

Tech For Good SEIS and EIS Fund 05

Tech For Good SEIS and EIS Fund 05

Contents

6	Fund overview
8	Welcome to Bethnal Green Ventures
10	Why tech for good?
16	Why invest under SEIS or EIS?
18	Investment strategy of the Fund
19	Investment criteria
21	Risk summary
22	Our approach
24	Our team
26	Fees
27	Fund performance scenarios
28	Fund structure and classification
29	How to invest
31	Glossary and definitions
33	Appendix 1: Risk Warnings
39	Appendix 2: Investment Management Agreement
57	Appendix 3: Investment Policy

Important information

Don’t invest unless you’re prepared to lose all the money you invest. This is a high-risk investment and you are unlikely to be protected if something goes wrong. Take 2 mins to [learn more](#).

This Information Memorandum describes the certain arrangement by which prospective investors may be connected with Midmar Capital LLP (“**Investment Manager**”) (authorised and regulated by the Financial Conduct Authority (“**FCA**”) under FRN 519772, registered in Scotland with company number S0302073 and with a registered office at Hudson House, 8 Albany Street, Edinburgh, United Kingdom, EH1 3QB with a view to appointing the Investment Manager as discretionary alternative investment fund manager (“**AIFM**”) of a small alternative investment fund (“**AIF**”) in relation to their collective investments in certain portfolio companies with a view to attracting SEIS and EIS reliefs. BGV Investment Management Ltd, registered in England with company number 10499434 and with a registered office at 63/66 Hatton Garden, Fifth Floor Suite 23, London, England, EC1N 8LE (“**BGV**” or “**Investment Advisor**”) will provide the Investment Manager with certain investment advisory services. BGV Investment Management Limited is an appointed representative of Midmar Capital LLP. Midmar Capital LLP is authorised and regulated by the Financial Conduct Authority, in respect of UK investment advisory or arranging activities. The arrangements between the investors, the AIF managed by the Investment Manager on a collective basis (on the advice received by the Investment Manager from the Investment Advisor) will constitute the Tech For Good SEIS and EIS Fund 5 (the “**Fund**”).

This Information Memorandum does not constitute an offer by the Investment Manager, the Investment Advisor or any other person to invest in the Fund or act as your investment manager or an invitation for you to offer the same. This Information Memorandum is a financial promotion which may be made to investors who have certified as a ‘high net worth investor’ or a ‘sophisticated investor’ in accordance with the rules contained in the FCA Handbook of Rules and Guidance (“**FCA Rules**”) and any offer made to invest in the Fund pursuant to this Information Memorandum is only offered to, and capable of acceptance by, investors who are **per se** professional clients or are otherwise able to elect to be treated as professional clients (and are found appropriate to do so, having regard to the investor’s knowledge and experience of similar investments). This Information Memorandum and the accompanying Appendices may not be disclosed to any other person or used for any other purpose. Note that these documents do not constitute a prospectus and the investments referred to within are not a non-mainstream pooled investment. This Information Memorandum constitutes a financial promotion which has not been approved by the Investment Manager or any other FCA- authorised person for the purposes of Section 21 of the Financial Services and Markets Act 2000 (“**FSMA**”) relating to the communication of invitations or inducements to engage in investment activity. This document and the information contained in it are not for publication and are not to be distributed to persons outside the United Kingdom. This document does not constitute an offer, or the solicitation of an offer, in relation to shares in any jurisdiction in which such offer or solicitation is unlawful.

Your attention is drawn to the Risk Warnings set out at Appendix 1 of this document, which you should read and consider carefully. Nothing in this document should be regarded as constituting investment, taxation, legal, regulatory or other advice. You should seek advice from an independent financial adviser authorised and regulated by the **FCA and take appropriate independent professional advice on the tax aspects** before deciding whether or not to make an investment.

The Fund will be making investments in early stage, Seed Enterprise Investment Scheme (“SEIS”) and Enterprise Investment Scheme (“EIS”) qualifying unquoted companies in the UK. Investments in unquoted and immature companies carries with is a high degree of risk. These investments are highly speculative, non-readily realisable investments and no established or ready market exists for the trading of these investments. Capital is at risk. The value of shares can fall as well as rise and you may not recover the full or any amount of money originally invested. Past performance is not necessarily a guide to future performance and may not be repeated. Any investment in this product should be considered as a long-term investment. Investments made through the Fund are not covered by FSCS protection. The Fund is targeted at investors who sufficiently understand risks related to tax relief.

The Investment Advisor has taken reasonable care to ensure that the facts stated in this Information Memorandum are true and accurate in all material respects as at the date of publication and that there are no material facts the omission of which would make misleading any statement made in this Information Memorandum. However, some information contained herein comes from external published sources and none of the Investment Manager, the Investment Advisor, Mills & Reeve LLP, Mainspring Nominees Limited, MNL Nominees Limited or any other person assumes any responsibility for the accuracy or completeness of such information. Neither the Investment Advisor nor the Investment Manager or any of its respective directors, officers, employees and agents accept any liability for any direct, indirect or consequential loss or damage suffered by any person as a result of relying on an 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 or the FCA Rules and which may not be excluded. Rates of tax, tax benefits and allowances referred to throughout this Information Memorandum are based on current legislation and HM Revenue & Customs practice and are of summary nature only. These may change from time to time and are not guaranteed. Changes in rules, regulations and legislation relating to SEIS or EIS may affect the ability of this product to meet its objectives and/or reduce the level of returns that might have otherwise been achievable. The application and value of such tax reliefs depends upon individual circumstances of each investor. It is recommended that you consult a tax adviser if you are in any doubt about any aspects of SEIS or EIS legislation.

Investing in the Fund may not be suitable for all investors. This investment is not open to retail investors. It is only available to investors who are *per se* professional clients or who have elected to be treated as professional clients in accordance with the rules contained in the FCA Handbook of Rules and Guidance (“FCA Rules”) and are able to elect to be treated as professional clients (and are found appropriate to do so, having regard to their knowledge and experience of similar investments. Investors should be aware that investing in unquoted and immature companies (including SEIS and EIS Qualifying Companies) carries with it a high degree of risk. Investors should seek advice from an independent adviser, authorised and regulated by the FCA, before investing and take appropriate independent professional advice on the tax aspects of their investment. The Investment Manager cannot and does not make any representation that such investment is suitable or appropriate for your specific needs and requirements.

The Investment Advisor reserves the right to update this Information Memorandum from time to time. It is the responsibility of prospective investors relying on this Information Memorandum to ensure that the information contained herein is up to date and that there have been no revisions, updates or corrections.

31st December 2022

Parties		
Investment Manager	Legal	Nominee
Midmar Capital LLP	Mills & Reeve LLP	MNL Nominees Limited
Hudson House	24 King William Street	27 Furnival Street
8 Albany Street	London	London
Edinburgh	EC4R 9AT	EC4A 1JQ
EH1 3QB		
Investment Advisor	Custodian	
BGV Investment	Mainspring Nominees	
Management Ltd	Limited	
63/66 Hatton Garden,	27 Furnival Street	
Fifth Floor Suite 23,	London	
London,	EC4A 1JQ	
England, EC1N 8LE		

Tech for Good SEIS and EIS Fund 05

Overview

- **TECH FOR GOOD**
100% focus on companies intentionally using technology to solve pressing social and environmental challenges at scale: contributing to a sustainable planet, a better society and healthy lives
- **FINANCIAL RETURNS**
Targeting companies with the potential for high-growth and significant investment
- **DIVERSIFICATION**
A diversified portfolio of companies balanced across investment themes and business models will be targeted
- **DEAL FLOW**
Access to high quality investment opportunities through Bethnal Green Ventures’ established brand, reputation and extensive network
- **12-MONTH DEPLOYMENT**
Capital intended to be fully deployed into investments in Portfolio Companies in the 2023/2024 tax year
- **PORTFOLIO SUPPORT**
Companies will benefit from Bethnal Green Ventures’ portfolio and platform support which includes coaching and connections
- **TAX-EFFICIENT**
Intended to benefit from SEIS or EIS tax reliefs

FUND DETAILS

Fund Name	Tech For Good SEIS and EIS Fund 5
Fund Structure	The Fund is an unapproved transparent fund comprising a collective portfolio capable of attracting SEIS/EIS tax reliefs.
Investment Manager	Midmar Capital LLP
Investment Advisor	BGV Investment Management Ltd
Custodian	Mainspring Nominees Limited
Investment Focus	Early stage companies with high-growth potential, which seek positive impact on society or the environment through digital and other technologies. These will be sourced solely from teams who have previously completed Bethnal Green Ventures’ accelerator programme.
Target Investment Period	Aim for Investor capital deployed into investments in Portfolio Companies by March 2024 ¹ , in the tax years 2023/2024.
Target Return	The Fund aims to realise a return for investors of £2.00 for every £1.00 subscribed (net of all fees; before any tax reliefs). There is no and there can be no guarantee of returns; capital is at risk (see Risk Warnings at Appendix 1).
Minimum Investment	£20,000
One-off Set Up & Management Fee	10% of subscriptions up to and including £50,000, 5% on any amount thereafter ² . There is no annual charge or additional costs.
Performance Fee	20% of returns after investors receive £1.10 for every £1 subscribed.
Minimum Final Fund Size	£600,000 ³
Target Portfolio Size	Target 12 companies
Target Close	5th April 2023. Investors’ Know Your Customer checks to be completed within seven days of close and funds transferred within 14 days of close.
Exits	There is no and there can be no guarantee of any return of funds to investors but the Investment Manager will seek to realise Investments over a period of seven years to ten years from the date on which they were made.

¹ At the discretion of the Investment Manager and Investment Advisor. ² Fund fees may be reduced at the discretion of the Investment Manager and Investment Advisor. ³ Minimum tranche size subject to the discretion of the Investment Manager and Investment Advisor

Welcome to Bethnal Green Ventures

Bethnal Green Ventures (“BGV”) is one of Europe’s leading early-stage tech for good VC.

We invest in ambitious and diverse founders using technology to create positive impact at scale. BGV has considerable experience and track record investing in and scaling tech for good businesses, generating top-tier returns for investors, as well as significant and measurable impact.

TRACK RECORD

All data is as of 30th of June 2022

We have a ten-year track record of investing in tech for good companies through Bethnal Green Ventures LLP, the BGV Approach Fund and the Tech For Good SEIS and EIS Funds 1, 2, 3 and 4. During this time we have invested £7.5m in 173 tech for good companies, and the realised and unrealised valuation of our investments at 30th of June 2022 was £13.7m. To date we have achieved three successful exits with 17x, 7x and 3x return on investment.

Our portfolio has gone on to:

- raise a further **£116m in investment** from top tier investors and corporations including: Beringea, Octopus Ventures, Longwall Ventures, Ascension Ventures, Triple Point, Connect Ventures, Speedinvest, Digital Science, PYMWYMIC, Y-Combinator.
- serve 78,000 customers and **15m users**.
- employ **710 people**, of which **47% are women**, significantly exceeding the UK tech sector average of 26%.¹

Past performance is not necessarily a guide to future performance and may not be repeated.

¹ Tech Nation (2021), ‘Diversity and Inclusion in UK Tech’, accessed 1st of December 2022 at <https://technation.io/diversity-and-inclusion-in-uk-tech/#key-statistics>

BGV FUNDS

	Bethnal Green Ventures LLP Fund	Tech for Good SEIS and EIS Fund 1	Tech for Good SEIS and EIS Fund 2	BGV Approach Fund	Tech for Good SEIS and EIS Fund 3	Tech for Good SEIS and EIS Fund 4
Date commenced investing	July 2012	October 2018	December 2019	April 2020	November 2020	April 2022
Size	£3.8m	£0.6m	£0.6m	£3m	£0.7m	£0.9m
Number of ventures invested in as at 30/06/22	126	25	27	52	40	8
Total value to cost invested ratio	2.3	1.2	1.7	1.5	1.2	1.0



Why tech for good?

Tech for good is the intentional use of technology to tackle pressing social and environmental challenges at scale. Companies are responsible and purpose-driven, aiming to achieve a significant positive impact. We believe tech for good businesses will become some of the most valuable companies within the next 10 years. BGV's purpose as an early-stage investor is to find those ventures when they're just starting out, and to help them launch and scale their businesses.

A GLOBAL MARKET OPPORTUNITY

1. Better solutions are needed

By tackling challenges in sectors such as healthcare, education and sustainability the private sector may unlock \$12 trillion per year. To date, many of these markets have experienced relatively low exploitation of digital technology, providing a massive market opportunity for tech for good businesses to deliver better solutions and achieve huge impact.

2. The potential of technology

We believe that with a global proliferation, technology enables better solutions through rapid growth, network effects, declining unit costs and increased access and affordability.

3. Purpose driven business

People are becoming increasingly values-aligned, expecting companies to contribute positively to society and the environment. We see this decade being defined by the demand from investors, customers and employees for business to be a force for good.

4. Diverse teams make commercial sense

There's a wealth of highly talented founders often overlooked by traditional investors. Evidence suggests that diverse, and mission driven teams produce better products, businesses, impact and returns.

THE GROWTH OF IMPACT INVESTING AND TECH FOR GOOD

The opportunity to do good and do well is now an established societal trend attracting growing numbers of talented entrepreneurs and leading investors. Impact investment – investing for a positive social impact and a financial return – is rapidly growing globally in both depth and sophistication.

Capital allocation to this asset class is increasing year-on-year and represents a US\$1.164 trillion market in 2022. Major investors such as Axa, Blackrock and J.P. Morgan are now serving this market.



WHAT MAKES TECH FOR GOOD THE BIGGEST OPPORTUNITY OF THIS DECADE?

BGV believes that:

It generates real value by creating better solutions for needs not wants, tackling problems like the climate crisis, inequality, and health.

It taps into huge market opportunities where positive impact and commercial success are intrinsically linked and scalable.

It aligns with irreversible trends such as purpose-driven business and adoption of digital technologies.

Our approach

BGV believes this context creates a strong opportunity to invest in early stage companies using technology to address large social and environmental problems.

To ensure ventures align with our investment thesis we look for:

SCALABILITY - solutions that have the potential to positively impact millions of lives by helping to achieve a sustainable planet, a better society or healthy lives

INNOVATIVE APPLICATION OF TECH - facilitating a new way of approaching a problem

INTENTIONAL IMPACT - products and services must be developed with the specific intention of creating positive social or environmental impact with a clear hypothesis of how to achieve it

DIVERSE TEAMS - with knowledge of the problem they're tackling and a commitment to developing a solution that accounts for the underserved and underrepresented

Measurable and meaningful impact

BGV is a global industry leader on impact practices.

We're not just jumping on the impact bandwagon, we helped build it. Our decade of experience means our expertise in measuring, managing and scaling impact is unrivalled. We consistently set industry firsts creating benchmarks for others.

First VC globally to map and share our portfolio's risks of 'unintended consequences'.

First VC in Europe to share extensive diversity, inclusion and intersectionality data on our portfolio.

First UK VC to become a certified B Corp in 2015 with a current score of 114.7.



VC Firm of the Year IMPACT Awards 2021



B Corp Best for the World 2022



Second globally for D&I 2020 and 2021

Some BGV portfolio highlights

All data is as of 30 September 2022 unless indicated otherwise.

A SUSTAINABLE PLANET

SPOKESAFE

Spokesafe is a mobility platform that gives commuters, shoppers and delivery drivers 24/7 on demand access to a network of secure places to park and charge bikes, cargo bikes and scooters - providing the infrastructure which helps drive the transition to sustainable mobility in urban centres.

Est. 2019 | Raised a £400k pre-seed round from angel investors and now scaling across the UK.

<https://www.spokesafe.com/>

HEALTHY LIVES

OTO HEALTH

The Oto Health app allows instant access to science-based therapies for people suffering from tinnitus. In the app, users work their way through progressive therapy modules, building their own personal toolkit of CBT, mindfulness therapy, relaxation and sound therapy techniques.

Est. 2020 | Raised a £2.8m seed round led by Octopus Ventures | Member of Y Combinator's W22 cohort.

<https://www.joinoto.com/>

A BETTER SOCIETY

NATION.BETTER

Nation.Better is the UK's first technology platform that democratises immigration services. Through automation, AI and Machine Learning, they streamline and optimise immigration processes, while significantly reducing immigration advisory cost (by 70%), disrupting existing traditional manual, expensive and highly administrative processes.

Est. 2019 | Supported by Innovate UK and a number of angel investors

<https://nationbetter.uk/>



Why invest under SEIS or EIS?

We aim to invest in only the best tech for good companies, not for tax reasons, but because we believe they are good investments. From this essential starting point, SEIS and EIS can provide considerable tax reliefs for investors.

ELIGIBILITY

The availability and/or value of tax benefits, reliefs and/or allowances including EIS and SEIS reliefs can vary depending on the individual circumstances of an Investor. Investors should seek advice from an independent financial adviser authorised and regulated by the FCA before investing and take appropriate independent professional advice on the tax and other aspects of their investment. The limitations on the Investment Manager's efforts to ensure EIS Reliefs are available, achieved or maintained are set out in the investment Policy in Appendix 3.

SEIS

The Seed Enterprise Investment Scheme ('SEIS') was introduced by HMRC to help small, early-stage companies to raise equity finance by offering a range of tax reliefs to individual investors who subscribe for new shares in those companies. The Seed Enterprise Investment Scheme offers a number of tax reliefs to investors, which may include:

- Individual income tax relief of 50% of the amount invested up to a maximum of £100,000 per tax year per investor. From April 2023 the maximum amount that any taxpayer can invest with the benefit of SEIS relief will increase to £200,000 per tax year, doubling the relief currently available.
- Exemption from Capital Gains on gains made on the disposal of shares
- Loss relief if the company fails or the shares are sold at a loss
- Capital gains, arising on the disposal of any asset in a tax year, reinvested in SEIS-qualifying shares in respect of which SEIS income tax relief has been claimed in full will attract capital gains tax relief at a rate of 50% of the full rate of capital gains tax otherwise payable
- Investments held for at least two years are likely to be exempt from inheritance tax, provided the investments are held at the time of death. In order to benefit from the tax reliefs outlined, investors must hold their shares for a minimum of three years, although gains realised on disposals made within three years are exempt from Capital Gains tax if reinvested in SEIS eligible investments, and loss relief is available if the company fails or the shares are sold at a loss within the three-year period.

EIS

The Enterprise Investment Scheme ('EIS') was introduced by HMRC to help smaller higher-risk trading companies to raise finance by offering a range of tax reliefs to investors who subscribe for new shares in those companies.

The Enterprise Investment Scheme offers a number of tax reliefs to investors on up to £1m of investment made into eligible companies per tax year, which may include:

- Income tax relief of 30% of the amount invested
- Exemption from Capital Gains on gains made on the disposal of shares
- Loss relief if the company fails or the shares are sold at a loss
- Inheritance Tax exemption on shares held for a minimum of two years
- Capital Gains deferral on gains realised on the disposal of any asset where the gain is reinvested by subscribing for new shares in an EIS eligible company
-

In order to benefit from the tax reliefs outlined, investors must hold their shares for a minimum of 3 years, except for the Inheritance Tax relief where the period is two years.

Please note that tax benefits under SEIS and EIS depend on **personal circumstances, are not guaranteed, and rely on UK tax legislation which may change in the future. Please note also that if any of the qualifying criteria for SEIS or EIS are not met in the three years following an investment, tax reliefs in that investment may be reduced or withdrawn.**

The descriptions above are not an exhaustive list of SEIS and EIS tax rules and are only intended as guidance. Nothing in this document shall be regarded as constituting tax advice and prospective Investors should seek advice from a suitably qualified independent adviser before deciding whether or not to make an investment. No reliance should be placed upon the tax guidance herein.



Investment strategy of the Fund

The Tech For Good SEIS and EIS Fund 5 aims to deliver significant positive impact for society and the environment, benefiting millions of people and delivering strong capital growth for investors.

The Fund aims to provide investors with access to a number of high potential early stage tech for good companies. With its industry leading reputation, long track record and large community, BGV is superbly placed in the tech for good field to access these investment opportunities, giving investors diversification and good quality opportunities as is appropriate when investing in early stage companies.

INVESTMENT OBJECTIVES

We will select investments that we believe have the potential to achieve each of the Fund’s objectives:

- **Impact:** To have a positive social or environmental impact within the themes of a sustainable planet, a better society and healthy lives
- **Scale:** To achieve that impact at scale, directly benefiting millions of people
- **Capital growth:** To deliver long term capital growth for investors

PORTFOLIO STRATEGY AND DIVERSIFICATION

The Fund will aim to invest in 12 companies providing a well-diversified portfolio. Investments will be made across pre-seed and seed stages, sourced through from high potential companies within BGV’s existing portfolio.

At least 50% of the investment in the portfolio will aim to be eligible for SEIS relief with the remaining investments aiming to be eligible for EIS relief.

PORTFOLIO ALLOCATION

Stage	Pre-seed	Seed
Typical time from startup	12-18 months	24-30 months
Typical investment size	£70,000 for ~6% equity	£100,000 for ~2% equity
Target Fund allocation	50%	50%
Expected tax eligibility	SEIS and/or EIS	EIS

We intend to build a portfolio which aims to be well balanced across BGV’s three themes of a sustainable planet, a better society and healthy lives. We believe these sectors represent valuable market opportunities with the potential for significant social and/or environmental impact.

Investment criteria

The detailed investment criteria we use is set out in Appendix 3. In summary, we seek investments which:

- Have the potential to achieve our investment objectives
- Pursue a social or environmental mission through innovative use of technology
- Operate with a high standard of integrity and business ethics
- Aim to generate substantial revenues and profits from their activities over time

Over our ten years of experience investing in tech for good we have identified critical success factors that we screen investments for, including:

- Skills and commitment of the management team
- Deep understanding of the social or environmental problem and market insight
- A user centred design approach, based on learning and iteration
- The innovation of the product or service, and its potential to add significant value to users and customers at a large scale
- Differentiation and defensibility in light of competition

We will not invest in:

- Industries or companies serving defence or armed conflict markets
- Industries or companies known to cause damage to human health
- Industries or companies known to cause environmental damage
- Industries or companies we consider to be exploitative of workers

TARGET RETURNS

The Fund aims to realise a return for investors of £2.00 for every £1.00 subscribed, prior to tax reliefs. For more information see the Fund performance scenarios.

Don't invest unless you're prepared to lose all the money you invest. This is a high-risk investment and you are unlikely to be protected if something goes wrong.

Take 2 mins to [learn more](#).

RISK SUMMARY

Estimated reading time: 2 min

Due to the potential for losses, the Financial Conduct Authority (FCA) considers this investment to be very complex and high risk.

WHAT ARE THE KEY RISKS?

1. You could lose all the money you invest

- Ø If the business offering this investment fails, there is a high risk that you will lose all your money. Businesses like this often fail as they usually use risky investment strategies.
- Ø Advertised rates of return aren't guaranteed. This is not a savings account. If the issuer doesn't pay you back as agreed, you could earn less money than expected or nothing at all. A higher advertised rate of return means a higher risk of losing your money. If it looks too good to be true, it probably is.
- Ø These investments are very occasionally held in an Innovative Finance ISA (IFISA). While any potential gains from your investment will be tax free, you can still lose all your money. An IFISA does not reduce the risk of the investment or protect you from losses.

2. You are unlikely to be protected if something goes wrong

- Ø The Financial Services Compensation Scheme (FSCS), in relation to claims against failed regulated firms, does not cover investments in unregulated collective investment schemes. You may be able to claim if you received regulated advice to invest in one, and the adviser has since failed. Try the FSCS investment protection checker here. [<https://www.fscs.org.uk/check/investment-protection-checker/>]
- Ø Protection from the Financial Ombudsman Service (FOS) does not cover poor investment performance. If you have a complaint against an FCA regulated firm, FOS may be able to consider it. Learn more about FOS protection here. [<https://www.financial-ombudsman.org.uk/consumers>]

3. You are unlikely to get your money back quickly

- Ø This type of business could face cash-flow problems that delay payments to investors. It could also fail altogether and be unable to repay any of the money owed to you.
- Ø You are unlikely to be able to cash in your investment early by selling your investment. In the rare circumstances where it is possible to sell your investment in a 'secondary market', you may not find a buyer at the price you are willing to sell.
- Ø You may have to pay exit fees or additional charges to take any money out of your investment early.

4. This is a complex investment

- Ø This kind of investment has a complex structure based on other risky investments, which makes it difficult for the investor to know where their money is going.
- Ø This makes it difficult to predict how risky the investment is, but it will most likely be high.
- Ø You may wish to get financial advice before deciding to invest.

5. Don't put all your eggs in one basket

- Ø Putting all your money into a single business or type of investment for example, is risky. Spreading your money across different investments makes you less dependent on any one to do well.
 - Ø A good rule of thumb is not to invest more than 10% of your money in high-risk investments. [<https://www.fca.org.uk/investsmart/5-questions-ask-you-invest>]
- If you are interested in learning more about how to protect yourself, visit the FCA's website here. [<https://www.fca.org.uk/investsmart>]

[For further information about unregulated collective investment schemes (UCIS), visit the FCA's website [here](https://www.fca.org.uk/consumers/unregulated-collective-investment-schemes). [<https://www.fca.org.uk/consumers/unregulated-collective-investment-schemes>]

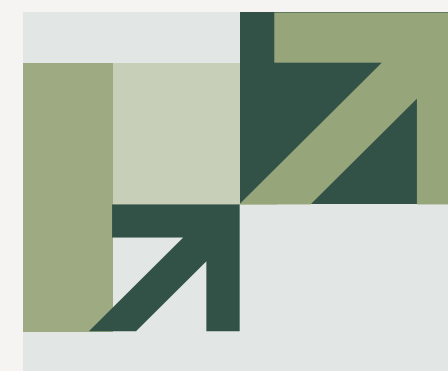


INVESTMENT ALONGSIDE OTHER BGV FUNDS

BGV acts as investment advisor and Midmar Capital LLP as investment manager to BGV's first fund - Bethnal Green Ventures LLP, the BGV Approach Fund, and the Tech for Good SEIS and EIS Funds 1,2, 3 and 4, and they may act as such for further funds in the future.

Where a company is selected by the Investment Manager for investment by the Tech for Good SEIS and EIS Fund 5, it shall also be offered to the Tech for Good SEIS and EIS Fund 4, BGV Approach Fund and any other BGV advised funds pari passu and pro-rata to the total funds advised by BGV, subject to their respective investment strategies. Vice versa, where a company is selected for investment by other BGV advised funds it shall be offered to the Tech For Good SEIS and EIS Fund 5 on a pari passu and pro-rata basis.

SEIS is seed funding and there is a limit to the amount of SEIS funding a company may obtain. Most, if not all, companies will require much further funding over their early and growth stages which this fund will not be able to provide as it can only invest in SEIS/EIS investments. Therefore, there will often be co-investment opportunities or follow-on opportunities which this Fund cannot take up.




CONFLICTS OF INTEREST


The Investment Manager and Investment Advisor recognise there may be potential conflicts of interest arising from the operation and management of the Fund. The Investment Manager and the Investment Advisor have each adopted a Conflicts of Interest policy in order to identify and govern how each organisation responds to potential conflicts of interest. A copy of these policies will be provided upon request.

Our Approach


The BGV Tech for Good SEIS and EIS Fund 5 will invest in companies at pre-seed and seed stage who have completed BGV’s accelerator programme in the last 1-3 years.

 **Our world-class programme:** During our three month Tech for Good programme we aim to take founders from prototype to scaleable venture.

Our programme is the first step for all BGV portfolio ventures. With a renowned reputation, we attract talented early-stage founders at the start of their journey helping them to shape their strategy as they grow. This early involvement allows us to build strong relationships, often becoming a founders’ most trusted source of support as their longest standing investor.

 **Supporting ventures from pre-seed to Series A:** We use a combination of ‘platform’ and bespoke support to help our teams grow and attract further investment.

Our platform support is open to our full portfolio of 170+ ventures. Designed to be scalable, it allows founders to grow through connections, community and resources. Our bespoke support is focused on our best performing teams. It is tailored to each ventures’ individual needs and stage.

 **Our rigorous selection process for follow-on investments:** We evaluate opportunities for follow-on investment on an on-going basis.

We have a thorough due diligence process to ensure that we select the very best ventures. To receive follow-on investment from the Tech For Good SEIS and EIS Fund 5, a startup will have to be able to demonstrate, amongst other things, that they have received significant investor interest for their round.

BGV’S VENTURE MODEL


	Accelerator	Pre-Seed	Seed	Exit
Typical time from start-up	0-6 months	12-18 months	24 months	7-10 years
Typical investment size	£30,000 for 7% equity	£70,000 for ~6% equity	£100,000 for ~2% equity	
Cohort size*	20	7-8	4-5	1-2
Scale of impact**	10s	100s	1,000s	1,000,000s

* number of companies on track at each stage of the model

**number of people positively impacted by each company


WORKING WITH INDUSTRY LEADING INVESTORS

Working in collaboration with other investors is important not only for our success but also that of our portfolio companies. Whilst it is typical for BGV to be the only investor in our accelerator stage companies, thereafter we require companies to raise further funding from third parties. At pre-seed stage this is typically from business angel investors, including those introduced by BGV. At seed stage and beyond, a mix of business angel, venture capital funds and impact investment funds co-invest with us.

 **Recent co-investors include: Beringea, Connect Ventures, Longwall Ventures, Ascension Ventures, Triple Point, Development Bank Wales, Digital Science, PYMWYMIC, Doen Foundation, Holtzbrinck, Turner Broadcasting, SpeedInvest, University of Bristol, Ada Ventures, Ananda, 24Haymarket, Clean Growth Fund and Octopus.**

EXITS

Early stage investing requires a patient outlook. We expect successful exits from our investments seven years to ten years after our first investment. Typically our exit hypothesis will be the acquisition of the portfolio by an established incumbent in the market or established large business entering a new market. An exit to another investor in a secondary transaction may also be possible where the portfolio company continues to raise further rounds of investment.

 **To date we have achieved three successful exits with 17x, 7x and 3x returns on investment.**

Past performance is not necessarily a guide to future performance and may not be repeated.

ENGAGEMENT AND REPORTING TO INVESTORS

We will provide investors with a six-monthly report on the performance of their portfolio covering financial, social and environmental impact. There will also be opportunities for investors in the Fund to engage with portfolio companies and hear more about their progress and plans.

There may be opportunities for investors to join our mentor network and work directly with portfolio companies, subject to further application.

Our Team

Over ten years we have built a team with the depth of skills and experience necessary to enable early stage tech for good companies to excel.

BGV Managing Partners

Paul Miller OBE
Managing Partner
CEO



Paul has ten years experience of early-stage investing and has been awarded an OBE for services to startup investing. He was previously a policy advisor and senior researcher, advising leading companies and governments on tech for good. Before BGV he co-founded and was CEO of an ed-tech venture.

Melanie Hayes FCA
Managing Partner
Investment Director



Melanie has over fourteen years of early stage investment experience including as investment manager at Octopus Investments and Channel 4 where several of her investments achieved successful exits. Melanie began her career as a Chartered Accountant at Deloitte.

Independent Investment Committee Members

Steven Clarke



Steven has been involved as Chairman or Board Member in seven growth businesses, three with successful exits. He's spent 21 years in private equity and venture capital with 3i, August Equity and ICG.

Trevor Hope



Trevor is CIO at Gresham House where he leads the VCT team. He was a Partner at Mobeus Equity Partners, leading growth investments, now acquired by Gresham House. Previously he was Chief Investment Officer at Beringea where he developed and implemented its investment strategy.

BGV Staff Team

Catherine Barker
Head of Finance

Yumi Tsoy
Operations and Portfolio Insights
Manager

Bethany Greer
Venture Partner

Dama Sathianathan
Networks and Communities
Manager

Umesh Pandya
Venture Partner

Darren Cockburn
Venture Partner

Nelly Lavielle
Investment Manager

Elin Ng
Venture Partner



Diversity and Inclusion at BGV

Diverse teams perform better

Diversity and inclusion are a core part of our investment thesis. But we don't just talk the talk, we walk the walk. We bake D&I practices into our operations and routinely report on our efforts and outcomes to keep ourselves accountable.

Ranked second globally for our diversity and inclusion efforts in the Inclusive PE & VC Index 2020 and 2021.

Signatories to #MovingForward committing to a VC industry that is against harassment and discrimination.

Signatories to *The Investing in Women Code* committing to improving female founders access to tools, resources and finance.

BGV team diversity

75% Women
33% From ethnic minority backgrounds

BGV portfolio founder diversity

43% women
42% From ethnic minority backgrounds
19% Identify as LGBTQIA

Fees

FEE TYPE	FEE DETAILS
Set up and management fee	A one-off initial fee of 10% of subscription amounts up to and including £50,000, 5% on any amount thereafter is payable to the Investment Manager. This will cover the set up and on-going operation of the Fund.
Annual charge	None
Hurdle and performance fee	<p>Performance fees of 20% will be payable to the Investment Advisor on aggregate proceeds arising from an investment after a hurdle equating to a 1.1x return on gross subscriptions invested.</p> <p>In other words, after each Investor receives £1.10 for every £1 subscribed, a performance fee equal to 20% of any further returns (plus VAT) will be payable to the Investment Advisor.</p>
Costs and expenses	None. However investor requests over and above the day-to-day running of the Fund, for example transfer of stock, will be charged to the investor on a per fee basis.
VAT	All the above fees are exclusive of any applicable VAT.

PORTFOLIO COMPANIES’ FEES

It is not BGV’s general practice to charge arrangement or legal fees to portfolio companies. BGV charges a one-off, modest monitoring fee to companies in which it invests at pre-seed and seed stage.

Fund performance scenarios

The following indicative fund performance scenarios are based on a portfolio mix of

- 7 pre-seed investments : 5 seed investments
- 50% SEIS eligible investments : 50% EIS eligible investments

The Base Case and Upside Case fund performance scenarios below each show a return >£2.00 (before loss relief) per £1.00 invested. These scenarios are modelled using a set of assumptions derived from the Investment Advisor’s experience and data from investments made by other funds advised by the Investment Advisor. Achievement of the Target Return is considered realistic however there is no guarantee of the Target Return being reached and capital is at risk.

	Base case	Upside case	Downside case
Portfolio performance	2 companies exit 10 companies fail	3 companies exit 9 companies fail	1 company exits 11 companies fail
Subscription	£1.00	£1.00	£1.00
Net invested in portfolio (less setup & management fee)	£0.88	£0.88	£0.88
Income tax relief*	£0.36	£0.36	£0.36
Net Investment Cost (after income tax relief)	£0.64	£0.64	£0.64
Proceeds from exits	£2.18	£3.72	£0.43
Less performance fee	£ (0.22)	£ (0.52)	£0.00
Plus loss relief	£0.19	£0.18	£0.20
Net proceeds	£2.16	£3.38	£0.63
As multiple of Net Investment Cost	3.74	5.84	1.09

* Based upon 50% SEIS and 50% EIS eligible investments

As calculated on a subscription of less than or equal to £50,000 and an assumed fund size of £1,100,000.

Fund structure and classification

The Fund is not a legal entity but instead comprises the combined investments under the management of the Investment Manager of the respective Investors, each having separate discretionary managed portfolios of beneficial interests in shares in Portfolio Companies.

The Fund will invest in Portfolio Companies identified by the Investment Advisor and selected by the Investment Manager. The Investment Manager will instruct the Custodian to subscribe for shares in Portfolio Companies on behalf of the Fund. Subscriptions in the Fund will be aggregated in making investments, the legal title to which investments will be held by the Nominee for and on behalf of the Investors as beneficial owners of the shares in the Portfolio Companies. Investments will be apportioned to Investors pro-rata to their subscriptions to the Fund.

The Fund is an alternative investment fund for the purposes of the Alternative Investment Fund Managers Directive 2011/61/EU as supplemented by Commission Delegated Regulations (EU) No. 231/2013 of 19 December 2012 and as implemented into English law by the Alternative Investment Managers Directive Regulations 2013, and as, where context requires, amended by the Alternative Investment Investment Managers (Amendment) (EU Exit) Regulations (SI 2019/328) (“**AIFMD**”). The Markets in Financial Instruments Directive does not apply to the Fund. The Investment Manager is authorised to manage AIFs and is the Alternative Investment Manager (“**AIFM**”) of the Fund. The AIFM is responsible for (amongst other things) portfolio management and risk management for the Fund.

CLASSIFICATION

The Fund will be the regulatory client of the Investment Manager and is categorised as a per se Professional Client as defined in the FCA Rules. The Fund does not constitute a Collective Investment Scheme as defined in the Financial Services and Markets Act 2000.

How to invest

01. Confirm eligibility and complete application form

If you wish to subscribe to the Fund you will need to complete an elective professional client notice and the application form which includes an appropriateness questionnaire. This is available to request via our website.

02. Confirm identity

Once we have received your application, we will arrange Know Your Customer checks with you using Thirdfort, a provider which combines document scanning, facial recognition and passport chip reading for secure ID checks from your phone or computer. These checks are to be completed no later than seven days after the Fund target close date.

03. Transfer funds

Once we confirm that your application and Know Your Customer checks have been approved by the Fund Manager, we will send you an email with payment details. Funds should be sent by electronic transfer from a bank account in the name of the subscribing investor. Funds are to be transferred no later than 14 days after the Fund target close date. We will send you a receipt which confirms your investment in the services.

04. We invest your funds

The Custodian will upload transaction details to your investor portal within 30 working days of each investment. Your shares will be registered in the name of MNL Nominees Limited, as your nominee. This means you will not need a share certificate.

05. Claim income tax reliefs

Where available the Custodian will send you a SEIS3 or EIS3 Certificate for each company which you can use to claim SEIS and EIS tax relief.

06. Investment updates

We will provide you with a six-monthly report on your portfolio covering financial, social and environmental performance.

07. Exits

Our target holding period is 7-10 years. Following each investment realisation the cash proceeds net of performance fees will be paid out to investors.*

*There is no and there can be no guarantee of returns; capital is at risk (see Risk Warnings at Appendix 1)

Eligibility

The Fund is only available to investors who have elected to be treated as “professional clients” in accordance with the rules contained in the FCA Handbook of Rules and Guidance (“FCA Rules”) and which are appropriate to be treated as professional clients, having regard to their knowledge and experience of similar investments.

Investors must be able to elect to be treated as a professional client and complete an appropriateness questionnaire so that the Investment Manager may appraise the Investor’s knowledge and experience of similar investments such that they may be treated as a professional client.

To qualify as an elective professional client, Investors must meet at least two of the following criteria:

- a) have carried out transactions, in significant size, on the relevant market at an average frequency of 10 per quarter over the previous four quarters
- b) The size of an Investor’s financial instrument portfolio, defined as including cash deposits and financial instruments, exceeds EUR 500,000
- c) have relevant knowledge of the risks associated with the transactions or services envisaged. (This could include having previously invested in an SEIS / EIS Fund or directly in to SEIS / EIS qualifying companies, having been directly involved as a director or significant shareholder in a high risk startup, or having worked in a relevant professional position for at least one year.)

Investors should be aware that investing in unquoted and immature companies (including SEIS and EIS Qualifying Companies) carries with it a high degree of risk. Investors should seek advice from an independent adviser, authorised and regulated by the FCA, before investing and take appropriate independent professional advice on the tax aspects of their investment.

If you are a finance professional you may need to seek approval from your employer or compliance officer in anticipation of applying to participate in the Fund.

Glossary and definitions

TERM	DESCRIPTION
Application Form	The application form to invest in the Fund completed by an Investor, submitted to BGV and then forwarded to Midmar.
Bethnal Green Ventures or BGV	Bethnal Green Ventures is formed of: BGV Investment Management Ltd , a company registered in England and Wales with registered address at 63/66 Hatton Garden, Fifth Floor Suite 23, London, England, EC1N 8LE Company number: 10499434. BGV Investment Management Limited is an appointed representative of Midmar Capital LLP, which is authorised and regulated by the Financial Conduct Authority.
EIS	Enterprise Investment Scheme as set out in Part 5 of the Income Tax Act 2007.
Exemption	Free from tax liability
Fund	Tech for Good SEIS and EIS Fund 5
Information Memorandum	This information memorandum dated 31 December 2022
Institutional Investor	An investor who is (a) not a natural person and is not the Nominee or any other nominee holding SEIS or EIS shares on behalf of a natural person, or (b) a natural person who cannot or does not obtain SEIS or EIS tax reliefs, such as a foreign investor
Investment Management Agreement	The investment management agreement entered into between the Investment Manager and the Investors set out at Appendix 2
Investor	An investor invested in the Fund
Nominee	MNL Nominees Limited and is registered in England and Wales with registration number 09512864 and registered address at 27 Furnival Street, London, EC4A 1JQ. The Nominee is a separate legal entity and is wholly owned by Mainspring Nominees Limited
Performance Fee	The performance fee set out on page 24
Portfolio Company	A company invested in by the Fund
Qualifying Company	An SEIS or EIS qualifying company which satisfies HMRC requirement for SEIS or EIS (as applicable)
SEIS	Seed Enterprise Investment Scheme as set out in Part 5A of the Income Tax Act 2007.
Setup and Management Fee	The establishment and management fee set out on page 27

Appendix 1: Risk Warnings

Unless otherwise indicated, defined terms used in this Appendix have the same meanings as in the Investment Management Agreement at Appendix 2 of this Information Memorandum.

Investing in the Fund may not be suitable for all investors. Prospective investors should be aware that investing in unquoted and immature companies (including Qualifying Companies) carries with it a high degree of risk and Investors may lose all or part of their investment.

Some principal risks relating to an investment in the Fund are set out below. The information above and below does not purport to be exhaustive. Additional risks and uncertainties, which may not be presently known, or which is currently deemed immaterial, may also have an adverse effect on the business of the Portfolio Companies.

1. Investment risk factors

- 1.1. Investment in the Fund is not suitable for all investors. It is the responsibility of each investor to ensure that investment in the Fund is a suitable investment in the light of the information in this document and their personal circumstances, having taken appropriate independent professional advice.
- 1.2. This investment is not open to retail investors. The Fund may only be promoted to investors who have certified as a ‘high net worth investor’ or a ‘sophisticated investor’ in accordance with the rules contained in the FCA Handbook of Rules and Guidance (“FCA Rules”) and is only open to investors who are either per se professional clients or are otherwise able to elect to be treated as professional clients (and are found appropriate to do so, having regard to your knowledge and experience of similar investments).
- 1.3. The tax reliefs referred to in the Information Memorandum and the Investment Management Agreement are those currently available and their value depends on the individual circumstances of Investors, initially, and will continue to do so throughout the life of the investment. Certain tax reliefs which are available to individuals will not be available to Institutional Investors.
- 1.4. The performance of the Fund is dependent on the availability of suitable and appropriate Portfolio Companies and the ability of such companies to perform in line with their respective business plans and to achieve anticipated investor returns at the time of realisation. Portfolio Companies may fail, investments may be realised for substantially less than the acquisition cost, or they may be impossible to realise at all. Portfolio Companies may accept other equity or debt capital which ranks higher than the Fund’s investments in an insolvency situation. The value of shares can fall as well as rise and Investors may not recover the full (or indeed any) of the amount of the Funds invested. Investors should only consider investing if this is a risk they can afford to bear.
- 1.5. The subscription for shares in the Portfolio Companies and the performance of those shares may not be covered by the Financial Services Compensation Scheme or by any other compensation scheme depending on whether the complainant is an eligible complainant under the FCA rules.

- 1.6. Although the Fund has target returns, there is no guarantee that these or any returns will be made. Neither the Investment Manager nor the Investment Advisor make any representation or warranty as to any returns which may or may not be made. You accept that any statements made in the Information Memorandum or elsewhere in respect of target or anticipated returns are aspirational and cannot be relied on.
- 1.7. The Investment Advisor actively seeks out potential Portfolio Companies through a range of channels including events, press, social media, referrals, its website and direct applications. It publicises the range of sectors it seeks ventures from and designs its promotional activity to reach a diverse range of potential Portfolio Companies. It receives applications for investment from companies spanning a wide range of sectors however given the nature of the investment policy, the funds social aims and the criteria for SEIS Relief/EIS Relief, the pool of companies available for investments will be limited by those criteria and therefore although the Investment Advisor and Investment Manager aim to diversify the portfolio as much as possible, the portfolio of this type of fund is necessarily limited by its social purposes and aims in respect of tax relief.
- Interests in the Fund
- 1.8. There is no liquid market on any public exchange, nor is there intended to be such a market, for investment via the Fund. Investments in Portfolio Companies will not be freely tradeable and there may be restrictions on transfer of shares. Investments made through the Fund will not be readily realisable investments.
- 1.9. Early-stage companies often require a series of investment rounds and additional investment may be required to maintain or increase the growth of the Portfolio Company. Failure to achieve these capital requirements may negatively impact the company’s ability to grow and realise returns for investors, whereas subsequent investment is likely to dilute an investor’s shareholding in a Portfolio Company.
- 1.10. The overall level of returns from the Fund’s investments may be less than expected including but not limited to (i) where there is delay in the proposed timescales for investment, such that all or part of the net proceeds of the Fund are held in cash for longer than expected; or (ii) if the returns obtained on individual investments are lower than originally expected; or (iii) if investments cannot be realised at the expected time and value. There can be no guarantee that suitable investment opportunities will be identified in order to meet all of the Fund’s objectives.
- 1.11. The timing of exits from Portfolio Companies may take longer than anticipated. An investment in the Fund should be considered a long-term investment. The Fund aims to find exit opportunities from Portfolio Companies within certain time periods, but it is probable that investments may be held much longer.
2. The Investment Manager and the Investment Advisor
- 2.1. The past performance of each of the Investment Manager and the Investment Advisor and their respective management teams from time to time, or of any investments invested in or managed by them, is not necessarily a guide to the future performance of the Fund.
- 2.2. Changes or disruptions to the Investment Advisor including but not limited to change of control of the Investment Advisor, the solvency of the Investment Advisor, the resignation or departure of the Investment Advisor can have an adverse effect on the Fund’s performance. Similar change or disruptions to the Investment Manager may likewise have an adverse effect on the Fund.
- 2.3. The departure or health of any of the key employees of the Investment Advisor or the Investment Manager could have an adverse effect on the Fund’s performance.

3. Portfolio Companies

- 3.1. Investment into early stage, unquoted companies, by its nature, involves a high degree of risk. Proper information for determining the value of such investments or the risks to which such investments are exposed may not be available. Investment in such companies can offer good potential investment returns but the markets for their shares are often illiquid and uncertain. Consequently, investment in smaller and unquoted companies is likely to involve a higher degree of risk than investment in larger or quoted companies. Realisation of investments in unquoted companies can be difficult and may take considerable time. Further, technology or scientific research – related risks may be greater in unquoted companies.
- 3.2. There is no guarantee the Investment Advisor and Investment Manager will be able to invest all Subscriptions by March 2024.
- 3.3. Smaller companies may generally have limited product lines, markets or financial resources and may be more dependent on their management or key individuals than larger companies. Although the Fund will seek to receive conventional investor rights in connection with its investments, as a minority investor it may not always be in a position to fully protect its interests and the interest of its investors.
- 3.4. There is no guarantee that the valuation of a portfolio company will fully reflect the underlying net asset value or the ability to buy and sell the investment at that valuation.
- 3.5. There can be no guarantee that the development plan can be achieved or that the business will have commercial value.
- 3.6. The Fund will in most cases take minority holdings for ordinary shares in Portfolio Companies and only basic investor protections will be sought at the time of investment, although the Fund will ordinarily seek relatively strong information rights. The Fund will where possible reserve observer board rights on the boards of Portfolio Companies, but such board positions may be held by a representative of the Fund or Investment Advisor. The Fund may choose not nominate an observer to the board of Portfolio Companies from time to time. As such there can be no guarantee that the Fund will be able to influence the strategy and decision making of the Portfolio Companies if other shareholders holding a larger stake take different views on the future direction of the business.
- 3.7. Small businesses are highly dependent on the skills of their management teams. The departure of any of a Portfolio Company’s directors or key employees could have a material adverse effect on the business of that Portfolio Company.
- 3.8. While any valuations will be conducted in line with the International Private Equity and Venture Capital Guidelines from time to time, no warranty is given on any valuations provided to investors that any such valuation is capable of being attained on a realisation of the investment.
- 3.9. Deal flow will be primarily identified from the Investment Advisor’s accelerator programme which could be advantageous in ensuring the Investment Advisor will have a steady stream of potential investments; however this also limits the pool from which investments may be identified.
- 3.10. Pre-seed and seed investments identified within the accelerator programme are likely to be very early stage and may not be proven and/or fully developed.

4. Future statements and changes

- 4.1. This document includes statements that are (or may be deemed to be) “forward looking statements”, which may be identified by the use of forward-looking terminology including the terms “believes”, “continues”, “expects”, “intends”, “may”, “will”, “would”, “should” or, in each

- case, their negative or other variations or comparable terminology. Investors should not place reliance on forward-looking statements. These forward-looking statements include all matters that are not historical facts. Forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements contained in this document, based on past trends or activities, should not be taken as a representation that such trends or activities will continue in the future.
- 4.2. Legal and regulatory changes could occur during the life of the Fund that may adversely affect the Fund or its investors. These may include tax, environmental, safety, labour and other regulatory and political authorities, or force majeure acts, terrorist events, or other operating risks.
- 4.3. Legal and regulatory changes, changes in government policies, effects on international trade, market volatility and/or fluctuations and other factors including during and following Brexit may have a significant effect on the Fund.
- 4.4 As a result of the effects of the Coronavirus and the cost of living crisis 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 Portfolio Companies and therefore negatively impact the Investments made by the Investors.
5. Taxation risk factors
- 5.1. Certain tax reliefs which are available to individuals will not be available to Institutional Investors.
- 5.2. Rates of tax. Tax benefits and allowances referred to throughout this Information Memorandum are based on current legislation and HMRC practice. These may change from time to time and are not guaranteed. Changes can be retrospective.
- 5.3. Changes in rules, regulations and legislation relating to the SEIS and EIS legislation may affect the ability of this product to meet its objective and/or reduce the level of returns that might have otherwise been achievable.
- 5.4. Any tax reliefs referred to in the Information Memorandum are those currently available and their value depends on the individual circumstances of investors, initially, and will continue to do so throughout the life of the investment.
- 5.5. The Fund will be invested in unquoted companies which the Investment Advisor reasonably believes are Qualifying Companies at the time of investment. Investors should note that there is no guarantee that such companies are or will remain Qualifying Companies at all times thereafter and that the continued availability of SEIS/EIS qualification depends on compliance with the requirements of the SEIS/EIS legislation by both the Investor and the Portfolio Company and is further dependent upon consistency in such legislation and consistent interpretation and guidance in relation to such legislation.
- 5.6. Until a realisation in any Portfolio Company is achieved, the Investment Advisor will where practicable seek to ensure that the company complies with the SEIS and/or EIS rules but only to the extent that (i) it is a condition precedent to the investment that the company obtains advance assurance as a Qualifying Company (but will not necessarily conduct any review of the application for SEIS/EIS advance assurance or review of the SEIS/EIS advance assurance itself) and (ii) the Investment Advisor shall seek to ensure that the terms of the investment includes undertakings by the company (and if appropriate, its managers) to remain a Qualifying Company so long as it is reasonably practicable to do so and/or warranties from the Portfolio Company and/or managers that the company is a Qualifying Company and that the shares are capable of attracting SEIS/EIS reliefs. However, tax relief may be reduced or withdrawn in certain

circumstances and none of the Investment Manager, the Investment Advisor, their Associates (as defined in the Investment Management Agreement), or any of their respective directors, employees, agents or shareholders will have any liability for any loss or damage suffered by you or any other person in consequence of such relief being withdrawn or reduced.

5.7. Where an Investor or a Portfolio Company ceases to maintain SEIS/EIS status in relation to any individual investment, it could result in reduction or withdrawal of some or all of the available reliefs and the requirement to repay any rebated tax.

5.8. The Investment Manager and Investment Advisor retain complete discretion to realise a SEIS/EIS investment at any time, including within the three-year qualifying period. In such circumstances, some or all of the SEIS/EIS reliefs relating to that particular investment will be reduced or lost. In making such a disposal, the Investment Manager is not obliged to take into account the tax position of Investors, individually or generally.

5.9. No assurance can be given that SEIS/EIS status will be maintained or granted for the three-year period that the investment needs to be held for it to benefit from SEIS/EIS reliefs.

5.10. It is not the intention of this Fund to regularly look for, or make, EIS investments, however to the extent there is any excess in the Fund which cannot be applied to SEIS investments (for instance where insufficient quality SEIS investments are available or the company requires top-up funding in addition to SEIS investment which the Investment Advisor recommends that the Fund provides) the intention is that this will be applied to EIS. Although the Fund allows for EIS investment, this is solely at the discretion of the Investment Advisor and Investment Manager.

6. Pooling

6.1. SEIS/EIS Funds utilise custodians to hold client money and assets. As such Investor funds and assets may be pooled with the assets of others which means that in the event of the failure of the Investment Manager or the Custodian, if there are insufficient investments to meet the claims of all persons with assets so pooled you could share in the shortfall. For so long as Mainspring Nominees Limited is Custodian:

6.1.1. the assets of each portfolio will not be pooled with funds and assets of the Custodian;

6.1.2 any cash held will be held in accordance with the client money rules;

6.1.3 has an acknowledgement of trust with the bank which means that the bank has no recourse or right against any cash held in the client bank accounts.

Therefore so long as Mainspring Nominees Limited is Custodian, the failure of the Custodian should not impact the investor's assets as they are segregated from the Custodian's own assets (as set out in 8.1.6 of the Investment Management agreement below together with the terms and conditions of the Custodial Agreement)

Appendix 2:

Investment Management Agreement

DEFINITIONS, CONSTRUCTION AND INTERPRETATION

1.1. In this Investment Management Agreement unless otherwise indicated the following definitions shall apply:

AIM	the Alternative Investment Market of the London Stock Exchange;
Business Day	a day on which banks are open for business in England other than a Saturday or Sunday or bank holiday;
Advisory Services	the services provided by the Investment Advisor to the Investment Manager in respect of the Fund as set out in the Collaboration Agreement including but not limited to recommending and advising on investments and arranging deals in investments;
Application Form	the application form to invest in the Fund, completed by the Investor and submitted to the Investment Manager;
Associate	any person or entity which (whether directly or indirectly) controls or is controlled by the relevant person. For the purpose of this definition ‘control’ shall refer to the ability to exercise significant influence over the operating or financial policies of any person or entity;
Cause	has the meaning given to that term in clause 16.1.4;
Closing Date	the date when your relevant Application Form is accepted by the Investment Manager and your relevant Subscription is received in cleared funds by the Custodian;
Collaboration Agreement	the agreement between the Investment Manager and the Investment Advisor containing inter alia the terms on which the Investment Advisor will provide advisory services to the Fund;
Connected	has the meaning set out in sections 166 to 170 ITA;
Consent	the consent in writing of the Investor Majority and the Investment Advisor;

Control	means control of the Portfolio Company as set out in section 995 as applied by section 1021 (2) (but subject to sections 257 (3) and 257 HJ (3) of the Income Taxes Act 2007);
Custodial Agreement	The Custody Agreement entered into between the Investment Manager (acting as agent on behalf of the Investor) and the Custodian set out at https://systems.mainspringfs.com/documents/bethnal-green/custody-agreement/8fa
Custodian	Mainspring Nominees Limited (registered in England and Wales with registration number 08255713 and with its registered address at 27 Furnival Street, London, EC4A 1JQ), authorised and regulated by the Financial ConductAuthority (FRN: 591814); or such other entity (which may be an Associate of Mainspring Nominees Limited or a third party) as the Investment Manager may appoint to provide safe custody and administration (and related) services in relation to investments in the Fund;
Custodian Fees	the fees referred to in clause 10.5;
Deal flow Services	means the service provided to the Fund by the Investment Advisor in identifying potential Investments;
EIS	the Enterprise Investment Scheme as set out in Part 5 of ITA;
EIS Provisions	the provisions of Part 5 ITA and sections 150 and 150 A, B and C and Schedule 5B of the Taxation and Chargeable Gains Act 1992 (in each case as inserted and/or amended from time to time);
EIS Reliefs	the reliefs in respect of income tax and capital gains tax available to certain subscribers of shares pursuant to the EIS Provisions;
EIS Shares	shares in a Portfolio Company on which the Investor hopes to obtain EIS Reliefs;
FCA	the Financial Conduct Authority of 12 Endeavour Square, London, E20 1JN;
FCA Rules	the rules and regulations contained in the FCA’s Handbook of Rules and Guidance as amended from time to time;
Fees	the Initial Fee, the Performance Fee and any other fees and expenses accruing to the Investment Manager (but not, for the avoidance of doubt, the Custodian Fees, if any) under this Investment Management Agreement;
Closing Date	5th April 2023 when the Investors’ relevant Application Forms are accepted by the Investment Manager and their relevant Subscriptions are received in cleared funds by the Custodian;
FSMA	the Financial Services and Markets Act 2000;

Fund	the Tech for Good SEIS and EIS Fund 5 constituting the investments made on behalf of all of the respective Investors, each of whom retain beneficial interests in the shares in Portfolio Companies allocated to them, the legal title to which interests are held by the Nominee, but which the Investment Manager manages on behalf of all of the Investors on a collective basis;	Maximum Fund Size	a maximum aggregate of Subscriptions which the Investment Advisor from time to time notifies to the Investment Manager that the Fund can reasonably invest;
Information Memorandum	In relation to the Fund, the Information Memorandum dated 31 December 2022 or, if later, the unapproved marketing brochure, applicable to you at the time of your delivery of your signed Application Form to the Investment Manager;	Minimum Fund Size	a minimum total subscription amount of £600,000 (subject to the discretion of the Investment Manager and theInvestment Advisor);
Initial Fee	the fee referred to in clause 10.2.1;	Nominee	MNL Nominees Limited and is registered in England and Wales with registration number 09512864 and registered address at 27 Furnival Street, London, EC4A 1JQ or such other nominee as may be appointed by the Investment Manager (which may be an Associate of MNL Nominees Limited) from time to time to be the registered holder of your Portfolio;
Initial Subscription	in relation to you, the initial amount accepted by the Investment Manager to be subscribed by you in the Fund;	Performance Fee	the fee referred to in clause 10.3.1;
Institutional Investor	an Investor who is (a) not a natural person and is not the Nominee or any other nominee holding SEIS Shares or EIS Shares on behalf on a natural person or (b) a natural person who cannot or does not obtain Reliefs, such as a foreign investor;	Portfolio	investments in any Portfolio Companies from time to time made through the Fund (including any un-invested cash) managed by the Investment Manager together with all income and capital profits arising thereon;
Investment	the investment by the Fund of Subscriptions into Portfolio Companies on behalf of Investors and “Investments” shall be construed accordingly;	Portfolio Company	any company invested in by the Fund pursuant to this Investment Management Agreement from time to time;
Investment Advisor	BGV Investment Management Ltd, registered in England with company number 10499434 and with a registered office at 63/66 Hatton Garden, Fifth Floor Suite 23, London, England, EC1N 8LE	Qualifying Company	a company which is a qualifying company for the purposes of SEIS Reliefs and/or EIS Reliefs as the case may be;
Investment Manager	Midmar Capital LLP, a limited liability partnership registered in Scotland with its registered address at Hudson House, 8 Albany Street, Edinburgh, EH1 3QB and registered number SO302073 and registered with the FCA under number FRN 519772, or such other suitably regulated fund manager as may be appointed under the terms of this Investment Management Agreement;	Qualifying Investments	investments by an individual into shares of a Qualifying Company, which are eligible for SEIS Reliefs and/or EIS Reliefs as applicable;
Investment Policy	the Investment Policy set out at Appendix 3 of the Information Memorandum;	Relevant Laws	all relevant laws, regulations and rules, binding on the management of the Fund and the Investments including those of the FCA;
Investor	a person whose application form is accepted by the Investment Manager, becoming a party to this Investment Management Agreement and an investor in the Fund;	Reliefs	the EIS Reliefs and/or the SEIS Reliefs
Investor Majority	the Investors having subscribed 75% or more of the Subscriptions from time to time	Risk Warnings	the risk warnings set out at Appendix 1 of the Information Memorandum;
ITA	Income Tax Act 2007;	SEIS	the Seed Enterprise Investment Scheme as set out in Part 5A of ITA;
		SEIS Provisions	the provisions of Part 5A ITA and sections 150 E, F and G and Schedule 5BB of the Taxation of Chargeable Gains Act 1992 (in each case as inserted and/or amended from time to time);
		SEIS Reliefs	the reliefs in respect of income tax and capital gains tax available to certain subscribers of shares pursuant to the SEIS Provisions;

SEIS Shares	shares in a Portfolio Company on which the Investor hopes to obtain SEIS Reliefs;
Shares	shares in the capital of a Portfolio Company;
Subscription	subscription to the Fund accepted by the Investment Manager pursuant to this Investment Management Agreement and “Subscriptions” includes all subscriptions accepted from all relevant Investors at all times;
Target Closing Date	in relation to the Fund, means such target date as is specified in the relevant Information Memorandum and thereafter (if and to the extent the Investment Manager accepts any further Subscriptions) such closing date as the Investment Manager notifies you is the target closing date for such Subscription pursuant to this Investment Management Agreement; and
Termination date	the date determined by the Investment Manager (acting reasonably in accordance with this Investment Management Agreement) on which the Fund will terminate.

- 1.2. Words and expressions defined in the FCA Rules which are not otherwise defined in this Investment Management Agreement shall, unless the context otherwise requires, have the same meaning in this Investment Management Agreement.
- 1.3. Any reference to a statute, statutory instrument or to rules or regulations shall be references to such statute, statutory instrument or rules and regulations as from time to time amended, re-enacted or replaced and to any codification, consolidation, re-enactment or substitution thereof as from time to time in force.
- 1.4. Words importing the singular include the plural and vice versa and words importing a gender include every gender and references to persons include bodies corporate or un-incorporate.
- 1.5. References to “you” refer to you being the person who has completed an Application Form which is accepted by the Investment Manager and so becomes a party to this Investment Management Agreement and an Investor in the Fund.
- 1.6. Unless otherwise indicated, references to clauses shall be to clauses in this Investment Management Agreement and references to Appendices shall be to appendices of the Information Memorandum.
- 1.7. Headings to clauses in the Investment Management Agreement or paragraphs of the Appendices are for convenience only and shall not affect the interpretation of this Investment Management Agreement.

2. Investment Management Agreement

- 2.1. This Investment Management Agreement together with the Application Form will constitute a legally binding agreement between you and the Investment Manager to constitute and manage your investments collectively with the other investments in the Portfolio in accordance with the terms set out in therein.
- 2.2. You hereby appoint the Investment Manager as discretionary investment manager of your Portfolio and you hereby appoint the Investment Advisor to provide the Deal flow Services to the Fund. You acknowledge that the Investment Manager as your agent shall appoint the Investment Advisor to provide the Advisory Services to the Investment Manager in respect of the Fund.
- 2.3. You acknowledge that the Investment Manager as your agent shall appoint:
- 2.3.1. the Custodian to act as custodian of your Portfolio to hold client assets and money; and

- 2.3.2. the Nominee to act as your trustee to hold legal title to your Investments on your behalf as beneficiary; on the terms and conditions of the Custodial Agreement.
- 2.4. Your investment in the Fund will be operated on the terms and conditions of the Investment Policy and this Investment Management Agreement.
- 2.5. This Investment Management Agreement shall supersede, replace and operate to the entire exclusion of any previous or other terms and conditions in relation to the formation and/or management of the Fund or your other investments in the Fund. For the avoidance of doubt where you have invested in the Fund at more than one Closing Date, the Investment Management Agreement in force at the time of your most recent investment in the Fund shall supersede, replace and operate to the entire exclusion of any previous Investment Management Agreement in relation to the formation and/or management of the Fund or your other investments in the Fund.
- 2.6. This Investment Management Agreement will come into force (and therefore the Investment Manager will, at its discretion, start managing your Portfolio) on your first Closing Date.

3. Applications and Subscriptions

- 3.1. Your Subscription to the Fund will be made in accordance with this Investment Management Agreement and your Application Form.
- 3.2. The Investment Manager may reject any Application Form at its reasonable discretion. In the event your Application Form is rejected, you will be notified immediately. In the event your Application Form is rejected, your Subscription shall be returned to you without interest as soon as reasonably practicable.
- 3.3. Your Initial Subscription amount must be at least £20,000 unless otherwise approved by the Investment Manager. In the event that aggregate Subscriptions in the Fund exceed the Maximum Fund Size, the Investment Manager may in its sole discretion accept your application for only part of the amount so subscribed.
- 3.4. Any amount subscribed by you in excess of your Subscription (ie the amount accepted by the Investment Manager as your subscription pursuant to clause 3.1) together with any portion of your Initial Fee attributable to such excess subscription shall be returned to you without interest as soon as reasonably practicable.
- 3.5. If the Minimum Fund Size is not reached by the Target Closing Date, the Investment Manager reserves the right to make no Investments and to return the Subscriptions, without interest, to the Investors.
- 3.6. Although under no obligation to do so, you may from time to time make further Subscriptions in the Fund by further Application Form with the agreement of the Investment Advisor and Investment Manager.
- 3.7. You may cancel your Subscription pursuant to clause 4 below, and you may make a withdrawal from the Fund, or terminate this Investment Management Agreement, pursuant to clause 17 below.

4. Cancellation Rights

- 4.1. You have the right to cancel your Subscription in writing to the Investment Manager within 14 days of the relevant Closing Date in respect of your Subscription, provided that such right does not give you the right to cancel or terminate or reverse any Investment transaction executed on your behalf prior to such cancellation. You do not have any right to cancel, terminate or reverse any transaction executed on your behalf.
- 4.2. On cancellation the Investment Manager will as soon as possible (but no later than 30 days from cancellation) refund your Subscription provided that the Investment Manager reserves the right to retain such portion of your Initial Fee on account of reasonable costs incurred by the Investment Manager or Investment Advisor or in respect of any other costs or expenses incurred in relation to the Fund.

4.3. If you do not exercise your cancellation right pursuant to this clause 4, clause 17 shall apply in respect of any termination of this Investment Management Agreement by Investors.

5. Client Categorisation and Fund Structure

- 5.1. The Fund will be the client of the Investment Manager. The Fund is a per se professional client as defined in the FCA Rules. As a professional client, the Fund will not have the protections applicable exclusively to retail clients under the FCA Rules. Certain of the FCA Rules will automatically be limited or modified in their application to the Fund. Certain of the FCA Rules will be capable of modification in their application to the Fund in relation to any business carried out by the Investment Manager under the terms of this Investment Management Agreement.
- 5.2. The Investment Manager will act in the interests of the Fund as a whole and the Investment Manager’s role will be to manage the Fund collectively, acting in the best interests of the underlying Investors as a whole.
- 5.3. Investment in the Fund comprises a designated investment which offers exposure to underlying financial assets in a packaged form which modifies that exposure when compared with a more direct holding in the underlying financial assets.
- 5.4. The Fund is a collective investment undertaking and an Alternative Investment Fund for the purposes of the Alternative Investment Fund Managers’ Directive (2011/61/EU), but not an unregulated collective investment scheme for the purposes of FSMA. Midmar Capital LLP is the Alternative Investment Fund Manager.

6. Investment Management Services

- 6.1. The Fund is a discretionary investment management service. By entering into this Investment Management Agreement, you grant to the Investment Manager the right to select and manage, at its discretion, investments which correspond with the objectives and principles for the Fund as identified by the Investment Advisor and as set out in the Investment Policy. The Investment Manager will, normally acting as your agent, have complete discretion to buy, sell, retain, convert, exchange or otherwise deal in investments and other assets of your Portfolio, make and withdraw deposits, exercise voting and consent and other rights, apply for issues and offers for sale and accept placings, underwritings and sub-underwritings of any investments, effect transactions on any markets or exchanges, negotiate and execute counterparty and account opening documentation, take all routine or day to day decisions and otherwise act as the Investment Manager thinks appropriate in relation to the management of the Portfolio, but subject always to the provisions of this Investment Management Agreement. You acknowledge receipt and understanding of the Investment Policy and the Risk Warnings and acknowledge that the Investment Manager has not provided you with advice about this product.
- 6.2. You hereby authorise the Investment Manager to act on your behalf and in your name or via the 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 and managing your Portfolio and this authority shall be irrevocable and shall survive, and shall not be affected by, your subsequent death, disability, incapacity, incompetence, termination, bankruptcy, insolvency or dissolution. This authority (subject to clause 17.6) will terminate upon your complete withdrawal from the Fund pursuant to clause 17. If determined necessary by the Investment Manager you undertake to execute a power of attorney in favour of the Investment Manager appointing the Investment Manager your attorney to carry out any action which the Investment Manager would otherwise have authority to carry out under this clause 6.2.
- 6.3. It is your responsibility (on the advice of your professional financial adviser if appropriate) to keep your financial circumstances, objectives and appetite for risk under review and to assess whether the specific investment selected by you remains suitable for your needs. The Investment Manager shall not be liable for any losses you suffer or incur as a result of your investment in the Fund (whether or not you have received advice from a professional financial adviser) and cannot and does not make any representation that such investment is suitable or appropriate for your specific needs and requirements.
- 6.4. Where you indicate your intention to subscribe for SEIS and/or EIS shares via the Fund, the Investment Manager will acquire Investments for your Portfolio which are identified by the

- Investment Advisor and which the Investment Manager reasonably believes to be Qualifying Investments at the time of acquisition (see paragraph 5 of the Investment Policy); however, the Investment Manager gives no commitment that: (i) you are a qualifying investor for SEIS or EIS purposes, or that (ii) any such Investment will remain a Qualifying Investment at all times thereafter. Subject thereto, there shall be no restriction on the amount invested in any one Investment, or on the proportion of your Portfolio in any one Investment, or any particular type of Investment, or on the markets on which transactions are effected, unless specified in this Investment Management Agreement. You should take independent professional advice in relation to the likely tax consequences in the event Investment Manager sells Qualifying Investments on your behalf.
- 6.5. You should be aware that investments in your Portfolio are likely to be classified under FCA Rules as ‘not readily realisable’. It may well be difficult or impossible to deal in such investments on a regular basis, for example because there is only a very limited market in which dealing is possible and the spread between the buying and selling price may be wide or because the Portfolio Company is unquoted.
- 6.6. By entering into this Investment Management Agreement each Investor warrants that it is not prevented from investing in the Fund by the rules of any professional body.
- 6.7. Except as expressly provided in this Investment Management Agreement or otherwise authorised, neither the Investment Manager nor the Custodian nor the Nominee nor the Investment Advisor shall have any authority to act on your behalf or as your agent.

7. Advisory Services and Deal flow Services

- 7.1. Neither the Investment Manager nor the Investment Advisor will give you investment, financial or tax advice.
- 7.2. This does not mean that you will not be provided with information on investments held within your Portfolio from time to time. If the Investment Manager, the Investment Advisor or Custodian gives you information on investments or markets such as market trends, investment analysis or commentary on the performance of selected companies this is for information purposes only and should not be viewed as a personal recommendation or advice. Information so prepared and provided to you is likely to be prepared by the Investment Advisor and/or the Custodian.
- 7.3. The function of the Investment Advisor is to identify potential investments for the Fund and recommend potential Investments for the Fund to the Investment Manager and so far as is lawful to assist in fundraising for the Fund. The Investment Advisor shall not give you investment or tax advice.

8. Custody and Nominee Services

- 8.1. Nominee’s role
- 8.1.1. The role of the Nominee is solely to act as the nominee holder, and in doing so, to safeguard the assets of the Investor.
- 8.1.2. The Investor will be the beneficial holder of the Investments but the investments will be held and registered in the name of the Nominee and this will be recorded in any documents evidencing title to the investments. The title to Investments shall indicate that the Investments do not belong to the Nominee.
- 8.2. Custodian’s role
- 8.2.1. The Custodian will be instructed by the Investment Manager to hold the Investor’s money using an omnibus client bank account pending investment, payment of charges or being returned to the Investor.
- 8.2.2. The client bank account will have client trust status therefore the assets being held by the Custodian on behalf of the Fund will be segregated from the Custodian’s own assets. Therefore, there is no risk to those assets in the event of insolvency of the Custodian.
- 8.2.3. Cash and securities held in respect of the Fund will be held in the Custodian’s

omnibus account together with cash and securities held by the Custodian for its other customers. As a result, where any distributions or other entitlements or benefits arise in respect of cash which is held by the Custodian for the Fund together with cash held by the Custodian for other customers such distributions entitlement or benefits shall be allocated amongst the Investment Manager and such customers pro rata in proportion of the amount of such pooled cash which are held for each customer and the Investment Manager.

8.3. The details of the bank with whom the client bank account has been set up will be provided by the Custodian to the Investment Manager on a case by case basis.

8.4. The Custodian has elected to hold cash as client money (as defined in the FCA Handbook) in accordance with the FCA rules on client money (CASS), and accordingly Investors are afforded the highest level of protection over their cash.

8.5. Any certificates or documents of title with respect to the Investments will be physically held by the Custodian.

8.6. Investor acknowledgements and confirmations

By subscribing to the Fund and entering into this Investment Management Agreement, the Investor:

8.6.1. confirms it has accessed the Custodial Agreement via <https://systems.mainspringfs.com/documents/bethnal-green/custody-agreement/8fa> and has read and understood the terms and confirms its acceptance to the terms of the Custodial Agreement;

8.6.2. consents to the Investment Manager entering into the Custodial Agreement with the Custodian, on behalf of the Investor, acting as its agent;

8.6.3. acknowledges that its 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;

8.6.4. acknowledges that:

(a) the Investment Manager has delegated the provision of administration, nominee and safe custody services to the Custodian;

(b) the Custodian has elected to hold the Investor’s cash as client money (as defined in the FCA Handbook) in accordance with the FCA rules on client money (CASS), and accordingly Investors are afforded the highest level of protection over their cash;

(c) the Custodian will hold the Investors money pending investment using an omnibus account which will have trust status and will be kept separate from any money belonging to the Custodian; and

(d) the Custodian may debit from any monies held on behalf of the Investor, any fees and charges due to the Custodian as and when such charges become payable.

9. Reports and Valuations

9.1. You will receive email confirmation of the completion of each investment from the Custodian and contract notes will be provided by the Custodian for each transaction for your Portfolio.

9.2. The Custodian will provide you with a report update at least every six months, giving the valuation of the Portfolio and an update from the Investment Manager on the progress of each Portfolio Company.

Investments will be valued in accordance with appropriate International

Private Equity and Venture Capital Guidelines from time to time prevailing. Statements detailing any dividends received in respect of the Investments will be provided annually.

9.3. Details of dividends which are received in respect of the Investments will be provided in respect of each tax year ending 5 April and appropriate statements sent to the Investor within sections 1105(1), (2) and (3) of the Corporation Taxes Act 2010.

9.4. The Investment Manager and the Custodian will supply such further information which is in its respective possession or under its control as you may reasonably request as soon as reasonably practicable after receipt of such request.

9.5. Any contract notes, statements, reports or information so provided by the Investment Manager to you will state the basis of any valuations of Investments provided.

10. Fees and Expenses

10.1. Fund Fees

10.1.1. The Investment Manager and the Investment Advisor may agree in writing such changes to the Fees of the Investors as they see fit.

10.2. Set up and management fees

10.2.1 The Investment Manager will charge a one-off initial and management fee equating to 10% of subscription amounts up to and including £50,000, 5% on any amount thereafter, which will be taken from your Subscription (“Initial Fee (plus VAT, if applicable)”) to cover the set up and operation of the Fund.

10.3. Performance Fee

10.3.1. In consideration for the Deal flow Services the Investment Advisor will charge you a Performance Fee (“Performance Fee”) equalling 20% of the returns on your gross Subscriptions after a 110% hurdle.

For clarification, once you have received £1.10 per £1.00 subscribed

(gross of any tax relief) the Investment Advisor will deduct 20% (plus VAT, if applicable) of any additional distributable returns by way of the Performance Fee and only the net balance will be distributed to you.

10.3.2. In the event that the investments in your Portfolio are transferred into your name (or as you may otherwise direct) pursuant to clause 17.2, 17.3 or 17.5, you agree that forthwith on any subsequent realisation of such Investments (whether by you or by your nominee and whether in cash or other consideration) you will pay the Investment Advisor a performance fee which equals 5% for every 365 days the Investment Advisor advised the Fund up to a maximum of 20% of the amount of cumulative cash (or other consideration) returned to you from Investments which is in value in excess of the amount of 1.1x your Subscriptions.

10.4. Additional costs

10.4.1. No other costs of establishing or running the Fund will be charged to the Fund, but note other costs, including taxes, related to transactions in connection with the designated investment or the designated investment business may arise for an Investor that are not paid via the Fund or imposed by it.

10.5. Custodian Fees

10.5.1. The Custodian may charge the Investment Manager on its standard terms a re-registration fee where you or the Investment Manager request your Investment be transferred from the Nominee’s name to any other person (“Custodian Fees”), which fee will be passed on to you.

10.5.2. The Custodian may debit from any monies held on behalf of you, any fees and charges due to the Custodian as and when such charges become payable.

10.6. VAT

10.6.1. All the above fees are exclusive of any applicable VAT.

10.7. Abort fees

10.7.1. The Investment Advisor will bear any legal, accounting and other fees incurred by the Fund in connection with potential Investments which do not proceed to completion.

10.8. Creation and Advisory Fees

10.8.1. The Investment Manager shall be responsible for any fees payable to the Investment Advisor in respect of the creation of the Fund and the Advisory Services and such costs or fees shall be borne from the Initial Fee.

10.9. Portfolio company fees

10.9.1. The Investment Advisor will charge to the Portfolio Companies and may retain for its own benefit any introduction fees, completion fees and directors’ or monitoring fees which it receives in connection with introducing or monitoring Investments.

10.9.2. No other fees for services relating to fundraising, corporate advisory services, accounts, company secretary, legal advice and assistance in maintaining SEIS and/or EIS status shall be charged by either the Investment Manager or the Investment Advisor.

11. Obligations of the Investor

11.1. Your Portfolio to be established by this Investment Management Agreement is set up on the basis that:

11.1.1. you confirm that the information stated in your Application Form and otherwise provided to the Investment Manager, Investment Advisor, and/or Custodian in relation to you and your investment in the Fund is true and accurate as at the date of your Application Form;

11.1.2. you will 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 your Application Form or in this Investment Management Agreement; and

11.1.3. you will provide the Investment Manager with any information which it reasonably requests for the purposes of managing your Investments pursuant to the terms of this Investment Management Agreement,

11.1.4. where you are an individual and have so indicated that you wish to seek SEIS and/or EIS relief on your Investments, you:

(a) will notify the Investment Manager if any Investment is in any Portfolio Company with which you are Connected;

(b) will notify the Investment Manager if, within three years of the date of issue of shares by a Qualifying Company, you become Connected with the company or receive value from such company; or

11.1.5. where you are an Institutional Investor, that you will notify the Investment Manager if any Investment is in any Portfolio Company over whom you exercise Control or could exercise Control, whether directly or together with any person Connected with you.

12. Delegation and Use of Agents

12.1. The Investment Manager may delegate any regulatory or administrative services to the Custodian as is agreed between them from time to time with the consent of the Investment Advisor.

12.2. The Investment Manager shall delegate any deal flow sourcing, due diligence, monitoring or administrative function to the Investment Advisor as is set out in the Collaboration Agreement from time to time.

12.3. Agents and subcontractors (including Associates) may be employed by the Investment Manager and/or the Investment Advisor where reasonable to perform its services under this Investment Management Agreement, in which case it will act in good faith and with due diligence in the selection, use and monitoring of agents.

12.4. Any employment of agents shall not affect the liability of the principal under the terms of this Investment Management Agreement (and/or the Custodial Agreement as the case may be).

13. Best Execution

13.1. The Investment Manager will take reasonable steps in accordance with this Investment Management Agreement in order to obtain the best execution results for its customers.

13.2. Notwithstanding the generality of clauses 6.1 and 13.1, and also to clause 14 below, all transactions for your Portfolio will be undertaken in accordance with the overriding principle of ‘Best Execution’ under the FCA Rules. In formulating the Investment Policy, the Investment Advisor and Investment Manager have taken into account the following criteria for determining the relative importance of the following execution factors: price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to making an Investment:

13.2.1. the Fund’s categorisation as a professional client, the characteristics and investment objectives of the Fund (including any co-investment by the Fund alongside other funds or EIS investors);

13.2.2. the characteristics of the SEIS and/or EIS provisions (if applicable) and the characteristics of the normal commercial practice of the counterparties with which, and the markets in which, the Portfolio Companies will do business; and

13.2.3. that Institutional Investors ineligible for Reliefs or other Investors ineligible for SEIS Reliefs and/or EIS Reliefs may invest via the Fund.

Therefore the Investment Manager and Investment Adviser consider (and you accept and confirm) in applying the investment criteria specified at paragraph 5 of the Investment Policy, the Investment Manager has taken all reasonable steps to obtain, when making investments, the best possible result for the Investors in the Fund.

13.3. The Fund will execute trades outside a regulated exchange or multi-lateral trading facility. You authorise the Investment Manager to execute such trades on your behalf.

14. Dealing, Counterparties and Aggregation

14.1. In effecting transactions for the Fund, each of the Investment Manager and the Investment Advisor will act in accordance with the FCA Rules.

14.2. Where relevant, it is agreed that all transactions will be effected in accordance with the rules and regulations of the relevant market, exchange or clearing house and the Investment Manager shall take all such steps as may be required or permitted by such rules and regulations and/or by good market practice. All transactions in Investments will be subject to the rules and customs of the exchange or market and/or clearing house through which the transactions are executed and to all Relevant Laws so that:

14.2.1. if there is any conflict between the provisions of this Investment Management Agreement and any such rules, customs or Relevant Laws, the latter shall prevail; and

14.2.2. action may be taken as thought fit in order to ensure compliance to any such rules, customs or Relevant Laws.

Investments will consist of a range of unlisted securities and although some may in the course be traded on AIM, there is generally no relevant market or exchange and consequent rules and customs and there will be varying practices for different securities. Transactions in shares of such securities will be effected on the best commercial terms which can reasonably be secured.

14.3. All transactions will be effected in accordance with the rules and regulations of the relevant market, exchange or trading facility, and the Investment Manager may take all such steps as may be required or permitted by such rules and regulations and/or by appropriate market practice.

14.4. The Investment Manager may aggregate your 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 your disadvantage, however, occasionally this may not be the case. The Investment Manager will allocate aggregated transactions promptly on a fair basis in accordance with the requirements of the FCA Rules.

14.5. 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 Investment Management Agreement.

15. Conflicts of Interest

- 15.1. Both the Investment Manager and the Investment Advisor have implemented and shall continue to implement a conflicts of interest policy that identifies, prevents, manages and/ or mitigates any circumstances that constitute, or may give rise to, conflicts of interest that pose a material risk of damage to its customers. This policy also addresses the effective organisational and administrative arrangements that each of the Investment Manager and Investment Advisor maintains and operates to manage those conflicts. A copy of the Investment Manager and the Investment Advisor’s conflicts policy is available on request. In the event of an unforeseen material conflict of interest (not covered by this Investment Management Agreement or the conflicts of interest policies) arising, the Investment Manager shall consult with the Investment Advisor in the first instance with a view to ensuring fair treatment of the Investors and proposing mitigation strategies in respect of the conflicts.
- 15.2. The Investment Manager shall not in any circumstances be required to account to you for any profits earned in connection with any such services. However, the Investment Manager will use all reasonable endeavours to ensure fair treatment as between you and its other customers in accordance with the FCA Rules and its own conflicts policy.
- 15.3. The Investment Manager and any of its Associates may, subject to FCA Rules, and without prior reference to you, recommend transactions in which it or an Associate has, directly or indirectly, a material interest or a relationship of any description with another party, which may involve a potential conflict with its duty to you. Neither the Investment Manager nor any Associate shall be liable to account to you for any profit, commission or remuneration made or received from or by reason of such transactions or any connected transactions. For example, such potential conflicting interests or duties may arise in circumstances including but not limited to:
- 15.3.1. the Investment Manager or Associate may receive remuneration or other benefits by reason of acting in corporate finance or similar transactions involving the Portfolio Companies;
 - 15.3.2. the Investment Manager may take an equity stake in a Portfolio Company (at a price not below the issue price available to you)(subject to clause 15.3.3 below);
 - 15.3.3. the Investment Manager’s or Investment Advisor’s entitlement to Fees under this Investment Management Agreement or otherwise may be satisfied by subscriptions for shares by or on behalf of the such person and its directors, members, partners, employees, Associates and others with whom such may share its entitlement. Those shares may be subscribed at a price below the issue price available to you and may dilute the returns to you but only to the extent of the value of the performance incentive and subject to the Investment Policy;
 - 15.3.4. the Investment Manager or an Associate provides investment services for other customers;
- 15.4. any of the Investment Manager’s or Investment Advisor’s directors, members, partners, employees or Associates, or those of an Associate, is or may become a director of, holds or deals in securities of, or is otherwise interested in any Portfolio Company.

16. Liability

- 16.1. Each of the Investment Manager and the Investment Advisor agrees that it will act in good faith and with due skill and diligence in managing your Portfolio in accordance with this Investment Management Agreement. Each of the Investment Manager and the Investment Advisor accepts responsibility for loss finally and judicially determined by a competent court to be primarily attributable to its own:
- 16.1.1. material breach of this Investment Management Agreement which (where capable of remedy) has not been immediately remedied; or
 - 16.1.2. negligence; or
 - 16.1.3. wilful default; or
 - 16.1.4. fraud

(each a “Cause”) or the action of any of its Associates which constitutes Cause.

- 16.2. Where the Investment Manager or the Investment Advisor has delegated any of its functions to an agent or subcontractor pursuant to clause 12, such delegator accepts responsibility for the acts and omissions of such delegate as if they were its own.
- 16.3. If the Custodian should fail to deliver any necessary documents or to account for any investments, the Investment Manager will take reasonable steps on your behalf to recover such documents or investments or any sums due or compensation in lieu thereof but subject to its general duty of good faith, the Investment Manager shall not be liable for any failure of the Custodian.
- 16.4. Subject to clauses 12.3 and 14.3, the Investment Manager shall not be liable for the defaults of any person other than an Associate who holds cash, securities, legal title to assets and/or documents on your behalf including but not limited to agents, bankers, nominees and counterparties other than in relation to its duty to act in good faith with due skill and diligence in selecting and taking reasonable steps to monitor the same.
- 16.5. In the event of any failure, interruption or delay in the performance of the Investment Manager’s or Investment Advisor’s or Custodian’s or Nominee’s obligations resulting from acts, events or circumstances not reasonably within its control (including, but not limited to: acts or regulations of any governmental or supranational bodies or authorities; breakdown, failure or malfunction of any telecommunications or computer service or services; disruption to stock market dealings; and acts of war, terrorism or civil unrest) neither the Investment Manager nor the Investment Advisory shall be liable to you for consequent loss in the value of, or failure to perform investment transactions for the account of, your Portfolio.
- 16.6. Nothing in this clause 16 shall exclude or limit any duty or liability:
- 16.6.1. the Investment Manager and/or the Investment Advisor may have to you under the regulatory regime and/or for its own fraud; or
 - 16.6.2. the Investment Manager may have to the Investment Advisor under the Collaboration Agreement.
- 16.7. Neither the Investment Manager nor the Investment Advisor shall be liable for any loss or damage of any direct or indirect nature caused by the failure to achieve or retraction by HM Revenue & Customs of the SEIS and/or EIS status of any holdings within your Portfolio, or for any other changes in legislation.
- 16.8. None of the Investment Manager or the Investment Advisor is responsible for loss of goodwill, profit, reputation, opportunity or any special or indirect losses whether or not the Investment Manager or the Investment Advisor of the Custodian or the Nominee has been advised of the possibility of such loss and howsoever it occurred.
- 16.9. Neither the Investment Manager nor the Investment Advisor gives any representations or warranty as to the performance of the Fund. 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.
- 16.10. There shall be no direct contractual relationship between you and the Investment Advisor in relation to the Fund and your recourse in relation to breach of this Investment Management Agreement shall be as against the Investment Manager, provided that the Investment Advisor may rely on and shall have the benefit of any right, obligation or protection accruing to it pursuant to this Investment Management Agreement including but not limited to the payment of Performance Fees.

17. Termination and Withdrawal

- 17.1. The Fund will terminate and this Investment Management Agreement will terminate on the Termination Date. The Custodial Agreement will terminate subject to the terms of the Custodial Agreement. The Investment Manager will notify you of the proposed Termination Date at least three months in advance.
- 17.2. On the Termination Date all investments remaining in your Portfolio will either be realised and the net cash proceeds after fees and charges transferred to you and/or transferred into your name or as you may otherwise direct, subject in each case to the Investment Manager’s

and Investment Advisor’s respective entitlement to the Fees and subject to the Custodian’s entitlement to the Custodian Fees.

17.3. If the Investment Manager:

- 17.3.1. gives you not less than two months written notice of its intention to terminate its role as Investment Manager under this Investment Management Agreement, having found a suitable replacement manager who has committed to take over management of the Fund; or
- 17.3.2. ceases to be appropriately authorised by the FCA or becomes insolvent; or
- 17.3.3. is required to step down by an Investor Majority with the agreement of the Investment Advisor

it shall endeavour to make arrangements to transfer your Investments to another fund manager in which case the replacement fund manager shall assume the role of the Investment Manager under this Investment Management Agreement, failing which this Investment Management Agreement shall terminate forthwith and, subject to clause 10.3.2, the investments in your Portfolio shall be transferred into your name or as you may otherwise direct. For the avoidance of doubt where the Investment Manager is replaced pursuant to this clause the new Investment Manager, having entered into a deed of adherence to this Investment Management Agreement shall be deemed to be a party to this Investment Management Agreement in the place of the exiting Investment Manager.

17.4. Provided clause 17.3 does not apply, this Investment Management Agreement shall terminate in respect of you upon the payment to you of all sums due to you in accordance with clause 17.2.

17.5. Subject to clause 10.3.2, you are entitled to (i) withdraw Shares in your Portfolio at any time after the end of the period of seven years beginning with the date on which such Shares were issued and (ii) withdraw cash in your Portfolio at any time. You are not otherwise entitled, without the consent of the Investment Manager, to make withdrawals from the Fund save in the event that this Investment Management Agreement is terminated.

17.6. In addition to the rights set out at clause 10.3.2, each of the Investment Manager and the Investment Advisor will have a lien on all assets being withdrawn or distributed from the Fund and shall be entitled to dispose of some or all of the same and apply the proceeds in discharging your liabilities to the Investment Manager or Investment Advisor (as the case may be) in respect of damages or accrued but unpaid Fees together with such person’s charges (if any) in connection with transferring your Investments into your name or as you may direct. The balance of any sale proceeds and control of any remaining Investments will then be passed to you.

17.7. On termination pursuant to this clause 17, the Investment Manager will use reasonable endeavours to complete all transactions in progress at termination expeditiously on the basis set out in this Investment Management Agreement.

17.8. Termination will not affect accrued rights, existing commitments or any contractual provision intended to survive termination and will be without penalty or other additional payments save that you will pay the Fees and expenses incurred up to and including the date of termination and payable under the terms of this Investment Management Agreement.

17.9. The following clauses shall survive termination: 10, 16, 18, 21 and 22.

18. Confidentiality and Data Protection

18.1. Subject to clause 18.5, each of the Investment Manager and the Investment Advisor will at all times keep confidential all information acquired pursuant to this Investment Management Agreement, except for information which:

- 18.1.1. is in the public knowledge; or
- 18.1.2. it may be entitled or bound to disclose under compulsion of law; or
- 18.1.3 . is requested by regulatory agencies; or
- 18.1.4. is given to their professional advisers where reasonably necessary for the

performance of their professional services; or

18.1.5. is authorised to be disclosed by the relevant party; and each shall use all reasonable endeavours to prevent any breach of this clause

18.2. None of the Investment Manager, the Investment Advisor, or you shall disclose to third parties or take into consideration information either:

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

18.2.2. which comes to the notice of an employee, officer or agent of the Investment Manager or the Investment Advisor or of any Associate of the same but properly does not come to the actual notice of that party providing services under this Investment Management Agreement.

18.3. The Investment Manager and the Custodian may verify your identity and assess your financial standing and may use any information it collects in respect of you for those purposes and for the purposes of meeting their respective obligations under all Relevant Laws, managing the Fund, administering the Investors’ accounts and for service quality, product analysis and market research purposes. Any such information may be shared with the Investment Advisor.

18.4. All data which you provide to the Investment Manager and/or the Custodian is held by that party subject to the General Data Protection Regulation ((EU) 2016/679).

18.5. Certain information may be shared by the Investment Manager, Custodian and/or Investment Advisor with their Associates for administrative reasons. Each of them may share such information with credit reference agencies and UK and overseas law enforcement agencies or regulatory authorities and other relevant bodies as is necessary to carry out the services under this Investment Management Agreement. Your information is confidential and will not be used for any purpose other than in connection with the provision of services to Investors, unless it is information that is already publicly available.

18.6. You have the right, on request, to receive a copy of the information that the Investment Manager or the Investment Advisor holds about you to the extent that it constitutes personal information.

19. Risk Warnings

19.1. You acknowledge and accept the Risk Warnings set out at Appendix 1 of the Information Memorandum. You acknowledge that this Investment Management Agreement cannot disclose all risks and other significant aspects of investments.

20. Borrowings

20.1. The Investment Manager will not borrow money for the Portfolio, nor lend securities or enter into stock lending or similar transactions.

21. Complaints Procedure and Compensation

21.1. If you have a complaint, in the first instance contact the Investment Manager. The Investment Manager has established procedures in accordance with the FCA Rules for handling complaints. As a Professional Investor investing in an AIFM scheme, you will not be eligible to refer your case to the Financial Ombudsman Service (FOS).

21.2. If you qualify as an eligible complainant as defined in the FCA Rules you may be eligible for compensation from the Financial Services Compensation Scheme (FSCS) in cases of loss arising from issues such as poor investment management or misrepresentation; or if the Investment Manager goes out of business and cannot return investments or money. For more details of how the FSCS investment protection scheme works, please see <https://www.fscs.org.uk/what-we-cover/products/investments/>.

22. General

22.1. This Investment Management Agreement and your Application Form comprise the entire agreement between you and the Investment Manager relating to the Fund.

22.2. If any term, condition or provision of this Investment Management Agreement shall be held to be invalid, unlawful or unenforceable to any extent, such term, condition or provision shall not

affect the validity, legality or enforceability of the remainder of this Investment Management Agreement.

22.3. The Investment Manager may with Consent assign this Investment Management Agreement to any appropriately authorised and regulated person, such assignment being effective upon written notice to you; provided that no such Consent or assignment is required in respect of a termination and replacement of the Investment Manager's appointment pursuant to clause 17.3. This Investment Management Agreement is personal to you and you may not assign it.

22.4. The Investment Manager may with Consent amend this Investment Management Agreement by giving you not less than 10 Business Days' written notice. The Investment Manager may amend this Investment Management Agreement with immediate effect on notice to you in writing in circumstances where it is required to do so in accordance with Relevant Laws or to reflect changes in regulation including but not limited to amendments required by the FCA Rules, in order to comply with HMRC requirements and/or where reasonable in order to maintain the Reliefs available to the relevant individual SEIS and/or EIS Investors.

22.5. The Investment Manager may not terminate and replace the appointment of the Investment Advisor without the Consent of the Investors and the consent of the Investment Advisor.

22.6. Except that each of the Custodian and the Investment Advisor shall have a right to enforce any right, benefit or protection accruing to it under this Investment Management Agreement, it is not intended that any term contained in this Investment Management Agreement shall be enforceable, whether by virtue of the Contracts (Rights of Third Parties) Act 1998, or otherwise, by any third party.

22.7. The Investment Manager will ordinarily communicate with you by email. The Investment Manager may send any communication to you at the postal address and/or email address in set out in your Application Form or any other postal address or email address you provide to it by written notice. You may communicate with the Investment Manager at the postal or email address set out in this Investment Management Agreement or as notified to you by the Investment Manager from time to time.

22.8. Notice sent by first class post is deemed to have arrived on the second Business Day after posting. Notice sent by email or hand-delivered is deemed to be delivered immediately if arriving prior to 5pm on a Business Day or on the next Business Day if sent or delivered on or after 5pm or if not sent on a Business Day).

22.9. This Investment Management Agreement and your Application Form are governed by English Law and the parties shall submit to the exclusive jurisdiction of the courts of England in respect of all claims whether contractual or non-contractual.

22.10. This Investment Management Agreement and your Application Form are supplied in English, and the Investment Manager and Custodian will only communicate in English during the course of their respective relationships with you.

Appendix 3:

Investment policy

Unless otherwise indicated, defined terms used in this Appendix have the same meanings as in the Investment Management Agreement at Appendix 2 of this Information Memorandum.

1. Investment Criteria

- 1.1. The Fund will only invest in companies which:
 - 1.1.1. have a social or environmental mission and a plan for activities which pursue this mission;
 - 1.1.2. intend to trade profitably in pursuit of their mission;
 - 1.1.3. operate with high standards of business ethics (e.g. by adopting Responsible Business Principles).
- 1.2. The Fund will require its Portfolio Companies to comply with the following:
 - 1.2.1. specify and provide evidence of their performance in affecting one or more positive changes for society and / or the environment, in line with their social / environmental mission;
 - 1.2.2. specify the group of people they intend to benefit in line with their social / environmental mission and provide evidence of the scale at which they are reaching this group (where benefits are for the general public, it will be the intention that the general public may benefit without restrictions of access or affordability);
 - 1.2.3. demonstrate to the Fund’s satisfaction that the remuneration of its officers and employees, including salaries, benefits and all forms of distribution or other participation is reasonable and proportionate;
 - 1.2.4. make best efforts to preserve their social or environmental mission in the event of a change of ownership or control;
 - 1.2.5. ensure that operating profits are applied in advancement of its social or environmental mission; and
 - 1.2.6. provide all support necessary to any independent auditors of social, environmental or financial performance appointed by the Fund.
- 1.3. The Fund will require Portfolio Companies into which it makes investments post accelerator programme to adopt articles of association that contain an objects clause, which expresses a social or environmental mission.
- 1.4. The Fund will include in its contractual agreements with Portfolio Companies the means through which the Fund may forcibly divest of its investment should, in the opinion of the Investment Manager, retention of the investment be inconsistent with the investment objective and/or the Investment Policy.
- 1.5. the Investment Advisor shall recommend to the Investment Manager, Portfolio Companies for investment by the Fund .
- 1.6. Nothing shall prevent the Investment Manager from investing the Fund into EIS Qualifying Investments in later stage Portfolio Companies.
- 1.7. Nothing shall prevent the Investment Manager from making EIS qualifying follow-on investments into existing Portfolio Companies or any other Portfolio Company of any other fund of which the Investment Advisor provides advisory services.

2. Investment Timing

- 2.1. The Investment Manager will aim to invest Subscriptions within 18 months of the relevant Closing Date.
- 2.2. The Fund will where reasonably practicable hold Investments for a period of at least three years.

3. Investment Size and Scaling

- 3.1. The Fund will aim to invest in twelve companies at pre-seed and seed stages by March 2024.
- 3.2. At least 50% of Investments will aim to be eligible for SEIS relief; with the balance to be EIS eligible, but the Fund may invest outside these perimeters at the discretion of the Investment Manager on the recommendation of the Investment Advisor.

4. Co-investment and follow-on investment

- 4.1. The Fund may invest on its own or alongside other investors being business angels, investment funds, angel syndicates or corporate investors.

5. Performance of management services

- 5.1. In performing the management services set out in the Investment Management Agreement (“**the Services**”), the Investment Manager shall at all times have regard to:
 - 5.1.1. the Investment Criteria (above) and the Investment Restrictions (below).
 - 5.1.2. the desire for the Shares invested in by any Investors seeking SEIS or EIS reliefs to attract the various tax advantages, including (but not limited to) Reliefs arising from subscriptions for shares in Qualifying Companies) (“Tax Advantages”); and
 - 5.1.3. all Relevant Laws.
- 5.2. The Investment Manager shall manage the Fund in the best interests of the Investors in the Fund as if all of the Investors in the Fund were SEIS or EIS Investors.
- 5.3. The Investment Manager will use its reasonable endeavours to ensure that a Portfolio Company is a Qualifying Company. For the avoidance of doubt, such reasonable endeavours will be limited to:
 - 5.3.1. taking any reasonably appropriate action arising from a notification expressly made pursuant to any notifiable circumstance under the Application Forms and/or clause 11.1.4 or 11.1.5 of the Investment Management Agreement (noting that the timing of such notification may be such that the Portfolio Company may have already lost its status as a Qualifying Company and the Investment Manager shall not be liable for the loss of such status); and
 - 5.3.2. it (unless the Investment Manager acting reasonably deems it impracticable to obtain the same in the time period required for the Investment) being a condition precedent of the investment that the Portfolio Company has obtained an advance assurance from HMRC that it is a Qualifying Company (but will not include any review of the application for advance assurance or review of the advance assurance itself); and/or
 - 5.3.3. the terms of the investment including undertakings by the Portfolio Company (and if appropriate, its managers) to remain a Qualifying Company so long as it is reasonably practicable to do so and/ or warranties from the Portfolio Company and/or managers of that Portfolio Company that the Portfolio Company is a Qualifying Company and that the relevant Shares are capable of attracting the relevant SEIS Relief or EIS Relief.

6. Investment Restrictions

- 6.1. Investments by the Fund are subject to the following restrictions (“**Investment Restrictions**”):
 - 6.1.1. Investments will only be made after the Closing Date;
 - 6.1.2. the Fund will not invest in warrants, units in collective investment schemes or in any other derivatives of any sort;
 - 6.1.3. the Fund shall not invest, guarantee or otherwise provide financial or other support, directly or indirectly, to proposed Portfolio Companies whose business activity consists of an illegal economic activity (ie any production, trade or other activity which is illegal under the laws or regulations applicable to the Fund).
- 6.2. The Fund may not invest in:
 - 6.2.1. defence or other industries involved in the pursuit or facilitation of armed conflict;
 - 6.2.2. tobacco or other industries known to cause damage to human health;
 - 6.2.3. extractive mining or other industries known to cause environmental damage;
 - 6.2.4. sectors, industries or companies whose operations are considered by BGV to be exploitative of workers;
 - 6.2.5. businesses undertaking Excluded Activities as defined under section 192 ITA.

For further information please contact

Bethnal Green Ventures
63/66 Hatton Garden,
Fifth Floor Suite 23,
London,
England, EC1N 8LE

+44 (0) 207 6700 350
invest@bethnalgreenventures.com
bethnalgreenventures.com