

# KEY INFORMATION DOCUMENT



## Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

**You are about to purchase a product that is not simple and may be difficult to understand**

## Product & Provider Details

Start-Up Series Fund ("SUSF")

Manufacturer: Amersham Investment Management Limited [www.amershaminvestment.co.uk](http://www.amershaminvestment.co.uk)

Contact telephone no. +44(0) 207 734 7524

Competent Authority: Regulated by the Financial Conduct Authority FRN 507460

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## What is this Product?

**Type: SEIS & EIS Fund.** The Start-Up Series Fund is structured as an alternative investment fund (AIF) for the purposes of the Alternative Investment Fund Managers Directive (AIFMD), making investments in Enterprise Investment Scheme (EIS) and Seed Enterprise Investment Scheme (SEIS) qualifying companies.

**Objectives:** The Start-Up Series Fund is organised to invest over time, which means closing in tranches, in qualified candidate portfolio companies chosen from a series of monthly competitions which commenced in October 2016. The competitions are conducted (in association with startups.co.uk) by Worth Capital who also provide commercial due diligence and post-investment support.

The Fund is an "evergreen" fund with future closes planned for the 2020/21 tax year and subsequent tax years. There will therefore be several different tranches of investments and the type and degree of diversification will depend on which tranche an investor is invested in. Investments in the Fund will be focused both on early-stage SEIS companies in the Consumer Goods and Services sector and in certain B2B opportunities and then as these Companies develop to a point where further capital is needed, possible follow-on EIS investment or new EIS investment.

**Intended retail investor:** SUSF is structured to accommodate retail clients advised by qualified intermediaries, high net worth UK investors and sophisticated investors who, having appropriate knowledge or experience in such investments, may be seeking income tax or capital gains tax relief on SEIS and EIS investments and for whom an investment in the Fund is deemed appropriate. An investment in SUSF is only suitable for investors who understand the potential risk of capital loss and that there will be very limited liquidity, if at all, in the underlying investments and that an investment in SUSF would be of a long-term nature. Investment in SUSF is only suitable for investors who fully understand and accept the risks involved in investing in SUSF.

The investments will be in individual private company securities, not listed securities and as illiquid investments should be regarded as higher risk investments. There is no maturity date on these investments and, possible tax loss relief apart, you will be at risk of loss of your invested capital in any portfolio company that fails. Investments are made on a tranche-by-tranche basis so not all investors will be invested in the same companies.

**Insurance benefits and costs:** Not applicable

**Term of investment product:** The holding period of this investment is between at least 3 and 5 years, but may be longer.

## What are the risks and what could I get in return?

### Summary Risk Indicator



The summary risk indicator is a guide to the level of risk of this product compared to other products. It helps you to assess it and compare it with other products.

Your invested capital is at risk. This product has been classified 6 out of 7, which is the second highest risk class, because there is a materially relevant liquidity risk, there is no capital protection against future market performance and you could lose your entire investment although not more than your initial investment. The risk indicator assumes you keep the product at least for the recommended holding period of 5 years – the risk factor does not take into account whether you can take your money out early or the costs you might incur for so doing. The actual risk can vary significantly if you dispose of (where possible) the investment at an early stage as you may get back less.

Therefore please note that you may not be able to sell your investment easily or you may have to sell at a price that significantly impacts on how much you get back. Tax legislation of an Investor's home jurisdiction may have an impact on actual payout. Risk factors relevant to this product include:

- 1) Investments are non-readily realisable securities in small, unquoted trading companies and there will be no ready market for the shares.
- 2) Changes to tax legislation may adversely affect your ability to claim tax reliefs under the Enterprise Investment Scheme and/or the Seed Enterprise Investment Scheme.
- 3) Changes in economic conditions including for example interest rates, rates of inflation, political events and trends and the exit of the United Kingdom from the European Union and other factors can materially adversely affect equity investments in general and therefore SUSF investee companies' prospects in particular.

## Performance Scenarios

The table shows the money you could get back over 5 years, under different scenarios, assuming that you invest £10,000. These scenarios are simplified illustrations of possible outcomes and as such are not an exact indicator of future performance but rather possible illustrations of those potential outcomes.

This product cannot be easily cashed in. It is very hard to estimate how much money an investor would get back, if at all, before the recommended hold period or later. Investors may also lose tax reliefs through early disposal.

The figures shown include the costs of the product itself but do not include costs that you might pay to an advisor or distributor. The figures do not take into account your personal tax situation and therefore exclude any potential impact of S/EIS income tax and loss reliefs, which may affect what you got back.

Scenarios	Average return each year	1 year	3 years	5 years (recommended holding period)
Stress <sup>1</sup>	<b>What you might get back after costs</b>	0%	0%	0%
	Average return each year	-100%	-100%	-100%
Unfavourable	<b>What you might get back after costs</b>	50%	70%	90%
	Average return each year	-50%	-10%	-3.33%
Moderate	<b>What you might get back after costs</b>	75%	100%	110%
	Average return each year	-25%	0%	3.33%
Favourable	<b>What you might get back after costs</b>	85%	140%	205%
	Average return each year	-15%	8%	21%

<sup>1</sup> Assumes total loss AND an investor being unable to claim any S/ EIS tax reliefs due to investment failing to qualify or losing its S/EIS status

## What happens if Amersham Investment Management Ltd is unable to pay out.

The Financial Services Compensation Scheme ("FSCS") provides compensation to eligible claimants in the event of Amersham Investment Management being unable to meet its liabilities. Further information is available from Amersham Investment Management or the FSCS at [www.fscs.org.uk](http://www.fscs.org.uk)

At present the maximum protection for investors is up to £85,000 per eligible investor.

To provide additional safeguards for Investors, all assets and monies are held independently of the PRIIP provider by a regulated Custodian: For SUSF all assets and monies are held by Woodside Corporate Services Limited, an authorised and regulated Custodian with FCA reference 4676522.

Should an investee company suffer financial difficulties it is possible that investors will lose all of their investment in that company. Investors in that circumstance may be able to claim loss relief under the S/EIS rules as applicable.

## What are the costs?

An authorised person advising you about this product may charge you other costs not taken into account here. The costs may change in the future.

### Costs over time

Amersham Investment Management Limited in respect of SUSF, will, wherever possible, levy their costs and fees against the portfolio companies who have received the investment monies. In the event this is not either practical or possible, the following impact table sets out these costs based on an illustrative Investment of £10,000.

EIS Investment (assuming new portfolio company addition to the Fund) GBP10,000			
Investment Scenarios	If you cash in after 1 year	If you cash in after 2.5 years	If you cash in after 5 years
Total Costs	10.2%	13.2%	18.2%
Impact on return (RIY) per year	10.2%	5.28%	3.64%
SEIS Investment GBP10,000			
Investment Scenarios	If you cash in after 1 year	If you cash in after 2.5 years	If you cash in after 5 years
Total Costs	10.2%	13.2%	18.2%
Impact on return (RIY) per year	10.2%	5.28%	3.64%

continued

## Composition of costs

The Table below shows:

- the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period;
- the meaning of the different cost categories
- the impact on return each year

One-off costs				
	New company seeking EIS investment by the fund	Existing SEIS company seeking follow on EIS investment by the Fund	New SEIS company seeking investment by the Fund	
Entry Costs	6.9%	6.9%	6.9%	This is the maximum you might pay when entering your investment, you will pay less where the fees are less or they are (as contemplated) charged to the investee company. This includes the costs of distribution of your product.
Exit Costs	1.3%	1.3%	1.3%	The impact of costs of exiting each company investment when it comes to an end.
Ongoing costs				
Fund Management Fees	2%	2%	2%	This is the maximum impact of costs we take each year for managing your investment, based on an investment into the investee company of £150k. You will pay less where the fees are less or they are charged to the investee company.
Incidental Costs				
Performance fees			up to 7%	The impact of the performance fee. This fee does not come directly from the Investor and is governed by a share option agreement between Worth Capital Ltd and the Investee company granting Worth Capital up to 7% equity in the Investee company of which up to 1.5% is assigned to the Manager and up to 0.5% is assigned to Bonhill Group plc, the owner of Smallbusiness.co.uk which is Worth Capital's media partner.

For further information about charges, please refer to the relevant sections in the Fund's Information Memorandum.

## How long should I hold it and can I take money out early?

**Recommended holding period: 5 years**

There is a 14-day cooling off period applicable to this product. There is no fixed maturity date for this product and the recommended holding period is 5 years. Tax reliefs are available only if the investor holds a qualifying investment for a minimum of three years as investments are made under SEIS and EIS rules which do not permit investments to be withdrawn during the three year qualifying period for the reliefs to be confirmed, as to do so would invalidate any claim for tax relief and would lead to relief needing to be repaid. This product includes investments which are classified as Non-Readily Realisable securities which are illiquid by nature. Where an Investor or their personal representative wishes to withdraw their investment under exceptional circumstances, such as the death of the Investor or proven severe financial hardship or proven health difficulties of the Investor and without any guarantee of success, the Manager will try to match withdrawals with other shareholders and interested parties. However, no guarantee can be given that any proposed matching will be successful or at what price a match might be achieved. If a sale is made within the three year qualifying period an Investor will lose their tax relief and may incur a loss on an investment.

## How can I complain?

Information on how to raise a complaint can be found on the Manufacturer's website <http://www.amershaminvestment.co.uk/complaints.html> or directly from Mr Paul Barnes, Director, Amersham Investment Management Limited 1st Floor, 25 Lexington Street, London W1F 9AH. If Amersham Investment Management cannot resolve the complaint to the satisfaction of the investor, the investor may be entitled to refer it to the Financial Ombudsman Service. The Financial Ombudsman can be contacted at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk) Telephone: 020 7964 1000.

## Other relevant information

We strongly recommend that potential investors seek advice from a suitably authorised retail financial adviser before deciding to invest in this product.

The cost impact headings included in the impact table on page 3, are all, with the exception of Exit Costs with no VAT, stated net of VAT. VAT will be charged at the relevant tax rate ruling at the time a charge is made.

The Receiving Agent and Custodian for monies received from Investors in the SUSF fund is Woodside Corporate Services Limited which is authorised and regulated to hold client assets by the Financial Conduct Authority with firm reference number 467652.

Woodside Corporate Services Limited's associate company WCS Nominees Limited will act as Nominee for the Investors, assets and securities issued by the Investee Companies will be held in the name of the Nominee. The Custodian has been involved with corporate and SEIS and EIS fund administration for a comprehensive range of clients since 2008. The Custodian as of the date of this document has over £750 million of assets under administration.

The Custodian is registered on the Data Protection Public Register with registered number Z2944806.

Full details of this product are available in the Fund's Information Memorandum from the Manager.

Nothing in this document constitutes the Manufacturer giving investment, tax, financial or other advice.