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# Symvan Technology SEIS Fund 3

## Memorandum & Application



# Important Information

This notice is important and requires your immediate attention. If you are in any doubt about the action that you should take regarding the contents of this memorandum and appendices (including the application form), you should contact an Independent Financial Adviser or other professional adviser authorised under the Financial Services and Markets Act 2000 (FSMA) who specialises in advising on investments of this type. Reliance on this memorandum for the purpose of engaging in any investment activity may expose an individual to a significant risk of losing all of the property or other assets invested. Your attention is drawn to Part I – Key Risks of this document. Nothing in this document constitutes investment, tax, financial, regulatory or other advice by Symvan Capital Limited.

This Memorandum constitutes a financial promotion pursuant to section 21 of FSMA, and is issued and approved by the Manager which is authorised and regulated by the Financial Conduct Authority in the United Kingdom and whose registered office is at 6th Floor, 2 London Wall Place, London EC2Y 5AU.

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

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

a) professional clients or eligible counterparties as defined in the Conduct of Business Sourcebook ("COBS") of the FCA's Handbook of Rules and Guidance;

b) retail clients who confirm that they will receive advice on the investments referred to in this Memorandum from a financial adviser authorised and regulated by the FCA;

c) to the extent that the recipient is a retail client who does not fall within category (b), only clients falling within the following categories and subject to the condition referred to below (the "Condition"):

i) certified high net worth investor in terms of COBS 4.12.6R;

ii) certified sophisticated investors in terms of COBS 4.12.7R;

iii) self-certified sophisticated investors in terms of COBS 4.12.8R;

iv) certified restricted investors in terms of COBS 4.7.10R; and

v) any person to whom the communication may otherwise lawfully be made.

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

### **Retail investors who will receive advice**

Retail investors who do not fall within any of the categories in paragraph (c) above should confirm to a financial adviser authorised and regulated by the FCA that they intend to receive advice on the investments referred to in this Memorandum. The financial adviser will receive that confirmation on behalf of the person who has approved the Memorandum for the purpose of section 21 of FSMA. The financial adviser will be required to countersign the application form.

### **Certified high net worth investors**

The requirements that must be met for a person to qualify as a certified high net worth individual are that such person has signed, within the period of 12 months ending on the day on which the communication is made, a statement in the prescribed terms under COBS 4.12.6R. An application from such a person will only be accepted if the Condition is satisfied.

### **Certified sophisticated investors**

The requirements that must be met for a person to qualify as a certified sophisticated investor are that such a person (a) has a current certificate in terms of COBS 4.12.7R being one signed and dated not more than three years before the date on which the promotion is made, in writing or other legible form, signed by an authorised person in terms of FSMA to the effect that the recipient of that promotion is sufficiently knowledgeable to understand the risks associated with investments of the kind set out in this Memorandum, and (b) has signed, within a period of 12 months ending with the day on which the communication is made, a statement in the prescribed terms under COBS 4.12.7R. An application from such a person will only be accepted if the Condition is satisfied.

### **Self-certified sophisticated investors**

The requirements that must be met for a person to qualify as a self-certified sophisticated investor are that such person has signed, within the period of 12 months ending on the day on which the communication is made, a statement in the prescribed terms under COBS 4.12.8R.

An application from such a person will only be accepted if the Condition is satisfied. Self-certified sophisticated investors are advised in particular to consult an authorised person in terms of FSMA specialising in advising on investments of the kind set out in this Memorandum in order to assist in understanding and evaluating the risks involved.

### **Certified restricted investors**

The requirements that must be met for a person to qualify as a certified restricted investor are that such person has signed, within the period of 12 months ending on the day on which the communication is made, a statement in the prescribed terms under COBS 4.7.10R. An application from such a person will only be accepted if the Condition is satisfied.

### **The Condition**

The Condition referred to above is that either:

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

To confirm compliance, the relevant financial adviser should complete and sign page 56 in the Appendix 5 – Application Form. Reliance on this promotion for the purpose of engaging in investment activity may expose an individual to a significant risk of losing all of the property invested.

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

Past performance is not a guide to future performance and may not be repeated. The value of an Investment may go down as well as up and an Investor may not get back the full amount invested.

Investment in the Fund carries substantial risk. Any investment in the Fund should be regarded as being medium to long term in nature. Investors' money subscribed to the Fund will be committed to investments, which may be of a long term and illiquid nature.

The companies in which the Fund invests will not be quoted on any regulated market and, accordingly, there will not be an established or ready market for any such shares. It may be difficult to obtain information regarding how much an investment is worth or how risky it is at any given time and the Manager may experience difficulty in realising the investments (for value or at all).

An investment in the Fund may only be made on the basis of this Memorandum and the Investor Agreement. Prospective Investors should not regard the contents of this Memorandum as constituting a recommendation or advice relating to any legal, taxation, regulatory or investment matters and are advised to consult their own professional advisers before contemplating any investment.

The Manager, its directors, officers, employees and agents do not accept any liability for any direct, indirect or consequential loss or damage suffered by any person as a result of relying on any information or opinions contained herein or in any other communication in connection with an investment in the Fund except where such liability arises under FSMA, regulations made under FSMA or the FCA Rules and may not be excluded.

The Manager has taken all reasonable care to ensure that the factual content hereof is accurate and that statements of opinion herein are reasonably held.

Subject to the Manager's overriding duty under the FCA Rules to ensure the content of this Memorandum is presented in a manner which is fair, clear and not misleading with respect to the persons to whom the Fund is promoted by it, the Manager accepts no responsibility to any recipient of this Memorandum for inaccuracies in factual representation or for any consequences to such persons as placing reliance upon statements of the Manager's opinion except to the extent required by law.

Additionally, some material included in this Memorandum is derived from public or third-party sources and the Manager disclaims all liability for any errors or misrepresentations, which any such inclusions may contain.

The Memorandum contains certain information that constitutes "forward-looking statements" which can be recognised by use of terminology such as "may", "will", "would", "should", "anticipate", "estimate", "intend", "continue", or "believe" or their respective negatives or other comparable terminology. Forward-looking statements are provided for illustrative purposes only. Due to various risks and uncertainties, actual events, results or performance may differ materially from those reflected or contemplated in such forward-looking statements.

No person has been authorised to give any information, or to make any representation concerning the Fund other than the information set out in this Memorandum and if given or made, such information or representation must not be relied on.

This Memorandum is only intended for release in the United Kingdom and does not constitute an offer, or the solicitation of an offer, in any jurisdiction in which such offer or solicitation is unlawful.

It is the responsibility of any person outside the United Kingdom wishing to make an application to invest in the Fund to satisfy himself as to full observance of the laws of any relevant territory in connection therewith. Prospective Investors should be aware that the arrangements described in this Memorandum represent a discretionary management service subject to the terms of the Investor Agreement.

Investors appoint the Manager to invest their subscription monies on a discretionary basis into the Portfolio Companies. All investments made will be held in the name of the Nominee in a way that enables each Investor's entitlement to be separately identified. The Fund is not treated as an unregulated collective investment scheme (as defined in section 235 of FSMA) but is an alternative investment fund as defined in the Alternative Investment Fund Managers Directive 2011. The Manager reserves the right to update this Memorandum from time to time.

This Memorandum was initially dated 18th December 2017 and amended to reflect the subsequent introduction of The Money Laundering and Terrorist Financing (Amendment) Regulations 2019. The most recent amendment is dated 2nd October 2023.

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# Key Facts

The following key facts provide a summary of the opportunity to subscribe to the Symvan Technology SEIS Fund 3 (the “Fund”) and should be read in conjunction with the full text of this Memorandum.

Fund Manager	Symvan Capital
Investment Focus	Technology Growth
Minimum Subscription	£10,000
Target Fund Size	Up to £1.5 million
Fees to Investors	Zero fees (except Performance Fees)
Performance Fee	20% on realised amounts in excess of Subscriptions
Target Exit Timeframe	Average life of 7 years
Target Return	£2.85 after 5 – 7 years (before impact of tax relief)
Minimum Hold Period	3 years for full EIS and IHT benefit
Fund Closing Dates	Quarterly (or at the discretion of the Manager)

# Key Risks

All prospective Investors should be aware that as the Fund will invest in unquoted companies, the value of Shares in each Portfolio Company can fluctuate. In addition, there is no guarantee that the valuation of Shares in a Portfolio Company will fully reflect their underlying net asset value, or that Investors will be able to buy and sell at that valuation or at all. The Manager cannot guarantee that all investments will be completed within a target investment period of 12 months. The investment described in this Memorandum will not be suitable for all investors. All potential Investors are accordingly advised to consult an investment adviser authorised under FSMA, and an appropriately qualified taxation adviser, prior to making an investment.

## General Risks

An investment in the Fund is subject to a number of risks. Before making any investment decision, prospective Investors should consider carefully the risks attaching to an investment in the Fund together with all other information contained in this Memorandum, including in particular, and not limited to, the risk factors described below.

This information does not purport to be exhaustive and the risks described below are not in an order of priority. Additional risks and uncertainties not presently known to the Manager or those that the Manager currently considers to be immaterial may also have an adverse effect on the business or affairs of the Portfolio Companies. Investors should consider carefully whether an investment in the Fund is suitable for them in the light of the information in this Memorandum and their personal circumstances.

- The Fund will be investing in early stage companies. A number of those companies are likely to fail during the life of the Fund or lose a great deal of their inherent value. It may be difficult to obtain reliable information about the value of shares in such companies.
- The value of the Shares in each Portfolio Company may go up or down. An Investor in the Fund may not recover the full amount invested. There is neither any active secondary market, nor is there intended to be a market, in the Shares. As such, the Shares will not be readily realisable. It is not intended that any income or capital will be returned to Investors during the Relevant Period. After holding the Shares in the Portfolio Companies for the Relevant Period, it may still be difficult to realise the Shares or to obtain reliable information about their value.
- The investment timetable of the Manager may not be achieved which may result in the loss of SEIS tax reliefs. No assurances can be given that the Fund will ever be fully invested or that the Fund's investment objectives will be achieved.
- There is a very real risk that investors may lose money if a Portfolio Company needs to merge before the end of the Three Year Period. Technology company prospects can change quickly and both defensive and growth M&A transactions may feasibly occur during the Three Year Period.
- The past performance of the Manager is not a guide to the future performance of the Fund. The Portfolio Companies will either not have a trading history or only a limited one.

- The performance of the Portfolio Companies may be affected by factors beyond their or the Manager's control including but not limited to adverse conditions and changes in Government policy.
- There are circumstances in which an Investor could cease to qualify for the taxation advantages offered by the SEIS.
- If the Portfolio Companies cease to exist wholly for the purpose of carrying on a Qualifying Trade during the Three Year Period, this could prejudice their qualifying status under the SEIS. Further, if the funds made available to the Portfolio Companies are not used within 36 months, the Portfolio Companies would be in breach of these rules and tax reliefs would be withdrawn. The situation will be closely monitored with a view to preserving each Portfolio Company's SEIS status, but this cannot be guaranteed.
- Investors are advised to take appropriate independent professional advice on the tax aspects of their investment, as it is possible for Investors to lose their SEIS tax reliefs and/or CGT reinvestment relief and/or IHT Relief by taking or not taking certain steps.
- The information in this Memorandum is based upon current taxation, other legislation and HMRC practice, and any changes in the legislation or HMRC practice may affect the value of an investment in the Fund. The value of the tax reliefs will depend on the individual circumstances of Investors and may be subject to change in future. In addition, the availability of tax relief depends on the Qualifying Companies maintaining their qualifying status.
- If the Minimum Fund Size of £500,000 is not reached by the Closing Date, the Fund's closing date may be extended at the discretion of the Manager or the Fund will not proceed, and Investors' monies will be returned without interest.

**A failure of the Portfolio Companies to meet the qualifying requirements for the SEIS could result in:**

- Investors being required to repay any income tax relief received, depending on whether relief has been claimed under the SEIS on the Subscription;
- a liability to CGT on a disposal of Shares; and
- CGT reinvestment relief being lost.
- The Manager will seek provisional approval from HMRC that the Portfolio Companies in which it plans to authorise an investment should qualify under the SEIS rules prior to the investment being made. However, there can be no guarantee that the SEIS tax reliefs will be available. If SEIS tax reliefs are subsequently not available, subscription monies will not be returned to Investors.
- A sale of Shares in the Portfolio Companies within the Relevant Period will result in income tax relief being withdrawn and a liability to CGT on disposal.

# Welcome from Symvan Capital



**Dear subscriber,**

The promotion of high growth technology companies surely ranks as an objective for any economic policy maker in any advanced nation seeking to thrive in an increasingly competitive global economy. The United Kingdom has consistently shined as a force for technological innovation and its universities and businesses punch well above their weight on the global scale.

**As HM Treasury recently noted in their August consultation titled “Financing growth in innovative firms”:**

*“The UK also has a higher proportion of firms exhibiting individual periods of high-growth than all but one country in Europe and a slightly higher rate than that in the US. It also performs strongly within Europe in terms of high potential firms, for example 24% of the Financial Times’ recent analysis of Europe’s top 1000 fastest growing companies are British, compared with 24% from Germany, 19% from Italy and 14% from France.”*

Given what we know about investment returns associated with successful high-growth firms and sectors, this potentially offers very attractive investment returns for UK investors. The risks in investing in early-stage venture capital are high but the UK government has provided tax-efficient wrappers that dramatically alter the risk/return trade-off for investors in high growth companies, making such investments an integral part of most diversified investment portfolios.

The Seed Enterprise Investment Scheme was introduced in the 2011 Autumn Statement as a concept to help provide capital to very early stage businesses, where there was a perceived funding gap which was acting as an impediment to the establishment of young, dynamic companies.

Very generous tax incentives have led to a huge interest in investing under the Scheme. Symvan Capital has previously launched two SEIS funds since 2014.

Our “deeper not wider” mantra translates into investing in only a limited number of selected investments in a given year with the objective of achieving outstanding returns.

A number of other fund managers focus on creating larger funds and thereby investing in a much larger number of companies in any given tax year, and these funds will probably often provide good returns to investors given that the sheer generosity of the SEIS tax relief permits a lot of company failure being consistent with solid investment returns.

Yet Symvan Capital persists with its curatorial approach to investment selection, confident that this approach is more likely to result in outstanding investment return for its SEIS subscribers and a carefully cultivated crop of dynamic companies for our EIS funds.

The UK has never had a problem with innovation, punching well above its weight in terms of inventions and university research.

However – and this is only slightly facetious - it is also the country that invented both the computer and the world wide web and didn't commercialise either of them. Symvan Capital seeks to help do its bit to address this tragic imbalance, through investing in and nurturing companies that have not been well served by either the tax-efficient market or by the traditional venture capital industry.

The final product aim is remarkable growth and high exit values within an actively risk-managed environment, leading to outstanding investor returns. And all of this is provided in an environment characterised by transparency and authenticity.

The world of tax-efficient investing is changing, and Symvan Capital seeks to operate at the forefront of those changes.

**We are delighted to offer you the opportunity to accompany us on this journey.**



Kealan Doyle



Nicholas Nicolaides

# Why Invest in SEIS?

## Understanding the Tax Angle

The Seed Enterprise Investment Scheme was explicitly introduced by the government to promote much-needed equity investment into small, fledgling companies.

The public policy objective was to create economic growth and employment whilst providing investors with generous tax incentives in return for their risk capital.

The Manager, Symvan Capital, believes that SEIS investments should form a core component of a tax-efficient portfolio for higher rate taxpayers. Technology SEIS investing is particularly enticing because it encourages investment in rapidly growing companies with potentially superlative investment returns, whilst having the government underwrite a considerable amount of the risk for those investments that lose money, which is inevitable in early stage investing.

Technology SEIS investment funds are valued by the government for their success in creating dynamic companies and skilled employment. In the August 2017 consultation paper by HM Treasury, the importance of promoting early-stage growth companies was discussed:

*“By not realising the economic benefits derived from its strengths in creating start-ups with world-leading ideas, the UK therefore appears to be failing to maximise its potential productivity gains.”<sup>1</sup>*

Whilst such a sentiment should provide comfort to higher rate taxpayers looking to invest in technology SEIS funds, these same investors are under attack on other fronts with respect to personal taxation.

Tax relief on pension contributions has shrunk dramatically in recent years, leaving tax-efficient investors to largely focus on VCT, EIS and SEIS investment vehicles.

However, HM Treasury has recently indicated that they will be ‘cracking down’ on a large section of those markets as well, particularly the subset known as ‘capital preservation’ investments, which HM Treasury defines as follows:

*“This typically involves investment in lower risk, often asset-based companies that generate stable returns without aiming for significant growth. Even with no growth in capital and low dividend payments, an investor will see a healthy return.”*

Wealth managers and higher rate taxpayers need to be vigilant with respect to those investments which adhere to the spirit of the EIS rules. The government is becoming increasingly explicit that the spirit of the legislation involves investors providing equity financing to growth firms, and technology firms are probably at or near the top of the favoured investments by HM Treasury.

### Key Tax Reliefs

The Fund allows subscribers to benefit from the generous tax incentives available under the Seed Enterprise Investment Scheme.

The following is a brief summary of the tax reliefs that may be available to individuals from an investment in a Qualifying Company (for further details, please refer to Appendix 1 – Taxation):

### **Income tax relief**

Up to 50% income tax relief on an Investor's subscription into a Qualifying Company is available on an aggregate maximum Qualifying Investment of £100,000 in the tax year ending 5 April 2018, subject to the Investor having paid sufficient tax for the year.

### **Capital gains tax re-investment relief**

An individual may claim 50% CGT relief in respect of capital gains of up to £100,000 reinvested in SEIS Qualifying Investments made in the same tax year in which the gains were realised.

### **Exemption from capital gains tax**

Any capital gains realised on a disposal of Shares in a Qualifying Company after the Relevant Period, and on which SEIS income tax relief has been given and not withdrawn, will be capital gains tax free.

### **Inheritance tax exemption**

The value of investments that have been held for two years or more at the date of death should qualify for IHT business property relief and, under existing legislation, proceeds received on exit from the Portfolio Company can be re-invested into IHT qualifying companies to maintain the IHT-free status. BPR would be 100% under the assumption that the shares are held in a qualifying unquoted company.

### **Loss relief**

A loss on SEIS qualifying shares due either to disposal at a loss or the shares becoming of negligible value should be capable of being offset against other allowable taxable income. Taken together with the initial income tax relief of 50%, even if their investment was to fall to zero, for a current 45% taxpayer, this represents reliefs totalling up to 72.5% or up to 72.5p for every £1 being returned to the Investor, or in other words, a maximum loss of 27.5p for every £1 invested into each company.

### **Business Investment Relief**

Prior to 6 April 2012, individuals who were tax resident in the UK, but domiciled outside the UK, would have suffered UK tax on remittance to the UK of overseas income and gains.

Under legislation in the 2012 Finance Act, such individuals will no longer suffer UK tax on remittances provided that the money remitted is used in the UK to make a "qualifying investment". Whilst the definition of "qualifying investment" is wider than the definition of an SEIS qualifying investment, it is the intention of the Fund to invest in Shares that will qualify for these reliefs.

Thus, an Investor can benefit not only from the ability to make tax free remittances, but also from the various tax reliefs that arise from SEIS investment. The investment must be made within 45 days of remitting the funds to the UK.

### **Taxation Considerations**

This summary is based upon current UK tax law and practice and is intended as a guide only. It is not intended to constitute legal or tax advice and all prospective Investors are recommended to consult their own professional advisers concerning the possible tax consequences of purchasing, holding, selling or otherwise disposing of an interest in Shares.

Tax benefits are subject to change in the future and their value will depend on personal circumstances.

# Why Invest with Symvan Capital?



## Background

Symvan Capital's team and the Fund's Investment Committee have a breadth of experience that is unusual in early stage technology investing. Rob Bird is a global expert and practitioner in big data science and artificial intelligence. Kealan Doyle and Nicholas Nicolaides each have over 20 years in technology investment and capital markets experience. Julian Sampson is a highly experienced compliance professional with a deep understanding of the regulatory framework. The team brings considerable experience and judgement to the task, with expertise on company valuations, due diligence and, with support from a wider network, the ability to mentor growth companies.

## Awards & recognition

Symvan Capital launched its first fund almost four years ago and has since won three fund management awards and a runner-up award from the EIS Association and Growth Investor Awards.



### EIS Association Awards 2016

#### Judges' comment:

*"The judges praised the company for their due diligence, their selection process and speed of investment. They also liked the clarity of their communications, and the effort that they have made to demonstrate the benefits of their investment, not just in value, but in job creation and the tax revenues raised as well."*

### EIS Association Awards 2015

#### Judges' comment:

*"The level of due diligence and research they undertake on potential investee companies is impressive and gives advisers and investors alike great confidence in their investment. Investor communication also appears to be excellent with regular investor meetings and updates, all of which offer a glimpse into the inner workings of the SEIS which few funds can match."*

### Growth Investor Awards 2017. Guy Tolhurst, Managing Director at Intelligent Partnership:

*"Symvan has successfully grown its brand with promising performance and an emphasis on giving investees the backing they need to reach their potential."*

### Hardman & Co Full Manager Report, December 2016.

#### Dr Brian Moretta, Head of Tax Enhanced Services:

*"Symvan has a very strong and experienced advisory panel. Technology is assessed through their expert network. Overall the Symvan approach is very well thought out."*

### Growth Investor Awards 2016. Daniel Kiernan, Research Director at Intelligence Partnership:

*"An early leader in SEIS funding, with a strong track record, Symvan impressed judges with the levels of support for investee businesses, which go much further than funding, taking companies from the earliest stages of growth to established businesses."*

## Technology Opportunity

Symvan Capital firmly believes that we are at the forefront of a technology wave, which will radically transform our world. Such transformation and fundamental changes can offer investors many new and profitable investment opportunities. There are very few business sectors or occupations that will not look dramatically different one decade from now. As Satya Nadella wrote in 2014 in an email to employees on his first day as CEO of Microsoft:

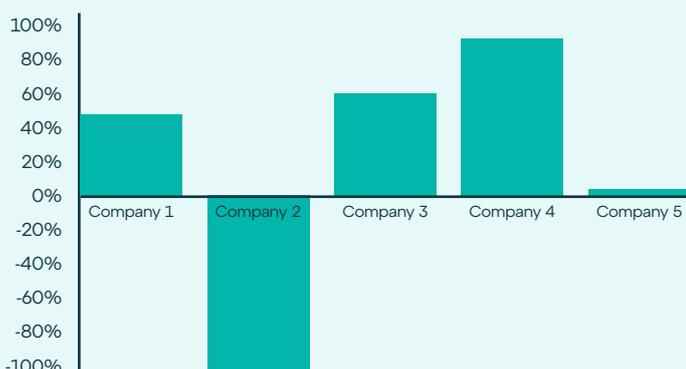
*“I believe over the next decade computing will become even more ubiquitous and intelligence will become ambient. The coevolution of software and new hardware form factors will intermediate and digitize — many of the things we do and experience in business, life and our world. This will be made possible by an ever-growing networkw of connected devices, incredible computing capacity from the cloud, insights from big data, and intelligence from machine learning.”*

## Results

Given the Three Year Period requirement and the relative recent launch of Symvan Capital’s initial SEIS funds, it is unsurprising that there have not been any exits from these funds yet. Investors must hold SEIS investments for three years so there have been no SEIS exits yet. However Symvan Capital’s first two SEIS funds have already demonstrated strong performance.

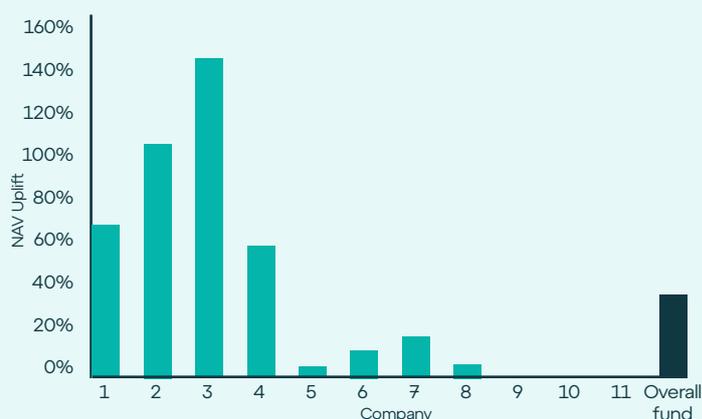
Measuring performance based on the uplift in Net Asset Value (NAV) over cost since each investment was made with reference to IPEV Valuation Guidelines<sup>2</sup>, we can demonstrate this growth graphically for each of the two funds.

**Chart: Performance of the Symvan Seed EIS Opportunities Fund since 2014**



Symvan Capital’s first SEIS fund that was launched in January 2014 comprises four companies and the overall NAV uplift for the fund is only 1%. However, the results to date are distorted by the failure of one of the four companies in the fund, which entered into a Members’ Voluntary Liquidation (MVL) and lost over 98% of its value. The other companies have achieved NAV uplifts of 44%, 58% and 90% respectively and all three are generating revenue.

**Chart: Performance of the Symvan Technology SEIS Fund 2 since 2015**



The Symvan Technology SEIS Fund 2, launched in February 2015, has achieved to date an overall NAV uplift of 37%. This overall performance is very encouraging even considering that some of the investments were completed recently and are being held at cost. This fund has made eleven investments, five of which were completed in 2015, with a reasonable timeframe for the initial investments to mature sufficiently to be able to measure performance. These five companies have seen NAV uplifts of 72%, 104%, 144%, 58% and 3% respectively.

Symvan Capital believes that already in such a relatively short timeframe significant progress has been made towards achieving its investment objective of providing a return that will more than double investors’ money in approximately five to seven years.

Guidelines, Edition December 2015

<sup>2</sup> International Private Equity and Venture Capital Valuation

# Investment Strategy

**At Symvan Capital, we enter into each SEIS investment with the aim of applying our Life Cycle Approach. We conduct stringent due diligence even at this early stage, because we are looking for future industry winners. We will not invest in a company unless it can demonstrate the potential to return ten times our investment within a reasonable time frame. Only prodigy companies need apply.**

The Symvan Technology SEIS Fund 3 (“the Fund”) has been established to enable investors to invest in technology companies with high growth potential. Symvan Capital considers that companies operating in the technology sector that have high growth potential, which also qualify for SEIS tax reliefs and which fit with the Fund’s focussed investment criteria have the potential to offer investors very robust returns.

Investments will be made in new ordinary shares of Qualifying Companies. To reduce the risk of investing in smaller companies, the investment approach will be to concentrate the Fund’s focus on targeting companies that meet the following criteria.

## Portfolio Company Characteristics

At Symvan Capital, we focus exclusively on identifying and investing in companies with strong growth potential. We are tolerant of the failure of some of the firms in the portfolio, particularly because the tax relief (including loss relief) make it largely irrelevant if one has some failures as long as one can have some notable successes. This characteristic is what makes technology so alluring in the context of SEIS – although the high risks of technology investing are apparent, most investors are acutely aware of the vast potential upside for the investments that truly work out.

When choosing potential company investments, certain characteristics remain broadly constant:

- a) Advance Assurance has been received in respect of qualifying under the SEIS;
- b) experienced and reliable management teams;
- c) a clear path to recurring sales growth, even at the expense of near-term profitability;
- d) a business model with high margins;
- e) relatively low capital expenditure requirements
- f) plausible exit strategy; and
- g) must have the potential to generate a return of ten times the original investment.

## Sector Characteristics

The Fund will be making investments in companies that operate across the technology sector, however the majority of Portfolio Companies are expected to operate in the areas of digital technology and application software for the most part, often with a business-to-business (B2B) focus. The Fund’s investment focus is on four subsectors of this category of technology:

- a) Artificial Intelligence and Machine Learning;
- b) Internet of Things;
- c) Data driven technologies involving big data analytics, cyber security, block chain, etc.; and
- d) Immersive technologies such as Augmented Reality (AR) and Virtual Reality (VR).

Monies invested by the Fund into Portfolio Companies will be primarily used by these entities to invest in people, sales and marketing activity, and working capital to achieve and grow revenues quickly. The Manager believes that technology businesses with established commercial operations, growing revenues, and the potential to scale to a much higher level, are likely to be attractive to both trade buyers and private equity fund buyers and command strong valuations on sale or at flotation.

### Technology Sector Overview

The venture capital industry in the UK is dramatically different to that of even five years ago. Early-stage investing in technology companies is much more accepted as a viable asset class, perhaps owing to some spectacular growth stories in recent years. Traditionally in the shadow of the industry in Silicon Valley, the UK and European venture capital industry seems to be finally finding its feet. As GP.Bullhound points out in a recent report<sup>3</sup>, reported unicorn sightings are flourishing:

*“57 billion-dollar technology companies have now been founded in Europe in the last 17 years. In the past year, three businesses – Zalando, Supercell and Spotify – became the continent’s first to achieve \$10 billion valuations. What is particularly notable, though, is the acceleration of the growth of this cohort of businesses.”*

Investor perceptions of returns are paramount to driving future returns. According to the BVCA, historically the returns from UK and European venture capital funds have been poor, largely owing to the effects of the dot-com bubble. Yet venture capital funds that started post-2002 have performed much better, outperforming both the FTSE All-Share Index and UK pension funds.

Furthermore, according to Silverpeak’s recent review of valuation metrics for the application software sector<sup>4</sup>, Q3 2017 has been an extraordinary quarter for UK Small and Mid cap application software company valuations, which

reached their highest valuation levels in the last 7 years, and with EBITDA multiples higher than US except SaaS. Current Enterprise Value / Revenue multiples are at 3.8x and equivalent EBITDA multiples at 21.4x. These valuations continue to attract both industry and private equity interest.

In summary, Symvan Capital believes there is a good opportunity to achieve attractive returns in the technology sector. These companies, assuming they are able to progress to revenue and growth, offer significant potential to deliver the greatest inflection in investment value during the period leading up to an exit (e.g. a sale to trade buyer or fund, or an Initial Public Offering) when they are looking to demonstrate their scalability through delivering a consistent record of continual high growth.

### US versus European Venture

Many investors are acutely aware that the most interesting companies in the world today are technology companies, and that they tend to be based in either the USA or China. On a recent trip to Silicon Valley, Symvan Capital met a number of California investors who had early investments in companies such as Uber, Facebook and Instagram. It goes without saying that these investors made a small fortune on such investments. A UK investor might well comment that these investors were lucky in that they were in the right place at the right time. But as the previous quote from GP.Bullhound indicates, the UK is becoming the right place at the right time, so investors should position themselves with care if they are to replicate some of the successes that Silicon Valley has shown is possible.

If there is one single attribute, which differentiates Symvan Capital from all of the other providers in the tax efficient market, it is that we believe that our approach is considerably closer to a California venture capital investor than that of a traditional SEIS or EIS fund manager. Here are the four principles that help illustrate those differences:

<sup>3</sup> “Titans of Tech: Europe’s Flagship Companies”, GP.Bullhound, September 2017  
<sup>4</sup> “A review of key company valuation metrics in the UK,

European & US Application Software sectors”, Silverpeak Benchmark Report Q3 2017

- **We are comfortable with failure**  
British investors have traditionally hated this because failure attracts more publicity than success. However, to use a UK example, Dyson made 5,126 attempts to invent a bagless vacuum cleaner, which is surely a compelling domestic example of why one must be cruel to be kind!
- **People are paramount**  
We are obviously well versed and very interested in a Portfolio Company's mastery of its business, market strategy and product opportunity. But we invest in the people. It is the founder's maturity for accepting the need for future strategic pivots (which are almost inevitable), their enthusiasm and their moral compass that we value above all else. Everything else can be rented.
- **The cusp is the must**  
Symvan Capital is not interested in yesterday's grand idea, product or strategy. However, we also abhor 'people of the moment' in equal measure. Demonstrate that you are as mad and determined as Steve Jobs once was - and we are all ears.
- **Avoid any talk of capital protection**  
Nothing else needs to be said on this subject. HM Treasury has said everything more eloquently than we can on this topic.

Although we would maintain that our approach is broadly similar to that of a typical California venture investor, it would perhaps be more accurate to describe our approach as "California venture investing with British characteristics." This means that we are not simply aiming at a 'one in ten approach' whereby one outlier can make up the entirety of the portfolio return, as is common in US venture investing. We modify this really high-risk approach that is characterised by one only or primarily looking for the outliers, such that we maintain its essence. In brief, Symvan Capital believes that it is important that a UK investor looks for the

outliers, but accept these will not be as high returning as the US outliers, so it is important to obtain decent average returns from the rest of the portfolio in comparison with a typical US venture portfolio. In essence, the sharp inequality of the returns of a US venture portfolio is reduced but the overall portfolio return aims to be in a similar region, although this has historically not been the case with UK venture returns.

A recent report<sup>5</sup> by Keith Arundale, a lecturer on private equity and venture capital, has been assessing the performance gap between US and European venture capital funds.

Arundale states: *"I think it's a combination of things. Part of it is just how intensely competitive it is, particularly in Silicon Valley. Just about everybody agreed how competitive it is compared to Europe. And because it's so competitive, it affects a variety of things. One is they tend to invest earlier in a company's lifecycle, which means they've got a better chance of potentially picking up outlier returns. They're probably taking more of a risk because of the competition but I think it's also culture. A number of people commented on the cultural aspect there, that they're more used to taking risks in the States."*

The differing attitude to risk is well known but an understanding of how the US venture approach is similar to that of a Symvan fund in terms of return potential is more nuanced. First the nature of the tax relief helps improve the odds in the UK's favour, as there are no such tax reliefs in the United States. Second, Arundale's statement above refers to the fact that US investors get involved at a very early stage in the investment cycle which, although highly unusual in the UK venture experience, is an integral part of Symvan Capital's approach as we describe in the following section.

<sup>5</sup> Funding the Future Journal, BVCA, Summer 2017

## The Symvan Lifecycle Approach

The Symvan Lifecycle Approach supports our view that positive investment returns can be created from nurturing early-stage technologies through to and including participation in Series A fundraising rounds. The essence of the approach is that successful SEIS investments will be taken through and funded by Symvan Capital's funds from seed start-up to venture scale-up.

The Symvan Lifecycle Approach typically begins with Symvan Capital initially 'seeding' a technology business via an investment from a SEIS fund, whilst setting performance and achievement benchmarks for that company. Companies that Symvan Capital considers to be successful then become investment opportunities for Symvan's angel investors and EIS funds.

### Chart: Symvan Lifecycle Approach



Symvan Capital focuses investment in businesses which have established plans and management teams, have demonstrated growth potential with strong commercial opportunities, and are planning to exit within five to seven years. Following a 'seed' round, successful technology companies typically find themselves at an inflection point in their development where, for example, an opportunity to grow sales significantly can be the main driving focus. These companies may also benefit from external assistance to achieve their growth by ensuring key internal processes and procedures have been successfully created. Symvan Capital believes that technology businesses with established

commercial operations and growing revenues, which can demonstrate growth for three years or more and show potential to scale to a much higher level, are likely to be attractive to both trade buyers and private equity fund buyers and command strong valuations on sale. There is a degree of risk associated with investing in SMEs, let alone start-ups. Whilst Symvan Capital may not be able to remove such risk, we believe we offer investors an opportunity to generate attractive returns through the application of a 'deeper, not wider' approach that is applied across the entirety of our investment activities. We consider the following factors as critical to success:

- The process to choose Portfolio Companies is highly selective and focuses primarily on management competence. Our most important investment criterion is our assessment of the inherent faithfulness of the executive team towards sound corporate governance practices, ability to withstand adversity, and strategic competence.
- Availability of further funding – When committing to an investment we have already considered whether further funding may be required, which we achieve through private placements with Symvan's Angel Network and attracting investments from EIS funds. For example, all portfolio companies in Symvan Capital's first SEIS fund have each raised follow-on funding, all at higher valuations, from angels.
- Symvan Capital adopts a collaborative approach to investing, often co-operating with technology incubators, which we believe de-risks investments. Examples include Microsoft Accelerator, TIM #WCAP Accelerator, and The Garage Soho.
- Symvan Capital has access to advisors who bring technology sector, start-up and scale-up experience. Where necessary, they can join the management of portfolio companies to bolster the team where specific weaknesses exist.

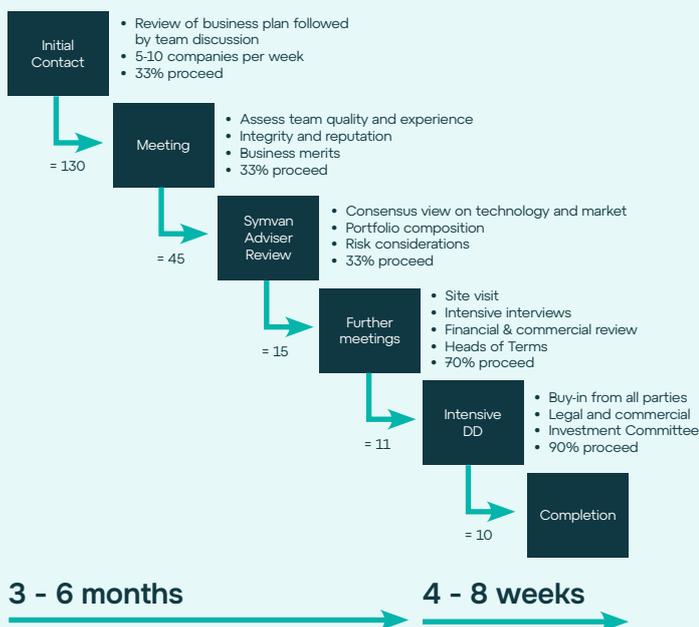
Symvan Capital will take time to understand the business, how we can contribute to their development, and will not be rushed into completing investments. Symvan Capital will take a corporate director position with each Portfolio Company. Finally, each investor within each fund has exposure to a ‘handful’ of companies – therefore financial exposure to each is material.

Symvan Capital considers that this focussed approach should reduce the risk of capital loss, which can otherwise be associated with making investments in smaller unquoted companies.

### Symvan Select

Our investment approach ensures that we adopt a highly selective process. In any 12-month period we are analysing some 400 potential investment opportunities and invest in no more than 6 to 8 companies each year across our funds. This enables us to devote greater resources to each investee company.

### Chart: Due diligence process



The due diligence process itself may take over three months. Legal and commercial due diligence for a start-up does not require a significant amount of time. However, what can take time is the evaluation of company founders. Symvan Capital’s due diligence process has a disproportionately strong emphasis on the evaluation of management. Furthermore, Symvan

Select is not just a snapshot at one particular moment. We continuously revise and review our assessment of a Portfolio Company even after we have made an initial investment, particularly if we expect to be seeking to assist these businesses with follow-on funding in the months and years ahead.

### Access to Deal Flow

Symvan Capital benefits from a strong pipeline of Portfolio Companies that we believe have high-growth potential. Many of the most relevant and best prospects originate via introductions from experienced entrepreneurs and venture capitalists from the personal networks of the team. Symvan Capital also has long-standing relationships with technology hubs or accelerators, universities, VCs and investor networks both in London and across the UK that may introduce potential Portfolio Companies.

### Exit Strategy

Agility and the ability to quickly seize market disruptions and opportunity are prized characteristics associated with successful venture capital firms. Yet they are essentially ‘entry decisions’ and whilst the timing and valuation parameters involved with these early decisions comprise an important part of the determination of a fund’s return on investment, careful attention must be paid to the terms and timing of the divestment decision.

The active monitoring and dedication of resources to sale preparation is a crucial part of getting the exit strategy for the fund’s investments in accordance with its professed return objectives. Symvan Capital never enters into an initial investment without having carefully considered the eventual exit strategy (and this is definitely a moving target) and we are aware of the need to actively monitor and devote resources to the exit process. In fact, one of Symvan Capital’s advisers is a specialist in helping young technology companies achieve very profitable exits, and he has successfully worked on transactions involving acquirers such as Microsoft and Symantec.

The Fund will take a long-term view on the Portfolio Companies and will aim to look at the possibility of facilitating a Portfolio Company exit after it has been held for at least three years by the Fund's subscribers, thereby ensuring, wherever possible, that the Investment has met one of the key qualifying conditions necessary for Investors to obtain the relevant tax reliefs. However, there may be occasions where an earlier sale is a commercially sensible decision and this sort of speed of movement is not atypical of the technology sector.

It is anticipated that most exits from Qualifying Investments in Portfolio Companies will take place after they have been held for five to seven years, although some could take less or more depending on market conditions and the nature of the Portfolio Companies.

The Fund anticipates that the options for investors to exit a Portfolio Company may include the following:

- The introduction of new investors to the Portfolio Company who buy shares from the fund. This would typically be a later stage venture capital fund or private equity fund;
- A trade sale to another technology group;
- An Initial Public Offering (IPO) on a public stock exchange;
- The acquisition of the intellectual property rights of the Portfolio Company at a price determined by an independent valuer;
- A sale or part sale of shares in a Portfolio Company on a secondary market;
- The purchase by the Portfolio Company of shares held by shareholders;
- The reduction of the Portfolio Company's share capital; and
- The voluntary liquidation of the Portfolio Company or the sale of the Portfolio Company's assets and subsequent distribution of proceeds to shareholders.

Symvan Capital anticipates that the most probable successful exits are more likely to be by way of a trade sale, but all options must be carefully explored and market conditions at the time are crucial to the success of the transaction. An IPO can often provide the most attractive returns to the shareholders and healthy public markets are also key to the functioning of the broader ecosystem for financing high growth companies. However, we note that even in the US, acquisitions account for the vast majority of exits from venture capital backed companies.<sup>6</sup>

### **Cognisess: A Case Study**

Cognisess Limited ("Cognisess") is a predictive people analytics company, headquartered in Bath (UK). Its analytic engine, Cognisess Deep Learn™ helps companies understand the current and future value of their most important and expensive asset: people. Solutions are designed for corporate and education sectors and Cognisess works with many companies of all sizes including InterContinental Hotels Group, AB InBev, Audi, Volkswagen, Babcock, and Kimpton Hotels & Restaurants.

Cognisess serves frontline HR and business functions with an affordable, pay-as-you-go platform to optimise both candidates and employee performance through predictive people analytics. By harnessing cognitive neuroscience, data and predictive analytics, Cognisess removes the bias and subjectivity around hiring, annual appraisals and organisational design.

*"Cognisess has enabled us to better understand the profile of our senior managers across our business. Using its assessments and people analytics, we've been able to accurately identify the key attributes of high performers and apply the benchmarks to recruit more effectively - saving us time and ensuring best fit candidates across our brands."*

**Paul Spencer, Head of Operations,  
Hotel Indigo (IHG)**

<sup>6</sup> Pitchbook/NVCA Venture Monitor Q2 2017

## Cognisess Assessment Screens



Symvan first met the founder of Cognisess in May 2014 at Microsoft Accelerator in London, where the company stood out among the cohort. Even at this early stage, Cognisess had completed initial product development and had a handful of credible pilot clients. However, it was ten months after first meeting Cognisess that Symvan completed an SEIS investment and was appointed to the board of the company. Even by Symvan Capital's standards this process was lengthy, but built up a deep knowledge of the company and management, as well as the underlying technology.

Following the SEIS investment in 2015, Symvan Capital has assisted Cognisess through access to investment from EIS angel investors during 2016, leading to the launch of the Cognisess Predictive People Analytics Platform in November of the same year. Growth continued into the following year through securing further new clients, generating revenues, and demonstration of substantial validation from existing customers, not least IHG, which has begun to expand adoption of the platform, preferring Cognisess over a more established incumbent competitor.

Such progress led to Symvan Capital's EIS Fund investing in 2016 with further commitments as the business seeks to accelerate its sales capabilities.

In April 2017, Cognisess was the only UK company selected as one of only 15 startups globally (out of 500 graduates of Microsoft Accelerator) to attend the Microsoft Global Startup Roadshow at Microsoft's headquarters in Seattle, and met with Microsoft's CEO and other executives, mentors and, venture capital investors.

## Other Portfolio Examples

Similarly to Cognisess, Symvan Capital's SEIS funds have made investments across 14 technology companies, many of which have since progressed to raise follow-on EIS investment as well as funding from third-party institutional investors.



Auris Tech are innovators of the world's first ASR engine for children's read speech.



B.Savy is developing a solution for storage of personal data and providing consumers the ability to take ownership of and monetise their data.



Specialised consultancy in the fields of High Performance Computing and Artificial Intelligence.



Software that guides employees through the process of complex purchases, saving them both time and money.



Playstack offers dedicated support to game developers including end-to-end funding, publishing expertise and tech to build a strong gamer audience and community.

# The Team

## The Manager

The Fund will be managed by Symvan Capital Limited (“Symvan Capital”), a privately owned investment management firm and fund manager focussed on technology venture capital and corporate finance advisory services. Founded by two individuals with venture and capital markets experience in the technology sector, the firm is authorised and regulated by the Financial Conduct Authority as an Alternative Investment Fund Manager with FRN 685262. Symvan Capital is registered on the Data Protection Public Register with registered number ZA094150.

Symvan Capital is dedicated to finding start-up businesses suitable for investment and then supporting them when investment funds have been provided. Symvan Capital, together with its connected corporate finance advisory business, Symvan Securities Limited, seeks out and is approached by businesses seeking funding.

The team has extensive experience in advising, investing, and raising capital for high growth companies. Symvan Capital will be sourcing, screening and negotiating investments for the Fund, preparing investment recommendations for the Investment Committee, and preparing half yearly and annual reports on the investments. Thereafter, Symvan Capital’s focus will be on monitoring and assisting Portfolio Companies.

Symvan Capital will provide the services of its directors and advisers or such other independently and suitably qualified consultants as it procures to complete necessary due diligence and to provide on-going support and monitoring, as well as being a nominated person for Symvan Capital’s corporate director role, where appropriate, for each Portfolio Company. Individual members of Symvan Capital, subject to approval by the Investment Conflicts Committee, may subscribe in the Fund or may subscribe in Portfolio

Companies directly subsequent to the Fund having made an investment.

## Investment Committee

The Investment Committee will comprise the following members consisting of the two principals of Symvan Capital, and two independent members of Symvan Capital’s Advisory Board:

- Rob Bird – Advisory Board
- Kealan Doyle – Symvan Capital
- Nicholas Nicolaides – Symvan Capital
- Julian Sampson – Advisory Board

The Investment Committee will review potential Investments to be made by the Fund and make recommendations to the Manager regarding Investments. Meetings of the Investment Committee will require a minimum of three members to participate, and approval for investment needs to be unanimous. No member of the Committee will be allowed to give a view on whether a company should be the subject of investment if that person has any shares in such company or is related to any person who is a director of such company or who has any other conflict of interest. In that way, the Manager will only consider independent recommendations on the merits of each prospective investee company.

In order to select the best investment opportunities for the Fund, Symvan Capital undertakes a rigorous commercial and legal due diligence process. Having initially established that the potential Investee Company’s business activity merits consideration, the process begins with a period of time whereby founders and management are introduced to, and interviewed by, Symvan Capital and its advisers. A period then begins where the business plan is challenged, not only to identify weaknesses but also opportunities

for improvement. Companies are eventually requested to provide detailed documentation, as well as certain warranties, in order for Symvan Capital to be able to justify its recommendation to the Investment Committee for an investment to be made.

As part of their review process Symvan Capital may put forward conditions to the Investment Committee, which in their opinion should be met prior to investment. In making their recommendation to the Investment Committee, the exact detail of the funding arrangements in regard to costs, share of equity and the terms under which the management of the proposed Investee Company work would be considered on a case by case basis.

The Manager will consider any recommendations made by the Investment Committee independently and must approve each recommendation prior to the relevant investments being made. As part of their review and due diligence exercise, and where it is necessary, Symvan Capital routinely accesses specialists in particular business areas or industry sectors needed to properly assess any applicants. In the first instance, Symvan Capital will draw upon advice from its own advisers who between them have combined many years' experience in the technology, media and telecommunications sectors.



**Rob Bird, Big Data, Machine Learning & Data Science Adviser to Symvan Capital**

Since 2014, Rob has led the centre of Excellence in Machine Learning and Big Data product architecture at Akamai Technologies, Inc. In 2006, Rob founded Red Lambda, Inc., a Florida machine learning-based network security company, as its CTO. Prior to that, Rob was the Coordinator of Network Services at the

University of Florida for almost 10 years. In 2004, Rob testified as an expert witness to the US House of Representatives Subcommittee on Commerce, Trade and Consumer Protection. Rob is the author of 10 issued patents in distributed systems and machine learning and sits on the Editorial Board of the Journal of Big Data.

Rob is a member of the Investment Committee of the Fund, the Symvan Technology EIS Fund and an adviser to Symvan Capital on Big Data, machine learning and data science.



**Kealan Doyle, Director of Symvan Capital**

Kealan is CEO and co-founder of Symvan Capital. He has worked with SME companies for 15 years, both in a corporate finance advisory capacity as well as a fund manager. He prefers to invest in a wide range of technology companies, but is also very interested in finding synergies within the Symvan portfolio of companies. Company interests include big data analytics, fintech, SaaS, 3D printing and network security. Before his involvement in venture capital investing, Kealan previously lead a structured equity products team at HSBC, and has worked at Deutsche Bank, Merrill Lynch and UBS. Together with Nicholas, he has since founded his own entrepreneurial businesses to focus on VC investing. Kealan holds degrees from the London School of Economics and the University of Toronto.

Kealan is a member of the Investment Committee of the Symvan Seed EIS Opportunities Fund, the Symvan Technology SEIS Fund 2 and the Symvan Technology EIS Fund.



### **Nicholas Nicolaides, Director of Symvan Capital**

Nicholas is a Director and co-founder of Symvan Capital. He is passionate about technology and believes it has never been a more exciting time to invest in the sector. His early capital markets experience at Paribas seeded his involvement in the sector, working on numerous technology transactions including the IPO for Autonomy Corporation Plc. Most of his recent experience involves working with and investing in early stage technology SMEs. He is particularly interested in big data, high performance computing and the opportunities for disruption in the education and recruitment sectors. Nicholas believes that both the quality of the management team and timing are the most important factors in determining success of a technology investment, and propounds that the Symvan mantra of “deeper not wider” is essential and requires the close involvement of the venture capital investor to nurture the businesses. Prior to setting up his own VC businesses, Nicholas worked with AIM brokers and the ECM team at Lehman Brothers, focussing on European Telecom & Media. Prior to that he worked in the TMT Corporate Finance and European Equity Capital Markets teams at BNP Paribas. Nicholas gained a BSc (Hons) in Statistics & Economics from UCL and in a MBA from Imperial College Management School.

Nicholas is a member of the Investment Committee of the Fund, the Symvan Seed EIS Opportunities Fund, the Symvan Technology SEIS Fund 2, and the Symvan Technology EIS Fund. Julian Sampson, Regulatory & Compliance Advisor



### **Julian is the founder of Fulcrum Compliance Ltd**

Offering an advisory and consulting service to firms regulated by the FCA. Julian was a registered Compliance/Money Laundering Reporting Officer for 15 years, implementing practical solutions for the firms in which he worked. He has been practicing as a compliance consultant with Fulcrum Compliance since 2008. Julian was Chairman of the CISI Compliance Forum from 2009 to 2015 and is a member of the CISI Membership Committee. He was a Member of the Steering Committee for Compliance Standards (BS 8453) at the British Standards Institute and has been published in Compliance Monitor. Julian advises a number of FCA regulated companies on processes and controls, including governance arrangements and regulatory relationships.

Julian is a member of the Investment Committee of the Fund, the Symvan Technology EIS Fund and an adviser to Symvan Capital on regulatory and compliance functions

## Symvan Capital Advisory Board

In addition to Rob Bird and Julian Sampson, Symvan Capital is supported by advisers who together provide further complementary skills and experience. Their role is to assist Symvan Capital with their due diligence process and provide deal flow from their networks which we consider to be extensive. It is expected that in some cases where required, these individuals will mentor the companies or provide specific advisory services.



### **Tom Battye, Executive Mentor**

Tom is a highly experienced executive coach and leadership consultant. His experience will be invaluable to the leaders of Symvan's portfolio companies as they manage the challenging transition from a technology start-up to growth-oriented success. Tom has been working with senior leaders and their teams for over 15 years. His experience spans the public sector as well as private and third sector organisations. Tom's work is informed by extensive study in the field of organisational psychology. His areas of expertise include developing high performing teams; forming an effective sales strategy; managing complex and challenging relationships; working with ambiguity and change; developing authority, presence and impact; creating a personal brand; handling pressure; becoming an authentic leader; and helping high achievers manage accelerated promotion.



### **Ian Pearson, Fintech & Network Security Adviser to Symvan Capital**

Ian has extensive experience in Market & Reference Data consultancy companies specialising in the Financial Services sector, assisting clients with compliance in the Data Licensing requirements of Exchanges, Index Providers, Ratings Agencies and other Data Providers. He is also a Director of Tantallon, an IT Security Consultancy which delivers innovative and effective Cyber Security Defence Products and Solutions that protect organisations' digital assets. Ian understands the challenges facing entrepreneurs in raising finance and in two ventures raised £31m equity capital and in another £120m of equity and debt. Having started his career in Sales & Marketing with BAT, he moved to Citigroup where he successfully created a multi-billion dollar currency payment product for the Travel sector. Ian later joined the real-time financial information division of Knight-Ridder and developed the strategy which established them into 30 European and Asian countries and the first dual listing of a NYSE quoted company onto the Tokyo Stock Exchange, after which he was appointed MD of UK & Ireland operations. While leading the real-time treasury information division of Cognotec he grew the business until it was the market leader with 54% market share. In 1997 he joined Spring Group as General Manager. In this role he devised the strategy of workforce management for organisations and led the winning £650m outsourcing bid to manage Barclays' IT contingent workforce. He has also been a consultant to The Albany Group, assisting with the development of a HR outsourcing business and a workforce managed service. Ian holds a postgraduate in marketing having studied at the London Guildhall University and is a member of the Chartered Institute of Marketing. Ian is a member of the Investment Conflicts Committee of the Fund.



### **Jeff Wellstead, Technology & Management Adviser to Symvan Capital**

Jeff is originally from the US and has been working in Europe for over 10 years. He has over 27 years' talent management leadership experience with Fortune 100 global brands including Merrill Lynch, Goldman Sachs, Morgan Stanley, Accenture, EDS, PeopleSoft, MessageLabs (Symantec), SpinVox (Nuance), and Kantar Market Research. Jeff is the founder and CEO of Big Bear Partners Ltd, working with several B2B SaaS, mobile application, cyber security and data analytics companies in their seed through to exit growth stages. Jeff's speciality is preparing and managing high-tech companies through critical growth inflection points – ensuring that the right people, processes, culture, systems and employee engagement is in place throughout all stages of organisational maturation to achieve vision. Jeff is considered an expert in all aspects of talent management and process improvement and is a certified business coach for the UK's Growth Accelerator & Innovation program as well as a member of Tech London Advocates, and an Entrepreneur in Residence for Cornell University's E@C program.

### **Custodian**

The Fund's Custodian is Woodside Corporate Services Limited, which is authorised and regulated to hold client assets by the Financial Conduct Authority with firm reference number 467652. Woodside's associate company WCS Nominees Limited will act as Nominee for the Investors and shares issued by the Investee Companies will be held in the name of the Nominee. Between them, the Custodian and its associated companies have been involved with EIS and subsequently SEIS fund administration since 2008 and corporate administration since 1989. The Custodian currently has over £750 million of funds under administration. The Custodian is registered on the Data Protection Public Register with registered number Z2944806.

# Fees

## Fees to Investors in the Fund

The Fund is structured so that 100% of Investors' subscriptions are invested into the Portfolio Companies to maximise the tax benefits for the investor.

There are no upfront fees or management fees payable by Investors in the Fund.

The only fee payable by Investors in the Fund is a Performance Fee, and that is only paid if any single investment is successful and achieves a cash return at exit.

- **Performance Fee**

A fee is paid by Investors only when realisations from a company investment exceed the total amount invested. This will amount to a 20% performance fee paid to the Manager on realised amounts in excess of aggregate Subscriptions made to the Fund.

## Initial Fees to Portfolio Companies

- **Investment Fee**

The Manager will collect a fee of 10% on the total Subscriptions made to the Fund. This will be recovered from each of the Portfolio Companies pro-rata to the investment made into the Portfolio Company by the Fund.

- **Launch & Establishment Fee**

The Manager will collect a fee of £2,000 per Portfolio Company at the time of investment to cover the costs of establishment of the Fund.

## Annual Fees to Portfolio Companies

- **Annual Administration & Monitoring Fee**

The Manager will charge a fee of 2% per annum on the total investment in each Portfolio Company, payable quarterly in arrears until the Closing Date of the Fund, subject to variation by agreement between the Manager and each Portfolio Company.

- **Director Fee**

The Manager will charge a fee for its services as a corporate director to each Portfolio Company for which it will receive options to subscribe for Shares in the Portfolio Company.

## Other Charges

The Manager will be responsible for the normal running costs of the Symvan Technology SEIS Fund 3 including custodian and nominee fees, bank charges, administration and investor reporting.

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

## Symvan Capital's Philosophy on Fees

Symvan Capital fervently believes that there should be no fees charged to investors except where Symvan Capital makes a success of the investment. Accordingly, subscribers to any of Symvan Capital's tax-efficient funds pay no fees whatsoever, except for a performance fee.

Investors in the tax-efficient sector have often neglected the impact of fees on investor performance. Sometimes what appear to be minimal costs to investors are highly significant to the investor over time. A 2013 report by Intelligent Partnership titled “*Costs Compounded – A Drag on Performance*” reached some startling conclusions for long term investors in financial products of any kind. Using an example whereby the investment returned 6% per year - and with no annual management charges - the report demonstrated how an initial £1,000 investment would be worth £10,286 after 40 years. However, the imposition of a 1% management charge per year reduced the investment value to £6,881, which is a return that is 33% less than that with zero charges. When a fund manager charges 2% per year, the investment value after 40 years is reduced to £4,584, which is a return that is 55% less than that with zero charges. The report concluded that the ‘added value’ of a financial adviser rests in providing appropriate customer investment advice and financial planning, allowing the adviser to satisfy the client needs and agree the steps they should take to get there. This is certainly achievable but picking the right portfolio will always be challenging. However, although the adviser cannot control the individual fund manager performance, they can control the asset allocation and the costs that their favoured fund managers ultimately charge to the client. Given the results of the Intelligent Partnership study and others like it, Symvan believes that charging investors no upfront or on-going fees (except for a performance fee) will contribute significantly to investor returns.

# Fund Structure & Offer Details

## Fund Structure

The Fund has been established to enable investors to invest in companies which qualify for the SEIS and to benefit from subsequent SEIS tax reliefs. When Investors subscribe to the Fund, they appoint the Manager to invest their Subscriptions on a discretionary basis in Qualifying Companies. The structure of the Fund is that of an agreement between the Manager and each Investor as set out in Appendix 4 – Investment Management Agreement. Investors in the Fund will be the beneficial owners of the Shares. The Manager will be responsible for discretionary decisions in relation to the selection of, and (subject to limitations) the exercise of rights in relation to, investments made, but the Investor retains beneficial ownership of the underlying Shares. The Manager may, at its absolute discretion, have regard to any requests made to it to terminate any individual Subscription in the Fund and/or, assuming shares had been issued, for the Investor's account; such termination may result in a loss of SEIS tax reliefs, should the qualifying criteria for such relief be broken.

The FCA has indicated that, while funds such as the Fund are not unregulated collective investment schemes, they may, in their view, fall into the scope of the Alternative Investment Fund Managers Directive (AIFMD). The Manager is regulated and authorised by the FCA to act as an Alternative Investment Fund Manager.

The Manager will treat the Fund as its client for the purpose of determining which provisions of the Conduct of Business Sourcebook (COBS) forming part of the FCA's Handbook of Rules and Guidance will regulate the obligations owed by the Manager to Investors in common.

## Investment Amounts

The minimum individual investment in the Fund is £10,000. There is no restriction on the maximum Subscription by an individual. However, under current UK taxation legislation, the maximum amount on which an Investor can obtain SEIS tax reliefs in any tax year is currently limited to £100,000. Each spouse or civil partner has his or her own limit of £100,000 and they are not aggregated. This limit applies for all SEIS investments made within a given tax year. This limit does not apply to IHT Relief.

The Manager may, in its absolute discretion, undertake a number of closes in respect of the Fund prior to, and on, the Closing Date in separate tranches in order to commence investment into the Portfolio Companies. In the event that the Manager undertakes multiple closes of the Fund, Investors may not hold shares in all of the Portfolio Companies in which the Fund invests, or in equal amounts to other Investors. SEIS investors are permitted to carry back their investment to the previous tax year, so long as they have not used their individual limit in the previous tax year. Therefore, for SEIS investments carried back to the 2016/17 tax year, if Investors have not used any of their £100,000 limit for the tax year ended 5 April 2018, then they could carry back up to £100,000 of their investment to that tax year. The minimum total subscription for the Fund to proceed is £500,000 or such lower amount as is determined at the discretion of the Manager. The target total subscription is £1.5 million subject to the Manager's discretion. All limits are subject to the discretion of the Manager. No qualifying Investment will be made on behalf of any Investor that would result in that Investor holding more than 30% of the issued shares of a Qualifying Company.

## **Close of the Fund**

The Manager may carry out closes of the Fund both prior to and after 5 April 2018 subject to any changes as determined by the Manager in its discretion. This will allow the Manager to make investments into Qualifying Companies as soon as practicable. Therefore Investors' subscriptions may be invested in several Portfolio Companies such that investments could qualify for tax relief in more than one tax year. The timing and availability of investments may be affected by factors outside the Manager's control.

## **Life of the Fund**

In order to retain the SEIS tax reliefs, Investors must hold Shares in a Qualifying Company for the Relevant Period. The Manager anticipates that the Fund will be substantially invested within 12 months of subscriptions being received. It is intended that the Fund's investments will be realised as soon as practicable after the expiry of the Relevant Period. Having regard to the Relevant Period and the feasibility of obtaining a realisation thereafter, the Fund has a target life of five to seven years but there can be no guarantee that this will be achieved. It would be prudent to view an investment in the Fund as medium to long term. A person should only invest in the Fund with a view to leaving the investment intact for at least 5 years from the Final Closing Date.

## **Right of Withdrawal**

The SEIS rules do not permit investments to be withdrawn during the Relevant Period, as to do so would invalidate any claim for tax relief and would lead to relief needing to be repaid. Where an Investor wishes to withdraw their investment, under exceptional circumstances, such as the death of the Investor or proven severe financial hardship or proven health difficulties of the Investor and without any guarantee of success, the Manager will try to match withdrawals with other shareholders and interested parties. However, no guarantee can be given that any proposed matching will be

successful or at what price it might be achieved. If a sale is made within the Relevant Period, an Investor will lose their tax relief and could incur a loss on an investment.

## **Right of Cancellation**

Each Investor may exercise a right to cancel by notification to the Custodian within 14 days of acceptance of an Investor's completed Application Form. This should be done by a letter sent to the Custodian's registered office as set out in this Memorandum. On exercise of the Investor's right to cancel, the Manager shall refund any monies paid to the Custodian by the Investor, less any charges already incurred for any services undertaken in accordance with the Application Form (but not any initial fees paid to the Manager). The Investor will not be entitled to interest on monies refunded following cancellation.

Woodside Corporate Services Limited (the Custodian) is obliged to hold investment monies until satisfactory completion of checks under the current Money Laundering Regulations undertaken by the Investor's registered intermediary.

The right to cancel under the FCA Rules does not give the Investor the right to cancel or terminate or to reverse any particular investment transaction executed for the account of the Investor before their cancellation takes effect. The Manager reserves the right to treat as valid and binding any application not complying fully with the terms and conditions set out in this Memorandum. In particular, but without limitation, the Manager may accept applications made otherwise than by completion of an Application Form where the Investor has agreed in some other manner acceptable to the Manager to apply in accordance with the conditions of application.

## Intermediaries

Following the introduction of Retail Distribution Review (RDR), commission is not permitted to be paid to Intermediaries who provide a personal recommendation to UK retail clients in respect of the Fund. Instead of commission being paid, a fee will usually be agreed between the Intermediary and the Investor for advice and related services (the “Intermediary Charge”).

The Intermediary Charge can either be paid directly by the Investor to the Intermediary or, if it is an initial one-off fee, the Fund Manager can, out of the Investor’s Subscription, facilitate the payment of such fee. The Fund Manager will not facilitate on-going fees.

If the Intermediary Charge is to be facilitated by the Manager then the Investor is required to specify the amount (inclusive of VAT, if applicable) of the Intermediary Charge on page 59 in the Application Form.

The Intermediary Charge will be deducted from the Subscription and the amount net of the Intermediary Charge will be invested in SEIS Companies and be subject to income tax relief of 50%. Therefore, by way of an example, if £50,000 were invested into the Fund with a 2% Intermediary Charge, £49,000 would be subscribed to the SEIS Companies and any available income tax relief would be £24,500 (being 50% of £49,000).

## Summary of Potential Conflicts Arising from the Operation of the Fund

The Manager recognises a number of potential conflicts arising from the operation and management of the Fund. This section summarises some of these conflicts. The Manager considers that potential conflicts are most likely to arise under one or more of the headings below.

- **Conflicts arising from follow-on investment into existing Portfolio Companies or into companies who have received investment from other Symvan Capital funds**  
Were the Fund to provide additional capital for an existing investment, the interests of existing investors into such companies and those of this Fund’s Investors may differ, for example, with regard to valuation and speed of exit.
- **Conflicts arising between the Manager and/or its related parties**  
The Manager and/or its related parties may provide and charge fees for services to the companies in which the Fund invests. There is a potential conflict of interest between the Manager and /or their related parties, and the interests of the Investors in the Fund with regard to the scope of such services and the remuneration for the provision of such services.
- **Conflicts arising from the Fund’s fee structure**  
The interest of the Investors and the Manager may diverge with regard to the desired timing of exits or create an incentive for the Manager to make speculative investments on behalf of the Fund.
- **Conflicts between the Fund and third-party co-investors**  
If there are third party investors in a company other than Investors who have subscribed through this Fund, there may be differing objectives of the Fund and the third party or parties. This would also apply if there were providers of debt capital alongside equity provided through the Fund.

## **Investment Conflicts Committee**

The Manager proposes to deal with these or any other unanticipated conflicts by tabling any such conflicts or potential conflicts at the meetings of the Investment Conflicts Committee, to be resolved in accordance with the Manager's Conflicts Policy in relation to the Fund with the Manager's own proposals as to how such conflicts should be addressed or mitigated. Ultimately, the Manager will exercise its judgment so as to balance the interests of all its clients.

Reference to the Investment Conflicts Committee will be made in the form of a written memorandum from the Manager, which explains the background to the matter, the nature of the conflict or potential conflict and the Manager's provisional proposals for conflict resolution.

The Investment Conflicts Committee will comprise the same individuals as the Investment Committee and Ian Pearson as an independent member. If necessary, the composition of the Investment Conflicts Committee may be adjusted to ensure that two of its members will at all times be able to deliberate without being required to excuse themselves on grounds of taint by the conflict in question.

# Key Parties



## **Manager**

Symvan Capital Limited  
6th Floor  
2 London Wall Place  
London  
EC2A 5AU

## **Solicitor**

Dentons UKMEA LLP  
1 Fleet Place  
London  
EC4M 7RA

## **Tax Adviser**

Dentons UKMEA LLP  
1 Fleet Place  
London  
EC4M 7RA

## **Custodian**

Woodside Corporate Services Limited 1st Floor  
12-14 Mason's Avenue  
London EC2V 5BT

## **Nominee**

WCS Nominees Limited  
1st Floor  
12-14 Mason's Avenue  
London EC2V 5BT

# Definitions

Unless the context requires otherwise, words and expressions used in this Memorandum shall have the following meanings:

Term	Definition
Advance Assurance	the application in advance of a share issue to check that it will meet the SEIS qualifying conditions;
CGT	Capital Gains Tax;
Closing Date	the date on which the final Subscription may be made by the Investor to the Fund, which shall be a date determined by the Manager and notified to the Investor;
Custodian	such person as the Manager may appoint to provide, and with whom it has agreed terms for safe custody and custodian and nominee services in respect of the Fund being at the date of this Memorandum, Woodside Corporate Services Limited, a company authorised and regulated by the Financial Conduct Authority with Firm Reference Number 467652;
EIS	Enterprise Investment Scheme;
FCA	the Financial Conduct Authority or any successor body or bodies thereto;
FCA Rules	the FCA Handbook of Rules and Guidance;
FSMA	Financial Services and Markets Act 2000 (as amended);
Fund	Symvan Technology SEIS Fund 3;
HMRC	HM Revenue & Customs;
IHT	inheritance tax;
IHTA 1984	Inheritance Tax Act 1984;
IHT Relief	100% business property relief which reduces the IHT liability on the transfer to nil;
Investor	an individual (and certain trustees or corporates) who completes an Application Form which is accepted by the Custodian and so enters into the Investment Management Agreement and invests into the Fund;
Investment Management Agreement	agreement to be entered into between each Investor and the Manager;
ITA 2007	Income Tax Act 2007;
Memorandum	this Memorandum was initially dated 18th December 2017 and amended to reflect the subsequent introduction of The Money Laundering and Terrorist Financing (Amendment) Regulations 2019;
Money Laundering Regulations	The Money Laundering and Terrorist Financing (Amendment) Regulations 2019;
Next Closing Date	the next anticipated closing date upon which applications will be accepted by the Manager in accordance with this Memorandum which is expected to be during Q1 2018 (or such other date as determined by the Manager) followed by subsequent closes during 2018, such that closes of the Fund may occur both prior to and after 5 April 2018 subject to any changes as determined by the Manager in its discretion;
NAV	net asset value;

Term	Definition
Nominee	such nominee as the Custodian may appoint to act as the Investor's nominee in respect of investments held in the Portfolio Companies from time to time;
Portfolio Companies	companies in which the Fund invests;
Qualifying Company	a company meeting the requirements for SEIS relief;
Qualifying Investments	investments made in the Qualifying Companies;
Qualifying Trade	a trade which qualifies for SEIS tax reliefs;
SEIS	Seed Enterprise Investment Scheme;
Shares	shares in the Portfolio Companies purchased on behalf of Investors;
Spouse	husband or wife or civil partner;
Subscription	the amount subscribed to the Fund, as set out in the Application Form;
Symvan Capital	HM Revenue & Customs; Symvan Capital Limited, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority with firm reference number 685262; and
Three Year Period	the period beginning on the date the relevant Shares in the Portfolio Companies are issued and ending three years after that date, or three years after the commencement of each Portfolio Company's trade, whichever is later.

Words used in this Memorandum denoting any gender should be read as including all genders, all words denoting persons shall include individuals, trusts and limited companies and all words denoting the single shall include the plural and vice versa.

# Appendix 1

## Taxation

Tax treatment depends on the individual circumstances of each Investor and may be subject to change in the future.

### SEIS Tax Relief for Investors

Each Portfolio Company will undertake to operate within the restrictions laid down by the SEIS legislation so that the SEIS taxation reliefs should be potentially available to subscribers.

Each Portfolio Company, unless having previously successfully raised SEIS qualifying funding, will submit an application for provisional approval to HMRC that its activities will qualify under SEIS legislation. There is no guarantee that formal clearance will be achieved for the Portfolio Company or that it will not be subsequently withdrawn. To obtain the tax reliefs described below it is necessary to subscribe in cash for fully paid-up ordinary shares in a qualifying Portfolio Company and claim the relief. Please note that the value of any relief depends on your individual circumstances.

The summary below is based on current law and only gives a brief outline of how the tax reliefs are given. It does not set out all the rules, which must be met by the Investor and the Portfolio Company. The summary is intended only as a general guide and is not a substitute for the Investor obtaining professional tax advice before applying for Shares. SEIS relief as it currently stands has five elements:

- **SEIS Income Tax Relief**

Investors may obtain income tax relief in the tax year in which the shares are issued on the amount (or aggregate amount) of shares subscribed for, subject to a maximum investment of £100,000 (for the tax year 2017/18) for all SEIS investment in one or more Qualifying Companies. An Investor cannot generally obtain the tax relief if he holds a

substantial interest in the issuing company or he, or one of his associates, is an employee of the issuing company. Relief may not be available if an Investor has or takes out a loan, which is linked to the investment. The rate of SEIS income tax relief is 50% for the year ended 5 April 2018. Husbands, wives and civil partners can each receive SEIS relief on subscriptions as detailed above. The relief is given against (but cannot exceed) the Investor's individual income tax liability for the tax year in which the shares are issued. It is also possible to carry back an SEIS subscription to the preceding tax year providing the limit for relief was not exceeded in that earlier year.

- **Exemption from CGT**

Any capital gains on disposal of shares in an SEIS qualifying company realised more than three years after the date of issue of the shares on which SEIS income tax relief has been given and not withdrawn, are tax free.

- **Loss Relief against Income or Gains**

Tax relief is available where there is a loss on a disposal at any time of shares subscribed for by an individual in a qualifying trading company, provided the relevant requirements of the legislation are satisfied. A loss arising on the disposal of Shares in a Qualifying Company should normally be eligible for the relief. The amount of the loss (after deducting any amount of any income tax relief which remains attributable to the shares sold) can be set against the individual's gains or taxable income in the tax year in which the disposal occurs, any excess can be carried forward as a capital loss to be set off against future capital gains. Alternatively, on making a claim, the loss net of income tax relief may be set off against the Investor's taxable income in either the tax year in which the disposal occurs or the previous tax year.

## **CGT Re-investment Relief**

SEIS re-investment relief is a relief that allows the investor to claim an exemption from CGT in respect of capital gains realised in a tax year which are reinvested into a qualifying SEIS investment made in the same year. The relief given is equal to 50% of the amount of the qualifying SEIS investment.

## **Inheritance Tax & Business Property Relief**

An investment in an SEIS Qualifying Company will usually qualify for business property relief. Provided a shareholder has owned the SEIS shares for at least two years at the time of death (and the SEIS Qualifying Company is also a qualifying unquoted trading company), 100% business property relief from inheritance tax is available under current legislation. There is no upper limit on the amount of inheritance tax relief that can be claimed in this way.

## **Business Investment Relief for Investors**

- Prior to 6 April 2012, individuals who were tax resident in the UK, but domiciled outside the UK, would have suffered UK tax on remittance to the UK of overseas income and gains. Under legislation in the 2012 Finance Act, such individuals will no longer suffer UK tax on remittances provided that the money remitted is used in the UK to make a “qualifying investment”.
- Whilst the definition of “qualifying investment” is wider than the definition of an SEIS qualifying investment, it is the intention of the Fund to invest in Shares that will qualify for these reliefs. Thus, an Investor can benefit not only from the ability to make tax free remittances, but also from the various tax reliefs that arise from SEIS investment.
- The investment must be made within 45 days of remitting the funds to the UK.

## **Qualifying Company requirements for SEIS relief**

- To qualify for SEIS relief, the Portfolio Company must not be listed on a recognised stock exchange and there must be no “arrangements” in place for it to become so listed. However, this does not apply to companies quoted on the Alternative Investment Market (AIM).
- In addition, throughout the Relevant Period the Portfolio Company must not be controlled by another company, and there must be no “arrangements” in existence for the Portfolio Company to be controlled by another company. If, for genuine commercial reasons, a holding company needs to be inserted above the SEIS Portfolio Company, this should not result in the Portfolio Company losing its SEIS status provided certain conditions are met.
- The Portfolio Company must either exist to carry on a new qualifying trade or else be the parent company of a trading group. A trading group is a group in which directly or indirectly more than 50% of the shares of each subsidiary are held by the Portfolio Company, but any subsidiary employing any of the money raised by the issue must be a qualifying 90% subsidiary.
- Most types of trades are qualifying trades but certain activities, including dealing in land and property development, are excluded. A trade is a new qualifying trade where (i) the trade commenced less than two years before the SEIS shares were issued; and (ii) neither the Portfolio Company nor any 51% subsidiary carried on another trade at any time before the relevant company began to carry on the qualifying trade.
- If the Portfolio Company is the parent company of a group, non-qualifying business activities (broadly, investment activities and trades which are not new qualifying trades) must not comprise a substantial part of the business of the

group as a whole. The qualifying business activity for which the money is raised by the share subscription must be a new qualifying trade carried on by the Portfolio Company or a 90% subsidiary of the Portfolio Company (or preparation for such trade, or R&D leading to such a trade), the Portfolio Company must have a permanent establishment in the UK and the trade must be conducted on a commercial basis with a view to the realisation of profits.

- To qualify as an SEIS Company, the value of the gross assets of the Portfolio Company and any subsidiaries must not exceed £200,000.
- For shares to be eligible for SEIS relief, neither the issuing company nor its subsidiaries must have received any other EIS or Venture Capital Trust investment prior to the shares being issued.
- As an SEIS Company, the Portfolio Company must have fewer than 25 full-time employees (or part time equivalent).
- For shares to be eligible for SEIS relief, the Portfolio Company must not have raised more than £250,000 in total through SEIS investments or through certain other types of aid granted to the Portfolio Company. This limit applies to aggregate amounts raised by the relevant share issue in respect of which SEIS relief is to be claimed, and otherwise under the SEIS or from relevant grants of aid on the same day and in the three years immediately preceding that day.
- In the budget of 22 November 2017, the Government announced proposals to introduce a new principles-based test to determine whether SEIS and EIS companies are “genuinely entrepreneurial” and not established for the purpose of capital preservation. The new test is expected to have effect in relation to investments made after grant of Royal Assent to the Finance Bill 2017-2018.

Subject to the above, please note that the taxation levels, bases and reliefs described in this document are based on existing law and what is understood to be current HMRC practice, but these may be subject to change. Unless the Portfolio Company has already received approval, or previously successfully raised funds under the SEIS, an application will be submitted to HMRC for approval that each proposed Portfolio Company and its activities will qualify under the SEIS, based on information disclosed.

Following the issue of SEIS Shares by a Qualifying Company, and after a Portfolio Company has either traded for four months or spent at least 70% of SEIS monies raised, the Portfolio Company can apply to HMRC for authorisation to issue a compliance certificate to Investors. Although the time taken by HMRC to grant authorisation cannot be controlled by the Portfolio Company, every effort will be made by the Manager to expedite matters and, as soon as authorisation is given, compliance certificates will be distributed to Investors. Investors should then submit the certificate to the Inspector of Taxes dealing with their own affairs if they wish to claim their relief.

Where the Investor wishes to make a claim to carry back an SEIS subscription to the preceding tax year (as referred to above), it would be necessary to make a separate claim using the compliance certificate. This would amend the tax return for that earlier year.

# Appendix 2

## Administration of the Fund

### Client Account

Investors' Subscriptions will be held in a client account, operated by Woodside Corporate Services Limited with Bank of Scotland plc, or such other bank or building society selected by the Custodian prior to investment in the Portfolio Companies. Any monies returned to the Fund following the realisation of investments in the Portfolio Companies and prior to the distribution of proceeds to Investors will also be held by Bank of Scotland plc. Any interest arising through the client account will be paid to the Manager as a contribution towards the costs of establishing the Fund. All documents of title will be held by the Nominee as appointed by the Custodian.

### Subscribers' Allocations

Following investment monies being subscribed, the Manager will make available, on written request, details showing the amount contributed by an Investor and the amounts invested and yet to be invested on that Investor's behalf. The number of shares allocated to each Investor will be rounded down to the nearest whole share number corresponding to the amount invested. Any overpayment due to the rounding down cannot be reimbursed by the Manager.

### Timing of Investment

The Manager intends to pursue investment opportunities for the Fund on receiving initial subscriptions subject to its discretion. Subject to satisfactory due diligence the Manager anticipates that Subscriptions will be substantially invested within twelve months of being received. There is, however, no guarantee that this will be achieved. If any subscriptions are invested after twelve months, this would delay the timing of tax relief under the SEIS. Should an Investor die before their Subscription is fully invested, all un-invested sums subscribed by him or her will be repaid by the Manager upon receipt of notice from the Investor's personal representatives.

### Investment in Selected Companies

Following recommendation by the Manager having agreed terms and conditions with the Portfolio Companies, the Manager on behalf of the Fund will subscribe for new ordinary shares in the Portfolio Companies on behalf of Investors. Share certificates will be issued in the name of the Custodian or the Nominee for each Investor. Any dividends received by the Custodian or the Nominee from the Portfolio Companies will be forwarded to Investors. However, given the nature of the Portfolio Companies, the Manager does not anticipate any dividends being paid to the Fund within the first two full years of a Portfolio Company's trade, and then only by ordinary resolution at a general meeting of the Portfolio Company.

### Investment and Fund Documentation and Communication

The Manager will send each Investor half yearly reports made up to 30th June and 31st December in each year. The report will contain, inter alia, a commentary on the progress of the Portfolio Companies. The next such report for the Fund will be in respect of the period ending 30th June 2018. Should the Manager determine to make such reports available via this medium, these reports may also be posted on the Manager's website where, subject to data protection considerations and procedures, Investors will be given access to the same.

## Custodian

By completing the Application Form contained in this Memorandum, prospective Investors will, inter alia, be deemed to have irrevocably agreed to a Custodian being appointed to exercise certain powers and to carry out duties on behalf of the Investors, which include, inter alia, the following:

### 1) Function

The function of the Custodian will be to hold the investments made on behalf of Investors and to exercise the powers and duties which are conferred upon it by the terms of this Memorandum (including this paragraph).

### 2) Restrictions on transfer

- i) The Custodian shall not be obliged to recognise the title of any person in whom an interest in Shares in any Qualifying Company shall have become vested unless a properly validated notice or evidence of that person's entitlement shall have been produced to the Custodian.
- ii) The Custodian shall not be obliged to recognise any transfer or assignment of an interest in the Shares to any person unless such person shall have first agreed to enter into a transfer or assignment in a form approved by the Manager which shall incorporate an undertaking that such person will be bound by the terms of this paragraph.

Prospective Investors should note the information regarding the potential loss of SEIS tax relief on the transfer of Shares set out under the heading "Right of Withdrawal" in Part VIII of this Memorandum.

### 3) Custodian's obligations and powers

The Custodian will:

- i) hold the Shares on behalf of Investors;
- ii) be authorised to buy, sell, retain, convert, exchange or otherwise deal in the Shares as and when the Manager thinks fit;
- iii) be authorised to, on the instruction of the Manager, exercise voting, pre-emption or similar rights in relation to the Shares in accordance with the Articles of Association of the Portfolio Companies or any agreement entered into in connection with the subscription for the Shares, and to deal with any rights relating to any share issue made or proposed by the Portfolio Companies;
- iv) ensure that any dividends shall be paid to the Investors. In the event that any money in relation to the Shares is received by the Custodian it shall pay such money or money's worth to the Investors subject to any legal obligations on the Custodian to make retentions for payment of tax and/or fees and expenses payable to the Manager; and be entitled to carry out such other acts and deeds which are in its reasonable opinion necessary or reasonably incidental to its appointment as a Custodian.

### 4) Appointment of a new Custodian

The Manager may at any time accept the resignation of, or remove, a Custodian (and any subsequent custodian) and appoint a new custodian in its place.

## 5) Investment

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

## 6) Indemnity

By completing the Application Form, each Investor indemnifies the Custodian (in proportion to their respective interests in the Portfolio Companies at the date of the claim to indemnify) against any claim made against it arising out of the fulfilment of its duties as Custodian and any costs, charges or expenses incurred by it in contesting the same, save where it is established that the subject matter of the claim was the result of a conscious and deliberate breach by the Custodian as custodian of each of its obligations.

# Appendix 3

## Investment Suitability

Investment in the Fund may be suitable for the following categories of potential investor in particular:

- High net worth and sophisticated UK resident investors.
- Investors who have sufficient income tax liability to reclaim income tax relief at 50% of the amount subscribed.
- Investors who are seeking properly to shelter assets from inheritance tax.
- Investors who have realised a capital gain in the same tax year as an investment into the portfolio company.
- Investors who want to invest in technology companies with high growth potential.
- Investors who will not need access to their capital for at least five years and are comfortable with unquoted private company investments.

Investors are strongly advised to take appropriate independent tax and financial advice before making an Investment.

# Appendix 4

# Investment Management Agreement

This Investment Management Agreement (the “Agreement”) sets out the agreement between the Manager and the Investor in respect of the fund in which that Investor makes an investment. Upon acceptance of a signed Application Form, this Agreement will constitute a binding agreement between the Manager and you.

## 1. Definitions, construction and interpretation

1.1 The following terms shall have the following meanings in this Agreement:

“**Applicable Laws**” All relevant UK laws, regulations and rules, including those of any Government or of the FCA;

“**Application Form**” An application form to invest in a Fund completed by the Investor in the form provided by the Manager;

“**Closing Date**” In respect of a Fund, the date on which the final Subscription may be made by the Investor to the Fund, which shall be a date determined by the Manager and notified to the Investor;

“**Custodian**” Such person as the Manager may appoint to provide, and with which the Manager has agreed terms for safe custody, custodial and nominee services in respect of the Fund and, at the date of the Information Memorandum, is Woodside Corporate Services Limited, 1st Floor, 12-14 Mason’s Avenue, London EC2V 5BT, a firm authorised and regulated by the FCA under firm reference number 467652.

“**FCA**” Financial Conduct Authority;

“**FCA Rules**” The rules contained in the FCA’s Handbook of Rules and Guidance;

“**Initial Period**” In respect of a Fund, the period of twelve months commencing on the Closing Date;

“**Investment**” An investment acquired for a Fund;

“**Investor**” A person who is accepted by the Manager and so enters into an Investment Management Agreement and invests through the Fund;

“**Investment Objective**” The investment objective for a Fund asset out in the Memorandum;

“**Investment Restrictions**” The investment restrictions for a Fund as set out in the Memorandum;

“**Manager**” Symvan Capital Limited, a firm authorised and regulated by the FCA under firm reference number 685262.

“**Non Readily Realisable Investments**” Investments in which the market is limited or could become so; they can be difficult to deal in and it can be difficult to assess what would be a proper market price for them;

“**Readily Realisable Investment**” A government or public security denominated in the currency of the country of its issuer or any other security which is: admitted to Official Listing on an

Exchange in the UK or an EEA State; regularly traded on or under the rules of such an Exchange; or regularly traded on or under the rules of a recognised investment exchange or (except in relation to unsolicited real time financial promotions) designated investment exchange, or a newly issued security which can reasonably be expected to fall within the above categories when it begins to be traded. Note that this term does not include AIM, NEX Exchange (formerly PLUS), or Sharemark traded investments, nor does it include unlisted securities;

“**Registered Intermediary**” The Independent Financial Adviser or other suitably qualified professional, regulated by the FCA for the conduct of business. The IFA is responsible for the client;

“**Relevant Period**” This starts with the incorporation of the company, or two years before the date on which the shares are issued if that is later, and ends the day before the termination date;

“**SEIS**” The Seed Enterprise Investment Scheme; “**SEIS Relief**” Relief from various UK personal taxes under the SEIS;

“**Services**” The services provided under Clause 4 of this Agreement;

“**Tax Advantages**” The various tax advantages, including SEIS Relief, arising from subscriptions for shares in SEIS Qualifying Companies.

1.2 Words and expressions defined in either the Information Memorandum or the FCA Rules which are not otherwise defined in this Agreement shall, unless the context otherwise requires, have the same meaning in this Agreement.

1.3 Any reference to a statute, statutory instrument or to rules or regulations shall be references to such statute, statutory instrument or rules and regulations as from time to time amended, reenacted or replaced and to any codification, consolidation, re-enactment or substitution thereof as from time to time in force.

1.4 References to the singular only shall include the plural and vice versa.

1.5 Unless otherwise indicated, references to Clauses shall be to Clauses in this Agreement.

1.6 Headings to Clauses are for convenience only and shall not affect the interpretation of this Agreement.

- 2. Investing**
- 2.1 This Agreement comes into force on the date that the Custodian accepts the Investor's Application Form and monies are subscribed to the Fund.
- 2.2 Where the Investor submits an Application Form which is accepted, and then the Investor makes a Subscription, the Investor thereby agrees that the Manager may, in its capacity as manager of the Fund, invest that Subscription in accordance with the Memorandum.
- 2.3 The Manager is authorised and regulated by the Financial Conduct Authority. The Manager is a company registered in England and Wales under company number 08772369 and with a registered address at 6th Floor, 2 London Wall Place, London EC2Y 5AU. The FCA's registered address is 12 Endeavour Square, London E20 1JN. This Agreement is supplied to the Investor in English and the Manager will continue to communicate with the Investor in English for the duration of this Agreement.
- 2.4 If the Investor has been categorised as a Retail Client by their Registered Intermediary, then the Investor has the right to request a different client categorisation. However, if the Investor does so and if the Registered Intermediary agrees to such categorisation the Investor will lose protections afforded by certain FCA Rules.  
This may include, but may not be limited to:
- 2.4.1 the Investor will not be given any of the additional disclosures required to be provided to Retail Clients (for example oncosts, commissions, fees and charges, foreign exchange conversion rates and information on managing investments);
- 2.4.2 where the Manager provides the Investor with investment advice, the Manager is entitled to assume that the Investor has the requisite knowledge and experience to understand the risks involved and that they are able financially to bear any investment risk consistent with their investment objectives;
- 2.4.3 the Manager is entitled to assume that the Investor has the necessary level of experience and knowledge to understand the risks involved in relation to any investment, service, product or transaction contemplated by the Information Memorandum;
- 2.4.4 the FCA Rules impose detailed requirements on financial promotions directed at Retail Clients. Promotions directed at Professional Clients are simply subject to the high level requirement that they are fair, clear and not misleading;
- 2.4.5 if the Manager was to hold money on behalf of a Retail Client the Manager would have to notify the client of whether interest is payable (which is not required for Professional Clients); and the Manager would not be able to transfer the money to a third party without notifying a Retail Client and without explaining who is responsible for that third party's actions or omissions, and the consequences where that third party becomes insolvent;
- 2.4.6 if the Manager was to manage client assets, the Manager would be obliged to provide Retail Clients with more detailed information periodically. A Retail Client has a right to a periodic statement every three months, rather than every six months for a Professional Client;
- 2.4.7 where the Manager places Investor's orders with third parties for execution, the factors taken into account in obtaining the best possible execution result for a Professional Client will differ to those for a Retail Client. It should be noted that Professional Clients can no longer opt out of best execution; and
- 2.4.8 only Retail Clients are entitled to claim compensation under the Financial Services Compensation Scheme.
- 2.5 The Investor confirms that he/she is suitably knowledgeable of the risks associated with Non Readily Realisable Investments and/or has been suitably advised of these risks.
- 2.6 The Investor confirms that he/she is not seeking advice from the Manager on the merits of any investment into the Fund.
- 2.7 The Investor agrees that the Manager may hold information about them and their affairs in order to verify their identity and financial standing (among other things the Manager may consult a credit or mutual reference agency, which may retain a record of the enquiry).
- 2.8 Anti-money laundering regulations aim to prevent criminal property being used or disguised as legitimate wealth. To satisfy these regulations the Investor may have to produce satisfactory evidence of their identity before their Application Form can be accepted, and from time to time thereafter. This identification process is designed to assist in the prevention of crime within the financial services industry. If the Investor does not provide the information when requested, the Custodian and the Manager may be unable to accept any instructions from them or provide them with any services.
- 2.9 Following receipt of an Application Form, the Custodian will write to the Investor acknowledging the application. If the Investor wishes to exercise his or her right to cancel, the Investor must notify the Custodian in writing within 14 days of receipt of that form, by writing to the Custodian at its address.
- 2.10 If the Investor exercises his or her cancellation rights, the Custodian shall refund any monies paid by the Investor less any charges the Manager has already incurred for any service undertaken in accordance with the terms of the Agreement. The Custodian is obliged to hold the Investor's investment monies until its money checks have been completed to its satisfaction.
- 2.11 The Manager shall procure that the Custodian endeavours to arrange the return of any such monies as described at Clause 2.11 as soon as possible (but in any event, not more than 30 days following cancellation). The Investor will not be entitled to interest on such monies.
- 2.12 If the Investor does not exercise this right to cancel within the requisite time period, the Investor will still be entitled to exercise his or her right under Clause 14 below to terminate this Agreement, which is a separate right.
- 2.13 The right to cancel under the FCA Rules does not give the Investor the right to cancel/terminate/reverse any particular investment transaction executed for the account of the Investor before cancellation takes effect.

### 3. Subscriptions

- 3.1 In respect of the Investor's Subscription:
- 3.1.1 the Investor shall make a Subscription of not less than £10,000 to the Fund at the same time as submitting his/her Application Form to invest;
- 3.1.2 the Investor may make further Subscriptions to a Fund up to and including the Closing Date; and
- 3.1.3 the Investor may not make any Subscription after the Closing Date.
- 3.2 The Investor may make a withdrawal of his/her investment, or terminate the Agreement, pursuant to Clause 14 below. In the case of there being excess Subscriptions to a Fund which are not, in the Manager's view, capable of being invested appropriately in accordance with the Investment Objective within the Initial Period, the Investor shall be deemed to have instructed the Manager to make a partial withdrawal from that Fund immediately prior to the end of the Initial Period, such that the Fund thereafter has at least 100% of the Subscriptions to the Fund invested as at the end of the Initial Period and (unless the Manager, at its discretion, determines to return such excess Subscriptions) to have instructed the Manager to treat such sums withdrawn as new Subscriptions to a subsequent fund as determined by the Manager and notified by the Manager to the Investor (such instructions shall be subject to any such further instructions as are set out in the Investor's Application Form or as agreed with the Investor). The Investor's Application Form to subscribe to a Fund shall be deemed to be an Application Form, repeated in similar terms, for any subsequent fund to which excess Subscriptions are diverted pursuant to the terms of this clause.
- 3.3 The Custodian will hold Investors' Subscriptions in accordance with the Client Money Rules contained in CASS 7 of the FCA Rules. Such cash balance will be deposited with an authorised credit institution in a bank account (or accounts) opened and maintained in the name of the Fund. The Custodian at the direction of the Manager may debit or credit the said account for all sums payable by or to the Investor (including dividends receivable in cash and fees and other amounts payable by the Investor). No Interest will be payable on to the investor.

### 4. Services

- 4.1 The Manager will manage the Fund as from the receipt of each Application Form, and minimum aggregate total subscriptions of £500,000 being invested in the Fund (or such other amount as determined in the Manager's discretion in accordance with the Memorandum) on the terms set out in this Agreement. The Manager will exercise all discretionary powers in relation to the selection of, or exercising rights relating to, Investments of a Fund on the terms set out in this Agreement. The Manager will also arrange for the Custodian to provide safe custody services in relation to investments and cash.
- 4.2 The Manager shall not, however, except as expressly provided in this Agreement or unless otherwise authorised, have any authority to act on behalf of, or in respect of, the Investor or to act as the agent of the Investor.

### 5. Investment objectives and restrictions

- 5.1 In performing its Services, the Manager shall at all times have regard to:
- 5.1.1 the need for a Fund to attract the Tax Advantages; and
- 5.1.2 all applicable laws.
- 5.2 The Manager reserves the right to return a small surplus of cash if it concludes that it cannot be properly invested for the Investor and it considers this to be in the best interests of the Investor having regard to availability of SEIS Relief for the Investor.
- 5.3 In the event of a gradual realisation of Investments prior to termination of the Fund under Clause 14.1, the cash proceeds of realised SEIS Investments may be placed on deposit (in an interest bearing client account) or invested in government securities or in other investments of a similar risk profile. No interest will be payable to the Investor.

### 6. Terms applicable to dealing

- 6.1 The Investor should be aware that the Fund will be invested in a range of unlisted securities and that, although some may be traded on AIM or ISDX, there is generally no relevant market or exchange, and consequent rules and customs and there will be varying practices for different securities. Transactions in shares of such securities will be effected on the best commercial terms that can be secured.
- 6.2 Where deals are aggregated with other SEIS Investors in the Fund, the number of shares in a Portfolio Company held as an Investment allocated to the Investor shall be usually calculated with reference to the proportion which the Investor's Subscription of a Fund applied to such share purchase bears to the total uninvested Subscriptions by all Investors in the Fund at that time, provided that Investors shall not have fractions of shares. Variations may be allowed to prevent Investors having fractions of shares but only in circumstances in which there are minor variations. If one or more of the Investors in a Fund is an accountant, lawyer or other professional person who is subject to professional rules preventing him from making an investment in a particular Portfolio Company, then the number of shares so allocated to that Investor or Investors shall not be taken up for the Fund and the cash value of such shares shall be returned to such Investor, such that the number of shares so allocated to other Investors in that Fund shall not be increased. Investments may be made by the Fund prior to a Closing Date.
- 6.3 Subject to both the FCA Rules and the Manager's conflicts of interest policy (a summary of which is included at Schedule 2 of this Agreement) the Manager may make use of dealing commission arrangements in respect of deals undertaken for the Fund as may be disclosed to the Investor from time to time.
- 6.4 Subject to both the FCA Rules and the Manager's portfolio management policy (at Schedule 1 of this Agreement) the Manager will act in good faith and with due diligence in its choice and use of counterparties but, subject to this obligation, shall have no responsibility for the performance by any counterparty of its obligations in respect of transactions effected under this Agreement.

- 6.5 The Manager may aggregate your transactions with those of other customers and of its employees in accordance with the FCA Rules. It is likely that the effect of such an allocation will not work to the Investor's disadvantage; however, occasionally this may not be the case. The Manager will allocate aggregated transactions promptly on a fair basis in accordance with the requirements of the FCA Rules.
- 6.6 Any option which the Manager has to subscribe for shares in any Portfolio Company in which the Fund has invested shall not be capable of assignment except to an employee of the Manager within three years from the date on which the Investment is made.
- 6.7 As an FCA authorised firm, the Manager is required to take all reasonable steps to obtain the best possible result on behalf of clients when placing orders for execution that result from decisions by the Manager. Set out in Schedule 3 is the Manager's summary of its policy in respect of this requirement, to which the Investor hereby consents. Where applicable, the Manager's decisions will normally be executed by the Custodian in accordance with its Execution Policy. The Invest acknowledges that, when the Manager passes an order to another party for execution, the counterparty may execute the trade outside a regulated market or exchange.
- 6.8 The Investor acknowledges that, where there are a number of closes of the Fund, the Manager may, at its absolute discretion, invest into Portfolio Companies as opportunities arise on a discretionary basis. As a result, the Investor understands and accepts that this may mean, as an investor in the Fund, they may not participate in all of the investments made by the Fund.
- 7. Reports and information**
- 7.1 The Manager shall supply such further information, which is in its possession or under its control as the Investor may reasonably request as soon as reasonably practicable after receipt of such request.
- 7.2 The Manager shall provide the Investor with a periodic statement once every six months in respect of each Fund. A Retail Investor may request in writing that the Manager provide a periodic statement every three months.
- 7.3 Reports will include a measure of performance in the later stages of each Fund once valuations are available. Any statements, reports or information so provided by the Manager will state the basis of any valuations of investments provided.
8. Fees and expenses  
The Manager shall receive fees for its Services, and reimbursements of their costs and expenses, as set out in the Memorandum.
- 9. Management and Custodian obligations**
- 9.1 The Manager shall devote such time and attention and have all necessary competent personnel and equipment as may be required to enable it to provide the Services properly and efficiently, and in compliance with the FCA Rules.
- 9.2 Except as disclosed in the Memorandum issued in relation to a Fund and as otherwise provided in this Agreement (for example on early termination or in the event of an exit opportunity arising that requires due consideration by the Portfolio Company's shareholders), the Manager shall not take any action which may prejudice the tax position of the Investor insofar as it is aware of the relevant circumstances, and in particular which may prejudice obtaining the Tax Advantages for the Fund Investments.
- 9.3 The Custodian will deal with Investors' money and Shares in accordance with the client money and client asset regulations set out in the FCA Handbook. The Manager may instruct the Custodian to hold Investors' un-invested cash in a client bank account pending investment. The Custodian will not pay interest on money held in its client bank account.
- 9.4 The Manager will also appoint the Custodian to provide safe custody services in respect of Investors' Shares. A copy of the Custodian Agreement is available to Investors on written request.
- 9.5 Under the Custodian Agreement, the Custodian shall treat the Manager, acting as agent for the Fund, as its client for the purposes of FCA Rules.
- 9.6 Assets held on behalf of the Fund, including investment certificates will be registered in the name of the Custodian's nominee company.
- 9.7 The Manager and the Custodian will, in accordance with legislation and regulations, keep records to show that each Investor is the beneficial owner of the relevant assets.
- 9.8 The Investors or the Manager shall pay or reimburse the Custodian from time to time on demand for any transfer taxes payable upon transfers, exchanges or deliveries of securities made under the custodian agreement in accordance with the Memorandum.
- 9.9 The Investor authorises the Custodian to deduct from any cash received or credited to the Investor's account, any amount of taxes or levies required by any revenue or governmental authority for whatever reason in respect of the Investor's accounts.
- 9.10 The Manager shall have discretion to instruct the Custodian to exercise the voting and other rights attaching to the Investments comprising each Fund provided that the voting and other rights exercisable by the Manager and the Custodian shall not exceed 50% of the aggregate rights relating to any investment.
- 10. Obligations of the Investor**
- 10.1 The Fund established by this Agreement is set up on the basis of the declaration made by the Investor which includes the following statements by the Investor:
- 10.1.1 the fact as to whether or not the Investor wishes to seek SEIS Relief for the Investments;
- 10.1.2 the Investor agrees to notify the Manager if
- 10.1.2.1 any Investment by a Fund in any company is in a company with which the Investor has a substantial interest withing section 257BF ITA 2007; or
- 10.1.2.2 the Investor or any associate of the Investor is an employee (for the purposes of section 257BA ITA 2007) of any company (or of any qualifying subsidiary of a company) in which any Investment is made by a Fund; or
- 10.1.2.3 any Investment by a Fund in any company forms part of an arrangement which provides for another person to subscribe for shares in another company in which the Investor, or any other individual who is party to the arrangement, has a substantial interest;

- 10.1.3 the Investor agrees to notify the Manager if, within three years of the date of issue of shares:
- 10.1.3.1 the Investor acquires a substantial interest in, or receives value from, a Portfolio Company which is an Investment; or
- 10.1.3.2 the Investor or any associate of the Investor becomes an employee of any company (or of any qualifying subsidiary of a company) in which any Investment is made by a Fund.
- 10.1.4 the Investor agrees to provide the Custodian with his/her tax district, tax reference number and National Insurance number; and
- 10.1.5 the Investor confirms to the Custodian that the information stated in the Application Form in relation to him/her is true and accurate as at the date of this Agreement.
- 10.2 The Investor must immediately inform the Manager in writing of any change of tax status, other material change in circumstance and any change in the information provided in the Application Form to which Clause 10.1 above refers.
- 10.3 The Investor must provide each of the Custodian and the Manager with any information, which it reasonably requests for the purposes of managing a Fund pursuant to the terms of this Agreement.
- 11. Delegation and assignment**
- 11.1 The Manager may employ agents, including associates, to perform any administrative, custodial or ancillary services to assist the Manager in performing its Services, in which case it will act in good faith and with due diligence in the selection, use and monitoring of agents but otherwise shall have no liability in respect of such agents.
- 11.2 The Manager may from time to time change or amend the terms of the relationship with the Custodian, including replacement thereof and negotiate such terms on an arm's length basis in good faith.
- 11.3 The Manager may assign this Agreement to any appropriately authorised and regulated person, such assignment being effective upon written notice to the Investor. This Agreement is personal to the Investor and the Investor may not assign it.
- 12. Potential conflicts of interest and disclosure**
- 12.1 The Manager may provide similar services or any other services whatsoever to any other customer and the Manager shall not in any circumstance be required to account to the Investor for any profits earned in connection therewith. So far as is deemed practicable by the Manager, the Manager will use all reasonable endeavours to ensure fair treatment as between the Investor and other customers in compliance with the FCA Rules.
- 12.2 The Manager has in place a conflicts of interest policy (the "Conflicts Policy") pursuant to the FCA Rules which sets out how it identifies and manages conflicts of interest. Set out in Schedule 2 is a summary of this policy.
- 13. Liability**
- 13.1 The Manager and each of its appointed agents, will at all times act in good faith and with reasonable care and due diligence. Nothing in this Clause 13 shall exclude any duty or liability owed to the Investor under the FCA Rules.
- 13.2 The Manager shall not be liable for any loss to the Investor arising from any investment decision made in accordance with the Investment Objectives and the Investment Restrictions or for other action in accordance with this Agreement, except to the extent that such loss is directly due to the negligence or wilful default or fraud of the Manager or any of its employees.
- 13.3 The Custodian shall not be liable in the event of the insolvency of any bank with which any funds of the Custodian have been deposited, nor in the event of any restriction on the ability of the Custodian to withdraw funds from such bank for reasons which are beyond its reasonable control.
- 13.4 The Investor agrees to indemnify the Manager and each of its appointed agents, from and against any and all direct liabilities, obligations, losses, damages, penalties, actions against the Manager, judgments, lawsuits against the Manager, proper costs and expenses or disbursements which may be imposed on, incurred by or asserted against the Manager or any of its appointed agents.
- 13.5 The Manager may be separately engaged by some of the unquoted companies that the Fund will invest in to assist those companies to raise finance. The Manager will receive a fee from each such unquoted company for its services. Part of the Manager's fee from such unquoted companies may therefore be calculated by reference to the amount that the Fund invests.
- 13.6 The Manager gives no representations or warranty as to the performance of the Portfolio. SEIS Investments are high risk Investments, being Non Readily Realisable Investments. There is a restricted market for such Investments and it may therefore be difficult to sell the Investments or to obtain reliable information about their value. Investors should consider the suitability of investment in SEIS Investments carefully and note the risk warnings set out in the Memorandum.
- 13.7 If the Custodian should fail to deliver any necessary documents or to account for any Investments, the Manager will take all reasonable steps on the Investor's behalf to recover such documents or Investments or any sums due or compensation in lieu thereof but subject thereto to the Manager's general duty of good faith, shall not be liable for such failure.
- 13.8 In the event of any failure, interruption or delay in the performance of the Manager's obligations resulting from acts, events or circumstances not reasonably within the Manager's control (including, but not limited to: acts or regulations of any governmental or supranational bodies or authorities; breakdown, failure or malfunction of any telecommunications or computer service or services; and acts of war, terrorism or civil unrest) the Manager shall not be liable to the Investor for consequential loss in the value of, or failure to perform investment transactions for the account of, a Fund.

<b>14. Termination</b>			
14.1	The Manager shall set a date, which it shall notify to the Investor, on which the Fund will terminate. This is expected to be between five and seven years after the Closing Date. On termination of the Fund, all shares for the Investor's Portfolio in the Fund may be transferred into the Investor's name or as the Investor may otherwise direct.		additional payments save that the Investor will pay fees, expenses and costs properly incurred by the Manager and the Custodian up to and including the date of termination and payable under the terms of this Agreement.
14.2	An investor may withdrawal monies from the Fund prior to termination of the Fund in which case all his Investments shall be sold and cash transferred but the Investor should note:	15.3	On termination, the Manager may retain and/or realise such Investments as may be required to settle transactions already initiated and to pay the Investor's outstanding liabilities, including fees, costs and expenses payable under Clause 8 of this Agreement.
14.2.1	that he/she may lose SEIS Relief in respect of them;		
14.2.2	that it may not be practicable for the shares to be sold, in which case there may be a delay in completing the withdrawal. If it is practicable to effect, and the Investor decides to proceed with an early withdrawal, the Manager will, unless the Investor otherwise requests, effect the withdrawal on the last business day of the month following that in which such decision is made; and	<b>16. Risk warnings and further disclosures</b>	
14.2.3	that the requirement of the payment of a performance fee, as set out in the Memorandum shall survive any withdrawal; and	16.1	Your attention is drawn to the Risk Warnings set out in the Memorandum.
14.2.4	the Manager has a lien over the Investor's Investment in respect of damages or accrued but unpaid fees and shall be entitled to dispose of all or any such investments in order to discharge the Investor's liability and to pay any balance to the Investor.	16.2	The Manager will not borrow money on behalf of Investors, nor lend securities or enter into stock lending or similar transactions. For the avoidance of doubt, the Qualifying Companies may borrow money or enter into similar transactions, subject to the Investment Objectives and Investment Restrictions of the Fund.
14.3	This Agreement shall automatically terminate following the withdrawal of the Investor's Investment in the Fund pursuant to clause 14.2.	16.3	The Manager cannot require Investors to add further monies to the Fund following the Subscription.
14.4	If:	16.4	The Manager will not use the Subscriptions to invest in warrants (unless such warrants are attached to SEIS qualifying shares), units in collective investment schemes or derivatives of any sort.
14.4.1	the Manager gives to the Investor not less than three months' written notice of its intention to terminate its role as Manager under this Agreement;	<b>17. Confidential information</b>	
14.4.2	the Manager ceases to be appropriately authorised by the FCA or becomes insolvent; or	17.1	Neither the Manager nor the Investor shall disclose to third parties or take into consideration information either:
14.4.3	the Manager is required to terminate this Agreement or cease providing the Services under the applicable law, the Manager shall endeavour to make arrangements to transfer the Fund to another fund Manager in which case that manager shall assume the role of the Manager under this Agreement, failing which the Agreement shall terminate forthwith and, subject to Clause 15, the Investments in the Investor's Portfolio shall be transferred into the Investor's name or as the Investor may otherwise direct.	17.1.1	the disclosure of which by it would be or might be a breach of duty or confidence to any other person; or
		17.1.2	which comes to the notice of an employee, officer or agent of the Manager but properly does not come to the actual notice of that party providing services under this Agreement.
		17.2	The Manager will at all times keep confidential all information acquired in consequence of the services, except for information which:
		17.2.1	is in the public knowledge;
		17.2.2	they may be entitled or bound to disclose under compulsion of law;
		17.2.3	is requested by regulatory agencies;
		17.2.4	is given to their professional advisers where reasonably necessary for the performance of their professional services; or
		17.2.5	is authorised to be disclosed by the other party. Parties shall use all reasonable endeavours to prevent any breach of this sub clause.
<b>15. Consequences of termination</b>		<b>18. Complaints and compensation</b>	
15.1	On termination of this Agreement pursuant to Clause 14, the Manager will use reasonable endeavours to complete all transactions in progress at termination expeditiously on the basis set out in this Agreement.	18.1	The Manager will establish procedures in accordance with the FCA Rules for consideration of complaints. Details of these procedures are available from the Manager on request. Should an Investor have a complaint, they should contact the Manager. If the Manager cannot resolve the complaint to the satisfaction of the Investor, the Investor may be entitled to refer the complaint to the Financial Ombudsman Service.
15.2	Termination will not affect accrued rights, existing commitments or any contractual provision intended to survive termination and will be without penalty or other		

18.2 The Manager participates in the Financial Services Compensation Scheme, established under the Financial Services and Markets Act 2000, which provides compensation to eligible investors in the event of a firm being unable to meet its customer liabilities. Payments under the protected investment business scheme are limited to a maximum of £85,000. Further information is available from the Financial Services Compensation Scheme, PO Box 300, Mitcheldean GL17 1DY.

## 19. Notices, instructions and communications

- 19.1 Notices of instructions to the Manager should be in writing and signed by the Investor, except as otherwise specifically indicated.
- 19.2 The Manager may rely and act on any instruction or communication which purports to have been given by persons authorised to give instructions by the Investor under the Application Form or subsequently notified by the Investor from time to time and, unless that relevant party receives written notice to the contrary, whether or not the authority of such person shall have been terminated.
- 19.3 All communications to the Investor shall be sent (whether postal or electronic) to the latest address notified by the Investor to the Manager and shall be deemed to be received by the Investor on the second day after posting or on the day after dispatch in the case of electronic communication.
- 19.4 All communications by the Investor shall be made in writing in English to the Manager, Symvan Capital Limited, 6th Floor, 2 London Wall Place, London EC2Y 5AU.
- 19.5 Communications sent by the Investor will be deemed received only if actually received by the Manager. The Manager will not be liable for any delay or failure of delivery (for whatever reason) of any communication sent to the Investor.

## 20. Amendments

The Manager may amend these terms and conditions in this Agreement by giving the Investor not less than ten business days' written notice. The Manager may also amend these terms by giving the Investor written notice with immediate effect if such is necessary in order to comply with HMRC requirements in order to maintain the SEIS Relief or in order to comply with the FCA Rules.

## 21. Data protection

All data, which the Investor provides to the Manager, is held by the Manager subject to the Data Protection Act 2018. The Investor agrees that the Manager and the Custodian may pass personal data to each other and to other parties insofar as is necessary in order for them to provide their services as set in this Agreement and to the FCA and any regulatory authority which regulates them and in accordance with all other applicable laws.

## 22. Entire agreement

This Agreement, together with the Application Form, comprise the entire agreement of the Manager and the Investor relating to the provision of the Services.

## 23. Rights of third parties

Save for the provisions of Clause 13, which may be enforced by other agents of the Manager, a person who is not a party to this Agreement has no right under the Contracts (Rights

of Third Parties) Act 1999 to enforce any term of this Agreement, but this does not affect any right or remedy of such third party which exists or is available apart from that Act.

## 24. Severability

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

## 25. Governing law

This Agreement and all matters relating thereto shall be governed by and construed in accordance with English Law and the parties submit to the exclusive jurisdiction of the English Courts.

### Schedule 1: Portfolio management policy

1. The Manager will authorise investment in Portfolio Companies on the basis of the Investment Objective of the Fund.
2. The Manager is aware that new shares in Portfolio Companies should be held for the Relevant Period to obtain the benefits of the SEIS.
3. The Manager may look to exit an investment prior to the end of the Relevant Period if the growth of the investment has outperformed the market and covers any loss of tax benefit. It may also exit an investment in the event of a trade sale of the investment.
4. Once the Relevant Period has expired, the Manager will use reasonable endeavours to liquidate the holdings with a view to becoming fully liquid within five to seven years of the Closing Date.
5. Investments in Portfolio Companies that remain unquoted will be evaluated and valued by the Manager.

### Schedule 2: Policies to govern conflicts of interest

The Manager has produced a policy to manage effectively the conflicts of interest that may arise from its business as required by the rules and guidance contained in chapter 10 of the Senior Management Arrangements, Systems and Controls rules issued by the FCA ("SYSC"). The policy has been reviewed and approved by the Manager and is subject to monitoring by the Manager. Under SYSC, the Manager is required to take all reasonable steps to identify conflicts of interest between: The Manager, including its employees and contracted consultants, or any person directly or indirectly linked to them by control, and a client of the Manager; or one client of the Manager and another client.

The Manager further believes that it should identify any conflicts that may arise in other situations including between the Manager and any of its shareholders. Where the Manager owes a duty to such clients, it must maintain and operate arrangements to prevent any conflict from giving rise to a material risk of damage to the interests of Investors. A copy of the Manager's "conflict of interests" policy is available upon request.

### Schedule 3: Execution policy

Execution factors and execution criteria:

The Manager has an obligation when executing orders on behalf of Investors to obtain the best possible outcome. The FCA requires various execution factors to be taken into account including price; cost; speed; market impact; likelihood of execution and settlement; size; or any other consideration relevant to the execution of the order. Price will ordinarily merit a high relative importance in obtaining the best possible result. However, in some circumstances, the Manager may appropriately determine that other execution factors are more important than price in obtaining the best possible execution result.

The Manager will determine the relative importance of the execution factors by using its commercial judgment and experience in light of market information available and taking into account the execution criteria. The execution criteria are defined as the characteristics of the client, order (orders placed in the market will indicate a price range that is suitable for the investment decision), type of financial instrument (some shares are more liquid than others, and illiquid shares will be less easily tradable in volume) and the execution venue.

The scope of activities undertaken by the Manager does not currently include placing orders with brokers or dealers. Should the Manager place orders with brokers or dealers for execution it will satisfy itself that the broker or dealer has arrangements in place to enable the Manager to comply with its best execution obligations to its clients. Specific arrangements will be put in place such that brokers will confirm that they will treat the Manager as a professional client and will therefore be obliged to provide best execution.

# Appendix 5

## Application Form & Anti-Money Laundering Certificate

Please contact the Manager if you have any questions regarding the completion of the Application Form.

### Procedure for Application

An application form for individual investors is attached to this Memorandum. Separate application forms are also available. Joint applications are not permitted. Applicants must complete the relevant Application Form and send it, together with their payment and money laundering verification, to:

**Woodside Corporate Services Limited**  
1st Floor  
12-14 Mason's Avenue  
London EC2V 5BT

### Method of Payment

Payment should be made by:

1) Cheque, payable to: WCSL SYMVAN SEIS 3 CLIENT ACC  
OR

2) Electronic bank transfer to:  
Account: WCSL SYMVAN SEIS 3 CLIENT ACC  
Number: 10410260  
Sort Code: 80-20-00  
SWIFT: LOYDGB2L  
IBAN: GB73 BOFS 8020 0010 4102 60  
Payment Ref: Surname and Initials

Payments by cheque should be drawn on an account in the name of the Investor. If this is not practicable and a cheque is drawn by a third party or is a building society cheque or bankers' draft, the Investor's name, address and date of birth should be written on the back of the cheque or bankers' draft and:

- a) if a building society cheque or bankers' draft is used, the building society or bank must also endorse on the cheque or draft the name and account number of the person whose account is being debited; or
- b) if a cheque is drawn by a third party, the Investor must ensure that either (1) an Adviser Certificate is provided; or (2) original/certified documentation is provided: one item from each of List A and List B (see below) is enclosed with the Application Form.

### Money Laundering Verification

Each Application Form must be accompanied by:

EITHER

1) Adviser Certificate

Verification of the Applicant's identity may be provided by means of a "Confirmation of Verification of Identity" from a UK or European Economic Area financial institution (such as a bank or stockbroker) or other regulated person (such as a solicitor, accountant or appropriate financial adviser) who is required to comply with the current Money Laundering Regulations. The relevant financial institution or regulated person will be familiar with the requirements and the relevant form.

OR

2) **Original/certified documentation** in the form of one item from List A **AND** one item from List B:

List A (Verification of Identity)

- Current signed passport
- Current UK Photo Driving Licence
- Firearms Certificate

List B (Verification of Address)

- Recent\* utility bill (but not a mobile telephone bill)
- Recent\* local authority tax bill
- Recent\* bank or building society statement
- Recent\* mortgage statement from a recognised lender

Notes:

Please send original (not passport or driving licence) or certified copies of the documents.

Copies must be certified as a true copy of the original by a UK lawyer, banker, authorised financial intermediary (e.g. financial adviser or an FCA authorised mortgage broker), accountant, teacher, doctor, minister of religion, postmaster or sub postmaster.

The person certifying the document should state that the copy is a true copy of the original, print their name, address, telephone number and profession and sign and date the copy.

\*Recent means dated within the last three months.

# Application Form – Symvan Technology SEIS Fund 3

## Personal Details

Title

Forenames

Surname

Date of birth

Telephone

Occupation

National Insurance Number

Address (Include details)

Previous Address  
*Required if at current Address for less than 3 years*

Email

Town & Country of birth  Nationality

Names of any relative(s) also making an application to the Scheme: (Includes spouse, parents, grandparents, children and grandchildren.)

## Country of Residence for Tax Purposes & related Taxpayer Identification Number (“TIN”) or equivalent

Please confirm if you are solely tax resident in the UK Yes  No

If you ticked ‘Yes’, please proceed to the next section.

If you ticked ‘No’, please complete the following table indicating (i) where you are tax resident and (ii) your TIN for each country indicated. If you are tax resident in more than three countries please use a separate sheet.

If a TIN is unavailable please provide the appropriate reason **A, B** or **C** where indicated below:

**Reason A** – The country where you are liable to pay tax does not issue TINs to its residents

**Reason B** – You are otherwise unable to obtain a TIN or equivalent number (Please explain why you are unable to obtain a TIN in the below table if you have selected this reason)

**Reason C** – No TIN is required. (Only select this reason if the domestic law of the relevant jurisdiction does not require the collection of the TIN issued by such jurisdiction)

	Country of tax residence	TIN	If no TIN available enter A, B or C
Country 1	<input type="text"/>	<input type="text"/>	<input type="text"/>
Country 2	<input type="text"/>	<input type="text"/>	<input type="text"/>
Country 3	<input type="text"/>	<input type="text"/>	<input type="text"/>

Please explain in the following boxes why you are unable to obtain a TIN if you selected Reason **B** above.

Country 1	<input type="text"/>	<input type="text"/>	<input type="text"/>
Country 2	<input type="text"/>	<input type="text"/>	<input type="text"/>
Country 3	<input type="text"/>	<input type="text"/>	<input type="text"/>

## Application Form – Symvan Technology SEIS Fund 3

### Correspondence

Please indicate where you would like the original SEIS3 Yourself Certificates sent to (please tick).

Yourself

Advisor

Accountant

(please complete details below)

Please provide your Accountant's details if you wish them to receive SEIS certificates.

Firm name

Contact

Telephone

Email

Address

### Investor Categorisation

I fall into the following category of eligible investor, as set out in the FCA's Conduct of Business Sourcebook (tick as applicable):

Eligible counterparty

Professional client

Retail investor who has received advice (if applicable, the financial adviser should complete and sign below)

Or, as a person for whom suitability or appropriateness has been assessed (the financial adviser should complete and sign below):

Certified high net worth investor

Certified sophisticated investor

Self-certified sophisticated investor

Certified restricted investor

### Adviser Details

Contact

Firm name

Email

Address

Telephone

Firm FCA number

### Adviser Confirmation and Anti-Money Laundering Certificate

We confirm that the Investor is a customer of our firm. We certify that we have confirmed the identity of the Investor and verified the details given above on the basis of documents, data and information obtained from a reliable and independent source. We confirm that the investor is not a Politically Exposed Person (PEP). (If a PEP, please provide full details).

The evidence that we hold meets the standard required by the current Money Laundering Regulations and set out within the guidance for the UK financial sector issued by the Joint Money Laundering Steering Group. We certify that we have obtained information on the purpose and intended nature of the Investor's proposed investment in the Symvan Technology SEIS Fund 3 and we are satisfied that this investment is being made for bona fide legitimate purposes and not to conceal the proceeds of crime.

We confirm that (tick as applicable)

We have advised the Investor named above on their proposed investment in the Symvan Technology SEIS Fund 3, and that we have satisfied the criteria in COBS 9 of the FCA Handbook.

Or

We have reviewed the appropriateness of the proposed investment in the Symvan Technology SEIS Fund 3 for the Investor named above and have complied with the rules in COBS 10 of the FCA Handbook or equivalent requirements.

**We consent to Symvan Capital Limited and Woodside Corporate Services Limited relying on this Certificate.**

Signature of  
Advisor

Print name

Date

# Application Form – Symvan Technology SEIS Fund 3

## Identification

If an adviser has not provided a Certificate of Verification of Identity, please enclose a certified copy of 2 pieces of identity - one from list A below and one from list B below.

Copies must be certified as a true copy of the original document with confirmation that the photograph is a likeness. Documents may be certified by a professional authorised to sign such documents e.g. solicitor with a current UK practicing certificate, a qualified accountant or an FCA authorised individual.

### List A – Verification of identity (must be current, valid and have at least 6 months left to run)

- Current signed passport
- Current UK Photo Driving Licence
- Firearms Certificate

### List B – Verification of address

- Recent\* utility bill (but not a mobile telephone bill)
- Recent\* local authority tax bill
- Recent\* bank or building society statement
- Recent\* mortgage statement from a recognised lender

### Notes:

Please send original (not passport or driving licence) or certified copies of the documents.

Copies must be certified as a true copy of the original by a UK lawyer, banker, authorised financial intermediary (e.g. financial adviser or an FCA authorised mortgage broker), accountant, teacher, doctor, minister of religion, postmaster or sub postmaster.

The person certifying the document should state that the copy is a true copy of the original, print their name, address, telephone number and profession and sign and date the copy.

\*Recent means dated within the last three months.

## Subscriptions to the Fund

Total Subscription

(minimum £10,000 unless otherwise agreed by the Manager)

Please indicate how you will pay your single subscription

By cheque       By bank transfer

Cheques payable to: WCSL SYMVAN SEIS 3 CLIENT ACC

### Transfer details:

Bank Name:	Bank of Scotland plc
Payment Reference:	Surname and Initials
Account Name:	WCSL SYMVAN SEIS 3 CLIENT ACC
Number:	10410260
Sort Code:	80-20-00
SWIFT:	LOYDGB2L
IBAN:	GB73 BOFS 8020 0010 4102 60

## Bank Account Details

Please provide details of the bank account to which you would like any distributions credited. Where the account is in the name of a third party it will be necessary to identify that person for anti-money laundering purposes.

Account name	<input type="text"/>
Account number	<input type="text"/>
Sort Code	<input type="text"/>
Bank Name	<input type="text"/>

## Application Form – Symvan Technology SEIS Fund 3

### Cancellation Rights

There is a limited period during which you have the right to cancel your investment. If you wish to exercise this right to cancel, you must notify the Receiving Agent (Woodside Corporate Services Limited, 1st Floor, 12-14 Mason's Avenue, London EC2V 5BT) in writing within 14 days of their written acknowledgment of your application.

### Investment Reporting

The Manager will provide you with a periodic statement every 6 months, as detailed in the Information Memorandum on page 47.

### Data Protection

By providing personal information as part of your application and by signing this Application Form, you hereby confirm that you consent to the use of your personal information.

Please note the Manager is registered under the Data Protection Act 2018. The Manager's Privacy Policy is available on its website at [www.symvancapital.com](http://www.symvancapital.com). All data which you provide to the Receiving Agent and Custodian, the Manager, and your authorised financial adviser (as appropriate) will be held by the relevant party subject to the Data Protection Act 2018.

The relevant parties will pass your personal data to each other and to other parties insofar as is necessary in order for them to provide their services as set out in this agreement and to the FCA and any regulatory authority which regulates them and in accordance with all other applicable laws.

Please indicate if your personal information may be used by the Manager to send you details of new and existing products (including by email). Your permission may be withdrawn at any time by notifying the relevant organisation in writing that it may no longer be used in this way.

Yes

No

### Declaration / Terms & Conditions

1. I wish to invest the amount entered in the Total Subscription box in the Application Form in the Symvan Technology SEIS Fund 3 (the "Fund") subject to the terms set out in the Investment Management Agreement in Appendix 4 of the Memorandum. In relation to my investment in the Fund, I appoint Symvan Capital Limited to be the Manager on the terms set out in the Investment Management Agreement.
2. I wish to seek SEIS tax reliefs for my investment.
3. I am applying on my own behalf.
4. I agree to notify the Manager if any investment is made in a Company with which I am connected, as defined in Sections 166, 167, 170 and 171 of the Income and Taxes Act 2007 (ITA 2007).
5. I agree to notify the Manager if I become connected with a Portfolio Company or receive any monetary value from such Portfolio Company.
6. I have read the Memorandum and the Investment Management Agreement.
7. I have understood and agree to be bound as a party to the terms of the Investment Management Agreement and authorise the Manager to enter into a Custodian Agreement on my behalf.
8. I have read and agree to be bound by the Custodian's Terms and Conditions.
9. I acknowledge and accept that the Manager has discretion to apportion my Subscriptions between Portfolio Companies, which are Qualifying Companies for SEIS purposes.
10. I have read this Application Form and I confirm that I have provided information on my personal and financial circumstances, which is true and accurate at the date of this Application Form.
11. I confirm that such information will be true and accurate at the date upon which this Application Form is accepted by the Manager. I understand that the Manager may decline to act on my behalf in the event that the information provided is incomplete.
12. I confirm that I as the underlying investor and/or my independent financial adviser, have read the risks described in the Memorandum and I am aware that this is a high risk investment as the underlying investments are illiquid and that I may not get all of my initial investment back.
13. I will notify the Manager and Custodian within 30 days of any change to the information provided in this Application Form including to my tax residency status or to my personal and financial circumstances to an extent that it may impact upon the appropriateness for me of investing in the Fund or causes the information contained herein to become incorrect or incomplete, and to provide the Custodian with a suitably updated self-certification and declaration within 90 days of such change in circumstances.
14. I acknowledge that the information contained in this form may be provided to HMRC and exchanged with tax authorities of another country or countries in which I may be tax resident pursuant to intergovernmental agreements to exchange financial account information.

## Application Form – Symvan Technology SEIS Fund 3

15. I consent to the Manager and Custodian making appropriate enquiries as required by the current Money Laundering Regulations and understand that this may include an electronic search through a credit or mutual reference agency, which may retain a record of that search.
16. I have advised the Receiving Agent and Custodian if I am a person who is subject to professional rules preventing me from making investments in particular Qualifying Companies.
17. I consent to the Manager's dealing and best execution arrangements and provide my express consent that, on occasions when the Manager passes an order to another party for execution, the counterparty may execute the trade outside a regulated market or exchange or multi-lateral trading facility and may not publish any unexecuted client limit orders.
18. I agree and acknowledge that where the Manager is required by the FCA Rules to provide information to me, such information may be provided by means of the Manager's website should the Manager so decide.
19. I acknowledge that my personal information will be used as set out in the Memorandum and Investment Management Agreement.
20. I acknowledge that the Manager cannot control the timing of the issue of SEIS certificates and, depending on the timing also of the applications made to HMRC by the Portfolio Companies after investment by the Fund, any such certificates may not be available for distribution before the end of the relevant tax year.

### Authorised Financial Adviser Charges

I hereby instruct the Manager to set aside the amount as indicated below from my Investment Amount and to facilitate the payment to my authorised financial adviser on my behalf at the relevant time. Please insert the amount in details below.

Amount  (Figures)

Amount  (Words)

(Insert amount, which must be in pounds sterling and inclusive of VAT if any. If there is no adviser charge please state "nil" on both lines above)

By signing this Application Form, I also confirm that I understand that:

- The amount set aside from my investment in connection with the fees (if any) stated above will not be invested in the Fund and will not benefit from SEIS Relief;
- if my adviser's fee includes VAT, I will remain liable for the VAT element, even where arrangements have been made to make and pay the deduction mentioned above; and
- any indication of illustrative possible returns stated and included in the Memorandum are based on amounts invested in the Fund after the setting aside of any such fees.

### Authorised Financial Adviser's Bank Details

Account name

Account number

Sort Code

Bank Name

### Investor Signature

Signature of Investor

Date

Applications should be emailed to:  
[Applications@woodsidesecretaries.co.uk](mailto:Applications@woodsidesecretaries.co.uk) and  
your Symvan representative, who will confirm acceptance and passing of ID checks.

Symvan Capital Limited  
6th Floor, 2 London Wall Place  
London EC2Y 5AU

 020 3011 5095  
 [info@symvancapital.com](mailto:info@symvancapital.com)  
 [www.symvancapital.com](http://www.symvancapital.com)