



EIS Fund managed by  
MMC Ventures Limited  
Customer Agreement

May 2020

By completing the “Signature” at section 5 of the Application Form you agree to enter into this Customer Agreement with MMC Ventures Limited and for MMC Ventures Limited to enter into the Custody Agreement with the Custodian as your agent. This Customer Agreement is in four parts and comprises: (A) the Terms & Conditions; (B) a Custody Authority; (C) a description of the Application Procedure; and (D) an Application Form. Terms and expressions defined in the EIS Information Memorandum which accompanies this document shall have the same meanings in this Customer Agreement, except where the context requires otherwise. In these Terms & Conditions “**Associate**” shall mean the directors, officers and employees of MMC and other persons connected with MMC; and “**Custodian**” shall mean Mainspring Nominees Limited or any successor appointed by MMC to act as Custodian. The Custodian shall hold the title documents to the investments for Investors through a nominee and any reference to Custodian in this Customer Agreement shall include such nominee where applicable.

Any information contained in this Customer Agreement relating to taxation is only intended as a brief and general guide to the main relevant aspects of UK tax law and practice of Her Majesty’s Revenue and Customs (which may change in the future) applicable to the holding and disposal of interests under this Customer Agreement. It is not intended to provide specific advice and no action should be taken or omitted to be taken in reliance upon it. It is addressed to ordinary individuals who are resident in the UK and who are the absolute beneficial owners of the portfolio managed pursuant to this Customer Agreement. Accordingly, its applicability will depend upon the particular circumstances of individual Investors. This Customer Agreement does not attempt to provide exhaustive information. Any prospective Investor who is in any doubt as to his/her tax position in relation to the EIS Fund should consult appropriate professional advisers.

## (A) Terms & Conditions

### 1. Regulatory status

- 1.1 MMC Ventures Limited (“**MMC**”) (the “**Fund Manager**”) is authorised and regulated by the Financial Conduct Authority to manage investments. FCA’s address is 25 The North Colonnade, Canary Wharf, London E14 5HS.
- 1.2 We have classified you as a retail client for the purposes of the Financial Conduct Authority’s rules (together with any directly applicable EC legislation, the “**FCA Handbook**”) to provide you with the highest level of regulatory protection under the FCA Handbook. Although the FCA Handbook allows you to request a lower degree of such regulatory protection, we are neither obliged nor prepared to consider such requests. We shall treat you alone as our client under the FCA Handbook.

### 2. Appointment

- 2.1 These Terms & Conditions will come into force on the date of acceptance by us of a duly completed Application Form, which is signed by you, subject to paragraph 2.3 below.
- 2.2 We will provide the services to you as detailed in paragraph 3.1 below, (“**Services**”).
- 2.3 To ensure compliance with the Money Laundering Regulations the Fund Manager is entitled to require, at its absolute discretion, verification of identity from any applicant including, without limitation, any applicant who either (i) tenders payment by way of a cheque or banker’s draft drawn on an account in the name of a person or persons other than the applicant or (ii) appears to the Fund Manager to be acting on behalf of some other person. Pending the provision of evidence satisfactory to the Fund Manager as to the identity of the applicant and/or any person on whose behalf the applicant appears to be acting, the Fund Manager may, in its absolute discretion, retain an Application Form lodged by an applicant and/or the cheque or other remittance relating thereto and/or not treat any acceptance as a valid Subscription.

### 3. Services provided by MMC

- 3.1 For so long as your account at the Custodian has funds available for making investments in Qualifying Companies we will use reasonable endeavours to identify opportunities for investment by you in prospective Qualifying Companies. We will make evaluations of such opportunities and arrange for investment on your behalf. We shall have complete authority without prior reference to you to enter into any transaction or arrangement for your portfolio, but always subject to the investment objective as described in paragraph 3.3 and the overriding principle of best execution set out in the FCA Handbook. You should be aware that in acting as fund manager we do not make investment decisions on the basis of suitability for any particular Investor. Investments and sales in Qualifying Companies are made in a synchronised way on a collective basis, on behalf of multiple clients of MMC. As a result, MMC is deemed to be managing an alternative investment fund.

- 3.2 You agree to provide information to us and attend meetings as reasonably requested by us. You also agree to ensure that all information provided by you is accurate and up to date and to inform us promptly if there are any changes to your circumstances.
- 3.3 Our investment objective is to invest on your behalf in a portfolio of companies that are believed to be Qualifying Companies for the purpose of EIS relief and CGT deferral relief at the time of original investment, and achieve long term capital growth.
- 3.4 You acknowledge and agree that we will be entitled to invest in shares in companies on your behalf other than on a regulated market, multilateral trading facility or organised trading facility (each as defined in the FCA Handbook) and where no trading facility is available and which may not be readily realisable.
- 3.5 Under the FCA Handbook, we are required to provide you with information about the financial instruments in which we may transact under the Services, including the rights which may arise in relation to each customer type. Risk warning notices are included in the Information Memorandum, a copy of which shall be provided to you before we commence our Services. You should read those warnings carefully and contact us at the address set out in the Information Memorandum if you have any queries. Please note that we will only invest on your behalf in financial instruments which are believed to be shares in Qualifying Companies for the purpose of EIS relief.
4. **Subscription**
- 4.1 On subscription to the EIS Fund you agree that the Fund Manager will arrange the purchase for you of shares in Qualifying Companies. Your portfolio will initially comprise cash (the “**Subscription**”) that will be paid into a separate designated client account in the name of the Custodian for Investors. This account will be interest bearing, with the interest accruing to individual Investors as detailed in this Customer Agreement. The total amounts, less any initial charges, if applicable, will be held in this account pending their investment by the Fund Manager. The Fund Manager intends that each Subscription will be invested over a period of approximately 12 to 18 months. However, it should be noted that this time period may vary.
5. **EIS Fund structure and operation**
- 5.1 The structure of the EIS Fund is a series of Customer Agreements between the Fund Manager and each Investor. The EIS Fund will comprise individual portfolios in the name of each Investor. The Fund Manager will manage those portfolios on a collective basis in accordance with the investment objective of securing capital appreciation from subscriptions in Qualifying Companies for the purposes of EIS at the time of original investment. However we will not be constrained by this factor in determining whether or not to exercise any rights on your behalf. Please note that companies can lose their EIS status. The structure of the EIS Fund is such that we take investment decisions on behalf of the EIS Fund on a collective basis and so do not owe a regulatory duty of suitability to you for investment decisions made on your behalf. This means that we will not assess on an individual basis whether a subscription in a Qualifying Company is a suitable investment decision based upon your individual circumstances. The EIS Funds are not a legal entity. They are Alternative Investment Funds (‘AIF’) pursuant to the EU Alternative Investment Fund Managers Directive (‘AIFMD’) and MMC is authorised to act as an AIF Manager (‘AIFM’) and, accordingly, is the AIFM of the EIS Funds.
- 5.2 The EIS Fund will not be an approved EIS Investment Fund for the purposes of Section 311(2A) of the Taxes Act. The principal outcome of this for individual Investors is that they will be regarded, for EIS income tax relief purposes, as having made their investment on the date that the shares in the Qualifying Companies are actually issued to them.
- 5.3 The minimum individual participation in the EIS Fund is £25,000 per Investor. There is no maximum subscription, but Investors should be aware that EIS income tax relief is presently restricted to a maximum investment of £1 million per investor, per tax year. There is, however, no limit on the amount of capital gains that can be deferred by way of CGT Deferral relief.
- 5.4 The Fund Manager will acquire shares subscribed by the EIS Fund on behalf of each Investor, which will be held by a Custodian for the Investor. The Custodian will be appointed by the Fund Manager. Shares may be held in the name of the Fund Manager or that of a special purpose nominee company, which may be a group company of the Fund Manager or Custodian or that of a third party appointed by the Fund Manager. An Investor will be regarded, for legal and tax purposes, as being the beneficial owner of a specific number of shares in each of the Investee Companies in which he is invested.
- 5.5 Although you will be the beneficial owner of the shares in your portfolio, you may not require us to sell the shares allocated to you whilst they remain in the EIS Fund. We shall, subject to our obligations under the FCA Handbook, have absolute discretion over the management and disposal of the shares in your portfolio, and only we shall have authority to give instructions to the Custodian.

- 5.6 The EIS Fund may accept multiple Subscriptions from Investors over a number of years.
- 5.7 Subject to complying with the requirements as to best execution set out in the FCA Handbook, the Fund Manager will have absolute discretion to modify the allocation procedure of any investment made by the EIS Fund.
- 5.8 The EIS Fund has unlimited duration but MMC will normally look to realise an Investor's portfolio investment in each Qualifying Company approximately four to seven years after initial investment. However, no assurance can be given that investments will be realised within this time period. As investments are realised, proceeds, net of fees, will be distributed to Investors.
6. **Dealing**
- 6.1 We will act in good faith and with due diligence in our choice and use of counterparties and brokers, and will take reasonable steps to obtain the best possible result for you when we place orders for execution on your behalf in accordance with our Order Execution Policy (as summarised at clause 6.8 and Schedule 1. If any counterparty should fail to deliver any necessary documents or to complete any transaction, we will take steps on your behalf to rectify such failure or obtain compensation in lieu thereof. Subject to our compliance with this clause 6.1, all reasonable costs and expenses properly incurred by us in connection with the provision of Services by us to you hereunder shall be paid by you.
- 6.2 It is likely that we will aggregate transactions for MMC's Funds in accordance with the FCA Handbook. Subject to paragraph 6.6, all Subscriptions in Investee Companies in an investment round will be made on the same terms by MMC's Funds. We will only aggregate transactions in circumstances where it is likely that the aggregation will not disadvantage the customers concerned. However, the effect of aggregation may nevertheless work on some occasions to your disadvantage. We will ensure that aggregation shall not work to your overall disadvantage. We will allocate aggregated transactions promptly on a fair basis in accordance with the requirements of the FCA Handbook and as described in paragraph 5.7 above.
- 6.3 MMC and MMC's employees may subscribe for shares, or hold options, in companies in which the EIS Fund invests, provided that the cumulative total does not exceed 10% of MMC Funds' investment. The price that MMC and/or persons subscribe for such shares or options will not be less than that paid by the EIS Fund at the time of co-investment.
- 6.4 Subject to clause 20, you acknowledge that no arrangements exist for:
- (a) securing that any person who knowingly has a material interest in any decision or recommendation concerning the investment of EIS Fund Subscriptions, which is not subject to independent approval, is excluded from participating in the making of that decision or recommendation; or
  - (b) securing independent approval of decisions and recommendations concerning the investment of EIS Fund Subscriptions which may be made by persons who have a material interest in them.
- 6.5 Accordingly, the EIS Fund may, subject to clause 20 and the FCA Handbook, invest in an Investee Company on behalf of an Investor notwithstanding the existence of the following actual or potential conflicts of interest:
- (a) an interest of the Fund Manager or its Associates arising by way of remuneration in connection with the management or operation of the EIS Fund or any other fund;
  - (b) an interest arising from the investment of Subscriptions of the EIS Fund or any other fund managed by the Fund Manager or its Associates. In this context Investors should note that MMC seeks to charge Investee Companies an arrangement fee (which is typically of the order of 2% of monies invested) together with an annual monitoring fee (which is typically of the order 1% of funds invested per annum). Further details in relation to these fees will be disclosed on request.
  - (c) an interest or potential interest of MMC's Funds in the Investee Company;
  - (d) an interest or potential interest of other Investors in the Investee Company; or
  - (e) an interest arising from the formation by the Fund Manager or any of its Associates of a company with a view to an interest in that company being acquired by the EIS Fund or any other fund of which it or any of its Associates is the Fund Manager. MMC's Conflicts of Interest Policy is contained in paragraph 20 below and summarised at Schedule 2.

- 6.6 For MMC's Funds not eligible for EIS relief MMC may facilitate investment in a different class of share with no EIS benefits. It is intended these shares will be at the same price at investment but may have different rights attaching to them.
- 6.7 To the extent that MMC engages in the reception and transmission of orders it is required under the FCA Handbook to have an order execution policy and to obtain your prior express consent before effecting orders outside a regulated market, multilateral trading facility or organised trading facility. We are also required to take all reasonable steps to obtain the best possible result for you when executing orders or when receiving and transmitting orders for execution, and we have in place a programme of monitoring to ensure we meet our regulatory obligations in this respect.
- 6.8 MMC's order execution policy (the "**Order Execution Policy**") details the steps and monitoring conducted by us and the execution factors which are applied in respect of each category of financial instrument. The Order Execution Policy also details the principal execution venues and brokers on which reliance is placed.
- 6.9 A summary of our Order Execution Policy is provided at Schedule 1. This summary is intended to provide you with information on our Order Execution Policy in order for you to give consent to such policy. Requests for further information should be directed to our compliance department at the address referred to in the Information Memorandum or other such address that we shall advise you is the location of our principal office. An up to date copy of our Order Execution Policy is also available to view on our website at [www.mmcventures.com](http://www.mmcventures.com). You agree to receive copies of our policies and procedures on our website.
- 6.10 Please also note the following about our Order Execution Policy:
- Our Order Execution Policy permits us to execute orders away from a regulated market, multilateral trading facility or organised trading facility and by signing this Customer Agreement you hereby give your prior express consent to us doing so to the extent relevant.
  - Our Order Execution Policy sets out the criteria that we take into account to provide our clients with best execution, which are (1) price; (2) location of assets which are the subject of the deal; (3) location of professional support; (4) market impact; (5) costs and tax issues; (6) order size; (7) certainty of execution; (8) speed of execution; (9) settlement; and (10) any other criteria relevant to the execution of the order. We will judge the relative importance of these criteria on an order by order basis in line with our commercial judgment and experience in light of current market information.
  - In executing an order, in the absence of any specific instructions, we will give precedence to the factors that allow us to deliver best execution in terms of value (total cost) to the client. Price will ordinarily merit a high relative importance in obtaining the best possible result. However, in some circumstances, orders, financial instruments or markets, we may appropriately determine that other execution factors are more important than price in obtaining best execution.
  - Where we have a choice of execution venues, we will take into account the following factors in deciding which execution venue to use in respect of a particular transaction: (1) the characteristics of the client including the categorisation of the client; (2) the characteristics of the order in question; (3) the characteristics of the financial instrument(s) in question; and (4) the characteristics of the possible execution venues to which the order may be directed.
  - If clients provide us with specific instructions to deal on their behalf we will execute the orders in accordance with those specific instructions and will not owe such clients a duty to provide best execution in respect of any matter covered by such instructions. Where the instructions relate to only part of an order, we will continue to apply our Order Execution Policy to those aspects of the order not covered by such specific instructions. Clients should be aware that providing specific instructions to us in relation to the execution of a particular order may prevent us from following our Order Execution Policy which is designed to obtain best execution for our clients on a consistent basis taking into account the factors outlined above.

## 7. Custody and cash

- 7.1 We shall effect settlement and arrange the safe custody of the investments of the EIS Fund as follows:

(a) title documents to the investments comprising the EIS Fund will be placed with us or our Custodian for safekeeping as appropriate;

(b) any UK registerable investment which we hold on your behalf will normally be registered in the name of the Custodian; and

(c) any documents of title to investments in bearer form will be held by the Custodian.

7.2 By entering into this Customer Agreement, you authorise us to give instructions on your behalf both to the Custodian regarding your investments and dividends arising therefrom, and you agree not to give instructions to the Custodian direct.

7.3 Investments forming part of the EIS Fund held by the Custodian may be pooled with other holdings of that Custodian. Such investments may not be identifiable by separate certificates, other physical documents of title or equivalent electronic record and, should that Custodian default, you will share in any shortfall in proportion to your original share of any investments in the pool.

7.4 We will, as soon as reasonably practicable, claim and account to you for all dividends and other payments or entitlements accruing to you and received by us or the Custodian, except that we are authorised to deduct or withhold any sum on account of any tax which in our view is required to be so deducted or withheld or for which we are in our view liable or accountable by the law or practice of any relevant revenue authority of any jurisdiction.

7.5 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. We shall arrange to hold Investor's cash with the Custodian in an interest-bearing account which will accrue to you, in one or more client money accounts in accordance with the client money rules of the FCA. The Custodian will hold the Investor's money pending investment using a segregated omnibus account which will have trust status and will be kept separate from any money belonging to the Custodian. The Custodian will pay interest on cash at bank held on your behalf at a rate of two percent (2%) below the relevant bank's interest rate or nil if negative. Any retained interest will be shared between the Custodian and MMC. In the event the relevant bank is charging negative interest on cash held, such charge will be a cost to you. Any relevant interest earned, if any, on cash held by the Custodian will be allocated quarterly during January, April, July and October.

7.6 Without prejudice to our obligations under the FCA Handbook, we will not be responsible for supervising the Custodian nor, subject to paragraph 13, for any act or omission on the part of the Custodian in providing services to you nor will we be responsible in the event of the Custodian's insolvency. Accordingly, the consequences of the arrangements referred to in this paragraph 7 and the Custodian's Authority are at your own risk.

## 8. Providing liquidity

8.1 Without prejudice to paragraph 17, an Investor wishing to sell his or her interest in one or more companies in his or her portfolio may give notice to MMC of the investment he or she wishes to sell and indicate a reserve price, if any. MMC at its discretion may invite bids from members of the Syndicate and such other Investors as MMC deems appropriate. To ensure transparency, the selling Investor will be provided with information (excluding names of under bidders) on all bids received. MMC will charge a liquidity facility fee of 5%, plus any applicable VAT, of the proceeds received net of third party costs, fees and expenses of realisation (other than the liquidity facility fee) ("**Net Exit Proceeds**"). The Net Exit Proceeds, after deduction of the liquidity facility fee, will be distributed to the Investor as soon as reasonably practicable.

## 9. Exercise of rights attaching to EIS Fund investments

9.1 We have discretion to exercise any conversion, subscription, voting or other rights (such as may arise in takeover situations, other offers and capital reorganisations) relating to investments held in the EIS Fund on your behalf.

## 10. Reports

10.1 A valuation showing the initial composition and the initial value of your investment will be supplied to you as soon as practicable after the date on which these Terms & Conditions come into force.

10.2 Further information, such as contract notes, will be made available to you, within the time periods and in the manner required by the FCA Handbook.

10.3 Subject to paragraph 10.4, we will supply you with periodic statements (at least every six months), comprising a valuation of your investment at the beginning and end of the period and showing the number, description and value of each investment comprised in your portfolio, a statement of the cash held on your



behalf, all cash transactions, all purchases and sales and all dividends and interest received in respect of your portfolio within 50 Business Days of the period to which the statement relates and such other information (including fees charged and costs incurred in the period) as is required by the FCA Handbook. We will include in such valuations details of the basis on which we value the EIS Fund and its investments. Generally, for valuation purposes in relation to statements of your investment, and for calculating fees, assets in the EIS Fund are valued in accordance with the International Private Equity and Venture Capital Guidelines. A reasonable valuation for private companies will typically be the value of our investment at the price of the most recent investment round.

10.4 You have the right to request the provision of a Periodic Statement every three months.

## 11. Fees and expenses

11.1 The set-up and running costs of the EIS Fund are covered by fees paid to the Fund Manager.

11.2 For arranging the acquisition of shares and other investment instruments an initial fee (plus VAT) on your Subscription is payable to the Fund Manager in any event (the “**Initial Fee**”). The Initial Fee is 1% for Investors investing through an intermediary, and 3% for non-advised clients.

11.3 The annual management fee of 2.5% (plus VAT) of your total Subscription is payable for the first five years (the “**Annual Management Fee**”). This will be payable quarterly in advance in the first two years. The Annual Management Fees for years 3, 4 and 5 become due and payable from the realisation of investments in Investee Companies, as those realisations occur. Where the Fund Manager considers it is not desirable for an Annual Management Fee to be taken, the Fund Manager may defer some or all of the Annual Management Fee, without interest, until your realised EIS Fund assets are sufficient to pay the fee.

11.4 A performance fee of 20%, plus VAT, is payable on any proceeds (for example, interest, dividends, capital returns) net of third party costs, fees and expenses of realisation (the “**Performance Fee**”). It is payable only after total proceeds have returned the initial capital subscribed. The Performance Fee is applied on an aggregated basis to all Subscriptions made within a single tax year.

11.5 We reserve the right to re-charge to you our Custodian’s cost of custody (with a reasonable minimum amount applied) on any proceeds from realisations which are held in your account for more than 6 months after the realisation is received into your account. This cost is currently 0.11% of amounts held and MMC further reserves the right to vary this amount to reflect any change in Custodian’s costs.

11.6 Other costs, including taxes, relating to transactions in connection with the EIS Fund may arise and be borne by you providing they that are not paid via the Fund Manager or imposed by it.

11.7 We shall be responsible for paying for research from our own account and shall not levy such charges upon you.

11.8 No monetary or non-monetary benefits are accepted or retained by us from third parties other than minor non-monetary benefits as permitted under FCA Handbook, which enhance the quality of the service and do not prevent us from acting in your best interests.

11.9 Investors who wish to pay an up-front advice charge to their independent financial adviser should indicate this in Section 4 of the Application Form.

11.10 Additional costs may be incurred for receiving hard copies of notices (see section 16.5) or in the event of terminating this Customer Agreement or transferring your Investments (see section 17).

## 12. Delegation and use of agents

12.1 We may delegate any of our functions under these Terms & Conditions to an Associate and have delegated the provision of administration, nominee and safe custody services to the Custodian. We may provide information about you and the EIS Fund to any such Associate. We will give you written notice of any such delegation.

12.2 We may, where reasonable, employ agents (including Associates) to perform any administrative, dealing or ancillary services under these Terms & Conditions. We will act in good faith and with due diligence in the selection, use and monitoring of agents.

## 13. Our liability

13.1 We will act in good faith and with due diligence in managing your portfolio in accordance with this Customer Agreement.

- 13.2 We accept responsibility for loss to you only to the extent that such loss is due to our Associate's, our employees' or a group company of the Fund Manager's negligence, wilful default or fraud.
- 13.3 If the Custodian should fail to deliver any necessary documents or to account for any securities, we will take reasonable steps on your behalf to recover such documents or securities or any sums due or compensation in lieu thereof but, subject thereto and to paragraphs 13.1 and 13.2 above, shall not be liable for such failure. We have no such obligation to take such steps in respect of a failure by a third party custodian or nominee to deliver any necessary documents or account for any securities.
- 13.4 We will make investments for the EIS Fund that we believe will constitute qualifying investments under the EIS, and for the purposes of CGT Deferral, but which HM Revenue & Customs may subsequently determine not to be qualifying investments. In such circumstances, Investors would not be eligible for the EIS relief and CGT Deferral. In addition, actions taken by an Investee Company and its board, whether in breach of any undertakings given to the Fund Manager on investment or otherwise, may result in the loss of the Investee Company's status as a Qualifying Company and the consequent loss of EIS relief and CGT Deferral for Investors on that investment. We do not accept liability for the acts of an Investee Company or its officers or employees, which may result in it not being a Qualifying Company. We reserve the right to sell EIS Fund holdings at any time if we believe that such a sale is in the best interests of all Investors, even if such a sale would result in the loss of the Investee Company's status as a Qualifying Company and the consequent loss of EIS relief and CGT Deferral relief for Investors on that investment.
- 13.5 In the event of any failure, interruption or delay in the performance of our obligations resulting from acts, events or circumstances not reasonably within our control, including, but not limited to, acts or regulations or any governmental or supranational bodies or authorities and breakdown, failure or malfunction of any telecommunications or computer service or services we shall not be liable to, or have any responsibility of any kind for, any loss or damage thereby occasioned or suffered by you.
- 13.6 No warranty is given by us as to the performance or profitability of the EIS Fund, your portfolio or any part of it.
- 13.7 Nothing in these Terms & Conditions shall exclude any liability of us to you arising under the Act, any rules or regulations made under it, or the FCA Handbook.
- 13.8 The Custodian may in some circumstances pay away unclaimed client money to a charity after a period of at least six years. It will only do so subject to FCA Rules, and after making reasonable attempts to contact its client.
14. **Your warranties**
- 14.1 You warrant that you have full power to engage us on the terms set out in these Terms & Conditions, and that your portfolio is free from all liens and charges, and that no such liens and charges will arise from your acts or omissions.
- 14.2 You undertake neither to deal, except through us, with any of the assets in your portfolio nor to authorise anyone else so to deal.
- 14.3 You warrant that any information that you have provided us with, or will provide us with, in relation to your status (including, without limitation, your residence and domicile for taxation purposes) is and will be complete and correct, that you will notify us of any changes to such information and you agree to provide us with any further information properly required by any competent authority.
- 14.4 You undertake to promptly inform us in writing at the address referred to in the Information Memorandum, or other such address that we shall advise you is the location of our principal office, if you are connected (or in the future become connected) with an Investee Company or subsidiary or partner of an Investee Company, as set out in Section 166 of the Income Tax Act 2007. For these purposes an Investor will be deemed to be connected to a company, including by:
- (a) being an employee or partner of the company;
  - (b) being a director of the company; and
  - (c) directly or indirectly possessing or being entitled to acquire more than 30 per cent of (i) the issued ordinary share capital of the company; or (ii) the issued share capital of the company; or (iii) the voting power in the company.
- 14.5 You warrant that you have not borrowed funds in order to make your Subscription.



- 14.6 You warrant that you will not do, or omit to do, anything that may result in Investors in the EIS Fund losing or being denied EIS tax reliefs.
- 14.7 You undertake that you will promptly notify us in writing of a breach of any of your warranties set out in this paragraph 14.
15. **Indemnities by you**
- 15.1 Except insofar as the same may result from our negligence, wilful default or fraud or that of our employees, a group company, Associate or the Custodian under paragraph 13.3 above (we, our employees, a group company, or our custodians or nominees being an "Indemnified Party"), you agree to indemnify each Indemnified Party and the other Investors against all costs, losses, claims and expenses which any Indemnified Party may incur or have made against it (including, without limitation by any one or more other Investors) or which any other Investor may incur:
- (a) in consequence of any breach by you of the Terms & Conditions, including, but without limitation, any breach of any of your warranties in paragraph 14; or
- (b) arising out of any action properly taken by an Indemnified Party in accordance with these Terms & Conditions
- PROVIDED THAT, your liability under this paragraph 15.1 shall not exceed the total value of your Subscription under these Terms & Conditions.
- 15.2 We do not provide any investment advice or advise you on your own personal taxation matters in respect of the EIS Fund's investments. Whilst we shall take reasonable care to ensure that we do not take or omit to take any actions which would prejudice your tax position, you and your other appropriate professional advisers remain responsible for the management of your tax affairs. We do not accept liability for any act or omission on your part which may result in you not being entitled to EIS tax reliefs or CGT Deferral.
- 15.3 Where you are a trustee, your liability under these Terms & Conditions shall be limited, in the absence of fraud, to the assets of the trust from time to time.
16. **Instructions and communications**
- 16.1 Any instructions or communications to be given to us by you under these Terms & Conditions must be in writing in English and sent to the Fund Manager at the address in the Information Memorandum, or other such address that we shall advise you is the location of our principal office.
- 16.2 We may rely and act upon any instruction or communication which purports to have been given by persons authorised to give instructions as notified by you and, unless we have received written notice to the contrary, whether or not the authority of any such person shall have been terminated.
- 16.3 You irrevocably instruct and authorise us and/or the Custodian to provide information about you and your investments to governmental and regulatory bodies including without limitation HMRC where we and/or the Custodian in our/their discretion determine there to be an obligation to do so.
- 16.4 Any written communication by us to you will be given in writing in English and shall be sent to the last address notified to us by you, or by email to the address you have provided to us.
- 16.5 Notices given in writing may be sent by post, by email or by hand delivery. You also agree to receive information from us by means of our Investor Portal accessible at [www.mmcventures.com](http://www.mmcventures.com). Copies of our up to date policies are available to view at [www.mmcventures.com](http://www.mmcventures.com). We will charge you £8 (including VAT) per month to cover the cost of producing and posting hard copy documents unless you notify us that the provisions of the Equality Act (or equivalent legislation) apply.
- 16.6 We may contact you at any time to discuss your portfolio or take instructions from you.
- 16.7 We are obliged under FCA Handbook to record certain communications relating to this Customer Agreement (including telephone calls, electronic communications and instant messaging) where those communications are intended to lead to the conclusion of a contract in a financial instrument. You may request a copy of such recordings in the five year period beginning on the date of the relevant recording. We may also monitor and record other telephone calls and communications in our discretion.
17. **Termination, Transfer and Cancellation Rights**

- 17.1 Without prejudice to your rights under paragraphs 17.2 and 17.7 below but subject to paragraphs 17.5 and 17.6, you may withdraw your investments in the EIS Fund by giving written notice to us to the extent those investments comprise:
- (a) Relevant Shares which are admitted to official listing in an EEA state or to dealings on a recognised investment exchange, at any time after the fifth anniversary of the date the Relevant Shares were issued;
  - (b) shares other than Relevant Shares, at any time after the end of the period of 6 months beginning with the date those shares ceased to be Relevant Shares (and we will notify you in writing as soon as reasonably practicable after any shares comprised in your portfolio cease to be Relevant Shares); and
  - (c) cash, at any time, subject always to paragraph 17.3.
- 17.2 Either of us may terminate this Customer Agreement by giving the other three months' written notice, unless terminated for the following reasons in which case termination will be effective immediately upon written notice:
- (a) the other party is in material breach of this Customer Agreement and has failed to correct the breach (if remediable) within 30 days of notice to do so;
  - (b) the other party convenes a meeting or makes an arrangement or composition with creditors; or an order is made or a resolution passed for the other party's winding-up or bankruptcy or a meeting is convened for a voluntary winding up; or the other party ceases to trade or becomes unable to pay its debts under the Insolvency Act 1986; or
  - (c) in the case of MMC, it ceases to be authorised and regulated by the Financial Conduct Authority (or equivalent or successor organisation).
- 17.3 Termination is without prejudice to the completion of transactions already initiated.
- 17.4 Upon termination, subject to paragraphs 17.5 and 17.6, we will make arrangements to have transferred to you all your cash funds held in the client account with the Custodian (including, for the avoidance of doubt, any such sums as comprise Subscription monies that have not been invested or the proceeds of a realisation of an investment). However, title to all investments will remain with the Custodian until such investments are realised and we shall remain entitled to receive the Performance Fee referred to in paragraph 11.4 above in respect of such investments (whether such proceeds are of an income or a capital nature and whether arising during the life of an investment or following the realisation of an investment). As each investment is realised, the proceeds attributable to you from that realisation (net of any Performance Fee or other deductions provided for under these Terms & Conditions) will be transferred to you once it has been remitted to the client account with the Custodian in accordance with paragraph 7 above. Following termination you acknowledge that we shall have no further responsibility in respect of your relationship with any company in which you hold an investment and, for the avoidance of doubt, shall not be required to inform you of, nor advise you in relation to, any corporate actions or proposed corporate actions by any such company.
- 17.5 Termination of this Customer Agreement or withdrawal of cash or investments in accordance with paragraph 17.1 will not affect accrued rights, indemnities, existing commitments or any contractual provision intended to survive termination or which have been initiated and will be without penalty or other additional payment, provided that you will pay:
- (a) the Annual Management Charge for your total Subscription for the year during which you terminate or withdraw (this will be accrued for years 3 – 5) and the Annual Management Charge thereafter on the remaining portion of the Subscription. If you terminate this Customer Agreement before any investments have been made (but after the period specified in paragraph 17.7), you will only be charged your Initial Fee and no Annual Management Charge shall be due;
  - (b) any other fees and charges pro rata to the date of termination due under this Customer Agreement;
  - (c) any additional expenses necessarily incurred by us in terminating this Customer Agreement and/or in connection with transferring your investments into your name or as you may direct.
- 17.6 On termination or withdrawal of cash or investments in accordance with paragraph 17.1, we may retain and/or realise such assets as may be required to settle transactions already initiated and to pay your outstanding liabilities. If there is a dispute as to the payment of fees to us, you may require the disputed amount to be held in an escrow account pending resolution of the dispute.
- 17.7 You will be able to cancel your Customer Agreement during the period of 14 calendar days (excluding public holidays) following the acceptance of your Application Form.

- 17.8 To cancel your Customer Agreement you must notify the Fund Manager in writing at 24 High Holborn, London WC1V 6AZ within the time period specified in paragraph 17.7 and you will receive a refund of your Subscription in full.
- 17.9 Upon notification of the death of an Investor, we shall follow our “deceased investor” policy, a copy of which can be obtained from us, but this contract shall not automatically terminate.
- 17.10 In the rare event that you wish to transfer your shares to another person, and we agree to such transfer, (including satisfying ourselves at our discretion that the transferee passes our “Know Your Client” processes) such transfer shall incur an administration fee of £250.
18. **Complaints procedure and compensation**
- 18.1 If you have any complaint about the Services we provide to you, please contact our Compliance Officer at the address referred to in the Information Memorandum or other such address that we shall advise you is the location of our principal office. We have in operation a written procedure in accordance with the FCA Handbook for the handling of complaints from customers. A copy of our written complaints handling procedure is available on request.
- 18.2 Subject to eligibility, you may have a right to complain to the Financial Ombudsman Service if we cannot deal with a complaint to your satisfaction. The Financial Ombudsman Service may be contacted at South Quay Plaza, 183 Marsh Wall, London E14 9SR or by telephone on 0845 080 1880 or at [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk).
- 18.3 We are covered by the Financial Services Compensation Scheme in respect of any claim from an eligible claimant (as defined in the FCA Handbook). You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. Most types of investment business are covered for 100% of the first £50,000, so the maximum compensation is £50,000. Further information about compensation arrangements is available from the Financial Services Compensation Scheme or from the Fund Manager upon request.
19. **General**
- 19.1 We retain the right to amend the operating and administration methodology of the EIS Fund and the appointment of the Custodian at any time, and shall keep you informed of all significant changes.
- 19.2 We may amend the Terms & Conditions or any other part of the Customer Agreement (including the Custodian Authority) at any time to take effect upon giving you ten business days’ notice in writing if an amendment is necessary to maintain EIS relief or CGT Deferral, or in order to comply with the FCA Handbook or any relevant legislation or regulations, or if such amendment is of an administrative or minor nature.
- 19.3 We may make any other amendments for any other valid reason to the Customer Agreement with your consent, or by giving you one month’s notice in writing and the opportunity to withdraw your investment from the EIS Fund subject always to paragraph 17.1.
- 19.4 This Customer Agreement, comprising all its parts and all documents which are required by its terms to be entered into by the parties or any of them, sets out the entire agreement between the parties in connection with the EIS Fund and supersedes all prior oral or written agreements, arrangements or understandings between them.
- 19.5 If a provision of this Customer Agreement, in the reasonable opinion of either party, is or may become illegal, invalid or unenforceable, such provision shall to that extent be deemed not to form part of this Customer Agreement, but that shall not affect the legality, validity or enforceability of any other provision of this Customer Agreement. The parties shall negotiate in good faith and in a reasonable manner to agree the terms of a mutually acceptable and satisfactory alternative for that provision.
- 19.6 Nothing in this Customer Agreement shall be deemed to constitute a partnership or joint venture or contract of employment or agency between the parties save as expressly set out in these Terms & Conditions.
- 19.7 For the purpose of section 1(2) of the Contracts (Rights of Third Parties) Act 1999 the parties state that they do not intend any term of this Customer Agreement to be enforced by any third parties.
- 19.8 Save as expressly set out in these Terms & Conditions, you may not assign or charge any of your rights or the benefit of all or part of this Customer Agreement. Upon 30 days’ notice in writing to you, the Fund Manager may assign its rights and the benefit of all or part of this Customer Agreement or transfer, delegate

or sub contract any of its duties or obligations without your consent to a comparable provider which is suitably authorised to provide the services. If it does so it will give you written notice as soon as reasonably practicable whereupon you may terminate the Customer Agreement in accordance with paragraph 17.1.

- 19.9 The validity, construction and performance of this Customer Agreement shall be governed by English law. Any claim, dispute or difference arising under or in connection with this Customer Agreement shall be subject to the exclusive jurisdiction of the English courts to which each of the parties irrevocably agrees to submit.
- 19.10 You acknowledge that information provided by you in connection with the EIS Fund may be stored electronically or otherwise by us and that such information may be used to administer the business and ongoing administration of the EIS Fund in accordance with our Investor Privacy Policy set out at Schedule 3.
- 19.11 Terms and expressions defined in the Information Memorandum that accompanies this Customer Agreement shall have the same meanings in this Customer Agreement.
- 19.12 There are no restrictions on the value of any one investment in an Investor's portfolio, nor on the proportion of the portfolio which any one investment may constitute.
- 19.13 The shares in an Investor's portfolio will not be lent (including by way of stock lending) to, or deposited by way of collateral with, a third party and no money will be borrowed on behalf of the EIS Fund against the security of those shares nor will the EIS Fund incur a legal obligation to underwrite or sub-underwrite any issue of shares or sale of shares. The EIS Fund will not invest in any other fund operated or advised by MMC or by any of its Associates or in any unregulated collective investment scheme. The EIS Fund may subscribe for securities the issue or offer of sale of which is underwritten, managed or arranged by MMC or its Associates.
20. **Conflicts of interest policy**
- 20.1 Under the FCA Handbook, MMC is required to establish, implement and maintain an effective conflicts of interest policy (the "**Conflicts of Interest Policy**"). The purpose of MMC's Conflicts of Interest Policy is to identify, prevent and/or manage the circumstances which constitute (or may give rise to) a conflict of interest which would or could, in turn, give rise to a material risk of damage to the interests of one or more of MMC's Investors. MMC has also established procedures designed to identify and either prevent or manage conflicts of interest. MMC's Conflicts of Interest Policy provides detail as to how these are managed or prevented. A summary of our up to date Policy can be accessed on our website at [www.mmcventures.com](http://www.mmcventures.com) and a summary of our current Conflicts of Interest Policy is set out in Schedule 2.
- 20.2 Subject to our Conflicts of Interest Policy, associates may from time to time act as investment manager, investment adviser or dealer in relation to, or be otherwise involved in, accounts established for multiple clients which have similar or different objectives. It is therefore possible that any of them may, in the course of business, have potential conflicts of interest with one or more clients. Individuals engaged by MMC in business activities involving a conflict of interest must be able to carry out their activities at a level of independence appropriate to the size and activities of MMC and the materiality of the risk of damage to the interests of its clients. They must, at all times, have regard to their obligations to each client and must endeavour to ensure that conflicts of interest are resolved fairly. Wherever possible, any transaction in which a conflict of interest exists will be effected on terms that are not materially less favourable to a client than if the potential conflict had not existed.
- 20.3 Such conflicts may include:
- (a) between clients: conflicts may arise in the process of allocating shares in Investee Companies as between different Investors in MMC's Funds; in allocating securities with different rights and restrictions to those clients who wish to take advantage of EIS reliefs as opposed to those who do not; and when disposing of investments for different clients in the same Investee Company; and when acquiring securities in a company in which other clients of MMC already have a holding; and
- (b) between MMC and its clients: a conflict may arise where MMC decides to sell an investment in an Investee Company, a consequence of which may be the loss by clients of EIS tax reliefs; or where MMC derives fees from an Investee Company in which its clients invest; or in making an allocation of the securities of an Investee Company for the founders and employees of MMC; or when acquiring securities in an Investee Company for a client in which MMC or any of its founders, employees or other Associates of MMC are already invested; or when disposing of investments for clients in an Investee Company when also disposing of investments in that company for employees, founders and other Associates of MMC.

- 20.4 The prior written authorisation for all dealings by the directors and employees of MMC in the securities of Investee Companies must be obtained from MMC's Compliance Officer. All transactions in such securities by such persons must be reported in accordance with MMC's Compliance Manual.
- 20.5 All gifts and hospitality with a value of above £100 provided to the directors and employees of MMC must be reported to MMC's Compliance Officer and the directors and employees of MMC must observe the requirements of MMC's Compliance Manual (and the FCA Handbook) relating to inducements.
- 20.6 Allocations of shares in Investee Companies will follow the procedures laid out in paragraph 5.7 above. Final allocations of securities on each transaction with Investee Companies will be reviewed by MMC's Compliance Officer.

## 21. Confidentiality and Data Protection

- 21.1 You will at all times keep confidential information acquired in consequence of this Customer Agreement (including, without limitation, all confidential information in respect of Investee Companies and potential Investee Companies) except for information which you are bound to disclose under compulsion of law, or where required by regulatory agencies, or which you wish to pass to your professional advisers where reasonably necessary for the performance of their professional services provided that to the extent practicable, you will first inform MMC of any such requirement or request and consult with us in relation to the making of such disclosure.
- 21.2 Neither MMC nor any Associate is obliged to disclose to you or to take into consideration information either:
- (a) the disclosure of which by it to you would or might be a breach of duty or confidence to any other person; or
  - (b) which comes to the notice of an employee, officer or agent of MMC, or of any other Associate, but properly does not come to the actual notice of an individual providing services to you.
- 21.3 MMC collects, processes, uses and shares your personal data in accordance with Schedule 3. Please review this Schedule and let us know if you have any queries.

## (B) Custody Authority

1. I confirm that I have accessed the Custody Agreement via the website <https://www.mmcventures.com/mainspring-custody> or have requested and been provided with a copy of it and have read and understood the terms and confirms its acceptance to the terms of the Custody Agreement, and consent to MMC entering into the Custody Agreement with the Custodian, on my behalf, acting as my agent.
2. I hereby request and authorise MMC to arrange for the registration of my holdings of shares forming my portfolio in the name of the Custodian, but it will be held on trust by the Custodian and the Investor will remain beneficial owner of the investments. I acknowledge that holdings of shares comprising investments of the EIS Fund will be registered, collectively, in the name of the Custodian and that the shares forming my portfolio may not be identifiable by separate certificates or other physical documents of title.
3. I require the Custodian to accept instructions from MMC, in relation to the holding or disposal of the shares in my portfolio, or the exercise of rights attaching to them. I agree not to give instructions to the Custodian regarding my portfolio direct, nor to deal in the shares in my portfolio.
4. I agree that for your audit purposes it may be necessary from time to time for the Custodian to forward to me, for agreement and return, statements of securities held by you at the time.
5. I request that the Custodian will hold my stocks and shares in accordance with the requirements of the FCA Handbook.
6. I agree that tax may be deducted from payments due to me if it is due to be deducted under any applicable law or practice.
7. I acknowledge that from time to time the Custodian or the Fund Manager will receive notice of extraordinary general meetings, voting rights, details of rights issues, subscriptions, conversions, takeovers, open offers and other offers and other matters relating the shares in my portfolio and agree that the Fund Manager shall act as it sees fit on my behalf in respect of such matters. I acknowledge that the Fund Manager or the

Custodian will also collect any dividends and other entitlements arising on my shares which will be remitted to me.

8. I acknowledge that the shares in my portfolio may be registered with those of other clients of MMC, in the name of the Custodian. This means that my individual entitlements may not be identifiable by separate certificates, other physical documents of title or equivalent electronic records, and, in the event of an irreconcilable shortfall following a default by the Custodian, I would share in that shortfall in proportion to my original share of assets in the pool. This also means that the Custodian may return to me certificates or other evidence of title, which are not the same certificates, or evidence, which were originally deposited in my account.
9. The Custodian will not incur any financial liability on my behalf unless there are sufficient cash resources within the EIS Fund. I acknowledge that under the law certain holdings held within the EIS Fund may be compulsorily acquired, and in those circumstances no liability can be accepted in respect of any loss, withdrawal or denial of tax relief or otherwise.



## Schedule 1

### MMC Ventures Limited – Order execution summary

This summary is aimed at professional and retail clients when MMC Ventures Limited (“MMC”) executes orders on their behalf.

The Conduct of Business sourcebook sets out a number of execution factors that MMC is required to take into account in respect of financial instruments where MMC receives and transmits client orders by arranging deals for its clients. Throughout this summary, references to execution of orders should be interpreted as arranging deals for MMC's clients.

The execution criteria are defined as the characteristics of the order which MMC will execute in relation to a financial instrument. MMC will exercise its discretion in assessing the criteria that it needs to take into account to provide the client with the best possible outcome. MMC will seek best execution by taking all reasonable steps.

The execution factors are: -

1. The price of the financial instrument;
2. The speed and likelihood of execution;
3. The overall costs;
4. The location of assets relating to the execution;
5. The location of the professional support;
6. The settlement of the execution;
7. The size of the execution;
8. The prevailing market conditions
9. Any other consideration relevant to the execution of the order.

Given the above list, in practice this means MMC will execute using the main variables as follows:

#### Price

A key factor is price. This is usually the most important factor in obtaining the best possible result for our customers. The price paid or sold for an unquoted company takes into account a number of subjective investment variables which centre around the company's business proposition. At this initial stage of any transaction, a '*deal price*' is agreed which is reflective of the term sheet agreed with all parties. When the transaction has progressed to the final stages, an '*execution price*' will be agreed which considers other factors e.g. currency exposure. The difference between the two prices maybe slight and non-material but MMC will seek to achieve the best possible outcome for customers.

#### Probability and speed of execution

Transactions in unquoted private companies often involve multiple parties e.g. co-investors and therefore the probability and speed of execution to settlement can be subject to delays. There may be other features of the final deal terms to be agreed e.g. deal fees not finalised. MMC will seek to achieve the best possible outcome for customers.

#### Other factors

External market conditions are a variable. In some circumstances we may judge that the current market conditions are not compatible to the transaction or deal placed on the table. MMC will determine the relative importance of the external market factors by using its commercial judgement and experience, and by taking into account the information available to them.

On the rare occasion when MMC deals in market-traded financial instruments through brokers and market makers, we will rank price as being of primary importance and speed of settlement. Other factors include any transaction or deal costs and any tax issues e.g. pre-clearance from HMRC that a company is an EIS qualifying company.

#### Specific instruction

Where a client has provided us with specific instructions to deal on their behalf we will execute the order in accordance with those specific instructions. However, we will not owe any duty to provide best execution because these instructions may prevent us from following the Order Execution Policy. The Order Execution Policy is designed to obtain the best possible for our clients on a consistent basis taking into account the factors outlined above.

To be clear, MMC clients do not face or are subject to any individual transactional fees or costs.

#### Monitoring and review

MMC will monitor the effectiveness of the Order Execution Policy. Based on regular reviews we identify any weaknesses which may lead to MMC clients not receiving best execution, we will correct any deficiencies.

## Schedule 2

### MMC Ventures Limited – Conflicts of Interest summary

MMC Ventures Limited (“MMC”) takes seriously its responsibilities as a regulated UK financial services company. One of these responsibilities involves identifying, avoiding, and managing any conflicts of interest that may occur in the course of business between us and our client or clients, between different clients and between any connected persons with MMC. MMC has put in place arrangements which ensures fair treatment for all parties concerned and ensures it does not adversely affect the interests of its clients.

#### How does MMC address conflicts?

MMC takes all reasonable steps to maintain and operate effective organisational and administrative arrangements to identify and manage relevant conflicts. Senior management within the organisation are responsible for ensuring that MMC’s systems, controls and procedures are adequate to identify and manage conflicts of interest. These include:

- Controls over the handling and flow of confidential and inside information
- An allocation policy to ensure that conflicts are managed across the Fund range
- Bespoke pricing models

#### How does MMC identify and manage conflicts?

MMC has in place business specific procedures that address the identification and management of actual and potential conflicts of interest that may arise during its day to day business. These procedures include: -

- Maintaining a restricted trading list and associated Personal Account dealing policy
- Information barriers and a clear separation of reporting lines
- Pricing models which identify conflicts or material interest at an early stage of any deal or transaction
- Accepting and receiving gifts and benefits which identify and manage potential conflicts
- Maintaining a separate oversight of remuneration arrangements

MMC address specific conflicts by: -

- Declining to act in certain circumstances where a conflict is apparent
- Applying unique procedures to ensure that the fair treatment of all parties is achieved
- Disclosing the conflict or material interests to the client at the beginning of any deal/transaction and getting their consent to proceed

If any arrangement made by MMC to manage conflicts of interest as shown above are not sufficient to ensure, with reasonable confidence, that risks to the interests of a client/customer will be prevented, then the business area must clearly disclose the general nature and/or sources of conflicts of interest to the client before undertaking business for the client.

The disclosure must be in writing and include sufficient detail to enable the client to take an informed decision.

#### Governance and review

MMC’s compliance with the Conflicts of Interest policy will be reviewed as part of MMCs compliance monitoring programme on at least an annual basis.

### **Schedule 3**

#### Investor Privacy Policy

This policy sets out how MMC:

- Collects your information
- Use your information
- Communicates with you including for promotional updates
- Shares your information
- Stores your information
- Payment processing
- Protects your information
- Keeps your information

We also set out your rights, how we may communicate changes to this policy and how you can contact us with privacy queries.

Please read the following carefully to understand our views and practices regarding your personal data and how we will treat it. By signing the Customer Agreement you acknowledge you have read and understood this privacy policy.

For the purposes of European Economic Area data protection law, (the "**Data Protection Law**"), we, MMC, are the data controller.

### **Information we collect about you and how we use it:**

We set out below examples of the categories of information we collect from you, how we collect this, the purpose for which we collect, and the lawful basis under which we are permitted to collect and process your information.

<b>What we collect</b>	<b>How we collect it</b>	<b>Use / Purpose of collection</b>	<b>Lawful basis for collection</b>
Name and contact details	By telephone, may have been recorded, via website or email	If you called us or requested information through the website before you invested to ask for information about our funds we will have taken your name and contact details in order to send that to you and be in contact	We have a legitimate interest in providing you with the requested information and making reasonable subsequent contact to assist you in deciding whether to invest with us.
Name	Application Form  ID/AML documents	We need to collect this information for anti-money laundering purposes. AML	We are under a legal obligation, pursuant to anti money laundering legislation to collect and process this information.
Date of birth			
Passport number			
Driving licence			
Home address			
Home address		To provide you with quarterly reports, EIS certificates and communications relating to your investment. Without this we won't be able to provide you with this information.	Under our Terms & Conditions, we are obliged to provide you with quarterly and other communications relating to your investment including EIS certificates. We collect your home

			address in order to be able to fulfil our contractual obligations.
Tax residency	Application form	We need to collect this information for HMRC (AEOI) purposes.	We are under a legal obligation, pursuant to applicable tax legislation to collect and process this information.
Phone numbers	Application Form	To provide you with communications relating to your investment. Without this we won't be able to provide you with this information.	Under our Terms & Conditions, we are obliged to provide you with quarterly communications relating to your investment. We collect your phone number in order to be able to fulfil our contractual obligations.
Personal email	Application Form	To provide you with communications relating to your investment. Without this we won't be able to provide you with this information.	Under our Terms & Conditions, we are obliged to provide you with communications relating to your investment. We collect your email for this purpose in order to be able to fulfil our contractual obligations.
		To send you promotional communications which we think might be of interest to you.	Where we have your consent to do so, which you can withdraw at any time, we will send you promotional content about our upcoming investments, events and industry news.
Adviser's name and contact details	Application Form	To provide your adviser with communications relating to your investment	Under our Terms & Conditions, we are obliged to provide you with communications relating to your investment. In some cases, Investors prefer that their adviser is also kept informed. We collect this information for this purpose in order to be able to fulfil our contractual obligations.
Career history	Application Form	For the FCA appropriateness test	This is a legal obligation to understand whether our product is appropriate for you
Net worth	Application Form	For the FCA appropriateness test	Advised clients: This is an optional part of the form. By filling in this section you consent to providing us with this information. We will delete it at any time on request.
			Direct clients: This is a legal obligation to understand whether our product is appropriate for you.
Investment History	Application Form	For the FCA appropriateness test	Advised clients: This is an optional part of the form. By filling in this section you consent to providing us with this information. We will delete it at any time on request.
			Direct clients: This is a legal obligation to understand whether our product is appropriate for you.

National Insurance Number	Application Form	To assist with accurate record keeping for your investments	We collect your national insurance number in order to be able to fulfil our contractual obligations.
Bank details	Email, writing, via telephone from you during your time as an Investor	For returning investment disposal proceeds	We collect this information for this purpose in order to be able to fulfil our contractual obligations.
MMC investment updates	Writing and Investor Portal	We provide and store information about your investments with MMC on the Investor portal and/or by post	It is a legal obligation under FCA requirements to provide reports about your investments
Tax certificates and reports	Writing and Investor Portal	We provide and store certain tax certificates and reports on the Investor portal and/or by post	We provide these certificates and reports as part of our contractual obligations with you

We may also collect information from you when you use our website or log in to your Investor portal.

As described in the Terms & Conditions, we are under a legal obligation to monitor and record information relating to your Customer Agreement as they relate to the conclusion of a contract in a financial instrument.

From time to time, including but not limited to, when you voluntarily provide information to us, we may collect other categories of data from you.

Above we set out specific circumstances in which we collect your information how and why we collect this and our lawful basis for doing so. Many of the categories of information we collect primarily to allow us to perform our contract with you and to enable us to comply with legal obligations. In some cases we may use your personal data to pursue legitimate interests of our own or those of third parties, provided your interests and fundamental rights do not override those interests. We will always let you know if we are relying on consent to process your personal data and you have a right to withdraw consent at any time.

## Our promotional updates and communications

Where permitted in our legitimate interest or with your prior consent where required by law, we will use your personal information for marketing analysis and to provide you with promotional update communications by email about our services and events that may interest you.

You can object to further marketing at any time by selecting the "unsubscribe" link at the end of all our marketing and promotional update communications to you, or by sending us an email to [fundenquiries@mmcventures.com](mailto:fundenquiries@mmcventures.com)

## How we share your personal information

We are very concerned to ensure that your personal information is only shared with third parties who process your personal data on our behalf and in accordance with our instructions and the Data Protection Law. Our selected third parties may include:

- Our corporate custodian and nominee, presently Mainspring Fund Services.
- Organisations who support the services we offer you, including through the client portal site. These include: those providing website and data hosting services (presenting including Dropbox, Slack, WordPress, Microsoft, Investran, Sugar CRM), providing fulfilment services, distributing any communications we send (presently including MailChimp, PaperlessPost), supporting or updating marketing lists (presently including MailChimp, PaperlessPost), investment reporting software (presently Tax Efficient Procurement Services) facilitating feedback on our services and providing IT support services (presently AM IT Services) from time to time. These organisations (which may include third party suppliers, agents, sub-contractors and/or other companies in our group) will only use your information to the extent necessary to perform their support functions.
- Analytics and search engine providers that assist us in the improvement and optimisation of our site and subject to the cookie section of this policy (this will not identify you as an individual)



- Business partners who provide services to you and with whom we have entered into agreements in relation to the processing of your personal data. For example, IFAs who connect us with you.
- Identification verification agencies for the purposes of assessing your identity
- Our portfolio companies for the purpose of obtaining EIS relief.

We will disclose your personal information to third parties:

- In the event that we sell or buy any business or assets, in which case we will disclose your personal data to the prospective seller or buyer of such business or assets subject to the terms of this privacy policy.
- If MMC Ventures Limited or substantially all of its assets are acquired by a third party, in which case personal data held by it about its customers will be one of the transferred assets.
- If we are under a duty to disclose or share your personal data in order to comply with any legal obligation, or in order to enforce or apply our terms of supply terms and other agreements with you; or to protect the rights, property, or safety of MMC Ventures Limited, our customers, or others. This includes exchanging information with other companies and organisations for the purposes of fraud protection and credit risk reduction and to prevent cybercrime.

In accordance with the below section, we may transfer your personal information to countries outside the EEA. At present, the only country outside the EEA to which personal information is sent is the United State of America.

## Where we store your information

The data that we collect from you may be transferred to, and stored at, a destination outside the European Economic Area ("EEA") that may not be subject to equivalent Data Protection Law.

Where your information is transferred outside the EEA, we will take all steps reasonably necessary to ensure that your data is subject to appropriate safeguards, such as relying on a recognised legal adequacy mechanism, and that it is treated securely and in accordance with this privacy policy

We may transfer your personal information outside the EEA:

- In order to store it.
- In order to enable us to provide goods or services to you and fulfil our contract with you. This includes order fulfilment and the provision of services by third parties (see above).
- Where we are legally required to do so.
- In order to facilitate the operation of our group of businesses, where it is in our legitimate interests and we have concluded these are not overridden by your rights.

If you have any questions about data transfer, please do contact us.

## Payment Details

Payment details you provide will be encrypted using Transport Layer Security (TLS) technology before they are submitted to our corporate custodian and nominee.

## How we protect your information

All information you provide to us is stored on our secure servers. Where we have given you (or where you have chosen) a password which enables you to access certain services, you are responsible for keeping this password confidential. We ask you not to share a password with anyone.

Unfortunately, the transmission of information is not completely secure. Although we will do our best to protect your personal data, we cannot guarantee the security of your data in transmission. Any transmission is at your own risk. Once we have received your information, we will use strict procedures and security features to try to prevent unauthorised access.

From time to time, we may provide communications which contain links to external sites. We are not responsible for the privacy policies or the content of such sites.

## How long we keep your information

We retain personal data for as long as you are an Investor with us in order to meet our contractual obligations to you and for six years after that to identify any issues and resolve any legal proceedings. We may also retain aggregate information beyond this time for research purposes and to help us develop and improve our services. You cannot be identified from aggregate information retained or used for these purposes.

## Your rights

You have the right under certain circumstances:

- to be provided with a copy of your personal data held by us;
- to request the rectification or erasure of your personal data held by us;
- to request that we restrict the processing of your personal data (while we verify or investigate your concerns with this information, for example);
- to object to the further processing of your personal data, including the right to object to marketing (as mentioned above);
- to request that your provided personal data be moved to a third party.

Your right to withdraw consent:

- Where the processing of your personal information by us is based on consent, you have the right to withdraw that consent without detriment at any time by contacting us. You can also change your marketing preferences at any time as described above.

You can also exercise the rights listed above at any time by contacting us at [fundenquiries@mmcventures.com](mailto:fundenquiries@mmcventures.com) or on 020 7938 2220.

If your request or concern is not satisfactorily resolved by us, you may approach your local data protection authority, (see [http://ec.europa.eu/justice/data-protection/bodies/authorities/index\\_en.html](http://ec.europa.eu/justice/data-protection/bodies/authorities/index_en.html) ). The Information Commissioner is the supervisory authority in the UK and can provide further information about your rights and our obligations in relation to your personal data, as well as deal with any complaints that you have about our processing of your personal data.

## Changes to this policy

Any changes we make to our privacy policy in future will be posted on our website and, in relation to substantive changes or where required by law, will be notified to you in writing where required by Data Protection Laws. This policy was last updated on 24 May 2018

## Contact Us

Questions, comments and requests regarding this privacy policy are welcomed and should be addressed to:

MMC Ventures Ltd.  
FAO: LEGAL (PRIVACY)  
24 High Holborn  
WC1V 6AZ

[fundenquiries@mmcventures.com](mailto:fundenquiries@mmcventures.com)



EIS Fund managed by  
MMC Ventures Limited  
**Application Form**

**May 2020**

## (C) Application Procedure

The sections below correspond to the sections of the accompanying Application Form. It is essential that you complete all parts of the Application Form in accordance with this procedure. If you have any questions please contact us at:

Address: MMC Ventures Limited, 24 High Holborn, WC1V 6AZ.  
Telephone: 020 7938 2220

### Section 1: Personal details

Enter your contact details. If you require copies of correspondence and documentation to be sent to an adviser please also include the contact name and address here. Your national insurance number is required to ensure you obtain your income tax relief. Joint applications are not permitted.

### Section 2: Subscription and fees

Insert (in figures) the amount you are investing in the MMC EIS Fund, including any relevant advice charge.

If you wish us to pay the fees of your independent financial adviser out of your subscription funds, in accordance with paragraph 11.6 of the Customer Agreement, please indicate the amount.

Independent financial advisers who have made arrangements with their clients for their fees to be met out of the subscription funds should ensure that Section 2d is complete, giving their full name and contact details and details of their authorisation under the Financial Services and Markets Act 2000. The right is reserved to withhold payment of the advice charge if MMC is not, in its sole discretion, satisfied that the independent financial adviser is so authorised.

Please note that the minimum investment is £25,000. The maximum investment on which tax reliefs in EIS qualifying investments are available is currently £1,000,000 per tax year.

Cheques and banker's drafts should be made payable to 'MMC MNL Client Account 2' and sent with this Application Form to: MMC Ventures Limited, 24 High Holborn, WC1V 6AZ.

Should you wish to pay by electronic transfer, please arrange for funds to be transferred to the following account: Royal Bank of Scotland, London Victoria.

Reference: MMC- your surname – your initials  
Sort code: 16-01-09  
Account name: MMC MNL Client Account  
Account number: 00653978  
Swift code: RBOSGB2L  
IBAN: GB43RBOS16010900653978

Please note that your payment must relate solely to this application. No receipt will be issued. Payment should be made from a bank account in the name of the Applicant named in Section 1. If this is not practicable, you must provide MMC with anti-money laundering documentation for the third party. If you pay by cheque or banker's draft, your cheque or banker's draft must be drawn in sterling on an account at a branch (which must be in the United Kingdom, Channel Islands or the Isle of Man) of a bank which is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited, a member of the Scottish Clearing Banks Committee or the Belfast Clearing Committee or which has arranged for its cheques or banker's drafts to be cleared through facilities provided for members of any of those companies or associations and must bear the appropriate sorting code in the top right hand corner.

The right is reserved to reject any application form in respect of which the cheque or banker's draft has not been cleared on first presentation. Any monies returned will be sent without interest at the risk of person entitled hereto by first class post by means of a cheque crossed "A/C Payee only" in favour of the person named in Section 1. If you pay by electronic transfer, we reserve the right to treat your application as not having been submitted until such time as the funds transferred by you in respect of your Subscription are received as cleared funds in the Mainspring Client Account.

If you have a CGT Deferral deadline it may be possible to arrange an accelerated investment schedule. Please indicate the deadline and we will discuss this with you.

**Please note that there is a separate Customer Agreement for Business Investment Relief (BIR), and separate procedures for investors wishing to achieve BIR. Funds should NOT be transferred to the account listed above.**

### Section 3: Anti-money laundering

All applicants are required to provide the following proofs of identity, certified by a professional, with their Application Form:

- (i) a verified copy of your unexpired passport or unexpired photocard driving licence; and
- (ii) a verified copy of a recent bank or building society statement or utility bill in your name.

Copies should be certified by a regulated professional such as a solicitor, bank manager, financial adviser or accountant, or alternatively a person in a position of responsibility such as a dentist or doctor who is known to the applicant. Please print the name, work address, telephone number and capacity in which signed (e.g. doctor, company director) of the authorising person and ensure that the document is signed and dated by them.

Alternatively, please supply an identity verification certificate issued and signed by your financial adviser.

### Section 4: Client certification

To be completed by the Independent Financial Adviser (if applicable).

### Section 5: Appropriateness

MMC is authorised and regulated by the Financial Conduct Authority (FCA) and we are required to ensure the appropriateness of our products and services. Please read the Risk Factors section of the Information Memorandum and complete each question so we can meet these criteria.

### Section 6: Signature

Read the declaration and sign and date the Application Form in Section 6.

### Section 7: Fee arrangements

To be completed by the Independent Financial Adviser (if applicable).

This Application Form should be completed in full and returned to MMC Ventures Ltd, 24 High Holborn, WC1V 6AZ or sent to [fundenquiries@mmc.vc](mailto:fundenquiries@mmc.vc)

## (D) Application Form

This Application Form should be completed in full and returned to MMC Ventures Limited.

This Application Form forms part of the EIS Fund Customer Agreement. Before completing this Application Form you should read the MMC Information Memorandum.

Please complete in block capitals.

<b>1</b>	<b>Personal details</b>					
1	Title		Forename(s)		Surname	
	Telephone number (home)			Telephone number (work)		
	Mobile phone number			Email address		
	Permanent address					
	Preferred mailing address (if different)					
Date of birth			National insurance number			
Please indicate all countries in which you are resident for tax purposes. If you are a US citizen or resident, please include United States here along with your US Tax Identification Number.						
Email will be used as the primary mode of contact unless specified here						
<b>2</b>	<b>Subscription and fees</b>					
2	<b>The total amount I would like to transfer to the MMC EIS Fund, including any adviser fees and charges, is:</b>				<b>£</b>	
	Please confirm the method by which you intend to send funds:					
	Enclosed cheque from an account in the name of the investor made payable to 'MMC MNL Client Account'					<input type="checkbox"/>
	Electronic transfer direct to Mainspring, MMC MNL Client Account 2 using the following details:  Reference: MMC – your surname – your initials Sort code: 16-01-09 Account name: MMC MNL Client Account Account number: 00653978 Swift code: RBOSGB2L IBAN: GB43RBOS16010900653978					<input type="checkbox"/>



	<b>Please note that there is a separate Customer Agreement for Business Investment Relief (BIR), and separate procedures for investors wishing to achieve BIR. BIR funds should NOT be transferred to the account listed above. Please contact MMC Ventures for more information if necessary.</b>		
	I request that a fee be paid to my Independent Financial Adviser from my funds sent, totaling: (please fill in both boxes)		%
			£
	Adviser name		Company name
	Telephone number		Email
	Address		
Copies of correspondence may be made available to your financial adviser, unless specified here			
<b>3</b>	<b>Anti-Money Laundering</b>		
	Please confirm that you have included one or both of the following:		
	I enclose a copy of an Identity Verification Certificate (IVC) from my Independent Financial Adviser		<input type="checkbox"/>
	I enclose an original copy of my unexpired passport or unexpired photocard driving license ( <i>certified by a professional to be a true likeness of me and a true copy of the original document</i> )  <b>AND</b> I enclose an original copy of a bank or building society statement or a utility bill in my name dated within the last three months ( <i>certified by a professional to be a true copy of the original document</i> )		<input type="checkbox"/>
<b>4</b>	<b>Client certification (to be completed by the financial adviser if applicable)</b>		
	Please confirm that you (the adviser) have included one or both of the following:		
	We have undertaken an adequate assessment of the client named above (the 'Investor') and his or her expertise, experience and knowledge such as to give reasonable assurance to MMC Ventures in light of the nature of the transactions or services envisaged that the Investor is capable of making his or her own investment decisions and understanding the risks involved in a participation in the MMC Ventures EIS Fund.		<input type="checkbox"/>
<b>5</b>	<b>Appropriateness</b>		
	MMC is authorised and regulated by the Financial Conduct Authority (FCA) and we are therefore required to ask for the following information in order to ensure the appropriateness of our products and services.		
	I confirm I have read the appropriate Key Information Document (KID)		Yes <input type="checkbox"/> No <input type="checkbox"/>
	Do you understand the investment objectives and risk profile of the MMC EIS Fund?		Yes <input type="checkbox"/> No <input type="checkbox"/>
	Are the objectives and risk profile consistent with your personal investment objective?		Yes <input type="checkbox"/> No <input type="checkbox"/>

	Do you understand that your investment will be held over the long term?		Yes <input type="checkbox"/> No <input type="checkbox"/>	
	Please outline in brief your career history (including any relevant education and/or other biographical information)			
	MMC is an active investor and to help our companies grow we sometimes draw on the experience and expertise of our investors. Would you be interested in being contacted by MMC to assist where relevant?		Yes <input type="checkbox"/> No <input type="checkbox"/>	
<b>If you are investing on the advice of an Independent Financial Adviser, please proceed to section 6.</b>				
	Please outline in brief your investment experience including details of the types of service, transaction and investment products with which you are familiar; the nature, volume and frequency of these transactions; and the capacity in which you gained this experience			
	Please confirm that you are comfortable with the high risk and illiquid nature of MMC investments as detailed in the Information Memorandum and EIS Fund Customer Agreement		Yes <input type="checkbox"/> No <input type="checkbox"/>	
	Indicate the extent of your investable assets		£	
	Indicate your approximate annual net disposable income		£	
	Confirm that you are not relying on your investment with MMC to provide you with a source of income			<input type="checkbox"/>
	Confirm that if you were to lose the entire amount you propose to invest with MMC your ability to meet your regular financial commitments would not be impeded			<input type="checkbox"/>
<b>6</b>	<b>Signature</b>			
	By Signing this form I hereby declare that:			
	(i) I have received the MMC EIS Fund Customer Agreement and Information Memorandum and have read the Terms & Conditions of application in the EIS Fund Customer Agreement and agree to be bound by them;			
	(ii) I will be the beneficial owner of the Investments made on my behalf by MMC Ventures Ltd; and			
	(iii) to the best of my knowledge and belief, the particulars I have given to MMC Ventures Ltd are correct.			
	Investor signature			
	Print name		Date	

<b>7</b>	<b>Confirmation of fee arrangements (to be completed by the financial adviser if applicable)</b>	
	Company name	
	Bank sort code	
	Bank account number	
	Payment reference	
	<b>Please note that payment of adviser fees is one month in arrears to the invested funds clearing.</b>	

This Application Form should be completed in full and returned to MMC Ventures Ltd, 24 High Holborn, WC1V 6AZ or sent to [fundenquiries@mmc.vc](mailto:fundenquiries@mmc.vc)