



**Fuel Ventures
Scale Up EIS Fund
Information Memorandum**

The tax treatment referred to in this Information Memorandum depends on the individual circumstances of each Investor and may be subject to change in future. In addition, the availability of any tax reliefs depends on the investee companies maintaining their qualifying status.

**THIS INVESTMENT IS NOT SUITABLE FOR ALL INVESTORS AS THE
UNDERLYING INVESTMENTS ARE ILLIQUID.**



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Important Information

THIS NOTICE IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT ABOUT THE ACTION YOU SHOULD TAKE IN REGARD TO THE CONTENTS OF THIS INFORMATION MEMORANDUM AND APPENDICES YOU SHOULD CONTACT AN INDEPENDENT FINANCIAL ADVISER OR OTHER PROFESSIONAL ADVISER AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FSMA) WHO SPECIALISES IN ADVISING ON INVESTMENTS OF THIS TYPE. RELIANCE ON THIS INFORMATION MEMORANDUM FOR THE PURPOSE OF ENGAGING IN ANY INVESTMENT ACTIVITY MAY EXPOSE AN INDIVIDUAL TO A SIGNIFICANT RISK OF LOSING ALL OF THE PROPERTY OR OTHER ASSETS INVESTED. YOUR ATTENTION IS DRAWN TO PART SIX HEADED "RISK FACTORS". NOTHING IN THIS DOCUMENT CONSTITUTES INVESTMENT, TAX, FINANCIAL, LEGAL, REGULATORY OR OTHER ADVICE BY SAPPHIRE CAPITAL PARTNERS LLP OR BY FUEL VENTURES LIMITED.

This Information Memorandum constitutes a financial promotion pursuant to section 21 of FSMA. Its contents have been approved for the purposes of section 21 of FSMA by Sapphire Capital Partners LLP (the "Authorised Person"), which is authorised and regulated by the Financial Conduct Authority in the United Kingdom and whose registered office is at 28 Deramore Park, Malone, Belfast BT9 5JU.

This Information Memorandum is issued solely for the purpose of seeking subscriptions from prospective Investors for investments in the Fund. This Information Memorandum is confidential and must not be copied, reproduced or distributed in whole or in part to any other person at any time without the prior written consent of the Authorised Person.

The communication of this Information Memorandum and the contents thereof is intended for persons in the United Kingdom only and is made to and directed at persons reasonably believed to be such persons as are referred to below and must not be passed on, directly or indirectly, to any other person:

- a. professional clients or eligible counterparties as defined in the Conduct of Business Sourcebook ("COBS") forming part of the FCA's Handbook of Rules and Guidance;
- b. retail clients who confirm in writing that they will receive advice on the investments referred to in this Information Memorandum from a financial adviser authorised and regulated by the FCA;
- c. to the extent that the recipient is a retail client who does not fall within category (b) above, only clients falling within the following categories subject to the condition referred to below (the "Condition"):
 - i. certified high net worth investors in terms of COBS 4.7.9R;
 - ii. certified sophisticated investors in terms of COBS 4.7.9R;
 - iii. self-certified sophisticated investors in terms of COBS 4.7.9R;
 - iv. certified restricted investors in terms of COBS 4.7.10R; and
- d. any person to whom the communication may otherwise lawfully be made.

Further details relating to COBS Rules 4.7.9R and 4.7.10R are specified in Appendix 3 to this Information Memorandum. The Condition referred to above is that either:

- a. the person who will arrange or deal in relation to the investments which are the subject of this Information Memorandum will comply with the FCA's rules on appropriateness set out in COBS 10, or equivalent requirements, for any application or order made in response to this Information Memorandum; or
- b. the recipient has confirmed that they are a retail client of a firm authorised in terms of FSMA that will comply with the FCA's rules on suitability set out in COBS 9 in relation to an investment in the Fund as set out in this Information Memorandum.

The transmission of this Information Memorandum or the contents thereof to any other person is prohibited and persons not falling within the description set out above should not act or otherwise rely upon it.

Reliance on this promotion for the purpose of engaging in investment activity may expose an individual to a significant risk of losing all of the property invested.

The tax treatment referred to in this document depends on the individual circumstances of each Investor and may be subject to change in the future. In addition, the availability of any tax reliefs depends on the Investee Companies maintaining their qualifying Enterprise Investment Scheme status. Past performance is not a guide to future performance and may not be repeated. **The value of an Investment may go down as well as up and an Investor may not get back the full amount invested and may therefore lose some or all of their Investment.**

An investment in the Fund carries substantial risk. Any investment in the Fund should be regarded as being medium to long term in nature. There can be no assurance that the Fund's investment objective will be met and results may vary substantially over time. Investors' money subscribed to the Fund will be committed to Investments which may be of a long term and illiquid nature. The companies in which the Fund invests will not be quoted on any regulated market and, accordingly, there will not be an established or ready market for any such shares. It may be difficult to obtain information regarding how much an Investment is worth or how risky it is at any given time and the Investment Manager may experience difficulty in realising the Investments (for value or at all).

An investment in the Fund may only be made on the basis of this Information Memorandum and the Investment Management Agreement. Neither Sapphire Capital Partners LLP, Fuel Ventures Limited nor any of their respective directors, officers, employees, advisers and agents accept any liability for any direct, indirect or consequential loss or damage suffered by any person as a result of relying on any information or opinions contained herein or in any other communication in connection with an investment in the Fund except where such liability arises under FSMA, regulations made under FSMA, the FCA Rules or any applicable law and may not be excluded.

All information and illustrations in this Information Memorandum are stated as at the date of its issue unless otherwise stated. All statements of opinion or belief contained in this Information Memorandum and all views expressed and statements made represent the Authorised Person's own assessment and interpretation of information available to them as at the date of this Information Memorandum. No representation is made or assurance given as to the accuracy, completeness, achievability or reasonableness of any views, statements, illustrations or forecasts or that the objectives of the Fund will be achieved. Prospective Investors are strongly advised to conduct their own due diligence including, without limitation, the legal and tax consequences to them of investing in the Fund and must determine for themselves what reliance (if any) they should place on such statements, views or forecasts. Prospective Investors' attention is drawn to the section entitled Risk Factors.

The Authorised Person believes that the factual content set out in this Information Memorandum is accurate and that statements of opinion herein are reasonably held. This Information Memorandum was prepared by Fuel Ventures Limited and approved by the Authorised Person. Subject to the Authorised Person's overriding duty under the FCA Rules to ensure that the content of this Information Memorandum is presented in a manner which is fair, clear and not misleading with respect to the persons to whom the Fund is promoted by it, neither the Authorised Person nor Fuel Ventures Limited accepts any responsibility to any recipient of this Information Memorandum for inaccuracies in factual representation or for any consequences to such persons of placing reliance upon statements of the Authorised Person's opinion except to the extent required by law. Additionally, some material included in this Information Memorandum is derived from public or third-party sources, and each of the Authorised Person, Fuel Ventures Limited and the Investment Manager disclaims all liability for any errors or misrepresentations which any such inclusions may contain and do not take responsibility for the content contained therein. This Information Memorandum contains certain information that constitutes "forward-looking statements" which can be recognised by use of terminology such as "targeted", "may", "will", "should", "anticipate", "estimate", "intend", "continue", or "believe" or their respective negatives or other comparable terminology. Forward-looking statements are provided for illustrative purposes only. Due to various risks and uncertainties, actual events, results or performance may differ materially from those reflected or contemplated in such forward-looking statements.

No person has been authorised to give any information, or to make any representation concerning the Fund

other than the information set out in this Information Memorandum, and if given or made, such information or representation must not be relied on. This Information Memorandum is only intended for release in the United Kingdom and does not constitute an offer, or the solicitation of an offer, to buy or sell any security or share. It does not constitute a public offering in the United Kingdom. This Information Memorandum is not suitable for persons outside the United Kingdom.

Past performance is not necessarily a guide to future performance and Investors should be aware that share values and income from them may go down as well as up and Investors may not get back the amount subscribed. Changes in legislation in respect of The Enterprise Investment Scheme in general, and qualifying investments and qualifying trades in particular, may affect the ability of the Fund to meet its objectives and/or reduce the level of returns which would otherwise have been achievable.

Prospective Investors should be aware that the arrangements described in this Information Memorandum represent a discretionary portfolio management service subject to the terms of the Investment Management Agreement set out in Appendix 1. Investors appoint the Investment Manager to act as their common discretionary investment manager and to invest their subscription monies on a discretionary basis into a portfolio to be invested in Qualifying Companies. The Fund will act as a group of individual bare trusts held separately in the name of the Nominee with each Investor being the sole beneficiary of an individual bare trust under a nominee arrangement. The Fund is not treated as an unregulated collective investment scheme (as defined in section 235 of FSMA). The Fund is an AIF.

The Fund has not been approved by HMRC under section 251 of the Income Tax Act 2007. The Authorised Person reserves the right to update this Information Memorandum from time to time.

By submitting an Application Form, you agree to be bound by the terms and conditions.

Taxation Disclaimers

The information contained in this Information Memorandum makes reference to the current laws concerning EIS Income Tax Relief and EIS Loss Relief (together, the EIS Reliefs), CGT Deferral Relief and the CGT Exemption (together, the CGT Reliefs), and IHT Relief. These levels and bases of relief may be subject to change. The tax reliefs referred to in this Information Memorandum are those currently available and their value depends on individual circumstances.

It is the intention that the Fund will invest in companies which are Qualifying Companies for the purposes of the Enterprise Investment Scheme ("EIS") regime set out in Part 5 of the Income Tax Act 2007 (ITA). Following each Qualifying Investment which the Fund makes it is envisaged that the appropriate EIS Compliance Certificates will be issued to Investors, which will enable them to claim EIS Reliefs in respect of that Qualifying Investment. There is no guarantee however that EIS Reliefs, CGT Reliefs or IHT Relief will be available on any Investment made by the Fund or that if it is initially available it will not be subsequently withdrawn. Any references to tax laws or rates in this Information Memorandum are based on current legislation, all of which are subject to change and provided as a guide only. Prospective Investors are advised to take their own taxation advice and should consult their own professional advisers on the implications of investing in the Fund.

The Investment Manager intends to make Qualifying Investments and intends to ensure that the Investee Companies obtain provisional advance assurances from HMRC that they are Qualifying Companies. The information and illustrations in this Information Memorandum are dated as at 01 February 2020.

Principal Parties and Advisers

Investment Advisor



Fuel Ventures Limited

145 City Road
Hoxton
London, EC1 1AZ.

Investment Manager



Sapphire Capital Partners LLP

28 Deramore Park
Malone
Belfast, BT9 5JU.

Legal Adviser



Dentons

Quartermile One
15 Lauriston Place
Edinburgh, EH3 9EP.

Tax Adviser



Philip Hare & Associates LLP

Hamilton House
1 Temple Avenue
London, EC4Y 0HA.

Custodian



Mainspring Nominees Limited

20-22 Bedford Row
4th Floor
London, WC1R 4EB.

Nominee



MNL Nominees Limited

20-22 Bedford Row
4th Floor
London, WC1R 4EB.

Introduction from Mark Pearson



Dear Investor,

I am pleased to make this introduction to the Fuel Ventures Scale Up EIS Fund (the "Fund").

This is the fifth fund that Fuel Ventures Limited ("Fuel Ventures") is mentoring since its founding in April 2015. The first fund – Fuel Ventures EIS Portfolio 1 – has invested into seven companies which are already seeing growth¹. The second fund – the Fuel Ventures EIS Portfolio 2 – has invested into eleven promising companies. The third fund – the Fuel Ventures Fund 3 – has made fourteen investments.

This fund will carry on with the goal of investing in early stage businesses' seed rounds. The Fund will also continue to invest in the rapidly growing sectors such as marketplaces, software and transactional businesses. Fuel Ventures seeks to work with entrepreneurs and their teams to support the companies and their growth. We believe we have the expertise, experience and skill set to identify and help build valuable, innovative, and lasting businesses. By identifying and investing in such companies, I believe the Fund can deliver exceptional returns to the Fund's investors.

A 2017 Tech Nation report revealed that the UK attracted "£28 billion in technology investment over the last five years – more than any other European country"², compared with £11.4 billion in France and £9.3 billion in Germany³. The technology sector has grown to be a major contributor to the UK economy. The UK's digital sector "grew 50% faster than the wider economy in 2015"⁴, and "the GVA⁵ (economic contribution) of the digital tech sector reached £97 billion, with a growth rate of 30%"⁶ in 2015, according to the Tech Nation report. There is therefore evidence that technology and investing in the sector is growing at a fast pace that continues to support multiple technology verticals in the economy.

It is my belief that the UK is both geographically and opportunity wise in an advantageous position to build global businesses in the technology sector. To take advantage of this, the Fund will seek to identify the most ambitious and scalable opportunities in the sector today and I believe that, along with Sapphire Capital Partners LLP, our investment approach combined with our access to quality deals, has the potential to deliver exceptional returns.

We will assist the Investee Companies to build products and services people want and need. In doing this, the Fund will seek to invest in what I believe to be some of UK's most exciting early stage companies, helping them grow internationally and increase in value for potential acquisition or listing opportunities.

I believe in this opportunity to the extent that I will be personally investing at least 5% of the total amount invested by Investors into the Fund so that I can also take advantage of the opportunities that I know the Fund will invest in.

I hope you will join us in this exciting venture.

Kind regards,
Mark Pearson
Managing Director

Definitions

The following definitions apply throughout this Information Memorandum unless the context otherwise requires:

| Term | Definition |
|-------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| AIF | An alternative investment fund for the purposes of the AIFMD. |
| AIFM | An alternative investment fund manager for the purposes of the AIFMD. |
| AIFMD | The Alternative Investment Fund Managers Directive (2011/61/EU). |
| Applicable Laws | Relevant UK laws and regulations, including the FCA Rules. |
| Application Form | An application form to invest in the Fund completed by the prospective Investor in the form that is provided along with this Information Memorandum. |
| Associate | Any person or entity that controls or is controlled by the Investment Manager. "Control" refers to the ability to exercise significant influence over the operating or financial policies of any person or entity. |
| Business Relief or IHT Relief | Relief from IHT pursuant to sections 103-114 of the IHTA. |
| CGT | Capital Gains Tax. |
| CGT Exemption | Exemption from CGT on realised capital gains on a disposal of shares in a Qualifying Company. |
| CGT Reinvestment Relief | Relief by way of deferral of CGT claimed through reinvestment of a capital gain in Qualifying Shares in a Qualifying Company (Schedule 5B of Taxation of Chargeable Gains Act 1992). |
| CGT Reliefs | The CGT Exemption and CGT Reinvestment Relief. |
| Closing Date | A date determined by the Investment Manager as the final date upon which an Investor may make a Subscription in the Fund. The Fund has an evergreen structure, which means that it will accept investments at any time while it remains open. This is subject to change at the Investment Manager's absolute discretion. |
| COBS | The Conduct of Business Sourcebook forming part of the FCA's Handbook of Rules and Guidance. |
| Custodian | Mainspring Nominees Limited, a provider of fund custodian, administration services and certain other fund services and/or such other person or persons as may be appointed as custodian or as a sub-custodian of the Fund from time to time. |
| EIS | The Enterprise Investment Scheme set out in ITA Sections 156-257. |
| EIS Compliance Certificate | Compliance Certificates (forms EIS3) to be issued by an Investee Company following receipt of authority from HMRC for the Investee Company to issue them to Investors in order for Investors to claim EIS Reliefs. |
| EIS Income Tax Relief | Reliefs from income tax available under the EIS. |
| EIS Reliefs | EIS Income Tax Relief and Share Loss Relief. |
| EIS Three Year Period | The period beginning on the date that the Qualifying Shares are issued or, if later, the date that the Investee Company commences trading (trading or qualifying R&D activity, must commence within two years of share issue) and ending three years after that date. |
| Eligible Counterparty | Means an eligible counterparty for the purposes of the FCA Rules. |
| FCA | Financial Conduct Authority of 12 Endeavour Square, London E20 1JN or successor organisation(s). |
| FCA Rules | The FCA rules made under powers given to the FCA by the Financial Services under FSMA |

| Term | Definition |
|----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| FSMA | Financial Services and Markets Act 2000 as amended. |
| Fuel Ventures Limited | A company registered in England and Wales under company number 08820180 with its registered office C/o The Accountancy Cloud, 12-18 Hoxton Street, London, N1 6NG. Fuel Ventures Limited, (FRN: 723915) is the appointed representative of Sapphire Capital Partners LLP (FRN: 565716), which is authorised and regulated by the Financial Conduct Authority. The sole director and shareholder of Fuel Ventures Limited is Mark Pearson. |
| Fund | The Fuel Ventures Scale Up EIS Fund, an alternative investment fund for the purposes of the AIFMD, managed by the Investment Manager as described in this Information Memorandum. The Fund is not a legal entity and is a group of individual bare trusts to enable subscription monies to be held on behalf of Investors under a nominee arrangement; each Investor will be the sole beneficiary of a bare trust, to be known collectively as the Fund. The Nominee is the registered legal holder of Investments on behalf of each Investor. |
| HMRC | HM Revenue & Customs. |
| IHT | Inheritance Tax. |
| IHTA | Inheritance Tax Act 1984. |
| Income Tax Act or ITA | The Income Tax Act 2007. |
| Information Memorandum | This information memorandum issued in relation to the Fund. |
| Intermediary | A person who promotes and markets the Fund to his/its clients and arranges the investment for the Investor. |
| Interim Closing Date | An interim closing date chosen at the discretion of the Investment Manager (which will typically be on a quarterly basis). |
| Investee Company | A company in which the Fund invests. |
| Investment | An investment in one or more Investee Companies on the terms of this Information Memorandum. |
| Investment Objective | The investment objective for the Fund as stated in this Information Memorandum. |
| Investment Adviser | Fuel Ventures Limited, as described above. |
| Investment Advisory Services | Services provided or procured by Fuel Ventures Limited to the Investment Manager and the Investee Companies including, sourcing the Investee Companies, providing investment advice to the Investment Manager, carrying out due diligence on the potential Investee Companies, legal, taxation, marketing, accounting, public relations, information technology and other areas in which start-up companies may need expert advice. |
| Investment Management Agreement or Agreement | The agreement to be entered into by each Investor and the Investment Manager the terms of which are set out in Appendix 1 of this Information Memorandum. |
| Investment Manager | Sapphire Capital Partners LLP a limited liability partnership which is authorised and regulated by the Financial Conduct Authority under firm reference number 565716 with the partnership registration number NC000562 and having its registered office at 28 Deramore Park, Malone, Belfast BT9 5JU, United Kingdom. |
| Investor | A person who enters into an Investment Management Agreement and invests in the Fund. |
| Maximum Fund Size | No maximum as the Fund is evergreen, unless changed at the absolute discretion of the Investment Manager. |

| Term | Definition |
|-----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Mentoring Services | Services provided or procured by Fuel Ventures Limited to Investee Companies including legal, taxation, marketing, accounting, public relations, due diligence, information technology and other areas in which start-up companies may need expert advice. |
| Minimum Fund Size | Aggregate subscriptions of £5,000,000 unless increased or decreased at the absolute discretion of the Investment Manager. |
| MiFID Directive | Means the Markets in Financial Instruments Directive (2014/65/EU). |
| Minimum Subscription | The minimum subscription is £10,000 for advised Investors and £100,000 for non-advised Investors (subject to the Investment Manager's discretion to accept a lesser amount). |
| Nominee | MNL Nominees Limited or such other nominee or agent as the Investment Manager or Custodian may appoint from time to time to be the registered legal holder of Investments on behalf of Investors. |
| Offer | The offer for subscriptions in respect of the Fund as set out in this Information Memorandum. |
| Portfolio | The monies an Investor contributes to the Fund on or before an Interim Closing Date plus all Investments made through the Fund which are allocated to an Investor and registered in the name of the Nominee on the Investor's behalf and which are subscribed out of such monies plus all income and capital profits arising thereon and so that, where an Investor contributes more than once in the Fund: (i) all Subscriptions made within a single period which falls between two Interim Closing Dates shall be regarded as part of the same Portfolio; and (ii) Subscriptions which are made within periods which fall between two or more Interim Closing Dates, or between three or more Interim Closing Dates, shall be regarded as separate Portfolios of that Investor within the Fund. |
| Professional Client | Means a professional client for the purposes of the FCA Rules. |
| Qualifying Company | A company that meets the requirements for EIS Reliefs. |
| Qualifying Investment | An Investment by a Qualifying Investor in a Qualifying Company which satisfies all the conditions for EIS Reliefs. |
| Qualifying Investors | UK taxpayers eligible to claim EIS Reliefs. |
| Qualifying Shares | Newly issued shares in the Investee Company, subscribed for by the Fund on behalf of Investors that qualify for EIS Reliefs. |
| Relevant Shares | Shares in which the Fund has invested if and for so long as neither a claim for EIS tax relief made in accordance with chapter 5, part 5 of the ITA has not been disallowed nor an assessment has been made pursuant to Section 235 of ITA withdrawing or refusing relief by reason of the company in which the shares are held ceasing to be a Qualifying Company. |
| Retail Client | Means a retail client for the purposes of the FCA Rules. |
| Share Loss Relief | Relief in respect of income tax for allowable losses pursuant to Chapter 6 of Part 4 ITA. |
| Subscription | A subscription in the Fund pursuant to the Application Form. |

Offer Statistics & Timetable

Subject as set out under “Closing Date” the Fund has an evergreen structure, which means that it can accept investments at any time while it remains open. The Investment Manager may, in its absolute discretion, undertake a number of closes in respect of the Fund (i.e. Interim Closing Dates - which will typically on a quarterly basis) prior to, and on, the Closing Date in tranches of £1,000,000 (or such other amount as the Investment Manager may decide) in order to commence investment into the Investee Companies. In the event that the Investment Manager undertakes multiple closes of the Fund, Investors may not hold shares in all of the Investee Companies in which the Fund invests.

| | |
|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Fund Name | Fuel Ventures Scale Up EIS Fund. |
| Structure | An unapproved EIS discretionary portfolio, which makes Investments into Qualifying Companies. |
| Minimum Fund Size | £5,000,000 (subject to change at the absolute discretion of the Investment Manager). |
| Maximum Fund Size | No Maximum as the Fund is evergreen unless changed in the absolute discretion of the Investment Manager. |
| Investment Objective | To invest in early-seed, seed, venture investments in Qualifying Companies which are located primarily in the United Kingdom. |
| Investment Adviser | Fuel Ventures Limited 145 City Road, Hoxton London, EC1 1AZ. |
| Investment Manager | Sapphire Capital Partners LLP 28 Deramore Park, Malone Belfast, BT9 5JU. |
| Target Fund Size | A target of at least five Qualifying Companies per Investor (typically investing from £250,000 to £5,000,000 per company). |
| Duration | The expected life of the Fund to hold Investments is ten years or more. |
| Investment Period | Primarily the 2020/2021 tax year onwards. Investments to be held for minimum of three years (to benefit from EIS Reliefs). |
| Targeted Returns | The targeted return after ten years is £10 for each £1 share (i.e. three times return) held by Investors in the Fund. |
| Close Date | The Fund has an evergreen structure, which means that it can accept investments at any time while it remains open. Please note that Investors who invest in the Fund later may not always be invested in the same Investee Companies as earlier Investors. Therefore, Investors may not hold shares in all the Investee Companies in which the Fund invests, and earlier Investors will have different Portfolios from later Investors. |
| Follow-on Investments | The Fund has discretion to use moneys raised from Investors as follow-on investments in Investee Companies in this Fund as well as investee companies in prior Fuel Ventures funds (being the Fuel Ventures EIS Portfolio 1, the Fuel Ventures EIS Portfolio 2, the Fuel Ventures Portfolio 3 and the Fuel Ventures Fund 4). |

How to Apply

How to invest in the fund:

1. If you wish to invest in the Fund, you should complete, sign and return the Application Form provided separately to this Information Memorandum, in accordance with the instructions on the Application Form. You cannot make a joint application using this form, but other persons (such as a spouse) may apply separately. Please ensure that you satisfy the anti-money laundering requirements (as explained in the accompanying notes in the Application Form) and enclose the relevant documentation with your application.
2. Please transfer your funds to the Custodian's client account, the details of which can be found in the Application Form, or make your cheque payable to the "MNL Client Account (Sapphire-Fuel Ventures)" and send it together with your Application Form to the Custodian at the following address:

Mainspring Nominees Limited
20-22 Bedford Row
4th Floor
London, WC1R 4EB.

3. Once you have been accepted as an Investor in the Fund, you will receive a welcome letter and portal log in details from the Custodian.
4. Share certificates and EIS documents will be provided by the Custodian on each Investment.

You have 14 days from the date upon which the Application Form is received by the Custodian in which to cancel your investment in the Fund. You may exercise this right of cancellation in writing and without fee or penalty. The Custodian shall return any Subscription(s) to an Investor who exercises this right of cancellation promptly and, in any event, within 30 days of the date the written notice of cancellation is received by the Custodian or the completion of its anti-money laundering obligations, whichever is the later.

The Investment Manager may at its absolute discretion increase or decrease the Minimum Fund Size and may undertake a number of closes of the Fund i.e. quarterly drawdowns in tranches of £1,000,000 (or such other amount as the Investment Manager may decide) in order to commence investment into the Investee Companies.

If your application requires an Independent Financial Advisor (IFA) sign off, please speak to a member of our team who will be able to refer partners that will be able to do this. All IFA fees are to be paid by the Investor.

PLEASE NOTE: if English is not your first language, we strongly recommend you translate this document into your language of choice.

请注意，非英语使用者在决定投资之前请阅读包含信息备忘录，投资管理协议，托管协议等主要信息文件和申请表的翻译副本。

Key Features of the Investment



Fuel Ventures was established in December 2013 by **Mark Pearson** and currently operates out of the **RocketSpace** tech hub in Angel, London.

The first fund was established in April 2015.

Fuel Ventures Scale Up EIS Fund (the "Fund") is an EIS fund specialising in seed stage investments in the European marketplace, platforms and SaaS sectors.

Fuel Ventures has assisted the Investment Manager to deploy its first fund – Fuel Ventures EIS Portfolio 1 - into seven UK start-ups. The second fund – the Fuel Ventures EIS Portfolio 2 – has invested in eleven companies. The third fund – the Fuel Ventures Fund 3 – and has made fourteen investments to date.

As the early stage investors in some of the UK's fastest growing technology businesses, the team at Fuel Ventures are able to benefit from high volume deal flow and identify the companies that have the potential to be the next UK high-growth companies.

Mark Pearson is an award-winning digital entrepreneur, having won the 2010 Entrepreneur of the Year at the Growing Business Awards and the 2011 Ernst and Young Entrepreneur of the Year London and South Region Award Recipient. His investment style and specialism in e-commerce and marketplaces has resulted in a number of successful exits including his own business MyVoucherCodes, which together with LastSecond Tickets was sold in 2014 for a reported £55 million⁷.

After his success with MyVoucherCodes, Mark has continued to invest in marketplaces. To date, he has personally and via Fuel Ventures invested in 24 businesses

with significant success. The Fuel Ventures EIS Portfolio 1 has achieved an average of a 3.6x multiple⁸ (based on latest funding rounds) on the investment across the portfolio and a 100% company survival rate since 2015.

An example of a leading investment is Mark's investment into Paddle in 2013 and 2014. Paddle is a platform for software companies which has scaled up rapidly. Paddle achieved further investment at a valuation of £71 million, generating a potential 17x return on Mark's investment. In December 2017, Paddle was announced by Deloitte as the #1 fastest growing UK software company and the #6 fastest growing UK tech company in 2017⁹.

■ Lead by the award-winning entrepreneur Mark Pearson, Fuel Ventures will act as the Investment Adviser to the Fuel Ventures Scale Up EIS Fund. The Investment Adviser will provide investment advice to the Investment Manager and Mentoring Services.

■ Investments into Investee Companies will range from £250,000 to £5,000,000. All Investee Companies will have obtained EIS advance assurance from HMRC prior to any investment.

■ The Fund will seek to invest in marketplaces, platforms, software as a service and digital transactional businesses. This includes B2B, B2C and B2BC verticals.

■ Targeted Returns – a targeted return of £10 on every £1 subscribed after ten years. The targeted average of £10 on every £1 subscribed is across all Investee Companies. The targeted average of £10 is stated net of all costs, performance returns and fees.

■ The recommended holding period for Investors is ten years. Mark Pearson will be personally investing at least 5% of the total amount invested by Investors into the Fund.

■ The third fund – the Fuel Ventures Fund 3 – has made fourteen investments.

Any references in this Information Memorandum to target returns are for illustrative purposes only and no forecast (guaranteed or otherwise) is implied nor should one be inferred. Projections may not be a reliable indicator of future performance. The value of investments in the Fund may fall as well as rise. No warranty as to future outcome is implied nor should one be inferred. Investors' attention is drawn to the information set out at the front of this Information Memorandum and the specific Risk Factors referred to in this Information Memorandum.

Attractive tax incentives

Qualifying Investors who qualify for EIS may benefit from:

- » 30% EIS income tax relief on amount subscribed (up to a maximum investment of £1 million for the 2019/2020 tax year. Option to carry back to previous tax year providing the £1 million limit for that year has not been exceeded. As announced in the Autumn Budget 2017, the maximum annual investment limit has increased to £2 million for 2019/2020 provided that any amount over £1 million is invested in one or more 'knowledge-intensive' companies);
- » Up to 100% inheritance tax relief after two years (provided the investment is held at the time of death);
- » EIS Capital Gains Tax deferral for the life of the investment on amount subscribed;
- » 100% tax free growth (provided income tax relief has been given and not withdrawn and disposal takes place after the end of the EIS Three Year Period);
- » Loss relief (a loss on shares disposed of can be set against an Investor's income or capital gain to reduce tax); and
- » Business Investment Relief (no taxable remittance for foreign income or gains brought into the UK from offshore for qualifying investments for certain UK resident non-domiciled investors).



Investor Services

During the investment period, the Investment Manager will offer Investors feedback on the progress of the Investee Companies, including for example:

- » An investment report on a bi-annual basis.
- » Investor events in which the Investors can meet a selection of the Investee Companies.

Risks

The attention of Investors is drawn to the information set out in Risk Factors section of this document which sets out the principal risk factors associated with an investment in the Fund.

The tax treatment referred to in this document depends on the individual circumstances of each Investor and may be subject to change in future. In addition, the availability of any tax reliefs depends on the Investee Companies maintaining their Qualifying Company status.

Part One:

Investment Opportunity

Sector Focuses

1 Marketplaces

A marketplace or trading platform is a type of e-commerce website where multiple third parties provide product or service information, whereas the marketplace operator processes transactions¹⁰. The operator of the marketplace therefore does not own any inventory, which is why it is a highly attractive business model. The operator essentially facilitates the transaction for a fee.

2 Platforms

The European Commission describes online platforms as follows:

"Online platforms cover a wide range of activities including online advertising platforms, marketplaces, search engines, social media and creative content outlets, application distribution platforms, communications services, payment systems, and platforms for the collaborative economy."¹¹

Platforms allow for the exchange of information, facilitate interactions and provide for the ripple of network effects.

3 SaaS

Software as a service (or "SaaS") is a way of delivering centrally hosted applications over the internet as a service. SaaS applications are sometimes referred to as web-based software, on-demand software, or hosted software. This allows for users to access software from the internet rather than having to go through complex software development and management. SaaS businesses are typically low cost and high margin businesses, which can also provide monthly recurring revenue.

There are a great number of opportunities to build SaaS businesses in Europe as "25% of Western Europe companies are using cloud services, while its 50% in the US".¹²

According to BCC Research, SaaS is expected to reach \$94.9 billion by 2022.¹³

Investment Approach

The Fund will seek to invest in promising companies at the seed stage. As the Investee Company grows it may need additional rounds of funding. As a result, the Investment Manager may allocate a portion of the investment funds to follow-on investments in this Fund and prior Fuel Ventures funds¹⁴. Given that the Investment Adviser's team work closely with the portfolio companies, they are well placed to know which companies will require follow-on investment and how they are performing. By participating in future funding rounds, the Fund may gain a larger shareholding in the relevant portfolio companies.

The typical investment sizes are as follows:

| Stage | Description | Typical Investment | Typical Equity | Board Seat |
|--------|-------------------------------------------------------------------------------------------------------------------------------|----------------------------|----------------|------------|
| Seed | Investing in founders who have the ambition to build a global market leading company with the passion and ability to execute. | £250,000 - £1,000,000 | ~20-40% | Yes |
| Growth | Performance based follow-on investment to accelerate proven and repeatable models within the portfolio. | £1,000,000 - £5,000,000 | ~20% | Yes |

Please note that the above definition of "seed"¹⁵ does not refer to seed companies as defined by the Seed Enterprise Investment Scheme.

Investment Restrictions

Before an Investment is made in any Investee Company, the Investee Company must obtain HMRC EIS advance assurance.

Investment Decision Process

Outlined below is the Investment Manager and Investment Adviser's four-stage approach used in identifying a potential Investee Company.

- » Identification: building on research carried out by the Fuel Ventures team, utilising their existing high profile and network of alumni and contacts from previous investments, Fuel Ventures (acting as the Investment Adviser) will identify early-stage start-ups primarily in the UK. All identified opportunities will be evaluated against investment criteria set by Fuel Ventures before moving to the discovery stage.
- » Discovery: The Fund seeks to invest in people as much as ideas. The informal and subjective discovery process provides the Investment Adviser and Investment Manager with the opportunity to understand not only the company founders but also how Fuel Ventures will be able to support the growth of the company.
- » Evaluation: Once passed the discovery stage, Fuel Venture's evaluation process tests the assumptions of the company plans. This is coupled with a due diligence process carried out by Fuel Ventures as part of the Investment Advisory Services, across key aspects of a potential investees business and its key employees.
- » Investment: Recommend investment advice is presented by Fuel Ventures, in their capacity as the Investment Adviser to the Investment Manager, in order to allow the Investment Manager to review and to decide on proposed investments.

Exit Strategy

The Fund—via the Investment Adviser—seeks to assist the Investee Companies to build products and services people want and need, helping them grow internationally and increase in value for potential acquisition or listing opportunities.

The expected holding period of most investments will be between the minimum three years for tax conditions and up to ten years. The recommend holding period for an Investor is ten years. However, it is noted that Investee Companies may be held for longer periods. It is also noted that following the realisation of the Qualifying Shares in each Investee Company, the realisation proceeds will be paid to the Investors. Consequently, it is possible that Investors will receive distributions from the Fund over a period of time.

Part Two:

The Fund Team

The Fund will be managed by the Fund Investment Manager. The Investment Manager will engage Fuel Ventures to provide Investment Advisory Services to the Investment Manager, as well as company Mentoring Services to the Investee Companies. The Investment Manager will use this investment advice in its sourcing, negotiating and implementing Investments.



Fuel Ventures Limited

Fuel Ventures seeks to take a pro-active approach to growing great companies with big potential. Its primary focus is on assisting Investee Companies selected by the Investment Manager to build proven technology driven business models that have the ability to scale quickly and have international growth potential. The Investment Advisory Services provided by Fuel Ventures for the Investment Manager seeks to identify entrepreneurs with businesses that will define the next era of innovation. Fuel Ventures creates value by typically taking a hands-on approach from the very beginning, working with entrepreneurs to transform their vision into reality.

Fuel Ventures is the appointed representative of Sapphire Capital Partners LLP who are authorised and regulated by the Financial Conduct Authority with firm reference number 565716.



Mark Pearson, Founder, Managing Director

Mark Pearson is an award winning¹⁶ digital entrepreneur and investor. In 2006 Mark began his career in e-commerce. From an initial investment of £300 Mark grew MyVoucherCodes into the second biggest voucher code brand in Europe (by revenue and audience) where the network served over two million users in eight territories across Europe and South America and the business employed circa 100 staff in the UK and India. In 2014 Mark exited MyVoucherCodes to Monitise Plc (in a combined exit with Last Second Tickets) for a reported £55 million¹⁷.

To date, Mark has personally invested in eight startups including one of UK's most exciting technology companies, Paddle. Mark has also invested in the Fuel Ventures EIS Portfolio's 1, 2, 3 and 4.

Mark will be personally investing a minimum of 5% of the total amount invested by Investors into the Fund. A summary of Mark's notable investments (in his personal name) and associated returns are presented below.

Please note that these do not represent actual investment opportunities for the Fund and should not be regarded as an indication of the performance of future investments in the Fund.

| Company | Year | Sector | Capital Invested | Equity % in the company | Exit Value/ Valuation* |
|-------------------------|-------------|--------------|------------------------|-------------------------|---------------------------|
| My Voucher Codes | 2006 | B2C Platform | £300 | 100% | £44,000,000 ¹⁸ |
| Last Second Tickets | 2011 | B2C & B2B | £1,000,000 | 80% | £11,000,000 ¹⁹ |
| Ve | 2009 | B2B SaaS | £1,585,000 | 10% | N/A ²⁰ |
| Playlists.net | 2011 | Platform | CONFIDENTIAL | CONFIDENTIAL | CONFIDENTIAL |
| Blottr | 2011 | Platform | £250,000 | N/A | WRITTEN OFF |
| Derwent Capital Markets | 2012 | B2C Platform | £300,000 | N/A | WRITTEN OFF |
| Shopwave | 2013 | B2B SaaS | £100,000 ²¹ | 18% ²² | £2,000,000 ²³ |
| Paddle | 2013 & 2014 | B2B SaaS | £249,990 ²⁴ | 9.4% ²⁵ | £37,000,000 ²⁶ |

***Note: "Exit Value/Valuation" in the above table represents 100% of the respective company.**



Jing Xu

Jing is a finance and legal management graduate with extensive experience managing high net worth investors. She has founded multiple businesses in China and supports the investee companies with overseas expansion and international investment.



Warrick Shanly

Warrick has over ten years of experience in finance working with early stage ventures. He spent five and a half years at a London based Private Equity firm where he was made Partner after three years and part of a team that raised and managed over £400 million of investments. Warrick helps grow the companies in the portfolio and prepare them for later stage investment.



Stan Williams

Stan has a number of years of experience helping early stage companies raise capital. He has previously worked at a leading UK angel network where he was head of investor relations. Stan contributes to deal origination and supports the portfolio companies with follow-on investment.



Sapphire Capital Partners LLP

Sapphire is a multi-award-winning investment management firm authorised and regulated by the Financial Conduct Authority. Sapphire is a specialist investment management firm established to provide investment management services and bespoke SEIS and EIS solutions.

Further details on Sapphire can be found on its website:

<http://www.sapphirecapitalpartners.co.uk>

The Investment Manager will charge fees for their services as detailed in Part Four.



Boyd Carson

Sapphire is headed by Boyd Carson, who has considerable breadth of knowledge in the financial sector. Boyd has nearly 30 years' experience in the accounting and corporate finance markets, having worked as a Director of Mergers and Acquisitions due diligence at a big four accounting firm in New York. Boyd is a Fellow of the Institute of Chartered Accountants and was the 2015 winner of the EISA Rising Star award. Boyd is currently completing a Master's Degree in Finance at Harvard University.



Best SEIS Fund Manager – Highly Commended
EISA Awards – House of Lords – February 2019



Best SEIS Fund Manager – Winner
EISA Awards – House of Lords – February 2018



Best Individual – Innovation, newcomer or rising star in EIS and SEIS
Highly Commended – Boyd Carson – EISA Awards – House of Lords – February 2018



Best Company – Innovation, newcomer or rising star in EIS and SEIS
EISA Awards – House of Lords – February 2017



Best EIS/SEIS Tax Adviser – Highly Commended
EISA Awards – House of Lords – February 2017



The Custodian

The Fund's initial Custodian is Mainspring Nominees Limited, which is authorised and regulated to hold client assets by the Financial Conduct Authority with firm reference number 591814. MNL Nominees Limited, a wholly owned subsidiary of and acting under a power of attorney from the Custodian, will act as nominee for the Investors and shares issued by the Investee Companies will be held in the name of the Nominee.

Part Three:

Example Prior Investments

The following companies have been invested in under Fuel Ventures EIS Portfolio 1 and Fuel Ventures EIS Portfolio 2 and are representative of the type of potential investments identified by the Investment Adviser and Investment Manager that may be made by the Fund. It is noted that these are examples only and do not represent actual investment opportunities for the Fund and should not be regarded as an indication of the performance of future investments in the Fund.

| Company | Description | Fund | Date |
|-------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|---------|
|  expocart | ExpoCart is an online marketplace for exhibitions, conferences and other B2B events that connects suppliers of rental furniture and equipment with exhibitors and companies attending events. ExpoCart have created one of the simplest and most convenient way to source equipment through an extensive network of trusted event suppliers. | FV1 ²⁷ | 11/2015 |
|  Moteefe | Moteefe is the world's leading social commerce platforms providing digital marketers & influencers an instant opportunity to sell customised on demand products globally. The platform collects orders, processes payments, and handles production and logistics offering an efficient end to end service to the user. | FV1 | 12/2015 |
|  how now | HowNow connects experts and learners through interactive video lessons hosted on an online platform giving everyone the opportunity to learn from experts all over the world. HowNow's live online video classes mean that teachers and students can interact with one another as if they were in the same room whilst offering more interaction and seamless multimedia content. | FV1 | 03/2016 |
|  bidvine | Bidvine is a two-sided marketplace connecting customers with local service professionals through a competitive bidding process across a number of categories including events, health, home improvement, learning, business services and more. | FV1 | 03/2016 |
|  eventscase | EventsCase is an all-in-one event management software. Everything an event organiser needs through one single platform including websites, registration, ticketing, payment, mobile apps, networking tools, awards solution, communities, emailing, analytics, logistics and much more. | FV1 | 09/2016 |
|  responseiQ | ResponseiQ offers sales acceleration solutions which allows businesses to respond optimally to their leads, resulting in enhanced sales efficiencies and performance. Their call-back web widget connects sales agents with the leads within 27 seconds which improves lead conversion rates and also operates as a performance tracking and accountability platform. | FV1 | 09/2016 |
|  WEGIFT | WeGift seeks to revolutionize the \$300 billion gift card industry and transform how businesses use digital currency by turning plastic gift cards into a real-time payment method. The process is instant, frictionless and can offer savings of up to 20% through the purchase of bulk discounts from a variety of globally recognised retailers. | FV1 | 10/2016 |

| Company | Description | Fund | Date |
|-------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|---------|
|  FINDOC | Findoc was created to solve patient problems. With Findoc, patients can now see doctors' open appointment times and book instantly online. They can make informed choices with verified reviews and stay on top of important check-ups with tailored reminders. For Doctors, Findoc is a comprehensive service to improve bookings management, reduce no shows and bring new patients to their office. | FV2 ²⁸ | 09/2017 |
|  SUGGESTV | Suggestv is an intelligent video recommendation service for online content publishers. The service is designed to ensure that videos are delivered to the page in a way that will enrich the user's experience by showing them only the most relevant videos. This allows an increase of traffic and therefore revenue for the content publisher. | FV2 | 09/2017 |
|  shift | Shift is an on-demand logistics platform for moving anything, anytime, anywhere. The platform uses a scalable network of independent shifters (self-employed drivers) to facilitate jobs on demand or scheduled through an online booking platform. | FV2 | 10/2017 |
|  Asemblr | Asemblr is a marketplace for planning and booking corporate events. From planning a small meeting to an annual conference and everything in between, Asemblr connects thousands of personal assistants, event planners and suppliers around the world. | FV2 | 12/2017 |
|  admedo | Admedo is a truly transparent Demand Side Platform (DSP) with a mission to democratise programmatic advertising. | FV2 | 12/2017 |
|  CreditDigital | Credit Digital is a Point of Sale (PoS) multi-lender loan platform, helping retailers close more business by providing easy payment options their customers can afford. The company has a mission to provide retailers a simple, trusted and affordable payment option to their customers. | FV2 | 12/2017 |
|  THRIFT+ | Thrift is an online marketplace for buying and selling second hand clothing, shoes, and accessories. | FV2 | 02/2018 |
|  ManufacturingSource.com | Manufacturing Source is a platform that provides instant quotes and instant ordering of custom manufactured parts, through trusted manufacturing partners. | FV2 | 04/2018 |
|  STOCKVIEWS | StockViews is a technology powered equity research platform integrating machine intelligence with high-performance analysts. | FV2 | 06/2018 |

| Company | Description | Fund | Date |
|-------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|---------|
|  | Sewport is a marketplace connecting brands with clothing and textile manufacturers. The platform offers both smart project development tools for brands and qualified business leads for manufacturers. Both experienced fashion brands and newcomers without any links to the apparel industry benefit from a question guided enquiry process. The functionality of the platform ensures that each brand's project provides full details that best describe the scope of work they require. | FV2 | 06/2018 |
|  | Real Links is a platform that allows businesses to leverage employee referrals to uncover talent that they can hire to help their business grow. | FV3 ²⁹ | 09/2018 |
|  | Perfocal is the UK's first on-demand professional photography service, allowing users to book a professional photographer with ease. | FV3 | 11/2018 |
|  | Distributed's Elastic Team platform allows businesses to scale their offerings and deliver better projects without the cost and time constraint of building big internal teams by allowing them to manage remote teams. | FV3 | 01/2019 |
|  | Capdesk allows private companies to efficiently manage their equity and capitalisation tables through software, allowing companies to streamline equity plans and report to financial authorities with absolute confidence. | FV3 | 03/2019 |
|  | Tutor House is an online marketplace and booking platform for tutors, allowing customers to quickly and easily find, book and pay a tutor. | FV3 | 04/2019 |
|  | Collective IQ is a fast-growing community of independent consultants. They help freelance professionals find more work and drive more value from their networks. | FV3 | 04/2019 |
|  | Chaser provides the tools to effectively automate chasing customers to pay their invoices without losing the human touch. It provides the insights to better decide which customers to grant credit to and how best to chase up your customers to pay their invoices. | FV3 | 07/2019 |

Part Four:

Charges

In order to maximise the Investors' EIS Reliefs to the extent possible, rather than fees being charged to Investors, each Investee Company will pay the Initial Costs and the Annual Charges (as detailed below) out of the money used by the Fund to subscribe for Qualifying Shares in that Investee Company.

Initial Costs

There will be an Initial Charge payable by each Investee Company to the Investment Manager for Investment Advisory Services and Mentoring Services undertaken by Fuel Ventures of 5.5% for direct investors and 3% for advised Retail Clients and investors referred by an introducer. These charges can be changed at the Investment Manager's absolute discretion.

Annual Charges

An annual charge is payable to the Investment Manager by each Investee Company equal to a total of 2% of the amounts invested in the Investee Company (unless otherwise agreed).

The Investment Manager will, out of the Initial Costs and the Annual Charges payable by Investee Companies, pay for the Investment Advisory and Mentoring Services undertaken by Fuel Ventures and the services provided by the Custodian. It is noted that the annual charge, relating to the first four years, will be aggregated and paid in full on the date in which the Fund money is invested into each Investee Company. Fees due in respect of each year thereafter shall be paid on commencement of each successive year.

Performance Fee

A performance fee will be payable to Fuel Ventures, Sapphire Capital Partners LLP and related parties of 20% on the amount of the aggregate increase in value of the Investments over and above £1.20 for every £1 invested. No performance fee will be charged on any amounts below the hurdle rate of £1.20.

For the avoidance of doubt, a single performance fee shall be payable collectively to Fuel Ventures and Sapphire Capital Partners LLP in each instance that a performance fee is payable. Sapphire Capital Partners LLP will collect the performance fee and the allocation of the performance fee between Fuel Ventures and Sapphire Capital Partners LLP will be agreed between the parties.

This performance incentive may be payable as a fee by the Investment Manager on behalf of the Investors out of cash proceeds in the Fund on behalf of Investors, or by way of equity in an Investee Company. Different investments may require different structures but will be to equivalent economic effect.

To the extent that the performance fee is not paid by the Investee Companies, Investors shall be liable for their share of such fee and the Custodian may be instructed by the Investment Manager to transfer cash in an Investor's portfolio to Sapphire Capital Partners LLP to satisfy any outstanding performance fees payable to Fuel Ventures and Sapphire Capital Partners LLP.

Other Costs

Any reasonable arm's length expenses and/or transaction fees incurred by the Investment Manager in managing the Fund and/or by the Investment Adviser in assisting the Investment Manager or Investee Companies shall be reimbursed by Investee Companies.

Adviser Fees

If an Investor requests that a payment is made to their financial adviser or Intermediary for advice received, this will be deducted from the Investor's subscription monies, before their investment is made in the Investee Companies. The maximum adviser fee is 4.5% of the subscription monies.

VAT

The fees and charges described above are exclusive of VAT, which will be added where applicable.

Part Five:

Governance and Reporting

Fund Structure

The Fund is an AIF conducted on a discretionary basis by the Investment Manager as a common discretionary investment manager with research services, Mentoring Services and Investment Advisory Services provided by Fuel Ventures. This investment management service will be conducted subject to the terms of the Investment Management Agreement as per Appendix 1 of this Information Memorandum. The Fund is not a legal entity and is a group of individual bare trusts to enable subscription monies to be held on behalf of investors under a nominee arrangement; each investor will be the sole beneficiary of each bare trust, to be known collectively as the Fund. The Nominee is the registered legal holder of investments on behalf of each Investor.

By agreeing to invest in the Fund, the Investors appoint the Investment Manager to invest their Subscriptions on a discretionary basis into companies selected by the Investment Manager. The Minimum Fund Size is £5,000,000 and the Fund is an evergreen fund which means there is no maximum fund size. Please note that the Investment Manager may at its absolute discretion increase or decrease the Minimum Fund Size or impose a maximum fund size and increase or decrease any such maximum fund size and may undertake a number of closes (i.e. on a quarterly basis) of the Fund in tranches of £1,000,000 (or such other amount the Investment Manager shall determine) in order to commence investment into the Investee Companies. The minimum subscription is £10,000 for advised Investors and £100,000 for non-advised Investors (subject to the Investment Manager's discretion to accept a lesser amount). The Fund is not a legal entity, nor is it considered to be a collective investment scheme as defined in section 235 of the Financial Services and Markets Act 2000, but it is considered to be an AIF for the purposes of the AIFMD.

Life of the Fund

In order to retain the EIS Reliefs, Investors must hold the Qualifying Shares for the EIS Three Year Period. It is intended that the Investment Manager and Investment Adviser will consider options for realising the Qualifying Shares in the interests of the Investors after the expiry of the EIS Three Year Period. Having regard to the EIS Three Year Period and the feasibility of obtaining a realisation thereafter, the Fund has an expected life of ten years. The recommended holding period of the Fund is also ten years. Typical investments are likely to be realised between three to ten years but there

can be no guarantee that all Qualifying Shares will be realised within this period and Investors may not be able to realise or withdraw their investments in Investee Companies within ten years. However, the Investment Manager may, at its absolute discretion, have regard to any requests made to it by an Investor to liquidate any individual shareholdings in the Fund (but such termination may result in a loss of EIS Reliefs and crystallisation of CGT in respect of capital gains on which CGT Reinvestment Relief had been claimed).

The Investment Manager may also, at its absolute discretion, have regard to any requests made to it by an Investor to keep an Investment within the Fund longer than ten or more years.

The Investment Manager will have regard to the maximisation of value in considering the strategy for, and timing of, the realisation of the Qualifying Shares.

It would be prudent to view an Investment in the Fund as long term. An Investment should only be made in the Fund on the basis that it will remain invested for at least three to ten years and it is noted that the Fund has a recommended holding period of ten years, or more.

Following realisation of the Qualifying Shares in each Investee Company, the realisation proceeds will be paid to Investors. Consequently, it is possible that Investors will receive distributions from the Fund over a period of time.

Fund Raising Process

The Fund is evergreen. This means that the Fund has no final closing date and Subscriptions from Investors are accepted all year round. It is important to note though that the Fund will have Interim Closing Dates (which will typically be on a quarterly basis) as determined by the Investment Manager. Investors who invest in the Fund on or after a particular Interim Closing Date may not be invested in the same Investee Companies as those who invest before an earlier Interim Closing Date. All Subscriptions in the Fund made within a single period which falls between two Interim Closing Dates shall be regarded as part of an Investor's single Portfolio. If an Investor contributes more than once to the Fund and such further Subscriptions fall across two or more Interim Closing Dates or three or more Interim Closing Dates, these further Subscriptions shall be regarded as separate Portfolios of the Investor within the Fund.

Fund Reporting

Investors will receive statements and reports twice a year, with details of Investments made within their portfolios.

Investment Conflicts Committee

The Investment Manager proposes to deal with any conflicts of interest that arise by tabling any potential conflicts at meetings of an Investment Conflicts Committee. The Investment Conflicts Committee will be made up of officers of the Investment Manager and will be convened as and when a conflict arises.

The Custodian

The Investment Manager shall arrange for the Custodian to provide safe custody services in relation to Investments and the Investor's cash pursuant to the Custody Agreement, an URL link to a copy of which is provided at Appendix 2. The Custodian will act as custodian of the cash and other assets of the Investor.

The Custodian, will deposit and hold Investors' cash in one or more client bank accounts, in which Investor funds may be aggregated, with any banking institution that is regulated by the FCA, and will be deposited in a segregated client money account in accordance with the rules and guidance in CASS 7 of the FCA Handbook, as may be supplemented, varied or amended from time to time (the "Client Money Regulations").

Interest earned on cash held on behalf of Investors will be credited gross to Investor's accounts on a quarterly basis.

The Custody Agreement may be terminated by the Custodian upon 90 days' prior written notice to the Investment Manager. The Custodian may also terminate the Custody Agreement in the event of a material breach of the Investment Manager (subject to any cure period as set out in the Custody Agreement.)

Custodian Services

The Investment Manager shall instruct the Custodian to establish and maintain a capital account for each Investor, and all items of income, gain, loss, expense or any other fee or deduction shall be allocated to the Investor's capital account.

By accepting the terms of the Investment Management Agreement, the Investor agrees that:

- a. the Investment Manager is authorised to enter into the Custody Agreement on the Investor's behalf as the Investor's agent, to give instructions to the Custodian and to agree any subsequent amendments to the Custody Agreement on the Investor's behalf;
- b. the Investor is bound by the terms of the Custody Agreement; and
- c. the Custodian is authorised to transfer cash or Investments from the Investor's account to meet its fees and settlement or other obligations under the Custody Agreement.

Under the Custody Agreement, the Investor shall remain the customer of the Investment Manager, but will also become a customer of the Custodian for settlement, custody and nominee purposes only. The Investment Manager retains responsibility for compliance and regulatory requirements regarding the management of the Investment. The Custodian neither provides investment advice, nor gives advice nor offers any opinion regarding the suitability of any transaction. The Investor should direct all enquiries regarding the Investment to the Investment Manager and not to the Custodian. The Custodian will not accept instructions from the Investor directly.

The Investment Manager may, in its sole discretion, replace the Custodian and/or seek to vary the terms of the Custody Agreement from time to time and will endeavour to ensure that it does so on terms no less beneficial to the Investor.

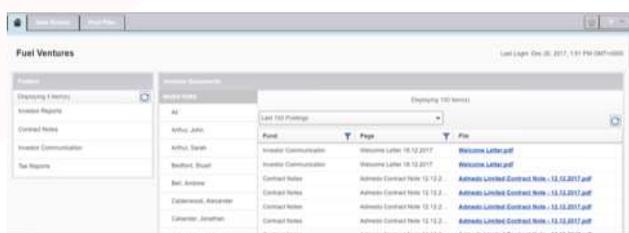
The Investor acknowledges and agrees that the Custodian is not obliged to seek or accept any instruction or direction directly from the Investor in respect of the Custodian's execution of instructions from the Investment Manager relating to the exercise of the Investor's rights relating to Investments.

The Investor acknowledges that although the Custodian will not co-mingle securities with its own property, the Custodian may co-mingle the securities with securities held for other customers. In addition, securities deposited with a delegate of the Custodian may be held in an omnibus account by the delegate of the Custodian.

In each case, individual client entitlements may not be identifiable by separate certificates, or other physical documents by title, entries on the register or equivalent electronic records.

Mainspring's online investor portal

Mainspring provides Investors (and their advisers) with an online investor portal which provides Investors with a secure online location to view and store investment reporting and other communications (such as contract notes, EIS forms and tax statements). The system allows information to be easily and securely disseminated to Investors and their financial advisers anywhere in the world using any web browser and investors can login at any time to obtain the latest reports about their fund investments.



have the same protections under COBS as if they were treated as a client of the Investment Manager on an individual basis.

Financial Services Compensation Scheme

Whilst Sapphire Capital Partners LLP is authorised and regulated by the FCA, the Fund is categorised by the FCA as an alternative investment fund and so participation in the Fund is not covered by the Financial Services Compensation Scheme. For further information please contact us, or the FSCS directly at www.fscs.org.uk or by writing to the Financial Services Compensation Scheme, 10th Floor, Beaufort House, 15 St Botolph Street, London, EC3A 7QU.

Alternative Investment Fund Managers Directive

The AIFMD came into full effect on 22 July 2014. The FCA have indicated that, in their view, SEIS and EIS funds fall within the definition of "Alternative Investment Fund" for the purposes of the AIFMD. The Investment Manager has been granted the necessary permissions to act as an AIFM for the purposes of the AIFMD.

The Investment Manager will treat the Fund as its client for the purposes of determining which provisions of COBS will regulate the obligations owed by the Investment Manager to Investors in common. Although the Investment Manager will, at all times, act in the best interests of the Investors in common, they will not be treated on an individual basis as clients of the Investment Manager for regulatory purposes and will not, therefore,

Part Six:

Risk Factors

This Investment may not be suitable for all Investors. Investors should be aware that investing in unquoted companies carries with it a high degree of inherent risk. This section contains the material risk factors that the Investment Manager believes to be associated with a Subscription in the Fund but does not necessarily include all the risks associated with such an investment.

- » The value of shares can go down as well as up and this could result in an Investor incurring a total loss of their Investment. If you cannot afford to lose all of your Investment, you should not consider applying to subscribe through the Fund.
- » The Fund will invest in seed capital opportunities in a variety of industries and technologies. By definition these are high-risk situations which, if unsuccessful, may result in a total loss of the Investment but which, if successful, offer the potential of high returns.
- » An investment in the Fund should be considered a long term investment. The exit strategy of the Fund will be to realise individual investments following the EIS Three Year Period, but in practice this period could be longer, and since the Fund is evergreen, Investors may be unable to achieve a return on investments made for their account for a long period of time (i.e. ten years or more).
- » One or more Investee Companies may fail, their securities may be sold for substantially less than their acquisition cost, or those securities may have no market at all. Accordingly, Investors may potentially lose the total amount of their investment and should therefore only consider investing if this is a risk they can afford to bear.
- » The Fund may take minority positions in Investee Companies. As a minority investor, the Fund may be less able, or unable, to materially influence the policies pursued by an Investee Company if there are majority investors who, by reason of their stake, have an effective veto on the company's affairs.
- » Investee Companies are early stage and relatively small. They will be dependent on the skills of a small group of key executives, the loss of which may be particularly detrimental to those companies.
- » Products and technologies developed by Investee Companies may prove not to be commercially or technically successful.
- » Investee Companies are very likely to need to borrow funds from third parties. This exposes an additional risk and means that the Fund shareholders will rank as creditors behind lenders in an insolvency situation.
- » Investments will be made in companies whose securities are not traded on any public market or exchange. Accordingly, it is unlikely that an Investor (or the Investment Manager on their behalf) will be able to sell any part of their investment prior to the investment being realised as a whole.
- » The Fund may seek an initial public offering of an Investee Company on the financial market, but is not obliged to realise the value of the shares issued by the company unless it considers that it is in the best interests of Investors.
- » Investment in Investee Companies will usually be made in Sterling. In the event of income from an Investee Company's operations arising made in currencies other than Sterling, the performance of the company and the return to Investors will be affected in relative terms by the movement of Sterling against that operating currency.
- » This Information Memorandum provides details of projected performance that may or may not be achieved by the Fund.
- » Investors should note that past performance is no guide to future performance.
- » The Fund has discretion to use moneys raised from Investors as follow-on investments in Investee Companies. This may affect the return to Investors in the Fund, either because the follow-on investment is made at a higher initial value than the previous investment in the same Investee Company or because the exit from that investment occurs sooner than is the case for the original Investors in the company in question.
- » Valuations may be provided to Investors. No warranty is given that any such valuation is capable of being attained on a disposal, flotation, or other realisation. Valuations will be conducted in accordance with prevailing industry standards.
- » The Fund may need to increase initial capital invested in Investee Companies and/or use capital to support operating costs needed for proper solvency of the Fund, and this may reduce the amount of capital available for investment in future Investee Companies which may result in lower or no returns to Investors.

- » It is noted that on the 23 June 2016 the United Kingdom voted to leave the European Union. The process to leave the European Union is expected to take several years. As a result of the vote and the process to leave the European Union there may be a prolonged period of uncertainty and a potential economic downturn or recession. Any uncertainty and downturn/recession in the economy may have an adverse impact upon the prospects of the Investee Companies and therefore negatively impact the Investments made by the Fund Investors.
- » The Fund is heavily dependent on the services of Fuel Ventures Limited (and in particular Mark Pearson) to act as the Investment Adviser and provide Mentoring Services to the Investee Companies. Any loss of these services may have an adverse impact upon the prospects of the Investee Companies and therefore negatively impact the Investments made by Investors.
- » There can be no guarantee that the Investment objective of the Fund will be achieved.
- » The past performance of Investments dealt with by the Investment Manager or the Investment Adviser, should not be regarded as an indication of the performance of future Investments made by the Investment Manager on behalf of Investors through the Fund.
- » It may be difficult to obtain accurate information to determine at any given time the value of the Fund's Investments.
- » Many unquoted companies have small management teams and are highly dependent on the skill and commitment of a small number of individuals. The performance of Investee Companies may therefore be adversely affected by the departure or unavailability of certain key personnel.
- » Force majeure events, which are events beyond the control of a party, including fire, flood, earthquake and other acts of God, terrorist attacks and war may affect a party's ability to perform its contractual obligations or may lead to the underperformance of an Investee Company.
- » Each Investee Company may not have a trading history or only a limited one.
- » Conflicts of interest may arise in relation to a number of factors and these conflicts will be managed by the Investment Conflicts Committee.

Additional Risk Factors for Investors Seeking Tax Advantages

Prospective Investors who wish to receive the benefit of any of the tax advantages are encouraged to seek advice from their tax, professional or financial advisers with regard to their personal circumstances, and should understand and accept each of the following:

- » Representations in this Information Memorandum with respect to tax advantages relate to the generic position of a UK-resident individual tax-payer and do not amount to tax advice to any person.
- » Tax legislation and HM Revenue & Customs practice are subject to change at any time and the tax advantages may be amended or withdrawn.
- » Any loss of EIS qualifying status by an Investee Company or change in the Investor's personal circumstances may lead to the loss of the Investor's tax advantages (in relation to a specific Investee Company investment or generally). No guarantee can be given that any or all investments will qualify, or continue to qualify, for the tax advantages.
- » The Fund shall not be liable for any loss incurred by an Investor in relation to value received (pursuant to S213 Income Tax Act 2007) by any person from any Investee Company or as a result of a change in circumstances of an Investee Company at any time.
- » The Fund retains complete discretion to realise an EIS investment at any time (including within the EIS Three Year Period) that it considers appropriate. In such case, some or all of the tax advantages relating to that particular investment will be lost. In making such a disposal, The Fund is not obliged to take into account the tax position of Investors (individually or generally).
- » The Fund will invest in unquoted companies as defined under the relevant EIS legislation, the securities of which will not be freely marketable and this may restrict the Fund's ability and any Investor's ability to exit any Investment it makes.
- » Investment in a Fund such as the Fuel Ventures Scale Up EIS Fund should not be considered a short-term

Investment. Any withdrawals within the EIS Three Year Period will result in the loss of EIS and CGT Reliefs in relation to those companies. It may take considerable time to realise any of the Fund's Investments.

- » If any Investor requires to realise their shares within the EIS Three Year Period then they must be aware of the consequences i.e. losing their rights to the tax benefits.
- » It is possible that an Investor could cease to be entitled to certain tax benefits available under the EIS. For example, EIS Reliefs, CGT Reliefs and potential IHT Reliefs may be lost if an Investor receives value from the Investee Company (other than a normal dividend), in the period from the incorporation date of the Investee Company to the expiry of the EIS Three Year Period.
- » There is no guarantee as to the timing of the availability of the EIS Compliance Certificates that are needed in order to claim EIS Reliefs.
- » If the amount of an Investor's Subscription is such that his pro-rata beneficial interest in any Investee Company in the Fund exceeds 30% of the capital or voting rights (taking into account the interests of his "associates" as defined under the legislation), the Investor will be treated as being "connected" to the Investee Company and will not be entitled to EIS Income Tax Relief in respect of an Investment in that Investee Company.
- » The taxation treatment depends on the individual circumstances of each Investor and may be subject to change in the future.
- » Whilst it is the intention of the Investment Manager to invest in companies qualifying under EIS legislation, the Investment Manager cannot guarantee that all Investments will qualify for EIS Reliefs, CGT Reliefs or IHT Relief. Equally, following an Investment in a Qualifying Company, the Investment Manager cannot guarantee the continued availability of EIS Reliefs, CGT Reliefs or IHT Relief relating thereto because this depends on the continuing compliance with the requirements of the EIS legislation by the Investee Company.
- » Where an Investor or an Investee Company ceases to maintain EIS status in relation to any individual Investment, it could result in the loss of some or all of the available reliefs (together with a possible charge to interest thereon).
- » Following the admission of an Investee Company to the Official List of the UK Listing Authority and to trading on the London Stock Exchange plc's market for listed securities (but not a quotation on AIM), Business Property Relief for IHT purposes will cease.
- » The levels and bases of reliefs from taxation may change or such reliefs may be withdrawn. The tax reliefs referred to in this Information Memorandum are based on legislation currently in force. The ultimate value of any tax relief available depends on the individual circumstances of Investors at the point of investment. The tax rules described in this Information Memorandum are a summary only.
- » The tax reliefs referred to in this Information Memorandum may not apply throughout the life of the Investment.
- » The tax year for which EIS Relief is available may be later than originally envisaged if the timing of Investments is delayed.
- » The dates on which initial EIS Income Tax Relief, CGT Relief and IHT Relief are available will be determined by the timing of the Fund's Investments and will not be known in full until the Fund has completed its Investments.
- » If it considers it appropriate, the Investment Manager retains complete discretion to realise an Investment in a Qualifying Company at any time (including within the EIS Three Year Period from the date of an Investment) that it considers appropriate. If an Investment is realised within the EIS Three Year Period, some or all of the tax advantages relating to that particular Investment will be lost.

Custody Risk

Your cash will be deposited by the Custodian with a UK bank which is regarded as reputable in accordance with the arrangement described in this Information Memorandum but such cash shall be held at Investors' risk and neither the Investment Manager, the Custodian nor the Investment Adviser (including their respective directors, shareholders, partners, officers, employees, agents or advisers), will be liable to any Investor in the event of insolvency of the bank in which your cash is held, nor in the event of any restriction on the Investment Manager's ability to withdraw funds from such bank for reasons beyond their reasonable control.

Part Seven:

EIS Taxation Benefits

1. EIS Tax Reliefs

To obtain the EIS tax reliefs described below, it is necessary to subscribe for Shares in EIS Qualifying Companies and where appropriate to claim the relief. The summary below is based on current law, and gives only a brief outline of the tax reliefs. It does not set out all the rules which must be met by EIS Qualifying Companies and an Investor. The tax reliefs will only be relevant to Investors who are liable to UK income tax and/or wish to defer a capital gain.

a) Income Tax Relief – 30%

Individuals can obtain 30% income tax relief on the amount subscribed for Shares in EIS Qualifying Companies (up to an annual maximum £1 million for the 2019/2020 tax year), although relief will be denied for investment into an EIS Qualifying Company with which the individual is connected. Spouses and civil partners can each separately subscribe up to £1 million but they will not be able to jointly own more than 30% of the share capital and voting rights in a single qualifying EIS company.

The relief is given against the individual's income tax liability for the tax year in which the Shares are issued unless the individual makes a carry back relief claim providing the £1 million annual investment limit has not been exceeded in that tax year. Relief is limited to an amount that reduces the Investor's income tax liability for the year to nil.

As announced in the Autumn Budget 2017, for shares issued on or after 6 April 2018, the maximum annual investment limit has increased to £2 million provided that any amount over £1 million is invested in one or more 'knowledge-intensive' companies.

b) Carry Back Relief

Carry back relief claims may be made for amounts subscribed for Shares in EIS Qualifying Companies, such that an investment is treated for tax relief purposes as having been made in the tax year before the tax year in which the investment was actually made. In effect, and provided no 2019/2020 EIS investments have already been made, this allows an investor to invest up to £2 million in 2019/2020 and claim full tax relief (over 2018/2019 and 2019/2020), or £3m provided at least £1m has been invested in knowledge intensive companies.

c) Capital Gains Tax Deferral

To the extent to which a UK resident Investor (including individuals and certain trustees) subscribes for Shares, he can claim to defer payment of tax on all or part of a chargeable gain. The gain may have arisen on the disposal of any asset, or a previously deferred gain may have been brought back into charge. Although there is a limit for income tax relief (see (a) above) and for the exemption from capital gains tax upon a disposal (see (d) below), there is no limit on the amount of EIS qualifying investments which can be used to defer a gain. If the Investor dies whilst still holding Shares, the deferred CGT liability is extinguished entirely. Shares in EIS Qualifying Companies must be issued within one year before and three years after the date of the disposal which gives rise to the gain or the date upon which a previously deferred gain crystallises. The gain is deferred until there is a chargeable event such as a disposal of Shares or a breach of the EIS rules.

For gains made from 6 April 2016 onwards, CGT has been charged at 10% and 20% for individuals (the applicable tax rate depends on the total amount of the individual's taxable income and will be 20% for an individual liable to higher rates of income tax (18% and 28% for certain residential property assets); and 10% for gains qualifying for Entrepreneurs' Relief (subject to a maximum lifetime limit of £10 million).

When a previously deferred gain crystallises, the rate of CGT then payable will depend upon the legislation that is in force at that time, and may be greater or lower than the rate that would have applied had Capital Gains Deferral not been claimed. If Entrepreneurs' Relief was available on the gain deferred on a disposal which occurred on or after 3 December 2014, it will also be available when the gain comes back into charge.

d) Capital Gains Tax Exemption

Any capital gains realised on a disposal of EIS qualifying Shares after the EIS Three Year Period, and on which EIS relief (see (a) above) has been given and not withdrawn, will be free from capital gains tax. Any capital gains realised on a disposal within the EIS Three Year Period will be subject to CGT.

e) Loss Relief against income or gains

Unrestricted tax relief is available at any time in respect of any loss realised upon a disposal of EIS qualifying shares on which EIS income tax relief (see (a) above) has been given and not withdrawn. The amount of the loss

(after taking account of any income tax relief initially obtained) can be set against the individual's gains in the tax year in which the disposal occurs, or, if not fully used, against gains of a subsequent year. Alternatively, on making a claim, the loss net of income tax relief may be set off against the individual's taxable income of either the tax year in which the disposal occurs, or the previous tax year. If the circumstances are such that EIS income tax relief have been withdrawn, it may still be possible for an Investor to claim an amount of loss relief but these will be subject to a limit of £50,000 or 25% of adjusted total income.

Where only CGT Deferral relief has been claimed, loss relief against income tax may be restricted due to the cap on income tax reliefs.

f) Inheritance Tax – Business Relief

Although not an EIS tax relief as such, an investment in an EIS Qualifying Company will normally qualify for 100% relief from IHT under current legislation, provided the investment has been held for at least two years and is still held at time of death. There is no upper limit on the amount of IHT relief which can be claimed.

2. Date for claiming tax relief

The relevant dates for income tax relief, from a tax year perspective, are the dates on which Investments are made into each of the Investee Companies, rather than the date in which an Investor subscribed to the Fund. The latest date an Investor can file a claim for EIS relief is five years after 31 January following the tax year to which the claim relates.

3. EIS3 certificates

On investment into each Investee Company the Investment Manager will arrange that the Investee Company will apply on your behalf to HMRC for EIS relief for your investment. The application to HMRC cannot be made until the Investee Company has carried on its trade for a minimum of four months. Subject to this, EIS3 certificates are typically sent out to investors by the Custodian within a few months of each underlying investment depending on when the forms are received from HMRC.

The EIS3 certificate enables you to claim your income tax relief and capital gains tax deferral, normally by making the appropriate entries on your own tax return.

4. EIS Qualifying Companies

Each Investee Company in which the Fund invests must initially (i.e. at the time of issue of the Shares) not be listed on a recognised stock exchange (as defined for the purposes of EIS Relief) and there must be no "arrangements" in place for it to become so listed. In addition, throughout the EIS Three Year Period, it must not be a subsidiary of, or be controlled by, another company. It must either exist to carry on a qualifying trade or else be the parent company of a trading group and there must be no "arrangements" in existence for the Investee Company to become a subsidiary of, or be controlled by, another company.

A trading group is a group in which, directly or indirectly, more than 50% of the shares of each subsidiary are held by another member of the group, but any subsidiary employing any of the money raised by the issue of Shares must be a qualifying 90% subsidiary. Non-qualifying business activities (broadly, investment activities and non-qualifying trades) must not comprise a substantial part of the business of the group as a whole. The qualifying business activity for which the money is raised by the issue of Shares must be a trade conducted on a commercial basis and with a view to the realisation of profit.

Although it is possible for qualifying activities to be carried on anywhere in the world, the company that issues the shares must have a "permanent establishment" (broadly, a taxable presence) in the United Kingdom.

For EIS purposes, the value of the gross assets of the Investee Company and any subsidiaries must not exceed £15 million immediately before the issue of Shares and £16 million immediately afterwards. The maximum EIS fundraising per Investee Company is restricted to an all-time maximum of £12 million (£20 million for "knowledge-intensive" companies). The relevant shares must be issued to raise money for the purpose of a qualifying business activity so as to promote business growth and development. Employing money raised on the acquisition of an interest in another company, which is or becomes a 51% subsidiary of the company, a trade or goodwill or intangible assets employed for the purposes of a trade does not amount to employing money raised for the purpose of a qualifying business activity.

The maximum EIS fundraising (including any other investments under a tax-advantaged scheme) per Investee Company is restricted to £5 million per year, or £10 million per year for "knowledge intensive"

companies. The maximum number of full-time employees (or full-time equivalent) in the Investee Company at the time of Investment is restricted to fewer than 250 (fewer than 500 employees for 'knowledge-intensive companies').

Most types of trades are qualifying trades for EIS purposes but the following are excluded:

- » Dealing in land, commodities or futures, or in shares, securities or other financial instruments;
- » dealing in goods otherwise than in the course of an ordinary trade of wholesale or retail distribution, or acting as a wholesaler or retailer of goods of a kind which are collected or held as investments if stock is not actively sold;
- » banking, insurance, money lending, debt factoring;
- » hire purchase financing or other financial activities;
- » leasing, except certain lettings of ships, or receiving royalties or licence fees (subject to certain exceptions, most particularly in relation to self-generated intellectual property);
- » providing legal or accountancy services;
- » farming and market gardening;
- » holding, managing or occupying woodlands or forestry or timber production;
- » property development;
- » shipbuilding;
- » producing coal and/or steel;
- » operating or managing hotels or similar establishments;
- » operating or managing nursing homes and residential care homes;
- » generation or export of electricity or power;
- » production of gas or fuel; and
- » providing services to a trade consisting of any of the above carried on by a "connected person."

For EIS generally, companies whose first commercial sale was made more than seven years ago (or ten years ago for a "knowledge intensive" company) cannot receive EIS monies. Companies "in financial difficulty" cannot receive EIS investment. HMRC's guidelines regard a company as being in financial difficulty where it is unable, whether through its own resources or with the funds which it is able to obtain from its owners, shareholders or creditors, to stem losses which, without outside intervention by the public authorities, will almost certainly condemn it to going out of business in the short or medium term. The guidelines indicate that

a company will not be regarded as being in financial difficulty within its first three years' trading.

The introduction of the Finance Bill 2018 introduced the "risk-to-capital" condition in regards to the eligibility for EIS investment. This condition requires that at the point shares are issued, EIS-eligible companies satisfy two check:

- » The issuing company has objectives to grow and develop its trade in the long-term.
- » There is a significant risk that there will be a loss of capital of an amount greater than the net investment return.

Shares only qualify for EIS Relief if they are ordinary shares which do not, at any time during the EIS Three Year Period, carry any present or future preferential right to dividends (other than to certain fixed rate non-cumulative dividends) or to an Investee Company's assets on its winding up, or any present or future right to be redeemed.

An Investor can obtain EIS income tax relief only in the tax year in which investments in Qualifying EIS Companies are made by the Fund (i.e. the tax year in which the Fund invests), or in the immediately preceding tax year.

Please note that this is only a condensed summary of the taxation legislation and should not be construed as constituting advice which a potential Investor should obtain from his or her own investment or taxation adviser before applying for an investment in the Fund. The value of any tax reliefs will depend on the individual circumstances of Investors.

Neither the Investment Manager (Sapphire Capital Partners LLP), the Custodian (Mainspring Nominees Limited), nor the Investment Adviser (Fuel Ventures Limited) gives tax advice and recommends that you consult a tax adviser if you are in any doubt about any of the technical aspects of the EIS legislation.

Appendix One:

Investment Management Agreement

This Investment Management Agreement (“the Agreement”) sets out the agreement between the Investment Manager the Investor in relation to the discretionary investment management service to be carried out on the Investor’s behalf by the Investment Manager, which when aggregated with the Agreements entered into by other Investors and the Investment Manager constitute the Fund. Once a signed Application Form has been accepted by the Investment Manager, this Agreement will constitute a binding agreement between the Investment Manager and the Investor.

1. Definitions and Interpretation

1.1 In this Agreement, unless the context otherwise requires, the following words have the following meanings:

| | |
|--------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Act” | Means the Financial Services and Markets Act 2000; |
| “Applicable Laws” | All relevant UK laws, regulations and rules, including those of any Government or of the FCA; |
| “Application Form” | An application form to invest in the Fund completed by an Investor in the form provided by the Investment Manager; |
| “Business Day” | Means any day (except Saturday and Sunday) on which banks are open for normal banking and foreign exchange business in London; |
| “Closing Date” | In respect of the Fund, the last date on which the final Subscriptions may be made by an Investor to the Fund, which shall be determined by the Investment Manager; |
| “Custodian” | Mainspring Nominees Limited and/or such other person or persons as may be appointed as custodian or as a sub-custodian for the Fund from time to time by the Investment Manager; |
| “EIS” | Enterprise Investment Scheme; |
| “EIS Reliefs” | Relief from certain UK personal taxes under the EIS; |
| “FCA” | Means the Financial Conduct Authority of the United Kingdom; |
| “FCA Rules” | The rules contained in the FCA’s Handbook of Rules and Guidance; |
| “Fund” | The Fuel Ventures Scale Up EIS Fund, a discretionary investment management service managed by the Investment Manager as described in this Information Memorandum. The Fund is not a legal entity and is a group of individual bare trusts to enable subscription monies to be held on behalf of Investors under a nominee arrangement; each Investor will be the sole beneficiary of a bare trust, the trusts to be known collectively as the Fund. The Nominee is the registered legal holder of Investments on behalf of each Investor; |
| “Investee Company” | Means a company in respect of which the Investment Manager has made an Investment; |
| “Investment” | Means any equity investment in an Investee Company made by the Investment Manager on behalf of the Investor; |
| “Investment Objective” | The investment objective for the Fund as described in this Information Memorandum; |
| “Investment Restrictions” | Any and all investment restrictions as described in this Information Memorandum; |
| “Non Readily Realisable Investments” | Investments in which the market is restricted or could become so; such Investments can be difficult to deal in and it can be difficult to determine what would be a proper market price for them; |
| “Readily Realisable Investments” | A government or public security denominated in the currency of the country of its issuer or any other security which is: admitted to official listing on an exchange in an EEA State; or regularly traded on or under the rules of such an exchange; or regularly traded on or under the rules of a recognised investment exchange or (except in relation to unsolicited real time financial promotions) designated investment exchange; or a newly issued security which can reasonably be expected to fall within the aforementioned categories when it begins to be traded. For the avoidance of doubt, this term does not include AIM, nor does it include unlisted securities; |
| “IFA” | An Independent Financial Advisor or other appropriately qualified professional, regulated by the FCA for the conduct of business. |
| “Services” | The services as set out in Clause 5; and |
| “Schedule” | Means a schedule to this Agreement. |

1.2. References to statutory provisions, regulations, notices or the FCA Rules shall include those provisions, regulations, notices or FCA Rules as amended, extended, consolidated, substituted or re-enacted from time to time.

1.3. References to the terms "include", "including", "in particular" and any similar phrases shall be construed without limitation to the preceding words.

1.4. References to persons include individuals, bodies corporate, unincorporated associations and Investors.

1.5. Words in the singular include the plural and vice versa.

1.6. Unless a term is otherwise defined in this Agreement, the terms defined in the FCA Rules and Information Memorandum shall bear the same meaning herein.

1.7. References to Clauses are to Clauses of this Agreement and headings are inserted for convenience only and shall not affect the construction of this Agreement.

1.8. References herein to a party are to any party or together the parties to this Agreement, as the context may require.

1.9. The Schedules form part of this Agreement.

2. Investing in the Fund

2.1. This Agreement will come into force on the date that the Investment Manager accepts the Investor's Application Form and monies are subscribed to the Fund, such acceptance being solely at the discretion of the Investment Manager.

2.2. This Agreement appoints the Investment Manager, once the Minimum Fund Size of £5,000,000 (or such other amount as determined in the Investment Manager's absolute discretion) has been received in aggregate as a common discretionary investment fund manager to act on the Investor's behalf to make Investments in Qualifying Companies and to manage those Investments on behalf of all Investors in the Fund within the Fund collectively. The Investment Manager agrees to accept its appointment and obligations on the terms set out in this Agreement.

2.3. The Investment Manager is an authorised person for the purposes of the Act and as such is regulated by the FCA. The Investment Manager is a limited liability partnership registered in Northern Ireland under registered number NC000562 and with a registered address at 28 Deramore Park, Belfast BT9 5JU Northern Ireland. The FCA's registered address is 12 Endeavour Square, London

E20 1JN.

2.4. This Agreement is supplied to the Investor in English and the Investment Manager will continue to communicate with the Investor in English for the duration of this Agreement.

2.5. Except as expressly provided in this Agreement, or as the Investment Manager may be otherwise authorised, the Investment Manager has no authority to act for or represent the Investor.

2.6. For the purposes of the FCA Rules the Fund as a whole will be the client of the Investment Manager and not the Investor.

2.7. If the Investor is classified as a Retail Investor by their IFA, then the Investor has the right to request a different client categorisation. However, if the Investor does so and if the IFA agrees to such categorisation the Investor will lose certain protections provided by certain FCA rules.

This may include, but may not be limited to:

2.7.1. the Investment Manager is entitled to make the assumption that the Investor has the necessary level of experience and knowledge to understand the risks involved in relation to any investment, service, product or transaction contemplated by the Information Memorandum;

2.7.2. if the Investment Manager was to manage client assets, the Investment Manager would be obliged to provide Retail Clients with more detailed information periodically. A Retail Client has a right to a statement every three months, rather than every six months for a Professional Client;

2.7.3. the Investor will not be given any of the additional disclosures required to be provided to Retail Clients (e.g. on costs, commissions, fees and charges and information on managing investments);

2.7.4. where the Investment Manager provides the Investor with investment advice, the Investment Manager is entitled to assume that the Investor has the requisite knowledge and experience to understand the risks involved and that they are able financially to bear any investment risk consistent with their investment objectives;

2.7.5. if the Investment Manager was to hold money on behalf of a Retail Client the Investment Manager would have to notify the client of whether interest is payable (which is not required for Professional Clients); and the Investment Manager would not be able to transfer the money to a third party without notifying a Retail Client and without explaining who is responsible for that third party's

actions or omissions, and the consequences where that third party becomes insolvent;

2.7.6. the FCA Rules impose detailed requirements on financial promotions directed at Retail Clients. Promotions directed at Professional Clients are simply subject to the high-level requirement that promotions are fair, clear and not misleading; and

2.7.7. where the Investment Manager places Investor's orders with third parties for execution, the factors taken into account in obtaining the best possible execution result for a Professional Client will differ from those for a Retail Client. It should be noted that Professional Clients can no longer opt out of best execution.

2.8. If the Investor is categorised as an elective Professional Client by the Investment Manager, the Investor hereby confirms that he/she has received notice of the protections that he/she may lose by virtue of his or her status as a person not categorised as a Retail Client of the Investment Manager and the fact that he/she is not a client of the Investment Manager for FCA regulatory purposes.

These may include, but may not be limited to:

2.8.1. the Investment Manager is entitled to make the assumption that the Investor has the necessary level of experience and knowledge to understand the risks involved in relation to any investment, service, product or transaction contemplated by the Information Memorandum;

2.8.2. if the Investment Manager was to manage client assets, the Investment Manager would be obliged to provide Retail Clients with more detailed information periodically;

2.8.3. the Investor will not be given any of the additional disclosures required to be provided to Retail Clients (e.g. on costs, commissions, fees and charges and information on managing investments);

2.8.4. the FCA Rules impose detailed requirements on financial promotions directed at Retail Clients. Promotions directed at Professional Clients are simply subject to the high-level requirement that promotions are fair, clear and not misleading; and

2.8.5. where the Investment Manager places Investor's orders with third parties for execution, the factors taken into account in obtaining the best possible execution result for a Professional Client will differ from those for a Retail Client. Note that Professional Clients are no longer able to opt out of best execution.

2.9. The Investor confirms that he/she is not seeking advice from the Investment Manager on the merits of any

Investment into the Fund;

2.10. The Investor confirms that he/she is suitably knowledgeable of the risks associated with Non-Readily Realisable Investments and/or has been suitably advised of these risks.

2.11. The Investment Manager may retain information about the Investor and the Investor's affairs in order to confirm the Investor's identity and financial standing (amongst other things the Investment Manager may make enquiries to a credit or mutual reference agency, which may retain a record of the enquiry). The Investor agrees that the Investment Manager may do this.

2.12. Anti-money laundering regulations aim to prevent criminal property being utilised or concealed as legitimate wealth. To meet the requirements of these regulations the Investor may have to produce satisfactory evidence of their identity before their Application Form can be accepted, and from time to time thereafter. This process of identification is to assist in the prevention of crime within the financial services industry. If the Investor does not provide the information when required, the Custodian and the Investment Manager may be unable to accept any instructions from the Investor or provide them with any services.

3. Cancellation Rights

3.1. Following receipt of an Application Form, the Custodian will write to the Investor acknowledging receipt of the application. If the Investor wishes to exercise his or her right to cancel, the Investor must notify the Investment Manager in writing within 14 calendar days of the acceptance of the application and receipt of the subscription monies by writing to the Investment Manager at its address as printed on the "Principal Parties and Advisers" page of this Information Memorandum.

3.2. If the Investor exercises their cancellation rights, the Investment Manager shall instruct the Custodian to refund any monies paid by the Investor less any charges the Investment Manager has already incurred for any service undertaken in accordance with the terms of this Agreement.

3.3. The Investment Manager shall procure that the Custodian endeavours to arrange the return of any such monies as soon as possible (but in any event, not more than 30 days following cancellation, or the completion of its anti-money laundering obligations, whichever is the later). The Investor will not be entitled to interest on such monies.

3.4. If the Investor does not exercise this right to cancel within the requisite time period, the Investor will still be entitled to exercise his or her right under Clause 15 below

to terminate this Agreement, which is a separate right.

3.5. The right to cancel under the FCA Rules does not give the Investor the right to cancel/terminate/reverse any particular investment transaction executed for the account of the Investor before cancellation takes effect.

3.6. The Investor shall retain beneficial ownership of the assets in the Fund at all relevant times.

4. Subscriptions

4.1. The Investor:

4.1.1. must make a Subscription to the Fund of not less than £100,000 for non-advised investors and £10,000 for advised investors (subject to the Investment Manager's discretion to accept a lesser amount) at the same time as submitting his/her Application Form to invest;

4.1.2. may make further Subscriptions up to and including the Closing Date; and

4.1.3. may not make further Subscriptions after the Closing Date without the permission of the Investment Manager.

4.2. The Investor may make a withdrawal from his/her Fund and terminate this Agreement subject to Clause 15 below.

4.3. Subscriptions received shall be deposited in an account pending their investment.

4.4. Where subscription monies are invested in Qualifying Companies, any monies transferred to the Qualifying Companies are solely in consideration for an issue of shares in the Qualifying Companies and no debt will come into existence by virtue of any payment preceding the formal issue.

5. Services

5.1. The Investment Manager shall manage the Fund as from acceptance of each Application Form, and minimum aggregate total subscriptions of £5,000,000 being invested in the Fund (or such other amount as the determined in the Investment Manager's absolute discretion) on the terms set out in this Agreement.

5.2. The Investment Manager shall manage the Fund in pursuit of the Investment Objective and approach as set out in this Information Memorandum and subject to any Investment Restrictions as stipulated by this Information Memorandum. Subject to such Investment Objective, approach and any restrictions, the Investment Manager shall exercise all discretionary powers in relation to the selection of, or exercising rights relating to, Investments

on the terms set out in this Agreement.

5.3. The Investor hereby authorises the Investment Manager (and grants to the Investment Manager a power of attorney) to act on its behalf and in the name of the Investor or its nominee to negotiate, agree and do all such acts, transactions, agreements and deeds as the Investment Manager may deem necessary or desirable for the purposes of making, managing and realising Investments and managing cash funds and any other investments on behalf of the Investor and this authority (and power of attorney) shall be irrevocable and shall survive, and shall not be affected by, the subsequent death, disability, incapacity, incompetence, termination, bankruptcy, insolvency or dissolution of the Investor. This authority (and power of attorney) will terminate upon the complete withdrawal of the Investor from the Fund.

5.4. The Investment Objective and Investment Restrictions shall not be deemed to have been breached as a result of changes in the price or value of certain Investments comprised in the Fund brought about through internal financial circumstances of the Investee Companies, market forces or movements in the market. In particular, the Investor acknowledges that the Investments are of a type that cannot easily be valued or realised and that the default period of holding Qualifying Shares will be at least three years for the Investor's protection since tax relief may be otherwise lost. The Investment Manager may however exercise its discretion to realise investments prior to this period with a consequent loss of tax reliefs.

5.5. The Investment Manager shall be responsible for negotiating and establishing all agreements or arrangements with any other third party in relation to the investment, management or custody of the assets of the Fund including, without limitation, agreements with the Investor Adviser in relation to the on-going support for the Investee Companies and in relation to the Custodian and any other prime broker or custodian in relation to the assets of the Fund, account opening documentation, and other annexes and all documents relating thereto.

5.6. The Investment Manager is authorised to give the Custodian or other third parties any instructions on behalf of the Investor which may be necessary or desirable for the proper performance of the Investment Manager's duties under this Agreement.

5.7. The Investment Manager shall, without prejudice to the generality of the foregoing, also provide the following Services:-

5.7.1. the provision of written reports in accordance with the Clause 7;

5.7.2. keeping or causing to be kept such books, records and statements as shall be necessary to give a

complete record of all transactions which the Investment Manager carries out for the account of the Investor, which the Investor shall be entitled to inspect on giving one month's notice.

5.8. In performing its Services, the Investment Manager shall at all times have regard to:

5.8.1. the need for the Fund to attract the EIS Reliefs and any other tax advantages; and

5.8.2. all Applicable Laws.

5.9. The Investment Manager reserves the right to return a surplus of cash if it concludes that it cannot be properly invested for the Investor and it considers this to be in the best interests of the Investor having regard to availability of EIS Relief for the Investor.

5.10. In the event of a gradual realisation of Investments prior to termination of the Fund under Clause 15, the cash proceeds of realised Investments may be placed on deposit or invested in government securities or in other investments of a similar risk profile. In carrying out its obligations hereunder, the Investment Manager will act in good faith, with due diligence and shall have regard to any other matter to which a prudent person should reasonably have regard to with respect to the proper discharge of its duties.

5.11. Any tax reliefs are dependent on the Investor's personal circumstances as well as the actual underlying investments made by the Fund. In providing services to the Investor, the Investment Manager and the Custodian shall not be required to take into account taxation matters and neither shall provide tax advice. Therefore and in any event, the Investor should seek independent tax advice to determine and understand the suitability of investing in the Fund and any effect that this may have on the Investor's own position generally.

6. Terms applicable to dealing

6.1. The Investor should understand that the Fund will be invested in a number of unlisted securities which, there is generally no relevant market or exchange, consequent rules and customs and there will be varying practices for different securities. Transactions in relation to shares of such securities will be made on the best commercial terms which can be agreed.

6.2. Where deals are aggregated with other Investors in the Fund, the number of shares in an Investee Company held as an Investment allocated to the Investor shall be calculated with reference to the proportion which the Investor's Subscription of the Fund applied to such share purchase bears to the total Subscriptions by all Investors in the Fund at that time, provided that Investors shall not

have fractions of shares. Variations may be allowed to prevent Investors having fractions of shares but only in circumstances in which there are minor variations. (If one or more of the Investors in the Fund is an accountant, lawyer or other professional person who is subject to professional rules preventing him from making an investment in a particular Investee Company, then the number of shares so allocated to that Investor or Investors shall not be taken up for the Fund and the cash value of such shares may be returned to such Investor, such that the number of shares so allocated to other Investors in that Fund would not be increased). Investments may be made by the Fund prior to an interim Closing Date and the final Closing Date.

6.3. Subject to both the FCA Rules and the Investment Manager's fund management policy (at Schedule 1 of this Agreement) the Investment Manager will act in good faith and with due diligence in its choice and use of counterparties but, subject to this obligation, shall have no responsibility for the performance by any counterparty of its obligations in respect of transactions effected under this Agreement.

6.4. The Investment Manager may aggregate the Investor's transactions with those of other customers and of its employees in accordance with the FCA Rules. It is likely that the effect of such an allocation will not work to the Investor's disadvantage; however, occasionally it may do so. The Investment Manager will allocate aggregated transactions promptly on a fair basis in accordance with the requirements of the FCA Rules.

6.5. Subject to both the FCA Rules and the Investment Manager's conflicts of interest policy (a summary of which is included at Schedule 2 of this Agreement) the Investment Manager may make use of dealing commission arrangements in respect of deals undertaken for the Fund as may be disclosed to the Investor from time to time.

6.6. Any option which the Investment Manager has to subscribe for shares in any Investee Company in which the Fund has invested shall not be capable of assignment except to an employee of the Investment Manager within three years from the date on which the Investment is made.

6.7. As an FCA authorised firm, the Investment Manager is required to take all reasonable steps to obtain the best possible result on behalf of clients when placing orders for execution that result from decisions by the Investment Manager. Set out in Schedule 3 is the Investment Manager's summary of its policy in respect of this requirement.

6.8. The Fund is categorised by the FCA as an alternative investment fund and so participation in the Fund is not covered by the Financial Services

Compensation Scheme.

7. Reports and information

7.1. The Investment Manager shall send the Investor a report relating to the Fund every six months, in compliance with the FCA rules.

7.2. The Investment Manager shall provide further information which is under its control as the Investor may reasonably require as soon as reasonably practicable after receipt of a request from the Investor for further information.

7.3. Reports will include a measure of performance in the later stages of the Fund once valuations are available. Any statements, reports or information provided by the Investment Manager will state the basis of any valuations.

8. Delegation

8.1. The Investment Manager may delegate, in whole or in part, any of its functions, powers, and duties under this Agreement (other than functions, powers and duties connected with the exercise of discretion in relation to any Investments) to any suitably authorised person and in connection therewith may provide information about the Fund to any such person, in which case it will act in good faith and with due diligence in the selection, use and monitoring of any such person but otherwise shall have no liability in respect of such persons.

8.2. The Investment Manager may also employ agents to perform, or advise in relation to the performance by it or, any of the Services required to be performed or provided by it under this Agreement. The Investment Manager shall act in good faith and with reasonable skill and care in the selection, use and monitoring of any agent appointed under this Clause (8) but otherwise shall have no liability in respect of its agents.

8.3. The Investment Manager may from time to time change or amend the terms of the relationship with the Custodian, including the replacement thereof and negotiate such terms on an arm's length basis in good faith.

9. Assignment

9.1. The Investment Manager may assign this Agreement to any appropriately authorised and regulated person, such assignment being effective upon written notice to the Investor.

9.2. This Agreement is personal to the Investor and the Investor may not assign it or transfer it.

10. Obligations of the Investor

10.1. The Investor's Fund which is established by this Agreement is set up on the basis of the declaration made by the Investor in their Application Form which includes the following statements by the Investor:

10.1.1. the fact as to whether or not the Investor wishes to seek EIS Reliefs for the Investments;

10.1.2. the Investor agrees to inform the Investment Manager if, within three years of the date of shares being issued, the Investor becomes connected with, or receives value from an Investee Company which is an Investment;

10.1.3. the Investor agrees to inform the Investment Manager if the Investor is or becomes connected with any of the Investee Companies of the Fund or makes an Investment pursuant to sections 166, 167, 170 and 171 ITA 2007;

10.1.4. the Investor confirms to the Custodian and the Investment Manager that the information stated in the Application Form is true and accurate as at the date of this Agreement; and

10.1.5. the Investor will provide their tax district, tax reference number and National Insurance number to the Custodian.

10.2. The Investor must immediately inform the Investment Manager in writing of any change of tax status, other material change in circumstance and any change in the information provided in the Application Form to which clause 10.1 above refers.

10.3. The Investor will provide to the Custodian or Investment Manager all relevant information in regard to the Foreign Account Tax Compliance Act ("FATCA") and the Common Reporting Standard ("CRS") and similar obligations as required.

10.4. The Investor hereby warrants and represents that:

10.4.1. they are a person of 18 years or older and personally possess sufficient knowledge, experience and expertise in financial and business matters to be capable of evaluating the merits and risks of an investment in the Fund;

10.4.2. they have read and understood the key Information Document (KID) and Investment Memorandum and risks involved; and

10.4.3. the information provided in the Investor's Application Form (and all other respects) is true and accurate as at the date of this Agreement.

11. Management and Custodian Obligations

11.1. The Investment Manager shall dedicate such time and attention and have all necessary competent personnel and equipment as may be required to enable it to provide the Services properly and efficiently, and in compliance with the FCA Rules.

11.2. The Investment Manager shall appoint the Custodian as agent for the Investor to act as custodian of the cash and other assets of the Fund.

11.3. The Custodian shall not be liable to the Investment Manager or to any Investor for any act or omission in the course or in connection with the proper provision of the Services rendered by it in connection with the Fund or for any loss or damage which the Investment Manager or Investor may sustain or suffer as a result or in the course of the proper discharge by the Investment Manager or any delegate of its duties in connection with the Fund, in the absence of fraud, negligence, wilful default or breach of contract directly relating to such cost, expense or liability on the part of the Custodian or any delegate.

11.4. Except as disclosed in any memorandum issued in relation to the Fund and as otherwise provided in this Agreement (for example on early termination or early redemption), the Investment Manager shall take reasonable steps to not take any action which shall prejudice the tax position of the Investor insofar as it is aware of the relevant circumstances, and in particular which may prejudice obtaining the EIS Reliefs for the Fund Investments.

11.5. The Investors or the Investment Manager shall pay or reimburse the Custodian from time to time on demand for any transfer taxes payable upon transfers, exchanges or deliveries of securities made under the custodian agreement in accordance with this Information Memorandum.

11.6. The Investor indemnifies the Custodian from and against any and all direct liabilities, obligations, losses, damages, penalties, actions against the Custodian, judgements, suits against the Custodian, proper costs and expenses or disbursements (other than those resulting from fraud, negligence, wilful default or breach of contract on the part of the Custodian) which may be imposed or incurred by or asserted against the Custodian in properly performing its obligations or duties to each Fund under the custodian agreement.

11.7. The Custodian will not co-mingle securities or other assets of the Investors with its own.

11.8. The Custodian will hold cash subscribed by the Investor in accordance with the Client Money Rules

contained in CASS 7 of the FCA Rules. Such cash balance will be deposited with an authorised credit institution in a bank account (or accounts) opened and maintained in the name of the Custodian. The Custodian at the direction of the Investment Manager may debit or credit the said account for all sums payable by or to the Investor (including dividends receivable in cash and fees and other amounts payable by the Investor).

11.9. The Investor acknowledges that their investments will be registered in the name of the Nominee but it will be held on trust by the Nominee and the Investor will remain beneficial owner of the investments.

11.10. The Investor has accessed the Custody Agreement via the following URL:

<https://systems.mainspringfs.com/documents/fuel-ventures-manager-sapphire-capital-partners-llp/custody-agreement/29f>

and has read and understood the terms and confirms its acceptance to the terms of the Custody Agreement.

12. Voting

The Investment Manager shall have discretion to instruct the Custodian to exercise the voting and other rights attaching to the Investments made by the Fund.

13. Fees and Expenses

The Investment Manager shall receive fees for its Services, and reimbursements of their costs and expenses, as set out in this Information Memorandum. To the extent that any of this fee is not paid for whatever reason by the relevant Investee Company, the Investment Manager reserves the right to instruct the Custodian to deduct such fees from an Investor's Subscription awaiting investment and/or from any disposal or dividend proceeds arising from his/her Investments save that an Investor shall never be liable for more than his proportionate share of such fees by reference to the other Investors in the Fund who have had Investments made on their behalf in the same Investee Company.

14. Liability

14.1. The Investment Manager shall not be liable in respect of any act or omission of any person, firm or company through whom transactions in Investments are effected for the account of the Investor (including the Custodian) or any other third party having custody or possession of the assets of the Investor from time to time, or of any clearance or settlement system.

14.2. The Investment Manager shall not be liable for any loss to the Investor arising from any investment decision made in accordance with the Investment Objectives

and the Investment Restrictions or for other action in accordance with this Agreement, except to the extent that such loss is directly due to the negligence or wilful default or fraud of the Investment Manager or any of its employees.

14.3. The Investment Manager gives no representations or warranty as to the performance of the Fund. EIS Investments are high risk Investments, being Non Readily Realisable Investments. There is a restricted market for such Investments and it may therefore be difficult to sell the Investments or to obtain reliable information about their value. Investors should consider the suitability of investment in Investments carefully and note the risk warnings set out in this Information Memorandum.

14.4. The Investment Manager will not be responsible for any loss of opportunity whereby the value of the Investor's Fund could have been increased or for any decline in the value of the Investor's Investments howsoever arising, except to the extent that such loss or decline is due to the Investment Manager's negligence, wilful default or fraud or that of any of its directors or employees.

14.5. The Custodian shall not be liable in the event of the insolvency of any bank with which any funds of the Custodian or Investor have been deposited, nor in the event of any restriction on the ability of the Custodian to withdraw funds from such bank for reasons which are beyond its reasonable control.

14.6. If the Custodian should fail to deliver any necessary documents or to account for any Investments, the Investment Manager will take all reasonable steps on the Investor's behalf to recover such documents or Investments or any sums due or compensation in lieu thereof but subject thereto to the Investment Manager's general duty of good faith, shall not be liable for such failure.

14.7. The Investment Manager may be separately engaged by some of the unquoted companies that the Fund will invest in to assist those companies to raise finance. The Investment Manager will receive a fee from each such unquoted company for its services.

14.8. The Investment Manager will not be liable for any loss arising from errors of fact or judgement or any action taken (or omitted to be taken) by it howsoever arising except to the extent that any such error or action (or the omission thereof) is due to the Investment Manager's negligence, wilful default or fraud or that of any of its directors or employees.

14.9. The Investment Manager shall be entitled to rely absolutely upon and shall not incur any liability (save for any liability resulting from the negligence, wilful default or fraud of the Investment Manager) in respect of any action

taken or thing suffered in good faith in reliance upon any paper or document believed to be genuine and to have been signed and sealed by the proper parties or be in any way liable for any forged or unauthorised signature or seal affixed to any document and in discharging its duties hereunder the Investment Manager may, in the absence of manifest error, rely without enquiry upon all information supplied to it by the Investor, the Custodian, the Investment Adviser or any of their respective directors, officers, employees or agents. The Investment Manager may accept as sufficient evidence of any instructions, notice or other communication given to it by the Investor, the Custodian, the Investment Adviser or any of their respective directors, officers, employees or agents any document or paper signed or purporting to be signed on behalf of the Investor, the Custodian or the Investment Adviser or any of their respective directors, officers, employees or agents by such person or persons whose signature the Investment Manager is for the time being authorised to accept.

14.10. The Investor shall indemnify and keep indemnified the Investment Manager and the directors, officers, employees and agents of the Investment Manager from and against any and all liabilities, obligations, losses, damages, suits and expenses (including legal expenses) which may be incurred by or asserted against the Investment Manager in its capacity as Investment Manager of the Fund other than those resulting from the negligence, wilful default or fraud on its or their part and other than expenses incurred by the Investment Manager for which it is responsible hereunder.

14.11. In the event of any failure, interruption or delay in the performance of the Investment Manager's obligations resulting from acts, events or circumstances not reasonably within the Investment Manager's control (including, but not limited to: acts or regulations of any governmental or supranational bodies or authorities; breakdown, failure or malfunction of any telecommunications or computer service or services; and acts of war, terrorism or civil unrest) the Investment Manager shall not be liable to the Investor for consequential loss in the value of, or failure to perform investment transactions or the account of, the Fund.

14.12. Nothing in this Agreement shall exclude or restrict any duty or liability to the Investor which the Investment Manager may have under the FCA Rules.

15. Termination

15.1. The Investment Manager shall notify the Investor of the date on which the Fund will terminate. For the avoidance of doubt this date will be determined by the Investment Manager. This date is expected to be at least ten years after the Closing Date of the Fund (subject that the Investment Manager reserves the right to terminate

the Fund before this date). On termination of the Fund, all the shares in the Investor's Fund shall be transferred into the Investor's name or as the Investor shall otherwise direct.

15.2. The Investor is entitled to instruct the Investment Manager to dispose of its Investment to the extent that the Investment comprises:

15.2.1. Relevant Shares which are admitted to official listing in an EEA state or to dealings on a recognised investment exchange, at any time after the fifth anniversary of the date the Relevant Shares were issued;

15.2.2. other Relevant Shares, at any time after the seventh anniversary of the date of the Relevant Shares were issued; or

15.2.3. shares other than Relevant Shares, at any time after the end of the period of six months beginning with the date those Relevant Shares ceased to be Relevant Shares (and the Investor will be notified in writing as soon as reasonably practicable after any shares comprised the Investor's Investment cease to be Relevant Shares).

15.2.4. The Investment Manager will have a lien on all the proceeds of such disposal(s) as are required to discharge any liability of the Investor to the Investment Manager in respect of damages or accrued but unpaid fees or expenses or any of them (payable under clause 13 of this Agreement or any other provisions of this Agreement or any other agreement between the Investor and the Investment Manager). The balance of any sale proceeds and control of any remaining part of the Investment will then be passed to the Investor. Without prejudice to the rights and obligations of the Investor and the Investment Manager that are expressed to survive termination, this Agreement shall terminate upon the completion of the withdrawal from the Fund of all Relevant Shares which the Investor is entitled to receive under this clause 15.2.

15.3. If the Investment Manager does not give the Investor at least three months' written notice of its intention to end its role as Investment Manager under this Agreement or the Investment Manager becomes insolvent or the Investment Manager ceases to be suitably authorised by the FCA, the Investment Manager shall endeavour to make arrangements to transfer the Fund to another fund manager in which case that manager will assume the role of the Investment Manager under this Agreement, failing which the Agreement will terminate immediately and, subject to clause 16, the Investments in the Investor's Fund will be transferred into the Investor's name or as the Investor may otherwise direct.

15.4. If the Investor has been categorised as an elective Professional Client for the purposes of the FCA Rules, the Investor shall notify the Investment Manager as soon

as practicable in the event that the Investor is no longer categorised as an elective Professional Client by the Investment Manager for the purposes of the provision of the services under this Agreement or the Investor no longer has the expertise, experience and knowledge to make their own investment decisions and to understand the risks involved in relation to the Fund whereupon the Investment Manager shall be entitled to terminate this Agreement.

16. Consequences of Termination

16.1. Pursuant to clause 15 the Investment Manager will use reasonable endeavours to complete all transactions in progress at termination expeditiously on the basis set out in this Agreement.

16.2. Termination of this Agreement will not affect any right intended to survive termination and will be without penalty or other additional payments save that the Investor will pay fees, expenses and costs properly incurred by the Investment Manager and the Custodian up to and including the date of termination and payable under the terms of this Agreement.

16.3. On termination, the Investment Manager may retain and/or realise Investments as may be required to settle transactions already instigated and to pay the Investor's outstanding liabilities, including fees, costs and expenses payable under Clause 13 of this Agreement.

17. Risk Warnings and Further Disclosures

17.1. The Investor's attention is drawn to the risk factors set out in this Information Memorandum.

17.2. The Investment Manager will not borrow money on behalf of the Investor, nor lend securities or enter into stock lending or similar transactions. For clarity, the Investee Companies may borrow money or enter into similar transactions.

17.3. The Investment Manager cannot require Investors to add further monies to the Fund following the Subscription.

18. Conflicts of Interest

18.1. The Services of the Investment Manager hereunder are not to be deemed exclusive. The Investor acknowledges that the Investment Manager and its members, officers, employees or persons connected with the Investment Manager will from time to time act as director, investment manager, manager, investment adviser or dealer in relation to, or be otherwise involved

in, investments and investment funds. Members, offices, employees or persons connected with the Investment Manager may personally make Subscriptions to the Fund. In respect of such positions, the Investment Manager may have similar or different objectives to that of the Investor. It is therefore possible that any of them may, in the course of business, have potential conflicts of interest with the Investor. The Investment Manager will, at all times, have regard in such event to its obligations to the Investor and will endeavour to ensure that such conflicts are resolved fairly.

18.2. For the avoidance of doubt, under the circumstances set out in Clause 18.1, the Investment Manager shall not be required to account for any profits earned in connection therewith.

18.3. In accordance with the FCA Rules, the Investment Manager has in place a policy to manage conflicts of interest (the "Conflicts Policy") which sets out how it identifies and manages conflicts of interest. A summary of this policy is set out at Schedule 2.

19. Complaints

The Investment Manager has in operation a written procedure in accordance with the FCA Rules for the effective consideration and proper handling of complaints from customers. Details of this procedure are available from the Investment Manager on request. Should the Investor have a complaint, they should contact the Investment Manager. If the Investment Manager is unable to resolve the complaint to the Investor's satisfaction, the Investor may be entitled to refer the complaint to the Financial Ombudsman authority.

20. Compensation

The Fund is categorised by the FCA as an alternative investment fund and so participation in the Fund is not covered by the Financial Services Compensation Scheme. Further information about the circumstances in which the FSCS cover is available can be found on the FSCS website at www.fscs.org.uk.

21. Applicable Laws

All transactions in Investments shall be subject to any Applicable Laws. If there is any conflict between this Agreement and any Applicable Laws, the latter shall prevail.

22. Confidentiality

22.1. The Investment Manager is not obliged to disclose to the Investor or, in making any decision or taking any

step-in connection with the investment management of the Fund, to take into consideration information either:

22.1.1. the disclosure of which by it to the Investor would or might be a breach of duty or confidence to any other person; or

22.1.2. which came to the notice of an employee, officer or agent of the Investment Manager, but does not come to the actual notice of the individual making the decision or taking the step-in question.

22.2. The Investment Manager and the Investor shall at all times respect and protect the confidentiality of information acquired in consequence of this Agreement except pursuant to any right or obligation to or by which the Investment Manager or the Investor may be entitled or bound to disclose information under compulsion of law or pursuant to the requirements of competent regulatory authorities including, without limitation, the FCA.

22.3. Nothing in this Clause 22 shall prevent:

22.3.1. the disclosure of information by any party to its auditors, legal or other professional advisers in the proper performance of their duties;

22.3.2. the disclosure by any party of information which has come into the public domain other than through its fault or the fault of any person to whom the information has been disclosed; or

22.3.3. the disclosure of information that is authorised to be disclosed by the other party.

22.4. The Parties shall use all reasonable endeavours to prevent any breach of confidentiality under Clause 22.

23. Notices, Instructions and Communications

23.1. Notice of instructions to the Investment Manager should be in writing and signed by the Investor, except as otherwise specifically indicated.

23.2. The Investment Manager may rely and act on any communication or instruction which purports to have been given by the Investor or by persons authorised to give instructions on behalf of the Investor under the Application Form or subsequently notified by the Investor from time to time and, unless that relevant party receives written notice to the contrary, whether or not the authority of such person shall have been terminated. Communications shall be sent to the Investor (whether postal or electronic) to the last address notified to the Investment Manager and shall be deemed received by the Investor on the second day after posting or on the day after dispatch in the case of electronic communication.

23.3. Communications by the Investor shall be made in writing in English to the Investment Manager, addressed to "Sapphire Capital Partners LLP," and shall be sent to:

23.3.1. address: 28 Deramore Park, Malone, Belfast BT9 5JU;

23.3.2. e-mail: boyd@sapphirecapitalpartners.co.uk; and

23.3.3. marked for the attention of Boyd Carson.

23.4. Communications sent by the Investor will be deemed received only if actually received by the Investment Manager. The Investment Manager will not be liable for any delay or failure of delivery of any communication sent to the Investor.

24. Amendments

24.1. The Investment Manager may amend the terms of this Agreement by giving the Investor not less than ten Business Days' written notice where such change reflects changes to market practice, administration processes, computer systems or other such similar matters associated with managing the Fund.

24.2. The Investment Manager may also amend the terms of this Agreement with immediate effect by giving written notice if such an amendment is required in order to comply with HMRC requirements in order to maintain the EIS Reliefs or in order to comply with the FCA Rules.

25. Data Protection

25.1. All data which the Investor provides to the Investment Manager shall be processed by the Investment Manager in accordance with the Investment Manager's policy (as available online at <https://www.sapphirecapitalpartners.co.uk/privacy-policy> or on request) and the prevailing data protection and privacy laws is held by the Investment Manager subject to the Data Protection Act 2018.

25.2. The Investor permits that the Investment Manager and the Custodian may pass personal data:

25.2.1. to each other and to other parties insofar as is necessary in order for them to provide their Services as set out in this Agreement;

25.2.2. to the FCA and any regulatory authority which regulates them;

25.2.3. to Fuel Ventures Limited or Investee Companies; and

25.2.4. in accordance with all other Applicable Laws.

26. Entire Agreement

This Agreement, together with the Application Form constitutes the entire agreement between the parties relating to its subject matter and supersedes and extinguishes any prior drafts, agreements, undertakings, representations, warranties and arrangements of any nature, whether in writing or oral, relating to such subject matter.

27. Severability

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

28. Contracts (Right of Third Parties) Act 1999

No person who is not a party to this Agreement shall have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

29. Governing Law and Jurisdiction

29.1. This Agreement is governed by and shall be construed exclusively in accordance with English law.

29.2. In relation to any legal action or proceedings (whether in contract or in tort) arising out of or in connection with this Agreement, each of the parties irrevocably submits to the exclusive jurisdiction of the English courts.

Schedule 1

Fund Management Policy

1. The Investment Manager shall authorise investment in Qualifying Companies in line with the Investment Objectives and Investment Restrictions of the Fund as set out in this Information Memorandum.
2. The Investment Manager understands that new shares in Investee Companies should be held for no less than the EIS Three Year Period to obtain the benefits of the EIS.
3. The Investment Manager may consider exiting an investment before the expiration of the EIS Three Year Period if the growth of an investment has outperformed the market and covers any loss of tax benefit. The Investment Manager may also exit an investment if an Investee Company is the subject of a trade sale.
4. After the expiration of the EIS Three Year Period, the Investment Manager will review opportunities for exiting an investment as they arise.

Schedule 2

Policies to Govern Conflicts of Interest

As required by the FCA rules the Investment Manager has a policy to identify, prevent or manage effectively any conflicts of interest that may occur from its business. The Investment Manager considers:

- » the conflicts that may arise between its own interests or those of persons linked to it such as employees and those of clients.
- » between different clients such as different funds it manages.

This consideration extends to reviewing potential gains and incentives. A log of what types of conflicts may arise is kept and actively monitored.

The Investment Manager revises the policy on an at least annual basis, and additionally undertakes ongoing monitoring of compliance with the policy.

Schedule 3

Execution Policy

1. When executing orders on behalf of Investors, the Investment Manager is required to take all sufficient steps to obtain the best possible outcome. It is a requirement of the FCA that certain execution factors are taken into account including: price; costs; speed; likelihood of execution and settlement; size and nature of the order or any other consideration relevant to the execution of the order. The Investment Manager may give speed, likelihood of execution and settlement, the size and nature of the order, market impact and any other implicit transaction costs precedence over the immediate price and cost consideration only insofar as they are instrumental in delivering the best possible result in terms of the total consideration to the Investor.
2. The Investment Manager will use its commercial judgement and experience to determine the relative importance of the execution factors. In making such a determination the Investment Manager will consider the market information available and also take into account the execution criteria. The Investment Manager must take into account the following execution criteria for determining the relative importance of the execution factors: the characteristics of the client; the characteristics of the order; the characteristics of financial instruments that are the subject of that order and the characteristics of the execution venues to which that order can be directed.
3. The range of activities presently undertaken by the Investment Manager does not include placing orders with brokers or dealers. If the Investment Manager places orders with brokers or dealers for execution the Investment Manager will satisfy itself that the broker or dealer has arrangements set up to enable the Investment Manager to act in accordance with its best execution obligations to its clients. Specific arrangements will be set up in order that brokers will confirm that they will treat the Investment Manager as a Professional Client and will therefore be required to provide best execution.

Appendix Two:

Custody Agreement

Please read the Custody Agreement in full by clicking on the following link:

<https://systems.mainspringfs.com/documents/fuel-ventures-manager-sapphire-capital-partners-llp/custody-agreement/29f>

Appendix Three:

Copy of COBS 4.7.9R and 4.7.10R

COBS Rule 4.7.9R states:

"A certified high net worth investor, a certified sophisticated investor or a self-certified sophisticated investor is an individual who has signed, within the period of twelve months ending with the day on which the communication is made, a statement in the terms set out in the applicable rule listed below, substituting "non-readily realisable securities" for "non-mainstream pooled investments":

1. certified high net worth investor: COBS 4.12.6 R;
2. certified sophisticated investor: COBS 4.12.7 R;
3. self-certified sophisticated investor: COBS 4.12.8 R.

COBS Rule 4.7.10R states:

A certified restricted investor is an individual who has signed, within the period of twelve months ending with the day on which the communication is made, a statement in the following terms:

"RESTRICTED INVESTOR STATEMENT

I make this statement so that I can receive promotional communications relating to non-readily realisable securities as a restricted investor. I declare that I qualify as a restricted investor because:

- a. in the twelve months preceding the date below, I have not invested more than 10% of my net assets in non-readily realisable securities;

and

- b. I undertake that in the twelve months following the date below, I will not invest more than 10% of my net assets in non-readily realisable securities.

Net assets for these purposes do not include:

- a. the property which is my primary residence or any money raised through a loan secured on that property;
- b. any rights of mine under a qualifying contract of insurance; or
- c. any benefits (in the form of pensions or otherwise) which are payable on the termination of my service or on my death or retirement and to which I am (or my dependants are), or may be entitled; or
- d. any withdrawals from my pension savings (except where the withdrawals are used directly for income in retirement).

I accept that the investments to which the promotions will relate may expose me to a significant risk of losing all of the money or other property invested. I am aware that it is open to me to seek advice from an authorised person who specialises in advising on non-readily realisable securities.

Signature:

Date:"

Endnotes

- 1 Growth is an average 3.6x multiple return of the original Fuel Ventures EIS Portfolio I investment (based on the portfolio of seven companies, using 2018 book valuations). It is noted that this should not be regarded as an indication of the future performance of investments in this Fund.
- 2 Tech Nation: "Tech Nation 2017 Key Findings". <http://technation.techcityuk.com/investment/> Web. Accessed October 2017.
- 3 Tech Nation: "Tech Nation 2017 Key Findings". Digital Tech Investment 2012-2016 Graph: Graph source: Pitchbook, Tech City UK, 2016. <http://technation.techcityuk.com/investment/> Web. Accessed October 2017.
- 4 Tech Nation: "Tech Nation 2017 Key Findings" <http://technation.techcityuk.com/growth-tech/> Web. Accessed October 2017.
- 5 "GVA" refers to Gross Value Added and is the measure of the value of goods and services produced in an area, industry or sector of an economy.
- 6 Tech Nation: "Tech Nation 2017 Key Findings" <http://technation.techcityuk.com/growth-tech/> Web. Accessed October 2017.
- 7 Business Wire: "Monitise announces acquisition of Marko Media business". June 2014. (Note: the £55m consideration (in 2014) is for both MyVoucherCodes and LastSecondTickets and was reported by Business Wire to consist of ordinary shares in Monitise valued at £24.5m, £2.5m consideration in Monitise ordinary shares after two years and £28m earn-out in Monitise ordinary shares consideration). <https://www.businesswire.com/news/home/20140625006535/en/Monitise-announces-acquisition-Markco-Media-businesses> Web. Accessed October 2017.
- 8 Average 3.6x multiple return of the original Fuel Ventures EIS Portfolio I investment (based on the portfolio of seven companies, using 2017 book valuations). It is noted that this should not be regarded as an indication of the future performance of investments in this Fund.
- 9 Deloitte UK Fast 50. "2017 Winners by Sector". <http://www.deloitte.co.uk/fast50/winners/2017/by-sector/> Web. Accessed October 2017.
- 10 See further definition at EcommerceWiki: https://www.ecommercewiki.org/Marketplaces/Marketplaces_Basic/What_are_market_places Web. Accessed December 2017.
- 11 European Commission, Strategy, Digital Single Market, Policies, "Online Platforms". <https://ec.europa.eu/digital-single-market/en/online-platforms-digital-single-market> Website. Accessed October 2017.
- 12 Medium.com. "2017 – A very happy year for Software in Europe?". <https://medium.com/startup-grind/the-100-startups-which-raised-more-than-20-million-dollars-in-europe-and-in-the-us-in-2016-fb777d69a735> Web. Accessed December 2017.
- 13 BCC Research. "Global Market for Software as a Service (SaaS) to Reach \$94.9 Billion by 2022." [https://www.bccresearch.com/pressroom/ift/global-market-for-software-as-a-service-\(saas\)-to-reach-\\$949-billion-by-2022](https://www.bccresearch.com/pressroom/ift/global-market-for-software-as-a-service-(saas)-to-reach-$949-billion-by-2022) Web. Accessed September 2018.
- 14 Prior funds include the Fuel Ventures EIS Portfolio 1, the Fuel Ventures EIS Portfolio 2, the Fuel Ventures Portfolio 3 and the Fuel Ventures Fund 4.
- 15 "Seed" refers initial investments into start-up companies.
- 16 Includes the 2010 Entrepreneur of the Year at the Growing Business Awards and the 2011 Ernst and Young Entrepreneur of the Year London & South Region Award Recipient.
- 17 Business Wire: "Monitise announces acquisition of Marko Media business". June 2014. (Note: the £55m consideration (in 2014) is for both MyVoucherCodes and LastSecondTickets and was reported by Business Wire

to consist of ordinary shares in Monitise valued at £24.5m, £2.5m consideration in Monitise ordinary shares after two years and £28m earn-out in Monitise ordinary shares consideration). <https://www.businesswire.com/news/home/20140625006535/en/Monitise-announces-acquisition-Markco-Media-businesses> Web. Accessed October 2017.

18 Business Wire: "Monitise announces acquisition of Marko Media business". June 2014. (Note: the £55m consideration (in 2014) is for both MyVoucherCodes and LastSecondTickets and was reported by Business Wire to consist of ordinary shares in Monitise valued at £24.5m, £2.5m consideration in Monitise ordinary shares after two years and £28m earn-out in Monitise ordinary shares consideration). <https://www.businesswire.com/news/home/20140625006535/en/Monitise-announces-acquisition-Markco-Media-businesses> Web. Accessed October 2017.

19 Ibid.

20 Ve is currently in the process of reorganisation (after going into administration in 2017) and an accurate valuation is not available. See <http://uk.businessinsider.com/ve-interactive-is-in-the-process-of-going-into-administration-2017-4> Web. Accessed December 2017.

21 Obtained from an email from Ben Brown (founder of Shopwave) to Mark Pearson dated 23 April 2015. The 18% is based on a pre-money valuation.

22 Ibid.

23 Based on a valuation summary dated 2015 provided by the management of Shopwave.

24 Obtained from an email from Hugo Grimston (CFO of Paddle) dated 24 January 2018. The 9.4% is on a fully diluted basis (i.e including an option pool)

25 Based on confirmation by the Paddle CFO dated January 2018. 9.4% holding is on a fully diluted basis.

26 Based on confirmation by the Paddle CFO dated January 2018. Valuation of £37,000,000 as at November 2017.

27 FV1 refers to Fuel Ventures EIS Portfolio 1.

28 FV2 refers to Fuel Ventures EIS Portfolio 2.

29 FV3 refers to Fuel Ventures EIS Portfolio 3

