



The Alternative Investment Platform

# Platform Guide For EIS/SEIS/BR



2020

## Important Notice

This notice is important and needs your immediate attention.

Reliance on this promotion for the purpose of buying the investments to which this promotion relates may expose you to a significant risk of losing all of the assets invested.

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Please read the following information carefully.

The information contained in this brochure is for discussion purposes only for professional advisers and their clients.

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

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# Introduction

## We've opened the door to a new world of enterprise investment for professional advisers and investors. Welcome.

Kuber brings together exciting investment opportunities in small and medium entrepreneurial businesses. These opportunities range from music to eco-technologies. Kuber works with a range of investment managers to offer a wide variety of companies but each company is also selected for its ability to qualify under HMRC's VCT, SISR, EIS or SEIS tax reliefs or for Business Relief.

### What are tax efficient investment products (TEIPs)

The EIS and VCT was introduced by the UK government in 1994 to help small UK companies raise capital from private investment. Under the platform, investors are rewarded with considerable tax incentives in return for injecting enterprise capital into AIM listed or unlisted companies.

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

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

The first three benefits are available on amounts of up to £1 million per investor per tax year (£2m for Knowledge Intensive Companies (KIC)) with a facility to carry back to the previous year.

The investment must be held for at least three years following the issue of the shares (or following the start of trade if later). Each investee company must also continue to qualify under the EIS rules during the same period. Capital gains tax deferral is unlimited in amount. Exemption from inheritance tax depends on the investee company qualifying for Business Relief and the shares must be held for a minimum of 2 years at the date inheritance tax (IHT) comes in to charge.

Some portfolios may invest in Seed Enterprise Investment Scheme (SEIS) qualifying companies. SEIS was introduced in April 2012 to offer greater tax relief in return for investing into smaller companies. SEIS provides income tax relief of up to 50% for individuals who invest in shares of qualifying companies, with an annual investment limit of £100,000 for individuals, and £150,000 per company; companies must have a trading history of under two years.

### Venture Capital Trusts

VCTs invest in similar companies to EIS or SEIS, however, the tax treatment is different: investors in VCT receive:

- 30% up front tax relief
- Dividends are paid tax free

– Capital gains are also tax free providing you also qualify for income tax relief.

There are some differences with VCTs.

- Unlike EIS, VCTs are legal fund structures so you will benefit from a diversified range of underlying investments
- Tax certificates are generally available much faster than those from EIS or SEIS as you do not need to wait for the underlying investments to be made
- Apart from tax free growth, there are no other CGT benefits
- You cannot claim loss relief on VCT investment
- VCTs are not relevant business property and therefore do not benefit from IHT relief

### Social Investment Tax Relief

Social Investment Tax Relief (SISR) is the government's tax relief for social investment which encourages individuals to support charities and social enterprises.

SISR investments receive similar tax incentives to EIS, however the types of qualifying investments are limited to charities and social enterprises.

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

# Introduction Continued

Since its introduction in 1994, the EIS market has grown significantly, and EIS shares have been issued across a range of industries, from media to renewable energy. Whilst investing in EIS is not without risks, the incentives for investors looking at tax planning opportunities are considerable.

## Business Relief Investments

Business Relief Investments or BR investments are investments in private or AIM listed companies, which have the potential to qualify as Relevant Business Property (see below).

The difference between BR Investments and EIS or SEIS investments is that BR Investments will qualify for certain IHT benefits but not for other tax reliefs such as Income tax relief or CGT deferral.

## What is Business Property Relief?

Business Relief (BR) is a relief from inheritance tax (IHT) in respect of qualifying business property (called Relevant Business (RP)).

Either a 50% or 100% relief may be obtained depending on the category of RBP held. The property must be held by an individual for two years in order to qualify (see below) and there are restrictions regarding the nature of the property.

## What property can qualify for 100% relief?

If the ownership period condition is satisfied (and no exclusions apply), the following property may qualify for 100% relief:

- Any unquoted shares (including those listed on AIM);
- A business or interest in a business; and
- Unquoted company securities, but only where the securities (combined with any unquoted shares) give the owner control of the company.

## What property can qualify for 50% relief?

If the ownership period condition is satisfied (and no exclusions apply), the following property may qualify for 50% relief:

- Quoted company shares or securities, but only where they (combined with any other quoted company shares or securities held) give the owner control of the company; and
- Any land, building, machinery or plant owned by the individual and used wholly or mainly for the purposes of a business carried on by a company which the individual controls (or a partnership in which the individual is a partner). If such property is held by a trust in which the individual has an interest in possession, this may also qualify.

## Exclusions

There are additional requirements which must be satisfied for the property to be able to qualify as RBP. These include the underlying business not consisting wholly or mainly of the following:

- Dealing in securities, stocks or shares;
- Dealing in land or buildings; or
- Making or holding investments.

## Minimum period of ownership

As a general rule the property must have been owned by the individual for two years in order to qualify for BR.

There are however relaxations of this rule in limited circumstances. These include:

- Where the property is transferred to a spouse or civil partner on death. In this instance the survivor may essentially inherit the deceased individual's ownership period; and
- Replacing the RBP. If RBP is replaced by property which, had it been owned for two years, would also qualify for BR, then the minimum period of ownership condition may be treated as being satisfied.

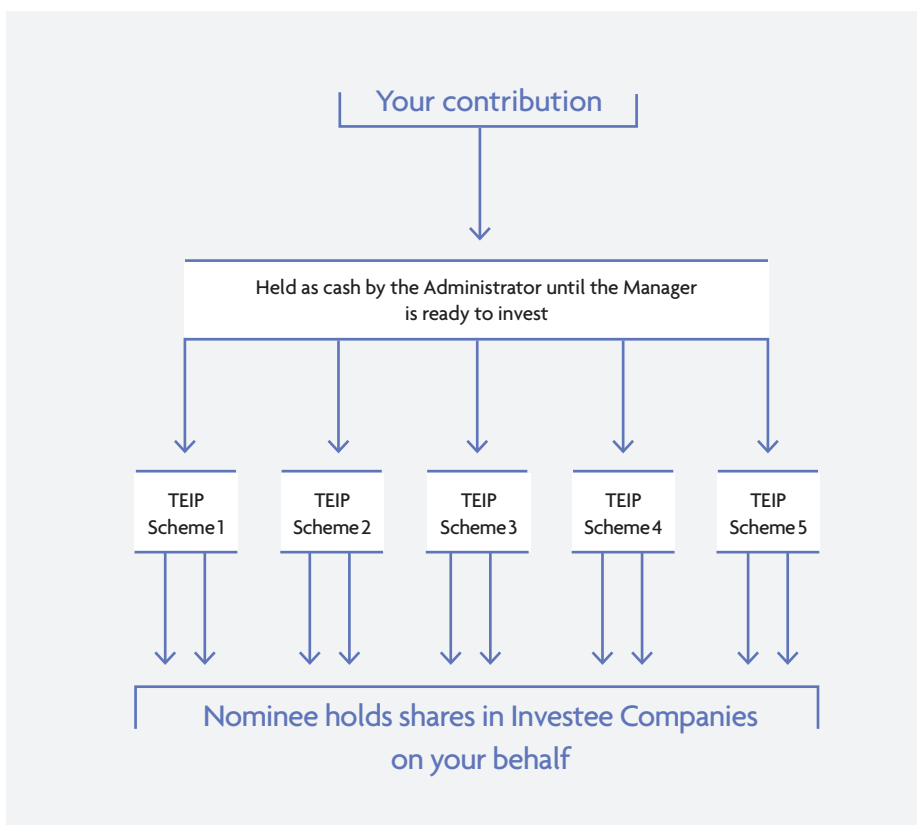
# Investing through Kuber

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

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

# What is Kuber?

Kuber is the first dedicated EIS, SEIS and Business Property Relief platform giving access to a range of managers and portfolios.



Kuber is based on the same principle as traditional fund platforms: it gives you access to a range of Schemes in one place using one application form. The main difference between Kuber and traditional fund platforms is that we don't offer traditional funds; we offer access to TEIPS and to opportunities that qualify for Business Relief.

Most Schemes are not like traditional funds. They are actually individual investments with no legal fund structure that aim to meet EIS, SEIS or BR qualifying rules. Some Schemes are structured as Alternative Investment Funds which also invest in new shares issued by trading companies that aim to meet EIS, SEIS or B R qualifying rules.

Kuber may also offer access to VCTs or SITR funds.

# Is Kuber right for you?

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

- You have accumulated significant savings and want to diversify your investments while benefitting from tax incentives
- You are keen to benefit from the growth potential offered by investments in smaller companies
- You would like to reduce your income tax liability
- You would like to reduce the potential inheritance tax due on your estate
- You would like to defer a capital gain
- You have previously built up a significant pension fund but are now restricted by the Pension Annual or Lifetime Allowance
- You have elected for Pension Enhanced Protection

or Fixed Protection

- You would like a tax advantaged savings vehicle without the restrictions attached to pensions
- You are a UK resident non domicile for tax purposes and would like to invest overseas income and capital gains tax free in the UK

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



# How does Kuber work?

Initially, your contributions will be deposited in a client account operated by the Administrator on behalf of the Managers you selected from the Scheme options available on the application form.

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

Under the terms of the Investment Management Agreement with the Managers, the Managers have discretion to select suitable companies for you.

You may instruct the Administrator to return cash held on your behalf at any time providing the funds have not been committed to an investment.

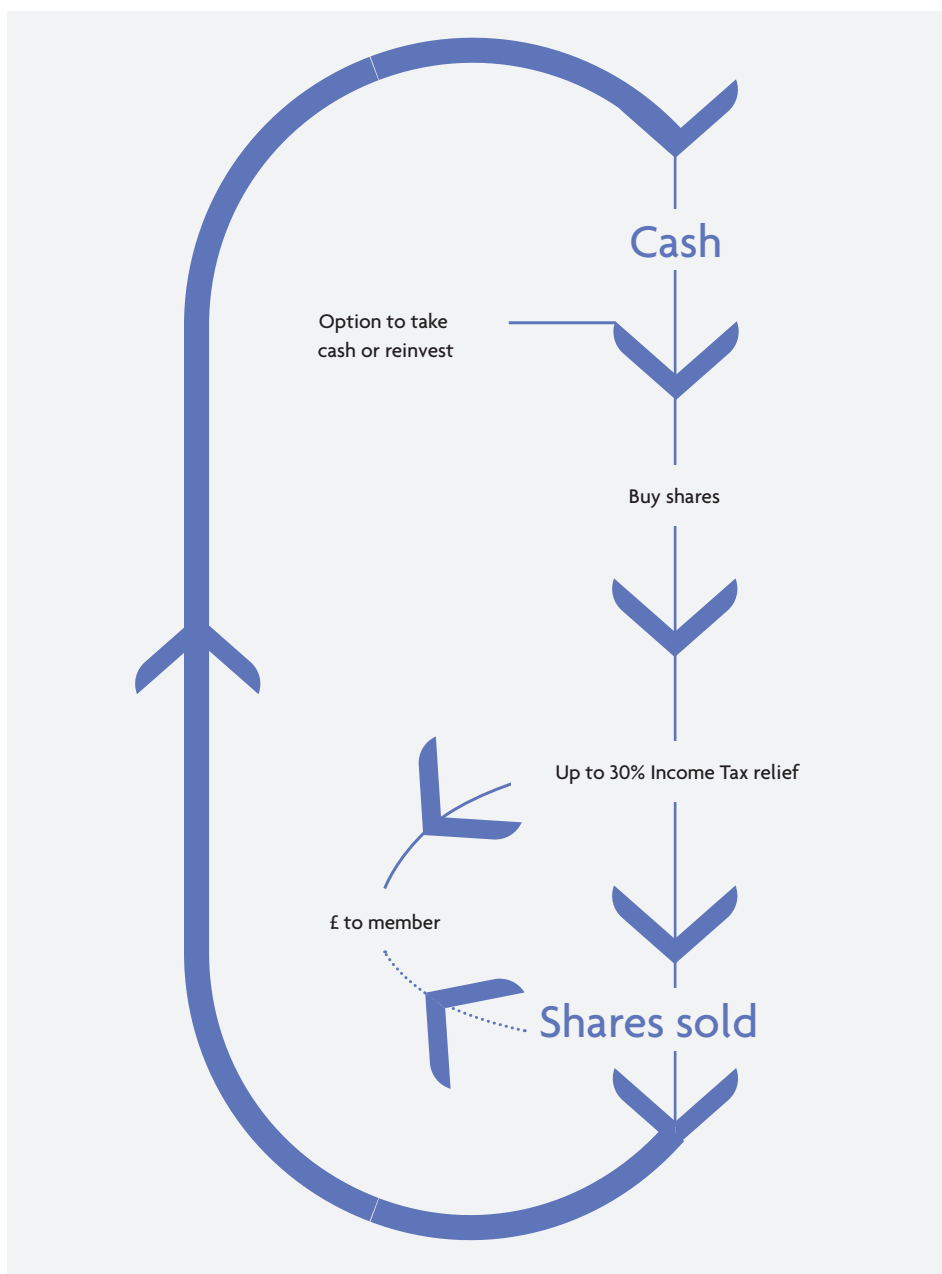
You can also change the allocation of cash between the different Schemes should you wish to.

As each investment is sold, the Kuber will contact you offering the opportunity to reinvest the proceeds.

EIS investments must be held for at least three years to retain EIS Income Tax relief and in the case of VCT the minimum holding period is 5 years in order to qualify for income tax relief. This period runs from the date on which the Manager in question makes the investment or in the case of VCTs, the date the funds are invested in the VCT itself. This is different to the date you transfer funds to the Kuber Platform.

Whenever proceeds from a realised investment are used to subscribe for new EIS Shares, you will be able to claim additional tax benefits.

When you complete the application, you will select a number of Schemes managed by different Managers.



# What does Kuber provide access to?

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

EIS, SEIS or BR investments can be made across a diverse range of business sectors. Examples of the industries that you gain exposure to via Kuber could include:

- Business services
- Engineering
- Entertainment
- Environmental building products
- Healthcare
- Leisure and catering
- Media
- Energy (renewable and traditional)
- Software development
- Support services
- Traditional energy
- Transportation

You will find more details of the different investment options on the Kuber Website [www.kuberventures.com](http://www.kuberventures.com)

- If you want to invest through Kuber, you should read this Platform

Guide in full, together with the relevant Guide to Investing and the relevant Information Memorandums.

Investment Sectors	
 <p>Generalist</p>	 <p>Technology</p>
 <p>Property and Lending</p>	 <p>Infrastructure and Industry</p>
 <p>Life Sciences</p>	 <p>Media</p>
 <p>Forestry</p>	 <p>Renewables</p>

# How to join

- In view of the nature of the underlying investments and the importance of the tax incentives, it is highly recommended that you take advice from an authorised financial adviser and, if necessary, from your accountant, solicitor or tax adviser. You should pay particular attention to the Risks section in this guide.
- Once you are satisfied that Kuber meets your needs, and that you understand the risks, please complete the Application Form and send it to your financial adviser. Your adviser will forward it to the Administrator for processing.
- The Administrator will send you an acknowledgement letter to confirm that your application has been received. If you change your mind about investing in Kuber, you should inform the Administrator within 14 days of receiving the letter.

# Investment choices

## ‘don’t put all your eggs in one basket’

### More choice, more ways to invest

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

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

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

### Why Kuber?

By using Kuber for your TEIP investments you can benefit from:

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

### Kuber for advisers and wealth managers

With the increasing complexity of running client portfolios, both from an administration and monitoring perspective, Kuber is designed to simplify the process for you.

# TEIP Tax benefits

This section provides a guide to the tax implications of making an investment with Kuber and is based on current understanding of UK tax law and practice. It does not set out all of the rules or regulations that must be adhered to and should not be interpreted as the provision of tax, legal or financial advice.

You are strongly recommended to seek independent professional advice on the tax consequences of acquiring, holding and disposing of EIS and SEIS Shares before proceeding with an investment in Kuber. EIS and SEIS Relief is only available on the amounts subscribed for shares in Investee Companies and its availability is dependent on your individual circumstances Business Relief also depends on meeting certain criteria.

## Tax reliefs in more detail

Investing in EIS and SEIS Qualifying Companies gives you access to five generous tax incentives:

### Income tax relief

Income tax relief allows you to reduce your income tax liability or reclaim income tax already paid by up to 30% for EIS or 50% for SEIS. You cannot reclaim tax that you have not paid, (eg if your income tax liability is £5,000 and you make an EIS investment of £50,000, relief would be limited to £5,000 rather than £15,000). The shares must be retained for at least three years from investment, or from when the Investee Company started trading, if later. Otherwise the income tax relief will be clawed back by HMRC.

### Capital Gains Tax (CGT) exemption

You receive exemption from capital gains tax on the disposal of EIS and SEIS Shares, provided you have held them for at least three full years from investment, or from when the Investee Company started trading, if later.

If no claim to income tax is made, then any subsequent disposal of the shares will not qualify for exemption from CGT.

### CGT deferral

If you make a chargeable gain on the disposal of other assets, you can defer that gain through CGT deferral relief by reinvesting the gain in EIS Shares.

In order to qualify for CGT deferral relief, you must invest in EIS shares within the period one year before and three years after the disposal. The CGT on this gain is then deferred until you dispose of the EIS Shares, or earlier if the Investee Company loses its EIS qualifying status.

The gain will be taxed at CGT rates prevailing at that time of disposal of the EIS shares (or other subsequent investment). Gains reinvested in EIS shares following a disposal on or after 3 December 2014 may now be deferred (once) and still qualify for entrepreneur's relief.

### SEIS CGT re-investment relief

This relief is now a permanent feature of SEIS, providing relief on half the qualifying gains that individuals reinvest in SEIS qualifying companies.

# TEIP Tax benefits continued

## 100% Inheritance Tax (IHT) relief

Investments in EIS, SEIS and other BR qualifying shares usually qualify for 100% inheritance tax relief after they have been held for two years. This is because, in most cases, the Shares should qualify as “relevant business property” for Business Relief purposes.

When the shares in BR qualifying investments are sold the cash proceeds will cease to qualify for BR, however, if you reinvest the proceeds they should then qualify for Replacement Property Relief, which means that the two year holding period is applied to the combined holdings. See the Glossary for more details.

Please note that these reliefs from IHT only apply if the shares are still held at your death and that they still meet the qualifying rules. The relief will not apply if you hold the shares for two years and then sell them for cash. However, if you die in the two year period and your spouse inherits the BR qualifying Shares the holding periods of both you and your spouse are combined in order to determine whether the two year holding period condition has been satisfied on the subsequent death of your spouse.

## Loss relief

If the Shares are disposed of at a loss, you can elect that the amount of the loss, less any income tax relief given, be set against income in the year in which they were disposed of, or any income of the previous tax year (or a combination of the two) instead of being set off against any capital gains.

## Loss relief – how can this be a good thing?

Many EIS/SEIS investments make a profit, and this gain is tax free. However, even though the Managers work very hard to avoid losses, the fact is that some of the businesses invested in may fail completely and other shares may be sold at a loss. If this is the case, HMRC allows tax relief on realised losses, giving you unparalleled downside protection. For example:

- You subscribe £1,000 in EIS Shares
- You benefit from £300 income tax relief giving you a base cost of £700
- Assuming you hold the shares for the relevant period, then income tax relief is available if you sell them for less than £700. This relief is available in the tax year that you sell the shares, or you can carry it back to the previous tax year

- The losses that you made from these EIS Shares are not offset against any gains you make on other shares

This means that you enjoy tax free gains on successful investments but get tax relief on losses.

If an investment is sold at a loss within the EIS or SEIS qualifying period, you will lose the SEIS/EIS income tax relief on amount of proceeds you receive from the sale, although you will continue to benefit from EIS/ SEIS relief on the difference between the cost of the investment and the sale proceeds.

For example, John invested £100 in an EIS and received £30 income tax relief initially. A year later he sold the investment for £50, a loss of 50%.

John had to repay half of the income tax relief (£15) because the investment was sold within 3 years, but could claim loss relief at his marginal rate of income tax, 40%, on £85 (£100-£15) leaving him with a net relief of £34-£15=£19. So overall, he invested £100 and recovered £50 from the sale and £34 in tax relief (£15 income tax relief and £19 loss relief) meaning that he recovered £84.

# TEIP Tax benefits continued

The table below illustrates the interaction of loss relief with other tax reliefs for EIS/SEIS in different loss making scenarios for different rate taxpayers.

(Assumes loss is after the initial 3 year qualifying period).

	SEIS with 50% CGT relief			SEIS with no CGT relief			EIS (ignoring CGT Deferral)			
	0%	25%	50%	0%	25%	50%	0%	25%	50%	70%
Initial outlay	£1,000			£1,000			£1,000			
Pre-tax Recovery	0%	25%	50%	0%	25%	50%	0%	25%	50%	70%
Pre-tax Proceeds	£0	£250	£500	£0	£250	£500	£0	£250	£500	£700
Income tax relief	£500			£500			£300			
CGT relief	£140			0			0			

## 45%

Income Tax rate

Loss relief	£225	£112	£0	£225	£112	£0	£315	£202	£90	£0
Proceeds	£865	£1,002	£1,140	£725	£862	£1,000	£615	£752	£890	£1,000

## 40%

Income Tax rate

Loss relief	£200	£100	£0	£200	£100	£0	£280	£180	£80	£0
Proceeds	£840	£990	£1,140	£700	£850	£1,000	£580	£730	£880	£1,000

## 20%

Income Tax rate

Loss relief	£100	£50	£0	£100	£50	£0	£140	£90	£40	£0
Proceeds	£740	£940	£1,140	£600	£800	£1,000	£440	£640	£840	£1,000

# TEIP Tax benefits continued

## The amount of tax relief available under the EIS is not unlimited.

### HMRC limits

The amount of tax relief available under the EIS is limited to the amount of tax you have paid with an absolute annual limit of £300,000 income tax relief for EIS and £50,000 for SEIS. If you invest in Knowledge Intensive EIS Companies ("KIC") you can qualify for an additional £300k of income tax relief. This means that in order to gain full income tax relief, you should not invest more than £1million in EIS which do not qualify as KIC or £100,000 in SEIS for each tax year, £1million per individual and for SEIS.

SEIS/EIS Income tax relief and SEIS Capital gains reinvestment relief can be carried back to the previous tax year. Companies which carry out significant research and development may qualify as Knowledge Intensive Companies. From the 2017/2018 tax year onwards, Investors can invest £2m in EIS qualifying companies and claim the maximum £600k in income tax relief providing the 2nd £1m is in Knowledge Intensive Companies.

Therefore, assuming no EIS investments have been made in previous years, the effective limit for the 2019/2019 tax year EIS is £3,000,000 (calculated as £1,000,000 for EIS in the 2018./2019 tax year, £1,000,000 in KIC EIS in the 2018./2019 tax year and £1,000,000 in EIS carried back to the 2017/2018 tax year).

In addition, for SEIS the limit is £200,000 calculated as £100,000 for each of 2018./2019 and 2017./2018 tax years.

Income tax relief is further limited to the amount of income tax paid by you in the year that it's claimed. You can't claim back more tax than you have paid. This includes income tax deducted at source on salary and bonuses but not the tax treated as deducted at source from dividends. There is no lifetime limit for investors in EIS, but you should note that existing funds being reinvested also count towards your annual limits.

### How to claim tax relief

You are only able to claim relief when your Contributions via Kuber have been invested by the Managers in the underlying Investee Companies and you have received an EIS3 certificate. The EIS3 certificate will be issued once companies have met the qualifying rules and these will be collated and dispatched by Kuber at regular intervals.

Your tax claim should be made on your self assessment tax return for the tax year in which the EIS Shares were issued. If the shares were issued in a previous year, and/or if the claim is for Capital Gains Deferral Relief, the claim part of the form must also be completed and sent to your tax office.

If you have an EIS3 form for an investment in a tax year that has not ended and for which you have not yet received a tax return, you can request a change to your PAYE tax code, or an adjustment to any self assessment payment on account due. However you'll still have to make the claim itself on your tax return.

You can claim for relief up to five years after January 31st following the tax year in which the investment was made. Once you have made your first income tax relief claim, it's expected that HMRC will issue you with a self assessment tax return every year. In some cases it can take eighteen months or more from the time Contributions are invested in the Schemes to claim the income tax relief.



# Case studies

## Case studies

### Regular contributions

Tim, a 45% taxpayer, is a member of a money purchase occupational pension scheme, with his company paying £70,000 per year. His total pension fund is well within the Lifetime Allowance. As his contributions have been in excess of £40,000 a year for some time, the Carry Forward rules do not help him.

The Pension Annual Allowance is £40,000 so this can be paid into his pension without a tax charge. However if the £30,000 excess is paid into his pension, this will incur a tax charge of 45%, or £13,500.

Tim instead chooses to invest the excess £30,000 via Kuber, as this will avoid the Annual Allowance Charge and start to build additional funds for his retirement in a tax efficient manner.

### Bonuses

Katie has historically exchanged part of her bonus for additional pension contributions, however she is now caught by the Pension Annual Allowance as her annual contributions exceed £40,000. She therefore decides to invest her bonus via Kuber instead, as this will enable her to save for the future while also providing the initial income tax relief to spend in the short term.

### Dividends

Neil is the owner and manager of his business. He has historically made large employer pension contributions but is now limited by the Pension Annual Allowance. He decides to declare a dividend instead and invest this via Kuber.

However, as the dividend invested via Kuber, he will benefit from up to 30% income tax relief. However, please remember that the tax treated as deducted at source on dividends can't be reclaimed.

### Lifetime allowance

John has always taken his retirement planning seriously and has built a significant pension pot. Unfortunately, he is now going to be restricted by the Pension Lifetime Allowance. As he does not want to pay the 55% Lifetime Allowance tax charge on lump sums when he takes his benefits, he chooses to invest via Kuber instead of making further pension contributions. He also chooses to invest the initial income tax relief to further enhance his returns.

# More ways for you to receive your EIS benefits

Kuber has been designed to be as flexible as possible, to help you meet your individual planning needs.

## **Income tax relief**

HMRC will pay this to you directly on submission of the EIS3 certificates.

You can then re-invest it back into a Scheme via Kuber if you wish. This should further enhance your returns and also generate further income tax relief.

## **Un-invested cash**

Any cash held by the Administrator can be withdrawn at any time, but please remember that no tax relief will be given as no EIS Shares will have been acquired.

## **Capital withdrawals**

It's generally not possible to sell the underlying investments. However, as the investments mature the capital will be paid to you or alternatively you can elect to re-invest the proceeds. No tax is due on capital withdrawals as long as the underlying investments have been held for three years from the date trading started and that they have retained their EIS/SEIS status.

It's important that you understand that as the underlying investments can't be sold, capital can't be withdrawn until the Manager realises the investments. This means it could take you seven years or more from the date the last shares were subscribed for you to withdraw all capital invested via Kuber. However, proceeds will be paid out as the investments are realised.

## **Tax free 'income'**

Subject to there being sufficient liquidity, it's possible to instruct the Administrator to pay a fixed amount back to you each year, and reinvest any excess. As these fixed amounts are actually regular capital withdrawals, they're not subject to tax.

Another way of taking income is to allow the investments to continue to be reinvested and use the income tax relief that is generated as 'income'.

This could even be used to offset the income tax due on the income payments from a Pension.

*N.B. any dividends received will be taxed in the normal way.*

# EIS qualifying rules

## HMRC investment rules

In order to be able to claim, and keep, the tax reliefs relating to your shares, the Investee Company which issues the shares has to meet a number of rules regarding the kind of company it is, the amount of money it can raise, how and when that money must be used and the type of trading activities carried out.

The Investee Company must satisfy HMRC that it meets these requirements, and is therefore a qualifying company. The shares must then be held for at least the Relevant Period, or income tax relief will be withdrawn. Generally, this is three years from the date the shares were issued. However, if the qualifying trade started after the shares were issued, the period is three years from the date the trade actually started.

## Which companies qualify for EIS/SEIS?

In summary, the Investee Company must:

- Be an unquoted company, meaning it can't be listed on any recognised stock exchange. It can subsequently become listed without investors losing income or capital gains tax reliefs, but only if there were no plans for it to become listed when the shares were issued. For the purpose of EIS and SEIS, the Alternative Investment Market (AIM), and PLUS markets (with the exception of PLUSlisted) are not considered to be recognised exchanges. N.b. in circumstances where a company subsequently lists, it would no longer qualify for business property relief and the IHT exemption would fall away
- Not be controlled by another company. Nor must there be any arrangements in existence for it to be controlled by another company for three years from the issue of the shares
- Not have any subsidiaries that are not also qualifying companies

- Be categorised as a small company, as per the Gross Assets Test. The Gross Assets of the company – or of the whole group if it's the parent of a group – can't exceed £15 million immediately before any share issue and £16 million immediately after that issue (no more than £200,000 in Gross Assets for SEIS prior to investment)
- Have fewer than 250 full-time employees (or their equivalents) at the time the shares are issued (or 500 for knowledge - intensive companies and fewer than 25 employees for SEIS)
- Be either a company carrying on the qualifying trade, or the parent company of a trading group. The trade can be carried on either by the company issuing the shares or a subsidiary, but if it's carried on by a subsidiary, it must be at least a 90% subsidiary. Please note that the rule is worded so as to prevent any party other than the company issuing the shares, or its 90% subsidiary from carrying on the trade. That means that if the trade is being carried on in partnership, then the company will not qualify
- Raise no more than £5 million (£150,000 for SEIS) each year and no more in total than £12 million (£20 million if it is a or £10 million if it is a KIC) from a combination of EIS, VCT, SEIS or other State Aid investment sources
- Use the capital raised to trade, prepare to trade or carry out research and development in order to trade. Acquiring an interest in a company, a trade, or intangible assets or goodwill employed for the purposes of a trade will not be sufficient.
- Have a permanent establishment (although not necessarily be resident) in the UK
- Issue the shares within seven years of first commercial sale (ten years from the date when revenues exceeded £200,000 for knowledge-intensive companies)
- Issue the shares to raise money for the purposes of a qualifying business activity so as to promote business growth and development

The rules regarding not being controlled by another company, qualifying subsidiaries and the company carrying on the trade must be met throughout the Relevant Period. If they're not then you'll lose your tax reliefs.

## Excluded trading activities

An EIS/SEIS Qualifying Company's trade must be conducted on a commercial basis with a view to the realisation of profits. Most trades qualify, but some do not. Those that do not are termed 'excluded activities' and are:

- Dealing in land, commodities, futures, shares and other financial instruments
- Dealing in goods other than in the course of an ordinary trade of wholesale or retail distribution
- Financial activities
- Lending, or receiving royalties or license fees
- Legal and accountancy services
- Farming, woodland and timber production
- Property development
- Operating and managing hotels and nursing homes
- Coal and steel production
- Shipbuilding
- Generation or export of electricity from which Feed-in-Tariffs are derived
- Subsidised generation or production of heat, gas or fuel
- Providing services to another person where that person's trade consists of excluded activities, and the person controlling that trade also controls the company providing the services

A company can carry on some excluded activities, but these must not be a substantial part of the company's trade. HMRC take 'substantial' to mean more than 20% of the company's activities.

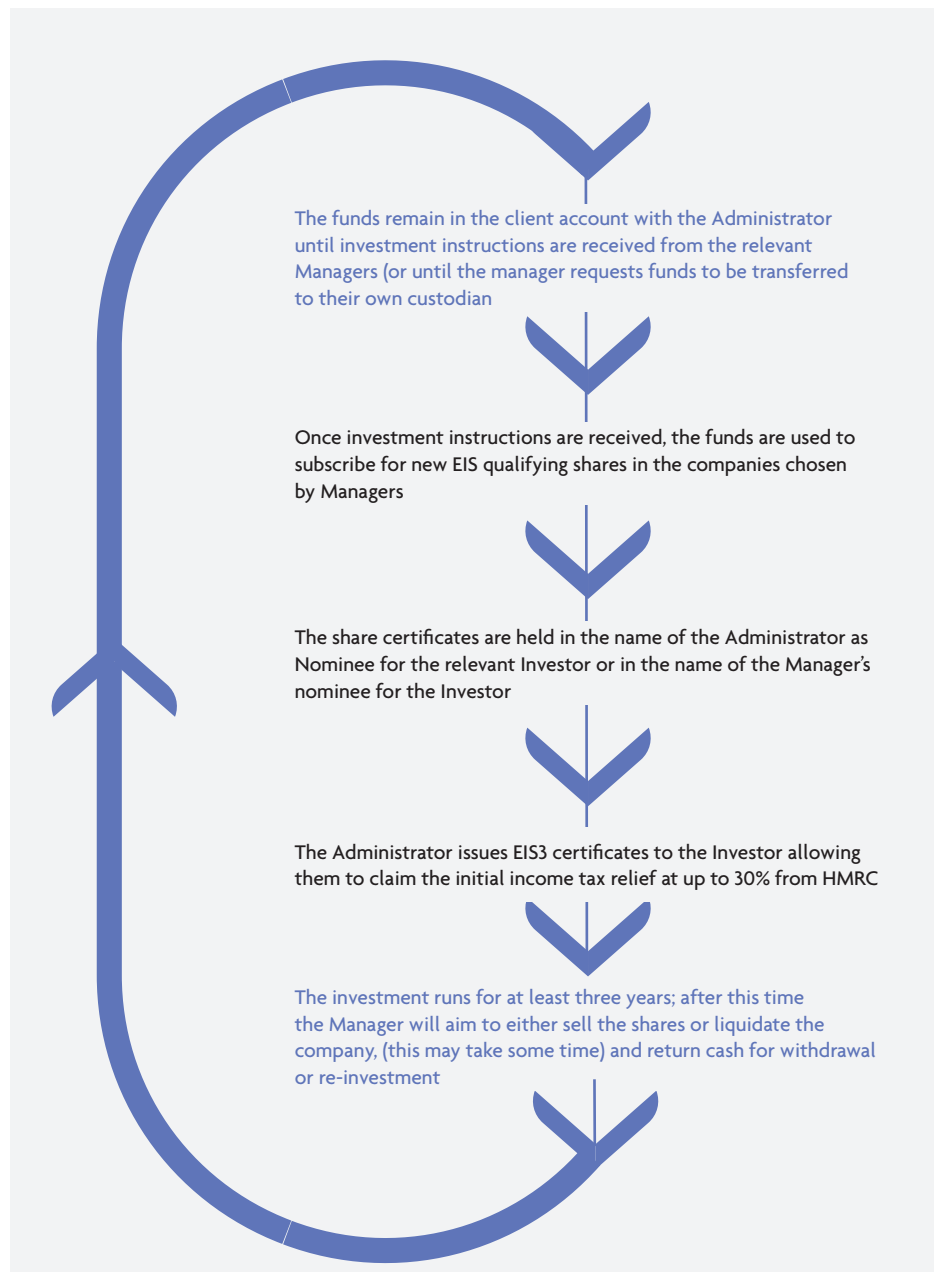
# Administration

The Administrator and Custodian for investments made via Kuber is Woodside Corporate Services Limited ('WCSL') which is authorised and regulated by the Financial Conduct Authority to hold client money and assets.

WCSL is a wholly-owned subsidiary and member of the Woodside Secretaries Limited ('WSL') group of companies. WSL is a wholly owned subsidiary of Tricor ATC Solutions LLP, part of the Tricor Group based in Hong Kong.

The principal business of WSL is corporate secretarial and corporate administration services.

WCSL's main activities are as Receiving Agent, Custodian, Security Trustee, Nominee and Administrator of LLPs and EIS Portfolios.



# How much will it cost?

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

### Charges

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

First, you may be liable to pay fees to your financial adviser in relation to your investment through Kuber. If so, you may instruct the Administrator to settle the fees due to your adviser from the money which you subscribe. The Administrator will set aside an allocation sufficient to compensate your adviser for the cost of the advice (excluding VAT, if any, for which you remain responsible).

The basis upon which this payment is made will depend upon the instructions you provide on your Application Form. Initial adviser charges will be deducted from your investment before any money is transferred to a Scheme. Where you have agreed to pay your adviser an annual fee through Kuber, an amount sufficient to cover 4 years fees (calculated on the subscriptions amount net of initial fees) may be held back and not invested. If at the end of the 4 year period there have been no realisations the Administrator may not be able to continue to pay your adviser on your behalf and you will need to settle their account separately.

Please note that this arrangement only refers to advice from an adviser regulated by the Financial Conduct Authority and not to advice which you may seek from legal or taxation professionals etc.

The following charges will apply to investments made via Kuber:

- An initial Platform fee of 1.5% of your subscription, which is deducted from your investment
- An ongoing Platform fee of 0.2% is charged and annual fees totaling 3 years' worth are taken from your initial subscription amount
- A Platform subscription fee of £59 for S/EIS investments or £29 or BR/VCT investments
- Kuber has, where possible, negotiated reduced fees with Managers to offset the costs associated with investing through Kuber.
- No additional Initial Kuber platform charges upon reinvestment
- Dividend payments: where you have selected a fund/funds that pay out dividends, a bank transfer fee of £15.00 + VAT will apply and is subject to a £500.00 minimum threshold before the dividends are paid out.

Where the Manager charges a fee directly to you this fee will be reduced. However, where the Manager charges a fee to the Investee Companies it will not be possible for this fee to be reduced. In these circumstances the Manager may arrange to rebate part of their fee received from the Investee Company to the client account for your benefit. This amount can then be used to purchase additional shares in subsequent investee companies.

In some instances, the Manager may allocate you additional shares instead of cash rebates.

Due to the illiquid nature of the underlying investments, you are required to retain sufficient cash on the platform to cover 4 years ongoing fees due to the Scheme, the underlying managers or your adviser. In the circumstances that there is insufficient cash on account to cover ongoing fees due to the Scheme, fees will be deferred and paid out of dividends received, or proceeds from the sale of an investment.

Manager fees are in addition and outlined in the relevant provider's Information Memorandum. VAT will be added where applicable.

Adviser fees are calculated on a daily basis on net assets under administration and are paid six monthly.

Manager charges may vary, please refer to the appropriate 'Guide to Investing' for full details. In addition, each Manager, or an affiliate of such Manager, may be separately engaged by some or all of the underlying Investee Companies to assist them in carrying on their businesses and/or provide certain administration services, in consideration of which, the manager will receive fees at commercial rates. All of these fees and charges are subject to change and you will be given notice before any changes are made.

# Risks

You must carefully consider all of the information contained in this Guide to help determine whether an investment with Kuber constitutes a suitable investment for you in light of your personal circumstances, tax position and the financial resources available to you.

The Managers will be investing in unquoted, high risk companies, which are not suitable for all types of investor. You are therefore strongly recommended to seek independent financial and tax advice from a suitably qualified professional adviser before undertaking an investment with Kuber. If in doubt you should not proceed.

*Please note that Kuber is not in a position to advise you on your personal circumstances, or to enter into a discussion with you as to the merits (generally, or for you personally) of any investment.*

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

## Investment risks

- There is generally no external market for shares issued by EIS Qualifying Companies and it could be difficult or even impossible to realise the investment or obtain accurate performance information
- The return on any EIS Portfolio will depend greatly on the Manager's performance. Past performance of any Manager is no guide to future performance

- EIS Shares will not be listed on a recognised Stock Exchange. An investment in EIS Shares should be regarded as a longer term investment (a minimum of three years to retain the tax reliefs, but please bear in mind that disposal or realisation of an EIS investment may take much longer than this). Realisation of your investment will generally depend on the Exit available to the Managers, and that in turn can be significantly affected by external market circumstances over which they have no effective control
- Investments in small or medium unquoted companies by their nature involve a high degree of risk and there is a strong possibility of EIS Qualifying Companies failing. Your capital is at risk and you may not receive back the amount invested or any return
- There is no guarantee that the market value of an EIS company will fully reflect the underlying net asset value. Investors should be aware that the value of an investment in an EIS Portfolio and the income (if any) derived from it may go down as well as up
- The expected life of each EIS investment is three to seven years or more
- EIS Managers reserve the right to realise an investment within the three year period if this is considered by them to represent a worthwhile return on the investment; however, this would jeopardise the availability (or continued availability) of appropriate EIS tax reliefs and benefits
- Any returns accrued from cash deposits will principally be affected by movements in interest rates

## Commercial risks

- Investee Companies may be exposed to exchange rate fluctuations which affect both the profits of the company and the value of the shares
- EIS Qualifying Companies typically have small management teams and are highly dependent on the skills and experience of a small number of individuals

## Tax and regulatory risks

- Tax reliefs are subject to approval by HMRC in accordance with their qualifying rules, which could change from time to time
- It may take some considerable time from the date shares are issued to obtain the income tax relief
- Business Property Relief for inheritance tax only applies when an IHT event takes place and applies to shares but not to cash proceeds or cash awaiting investment. Shares must have been held for two or more years and must still meet the qualifying requirements
- There is no guarantee that EIS qualifying investments will be available to re-invest into when investment proceeds are returned to the Administrator
- The various tax benefits described in this Guide are based on Kuber's understanding of the current tax legislation and HMRC practice. This interpretation may subsequently be found to be incorrect. Tax legislation and HMRC practice may change in the future in a manner which could adversely affect your investment

# Risks Continued

- The amount of tax relief you may gain from subscription through Kuber depends on your own personal circumstances. You are strongly advised to seek independent professional advice in relation to the tax implications of your investment through Kuber
  - The Managers will take all reasonable steps to make sure that tax relief is available on all investments made by the Schemes. However, tax relief could be withdrawn or modified in certain circumstances and neither Kuber, nor the Managers, nor the Administrator accepts any liability for any loss or damages suffered by you or other person as a consequence of such relief being denied or withdrawn or reduced
  - You may lose some or all of the tax benefits derived under the EIS if you fail to comply with the relevant legislation. Such a situation might arise, for example, if you cease to be a UK tax resident during the Relevant Period or you receive value from an Investee Company, other than by way of an ordinary dividend, in the period commencing one year prior to the issue of EIS Qualifying Shares to the end of the Relevant Period
  - You may lose some or all of the tax benefits derived under the EIS if you fail to comply with the relevant legislation. Such a situation might arise, for example, if you cease to be a UK tax resident during the Relevant Period or you receive value from an Investee Company, other than by way of an ordinary dividend, in the period commencing one year prior to the issue of EIS Qualifying Shares to the end of the Relevant Period
- Where an Investee Company ceases to carry on a Qualifying Trade during the Relevant Period, whether through the actions taken by the Investee Company or otherwise, its EIS qualifying status may be adversely affected and therefore so will the tax relief available to you. No guarantee can be given that all investments made by the Managers will carry on a Qualifying Trade, or continue doing so, for the purpose of claiming tax relief. The Managers will implement measures to reduce this risk, such as seeking advanced assurance from HMRC that each company in a Scheme is an EIS Qualifying Company
  - The Investor is advised that funds subscribed to a given Scheme may not be invested for some time after the Acceptance Date and that as a result, certain Tax Benefits may not apply until the monies are invested in accordance with the Investor Agreement
  - No guarantee can be given that an Investee Company will retain EIS qualifying status
  - Any disposal of EIS Shares during the Relevant Period will crystallise an obligation to repay the income tax relief claimed in respect of those shares, and any capital gain will be subject to capital gains tax

# Regulation and investor protection

An EIS/SEIS “Scheme” is in most cases Either an alternative investment funds (AIF) or a form of discretionary managed account. The Managers, and Administrator are authorised and regulated by the Financial Conduct Authority (“FCA”). Each investor in a Scheme is treated as a direct client of each of the Managers.

In cases where the Scheme is classified as an Alternative Investment Fund (AIF) this will be made clear in the relevant Information Memorandum.

Cash invested through Kuber pending investment is held by WCS Nominees Limited the nominee company of the Administrator and will be deposited with one or more major UK banks in accordance with the FCA’s Client Money Rules. It will be held subject to the protection of the

Financial Services Compensation Scheme, meaning that in the event that any bank with which funds are deposited becomes unable to meet its liabilities, each identifiable depositor (provided he or she is an eligible claimant under the FSCS) becomes entitled to a maximum of £85,000 in compensation. The Administrator will make all deposits of cash, and maintain its own records, in such a way as to ensure that each such amount deposited can be separately tracked back to the subscribing investor concerned.

In the event that the Manager of a EIS/SEIS Scheme is in default, causing loss to investors in that Scheme, then subject to such clients being eligible claimants under the rules of the Financial Services Compensation Scheme, they would be entitled to a maximum of £50,000 compensation for the loss.

Generally speaking, retail clients will be eligible claimants under the rules of the FSCS. Further details about the Financial Services Compensation Scheme and how to make a claim can be found on the FSCS website, [www.fscs.org.uk](http://www.fscs.org.uk).

If you have a complaint against a person regulated by the FCA with whom you have a client relationship, you should always approach that person first to see if the complaint can be resolved. However, you also have the parallel right to raise a complaint with the Financial Ombudsman Service if you are an “eligible complainant”. Retail clients under the FCA Rules are almost always eligible complainants for FOS purposes.



# Data protection

All data which you provide to the Administrator, Managers and Kuber will be held by the relevant party subject to the Data Protection Act 2018. The relevant parties will pass your personal data to each other and to other parties insofar as is necessary for them to provide their services as set out in the Investor Agreement and to the FCA and any regulatory authority which regulates them and in accordance with all other applicable laws.

# Appendix 01

## Parties involved

The latest regulatory status for these organisations can be checked on the FCA register via [www.fca.org.uk](http://www.fca.org.uk)

### Platform

Kuber Ventures Limited,  
Audley House,  
12-12a Margaret Street,  
London, W1W 8RH

Company number: 8693809  
Kuber Ventures FRN 574987 is an Appointed Representative of Tax Efficient Procurement Services Ltd which is authorised and regulated by the Financial Conduct Authority (FRN 780044)

### Administrator and Custodian

Woodside Corporate Services Limited  
4th Floor  
50 Mark Lane  
London EC3R 7QR

Company Number: 06171085  
Authorised and regulated by the Financial Conduct Authority (registration number 467652)

### Nominee

WCS Nominees Limited  
4th Floor  
50 Mark Lane  
London EC3R 7QR

Company Number: 06002307

### Managers

Please see the appropriate 'Guide to Investing' for details of the Managers.

# Appendix 02

## Kuber Ventures Multi-Manager EIS Platform Platform Agreement

This Agreement (as defined below) sets out the terms and conditions upon which Kuber Ventures Limited (“we, us”) will provide you with our Platform services.

Every effort has been made to keep this Agreement in plain English and understandable. It is important that you read the document carefully for your benefit and protection. Please contact us if there is anything which you do not understand or with which you disagree.

### 1. Definitions, Construction and Interpretation

- 1.1. Any capitalised words or phrases not expressly defined in this Agreement shall have the meaning given to them in the Glossary to the Kuber Ventures Platform Guide.
- 1.2. Words and expressions defined in the FCA Rules, which are not otherwise defined in this Agreement will, unless the context otherwise requires, have the same meaning in this Agreement.

### 2. The Agreement

- 2.1. The agreement between Kuber Ventures Limited and you (this Agreement) comprises:
  - The Application Form; and
  - these terms and conditions;
- 2.1. This Agreement represents all the terms agreed between you and us regarding our platform services unless we supplement or vary this Agreement in writing. This Agreement supersedes any earlier agreement between you and us dealing with the same services.
- 2.2. This Agreement shall come into force on the date on which we notify you that we have accepted you as a client (the Effective Date).

### 3. Cancellation rights

- 3.1. You have a right to cancel this Agreement within 14 days of the Effective Date. If you would like to cancel this Agreement please notify us in writing at Woodside Corporate Services Limited, 4th Floor, 50 Mark Lane, London, EC3R 7QR.
- 3.2. Cancellation will not affect the completion of transactions initiated prior to us receiving your notice of cancellation. Cancellation will not affect accrued rights, indemnities, existing commitments or any other contractual provision intended to survive termination of this Agreement.

- 3.3. No penalty will apply on cancellation, however, you agree to pay our fees pro-rata to the date of cancellation and any additional expenses necessarily incurred by us (or a third party) in cancelling this Agreement and any losses necessarily realised in settling or concluding outstanding transactions.

### 4. Platform Services

- 4.1. By our “Platform Services” we mean the activities involved in providing the Kuber Alternative Investment Platform as set out in the Platform Guide. These activities involve us providing you with information regarding carefully selected TEIPs and arranging for you to enter into an Investment Management Agreement with the Manager(s) of the Scheme(s) in which you wish to invest. Our services also include us arranging for a third party custodian and administrator to provide custody and administration services in relation to your investments. Our services also allow you to monitor your TEIPs investment via one platform.
- 4.2. In order for you to participate in the Platform as an investor and receive the benefit of our Platform Services you must complete the Application Form and indicate which schemes you wish to invest in. You must then arrange for your subscription monies to be remitted to the Administrator.
- 4.3. If a manager you nominate in your Application Form rejects your application in whole or in part we will contact you and ask for your instructions.
- 4.4. You undertake to make at least the minimum subscription set out in the Platform Guide to each scheme you specify in the Application Form. Your subscriptions may be made by lump sum or monthly payment or a combination of the two.
- 4.5. You undertake to ensure that your lump sum subscriptions and/or monthly subscriptions meet the minimum levels set out in the Platform Guide.

### 5. Regulated intermediary

- 5.1. Unless otherwise agreed between us, before you invest via the Platform you must seek advice from a financial adviser who is authorised or registered under the laws of the jurisdiction in which he or she is based (a Regulated Intermediary).

# Appendix 02

## Kuber Ventures Multi-Manager EIS Platform Platform Agreement

- 5.2. If specified by you in the Application Form we will take instructions from your Regulated Intermediary and will report to the Regulated Intermediary on your behalf. However if we provide you with our Arranging Services you and not the Regulated Intermediary will be treated as our client for the purposes of the FCA rules.
- 5.3. We will require your Regulated Intermediary to confirm that he or she has taken all necessary steps to collect and assess such personal and financial information concerning you to allow him or her to assess the appropriateness of the services to be provided by us and the services provided by the Managers who we introduce you to and that he or she will keep your personal and financial information under regular review and notify us promptly of material changes to the information from time to time.
- 5.4. You undertake to let us know immediately if the Regulated Intermediary ceases to act for you.

### 6. Arranging services

#### 6.1. Our arranging services

By our “arranging services” we mean us arranging for you to buy or sell investment. In providing you with our arranging services will not be providing you with any investment advice and so will not be advising you on the merits or the suitability of the transaction for you.

When we carry out arranging services which are regulated by the Financial Services and Markets Act 2000 we will treat you as a retail client for the purposes of the rules of the Financial Conduct Authority (“the FCA”) unless otherwise agreed with you in writing.

Kuber Ventures Limited, FCA registration number 574987 is an appointed representative of Tax Efficient Procurement Services Ltd which is authorised and regulated by the Financial Conduct Authority of 25 The North Colonnade, Canary Wharf, London E14 5HS (registration number 467 652).

#### 6.2. Appropriateness

When we receive your instructions to arrange a deal in an investment we are required under the FCA rules to assess the appropriateness of such transactions by reference to your knowledge, experience and understanding of the risks involved. We will base this assessment on information provided to us by your Regulated Intermediary or otherwise provided to us in the Application Form. Should we lack sufficient information to make this assessment we reserve the right not to act on instructions received from you.

If we consider that (with regard to the information we hold about you) a transaction is inappropriate, we shall warn you of this. If you wish to proceed with the transaction after having been given this warning, you shall be solely responsible for that decision.

#### 6.3. Administrator's Terms and Conditions

We have negotiated an umbrella contract setting out the terms on which the Administrator provides custody and administration services. In the event that you wish us to carry out Arranging Services you hereby authorise us, acting as your agent, to appoint the Administrator on your behalf to perform custody services on the terms and conditions set out in the Administration Agreement, which can be found on the Platform, and to agree any amendments to the Administrator Agreement on your behalf. You authorise us to provide instructions to the Administrator on your behalf. We will notify you of any amendments to the Custody Agreement in accordance with the FCA Rules.

We shall have no liability for the expenses, fees and charges of the Administrator or the acts or omissions of the Administrator. All transactions for you will be settled by payment to or delivery by Administrator of cash or securities due to or from you.

#### 6.4. Material interests and conflicts

There may be times when there is a conflict between our interests and the duty we owe to a client, or a conflict between the differing interests of two or more clients to whom in each case we owe a duty. Under the FCA rules we are required to have in place arrangements with a view to taking all reasonable steps to prevent such conflicts of interest constituting or giving rise to a material risk of damage to the interests of our clients. We have established a comprehensive conflicts of interest policy to identify and manage such actual or potential conflicts of interest. Where we do not consider that the arrangements under our conflicts of interest policy are sufficient to manage a particular conflict, we will inform you of the nature and/or source of the conflict. Our full conflicts of interest policy is available on request.

#### 6.5. Complaints

If you have a complaint in respect of our Arranging Services you should in the first instance write to our Compliance Officer at our registered office. You may also have a right to complain directly to the Financial Ombudsman Service. If you want to exercise this right please let us know and we will send you details. Details of our internal complaints policy are available on request.

# Appendix 02

## Kuber Ventures Multi-Manager EIS Platform Platform Agreement

### 6.6. Compensation

We are covered by the Financial Services Compensation Scheme in relation to our regulated arranging activities. You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. Currently, for eligible claims for investment business, 100% is covered to a maximum of £50,000. Further information is available from us or from the FCA at 25 The North Colonnade, Canary Wharf, London E14 5HS or from the Financial Services Compensation Scheme, 10th Floor, Beaufort House, 15 St Botolph Street, London EC3A 7QU. You should note that this scheme is not normally available to professional clients.

### 7. Confidentiality

We will use reasonable endeavours to ensure that all confidential information relating to you and your investments is kept confidential. However, you authorise us to disclose information (confidential or not):

- 7.1. to our employees (or employees of our agents, nominees or custodians or other persons appointed by us in connection with your investments) on a need-to-know basis;
- 7.2. to credit reference agencies as part of our verification of your identity;
- 7.3. to the FCA and any other regulatory authority, to the extent that they are entitled to the information sought;
- 7.4. otherwise as may be required by law, best investment business practice, industry regulations or codes of practice

### 8. Data Protection

- 8.1. When you provide your personal data you confirm that it is current, accurate and complete. We will use your personal data in accordance with the data protection legislation binding on us.
- 8.2. You agree that we may check your personal information with other information that you provide or that is held by us about you to verify your identity [and we may also carry out credit assessments on you]. In doing so, your personal information may necessarily be disclosed to third parties.
- 8.3. All personal information about you, including sensitive personal information, that we acquire may be stored (by electronic and other means) and used by us in the following ways:

- to enable us to provide investment services to you (which may include sharing sensitive personal information with group companies);
  - to respond to requests for information from you;
  - to follow up with you after you request information to see if we can provide any further assistance;
  - for statistical purposes and for market and product analysis;
  - to develop and improve the products and services we provide and/or may provide to you (and/or to your organisation);
  - for our own administrative (including, but not limited to, maintaining our records) and compliance purposes;
  - for crime prevention and detection;
  - to prevent or detect abuses of our services or any of our rights and to enforce or apply our terms and conditions and/or other agreements or to protect our (or others') property or rights;
  - to contact you (for example, by telephone, fax, e-mail or other means) to let you know about products or services that we think may be of interest to you;
  - for administrative reasons, we may from time to time carry out or instruct others to carry out certain money laundering checks imposed on us by law required for the prevention and detection of crime, money laundering and international terrorist financing. We may use staff employed by group companies, whether in this country or overseas or, if appropriate, we will engage specialist contractors to carry out such work whether here or abroad. In any event, any staff involved in such checks will be specially trained and will not share information about you with any third party unless permitted by law to do so. Such staff will at all times only act in accordance with our instructions and any such checks will be carried out in a secure environment. You hereby agree to the sharing of your personal information in this way for these purposes. Please note that we may use electronic verification services for identification purposes.
- 8.4. Except where indicated above, we will not provide your personal information to organisations outside of our group to use for their own marketing purposes without your consent but we may disclose your personal information outside of our organisation:

# Appendix 02

## Kuber Ventures Multi-Manager EIS Platform Platform Agreement

- to other organisations we may engage to perform, or assist in the performance of, our investment services or to advise us, provided that they will only be given access to your personal information to perform such assistance, services or advice and not for other purposes. We shall endeavour to ensure that any such organisation undertakes to adopt appropriate security measures in respect of your personal data;
  - in circumstances in which we may be required or authorised by law, court order, regulatory or governmental authorities to disclose your personal information.
- 8.5. We may sometimes transfer your personal information to countries that do not provide the same level of data protection as the United Kingdom. If we intend to do this, then where practical and appropriate, before doing so we will put contractual arrangements in place to ensure the adequate protection of your information and we shall endeavour to ensure that any such contractual arrangements comply with the standards required by the Information Commissioner.
- 8.6. We have security procedures covering the storage and disclosure of your personal information to prevent unauthorised access and to comply with our legal obligations.
- 8.7. You may be entitled to ask us for details of the personal information that we hold about you, the purposes for which it is being or will be processed and the recipients or classes of recipients to whom it is being or will be disclosed. If you would like to request copies of this information, please contact us. We may charge a fee for providing this information to you (details of which are available upon request). If you make a written request to us, we will also correct, delete and/or block personal information from further processing if that information proves to be inaccurate.

### 9. Communicating with each other

#### 9.1. Communication to us by post or fax

Unless we advise you to the contrary, please write to us or fax us at our registered office. We will (subject to the terms of this Agreement) act on your instructions when we receive them. We cannot accept any responsibility for any inconsistency between faxed instructions and any subsequent written confirmation.

#### 9.2. Communication to us during a face to face meeting or telephone call or by text message

We cannot accept face to face or text message instructions and require that you give us all your instructions in writing or by telephone on a recorded line.

#### 9.3. Email and other electronic communications

You agree that we or our agents may communicate with you by email or other electronic means. You acknowledge and accept the risks inherent in such forms of communication, particularly the risk of unauthorised interception and the risk of the communication not reaching the intended recipient. Please notify us in writing if you do not consent to the use of email or other electronic means as a means of communication in relation to this Agreement and its subject matter.

You may provide us with instructions via email however we are not bound by such instructions until we have sent you an email or other written message confirming that we have received them.

#### 9.4. Communication to us by your nominated third party

If you authorise us to accept the instructions of a nominated third party (such as your Regulated Intermediary) we will do so until we receive notice to the contrary from you. The same rules apply to face to face, written, telephoned, texted, faxed, emailed (or other electronically transmitted) instructions received from a third party as they do to instructions received from you and you must ensure that your nominated third party complies with these rules.

#### 9.5. Communications by us to you

We will write to, fax, telephone, email or otherwise communicate with you and/or, as appropriate, a third party authorised by you, at the address(es) and the other contact details as provided by you or any other address(es) and other contact details you notify to us in writing. To help us manage and administer your portfolio properly our representatives or employees may occasionally call you on the telephone or visit you without clearing this with you first.

#### 9.6. Apparent instructions

As long as we act reasonably, you authorise us to rely on instructions by whatever means transmitted which appear or purport to be sent by you or a third party authorised by you.

# Appendix 02

## Kuber Ventures Multi-Manager EIS Platform Platform Agreement

### 9.7. Receipt of Instructions and notices

If an instruction or notice from you is received by us outside business hours (meaning 9.00 am to 5.00 pm Monday to Friday on a day that is not a public holiday in the UK), the instruction or notice is deemed to have been received by us on the next business day following receipt.

### 10. Our website

10.1. We may provide you with access to our website. You should note that the website is issued and maintained in the UK and its pages are intended for the information of UK residents only. If you are a non-UK resident, or accessing the website from abroad, overseas regulations may apply and we may not be permitted to offer our online services in your country.

10.2. We will provide you with personal sign-on details to access the website. You are responsible for protecting and securing your personal access details from unauthorised use and you should not disclose those details to anyone. Should you believe that there has been a breach of your sign-on security you should contact us immediately.

10.3. We will act upon instructions from you provided through our website instruction facility.

10.4. We will take all reasonable care to ensure that the information contained on the website is accurate, up to date, and complies with relevant UK legislation. However, no liability can be accepted for any errors or omissions, or for any loss resulting from the use of the service. Also, we accept no responsibility for information provided by other websites which may be accessed by hypertext link from our website.

We reserve the right to amend, alter, or withdraw any of the information contained on the website at any time and without notice. No liability is accepted for such changes, or for the service not being available at all times.

10.5. Although we take all reasonable steps to ensure the security of your personal information via electronic communication, the internet is not an entirely secure environment and so we cannot guarantee that information will not be intercepted, read or copied by unauthorised parties. You accept these security implications and will not hold us responsible for any breach of security unless we have been negligent in providing our on-line portfolio website to you.

10.6. We may store monitoring software (cookies) on your computer to hold personal information about your account which will assist your interaction with our website. The ownership of materials and text contained on our website, accessed from it, or otherwise distributed to you by us, is confidential and protected by copyright.

You agree that this material and text is for your own personal use and that you will not disclose it to anyone else. All electronic communications between parties in the course of business may be monitored by us in accordance with the relevant legislation.

### 11. Our right not to act on your instructions

- 11.1. We reserve the right not to act on instructions received from you if:
- to do so may involve us or you in a breach of legal and/or regulatory requirements; or
  - we believe on reasonable grounds that to do so would be impracticable; or
  - to do so would run the risk of us suffering financial loss or reputational damage.
- 11.2. We will endeavour to advise you promptly if such circumstances arise, however, we are under no obligation to provide you with our reasons for not acting on your instructions. We will not be liable to you in any way if we refuse to follow your instructions in the circumstances listed above.

### 12. Your undertakings

- 12.1. You agree to accept and to be bound by the terms of this Agreement and undertake that you have full power and authority to enter into, and to instruct us, on the terms of this Agreement.
- 12.2. You undertake:
- that all the information you have supplied to us is complete and accurate;
  - to notify us promptly of any change to the information supplied by you;
  - to supply us with all information, documentation or copy documentation that we require in order to allow us to carry out our account opening procedures;
  - to provide us with any additional information which may be reasonably required by us in order that we can fulfil our legal, regulatory and contractual obligations in connection with or relating to this Agreement; and
  - to sign and/or produce, by the time we ask you to, any documents we need to enable us to carry out our duties under this Agreement.

# Appendix 02

## Kuber Ventures Multi-Manager EIS Platform Platform Agreement

### 13. Our losses

- 13.1. You (and where you are an individual or individuals your personal representatives) shall be responsible on our written demand for all losses, costs and expenses and/or other liabilities incurred by us, our agents, or any nominee or custodian, as a consequence of:
- the acceptance of instructions from you over the telephone, by text message, fax, email or other electronic means;
  - any breach by you of any of the terms of this Agreement.
- 13.2. This term shall not apply to the extent of any losses or liability caused by a breach of this Agreement by us or the negligence or wilful default of us or our agents.

### 14. The extent of our responsibility for our actions and the actions of others

- 14.1. We will carry out our duties with reasonable skill, care and diligence and in accordance with the instructions and authority you have given us. As long as we do this, we cannot and do not accept any liability for loss (or the loss of an opportunity to gain) which arises from the provision of our investment services for and on your behalf.
- 14.2. We cannot and do not accept responsibility for losses you suffer as a result of our (or our agents, nominees, custodians or others appointed by us) failing to comply with these terms (or terms or matters contained in the Application Form) as a result of circumstances outside our or their reasonable control. These circumstances would include, but not be limited to, failure of or defects in any securities system.
- 14.3. Nothing in this Agreement is intended to have, or has, the effect of excluding or restricting our duties or liabilities to you under the Financial Services and Markets Act 2000 or the regulatory system.
- 14.4. We will normally act as your agent and you will be bound by our actions. Nevertheless, none of the services we are to provide shall give rise to any fiduciary or equitable duties which would prevent or hinder us or any associate in transactions with or for you or others, including programme trades, acting as both market maker and broker, or acting as agent in dealing with other associates or clients and obtaining a profit from any such activity.

### 15. Delegation and use of associates/agents

- 15.1. We may delegate any of our responsibilities under this Agreement to an associate or to a third party who is not an associate.
- 15.2. We may employ agents (including associates) to carry out administrative, dealing and ancillary services necessary to enable us to

perform our obligations under the Agreement. We will act in good faith and with due diligence in our choice and use of such agents.

### 16. Charges

- 16.1. You agree to pay us the charges for our services as provided for in the Platform Guide and/or otherwise notified to you. The Platform Guide and other notifications to you set out:
- the basis of calculation of our charges;
  - how frequently they are to be paid;
  - (where relevant) whether any other payment is to be received by us (or to our knowledge by an associate) in connection with transactions we carry out with or for you in addition to, or in lieu of, our charges.
- 16.2. You agree that investments entered into via the Platform may be subject to a charge or security interest in favour of us, the Administrator, or nominee in respect of fees relating to the administration and safekeeping of such investments.
- 16.3. We will notify you of any disposal of investments of yours pursuant to rights under a charge or security interest. Such disposal will occur if you fail to make payments to the Administrator or to us when due. The charge or security interest will apply in respect of each asset or type of asset or class of asset comprised within your portfolio from time to time to the extent of your indebtedness to us.
- 16.4. In the event of default or late payment of any sum due to us we reserve the right to charge interest at a rate not exceeding the effective cost to us of borrowing in the relevant money markets an amount equal to the sums due or such other rate as we may have notified to you.
- 16.5. Our charges may be changed from time to time. We will let you have 30 calendar days' written notice of any changes before we implement them.
- 16.6. You authorise us to instruct the Administrator to deduct the charges due in relation to the provision of our services under this Agreement and all related charges and expenses from your portfolio at the times and frequency which have been notified to you in the Platform Guide. If there are insufficient cash balances held by the Administrator you authorise us to sell investments in the portfolio to the extent necessary to cover the accrued charges and expenses. If we cannot collect charges and expenses in this way we will invoice you and the invoice will be payable on receipt.



# Appendix 02

## Kuber Ventures Multi-Manager EIS Platform Platform Agreement

### 17. Ending the Agreement

- 17.1. You may end this Agreement by giving us written notice at any time. This Agreement will end when we receive your notice (or on a later date specified by you in your notice).
- 17.2. We may end this Agreement by giving you 30 calendar days' written notice at any time.
- 17.3. We may also end this Agreement with immediate effect by written notice if either you breach any of the terms of the Agreement and you fail to correct such breach within ten calendar days' written notice or we need to do so for regulatory or operational reasons.
- 17.4. Please bear in mind that if you give us notice to end this Agreement with immediate effect, and ask us to arrange for the Administrator to sell your investments, this could result in losses or the loss of taxation reliefs.
- 17.5. When this Agreement ends, transactions already initiated to which we or our agents are committed will be completed.
- 17.6. When this Agreement ends we may charge you for any charges which have accrued and are due but will not ask you for any additional payment.
- 17.7. Termination of this Agreement is without prejudice to the accrued rights and liabilities of the parties.

### 18. Amendments

- 18.1. You must notify us in writing of any proposed amendments to this Agreement (which will take effect only when accepted by us) and we will notify you in writing as to whether we are prepared to accept proposed amendments or not.
- 18.2. Amendments proposed by us will take effect on the date notified to you by us, which shall be a date not less than 10 business days after the date of issue of our notice unless circumstances (such as legal or regulatory requirements) dictate a shorter period.

### 19. Assignment/transfer

This Agreement is personal to you and you may not assign or transfer any of your rights or responsibilities under it without our prior written consent. We may assign our rights and transfer our responsibilities under this Agreement to an associate company upon giving you ten calendar days' prior written notice. You consent to us transferring the control of your client money to an associate company in the event of a transfer of business to that associate. You agree that we may assign our rights and transfer our responsibilities under this Agreement to a third party upon giving you 30 calendar days' prior written notice.

### 20. Severance

If any court or competent authority finds that any provision of this Agreement (or part of any provision) is invalid, illegal or unenforceable, that provision or part provision shall, to the extent required, be deemed to be deleted, and the validity and enforceability of the other provisions of this Agreement shall not be affected.

If any invalid, unenforceable or illegal provision of this Agreement would be valid, enforceable and legal if some part of it were deleted, the provision shall apply with the minimum modification necessary to make it legal, valid and enforceable.

### 21. No rights under Contracts (Rights of Third Parties) Act 1999

A person who is not a party to this Agreement shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms.

### 22. Language

This Agreement is supplied in English and all communications from us to you for the duration of this Agreement shall be in English.

### 23. Telephone calls

Telephone calls (and other communications as defined by the Regulation of Investigatory Powers Act 2000) between us may be recorded to maintain the quality of our service to you.

### 24. Governing law

This Agreement is governed by and shall be construed in accordance with the laws of England and shall be subject to the non-exclusive jurisdiction of the English courts.

## Treating Clients Fairly

At Kuber Ventures Limited we are committed to treating our clients fairly (TCF). We have reviewed these terms and conditions in the context of TCF and believe that they are in accordance with our TCF commitment. We have also reviewed our internal systems and controls and will continue to monitor the service we provide in the light of client feedback to ensure TCF is implemented for our clients.

# Appendix 03

## Kuber Ventures Multi-Manager EIS Platform Investment Management Agreement

This Agreement (as defined below) sets out the terms and conditions upon which each Manager selected by you in the Kuber Application Form will provide you with their discretionary investment management services.

Every effort has been made to keep this Agreement in plain English and understandable. It is important that you read the document carefully for your benefit and protection. Please contact Kuber if there is anything which you do not understand or with which you disagree.

### 1. Definitions, Construction and Interpretation

1.1. The following words and phrases shall have the following meanings in this Agreement:

Expression	Meaning
Administrator	Woodside Corporate Services Limited;
Administration and Custody Agreement	The agreement between Kuber, the Administrator and the Manager regarding custody and administrative services;
FCA	Financial Conduct Authority or any successor regulator;
FCA Rules	The rules of the FCA as set out in the FCA's Handbook of Rules and Guidance and any other rules and guidance issued by the FCA from time to time;
Investment Guide	The Kuber Alternative Investment Platform Investment Guide;
Investment Objectives	For a Scheme which is classified as an AIF: the investment objectives set out in the Investment Guide.  For a Scheme which is not classified as an AIF: your investment objectives as set out in the Application Form;
Investment Restrictions	For a Scheme which is classified as an AIF: the investment restrictions set out in the Investment Guide,  For a Scheme which is not classified as an AIF: your investment restrictions as set out in the Application Form;
Investee Company	A company in which the Manager has purchased shares for your Portfolio;
Portfolio	The assets which you have invested, or wish to invest, in the Manager's Scheme(s);
Scheme	Any of the Manager's EIS, SEIS or BR Schemes as set out in the Investment Guide.

- 1.2. Any capitalised words or phrases not expressly defined in this Agreement shall have the meaning given to them in the Glossary to the Kuber Ventures Platform Guide.
- 1.3. Words and expressions defined in the FCA Rules, which are not otherwise defined in this Agreement or the Glossary will, unless the context otherwise requires, have the same meaning in this Agreement.

### 2. The Agreement

- 2.1. The agreement between the Manager and you (this Agreement) comprises:
  - the Application Form;
  - these terms and conditions;
  - any additional terms and conditions provided to you by the Manager via the Platform.
- 2.2. This Agreement represents all the terms agreed between you and the Manager regarding discretionary investment management services unless the Manager supplements or varies this Agreement in writing. This Agreement supersedes any earlier agreement between you and the Manager dealing with the same services.
- 2.3. This Agreement shall come into force in relation to a particular Manager on the date on which the Manager notifies you via the Administrator that they have accepted you as a client (the Effective Date).

### 3. Cancellation rights

- 3.1. You have a right to cancel this Agreement within 14 days of the Effective Date. If you would like to cancel this Agreement please notify the Administrator in writing at Woodside Corporate Services Limited, 4th Floor, 50 Mark Lane, London EC3R 7QR.
- 3.2. Cancellation will not affect the completion of transactions initiated prior to the Administrator receiving your notice of cancellation. Cancellation will not affect accrued rights, indemnities, existing commitments or any other contractual provision intended to survive termination of this Agreement.
- 3.3. No penalty will apply on cancellation, however, you agree to pay the Manager's fees pro-rata to the date of cancellation and any additional expenses necessarily incurred by the Manager (or a third party) in cancelling this Agreement and any losses necessarily realised in settling or concluding outstanding transactions.

# Appendix 03

## Kuber Ventures Multi-Manager EIS Platform Investment Management Agreement

- 3.4. The Administrator, on behalf of the Managers, will return any monies paid by you less any charges the Administrator and Manager have already incurred in accordance with the terms of this Agreement. The Administrator will endeavour to arrange the return of any monies to you as soon as possible (and in any event, not more than 30 days following cancellation). Any Subscription monies returned to you will be returned net of any adviser charges paid to your financial adviser.

#### 4. Authorisation and Regulation

- 4.1. The Manager is authorised and regulated by the Financial Conduct Authority of 25 The North Colonnade, Canary Wharf, London E14 5HS. Details of the Manager's FCA registration number and contact details can be found in the Investment Guide.
- 4.2. You are classified as a retail client for the purposes of the rules of the Financial Conduct Authority ("the FCA") unless otherwise agreed with you in writing.

#### 5. The Manager's discretionary investment management services

- 5.1. Subject to your instructions in the Application Form as to the Scheme(s) within which you wish your Portfolio to be invested and the controls described in these terms and conditions you grant the Manager complete discretion over your Portfolio and (without limiting the Manager's discretion) grant the Manager authority, without prior reference to you, to buy, sell, retain, exchange or otherwise deal in investments, to take any other additional steps necessary to effect these transactions and otherwise act as the Manager thinks appropriate regarding the management of your Portfolio (including exercising conversion, subscription, voting or other rights relating to the investments within your Portfolio).
- 5.2. Subject to the Investment Objectives and the Investment Restrictions the Manager may invest any amount it deems appropriate in a single investment and is not restricted in the proportion of the Portfolio represented by a single security or issuer.
- 5.3. As set out in the Platform Guide you must make a subscription of at least £5,000 into your Portfolio with the Manager. Where you choose to make monthly subscriptions they will be held by the Administrator until at least £5,000 has been subscribed to the Portfolio. You may make further Subscriptions to the Portfolio at any time provided that the Manager has not notified you via the Platform that they are no longer accepting subscriptions for their Scheme(s).
- 5.4. The Manager shall not commit you to supplement your Portfolio either by borrowing on your behalf or committing you to a contract the performance of which may require you to supplement your Portfolio.

- 5.5. The Manager shall not, on your behalf, enter into contingent liability transactions under the terms of which you may be liable to make further payments either when the transaction is completed or when the transaction is closed out early.
- 5.6. The Manager will arrange transactions for you in accordance with its order execution policy. This is designed to aim to obtain the best possible result for you when the Manager effects transactions on your behalf.
- 5.7. When the Manager sells investments the cash proceeds will be placed on deposit (in an interest bearing client account in the name of the Administrator). Any interest arising on such deposits will be received by the Administrator, and applied initially towards satisfaction of any fees due by you and thereafter will be returned to you.
- 5.8. The Manager reserves the right to return any surplus of cash if it concludes that it cannot be invested in appropriate investments, and it considers this to be in your best interests.
- 5.9. Although the Manager will exercise reasonable skill, care and diligence in managing your Portfolio its selection of investments, changes in their value or market conditions may prevent or hinder the Manager from achieving the Investment Objectives and consequently the Manager cannot undertake that the Investment Objectives will be achieved.

#### 6. Fees and Expenses

- 6.1. In consideration of the performance of the Services under this Agreement, the Manager will receive the Initial Fee, the Annual Management Charge and the Investment Performance Fee (as applicable) as set out in the relevant section of the appropriate 'Guide to Investing'.
- 6.2. The Administrator will receive fees for the provision of administration, custodian, nominee, settlement and associated services under the Administration and Custodian Agreement. These fees are detailed in the Investment Guide.
- 6.3. The Manager may arrange for an affiliate to be separately engaged by some or all of the Investee Companies to assist those companies in carrying on their businesses, or to provide certain administration services. The affiliate will receive fees for the services they provide.

# Appendix 03

## Kuber Ventures Multi-Manager EIS Platform Investment Management Agreement

### 6.4. Payment of charges and expenses

You authorise the Manager to deduct the charges and expenses due in relation to the provision of its services under this Agreement and all related charges and expenses from your Portfolio at the times and frequency which have been notified to you in the Investment Guide. If there are insufficient cash balances on the Portfolio you authorise the Manager to sell investments in the Portfolio to the extent necessary to cover the accrued charges and expenses. If the Manager cannot collect charges and expenses in this way it will invoice you and the invoice will be payable on receipt.

### 6.5. Changes in charges

The Manager's charges may be changed from time to time. The Manager will let you have 30 calendar days' written notice via the Platform of any changes before it implements them.

### 7. Tax status

- 7.1. Unless you inform the Manager to the contrary, the Manager will assume that your residence for tax purposes is your correspondence address as notified to the Manager.
- 7.2. The Manager is accepting you as a client, and will manage your Portfolio, on the basis of the declaration made by you in the Application Form, in relation to your tax status and objectives:
- 7.3. The Manager will take all reasonable steps to make sure that tax relief is available on all investments purchased for your Portfolio however tax relief can be withdrawn or modified by HMRC and the Manager does not accept any liability for any loss suffered by you as a consequence of such relief being denied, withdrawn or reduced.
- 7.4. You or your other professional advisers must remain responsible for the management of your own tax affairs.

### 8. Your undertakings

- 8.1. You agree to accept and to be bound by the terms of this Agreement and undertake that you have full power and authority to enter into, and to instruct the Manager, on the terms of this Agreement.
- 8.2. You undertake that all the information you have supplied in the Application Form is complete and accurate and to notify the Manager via the Platform promptly of any change to the information supplied by you. In particular you must as soon as practicable inform the Managers in writing of any change in your tax status.
- 8.3. You undertake that the investments and cash comprising your Portfolio are within your beneficial ownership and are and will remain, for the term of this Agreement, free from all liens, charges and any other encumbrances.

84. You undertake to sign and/or produce, by the time the Manager, the Administrator or Kuber asks you to, any documents the Manager needs to enable it to carry out its duties under this Agreement.

### 9. Administrator's Terms and Conditions

- 9.1. Kuber has negotiated an umbrella contract setting out the terms on which the Administrator provides administration and custody services. You hereby authorise the Manager, acting as your agent, to appoint the Administrator to perform services on the terms and conditions set out in the Administration and Custody Agreement, which can be found on the Platform, and to agree any amendments to the Administration and Custody Agreement. You authorise the Manager to provide instructions to the Administrator on your behalf.
- 9.2. The Manager shall have no liability for the expenses, fees and charges of the Administrator or the acts or omissions of the Administrator. All transactions for the Portfolio will be settled by payment to or delivery by the Administrator of cash or securities due to or from the Portfolio.

### 10. Reports and Information

- 10.1. At least every six months, the Manager will, via the Platform, provide you with a statement which will show the value of your Portfolio at the beginning and end of the report period, changes in the investments held in the Portfolio during, and investments held at the end of, the period. You have a right under the FCA rules to request such statements at least every three months if you prefer, such request must be in writing.
- 10.2. You will receive a statement showing income and dividends which are received in respect of investments in your Portfolio each tax year ending 5 April, along with appropriate statements in accordance with section 1105 of the Corporation Tax Act 2010.
- 10.3. The Manager will endeavour to supply any additional information you request in a reasonable time frame providing the information is in its possession or under its control and not subject to any overriding duty of confidentiality.
- 10.4. You agree that the Manager does not need to inform you when each individual transaction is completed. You and the Manager accept that periodic statements will include the information prescribed by the FCA Rules for confirmation of trades

# Appendix 03

## Kuber Ventures Multi-Manager EIS Platform Investment Management Agreement

### 11. Uninvested Cash and Client Money

- 11.1. The Manager and the Administrator are obliged to treat money held by them on your behalf in accordance with the FCA's client money rules. In that respect, subject to the other provisions in this section they may deposit the money in the United Kingdom with any number of approved banks. Each approved bank will hold the money in a client account established with statutory trust status, separate to any account used to hold money belonging to the Manager or Administrator in their own right.
- 11.2. Your cash may be held with the cash of other clients in a pooled account with the approved bank. In the event of any shortfall in the pool of cash due to the failure of the approved bank, clients may share that shortfall in proportion to their original share of cash in that pool. In addition, pooled cash may be used for the account of any relevant clients with an interest in the pooled client account. The Administrator and the Manager will not be responsible for any acts or omissions of the approved bank. If the approved bank becomes insolvent, the Administrator and/or Manager will have an unsecured claim as a creditor on behalf of its clients against the approved bank. If, however, the approved bank cannot repay all of its creditors, any shortfall may have to be shared proportionately between them. For the avoidance of doubt the Platform will not be responsible for any acts or omissions of the Administrator, Manager or any approved bank in relation to your cash.
- 11.3. You agree that your money may be placed in a qualifying money market fund and in such case your money will not be held in accordance with the FCA's client money rules and the units will be held as safe custody assets in accordance with the FCA's custody rules.
- 11.4. You agree that the Manager or Administrator may allow another person such as an exchange, a clearing broker or an intermediate broker, to hold or control client money where it transfers the client money for the purposes of a transaction for you through or with that person.
- 11.5. The Manager or Administrator may deposit client money with a bank which is not an approved bank if all of the following circumstances are met:
- the client money relates to the settlement of a transaction, or a series of transactions or the distribution of income, subject to the law or market practice of a jurisdiction outside the United Kingdom;
  - because of the applicable law or market practice of that overseas jurisdiction, it is not possible to hold the client money in a client bank account with an approved bank; and
  - the money is held with such bank for no longer than is necessary to effect the transaction, or series of transactions.
- 11.6. In such circumstances, the client money will not be held with an approved bank and the legal and regulatory regime applying to the bank at which the client money is held may be different from that of the United Kingdom. In the event of a failure of the bank, the money may be treated differently from the treatment that would apply if the money were held by an approved bank in the United Kingdom.
- 11.7. You agree that your client money may be:
- held outside the United Kingdom and that in such circumstances the legal and regulatory regime applying to the approved bank with which the client money is held will be different from that of the United Kingdom and, in the event of a failure of the bank, your money may be treated in a different manner from that which would apply if the money was held by a bank in the United Kingdom; and
  - passed to a person who is located outside the United Kingdom such as an intermediate broker, settlement agent or other applicable counterparty. In such circumstances the legal and regulatory regime applying to the intermediate broker, settlement agent or other applicable counterparty will be different from that of the United Kingdom and, in the event of failure of the intermediate broker, settlement agent or other applicable counterparty, this money may be treated in a different manner from that which would apply if the money was held by an intermediate broker, settlement agent or other applicable counterparty in the United Kingdom.
- 11.8. You agree that the Manager or Administrator may cease to treat your money as client money and, accordingly, release it from its client bank accounts if there has been no movement on your balance for a period of at least six years (notwithstanding any payments or receipts of charges, interest or similar items) and it has taken reasonable steps to trace you and to return the balance subject, at all times to all applicable regulations.
- 11.9. You agree that as part of a transfer by the Manager or Administrator of all or part of its business it may transfer your client money (relating to the business being transferred) to a third party provided that the sums transferred will be held by the person to whom they are transferred in accordance with the client money rules.
- 11.10. The Administrator or Manager may pay away to a registered charity of its choice a client money balance of yours where it has held the balance concerned for at least six years following the last movement on your account (disregarding any payment or receipt of interest, charges or similar items) and it has been unable to trace you notwithstanding having taken reasonable steps to do so. If the Administrator or Manager exercises this right it gives you an unconditional undertaking to pay to you a sum equal to the balance paid away to charity in the event of you seeking to claim the balance in the future.

# Appendix 03

## Kuber Ventures Multi-Manager EIS Platform Investment Management Agreement

### 12. Dealing

- 12.1. You agree and accept that the Portfolio will be invested in a range of unlisted securities and that such securities generally do not trade on a regulated market or multi-lateral trading facility (as those terms are respectively defined in the FCA Rules). You acknowledge that it is unlikely that any market maker will be prepared to deal in such securities and adequate information for determining the current value of such securities may be unavailable. The Manager shall ensure that transactions in unlisted securities will be effected on the best commercial terms which can be secured; and will only invest in your behalf in companies that have EIS advanced assurance from HMRC.
- 12.2. You agree and accept that the number of shares in an Investee Company held as an investment in your Portfolio which are allocated to you may differ from other investors in the Scheme.
- 12.3. Subject to both the FCA Rules and the Manager's policy on the management of conflicts of interest, the Manager may make use of dealing commission arrangements in respect of deals undertaken by the Scheme as may be disclosed to you from time to time.
- 12.4. Subject to the FCA Rules the Manager shall 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.
- 12.5. The Manager shall take all reasonable steps to obtain the best possible result when executing orders on your behalf taking into account their order execution policy which is available on request from the Platform.
- 12.6. **Aggregation**
- Subject to the FCA rules, the Manager may trade together transactions in respect of your Portfolio with those of other clients and of its employees and associates and their employees without asking you first. The Manager will only aggregate your orders if it believes it is likely that the aggregation of your orders will work overall to your advantage. However, you should note that the effect of aggregation may work to your disadvantage in relation to a particular order.

### 12.7. Group investments

The Manager may, in the provision of its investment services, invest on your behalf in collective investment schemes or in investment trusts which are operated, managed or advised by the Manager or a company in its group (or in respect of which the Manager or one of the Manager's group companies is otherwise associated).

### 12.8. Material interests and conflicts

There may be times when there is a conflict between the Manager's interests, or the interest of another company within the same group as the Manager and the duty the Manager owes to a client, or a conflict between the differing interests of two or more clients to whom in each case the Manager owes a duty. Under the FCA rules the Manager is required to have in place arrangements with a view to taking all reasonable steps to prevent such conflicts of interest constituting or giving rise to a material risk of damage to the interests of its clients. The Manager has established a comprehensive conflicts of interest policy to identify and manage such actual or potential conflicts of interest. Where the Manager does not consider that the arrangements under its conflicts of interest policy are sufficient to manage a particular conflict, it will inform you of the nature and/or source of the conflict. The Manager's full conflicts of interest policy is available on request via the Platform.

### 12.9. Confidentiality

The Manager will use reasonable endeavours to ensure that all confidential information relating to you and your Portfolio is kept confidential. However, you authorise the Manager to disclose information (confidential or not):

- to its employees (or employees of its agents, nominees or the Administrator or other persons appointed by the Manager in connection with your Portfolio) on a need-to-know basis;
- to the FCA and any other regulatory authority, to the extent that they are entitled to the information sought;
- otherwise as may be required by law, best investment business practice, industry regulations or codes of practice (including as set out below).

### 13. Data Protection

- 13.1. When you provide your personal data you confirm that it is current, accurate and complete. The Manager and the Administrator will use your personal data in accordance with the data protection legislation binding on it.
- 13.2. You agree that the Manager and the Administrator may check your personal information with other information that you provide or that is held by the Manager or the Administrator about you to verify your identity and the Manager or the Administrator may also carry out credit assessments on you. In doing so, your personal information may necessarily be disclosed to third parties.

# Appendix 03

## Kuber Ventures Multi-Manager EIS Platform Investment Management Agreement

13.3. All personal information about you, including sensitive personal information, that the Manager or the Administrator may acquire may be stored (by electronic and other means) and used by us in the following ways:

- to enable the Manager or the Administrator to provide investment services to you (which may include sharing sensitive personal information with group companies);
- to respond to requests for information from you;
- for statistical purposes and for market and product analysis;
- to develop and improve the products and services the Manager or the Administrator provide and/or may provide to you;
- for the Manager's or the Administrator's own administrative (including, but not limited to, maintaining their records) and compliance purposes;
- for crime prevention and detection;
- to prevent or detect abuses of the Manager's or the Administrator's services or any of the Manager's or the Administrator's rights and to enforce or apply its terms and conditions and/or other agreements or to protect its (or others') property or rights;
- for administrative reasons, the Manager or the Administrator may from time to time carry out or instruct others to carry out certain customer due diligence checks imposed on it by law required for the prevention and detection of crime, customer due diligence and international terrorist financing. The Manager or the Administrator may use staff employed by group companies, whether in this country or overseas or, if appropriate, will engage specialist contractors to carry out such work whether here or abroad. In any event, any staff involved in such checks will be specially trained and will not share information about you with any third party unless permitted by law to do so. Such staff will at all times only act in accordance with the Manager or the Administrator's instructions and any such checks will be carried out in a secure environment. You hereby agree to the sharing of your personal information in this way for these purposes. Please note that the Manager or the Administrator may use electronic verification services for identification purposes.
- The Manager or the Administrator may sometimes transfer your personal information to countries that do not provide the same level of data protection as the United Kingdom. If the Manager or the Administrator intends to do this, then where practical and appropriate, before doing so they will put contractual arrangements in place to ensure the adequate protection of your information and shall endeavour to ensure that any such contractual arrangements comply with the standards required by the Information Commissioner.

– The Manager and the Administrator have security procedures covering the storage and disclosure of your personal information to prevent unauthorised access and to comply with our legal obligations.

– You may be entitled to ask the Manager or the Administrator for details of the personal information that they hold about you, the purposes for which it is being or will be processed and the recipients or classes of recipients to whom it is being or will be disclosed. If you would like to request copies of this information, please contact the Platform. The Manager or the Administrator may charge a fee for providing this information to you (details of which are available upon request). If you make a written request to the Manager or the Administrator via the Platform, the Manager or the Administrator will also correct, delete and/or block personal information from further processing if that information proves to be inaccurate.

### 14. Complaints and Compensation

14.1. Any complaint you may have in relation to the Services provided under the terms of this Agreement should be made in writing to the Manager, at its address stated in the Investment Guide (or such more recent address as may have been notified to you), marked for the attention of the Compliance Officer.

14.2. Complaints will be dealt with in accordance with the FCA Rules. The Manager will endeavour to resolve your complaint as quickly as possible, but in any event, will acknowledge receipt of your letter of complaint within five business days of receipt. If for any reason you are dissatisfied with the response received (or with the absence of any satisfactory response), you are entitled to refer its complaint to the Financial Ombudsman Service if you are an Eligible Complainant (as defined in the FCA Rules). Further information in relation to the making and processing of such a claim may be found at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).

Details of the complaints handling procedures are available on request, and will be provided upon receipt of any complaint.

14.3. The Manager is covered by the Financial Services Compensation Scheme ("FSCS"). You may be entitled to compensation from the FSCS if the Manager is unable to meet their obligations. This depends on the type of business and the circumstances of the claim. Most types of investment business are covered up to a maximum of £50,000. Further information about compensation arrangements is available on request from Kuber, or from the Financial Services Compensation Scheme at [www.fscs.org.uk](http://www.fscs.org.uk).

# Appendix 03

## Kuber Ventures Multi-Manager EIS Platform Investment Management Agreement

### 15. Communicating with each other

- 15.1. Any notice or other communication given or made under this Agreement will be in writing and delivered to the relevant party by hand or by first class recorded delivery letter or fax or email to the address of the relevant party specified in the Investor Guide or in the Application Form or to such other address or number in the UK as may be notified by that party from time to time.
- 15.2. Unless the contrary shall be proved, each such notice or communication shall be deemed to have been given or made and delivered, if by UK first class letter, 48 hours after posting, if by delivery, when left at the relevant address, if by facsimile transmission, when transmitted (save where receipt has not been confirmed) and if by electronic mail, when transmitted (save where notice of a failure to deliver the electronic mail has been received by the sender).
- 15.3. You agree that the Manager or the Administrator may communicate with you by email or other electronic means and act on instructions received via email or electronic means from you. You acknowledge and accept the risks inherent in such forms of communication, particularly the risk of unauthorised interception and the risk of the communication not reaching the intended recipient. Please notify the Manager in writing if you do not consent to the use of email or other electronic means as a means of communication in relation to this Agreement and its subject matter.
- 15.4. If you authorise the Manager to accept the instructions of a nominated third party the Manager will do so until it receives notice to the contrary from you. The same rules apply to emailed or other electronically transmitted instructions received from a third party as they do to instructions received from you and you must ensure that your nominated third party complies with these rules.
- 15.5. The Manager will communicate with you and/or, as appropriate, a third party authorised by you, at the address(es) and the other contact details as provided by you or any other address(es) and other contact details you notify to the Manager via the Platform or in writing. To help the Manager manage and the Administrator to administer your Portfolio properly their representatives or employees may occasionally call you on the telephone without clearing this with you first.
- 15.6. As long as the Manager acts reasonably, you authorise the Manager to rely on instructions by whatever means transmitted which appear or purport to be sent by you or a third party authorised by you.
- 15.7. If an instruction or notice from you is received by the Manager outside business hours (meaning 9.00 am to 5.00 pm Monday to Friday on a day that is not a public holiday in the UK), the instruction or notice is

deemed to have been received by the Manager on the next business day following receipt.

### 16. The Manager's right not to act on your instructions

The Manager reserves the right not to act on instructions received from you if:

- 16.1. to do so may involve the Manager or you in a breach of legal and/or regulatory requirements; or
- 16.2. the Manager believes on reasonable grounds that to do so would be impracticable; or
- 16.3. to do so would run the risk of the Manager suffering financial loss or reputational damage.
- 16.4. The Manager will endeavour to advise you promptly if such circumstances arise, however it is under no obligation to provide you with its reasons for not acting on your instructions. The Manager will not be liable to you in any way if it refuses to follow your instructions in the circumstances listed above.

### 17. The Manager's losses

- 17.1. You (and your personal representatives) shall be responsible on the Manager's written demand for all losses, costs and expenses and/or other liabilities incurred by the Manager, its agents, or any nominee or the Administrator, as a consequence of:
  - the acceptance of instructions from you over the telephone, by text message, fax, email or other electronic means;
  - any breach by you of any of the terms of this Agreement.
- 17.2. This term shall not apply to the extent of any losses or liability caused by a breach of this Agreement by the Manager or the negligence or wilful default of the Manager or its agents.

### 18. The extent of the Manager's responsibility for its actions and the actions of others

- 18.1. The Manager will carry out our duties with reasonable skill, care and diligence and in accordance with the instructions and authority you have given it. As long it does this, it cannot and does not accept any liability for loss (or the loss of an opportunity to gain) which arises from the provision of its investment management services for and on your behalf, including (but not limited to) loss or damage incurred as result of (a) HMRC not granting EIS Relief or withdrawing EIS Relief previously claimed in relation to Investee Companies, (b) changes in legislation since the date of this Agreement, and (c) third party claims.



# Appendix 03

## Kuber Ventures Multi-Manager EIS Platform Investment Management Agreement

18.2. The Manager cannot and does not accept responsibility for losses you suffer as a result of it (or its agents, nominees, the Administrator or others appointed by the Manager) failing to comply with this Agreement as a result of circumstances outside their reasonable control. These circumstances would include, but not be limited to, failure of or defects in any securities system.

18.3. You acknowledge that:

- neither the Platform nor the Manager give any representation or warranty as to the performance of the Portfolios
- EIS, SEIS and BR Investments are non-Readily Realisable Investments (as defined in the FCA Rules) and as such are high risk investments for which there is a restricted market and that it may be difficult to sell the Investments or to obtain reliable information about their value
- you have considered the suitability of investment in EIS, SEIS and BR Investments carefully, have noted the description of the proposed Investments and have read the risk warnings set out in the Platform Guide (of general applicability to the Platform or specific to the Scheme or Schemes in question)

18.4. Neither the Investment Objectives nor the Investment Restrictions will be deemed to be breached as a result of changes in the value of investments caused by movements in the market.

18.5. Nothing in this Agreement is intended to have, or has, the effect of excluding or restricting the Manager's duties or liabilities to you under the Financial Services and Markets Act 2000 or the regulatory system.

### 19. Delegation and use of associates/agents

19.1. The Manager may delegate any of its responsibilities under this Agreement to an associate. If the Manager delegates the exercise of its discretionary management duties to an associate it will give you prior written notice of the delegation.

19.2. The Manager may delegate any of its responsibilities under this Agreement (save for the exercise of its discretionary management duties) to a third party who is not an associate.

19.3. The Manager may employ agents (including associates) to carry out administrative, dealing, custodial and ancillary services necessary to enable it to perform its obligations under the Agreement. The Manager will act in good faith and with due diligence in its choice and use of such agents.

### 20. Ending the Agreement

20.1. You may end this Agreement by giving the Manager written notice via the Platform at any time. This Agreement will end when the Manager receives your notice (or on a later date specified by you in your notice).

20.2. The Manager may end this Agreement by giving you 30 calendar days' written notice via the Platform at any time or The Manager may also end this Agreement with immediate effect by written notice if:

- you breach any of the terms of the Agreement and you fail to correct such breach within ten calendar days' written notice or;
- the Manager needs to do so for regulatory or operational reasons.

20.3. Please bear in mind that if you give the Manager notice to end this Agreement with immediate effect, and ask the Manager to sell your investments, this could result in significant losses in particular of tax benefits. It is not anticipated that there will be a market for the investments held in your Portfolio and it may not be possible for the Manager to sell your investments. In such cases, you must notify the Manager who the custody of the investments should be transferred to.

20.4. On termination of this Agreement all of the fees set out in the Investment Guide shall remain payable and the Manager may retain and/or realise such Investments as may be required to pay your outstanding liabilities, including any of the fees, costs and expenses set out in the Investment Guide.

20.5. When this Agreement ends, transactions already initiated to which the Manager or its agents are committed will be completed.

20.6. When this Agreement ends the Manager may charge you for:

- periodic charges which have accrued and are due;
- any additional expenses the Manager or its agents necessarily incur on termination of this Agreement;
- any losses necessarily realised by the Manager in settling or concluding outstanding obligations; but will not ask you for any additional payment.

20.7. Termination of this Agreement is without prejudice to the accrued rights and liabilities of the parties.

# Appendix 03

## Kuber Ventures Multi-Manager EIS Platform Investment Management Agreement

### 21. Amendments

You must notify the Manager in writing of any proposed amendments to this Agreement (which will take effect only when accepted by the Manager) and the Manager will notify you in writing as to whether we are prepared to accept proposed amendments or not.

Amendments proposed by the Manager will take effect on the date notified to you by us, which shall be a date not less than 10 business days after the date of issue of our notice or with immediate effect if necessary in order to comply with HMRC requirements in order to maintain the EIS, SIES or BR Relief or in order to comply with the FCA Rules or other legal requirements.

### 22. Assignment/transfer

This Agreement is personal to you and you may not assign or transfer any of your rights or responsibilities under it without the Manager's prior written consent. The Manager may assign its rights and transfer its responsibilities under this Agreement to an associate company upon giving you ten calendar days' prior written notice. You consent to the Manager transferring the control of your client money to an associate company in the event of a transfer of business to that associate. You agree that the Manager may assign its rights and transfer our responsibilities under this Agreement to a third party upon giving you 30 calendar days' prior written notice.

### 23. Severance

If any court or competent authority finds that any provision of this Agreement (or part of any provision) is invalid, illegal or unenforceable, that provision or part provision shall, to the extent required, be deemed to be deleted, and the validity and enforceability of the other provisions of this Agreement shall not be affected.

If any invalid, unenforceable or illegal provision of this Agreement would be valid, enforceable and legal if some part of it were deleted, the provision shall apply with the minimum modification necessary to make it legal, valid and enforceable.

### 24. No rights under Contracts (Rights of Third Parties) Act 1999

Save for the Administrator and the Platform, a person who is not a party to this Agreement shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms.

### 25. Language

This Agreement is supplied in English and all communications from the Manager to you for the duration of this Agreement shall be in English.

### 26. Telephone calls

Telephone calls (and other communications as defined by the Regulation of Investigatory Powers Act 2000) between you and the Manager may be recorded to maintain the quality of our service to you.

### 27. Governing law

This Agreement is governed by and shall be construed in accordance with the laws of England and shall be subject to the non-exclusive jurisdiction of the English courts.

## Treating Clients Fairly

The Manager is committed to treating its clients fairly (TCF). The Manager has reviewed these terms and conditions in the context of TCF and believes that they are in accordance with its TCF commitment. The Manager has also reviewed its internal systems and controls and will continue to monitor the service it provides in the light of client feedback to ensure TCF is implemented for its clients.

# Appendix 04

## Glossary

### **Administrator & Custodian**

means Woodside Corporate Services Limited, registered in England under company number 6171085, with its registered office at 4th Floor, 50 Mark Lane, London EC3R 7QR, or such other administrator as may be appointed by the Managers from time to time.

### **Acceptance Date**

is the date on which the Administrator confirms that relevant acceptance procedures have been satisfactorily completed and that a has accepted the application from you to invest in the Schemes specified by you and at least £5,000 has been subscribed to each of the relevant Schemes.

### **Alternative Investment Fund**

an arrangement which is classified as alternative investment fund under the EU Alternative Investment Managers Directive.

### **Annual Allowance (Pension Annual Allowance)**

the maximum pension input (earned in a Defined Benefit scheme and contributions paid into a defined contribution scheme) a pension scheme member is allowed each year without giving rise to a tax charge .

### **Annual Management Charge**

the annual management charge as set out in the Scheme Guide.

### **Applicable Laws**

all relevant UK laws, regulations and rules, including those of any government or of the FCA.

### **Applicant**

a customer who has completed an Application Form.

### **Application Form**

The Kuber Alternative Investment Platform Application Form.

### **Approved Person**

An approved person as defined in the FCA Rules.

### **Associate**

any person or entity, which (whether directly or indirectly) controls or is controlled by another party or is under common control with that party. For the purpose of this definition “control” shall be deemed to refer also to any power to exercise significant influence over the operating or financial policies of any person or entity.

### **BR Scheme**

a Scheme which invests in Relevant Business Property.

### **Capital Gains Deferral or CGT Deferral Relief**

deferral of CGT as set out in section 150C and Schedule 5B of the Taxation of Chargeable Gains Act 1992.

### **CGT**

Capital Gains Tax

### **Contribution**

the total gross amount subscribed by an Investor in accordance with the terms of the offer set out in this Guide.

### **Custodian and Administration Agreement**

the agreement between the Administrator and the Managers setting out the agreed terms for safe custody, nominee and administrative services to be provided by the Administrator in respect of the Portfolios.

### **Custodian and Administration Services**

the services provided by the Administrator under the Administrator Agreement.

### **Defined Benefit**

an occupational pension scheme that provides benefits based on accrual rate, pensionable service and pensionable salary.

### **EIS**

the Enterprise Investment Scheme as set out in Part 5 of Income Tax Act (ITA) 2007.

### **EIS/SEIS Scheme**

a Portfolio that invests solely in EIS/SEIS Shares

### **EIS/SEIS Qualifying Company**

a company that meets the HMRC requirements EIS/SEIS for qualifications.

### **EIS/SEIS Relief**

the tax reliefs available under the EIS/SEIS, including the income tax relief, capital gains tax exemption and CGT deferral relief.

### **EIS/SEIS Shares**

shares in an EIS/SEIS Qualifying Company which qualify for EIS/SEIS Relief.

### **Exit**

a listing or offer for the entire issued share capital of an Investee Company, winding up or other capital distribution.

### **FCA**

Financial Conduct Authority or any successor regulator.

# Appendix 04

## Glossary

### **FCA Rules**

the rules of the FCA as set out in the FCA's Handbook of Rules and Guidance and any other rules and guidance issued by the FCA from time to time.

### **Financial Services Compensation Scheme (FSCS)**

has the definition given to it under the FSMA.

### **FSMA**

Financial Services and Markets Act 2000 (as amended from time to time).

### **HMRC**

HM Revenue and Customs .

### **IHT**

Inheritance tax.

### **Initial Fee**

the initial fee as set out in the in the Platform Guide.

### **Interim Investments**

assets held with the Administrator prior to investment in Qualifying Shares. These will normally be cash held by the Administrator in bank deposits but could be other investments.

### **Investee Company**

a company which is, at the time that an investment in its shares is made, an investee company for the purposes.

### **Investee Companies**

companies in which the Managers invest.

### **Investment**

an investment in Qualifying Shares acquired at the direction of a Manager in relation to the Scheme that it manages.

### **Investment Guide**

the document titled The Kuber Ventures Multi Manager EIS Investment Guide.

### **Investment Management Agreement**

the agreement to be entered into between each investor and the Manager(s), in the terms set out in Appendix 3 of the Platform Guide the Scheme Guide.

### **Investment Performance Fee**

the investment performance fee as set out in the Scheme Guide.

### **Investor**

a person who completes an Application Form which is accepted by a and so enters into an Investment Management and invests through one of more of the Schemes .

### **ITA**

The Income Tax Act 2007 as may be amended.

### **Knowledge Intensive Company**

An EIS company which carries out significant R&D and is either creating intellectual property, or employs highly qualified individuals working on R&D

### **Kuber**

Kuber Ventures Limited a limited liability company whose registration number is 8693809 and whose registered office is Kuber Ventures Limited, Audley House, 12-12a Margaret Street, London, W1W 8RH. Registered number: 8693809, VAT: 175 9290 69.

### **Lifetime Allowance (Pension Lifetime Allowance)**

all benefits provided from registered pension schemes are subject to a "Lifetime Allowance" (LTA). The LTA has been set at £1.5 million for the 2013/14 tax year, after which it will reduce to £1.25 million. Protection may be available for those that may exceed the Lifetime Allowance. The excess, when taken, will be subject to a lifetime allowance tax charge.

### **Manager**

a company runs a Scheme that and is authorised and regulated by the FCA to act as a discretionary investment manager and/or an alternative investment fund manager.

### **Money Laundering Regulations**

The Money Laundering Regulations 2007 as may be amended from time to time.

### **Nominee**

such nominee as the Custodian may appoint from time to time, and at the date of this Guide is WCS Nominees Limited.

### **Order Execution Policy**

the Manager's internal process for dealing with the execution of investment transactions within their portfolios as required under the FCA Rules. These policies are available on request from Kuber.

### **Pension Scheme**

a Registered Pension Scheme, which is registered under Chapter 2 of Part 4 of the Finance Act 2004. This will include personal and stakeholder pension schemes, occupational pension schemes and Section 32 buyout contracts.

# Appendix 04

## Glossary

### **Platform**

the Kuber Ventures Alternative Investment Platform as described in the Platform Guide.

### **Platform Guide**

the Kuber Alternative Investment Platform Guide.

### **Portfolio**

the portfolio of cash and investments which are managed by a manager on behalf of an Investor under the terms of the Investment Management Agreement.

### **Promoter**

Kuber Ventures Limited.

### **Qualifying Shares**

ordinary shares in an Investee Company which at time of acquisition for the account of a Portfolio are qualified under the relevant provisions of ITA for the purposes of conferring EIS tax benefits on the holders thereof.

### **Qualifying Trade**

a trade permitted by Sections 189 and 192 ITA.

### **Regulated Market**

any exchange or market included on the list maintained by any of the competent securities regulatory authorities in Member States of the European Economic Area in accordance with the provisions of Article 47 of the EC Markets in Financial Instruments Directive.

### **Relevant Business Property or Business Property Relief**

Relevant Business Property is property which qualifies for Business Property Relief. Business Property Relief is a relief for IHT purposes. For an asset to qualify as Relevant Business Property it must be held for a period of at least 2 years prior to the IHT tax point. Shares in unlisted trading companies may qualify as Relevant Business Property. The relief available is set out in the Inheritance Tax Act 1984 (Part V Chapter I).

### **Relevant Period**

the period beginning on the date that the Qualifying Shares are issued by the Investee Company and ending three years after that date, or three years after the commencement of the Investee Company's trade, whichever is later.

### **Replacement Property Relief**

if an Investor sells an asset which qualified for Business Property Relief and replaces it with a new asset that would also qualify within a 3 year period they may be entitled to Replacement Property Relief immediately thereby not

having to wait for a further 2 years to qualify. The relief is restricted to the amount of relief that would have been available against the original asset.

### **R&D**

Research and Development

### **Scheme**

a BR Scheme, a SEIS Scheme or an EIS Scheme

### **Scheme Investment Objectives**

the respective investment objectives for the Schemes as set out in the Investment Guide.

### **Scheme Investment Restrictions**

the Managers will only invest in Qualifying Shares in order to have access to EIS Relief as may be prescribed by HMRC from time to time. Any additional Investment Restrictions for the Schemes are set out in the Kuber Investment Guide.

### **SEIS**

the Seed Enterprise Investment Scheme is set out in Part 5 of ITA.

### **SITR**

Social Investment Tax Relief as defined by schedules 11 and 12 of the Finance Act 2014, amending the Income Act 2007.

### **Subscription**

the amount of money the Investor invests in a Scheme.

### **Tax Benefits**

the various tax benefits, that may be available for eligible persons arising from subscriptions for Qualifying Shares.

### **TEIPs**

Tax efficient investment products which include (but are not limited to) EIS, SEIS, BR, SITR and VCTs

### **Terms and Conditions**

the terms and conditions of an investment in the Portfolio as set out in the Investor Agreement in this document.

### **VCT**

Venture Capital Trust as defined by Part 6 of the Income Tax Act (ITA) 2007

# Important Notice

## **This notice is important and needs your immediate attention.**

Reliance on this promotion for the purpose of buying the investments to which this promotion relates may expose you to a significant risk of losing all of the assets invested.

### **Legal Advisers to**

Kuber Ventures  
Charles Russell Speechlys LLP  
5 Fleet Place  
London EC4M 7RD

### **Scheme EIS Tax Advisers**

PricewaterhouseCoopers LLP  
1 Embankment Place  
London WC2N 6RH

This Guide is an exempt financial promotion for the purposes of section 21 Financial Services and Markets Act 2000, by reason of article 16(1) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, which has been issued by Kuber Ventures Limited, an appointed representative of Tax Efficient Procurement Services Ltd, which is authorised and regulated by the Financial Conduct Authority.

If you are in any doubt about the investment to which this Guide or subsequent communication relates, you should consult an authorised person specialising in advising in participation in investments of the kind in question.

Please note that applications may only be made, and will only be accepted, subject to the terms and conditions set out in this Guide, the Investor Investment Management Agreement and the Application Form. Your attention is drawn to the fact that amounts invested in Enterprise Investment Scheme, Seed Enterprise Investment Schemes and Business Property Relief Scheme (Schemes) will be committed to investments which are of a long term and illiquid nature. Neither

the Schemes nor the companies in which they invest will be quoted on any regulated exchange or market and, accordingly, there will not be an established or ready market in participations in the Schemes or the underlying investments.

An investment in the Schemes will therefore not be easily realisable before maturity.

This Guide does not constitute an offer or solicitation in any jurisdiction in which such an offer or solicitation is not authorised or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it's unlawful to make such an offer or solicitation. It is your responsibility (if you are located outside the UK) to satisfy yourself as to full compliance with the applicable laws and regulations of any relevant territory in connection with any application to participate in the Scheme including obtaining any requisite governmental or other consent and observing any other formality presented in such territory. It does not constitute, and should not be considered as, an offer to subscribe for, buy or sell or solicitation of an offer to subscribe for, buy or sell any security or share.

This Guide does not constitute an initial public offering of any securities in the United Kingdom for the purposes of part VI FSMA 2000.

You should not regard the contents of this Guide as constituting advice relating to legal, taxation or investment matters and are advised to consult your own professional advisers before contemplating any investment or transaction. The information contained in this Guide makes reference to the current laws concerning tax reliefs. These levels and bases of relief are subject to change. The tax reliefs referred to in this Guide are those currently available and their value depends on your individual circumstances. Past performance is not necessarily a guide to future performance and may not necessarily be repeated. You should be aware that investment values and

any income from them may go down as well as up and you may not get back the amount you originally invested.

No person has been authorised to give any information or make any representation concerning the Schemes other than the information contained in this Guide or in connection with any material or information referred to in it and, if given or made, such information or representation must not be relied on.

All statements of opinion or belief contained in this Guide and all views expressed and statements made regarding future events represent Kuber Ventures Ltd own assessment and interpretation of information available as at the date of this Guide. No representation is made, or assurance given, that such statements or views are correct or that the objectives of the Schemes will be achieved. You must determine for yourselves what reliance (if any) you should place on such statements, views or forecasts, and no responsibility is accepted by Kuber Ventures Ltd in respect thereof.

Kuber Ventures Ltd wishes to clarify that it acknowledges no client relationship under the rules of the FCA in relation to any person investing through the Platform. In relation to each investment in a Schemes o, each participating investor will be classified as a client (most probably, a retail client) of the Manager in question.

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# Kuber

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Kuber Ventures Limited (FRN 574987) is an appointed representative of Tax Efficient Procurement Services Ltd which is authorised and regulated by the Financial Conduct Authority. Kuber Ventures Limited is registered in England and Wales with No. 8693809. VAT Registration No. 175 9290 69. Registered office Audley House, 12-12a Margaret Street, London, W1W 8RH