available to investors under EIS offer a significant benefit in comparison with more traditional investment products. Provided the underlying investments are held for at least 3 years, you are entitled to 5 separate tax advantages:

- 30% income tax relief
- 100% capital gains tax deferral
- Loss relief of any holdings that fall in value
- 100% inheritance tax relief
- All capital gains on any holdings within the Fund are tax-free.

These reliefs depend on your individual tax position which may be subject to change in the future. If you are unsure of your own potential tax liabilities, you should seek professional advice from a qualified tax adviser.

## INVESTMENT APPROACH

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Our primary objective is to create attractive returns for investors from high quality investments, through the careful selection of potential investee companies, excellence in corporate finance skills and active support of portfolio companies.

We look to invest in exceptional EIS qualifying companies across a range of industry sectors where we believe the potential for significant capital growth exists.

We believe this is a great time for investment in UK smaller companies. The high volume of UK technology companies seeking finance means that deal flow is strong and sensibly priced investments continue to be available.

### CAREFUL SELECTION OF PORTFOLIO COMPANIES

Our investment methodology is based on the principle of unlocking and accelerating profitable growth in portfolio companies. In analysing potential investee businesses, we look for rapid growth in the underlying market as well as a technology and business designed to benefit from this growth. Our investee companies must have a clear and compelling proposition, be fully formed and have strong management. We are attracted by companies poised to grow rapidly with the infusion of equity and expertise. These factors are established during an exhaustive due diligence process.

### EXCELLENCE IN CORPORATE FINANCE SKILLS

Committed Capital's team is composed of private equity and corporate finance professionals who have decades of relevant experience. Our objective is to provide a combination of judgement and process to optimise the terms of investment and to realise value for investors on exit.

### ACTIVE SUPPORT FOR INVESTEE COMPANIES

Committed Capital was formed on the basis that fast-growing companies require support from their investors – in addition to investment – to realise their potential. Typically, we will appoint a non-executive director on the boards of investee companies; we believe that, together with hands-on portfolio management, is instrumental in optimising growth. In addition, much of our time is spent providing focused support in three areas: finance, strategy and governance.

## INVESTMENT SELECTION

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We intend to invest in a portfolio of some 8-12 companies. Typically, these investments will be made over a 12-month period following subscription into the Fund, subject to availability of high-quality investments.

While we understand that smaller company investments can be high risk, we mitigate these risks by conducting detailed due diligence and careful negotiation and by continuously supporting investee companies with a focus on their growth goals.

Committed Capital was founded on the basis that smaller businesses need support as well as cash to realise their plans.

In addition to financial investment, we invest the time of our professionals to provide such support including corporate governance, strategic and corporate finance expertise. We are regularly supported in this by the Committed Capital Advisory Board and Syndicate, comprising over 150 successful entrepreneurs and business people. We believe that this has a significant bearing upon the success of our portfolio companies, and therefore on investor returns.

## SECTOR FOCUS

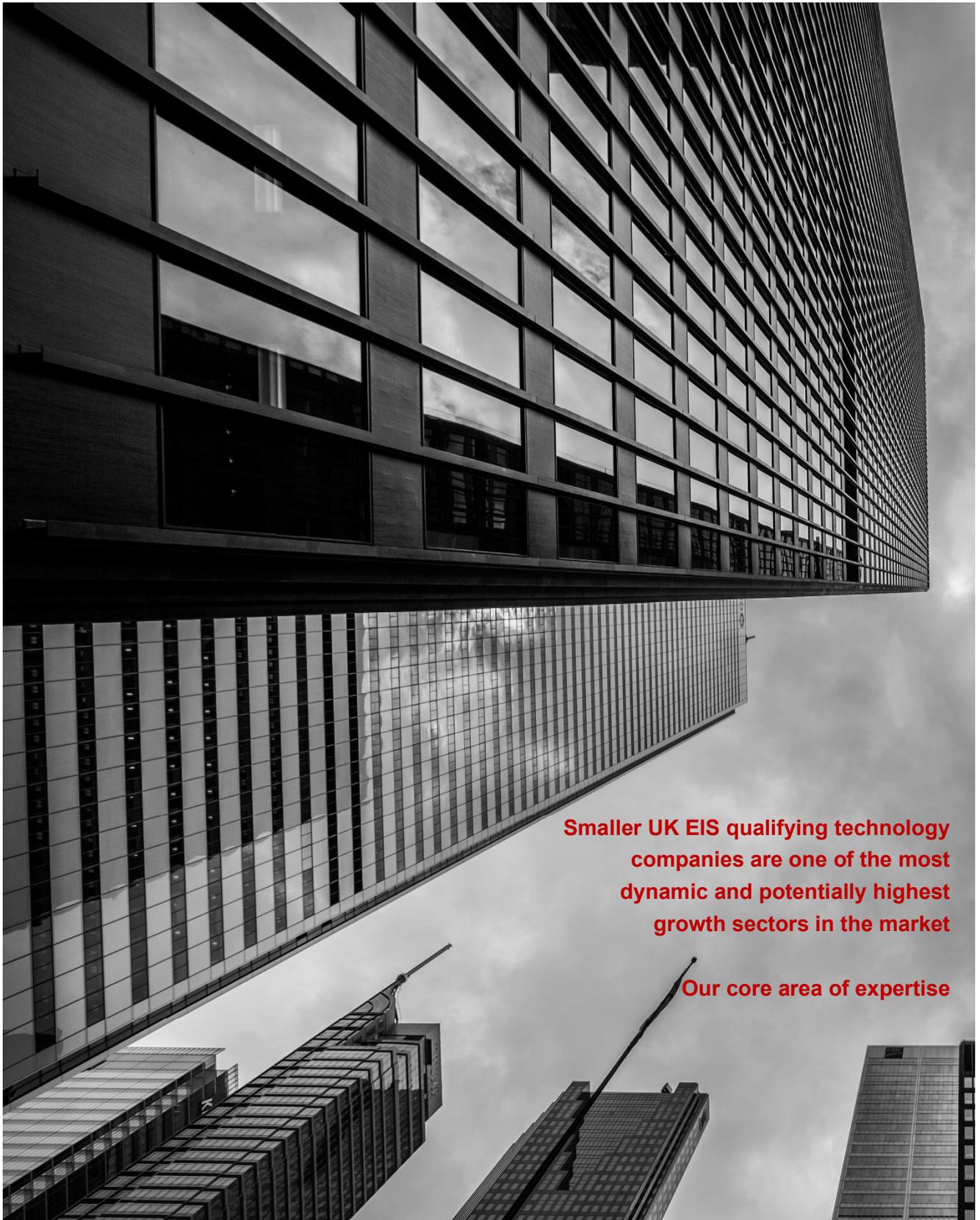
Committed Capital Growth EIS invests in high growth technology companies with proprietary technology, for which there is high demand. The UK technology market is broad and fast-moving. Committed Capital identifies attractive high growth market segments prior to selecting investee companies. Sectors currently invested in include:

- Software-as-a-Service (“Saas”);
- Education technology (“EdTech”);
- Security;
- Internet of Things (“IoT”);
- Financial Services (“FinTech”); and
- Electric vehicles.

## INVESTMENT CRITERIA

Investments will be selected typically when the following criteria are met:

- **Dynamic Market** – fast growing addressable market with low competitive intensity
- **Well-Positioned Company** – strong management team, robust forecasts for rapid growth over the investment period and clear potential for exit
- **In-Demand Product** – (or service) fully developed, addressing a clear market need, with a sustainable technology-based competitive advantage
- **Post Revenue** – generating significant sales (typically in excess of £1m per year on forward-looking annualised basis)
- **Investor Protections** – a significant minority (often 20-40%) of the equity sought, a board seat and typical shareholder rights required.



**Smaller UK EIS qualifying technology companies are one of the most dynamic and potentially highest growth sectors in the market**

**Our core area of expertise**

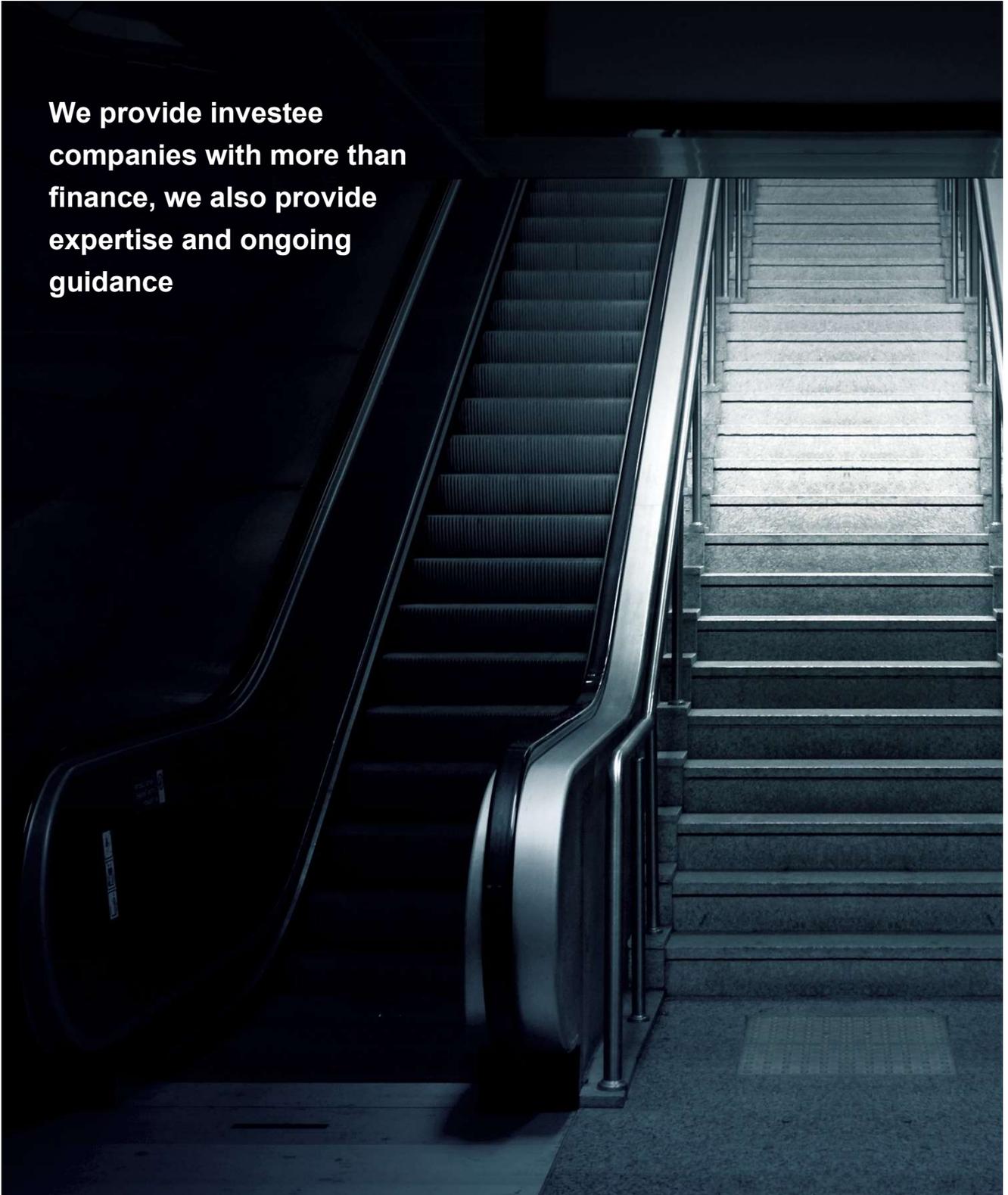
## RECENT INVESTMENTS

	<p>SECTOR: EDUCATIONAL TECHNOLOGY STAGE: CURRENT INVESTMENT</p> <p>UK's leading digital textbook and learning platform with over 200,000 education titles from over 200 publishers.</p>
	<p>SECTOR: EDUCATIONAL TECHNOLOGY STAGE: CURRENT INVESTMENT</p> <p>Provides build-it-yourself Raspberry Pi based computers and software for learning to code.</p>
	<p>SECTOR: TECHNOLOGY STAGE: CURRENT INVESTMENT</p> <p>VIT Security is a leading long-range surveillance optical camera manufacturer.</p>
	<p>SECTOR: TECHNOLOGY STAGE: CURRENT INVESTMENT</p> <p>Saietta designs, develops and manufactures innovative electric motors, generators, controllers and complete drivetrains.</p>
	<p>SECTOR: TECHNOLOGY STAGE: CURRENT INVESTMENT</p> <p>Cloudhouse virtualises Windows client/server applications to run on current 64-bit operating systems and in remote deployment environments.</p>
	<p>SECTOR: TECHNOLOGY STAGE: CURRENT INVESTMENT</p> <p>StorMagic provides virtualised SAN software which enables enterprises to leverage existing server storage and eliminate downtime of business-critical applications.</p>
	<p>SECTOR: TECHNOLOGY STAGE: CURRENT INVESTMENT</p> <p>Lightwave PLC is an AIM-listed affordable smart home technology provider.</p>

	<p>SECTOR: TECHNOLOGY STAGE: CURRENT INVESTMENT</p> <p>Digital map platform for indoor and urban space owners</p>
	<p>SECTOR: TECHNOLOGY STAGE: CURRENT INVESTMENT</p> <p>Video collaboration platform allowing companies to capture, control, edit and curate User-Generated Content (UGC) from selected contributors and influencers.</p>
	<p>SECTOR: TECHNOLOGY STAGE: CURRENT INVESTMENT</p> <p>Commercial insurance broker with a technology solution which aims to instil best practice in the broker community</p>
	<p>SECTOR: TECHNOLOGY STAGE: CURRENT INVESTMENT</p> <p>Advertising technology company which provides a key distribution channel for some of the world's largest brands across global premium media owners; unusually, GDPR compliant</p>
	<p>SECTOR: EDUCATIONAL TECHNOLOGY STAGE: PROSPECTIVE INVESTMENT</p> <p>Video aggregation platform which assists education providers in finding, licensing and using video content from some of the world's most respected content producers</p>

\* Committed Capital also manages interests (held outside of the Fund) in Fairstone, a technology-led wealth manager, TradeRiver, an online trade finance platform and FSB, a gaming and betting platform provider.

**We provide investee companies with more than finance, we also provide expertise and ongoing guidance**



# COMMITTED CAPITAL

## SYNDICATE

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The Syndicate, spearheaded by the Chairman, the CEO and the Advisory Board of Committed Capital, comprises a group of around 150 highly successful entrepreneurs and leading business people. They introduce investment opportunities to Committed Capital and our investors, they provide support and guidance to the portfolio companies, and they invest their own money in the Fund.

We involve members of the Advisory Board and Syndicate at an early stage in our investment decision making process, often engaging members with relevant industry experience as part of our initial due diligence. This will enable us quickly to identify outstanding opportunities into which the Committed Capital Growth EIS can invest.

At Committed Capital we believe in a hands-on approach to assist investee companies. Together with the Advisory Board and the Syndicate, we can draw on relevant experience to provide support and guidance to mitigate risks and facilitate growth in portfolio companies.

## ADVISORY BOARD

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**MARK BLANDFORD**

Successful entrepreneur and venture capital investor; founder, former chairman and CEO of Sporting Bet plc.



**NEIL MACFADYEN**

Over 20 years' experience as private equity investor Chartered accountant with ICAS, joined Murray Johnstone and subsequently Aberdeen Asset Management.



**DAVID WHEELER**

Chairman of CSFB EMEA Media and Telecom Group, Co Chairman of CSFB European Investment Banking Committee, Chairman of the Executive Committee of Orbit Showtime Networks.

## INVESTMENT TEAM

Committed Capital's team of seasoned handpicked investment professionals carry out the day to day work of identifying and processing investments and monitoring and assisting underlying investee businesses.



TIM STEEL, CHAIRMAN

Tim is non-executive Chairman of Committed Capital and chairs the Advisory Board. Tim was Vice Chairman of Cazenove until early 2010 when he stepped down to pursue a portfolio career and work more closely with smaller developing businesses.

Tim joined Cazenove in 1980 from Robert Fleming and became a partner in 1982. He was appointed Managing Director of Cazenove Fund Management Limited in 2000, then became Chairman in 2001, and was appointed to the main Board of Cazenove Group plc. Tim holds an Honours Degree in Philosophy and Law from Cambridge University.



STEVE HARRIS, CEO

Steve joined Committed Capital in 2004 as CEO and is Committed Capital's largest shareholder. He has spent nearly 30 years in investment and corporate finance. Initially a corporate financier at HSBC, Steve became a Director of Corporate Finance at Société Générale and later, Head of Mergers and Acquisitions at PA Consulting. In the early years of the internet, Steve was Investment Director at antfactory and Finance Director of its investment bank. antfactory was a start-up internet incubator, which grew to become one of the UK's leading technology investment vehicles with a US\$600m technology-focused private equity fund.

Steve holds an MBA from London Business School and a BA Hons in Modern History from UCL. Steve attended the Royal Military Academy Sandhurst and was an officer in the British Army.



ELSE THOMSON

Else re-joined Committed Capital in 2014, as head of finance and now works also with investee companies. She originally joined Committed Capital in 2005 as a corporate financier and financial controller.

After qualifying as a chartered accountant with Coopers & Lybrand, Else worked in the London corporate finance departments of Handelsbanken and then Islandsbanki, predominantly advising companies in the TMT and healthcare areas.

Else holds an Honours Degree in Natural Sciences from Cambridge University and is a Chartered Accountant.



SIMON SHARP

Simon is an investment manager at Committed Capital and joined the team in late 2017.

Prior to joining Committed Capital, Simon worked in corporate finance at Kingston Smith, where he advised SMEs across a variety of sectors including technology, healthcare and real estate.

Simon holds a BSc degree in Mathematics from the University of Warwick, is a Chartered Accountant with ICAEW and is a Member of the Chartered Institute for Securities and Investment.



JUDY WELCH

Judy has worked in Financial Services for over 25 years and held senior positions at leading institutions including Deloitte & Touche, BNP Paribas and Chase Manhattan. Judy was involved in the original drafting of the legislation for R&D tax credits and has further expertise in due diligence, structured finance, other tax and trading.



ALEJANDRA PINZON

Alejandra is a Financial Analyst and joined Committed Capital in 2015.

Prior to joining Committed Capital, Alejandra worked in manufacturing and export businesses, setting up new operating divisions and managing export processes and in compliance with regulation.

Alejandra has an MBA in Project Management from the London Metropolitan University and a BSc in Industrial Engineering from the Universidad de América, in Colombia.



GLEN STEWART

Glen joined Committed Capital in 2015 and has 14 years' experience raising capital for businesses in partnership with financial advisers, solicitors and accountants utilising tax efficient investment wrappers such as Enterprise Investment Schemes and Venture Capital Trusts.

During this time, he has raised capital for a number of diverse businesses and asset classes including multi-media, property, renewable energy and AIM listed companies ranging from start-ups to well established and profitable companies.

Prior to this, Glen spent the previous ten years at Coopers & Lybrand qualifying as a tax adviser, PwC and Deloitte specialising in High Net Worth, Expatriate tax and cross border advice before co-founding a successful accountancy and tax consultancy business.

# EIS TAX ADVANTAGES

## FIVE DIFFERENT TAX BENEFITS

**Enterprise Investment Schemes can help investors generate an attractive return by investing in early stage companies with higher growth potential, combined with multiple tax benefits.** These benefits depend on your individual tax position which may be subject to change in the future. If you are unsure of your own potential tax liabilities, you should seek professional advice from a qualified tax adviser.

### 30% UPFRONT INCOME TAX RELIEF

30% income tax relief on the amount invested in EIS qualifying companies against your income tax bill of up to £2 million (provided that any amount above £1m is invested in Knowledge Intensive Companies). 30% relief on up to £1 million of investment in the current tax year plus 30% on up to a further £1 million of EIS investment carried back to the previous tax year. Investments need to be held for at least three years for the benefits to be retained. Please note, not all your investments will necessarily fall in the same tax year.

### CAPITAL GAINS TAX (CGT) DEFERRAL

CGT, such as from the sale of shares or a second property, can be deferred for the life of an EIS investment. You can defer any gains made in the three years prior to, or the year following, the date your investment into an EIS company is made.

### LOSS RELIEF

Up to 45% loss relief may be available on any holdings that are realised at a loss net of initial income tax relief. The investor can choose whether to set the loss relief against other gains made now or in the future, or against income for the year in which the loss arises or the previous year.

### UP TO 100% INHERITANCE TAX (IHT) RELIEF

The companies we invest in will also qualify for Business Property Relief. This means that investments made

through the Fund can be exempt from inheritance tax (IHT) after just two years (from the point at which the investment into the underlying EIS qualifying company is made). In order to qualify, the investments must also be held at the time of death.

### TAX FREE GROWTH

All capital gains made from EIS investments are tax free when held for the minimum three year holding period. Given the higher returns targeted by Committed Capital Growth EIS, this is an important tax benefit, allowing investors to include smaller companies in their investment portfolio in a highly tax efficient manner.

### “KNOWLEDGE INTENSIVE” CLASSIFICATION

An EIS qualifying company may apply for an additional classification of being “knowledge intensive”. The main criteria for being knowledge intensive are as follows:

1. At least 15% of operating costs should have been spent on innovation and R&D within one of the last 3 years preceding the EIS share issue
2. At least 10% of all the preceding years' operating costs should be R&D
3. The intellectual property (IP) thus created should be useable within 10 years of the share issue, forming the larger part of their business going forward, and retaining ownership of such IP
4. At least 20% of employees should hold a higher education degree and be directly involved in R&D

In the event that an EIS company is additionally classified as knowledge intensive by HMRC, you may then invest a further £1 million into these companies, and you will receive 30% tax relief on the amount invested against your income tax bill for the year of investment. The carry back to the previous year also can be applied (from 6 April 2019), as can the additional tax benefits of CGT Deferral, Loss Relief, IHT Relief, with the proviso that the shares are held for the minimum of three years post investment.



**We work closely with you  
and your financial adviser  
to ensure your tax benefits  
are delivered in a timely  
manner**

### **CLAIMING YOUR TAX RELIEF**

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The investments we make on your behalf will be held in your name and the tax reliefs and deferrals are generated as and when your money is invested in qualifying companies.

The relevant date for income tax relief, from a tax year perspective, is the date on which investments are made into each of the qualifying companies. It is not the date on which you invest into the Fund or the date you receive the EIS3 certificates. Typically, we aim to invest your money within 12 months from the date of investment.

Once a company has been trading for four months, it may apply to HM Revenue & Customs for permission to issue an investor with an EIS3 certificate. Generally, the point at which we invest will be at least a year or more after incorporation, so each company into which we have invested on your behalf will be able to apply for EIS3 certificate for you straight after investment. This certificate enables you to claim your income tax relief and capital gains tax deferral.

You will receive one EIS3 certificate for each of the Fund investments, meaning your tax relief could be spread over multiple tax years. It may be used to offset an income tax liability in the year of the investment or the year before. You may also claim up to five years after 31 January following the tax year to which the claim relates.

Although we cannot guarantee the speed at which the EIS3 certificates will be issued, we promise to work with the investee companies to try to minimise delays and we commit to keeping you informed throughout the process.

# THE RISKS

**Prospective Investors should consider carefully all the information in this document including the risks relating to the Committed Capital Growth EIS 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 the Investment Manager which become apparent later or impact upon 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.

We do not give investment or tax advice, nor do we give personal recommendations with regard to your portfolio or decision to invest. Any person considering an investment in the Committed Capital Growth 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 Committed Capital Growth EIS.

## PERFORMANCE RISK

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We will manage your portfolio in line with the investment profile agreed with you and your adviser. Past performance is no guide to future performance. We can make no guarantee of investment performance or the level of growth that will be generated by the Fund.

We recommend you review your investment objectives regularly and update us if you need to make any changes. However, there is no guarantee that our investments will meet your investment objectives. Force majeure events may delay or prevent the Fund from fulfilling its obligations.

## RISK TO CAPITAL

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The rules governing which companies qualify for EIS relief means the Fund will need to make investments into small, unquoted and higher risk companies.

Investments into unquoted companies are likely to be more volatile and present a higher risk to your capital than those on the Official List of the London Stock Exchange. Your capital and the investment return are not guaranteed, and you may not receive back all the money you invest. You should not invest unless you have thought carefully about whether you can afford it, and whether it is right for you. You should consider the Fund as a high risk and long-term investment.

## LIQUIDITY RISK

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Investments made by the Fund are likely to be less liquid than for example, companies on the Official List of the London Stock Exchange. Consequently, whilst we will always attempt to redeem your investment upon receipt of a withdrawal request, this will not always be possible. Specifically, investments in unquoted companies are not readily marketable and may take several years to realise, the timing of which cannot be predicted. The Fund is not designed to be held for the short-term. Investments into qualifying companies must be held for at least three years to retain the EIS reliefs, and may need to be held for much longer in order to realise their full potential value.

## OTHER RISKS ASSOCIATED WITH EIS QUALIFYING COMPANIES

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EIS Qualifying Companies are generally considered to be high risk investments. They depend 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.

## WIDER ECONOMIC RISK

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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 assumptions, which may or may not be realised, and valuation rules and guidelines that may be more or less suitable for certain companies.

An investee company may be (i) unable to borrow on acceptable terms or at all, or (ii) may have existing or promised funding withdrawn unexpectedly.

Should an Investee Company 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 Committed Capital Growth 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.

## CURRENT LEGISLATION

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Rates of tax, tax benefits and allowances described in this information memorandum are based on current legislation and HM Revenue & Customs (HMRC) practice and depend on personal circumstances. These may change from time to time and are not guaranteed. Committed Capital does not provide tax advice and potential investors are recommended to seek specialist independent tax and financial advice before investing. The Fund has been designed with UK resident taxpayers in mind.

## EIS APPROVAL

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We will invest in companies which we reasonably believe to be EIS qualifying companies at the time of investment but please be aware that there is no guarantee that such companies will remain EIS qualifying companies at all times thereafter, or that EIS tax reliefs will be available to investors. A failure of a qualifying company to meet the EIS requirements could result in the withdrawal of EIS tax benefits that have already been obtained and the requirement to repay any rebated tax. There is no guarantee as to the timing of the availability of the EIS3 certificates that are needed in order to claim EIS tax benefits. Your obtaining the EIS tax benefits is subject to you making the appropriate filings with HM Revenue & Customs. Please note, you will need to hold the investment for at least three years to retain the benefit from the EIS tax reliefs.

## FORWARD LOOKING STATEMENTS

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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. 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 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.

# THE CHARGES

## ADVISER CHARGE OR COMMISSION

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We may deduct one of the following amounts based on the information supplied on your application form from the amount you invest in to the Fund.

- Adviser charge as agreed between the investor and the adviser; OR
- Commission payment of up to 3% where agreed between the investor and introducer.

## 1.5% INITIAL CHARGE

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There is a charge of 1.5% plus VAT to cover set up and administrative costs, calculated on your investment into the Fund less the charge referred to above.

The adviser charge or commission payment together with the initial charge will be deducted at the outset from your investment into the Fund. This net amount will be considered the Managed Amount for the calculation of annual management fees as set out below.

Please note that these upfront deductions will reduce the amount invested into investee companies, and will affect the final value of your investment and the tax reliefs you are able to claim.

## 2% ANNUAL MANAGEMENT FEE

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There is an annual management charge ("AMC") of 2% applied to the Managed Amount, referred to above.

Please note that an amount equivalent to the first 3 years' annual management charges will be calculated at the outset and be held back in cash in your account and will reduce the amount invested into investee companies. This will affect the final value of your investment and the tax reliefs you are able to claim.

In years 4 and 5, the Managed Amount will be reduced by any investment returns (at cost) made to you and the 2% charge will be accrued until returns allow the charge to be paid. There is no annual charge after Year 5.

To the extent that you have funds that remain invested after 5 years, no annual management charge will apply.

Annual management charges are paid quarterly in advance and are subject to VAT. In the event that there is insufficient cash to pay ongoing charges, the fees will accrue on your account until such time as a realisation or income on your portfolio facilitates the payment.

## PERFORMANCE FEE OF 20% OF REALISED GAINS

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There is a performance fee payable equivalent to 20% of the profits returned in excess of the gross amount originally invested by you into the Service (excluding all tax benefits), plus VAT where applicable (the "Gross Investment Amount"). Once your Gross Investment Amount has been repaid to you, the performance fee will apply to all consequent investee company exit proceeds.

Committed Capital retains the right to charge arrangement, monitoring and non-executive fees to investee companies in which the Fund invests. The costs of the deals that do not proceed to completion will be borne by Committed Capital.

The performance of your investment will be affected by the fees and charges referred to above. You should ask your adviser how the charges levied by him will impact on your investment and returns. Your adviser can explain the impact of fees before you decide to invest.

# FUND SUMMARY

INVESTMENT ADVISER	Committed Capital Limited, a private limited company registered in England and Wales with the registered number 04479415 and whose registered address is at 148-150 Buckingham Palace Road, London SW1W 9TR. Committed Capital Limited is an appointed representative of Sapia Partners LLP
INVESTMENT MANAGER	Sapia Partners LLP, a limited liability partnership registered in England and Wales with the registered number OC354934 and whose registered address is at 134 Buckingham Palace Road, London SW1W 9SA. Sapia Partners LLP is authorised and regulated by the FCA with reference number 550103
FUND STRUCTURE	The Fund comprises a number of discretionary managed investment portfolios, all of which are managed by the Investment Manager in accordance with the Investor's Agreement for each investor.
MINIMUM INVESTMENT	Minimum Investment: £15,000 (lower amounts will be permitted at the discretion of the Investment Manager). There is no maximum investment value. Funds being held offshore have additional minimum investment size criteria. Smaller amounts may be permitted for follow-on investment at the Manager's discretion. In the event of rights-related issues regarding stocks already held by the Investor, smaller amounts are also permitted to allow the Investor to take up these rights (subject to fees).
TARGET RETURN	<p>The Committed Capital Growth EIS targets a return of 2 to 3 times the amount invested after a 3 to 5 year period, excluding any EIS tax reliefs, but returns could be much higher and holding periods may vary. The performance of unquoted shares is unpredictable, and so the target return and holding period are forecasts only.</p> <p>Please note that the investment in the Committed Capital Growth EIS should be viewed for capital growth rather than capital preservation, as there are no guarantees of returns</p>
DIVERSIFICATION	We aim to ensure that Your Portfolio includes 8-12 companies, and that no single company investment at cost accounts for more than 15% of Your Portfolio initially. If you prefer, and specify it on the Application Form, we can accelerate investment by investing in more concentrated portfolio to meet certain investment requirements or tax deadlines
SPEED OF INVESTMENT	When you subscribe, we will begin to invest your subscription monies at the earliest opportunity and aim for you to become fully invested over 12 months.
EXIT TIME FRAME	The Fund will aim to realise its investments only after they have been held for 3 years. It is anticipated that exits will occur within 3 to 5 years of the date of monies being invested, depending on market conditions. The most likely realisation routes will be through a trade sale of an investee companies, though management buy outs, share buy backs, refinancings and IPOs may also be considered as appropriate
LIQUIDITY	Once invested, it is likely your capital will only be returned upon sale of the underlying investments in investee companies. An Investment in the Fund is not designed to be held for the short-term.
FEES AND CHARGES	See page 19
TAX RELIEFS	If you are a UK investor you may be able to benefit from tax advantages provided by the EIS. See Page 15 for details



# QUESTIONS AND ANSWERS

**We have tried to answer the most common questions here, but if there is anything else you would like to ask, please call us on 020 7529 1350.**

## WHAT IS THE MINIMUM I CAN INVEST?

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The minimum investment into the Fund is £15,000 and there is no maximum. Lower amounts will be permitted at the discretion of the Investment Manager. Funds being held offshore have additional minimum investment size criteria. Smaller amounts may be permitted for follow-on investment at the Manager's discretion. In the event of rights-related issues regarding stocks already held by the Investor, smaller amounts are also permitted to allow the Investor to take up these rights (subject to fees).

## HOW DO I FOLLOW THE PROGRESS OF MY INVESTMENT?

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A valuation statement may be accessed online via our secure Fund portal; in addition, further investor updates are also available from time to time via the Fund portal. Alternatively, you can call Committed Capital on 020 7529 1350 to arrange for a statement to be sent to you.

## CAN I WITHDRAW MONEY FROM THE FUND?

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You may give notice to withdraw money at any time. However, your investments in unquoted companies are not readily marketable and the timing of any realisation cannot be predicted. As such, you should be prepared to retain these investments until the Fund exits from them, which may be years following their acquisition in some cases.

There are also potential tax consequences of withdrawing money. If the three-year holding period for an individual investment that has been bought on your behalf, and is to be sold, has not been completed, any income tax relief

received in respect of that investment will have to be repaid and (if applicable), a portion of the deferred capital gains liability will become payable once again. The money withdrawn will also not be exempt from inheritance tax.

## HOW ARE CAPITAL GAINS TREATED?

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EIS gains are not subject to capital gains tax for qualifying investors, assuming the shares are held for at least three years.

## HOW DO I APPLY?

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After you have read this Information Memorandum, please read the Terms and Conditions and complete the Fund Application Form. You may invest via bank transfer sent directly to the Fund custodian. Your application form should be sent to Committed Capital Limited, 148-150 Buckingham Palace Road, London SW1W 9TR, or you may also email a scan of the completed document to [Alejandra.Pinzon@committedcapital.co.uk](mailto:Alejandra.Pinzon@committedcapital.co.uk).

## WHAT SHOULD I EXPECT AFTER I INVEST?

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We will let you know we have received your application and processed, within a few days. After that, you will receive login details to our secure Fund portal where a contract note will be posted each time we invest your money into a company along with periodic valuation statements and ad hoc investor updates. Once the EIS3 certificate is available in relation to each company, we will send it to you so you can claim your tax relief.

Valuation statements will be updated after the end of each calendar quarter. If you ever have any questions about your investment or would like to speak to the people at Committed Capital, you can call 020 7529 1350 or email. The Investment Team are always happy to hear from you.

# LEGAL NOTES

## FUND MECHANICS

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### THE INVESTMENT MANAGER

The Investment Manager is Sapia Partners LLP, a multi asset Investment Manager and corporate finance advisory firm. Sapia comprises a team of highly specialised, senior professionals with expertise in investment banking, principal investments and private equity. The Investment Manager's role is to provide regulatory oversight and approve investments for the Committed Capital Growth EIS proposed by Committed Capital. The Investment Manager shall establish its own internal investment committee to consider all viable investee companies sourced and recommended by Committed Capital and make the discretionary investment decision for each proposed Investment. The Investment Manager's team includes senior members who will make the investment management decisions based on advice from Committed Capital. Committed Capital will also receive and process Application Forms from prospective Investors and carry out anti-money laundering checks on behalf of the Investment Manager.

### THE CUSTODIAN

Mainspring Nominees Limited, or such other company appointed by the Investment Manager from time to time (the "Custodian"), will provide nominee services to Investors through MNL Nominees Limited (or such other nominee company as appointed by the Investment Manager), as well as custody and administration services for the Fund.

The Custodian will maintain a client account with a banking institution which will have client trust status. This account has been named "MNL Committed Capital Growth EIS Client Account". Once an Investor's application has been approved by the Investment Manager, their Subscription Monies will be transferred to this account to be held pending investment. In addition, all dividends, returns of capital and proceeds of sale of Investments pending their distribution will be deposited by the Investment Manager in this account. The mandate for operation of the account shall be held by the Custodian and any interest arising therefrom will be paid to Investors.

Each time an investment is to be made by the Fund, the Investment Manager will direct the Custodian to purchase and hold a specific number of investee company shares. The Custodian will then be the registered owner of the investee company shares, but for legal and tax purposes individual Investors will be the beneficial owners of such shares.

The Custodian will maintain virtual records of Investors' beneficial interests in the Fund's Investments, taking into account any adviser fees facilitated by investee companies, and Investors' respective entitlement to any dividends, returns of capital or the proceeds of any exits.

### REPORTING AND VALUATION

Investors will receive a quarterly client statement electronically (unless otherwise requested) from the Nominee. In addition, Investors will be kept informed by Committed Capital of any significant events concerning investee companies within their Portfolio. All investments in the Committed Capital Growth EIS will be valued according to best practice as set out under the International Private Equity and Venture Capital (IPEVC) Valuation Guidelines. The overriding principle of these valuation guidelines is to show a fair valuation of the Investment to the Investors based on what would be a fair transaction between informed parties at arm's length. Prudence is a central concept of the valuation guidelines. All portfolio company investments will be valued on a quarterly basis.

### HMRC STATUS

The Committed Capital Growth EIS has not been approved by HMRC under section 251 of the Income Tax Act. This means that you, as an Investor, can obtain EIS Relief in the tax year in which Investments in investee companies are made by the Committed Capital Growth EIS and in the preceding tax year to the extent that carry back relief is claimed in respect of the Investments. The tax year in which the Investments are made through the Fund may not be the same as the tax year in which you subscribe to the Fund, notwithstanding the availability of carry back relief. Capital gains tax deferral relief is also given by reference to the dates on which the Fund makes its Investments.

## DEFINITIONS

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### **Application Form**

The form attached to the Information Memorandum

### **Associate**

Any holding, parent, sister or subsidiary company of Committed Capital and any director thereof

### **Business Day**

Any day on which London banks are open for business

### **Committed Capital**

Committed Capital Limited, an English private limited company with registered number 04479415 and with its registered address at 148-150 Buckingham Palace Road, London SW1W 9TR. An appointed representative of Sapia Partners LLP

### **Custodian**

Any entity (which may be an Associate or a third party) whom we appoint to carry out safe custody and administration (and related) services in relation to investments in Your Portfolio. At the time of this Information Memorandum the Custodian is Mainspring Nominees Limited, an English private limited company with registered number 08255713 and with its registered address at 20 – 22 Bedford Row, London, WC1R 4EB. Mainspring Nominees Limited is authorised and regulated by the FCA under number 591814.

### **FCA**

Financial Conduct Authority

### **FCA Rules**

Those rules made by the FCA for the regulation of the conduct of our business

### **Fund**

The Committed Capital Growth Enterprise Portfolio Service or “Committed Capital Growth EIS”

### **Investment Adviser**

Committed Capital

### **Information Memorandum**

The current edition of the Fund Information Memorandum published by Committed Capital to which this Agreement is attached

### **Investment Manager**

Sapia Partners LLP, a limited liability partnership registered in England and Wales with the registered number OC354934 and whose registered address is at 134 Buckingham Palace Road, London SW1W 9SA. Authorised and regulated by the FCA with reference number 550103

### **Nominee**

One or more nominee entities that the Custodian may use as the legal shareholder in the investee company. While the Nominee company is the legal owner, The Nominee will hold the shares on trust for you, and you will remain the ultimate beneficial owner of the investment.

### **Qualifying Investment**

Investments by an individual eligible for relief under s289(1) of Income and Corporation Taxes Act 1988 Pt VII into shares of a qualifying company as defined in s293 of Income and Corporation Taxes Act 1988 Pt VII

### **Your Portfolio**

Your portfolio of investments which are managed in accordance with the investment policy for The Fund in the Information Memorandum

### 1. Agreement

- 1.1 This Investor Agreement (the "Agreement") sets out the terms and conditions for the Committed Capital Growth EIS, acceptance of an Investor's Application Form by the Investment Manager will constitute a binding agreement between such Investor and the Investment Manager.

### 2. Regulatory Information

- 2.1 Sapia Partners LLP ("Sapia"), regulated and authorised by the Financial Conduct Authority (FCA), is the Investment Manager of the Committed Capital Growth EIS. The Fund is an EIS venture capital fund where the Investment Manager acts on behalf of all Investors in common when making and, by negotiating investment agreements which provide minority protection rights, managing investments which fall within the common investment policy for the Committed Capital Growth EIS described in this Information Memorandum. In carrying out its discretionary investment management services, the Investment Manager will be supported by Committed Capital in its capacity as the Investment Manager's Investment Adviser. In accordance with current FCA policy, the Committed Capital Growth EIS is the regulatory client of the Investment Manager for the purposes of determining which provisions of the FCA Conduct of Business Rules will regulate the obligations owed by the Investment Manager to Investors in common, and who accordingly, will not be treated on an individual basis as clients of the Investment Manager for regulatory purposes. The Committed Capital Growth EIS will be a professional client of the Investment Manager.
- 2.2 The Committed Capital Growth EIS is an EIS Fund for the purposes of FCA regulations and is not a collective investment scheme or a non-mainstream pooled investment and is not subject to the marketing restrictions introduced by the policy statement published by the FCA on 4 June 2013 and known as "PS13/3". In order to promote the Fund, Committed Capital is an appointed representative of Sapia.

### 3. Start Date

- 3.1 This Agreement will come into force (and therefore we are able at our discretion to start managing Your Portfolio) on the date of receipt by us of your duly completed and signed Application Form (or if later, on the date by which we have completed any compliance procedures required of us in accordance with the Money Laundering Regulations 2007).
- 3.2 The compliance procedures discussed at 3.1 above include requiring proof of your identity and of your address. Under Money Laundering Regulations we are required to check the identity of clients. Committed Capital and the Investment Manager may undertake an electronic search for the purposes of verifying your identity. To do so Committed Capital and the Investment Manager may check the details you supply against your particulars on any database (public or other) to which we have access. Committed Capital and the Investment Manager may also use your details in the future to assist other companies for verification purposes. A record of this search will be retained. If we cannot verify your identity, we may ask for documentation to assist us in identifying you, which may include, but may not be limited to: a recent original bank statement and an original Inland Revenue Tax Notification or a copy of your passport certified by a bank, solicitor or accountant or a Client Verification Certificate from your IFA.
- 3.3 If you wish to invest via a company or trust structure, or any other entity, please contact us for further information and a list of documents we will require.

### 4. Cancellation Rights

- 4.1 Other than where this Agreement was entered into between you and a representative of the Investment Manager or Committed Capital or your own independent financial adviser on a face-to-face basis, you have the right to cancel this Agreement within 14 days. If you wish to exercise your right to cancel, you must notify us in writing, to our address as printed in the Information Memorandum, within 14 days of receipt of the application form.
- 4.2 If you exercise your cancellation rights as set out in paragraph 4.1, we shall refund any monies paid by you less any charges we have already incurred for any service undertaken in accordance with the terms of the Agreement, although this would exclude the initial charge stipulated in the Information Memorandum.
- 4.3 We will endeavour to return any such monies as described at 4.2 as soon as possible (but in any event, not more than 30 days following cancellation subject to us having received satisfactory identification documentation for anti-money laundering purposes). You will not be entitled to interest on such monies.
- 4.4 If you do not exercise this right to cancel within the requisite time period, you will still be entitled to exercise your right under clause 14 below to terminate this Agreement, which is a separate right.
- 4.5 The right to cancel under the FCA Rules does not give you the right to cancel/terminate/reverse any particular investment transaction executed for the account of Your Portfolio before cancellation takes effect.

### 5. Customer Status

- 5.1 Unless otherwise agreed between the Investment Manager and the Investor, the Investor will be categorised by the Investment Manager as a "Retail Client", in which case this Investor's Agreement will constitute a "Client Agreement" for the purposes of the FCA Rules.

### 6. Investment objectives and restrictions

- 6.1 The Fund is a discretionary investment management service. By entering into this Agreement, you and every other investor who enters into the same form of agreement grant to us the right, unless specified by you in the Application Form, to select and manage, at our discretion, investments which correspond with the objectives and principles for the Fund, as set out in the Information Memorandum.
- 6.2 Subject to the generality of 6.1, and also to 12.2 below (aggregation of orders), all transactions for Your Portfolio will be undertaken in accordance with the overriding principles of Suitability and Best Execution under the FCA Rules.
- 6.3 We will acquire for Your Portfolio investments which we reasonably believe to be Qualifying Investments at the time of acquisition (but please be aware that we give no commitment that any such investment will remain a Qualifying Investment at all times thereafter). Subject thereto, there shall be no restriction on the amount invested in any one investment, or on the proportion of Your Portfolio in any one investment, or any particular type of investment, or on the markets on which transactions are effected, unless specified in this Information Memorandum. If we sell Qualifying Investments on your behalf, there may be capital gains tax consequences about which you should speak to your adviser.

6.4 You should be aware that some investments in Your Portfolio are likely to be classified under FCA Rules as "not readily realisable". It may be not possible or difficult to deal in such investments on a regular basis, for example because there is no, or only a very limited, market in which dealing is possible.

## 7. Fees and Expenses

- 7.1 The fees and expenses that you will bear are set out in the Information Memorandum or agreed in writing with Committed Capital and/or the Investment Manager.
- 7.2 An initial charge and, as appropriate, an adviser charge, or a commission payment shall be deducted from the amount you subscribe before the balance is invested in Your Portfolio. Please refer to the Application Form.
- 7.3 Our management charge (including the performance fee if applicable) and any adviser charges relevant to Your Portfolio will be deducted from any uninvested monies in Your Portfolio or, where there are insufficient monies available to meet the fees and charges, we will allow this to roll up interest free.

## 8. Delegation and use of agents

- 8.1 We may delegate any of our functions under this Agreement to any Associate or third party of our choosing who is competent (and if relevant, appropriately regulated) to perform such functions.
- 8.2 We will act in good faith and with due diligence in the selection, use and monitoring of third-party delegates.
- 8.3 We will accept responsibility for the acts and omissions of any Associate as if they were our own.
- 8.4 We have delegated the provision of administration, nominee and custodian services to Mainspring Nominees Limited.

## 9. Custody and administration

- 9.1 We shall arrange for the Custodian to provide safe custody services in relation to Your Portfolio pursuant to a custodian agreement (a copy of which is available online at the following address: <https://systems.mainspringfs.com/documents/committed-capital/custody-agreement/8b7>).
- 9.2 Under the custodian agreement, you will remain the customer of the Investment Manager, but will also become a customer of the Custodian for settlement, custody and nominee purposes only. You should direct all enquiries regarding Your Portfolio to the Investment Manager and not to the Custodian. The Custodian will not accept instructions from you directly.
- 9.3 By accepting the terms of this Investor Agreement, you agree that:
  - (a) The Investment Manager is authorised to enter into a custodian agreement on your behalf as your agent, to give instructions to the Custodian and to agree any subsequent amendments to the custodian agreement on your behalf, provided that we notify you of such amendments in accordance with the FCA Rules;
  - (b) You are bound by the terms of the custodian agreement; and
  - (c) The Custodian is authorised to transfer cash or investments from Your Portfolio to meet their and our fees and settlement or other obligations under the custodian agreement.
- 9.4 The Custodian will hold all investments in Your Portfolio in safe custody on the following basis:
  - (a) Title documents to investments in respect of which such documents are issued will be physically held by the Custodian;
  - (b) Any registerable investment acquired for Your Portfolio will normally be registered in the name of the Custodian's nominee company; and
  - (c) Any documents of title to investments in bearer form will be held by the Custodian.
- 9.5 We may, in our sole discretion, replace the Custodian and/or vary the terms of the custodian agreement from time to time and will endeavour to ensure terms no less beneficial to you.
- 9.6 Please note that investments held by the Custodian for the account of Your Portfolio may be pooled with other holdings held by the Custodian. Such investments may not be identifiable by separate certificates, other physical documents of title or equivalent electronic record.
- 9.7 We have discretion to exercise (or if we so choose, not to exercise) any conversion, subscription, voting or other rights (such as may arise in takeover situations, other offers and capital reorganisations) relating to investments held in Your Portfolio, and to give suitable instructions to the Custodian, without consulting with you first.
- 9.8 The Custodian, as soon as reasonably practicable, will claim and account to you for all dividends, interest and other payments or entitlements received in relation to investments in Your Portfolio, but is entitled to deduct or withhold any sum on account of any tax required to be so deducted or withheld and provide you with evidence of such deduction or withholding for your tax records.

## 10. Client money

- 10.1 All uninvested cash received or held for the account of Your Portfolio shall be treated by us under the FCA Rules as "client money". Our custodian will hold all such cash in one or more client money accounts in accordance with the FCA Rules.
- 10.2 Interest earned on uninvested cash within Your Portfolio will accrue daily at the prevailing rate and will be credited to Your Portfolio quarterly.

## 11. Valuations and Reports

- 11.1 You will be able electronically to access periodic statements, comprising the cost, current value, and dividends of all holdings within Your Portfolio as at the last Business Day of the period in question. Statements will be produced for the period ended 31 March, 30 June, 30 September and 31 December in each year. We will endeavour to provide all such reports within 35 Business Days of the end of the period in question.
- 11.2 All Investments will be valued periodically using private equity valuation best practice. Periodic statements will also show income and interest credited to Your Portfolio, fees charged and transactions made within the period.
- 11.3 A contract note will normally be available to you within 15 Business Days of each transaction.

## 12. Dealing, Counterparties and Aggregation

- 12.1 We will act in good faith and with due diligence in our choice and use of counterparties. All transactions will be effected in accordance with the rules and regulations of the relevant market, exchange or trading facility, and we may take all such steps as may be required or permitted by such rules and regulations and/or by appropriate market practice.
- 12.2 We may aggregate your transactions with those of other customers and of our employees in accordance with the FCA Rules. It is likely that the effect of such an allocation will not work to your disadvantage however occasionally this may not be the case. We will allocate aggregated transactions promptly on a fair basis in accordance with the requirements of the FCA Rules.

## 13. Our liability

- 13.1 We will act in good faith and with due diligence in managing Your Portfolio in accordance with this Agreement. We accept responsibility for loss to you only to the extent that such loss is finally and judicially determined directly attributable to our gross negligence, wilful default or fraud or that of our Associates.
- 13.2 If the Custodian should fail to deliver any necessary documents or to account for any investments, we will take all reasonable steps on your behalf to recover such documents or investments or any sums due or compensation in lieu thereof.
- 13.3 In the event of any failure, interruption or delay in the performance of our obligations resulting from acts, events or circumstances not reasonably within our control (including, but not limited to: acts or regulations of any governmental or supranational bodies or authorities; breakdown, failure or malfunction of any telecommunications or computer service or services; and acts of war, terrorism or civil unrest) we shall not be liable to you for consequent loss in the value of, or failure to perform investment transactions for the account of, Your Portfolio.
- 13.4 Nothing in 13.1 – 13.3 is deemed to limit any liability we may have to you under the terms of the FCA Rules.

## 14. Termination

- 14.1 You may terminate this Agreement at any time by immediate written notice to us and we may terminate this Agreement by giving you one month's written notice.
- 14.2 We reserve the right to settle outstanding transactions for Your Portfolio at the effective date of termination.
- 14.3 Further to 6.4 above, you should be aware that where on termination we are required to liquidate Your Portfolio, this may take place over an extended period of time as there may be limited liquidity for Your Portfolio's investments.
- 14.4 Termination will not affect accrued rights, or any contractual provision intended to survive termination.
- 14.5 On termination, you will be liable to pay (meaning that we may debit from Your Portfolio):
- (a) all fees and other charges mentioned at 7 above, pro rata to the date of termination;
  - (b) any additional expenses necessarily incurred by us in terminating this Agreement; and
  - (c) our charges (if any) in connection with transferring your investments into your name or as you may direct.
- 14.6 On termination, we may retain and/or realise such investments as may be required to settle transactions already initiated and to pay your outstanding liabilities. If there is a dispute as to the payment of fees to us, we may require the disputed amount to be held in an escrow account pending resolution of the dispute.

## 15. Protection of Personal Data

- 15.1 We use any personal data you provide to us, including your personal data, your employees' personal data and any other third parties' personal data ("**Customer Personal Data**") primarily to provide our Services to you, but also for related purposes:
- (a) conducting checks to identify you, verify your identity and screen for financial or other sanctions;
  - (b) gathering and providing information required by or relating to audits, enquiries and investigations by regulatory bodies;
  - (c) complying with professional, legal and regulatory obligations that apply to our business;
  - (d) ensuring business policies are adhered to;
  - (e) operational reasons, such as improving efficiency, and quality control;
  - (f) ensuring the confidentiality of commercially sensitive information;
  - (g) statistical analysis to help us manage our business;
  - (h) updating our records;
  - (i) preventing unauthorised access and modifications to systems;
  - (j) preparing and filing statutory returns; and
  - (k) credit reference checks via external credit reference agencies.
- 15.2 Our use of Customer Personal Data is subject to your instructions, the EU General Data Protection Regulation (GDPR), other relevant UK and EU legislation and our professional duty of confidentiality.
- 15.3 We process Customer Personal Data supplied to or obtained or created by us as a Data Controller.
- 15.4 Both you and we shall comply with our respective obligations under relevant data protection legislation as Data Controller of Customer Personal Data and shall use all reasonable efforts to assist the other to comply with such obligations as are respectively imposed on them by relevant data protection legislation. As we will both have Data Controller responsibilities in respect of the same Customer Personal Data, we and you each acknowledge and agree to the allocation of responsibility for compliance with applicable data protection legislation, as set out below.
- 15.5 When you supply Customer Personal Data to us you are responsible for and will ensure that:
- (a) the Customer Personal Data is not subject to any restriction which would prevent or restrict you from disclosing the Customer Personal Data to us or prevent or restrict us from using the Customer Personal Data in accordance with this Agreement;
  - (b) you have been transparent to all affected data subjects about the Customer Personal Data and the purposes for which we will use it, and you have given them all relevant information that the law requires you to do;
  - (c) the Customer Personal Data is accurate; and
  - (d) you have only provided us with such Customer Personal Data as is necessary for the relevant purpose for which we need it.
- 15.6 Both you and we shall be responsible for our separate obligations in respect of the Customer Personal Data when in the relevant party's possession, in relation to:

- (a) Customer Personal Data retention periods;
- (b) the security obligations set out in relevant data protection legislation; and
- (c) any restrictions on transfers outside of the EEA, instigated by that party;
- (d) any data subject rights exercised in respect of the Customer Personal Data in its control.

15.7 In the event of a breach by either party of their respective obligations under relevant data protection legislation, the party in breach shall be liable to the other party for all or any losses incurred by the other party, or for which the other party may become liable, in each case to the extent arising as a result of such breach. Nothing in this Agreement shall exclude or limit your liability to us under this Protection of Personal Data section.

15.8 The Customer Personal Data we process may be transferred to our service providers and agents for the purposes specified in this Agreement.

## 16. Promotional communications

16.1 We may use your personal data to send you updates (by email, text, telephone or post) about developments that might be of interest to you and/or information about our services, including exclusive offers, promotions or new services. You have the right to opt out of receiving promotional communications at any time, by:

- (a) contacting us by email, at [info@committedcapital.co.uk](mailto:info@committedcapital.co.uk);
- (b) sending us your request in writing to:

GDPR Compliance Manager,  
Committed Capital  
148-150 Buckingham Palace Road  
London SW1W 9TR; or

- (c) using the 'unsubscribe' link in emails.

16.2 We will use any personal information you provide to us to:

- (a) provide the Services;
- (b) process your payment for the Services; and
- (c) inform you about similar services that we provide, but you may stop receiving these at any time by contacting us.

16.3 Further details of how we will process personal information are set out in <https://www.committedcapital.co.uk/privacy-policy>

## 17. Risk warnings and further disclosures

17.1 General: Your attention is drawn to the risk warnings set out in the Information memorandum.

17.2 Borrowing and lending: We will not borrow money for the account of Your Portfolio, nor lend securities or enter into stock lending or similar transactions.

17.3 Supplement: We cannot require you to add further funds to Your Portfolio (though you may apply to do so if you wish).

17.4 Limit on investment powers: We will not invest in warrants, in units in collective investment schemes or in derivatives of any sort.

## 18. Complaints procedure and compensation

18.1 If you have a complaint, you should write to our Compliance Officer at the address of the Investment Manager given on page 22, who will acknowledge receipt of your letter, investigate the circumstances and report back to you at the address you should provide with your letter.

18.2 If a complaint is not resolved to your satisfaction and you are an 'eligible complainant' (as defined in the FCA Rules), you may be able to refer the complaint to the Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR ([www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)). The Financial Ombudsman Service is an organisation set up by Law to give consumers a free and independent service for resolving disputes with financial firms. Details of the persons who are 'eligible complainants' can be obtained from the Financial Ombudsman Service. Save for limited circumstances, persons classified as professional clients will not be eligible to have complaints dealt with by the Financial Ombudsman Service.

18.3 We are covered by the Financial Services Compensation Scheme ("FSCS"). If you are an 'eligible claimant' (as defined in the FCA Rules), you may be entitled to compensation from the scheme if we cannot meet our obligations. Being an eligible claimant depends on the type of business and the circumstances of the claim. Most types of investment business are covered for 100% of the claim to a maximum of £50,000. Further information on the FSCS (including as to the meaning of 'eligible claimant') can be obtained at [www.fscs.org.uk](http://www.fscs.org.uk).

## 19. General

19.1 We may assign this Agreement to any appropriately authorised and regulated person, such assignment being effective upon written notice to you. This Agreement is personal to you and you may not assign it.

19.2 Amendments to this Agreement shall be effective only if in writing and agreed by both parties, provided that we may amend the Agreement in circumstances where we are required to do so in accordance with applicable law or to reflect changes in regulations and any such amendment will be effective when notified to you in writing.

19.3 This Agreement, together with your Application Form, constitute the basis of our entire relationship with you. In this connection, you should also note that no person is authorised by us to make any representation to you concerning the Fund or our management thereof which is not contained in the Information Memorandum.

19.4 No person who is not party to this Investor Agreement may enforce its terms.

19.5 We may send any communication to you at the address which you provide to us in the Application Form (or to any provided address). You may communicate with us at the address given on page 22. Notice sent by first class post is deemed to have arrived on the second Business Day after posting. Notice sent by fax or email or hand-delivered is deemed to be delivered immediately (or on the next Business Day if sent on a non-Business Day).

19.6 This Investor Agreement is governed by English Law.

19.7 The Terms are supplied in English, and we will communicate in English during the course of our relationship with you.

OCTOBER 2019

Committed Capital Growth EIS Portfolio Service | 148-150 Buckingham Palace Road, London SW1W 9TR.

COMMITTED CAPITAL 

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