



Purpose:

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

Product:

MMC EIS Fund

MMC Ventures Limited

www.mmc.vc

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MMC Ventures is authorised and regulated by the Financial Conduct Authority (FCA)

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What is this product?

This product is targeted at financially sophisticated retail investors seeking a diversified portfolio of growth capital investments. The MMC EIS Fund invests in high-growth technology businesses that we believe have the potential to apply new technologies or different business models, to up-end existing ways of doing business and provide fresh, more useful, and better value services and products.

MMC invests on behalf of investors in a portfolio of EIS-eligible companies. Our EIS Fund is open-ended, enabling Subscriptions to be made at any time and therefore individual investor portfolios will vary depending upon when each Subscription was made.

Each investor has an account administered by our Nominee and the minimum Subscription to the MMC EIS Fund is £25,000.

Investors can typically expect 10 underlying investments to be made on their behalf within 12-18 months but in all cases Subscriptions will be fully invested within 24 months. These investments will comprise new deals and follow-on funding rounds for existing EIS qualifying MMC companies.

A typical retail investor for this product would be a relatively high net worth individual who already owns a quoted investment portfolio, and wishes to allocate funds to a relatively higher risk product as part of a balanced portfolio. They may be able to utilise the tax advantages of the product (such as 30% initial income tax relief) and could afford to withstand any losses that may arise.

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



Lower risk Higher risk

The risk indicator assumes you keep the product for 7 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less than the amount invested. You may not be able to sell your holdings easily or you may have to sell at a price that is significantly less than anticipated or significantly impacts on the total return achieved.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because you are not able to realise any value from your shares. The risk category shown is not guaranteed and may change over time. The lowest category does not mean it is risk free. We have classified this product as 6 out of 7, which is the second highest risk class.

The EIS Fund is rated 6 due to the nature of its investments which will be in unquoted private companies whose shares may be difficult to sell or market. Such shares may have risks associated with them greater than quoted securities or shares. Restrictions may apply to the transfer of shares in private companies in which the Fund invests. The timing of any realisation cannot be predicted and proper information for calculating the current value of the Fund's investments or the degree of risk posed may not be available.

This product does not include any protection from future market performance so you could lose some or all of your investment.

Investment Performance

The purpose of this product is to enable you to have exposure to unquoted companies as part of a diversified portfolio of growth capital investments.

Any investment in this product should be viewed as long-term. Investors should consider this a long-term investment with a target exit horizon of 5-7 years. The past performance of this product cannot be an indicator of the future performance of investments.

What could affect my return negatively?

The poor performance by one or more of the unquoted companies may have a materially adverse effect on the overall investment performance. This may be influenced by global or local economic, political and regulatory events beyond the control of the unquoted company or MMC.

Furthermore, MMC may use financial models to evaluate investment opportunities. The accuracy and effectiveness of such models cannot be guaranteed. In all cases, projections are only estimates of future results which are based upon assumptions made at the time that the projections are developed. Projections are inherently uncertain and subject to factors beyond the control of MMC and the unquoted company. Consequently, this cannot be an indicator of future investment performance.

What could affect my return positively?

The proportion of successful investments and their level of performance will be key factors in increasing the likely returns to investors. The returns will be generated through the growth generated from the overall portfolio and the sale of portfolio investments.

MMC applies four charges. An initial setup fee when we receive your subscription. An annual management charge and a custody fee. MMC applies a performance fee only after the full amount of the subscription has been returned. These charges are illustrated in more detail below.

What happens if MMC Ventures Limited is unable to pay out?

MMC Ventures Limited is covered by the Financial Services Compensation Scheme (FSCS). If you are an eligible claimant under the rules of the FCA, your Account is protected by the FSCS. You may be entitled to compensation from the scheme if MMC Ventures Limited cannot meet its obligations. This depends on the type of business and the circumstances of the claim. Most types of investment business are covered up to the first £85,000. Further information about compensation arrangements is available from the FSCS.

What are the costs?

The reduction in yield ("RIY") shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the product itself for three different holding periods. The figures assume that you invest £10,000. The figures are estimates and may change in the future.

Cost over time

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Investment of £10,000	1 Year	4 Years	7 Years (Recommended holding period)
Scenarios			
Total costs	£558.00	£1,751.30	£2,485.68
Impact on return (RIY) per year	5.58%	4.38%	3.55%

The table below shows the impact each year of the different types of costs on the investment return that you might get at the end of the recommended holding period and the meaning of the different cost categories.

One-off costs	Entry costs	0.34%	The impact of the costs you pay when entering your investment. Initial fees are 2% + VAT on the Subscription and are shown in the table as amortised over 7 years. This is the most you will pay, and you could pay less.
	Exit costs	-	The impact of the costs of exiting your investment when it matures.
Ongoing costs	Portfolio transaction costs	-	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	2.14% 0.13%	The impact of the costs that we take each year for managing your investment. The annual management fee is 2.5% + VAT per annum and the custody fee is 0.15% + VAT per annum, calculated on the Subscription, for the first 5 years and there are no management or custody fees after this point. Management and custody fees for the first two years are collected quarterly from the Subscription. Fees for years 3-5 are accrued and collected from exit proceeds.
Incidental costs	Performance fees	0.00%*	The impact of the performance fee. We charge this on your investment sale proceeds at 20% + VAT but only once the full amount of the original Subscription has been returned to you.
	Carried interests	-	Not applicable.

*Data not available as dependent on make-up of individual investor portfolio

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

The product is designed so that investors hold their investment for a timeframe of 5-7 years. This is the typical investment holding period. A key investment risk is that the Fund invests in unquoted companies and there is an inherent lack of liquidity as underlying portfolio companies are not available to trade on a secondary market. Investors wishing to sell one or more of their portfolio companies early must give notice to MMC Ventures Limited who can invite bids from other investors. The selling investor would be provided with details of any bids received and would then decide on whether to proceed with the sale. There is no guarantee that any bids would be submitted and/or an agreed price could be reached. MMC Ventures Limited has the discretion to apply a charge for the early disinvestment of any holdings.

How can I complain?

MMC has an Internal Complaint Handling Procedure, a copy of which can be obtained on request. Once the Internal Complaint Handling Procedure has been exhausted, should you remain dissatisfied and are a Retail Client, you then have the right to refer the matter to the Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London, E14 9SR.

Other relevant information

Mainspring Nominees Limited act as the Custodian/Nominee of the MMC EIS Fund.

MMC provides investors with contract notes and EIS3 certificates following each investment. In order to obtain the tax reliefs, investors need to file the EIS3 certificates with their tax return.