



The Seneca EIS Portfolio Service

Individual Investor Application Form



Application Instructions

Applicants

Applicants should read the Investment Management Agreement and complete the Application Form, signing on page 8.

If your application is accepted, confirmation will be sent to the address detailed in Part 1 on page 3.

Authorised Financial Advisers

Authorised Financial Advisers should complete sections 5 and 6, signing on page 9.

Joint Applications

This application form is not suitable for joint applicants.

Anti-Money Laundering Requirements

Applications must be received with Anti-Money Laundering documents as detailed on page 11 of the Application Form. Please enclose cheques with the Application Form or alternatively make arrangements for an electronic bank transfer. Incomplete applications will cause a delay in shares being allotted.

Nationality of Applicant

Page 12 must be completed unless the Applicant's sole nationality is British.

Payment Instructions

Options and instructions for payment are detailed in section 1 on page 7.

Completed applications should be sent to:

The Customer Relationship Team
Seneca Partners Ltd
12 The Parks
Newton-Le-Willows
Merseyside
WA12 0JQ



Seneca Partners Limited
12 The Parks, Newton-Le-Willows, WA12 0JQ.

T: 01942 271 746

F: 01942 275 848

E: enquiries@senecapartners.co.uk

W: www.senecapartners.co.uk

Authorised and Regulated by the Financial Conduct Authority



Part 1: Application Form for Individual

1. Investor Contact Information

Mr, Mrs, Miss, Ms or Title

Surname

Forename(s) (in full)

Permanent Residential Address

Postcode

Time at Current Address

Email Address

National Insurance Number

Unique Tax Reference

Date of Birth

City/Town and Country of Birth

Is your nationality British? Yes No

If yes, is this your sole nationality? Yes No

* If you have answered "NO" to either of these questions, please complete page 12 of this application form

2. Previous Address

If you have lived at your current address for less than 3 years, please provide details of all addresses you have lived at in the last 3 years. If there is insufficient room, please continue on a blank piece of paper and include it with this form.

Previous Address

Postcode

How long did you live at this address? Years Months

Part 2: Suitability of Seneca EIS Portfolio Service

As the Seneca EIS Portfolio Service is a discretionary service, the FCA requires the Portfolio Manager to assess whether the Fund is suitable for you.

Suitability of a discretionary management service is assessed using the following framework:

- Your knowledge and experience
- Your investment objectives
- Your financial situation
- Your attitude to risk

Investing in unquoted securities generally carries a high degree of risk. Unquoted securities are inherently illiquid and you may not receive any of your investment back. Please consider this carefully when answering the following questions:

Your Knowledge and Experience

What is your occupation?

If you are retired, what was your occupation?

Please state what relevant professional qualifications you have, if any (e.g. CFA, CPA, ACII, etc.)

Please confirm which of the following types of investments you have previously made and how many years you have been making these investments:

	Experience Y/N	No. of Years
Tax products (e.g. VCTs, EISs, EZTs, BPRAs or film schemes)	<input type="checkbox"/>	<input type="checkbox"/>
Large quoted companies (e.g. FTSE 100 and FTSE 250)	<input type="checkbox"/>	<input type="checkbox"/>
Smaller quoted companies (e.g. FTSE 350 and below)	<input type="checkbox"/>	<input type="checkbox"/>
AIM listed or unquoted companies	<input type="checkbox"/>	<input type="checkbox"/>

On average, how much have you invested in the types of investment described above in each year?

Over £500,000	<input type="checkbox"/>	£50,000 to £100,000	<input type="checkbox"/>
£250,000 to £500,000	<input type="checkbox"/>	Under £50,000	<input type="checkbox"/>
£100,000 to £250,000	<input type="checkbox"/>		

Your Financial Situation

Please indicate the level of your gross annual income:

Above £200,000	<input type="checkbox"/>	£50,000 to £100,000	<input type="checkbox"/>
£100,000 to £200,000	<input type="checkbox"/>	Below £50,000	<input type="checkbox"/>

Please indicate the value of your net assets excluding your residence:

Above £5m	<input type="checkbox"/>
£1m to £5m	<input type="checkbox"/>
£500,000 to £1m	<input type="checkbox"/>
£250,000 to £500,000	<input type="checkbox"/>
Below £250,000	<input type="checkbox"/>

Please indicate the value of your principal private residence net of any mortgage or other borrowings secured on it:

Above £5m	<input type="checkbox"/>
£1m to £5m	<input type="checkbox"/>
£500,000 to £1m	<input type="checkbox"/>
£250,000 to £500,000	<input type="checkbox"/>
Below £250,000	<input type="checkbox"/>

Please describe your main sources of income (e.g. earnings, pension, investment income)

Please describe the source of your subscription (e.g. capital gain, savings, earnings)

Your Investment Objectives

	Yes	No
EIS investments are typically held between 4 and 8 years. Are you comfortable with this time horizon and can you confirm that you will not need any income or capital back during this time period.	<input type="checkbox"/>	<input type="checkbox"/>
The Seneca EIS Portfolio Service targets capital gains as its source of investment returns. This is considered a high risk investment where you may not receive any of your subscription back. Are you comfortable that this is your understanding of the investment.	<input type="checkbox"/>	<input type="checkbox"/>

Attitude to Risk

	Yes	No
Are you comfortable with the high risk and illiquid nature of unquoted EIS investments as detailed in the Information Memorandum and Investment Management Agreement	<input type="checkbox"/>	<input type="checkbox"/>
Are you relying on your investment with the Seneca EIS Portfolio Service to provide you with a source of income	<input type="checkbox"/>	<input type="checkbox"/>
Are you comfortably able to meet your regular financial commitments even if your investment in the Seneca EIS Portfolio Service was to be written off in its entirety	<input type="checkbox"/>	<input type="checkbox"/>

Investment Restrictions

If you are an accountant, lawyer or other professional person who is subject to restrictions preventing you from making investments whether in client companies or otherwise, please give details of such restrictions:

1. Details of Investment

The minimum investment into the Seneca EIS Portfolio Service is £25,000

Gross Amount
("Subscription")
(minimum £25,000)

£

This is the amount that your cheque should be made out for (or that you should transfer to the Service from your bank account, when requested) and also the amount on which the Initial Fee will be calculated.

	Yes	No
Including this subscription, does the total amount you have invested in EIS qualifying investments for this tax year exceed £1,000,000?	<input type="checkbox"/>	<input type="checkbox"/>

Please indicate how you would like to pay your Subscription:

I attach a personal cheque payable to "The Share Centre – Seneca EIS" and crossed "A/C Payee Only" for the total amount due (the Gross Amount stated above).

I would prefer to pay by electronic fund transfer. Please provide the necessary bank details once the application formalities are complete.

Funds must be sent from the investor's personal bank account. If not, funds may be returned and there may be a delay in allotting shares.

2. Keeping Up To Date

Would you like to receive the following?

	Yes	No
Onside Magazine (Seneca's biannual business magazine)	<input type="checkbox"/>	<input type="checkbox"/>
Periodic news, updates and offers from the Seneca group	<input type="checkbox"/>	<input type="checkbox"/>

3. Authority to Pay Your Financial Adviser For Work Done On Your Behalf

I hereby authorise the payment of the following Advice Fee(s).

Initial ("One off") Advice Fee to be paid to your Financial Adviser	£		This amount will be deducted from the Gross Amount and paid to your Financial Adviser (see Section 5 on Page 9). (Maximum 3% of Subscription plus VAT).
Annual Advice Fee to be paid to your Financial Adviser	£	p.a.	A sum equal to 4 times this amount will be deducted from the Gross Amount*. (Maximum of 1% of Subscription plus VAT p.a.)

* I understand that the annual advice fee will be paid for a maximum of 4 years and that in order to facilitate this, the Custodian will deduct an amount equal to 4 times the annual ongoing advice fee from the initial Subscription and hold this amount in cash, for payment in four annual installments to my adviser.

Please arrange for the advice fees detailed above to be paid to my financial adviser (whose details are shown in Section 5 on page 9). I understand that in order to facilitate this, the Custodian will deduct these amounts from the Gross Amount (my Subscription) and that these amounts will not be available for investment nor benefit from any tax reliefs.

Full Name of Investor

Signed

Date

DD / MM / YYYY

4. Signature

1. I acknowledge receipt of terms of business and Investment Management Agreement contained within this Agreement and the Information Memorandum which has been provided to me.
2. I confirm that I have read and understood the same and agree to be bound by them.
3. I request and authorise you to register my investment in the name of the Custodian and Nominee.
4. I understand that the Portfolio Manager cannot offer financial or taxation advice and that the Portfolio Manager recommends that I seek such advice from a qualified third party before making an investment.
5. I confirm that the particulars I have provided in the Application Form are correct and that I will notify the Portfolio Manager immediately in writing should any of these details change.
6. I will notify the Portfolio Manager immediately in writing in the event that the Seneca EIS Portfolio Service makes an investment into an Investee Company with which I am connected (within the meaning at sections 166 to 171 Income Tax Act 2007).
7. I will notify the Portfolio Manager immediately in writing in the event that within three years of the date of the issue of shares in the Investee Company I become connected to that Investee Company (within the meaning at sections 166 to 171 Income Tax Act 2007) or receives any value from it (within the meaning at sections 213 to 223 Income Tax Act 2007).
8. I confirm that I am applying on my own behalf.
9. I confirm that I am over 18 years of age, and that I am seeking to benefit from the investment returns and tax planning advantages of making an investment.
10. I confirm that The Share Centre Limited shall not be liable to me in the event of an insolvency of any bank with which any funds held by The Share Centre Limited have been deposited nor in the event of any restriction of the ability of The Share Centre Limited to withdraw fund from such bank for reasons which are beyond the reasonable control of The Share Centre Limited.
11. I confirm that I have read and understood Clause 22 on pages 19 & 20 which details how Seneca Partners Ltd will use my personal data and agree to the same.

Signature

Date

DD / MM / YYYY

5. Authorised Advice (to be completed by your financial adviser)

Firm Details

Title and Full Name of Adviser

Advising Firm

Address

Email Address

Telephone Number

FCA Number

If a fee is to be paid to the adviser, please provide the advising firm's bank details:

Name of Bank

Address of Bank

Sort Code

Account (in the name of)

Account Number

I hereby certify that we have undertaken an assessment, which we consider accurately reflects the Investor's expertise, experience, knowledge, financial circumstances and objectives, and have reached the conclusion that this Service is suitable for them.

Signed by Adviser

Date

DD / MM / YYYY

6. Anti-Money Laundering (to be completed by your financial adviser)

Money Laundering Regulations 2007

In order to comply with these regulations you will need to supply the following:

Option 1

The identity of the applicant, and where applicable, their representative, may be provided by means of an originally signed "Confirmation of Verification of Identity" in the prescribed form. This should be provided by the introducer detailed in Section 5. Seneca reserves the right to request original Anti-Money Laundering documentation. Seneca is not able to accept Confirmation of Verification of Identity for investors residing outside of the UK; please provide copy documents as detailed below in Option 2.

OR

Option 2

You must ensure that at least one document from List A and at least one document from List B (see page 9) are enclosed with the Application Form. Copies should be originally certified by an FCA-approved person, a solicitor, a chartered or certified accountant or bank official. Original documents will be returned by post at your risk. Applications received from any person who has not provided such evidence cannot be processed. Seneca reserves the right to carry out its own verification using an electronic anti-money laundering check upon application and on an on-going basis for the Investor, Representatives and/or Trustees.

List A

Identity ID Requirements

Acceptable Documents	Date of Document
Passport	Valid
Photocard driving licence (full or provisional)	Valid
National Identity card	Valid
Firearms certificate or shotgun certificate	Valid
Old style, paper, full UK driving licence	Valid
Correspondence from the state, a local authority or judicial authority (benefit, tax credit, pension, educational or grant)	Within 1 year

List B

Address ID Requirements

Acceptable Documents	Date of Document
A bill or statement from a regulated utility company (excluding mobile phone bill, store or online bills)	Within 3 months
Instrument of a court appointment (such as liquidator or grant probate)	Within 1 year
A bank statement issued by a regulated financial sector firm	Within 3 months
A credit or debit card statement issued by a regulated financial sector firm	Within 3 months
Valid photocard driving licence (full or provisional) (where not used in List A)	Valid
Firearms certificate or shotgun certificate (where not used in List A)	Valid
Old style, paper, full UK driving licence (where not used in List A)	Valid
Council tax demand letter, or statement	Within 1 year
Correspondence from the state, a local authority or judicial authority (benefit, tax credit, pension, educational or grant) (where not used in List A)	Within 1 year

Under new rules introduced as a result of the implementation of the MiFID II directive on 3rd January 2018, our Custodian is unable to buy or sell shares on your behalf until we confirm your nationality and provide them with the appropriate National Identifier.

IF YOU HAVE DUAL NATIONALITY OR YOUR SOLE NATIONALITY IS NOT BRITISH, please indicate below which country or countries you are a national of and provide any additional information requested.

Country Code	Country	Tick	Additional Information Required (Please complete for those you have ticked)
AT	Austria	<input type="checkbox"/>	N/A
BE	Belgium	<input type="checkbox"/>	Belgian National Number:
BG	Bulgaria	<input type="checkbox"/>	Bulgarian Personal Number:
CY	Cyprus	<input type="checkbox"/>	National Passport Number:
CZ	Czech Republic	<input type="checkbox"/>	National identification number:
DE	Germany	<input type="checkbox"/>	N/A
DK	Denmark	<input type="checkbox"/>	Personal identity code (10 digits):
EE	Estonia	<input type="checkbox"/>	Personal Identification Code:
ES	Spain	<input type="checkbox"/>	Tax identification number:
FI	Finland	<input type="checkbox"/>	Personal identity code:
FR	France	<input type="checkbox"/>	N/A
GB	United Kingdom	<input type="checkbox"/>	National Insurance Number:
GR	Greece	<input type="checkbox"/>	10 DSS digit investor share:
HR	Croatia	<input type="checkbox"/>	Personal Identification Number:
HU	Hungary	<input type="checkbox"/>	N/A
IE	Ireland	<input type="checkbox"/>	N/A
IS	Iceland	<input type="checkbox"/>	Personal Identity Code:
IT	Italy	<input type="checkbox"/>	Fiscal code:
LI	Liechtenstein	<input type="checkbox"/>	National Passport Number:
LT	Lithuania	<input type="checkbox"/>	Personal code:
LU	Luxembourg	<input type="checkbox"/>	N/A
LV	Latvia	<input type="checkbox"/>	Personal code:
MT	Malta	<input type="checkbox"/>	National Identification Number:
NL	Netherlands	<input type="checkbox"/>	National Passport Number:
NO	Norway	<input type="checkbox"/>	11 digit Personal ID:
PL	Poland	<input type="checkbox"/>	National Identification Number:
PT	Portugal	<input type="checkbox"/>	Tax number:
RO	Romania	<input type="checkbox"/>	National Identification Number:
SE	Sweden	<input type="checkbox"/>	Personal identity number:
SI	Slovenia	<input type="checkbox"/>	Personal Identification Number:
SK	Slovakia	<input type="checkbox"/>	Personal number:

PLEASE INDICATE BELOW ANY OTHER COUNTRIES YOU ARE A NATIONAL OF, PROVIDING YOUR NATIONAL PASSPORT NUMBER FOR EACH:

Country:	National Passport Number:
Country:	National Passport Number:

Application Process and Check List

Tick When Complete

Applicant

Please ensure that all sections are complete including:

The Suitability Questionnaire on pages 4 and 5

Details of any Adviser Facilitated Charging on page 8

Signing and dating on page 8

Adviser

Please ensure that you have completed and signed page 9

Please ensure that you have completed section 6 on page 10 enclosing Anti-Money Laundering documentation as appropriate.

Address for Applications

Completed applications should be sent to:

The Customer Relationship Team
Seneca Partners Ltd
12 The Parks
Newton-Le-Willows
Merseyside
WA12 0JQ

Appendix A: Investment Management Agreement

This Investment Management Agreement (the Agreement) sets out the terms and conditions under which the Seneca EIS Portfolio Service has been established. On acceptance of an Investor's Application Form by the Portfolio Manager this document will constitute a binding agreement between the Investor and Seneca Partners Limited. All communications between ourselves will be in English.

1. Definitions

- 1.1. This Agreement employs the same defined terms as are found in the Definitions section of the Information Memorandum.
- 1.2. Words and expressions defined in the Financial Conduct Authority (FCA) Rules which are not otherwise defined in or for the purposes of 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, re-enacted 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. Heading to Clauses are for convenience only and shall not affect the interpretation of this Agreement.
- 1.7. Any written notices or communication to be given by the Portfolio Manager or the Investor pursuant to the terms of this Agreement may be given by email, fax or by any other means which the Portfolio Manager may, in its absolute discretion, determine from time to time.

2. Investing in the EIS Portfolio Service

- 2.1. By signing Part 1 of the Application Form, the Investor agrees to be bound by the terms and conditions of this Agreement and the Information Memorandum.
- 2.2. The Investor hereby appoints the Portfolio Manager to manage the Portfolio for the Investor. The Portfolio Manager agrees to accept its appointment and obligations on the terms set out in this Agreement and the Information Memorandum.
- 2.3. The Portfolio Manager is authorised and regulated by the FCA with registration number 583361. The FCA is situated at 25 North Colonnade, Canary Wharf, London E14 5HS. The Portfolio Manager has categorised the Investor as a retail client for the purposes of the FCA Rules. This categorisation has been determined following the Portfolio Manager's internal client categorisation process. You may request a different categorisation but as retail clients are generally afforded a higher degree of protection than other clients, the Portfolio Manager reserves the right to reject such requests.
- 2.4. The Investor has the right to cancel this Agreement for a period of up to 14 days from the date on which the Portfolio Manager accepts the Investor's Application Form. If the Investor wishes to cancel this agreement, he must submit a cancellation request in writing to the Custodian within the requisite time limit. In the event of cancellation the Investor will receive back from the Custodian the amount subscribed by him in the Application Form (the Subscription), net of the Custodian's reasonable processing costs within 28 days of receipt of the cancellation request. All further provisions of this Agreement shall then cease to apply.

3. Subscriptions

- 3.1. In respect of the Portfolio Service:
 - 3.1.1. The Investor shall make an initial Subscription of not less than £25,000 at the same time as submitting his Application Form to invest in the Portfolio Service. There is no maximum subscription but EIS Income Tax Relief is limited to investments up to £1,000,000 in any one tax year. This may be carried back to a previous tax year to the extent of unused EIS Carry Back Relief.
 - 3.1.2. The Investor may make further Subscriptions to the Portfolio Service in multiples of £5,000 at any time prior to the termination of the Portfolio Service. The Portfolio Manager intends to invest Subscriptions (net of fees) within 12 months of receipt.
 - 3.1.3. The Investor may only terminate this Agreement (after the cancellation period referred to in clause 2.4) pursuant to Clause 15 below.

4. Services

- 4.1. The Portfolio Manager will undertake the Portfolio Service from a date 14 days after acceptance of an Investor's application form on the terms set out in this Agreement. The Portfolio Manager will exercise all discretionary powers in relation to the selection of or exercising rights relating to investments to be made or which have been made by the Portfolio Service on behalf of Investors (the Investments) on the terms set out in this Agreement including, without limitation, the exercise of all conversion, subscription, voting and other rights such as may arise in respect of such Investments and any decision to sell, redeem or otherwise realise all or any part of such Investments on behalf of the Investors.

- 4.2. The Portfolio Manager has engaged the Custodian to provide administration and safe custody services in relation to the Portfolio Investments and cash received by way of Subscriptions or otherwise.
- 4.3. The Portfolio 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.
- 4.4. The Portfolio Manager will arrange investment transactions in relation to the Investments and has agreed to undertake various responsibilities such as sourcing potential investments, conducting due diligence, monitoring performance and arranging appropriate exits.
- 4.5. The Portfolio Manager is responsible for appointing the Investment Committee. Details of those persons who will form the Investment Committee at the commencement of the Portfolio Service are set out in the Information Memorandum.

5. Investment Objectives and Restrictions

- 5.1. In performing its services, the Portfolio Manager shall have regard to and shall comply with, the Investment Objectives and the Investment Restrictions set out in Schedule 1 to this Agreement.
- 5.2. In performing its services, the Portfolio Manager shall at all times have regard to:
 - 5.2.1. maximising returns (or potential returns) on Investments (and, in making such decisions, considering (a) the risk that the value of Investments may fluctuate over time; and (b) the liquidity risk associated with such Investments);
 - 5.2.2. subject to Clause 5.2.1 above, the intention for Subscriptions to the Portfolio Service to attract EIS Income Tax Relief and/or CGT Deferral Relief to the extent possible; and
 - 5.2.3. all Applicable Laws.
- 5.3. Generally, the Portfolio Manager reserves the right to return uninvested cash if it concludes that it cannot be properly invested for the Investor and if it considers it to be in the best interests of the Investor having regard to the availability of EIS Income Tax Relief and CGT Deferral Relief for the Investor.
- 5.4. In the event of a gradual realisation of Investments prior to termination of the Portfolio Service under Clause 15.1, the cash proceeds of realised EIS Investments will be returned to Investors after deduction of any fees payable.

6. Terms Applicable to Dealing

- 6.1. In effecting transactions in relation to the Investments, the Portfolio Manager will act in accordance with the FCA Rules and will ensure that best execution is sought at all times and deals are made on such markets and exchanges and with such counterparties as the Portfolio Manager thinks fit.
- 6.2. Where relevant, it is agreed that all transactions will be effected in accordance with the rules and regulations of the relevant market or exchange and they shall take all such steps as may be required or permitted by such rules and regulations and/or by good market practice. All transactions in Investments will be subject to the rules and customs of the exchange or market and/or clearing house through which the transactions are executed and to all Applicable Laws so that:
 - 6.2.1. If there is any conflict between the provisions of this Agreement and any such rules, customs or Applicable Laws, the latter shall prevail; and
 - 6.2.2. action may be taken as thought fit in order to ensure compliance with any such rules, customs or Applicable Laws. The Investor acknowledges that when the Portfolio is invested in unlisted securities there is generally no relevant market or exchange and consequent rules and customs, and there will be varying practices for different securities. Transactions in such securities will be effected on the best commercial terms which can be secured.
- 6.3. Subject to the FCA Rules, transactions for the Portfolio may be aggregated with those of other clients of the Portfolio Manager, and of the Portfolio Manager's employees and Associates and their employees. Investments made pursuant to such transactions will be allocated on a fair and reasonable basis in accordance with the FCA Rules and endeavours will be made to ensure that the aggregation will work to the advantage of each of the Investors, including the Investor, but the Investor acknowledges that the effect of aggregation may work on some occasions to the Investor's disadvantage.
- 6.4. Where transactions for the Investor are aggregated with transactions undertaken for other Investors, the Portfolio Manager shall have absolute discretion as to the number of shares in a Qualifying Company held as an Investment for the Portfolio Service allocated to the Investor, provided that Investors shall not have fractions of shares. Minor rounding up or down may be allowed to prevent Investors being deemed to be interested in fractions of shares and the aggregate of fraction entitlements may be held by the Custodian for the Portfolio Manager but the Investor is always the beneficial owner of the shares held for him.
- 6.5. Certain categories of professional persons are required to be excluded from any Investments to which they or their employer are connected, for the purposes of current EIS legislation. If this applies to the Investor, his investment will be transferred to other Investors, and an equivalent cash amount will be re-credited to his Portfolio.
- 6.6. The Portfolio 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.
- 6.7. It is acknowledged and agreed that, where the Portfolio Manager reasonably considers such action to be consistent with the general principle of the Portfolio Service set out in Clause 5.2.1 above (and this view is supported by the Investment Committee), Investments may be sold, redeemed or otherwise realised at any time (which may include before the end of the Three Year Period required for EIS Income Tax Relief or CGT Deferral Relief) notwithstanding the impact this may have on the tax position of the Investors.

7. Custody and Administration Arrangements

- 7.1. The Portfolio Manager has engaged the Custodian and the Nominee to provide a custody, safe-keeping and administration

service for Investors. The Custodian engages with each Investor pursuant to its own terms of business, which are set out in Schedule 3 to this Agreement.

- 7.2. The Portfolio Manager may from time to time during the continuance of this Agreement (by giving written notice to the Investors) appoint any appropriate person as a replacement Custodian and/or Nominee to provide custody, safe-keeping and administration services to the Investors in accordance with the terms of this Agreement.
- 7.3. The Custodian will be responsible for the safe keeping of Investments and cash comprised in the Portfolio, including the settlement of transactions, collection of income and the effecting of other administrative actions in relation to the Investments.
- 7.4. Investments will be registered in the name of the Nominee on behalf of the Investor, and will therefore be beneficially owned by the Investor at all times, but the Custodian has by virtue of this Agreement the Investor's proxy to vote on the Investor's behalf at the direction of the Portfolio Manager (or to refrain from voting if the Portfolio Manager so determines) and to instruct the disposal of the Investments.
- 7.5. The Nominee will hold title documents or other documents evidencing title to the Investments.
- 7.6. Investments or title documents may not be lent to a third party and borrowing may not be undertaken against the security of the Investments or such the documents.
- 7.7. An Investment may be realised in order to discharge an obligation of the Investor under this Agreement, for example in relation to payment of fees, costs and expenses.
- 7.8. The Custodian will arrange for the Portfolio Manager to receive details of any meetings of shareholders in investments and any other important information issued to shareholders in Investments. The Portfolio Manager may apply to the Nominee for a proxy directing how any voting rights are to be exercised by the Nominee in respect of an Investment.
- 7.9. The Custodian will hold cash subscribed by the Investor in accordance with the Client Money Rules of the FCA. Such cash balance will be deposited with an authorised credit institution in the name of the Custodian. The Custodian may debit or credit the Investor's account with all sums payable by or to the Investor (including dividends receivable in cash and fees and other amounts payable by the Investor).

8. Reports and Information

- 8.1. The Investor will be sent a report every 3 months, in compliance with the FCA Rules. Reporting will ordinarily be completed as at the 5th April, 30th June, 30th September and 31st December each year.
- 8.2. Details of dividends which are received in respect of the Investments will be provided in respect of each tax year ending 5 April and appropriate statements sent to the Investor.
- 8.3. The Portfolio Manager shall supply (or arrange for the Custodian to 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.
- 8.4. Any statements, reports or information provided to the Investor will state the basis of any valuations of Investments which have been made.

9. Fees and Expenses

- 9.1. The Portfolio Manager and the Custodian will receive fees for their respective services, and reimbursements of costs and expenses, as set out in the Schedule 2 to this Agreement.
- 9.2. Fees payable to the Custodian may be deducted by the Custodian at source, upon presentation of an invoice to the Portfolio Manager.
- 9.3. The Portfolio Manager is entitled to receive a fee from the Portfolio in consideration of its services as the Portfolio Manager, as set out in Schedule 2 to this Agreement.

10. Management and administration obligations

- 10.1. The Portfolio Manager and the Custodian shall devote such time and attention and have all necessary competent personnel and equipment as may be required to enable them to provide their respective services properly, efficiently and in compliance with the FCA Rules.
- 10.2. Except as disclosed in the Information Memorandum and as otherwise provided in this Agreement (for example on early termination or upon any sale, redemption or other realisation of an Investment which is consistent with the general principle of the Portfolio Service set out in Clause 5.2.1 above and which is made in accordance with Clause 6.7 above), neither the Portfolio Manager nor the Custodian will knowingly take any action which may prejudice the tax position of the Investor insofar as they are aware of the relevant circumstances, and in particular which may prejudice obtaining the EIS Income Tax Relief and/or CGT Deferral Relief for the Portfolio's Investments.

11. Obligations of the Investor

- 11.1. The Investor's investment in the Portfolio Service shall be on the basis of the declaration made by the Investor in Part 1 of his Application Form which includes statements by the Investor in relation to the following matters, namely:
 - 11.1.1. whether or not the Investor wishes to claim EIS Income Tax Relief and/or CGT Deferral Relief for the Investments;
 - 11.1.2. that he agrees to notify the Portfolio Manager if any Investment by the Portfolio Service in any company with which the Investor is connected within section 163 and sections 166 to 171 of the Income Tax Act 2007, (in which case 6.5 of this Agreement will apply at once);

- 11.1.3. that he agrees to notify the Portfolio Manager if, within three years of the date of issue of Investments to his Portfolio in a Qualifying Company or within three years of commencement of trade if later, the Investor becomes connected with the company or receives value from such company (in which case clause 6.5 will apply at that time);
 - 11.1.4. the Investor's tax district, tax reference number and National Insurance number; and
 - 11.1.5. the Investor confirms that the information stated in the Application Form in these (and all other) respects is true and accurate as at the date of this Agreement.
- 11.2. The Investor agrees immediately to inform the Portfolio Manager in writing of any change of tax status, other material change in circumstances and any change in the information provided in the Application Form to which Clause 11.1 above refers.
- 11.3. In addition, the Investor agrees to provide the Portfolio Manager with any information which it reasonably requests for the purposes of managing his Portfolio Service pursuant to the terms of this Agreement.

12. Delegation and Assignment

- 12.1. The Portfolio Manager may, employ agents, including Associates, to perform any administrative, custodial or ancillary services to assist the Portfolio 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 such agents. Any such employment of agents shall not affect the liability of the Portfolio Manager under the terms of this Agreement.
- 12.2. In particular, the Portfolio Manager has appointed the Share Centre Limited to act as Custodian. The terms and conditions of the Share Centre Limited set out in Schedule 3 contain details of the administration arrangements and obligations which have been delegated by the Portfolio Manager (referred to in the Custodian's terms and conditions as the "fund manager") to the Custodian.

13. Potential Conflicts of Interest and Disclosure

- 13.1. The Portfolio Manager and its Associates may:
- 13.1.1. provide similar services or any other services whatsoever to any other client;
 - 13.1.2. manage and/or provide services to Qualifying Companies and/or Investee Companies;
 - 13.1.3. have direct or indirect interests in Qualifying Companies and/or Investee Companies.
- 13.2. The Portfolio Manager and its Associates may be paid fees for the services referred to in Clauses 13.1.1 and 13.1.2 (including by Qualifying Companies and/or Investee Companies) and receive income or other amounts arising out of the interests referred to in Clause 13.1.3.
- 13.3. The Portfolio Manager and its Associates shall not in any circumstances be required to account to the Investor for any of the fees, charges, income or other amounts earned (and any profits made) referred to in Clause 13.2.
- 13.4. So far as is deemed practicable the Portfolio Manager will each use all reasonable endeavours to ensure fair treatment as between the Investor and other clients in compliance with the FCA Rules.
- 13.5. The Portfolio Manager has in place a conflict of interest policy (the Conflicts Policy) pursuant to the FCA Rules which set out how it (and its Associates) identifies and manages conflicts of interest mentioned in Clause 13.1 and other conflicts of interest which may arise. Under its Conflicts Policy, the Portfolio Manager (and its Associates), are each required to take all reasonable steps to identify conflicts of interest between:
- 13.5.1. Itself and its Associates and any other entity or arrangement in which it or any of its Associates may be directly or indirectly interested and any of its other clients; or
 - 13.5.2. One client of the Portfolio Manager and another such client.
- 13.6. The Portfolio Manager believes that it should identify any conflicts that may arise in other situations including between itself and any of its other Investors. Where the Portfolio Manager owes a duty to such Investors or other persons, it must maintain and operate arrangements to prevent any conflict from giving rise to a material risk of damage to the interest of its clients.
- 13.7. Seneca Partners Conflict of Interest Policy is available at www.senecapartners.co.uk

14. Liability of the Portfolio Manager and the Investment Adviser

- 14.1. The Portfolio Manager will at all times act in good faith and with reasonable care and due diligence. Nothing in this Clause 14 shall exclude any duty or liability owed to the Investor by the Portfolio Manager under the FCA Rules.
- 14.2. The Portfolio Manager shall not be liable for any loss to the Investor arising from any investment decision made or advised in accordance with the Investment Objectives and the Investment Restrictions (set out in Schedule 1 to this Agreement) 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 Portfolio Manager or of its Associates or any of their respective employees.
- 14.3. The Portfolio Manager shall not be liable for any defaults of any counterparty, agent, banker, nominee or other person or entity which holds money, investments or documents of title, other than such party which is its Associate and other than provided for in this Agreement.
- 14.4. In the event of any failure, interruption or delay in the performance of the Portfolio Manager's obligations resulting from acts, events or circumstances not reasonably within their control including but not limited to war, riot, civil commotion, terrorism or threat thereof, acts or regulations of any governmental or supranational bodies or authorities and breakdown, failure or malfunction of any telecommunications or computer service or systems, the Portfolio Manager shall not be liable or have any responsibility of any kind to any loss or damage thereby incurred or suffered by the Investor.

- 14.5. As the Investor is classified as a retail client, the Portfolio Manager is required to carry out an assessment of suitability of the Portfolio Service as an investment for the Investor, and is required to assure itself that the Portfolio Service is in general terms appropriate for the Investor. However, the Portfolio Manager does not give any representation or warranty as to the performance of the Portfolio Service. The Investor acknowledges that EIS 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. The Investor undertakes that he has himself considered the suitability of Investment in EIS Qualifying Companies carefully and has noted the risk warnings set out in the Information Memorandum about the Portfolio Service.

15. Termination

- 15.1. The Portfolio Manager shall notify in writing the Investors of a date not less than 12 months from the date of such notification when the Portfolio Service will terminate (the Termination Date). On the Termination Date, remaining unrealised Investments and cash will be transferred into the Investor's name or as the Investor may otherwise direct.
- 15.2. An Investor may not withdraw the money he has subscribed in full or in part from the Portfolio Service prior to termination of the Portfolio Service, unless the Portfolio Manager so agrees. If the Portfolio Manager agrees, it may be necessary to realise Investments to fund cash withdrawals from the Portfolio but the Investor acknowledges:
- 15.2.1. that he may lose EIS Income Tax Relief and/or CGT Deferral Relief in respect of Investments sold; and
 - 15.2.2. that it may not be practicable for the relevant shares to be immediately 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 Portfolio 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.
- 15.3. If the realisation of all or any part of an Investment is achieved at any time prior to the Termination Date, the share of the proceeds due to an Investor (net of any fees) shall be returned to the Investor within 30 days of such realisation unless the Investor directs the Portfolio Manager in writing to apply such proceeds (net of any fees) by way of further Subscription to the Portfolio Service (in which case the remaining terms of this Agreement shall continue to apply in respect of such further Subscription, save that the spread of Investments over which such further Subscription shall be made (as referred to in the Information Memorandum) shall take into account any existing unrealised Investments which are held on behalf of that Investor at the relevant time). This principle regarding the spread of Investments over which further Subscriptions (arising following the sale, redemption or other realisation of all or part of any Investment) shall be made shall also apply in relation to any Investor who makes a further Subscription to the Portfolio Service at any time when existing unrealised Investments are still held on behalf of that Investor.
- 15.4. If:
- 15.4.1. the Portfolio Manager gives to the Investor not less than three months' written notice of its intention to terminate its role as Portfolio Manager under this Agreement; or
 - 15.4.2. the Portfolio Manager ceases to be appropriately authorised by the FCA or becomes insolvent,
 - 15.4.3. then the Portfolio Manager shall endeavour to make arrangements to transfer its obligations to another appropriately authorised and regulated manager in which case that manager shall assume the role of the Portfolio Manager under this Agreement, failing which this Agreement shall terminate forthwith and, subject to Clause 16, the Investments shall be transferred into the Investor's name or as the Investor may otherwise direct.

16. Consequences of Termination

- 16.1. Prior to the Termination Date, the Portfolio Manager will use reasonable endeavours to complete the realisation of all unrealised Investments expeditiously on the basis set out in this Agreement.
- 16.2. Termination will not affect accrued rights, existing commitments or any contractual provision intended to survive termination and will be without penalty or other additional payments save that the Portfolio will bear the cost of fees, expenses and costs properly incurred by the Portfolio Manager or the Custodian and Nominee up to and including the date of termination and payable under the terms of this Agreement.
- 16.3. Prior to the Termination Date, the Portfolio Manager may retain 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 9 of this Agreement, the details of which are set out in Schedule 2 to this Agreement.

17. Confidential Information

- 17.1. None of the parties shall disclose to third parties information the disclosure of which by it would be or might be a breach of duty or confidence to any other person.
- 17.2. In performing this Agreement, the Portfolio Manager shall not be required to make use of information which comes to the notice of any of their respective employees, officers or agents (or those of any of their respective Associates) unless this has come to the actual notice of employees, officers or agents whom the Portfolio Manager specifically retains for the purposes of providing services under this Agreement to the Investor.
- 17.3. The Portfolio Manager will at all times keep confidential all information acquired in consequence of this Agreement, except for information which:
- 17.3.1. is public knowledge; or
 - 17.3.2. either of them may be entitled or bound to disclose under compulsion of law; or
 - 17.3.3. is required to be disclosed by or to regulatory agencies; or
 - 17.3.4. is given to their respective professional advisers where reasonably necessary for the performance of their

professional services;

- 17.3.5. needs to be shared with the Custodian and Nominee for the proper performance of this Agreement; or
- 17.3.6. is authorised to be disclosed by the Investor, provided that in making such disclosure the Portfolio Manager shall use all reasonable endeavours to prevent any breach of this Clause 17 through further or onward disclosure of such information.

18. Complaints and Compensation

- 18.1. The Portfolio Manager has established procedures in accordance with the FCA Rules for consideration of complaints. Details of these procedures are available on request. Should an Investor have a complaint, he should contact the Portfolio Manager in the first instance. If the Portfolio Manager cannot resolve the complaint to the satisfaction of the Investor, the Investor may be entitled to refer it to the Financial Ombudsman Service.
- 18.2. The Custodian participates in the Financial Service Compensation Scheme, established under the FSMA, 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 £50,000.
- 18.3. Further information is available from the Financial Services Companies Scheme at 10th Floor, Beaufort House, 15 St Botolph Street, London EC3A 7QU.

19. Notices, Instructions and Communications

- 19.1. Notices of instructions to the Portfolio Manager should be in writing and signed by the Investor, quoting an investment reference number except as otherwise specifically indicated.
- 19.2. The Portfolio Manager may rely and act on any instruction or communication which purports to have been given by persons authorised to give instructions by the Investors 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. Communication to the Investor shall be to the address or in the manner specified in the Application Form, or as otherwise notified in writing to the Portfolio Manager by the Investor.

20. Unsolicited real time financial promotion

- 20.1. The Portfolio Manager may communicate an unsolicited real time Financial Promotion (i.e. interactive communications such as a telephone call promoting Qualifying Company investments) to the Investor.

21. Amendments

- 21.1. The Portfolio Manager and the Investor may amend this Agreement if such amendments are agreed and in writing.
- 21.2. The Portfolio Manager may also amend these terms with immediate effect if:
 - 21.2.1. it is necessary in order to comply with HMRC requirements in order to maintain the EIS Income Tax Relief and CGT Deferral Relief or in order to comply with the FCA Rules; or
 - 21.2.2. such amendments are considered by the Portfolio Manager (acting reasonably) to be consistent with the investment objectives of the Portfolio Service as referred to in Clause 5 (and such view is supported by the Investment Committee),

and such amendments will become effective as soon as the Investor is notified in writing.

22. Data Protection

- 22.1. For the purposes of this clause 22, Personal Data has the meaning given to it in the Data Protection Legislation and includes data which enables the Investor to be identified from it, or from the data and other information which is in the possession of, or is likely to come into the possession of the Portfolio Manager.
- 22.2. All Personal Data which the Investor provides to the Portfolio Manager is held by the Portfolio Manager as the Data Controller (which has the meaning given to it in the Data Protection Legislation) of the Personal Data in accordance with the DPA.
- 22.3. The Investor agrees that the Portfolio Manager may pass the Investor's Personal Data to:
 - 22.3.1. Other Seneca companies such as subsidiaries of Seneca Partners Limited, Seneca Finance Ltd (and its subsidiaries) and other Seneca branded companies in which you are an Investor or for whom you are a customer, for the purposes of providing efficient and complete updates to you or your adviser or responding to any queries made by you or your adviser;
 - 22.3.2. Other Seneca companies such as subsidiaries of Seneca Partners Limited, Seneca Finance Ltd (and its subsidiaries) and other Seneca branded companies for the purposes of marketing other Seneca provided products and services, where you have agreed that we can do so on page 7 of this Application Form;
 - 22.3.3. Brokers, intermediaries, agents, financial institutions and other businesses (including any distributor) for the purposes of credit referencing, due diligence and providing efficient and complete updates to the Investor or the Investor's adviser or responding to any queries made by the Investor or the Investor's adviser;
 - 22.3.4. The Custodian, for the purposes of fulfilling their responsibilities as Custodian and Nominee for the Seneca EIS Portfolio Service;
 - 22.3.5. Any contractor employed by Seneca Partners Limited, Seneca Finance Ltd (and its subsidiaries) or other Seneca branded companies to provide IT services, subject to such contractor entering into appropriate data processing obligations with the relevant Seneca company in order to protect the security and integrity of such Personal Data; and

- 22.3.6. Any regulatory, governmental, judicial or law enforcement body (including the FCA) if requested to do so or if otherwise deemed necessary and in accordance with the Data Protection Legislation.
- 22.4. The Personal Data shared in accordance with the above clause will be limited to that which is strictly necessary for the purposes stated by the party receiving the data.
- 22.5. Upon receiving your Application Form or as may otherwise be determined by us, enquiries may be made at a Credit Reference Agency to assist us to verify your identity by either us or the Custodian. This will involve checking the details you supply with any of the Agency's databases. A record of any such search will be held by the Agency and may be shared with other businesses.
- 22.6. If you have made your application via an online platform, your Personal Data may also be shared with that platform for the purposes of assisting that platform fulfil its responsibilities to you as a customer of that platform.
- 22.7. Further details of the data processing that Seneca undertakes is available in our Investor Privacy Notice, which can be found in the Downloads section of the Seneca website (www.senecapartners.co.uk).

23. Entire Agreement

- 23.1. This Agreement, together with the Application Form, comprises the entire agreement of the Portfolio Manager and the Investment Adviser with the Investor relating to the provision of their respective services and supersedes all earlier meetings, any correspondences, or discussions that may have taken place preceding the signing of the Application Form.

24. Severability

- 24.1. 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. Rights of Third Parties

- 25.1. 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 save that the Custodian may enforce those provisions expressly set out in this Agreement which relate to the Custodian.

26. Governing Law

- 26.1. 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

1. Investment Objectives

- 1.1. To offer a wide range of Investors the opportunity to invest into a diversified portfolio of Qualifying Companies with attractive growth prospects and strong management teams in order to provide them with capital to assist in and accelerate their growth. The Portfolio Manager will receive advice and recommendations from the Investment Committee. The Portfolio Manager's aim is to manage the Investments subscribed by Investors to produce capital gains typically within a period of five years, whilst providing Investors with the tax advantages associated with EIS Investments.

2. Investment Restrictions

- 2.1. Each investment will be in a company into which the Portfolio Manager has conducted appropriate due diligence in order to establish whether it meets the Portfolio Service's investment criteria.
- 2.2. In carrying out its duties under this Agreement in respect of the Portfolio Service, regard shall be had, and all reasonable steps taken, by the Portfolio Manager to comply with such matters as are required in order to attract EIS Income Tax Relief and CGT Deferral Relief.
- 2.3. In particular, but without prejudice to the generality of the above statements, the investment criteria for the Portfolio Service are as follows:
 - 2.3.1. so far as practicable, each investment shall be in shares of a Qualifying Company and in line with the investment criteria set out in the Information Memorandum;
 - 2.3.2. so far as is practicable, the Portfolio shall be fully invested (subject to cash retention to meet fees, costs and expenses) within 12 months of receipt of Subscriptions; and
 - 2.3.3. generally the Portfolio Manager reserves the right to return a small surplus of cash if it concludes that it cannot be properly invested for the Investor or considers it to be in the interests of the Investor, having regard to EIS Income Tax Relief for the Investor.
- 2.4. The intention is to realise investments within five years of acceptance of an Application Form.
- 2.5. Investors should be aware that Portfolios will include non-readily realisable investments. There is a restricted market for such Investments and it may be difficult to deal in Investments or obtain reliable information about their value.

Schedule 2: Fees and Expenses in Respect of the Portfolio Service

1. Initial Fees and Deductions

- 1.1. Where an Investor has received advice from an authorised Financial Adviser, there is an initial fee payable to the Portfolio Manager equal to 2.5% (plus VAT) of an Investor's initial Subscription. Where no such advice has been received, the initial fee payable to the Portfolio Manager will be equal to 5.0% (plus VAT) of an Investor's initial Subscription. Additionally, your financial adviser may charge additional advice fees to be deducted from your initial Subscription but these must be agreed with and authorised by you on page 7 of this application form. The maximum that can be deducted from your initial Subscription is 3% (plus VAT if applicable) for initial advice and 1% p.a. (plus VAT if applicable) for a maximum of 4 years for ongoing advice. All maxima stated are as a percentage of the initial Subscription.
- 1.2. If you have agreed to pay your financial adviser an ongoing advice fee by deduction from your initial Subscription, the Custodian will deduct an amount equal to 4 times the annual ongoing advice fee from the initial Subscription and hold this amount in cash in your name, pending payment to your financial adviser at the appropriate times. This amount will therefore be unavailable for investment and will not benefit from any tax reliefs.
- 1.3. Should you wish to cancel your instruction to pay an ongoing advice fee, please notify the Portfolio Manager in writing. Once your cancellation request has been received, the Portfolio Manager will ensure no further ongoing advice fees are paid.

2. Annual Management Fee

- 2.1. The Portfolio Manager shall receive an annual management fee equal to 2% (+ VAT) of Subscriptions less the initial charges, from the date of acceptance of an Application Form. However the annual management fee will be deferred and will only become payable when sufficient cash has been raised through realisation of Investments and to the extent that the amount of an Investor's Investment Amount has been returned in full after the application of annual charges.

3. Performance Fee

- 3.1. No performance fee will be payable until Investors have received proceeds (net of relevant annual management fees) equal to their original Investment Amount. The performance fee will then be payable on proceeds in excess of the Investor's original Investment Amount. Where the Service exits an investment on or before the 4th anniversary of that investment being made, the Performance Fee associated with that investment will be at a rate of 30% (+ VAT). For any exits after the 4th anniversary of the investment being made, the Performance Fee associated with those investments will be at a rate of 20% (+ VAT).

4. Custodian's Fees

- 4.1. The Custodian shall receive from the Portfolio Manager a transaction fee of up to 0.35% (VAT not applicable) of the funds used to purchase any shares.
- 4.2. The Custodian shall receive from the Portfolio Manager a transaction fee of up to 0.35% (VAT not applicable) of the funds realised upon the disposal of any shares.
- 4.3. The Custodian shall receive from Investors an annual administration fee of £55 plus VAT. To facilitate this, upon an Investor's first Subscription to the Service the Custodian will set aside an amount of £275 plus VAT from the Investor's initial Subscription and hold this amount in cash in the Investor's name, to cover the annual administration fee for the first five years. Upon any subsequent Subscriptions, the Custodian will set aside a sufficient amount to ensure that a total of £275 plus VAT is held in the Investor's name, to cover the annual administration fee for the following five years.

5. Fees Payable by Investee Companies

- 5.1. The Portfolio Manager reserves the right to charge Investee Companies fees for arranging funding, monitoring performance and assisting with a sale or other exit. The abort costs associated with any portfolio investments that do not proceed to completion will be borne by the Portfolio Manager.

6. Illustration of potential returns

- 6.1. The following table provides an illustrative example of the potential returns which may be received by an Investor from the Portfolio Service based on the fees and charges which would be incurred / payable. This illustration should not be regarded as providing any forecast or guarantee of returns which may be received from the Portfolio Service and the amount of any returns will be subject to a variety of factors outside of the control of the Portfolio Manager or the Investor (including, without limitation, the value at which an Investment is realised, the availability of EIS Income Tax Relief and CGT Deferral Relief, all of which may be subject to change). Further any charges paid to an Independent Financial Adviser are not considered below and would reduce these illustrative returns.

Initial Subscription **£100,000.00**

Initial and Admin Fees

Fee to Seneca (2.5% + VAT) (£3,000.00)

Custodian's Admin Fee (£275 + VAT) (£330.00)

Investment Amount (amount available to invest) **£96,670.00**

Annual Management Charge 'AMC' Only charged once the Investor has received back their Investment Amount 2.0% + VAT p.a.

Seneca Performance Fee First 4 years: 30% + VAT
Only charged if the Investor receives back their Investment Amount and the AMC has been paid in full 5th Year onwards: 20% + VAT

EIS Tax Relief (assuming all relevant conditions satisfied) 30%

The maximum amount available for investment will therefore be £96,670. The actual amount invested will be the sum on which reliefs can be claimed. Please note that this example assume that no advice fees are to be deducted from the initial subscription.

Example fees on an Investment Amount of £96,670 if a full exit is achieved on the sixth anniversary of the Fund closing to new Subscriptions:

	Example A	Example B	Example C
Performance	-20%	0%	50%
Gross return (pre exit and annual fees)	£77,336.00	£96,670.00	£145,005.00
Seneca Annual Management Charge ('AMC')	£0.00	£0.00	-£13,920.48
Seneca Performance Fee	£0.00	£0.00	-£8,259.48
Total Fees	£0.00	£0.00	-£22,179.96
Investment Return after deduction of Fees	£77,336.00	£96,670.00	£122,825.04
EIS Income Tax Relief @ 30% (assuming conditions satisfied)	£29,001.00	£29,001.00	£29,001.00
Total Proceeds (Including EIS Tax Relief)	£106,337.00	£125,671.00	£151,826.04
Profit on Initial Subscription of £100,000	£6,337.00	£25,671.00	£51,826.04

Please note that all these examples assume that no advice fees are to be deducted from the initial subscription.

If an Investor agrees with their financial adviser to pay them an initial and/or ongoing advice fees, these can be facilitated by the Service. The maximum fees that can be accommodated are:

- 3% of an Investor's Subscription (plus VAT if applicable) for an initial advice fee
- 1% of an Investor's Subscription p.a. (plus VAT if applicable) for an ongoing advice fee

The amount of any advice fees is between the Investor and their adviser. The Portfolio Manager is not offering any opinion as to the amount that should be agreed and these maxima should not be construed as such.

It is important to note that where these fees are to be facilitated by the Service, they will be deducted from an Investor's initial Subscription and will not be available for investment, nor qualify for any tax reliefs or benefits associated with EIS investment. Furthermore, the Portfolio Manager will not charge the deferred annual management charge unless the holdings in an Investor's portfolio has been sold for at least the net value of the Investor's Investment Amount after the deduction of any advice fees facilitated by the Service.

The following gives an example of how facilitating adviser fees through the Service will affect the amount available to invest and the various other fees that apply.

Initial Subscription **£100,000.00**

Initial Fees

Paid to Seneca

Initial Fee (2.5% + VAT) -£3,000.00

Paid to Adviser

Initial advice fee (assumed at 3%, with no VAT) -£3,000.00

Ongoing advice fee (assumed at 1% p.a. with no VAT)* -£4,000.00

£90,000.00

Paid to Custodian

Custodian Fees (£275 + VAT) -£330.00

Net Investment **£89,670.00**

* If an Investor has agreed to pay your financial adviser an ongoing advice fee by deduction from their initial Subscription, the Custodian will deduct an amount equal to 4 times the annual ongoing advice fee from the initial Subscription and hold this amount in cash in the Investor's name, pending payment to their financial adviser at the appropriate times.

The amount invested will therefore be on or around £89,670.00 and this will be the sum on which reliefs can be claimed

If charged, Seneca's Annual Management Charge 'AMC' will be charged on: £89,670.00

If a full exit is achieved on the sixth anniversary of the Subscription, the AMC payable is 12% of £89,670.00 + VAT £12,912.48

This will only be charged after the Investor has received back £89,670 (their original Investment amount)

The Seneca Performance Fee is only payable once the client has received £89,670.00

and the AMC of 12% + VAT has been paid in full £12,912.48

£102,582.48

The Seneca Performance Fee is therefore charged on any return over: **£102,582.48**

For example, if a full exit is achieved on the 6th anniversary for £160,000***, the Performance Fee would be 20% + VAT of £57,417.52 (£160,000.00 - £102,582.48) i.e. £13,780.20.

*** The figure used is for illustrative purposes only and do not indicate the likelihood of a particular return.

Schedule 3: Custodian's Terms of Business

Important information relating to your Enterprise Investment Scheme ('EIS'), Seed Enterprise Investment Scheme ('SEIS'), Business Property Relief ('BPR'), Business Relief (BR) and Business Investment Relief ('BIR') account(s). These terms of business govern the relationship between us, as administrator and custodian of your account(s) for EIS, SEIS and/or BPR investments, and you. Your account with us ('the Account') has been initiated by your investment/fund manager ('the Fund Manager') whom you have instructed to invest your monies on a discretionary basis. Since you have given the Fund Manager discretion over the management of your investments, you should understand that we can only take instructions concerning your account from the Fund Manager and not from you.

When your Account is opened, you are signing up to a legal agreement between you and The Share Centre Limited ('TSC'/us) on the terms below ('the Agreement'). For your own benefit and protection you should read these terms carefully before you proceed. If you do not understand anything, please contact us on 01296 41 41 41.

You accept that the prices and values of investments, and products related to them, together with the income they produce, can go down as well as up and that you may get back less than your initial investment. In addition, the levels and bases of taxation may change, both generally and in relation to specific products and investments. Consequently, TSC cannot accept responsibility for any movements in the value of your investments. Past performance is no indication of future performance.

You acknowledge that TSC:

- is the administrator and custodian of your Account;
- is not the Fund Manager and is not responsible for the suitability or appropriateness of the Account, nor for any of the investments within it, either at the point of sale or thereafter;
- may only act upon the instructions of the fund manager in relation to your Account;
- is not responsible for the contents of any documentation relating to the Account, other than these terms of business or other documentation required to be sent to you by TSC in discharge of our regulatory obligations. In particular, TSC is not responsible for the contents of any offering memorandum brochure or prospectus that accompanies these Terms of Business, and has not issued or approved the contents of these documents in accordance with Section 21 of the Financial Services & Markets Act 2000 ('FSMA').

Section 1

Terms of business - applicable to all accounts

1. General Information

- 1.1. Your account ('the Account') is being provided to you by The Share Centre Limited ("TSC"), a company incorporated in England and Wales under company number 2461949. If you want to contact TSC you can write to us at PO Box 2000, Aylesbury, Bucks HP21 8ZB, email service@share.co.uk or phone 01296 414141.
- 1.2. Where you see the words "you" or "your" in these Terms of Business, it means you as the individual, or if opening a joint Account, all individuals named on the joint Account. If you are applying as an official of a company or a trust, then it is referring to the company or trust, and not you personally.
- 1.3. TSC is authorised and regulated by the Financial Conduct Authority ("FCA") to provide share dealing and administration services. The FCA reference number for TSC is 146768 and you can check this information on the FCA's website www.fca.org.uk. The FCA's address is 25 The North Colonnade, Canary Wharf, London E14 5HS.
- 1.4. You will be treated as a 'retail client' under the rules of the FCA, which means that you are entitled to the full extent of applicable regulatory protections. You have the right to request to be classed as either a 'professional client' or 'eligible counterparty': this request must be made in writing and re-classification will only apply when TSC confirm this to you in writing. Please note that re-classification is dependent on you meeting certain criteria and that it will result in limitations to the level of applicable regulatory protections, including the loss of access to the Financial Ombudsman Service and Financial Services Compensation Scheme (which are explained in paragraph 10). Details of different client classifications can be obtained from TSC's Compliance team.
- 1.5. This Agreement will come into effect once TSC has accepted your application and we have been provided with the relevant details to open your Account. If TSC decides not to accept your application, there will be no Agreement: if you have provided any documentation in support of your application this will be returned to you at the address shown on your application form.
- 1.6. TSC can amend the Agreement from time to time only if it has a valid reason for doing so. A valid reason means one of the following:
 - a change in law, regulation, industry guidance or codes of practice;

- new market practices; or
 - economic reasons, including a variation in taxation rates or costs incurred in providing your Account (in which case TSC will respond proportionately).
- 1.7. This Agreement is in English and all future communications with you will also be in English. The Agreement is governed by English law and in the event of a serious dispute, will be subject to the exclusive jurisdiction of the English courts.
- 1.8. Any transactions undertaken for you in stocks and shares will be subject, where applicable, to:
- the rules of:
 - the London Stock Exchange (“LSE”);
 - any other market as TSC may decide;
 - CREST (the UK electronic system used for transferring shares between sellers and buyers);
 - the FCA;
 - the terms of your agreement with the Fund Manager; and
 - all other applicable laws, rules and regulations. Where there is a conflict between this Agreement and any such laws and regulations, the latter will prevail. You must comply with the City Code on Takeovers and Mergers and the FCA’s Disclosure and Transparency Rules regarding the notification of major shareholdings, which may be relevant if you are dealing in large quantities of shares. Further details can be obtained from TSC’s Compliance team.
- 1.9. There may be times when a conflict of interest develops between you and TSC or between you and another TSC customer. TSC has taken all reasonable steps to identify such conflicts of interest and has a Conflict of Interest Policy in place, designed to prevent conflicts of interest from adversely affecting the interests of its customers. A summary version of this Policy is set out in Schedule 1 below.
- 1.10. You acknowledge that the Fund Manager is responsible for decisions relating to the investments within your Account. TSC is not responsible for advising you on the suitability of the services or transactions provided or offered by the Fund Manager or TSC. You will therefore not benefit from the protection of the FCA’s rules relating to suitability which would require TSC to ensure that a product or service is suitable for you when taking into account your knowledge and experience in the relevant investment field, your financial situation and your investment objectives.
- 1.11. TSC does not provide advice on the legal implications of accepting this Agreement. TSC does not provide advice on taxation.

2. Customer Information

- 2.1. You will supply TSC with all information reasonably requested as soon as practical. You confirm that all information will be, to the best of your knowledge and belief, correct when supplied and that you will notify TSC immediately of any changes.
- 2.2. TSC is registered to use your personal information under the Data Protection Act 1998 (as may be amended). Under the terms of this Act, you are entitled to a copy of any personal information TSC holds on computer and on certain written records, upon payment of the appropriate fee.
- 2.3. You agree that TSC may hold information about you and your affairs in order to verify your identity and financial standing (among other things TSC is likely to consult a credit or mutual reference agency, which may retain a record of the enquiry);
- provide you with TSC’s services (which may also necessitate TSC liaising with third parties, such as companies and their registrars, and disclosing some aspects of your personal information in order to verify, or otherwise discuss, your investments in the proper provision of TSC’s services);
- 2.4. TSC will treat all personal information about you and your financial affairs as confidential. TSC may however disclose any such information:
- to the Fund Manager;
 - to its authorised agents and firms for whom TSC provides outsourced share dealing and/or administration services;
 - if required to do so by law or regulation;
 - if requested by a financial regulator; and/or
 - where you have given your consent to the disclosure
- The information may also be shared with other financial organisations to protect TSC and its customers, and other financial organisations and their customers, against financial crime. Further information on safeguarding customer data is contained within TSC’s Privacy Policy available from TSC’s website, www.share.com.
- 2.5. Due to anti-money laundering regulations (which aim to prevent criminal property being used or disguised as legitimate wealth) you may have to produce satisfactory evidence of your identity, or the identity of any person on whose behalf you are acting, before TSC can do any business with you, and from time to time thereafter. This identification process is designed to assist in the prevention of crime within the financial services industry and society at large. If you do not provide the information when requested, TSC may be unable to accept any instructions from you or provide you with any other services.

- 2.6. TSC will only accept applications from residents of certain qualifying countries, details of which are available from TSC. Where applications are received from such residents, additional identification requirements may apply.
- 2.7. You confirm that you are not a US person for the purposes of US federal income tax, and that you are not acting for, or on behalf of, a US person. The definition of a US person includes, but is not limited to, US citizen, US resident, US taxpayer or someone who holds US dual nationality. In the future, should you become a US person, you agree to inform us immediately.

3. Charges

- 3.1. In accordance with the terms of your agreement with the Fund Manager, we will deduct the applicable fees from your account as instructed by the Fund Manager. However, we may charge you separately for provision of certain services under this Agreement (e.g. for responding to a data subject access request). You must pay all applicable fees, commissions and other charges (including other sundry charges as highlighted on the TSC website) in accordance with the terms of this Agreement and your agreement with the Fund Manager. You must also pay all applicable taxes and levies (e.g. Stamp Duty, market levies, overseas financial transaction taxes, currency conversion fees, custodial charges, charges on foreign currency exchanges and administration charges levied by overseas agents) that TSC or the Fund Manager is required to charge you. All such charges may be deducted from your Account or from any other account you hold with TSC. Other taxes and costs (e.g. Capital Gains Tax) may also exist that are not collected or deducted by TSC. The cash balance held on your behalf, and as shown in your Account, will be deposited with an authorised banking institution in the name of TSC under customer trust status (i.e. separate from TSC's money), together with cash balances belonging to other customers of TSC. Such deposits may be held within instant access accounts with other authorised banking institutions. TSC may debit or credit your Account for all sums payable by or to you (including dividends you may receive in cash, fees and other amounts payable by you).

4. Your Money and Investments

- 4.1. Your money and investments will be handled in accordance with the Client Asset Rules of the FCA and any modifications or directions granted by the FCA in relation to those rules. Unless otherwise agreed all money received or paid from or to you must be in British Pounds Sterling.
- 4.2. All payments to your Account must be drawn on a United Kingdom ("UK") bank account. Please note that if your account is in your own name it must be drawn on your own personal bank account, for a Company account payments must be drawn from the Company's bank account. You may credit money to your Account by using an acceptable form of debit card, providing the sum to be credited does not exceed such limit as TSC may advise. Alternatively you can credit monies to your account using a same day banking service.
- 4.3. TSC, at its absolute discretion, may require payments received, either individually or collectively, in excess of £25,000 to be subject to clearance, before dealing instructions are accepted.
- 4.4. TSC has the right to return money, whether received by cheque, bank transfer or debit card, to 'source' (i.e. from where it came). All money returned will be done so at your own risk and will be subject to the normal timings of the banking clearance system.
- 4.5. TSC has the right to delay the return of any money received from you until 10 business days after the date of clearance for credit control purposes.
- 4.6. Unless otherwise indicated, TSC will not accept or make third party payments on your behalf. All receipts and withdrawals of money and investments must be received from, or paid to, an account in your own name or, in certain circumstances such as your death or incapacity, your legal representatives. Where requested and agreed, money will only be transferred overseas to certain qualifying countries, details of which are available from TSC.
- 4.7. The cash balance held on your behalf, and as shown in your Account, will be deposited in the name of TSC under customer trust status, i.e. separate from TSC's own money. It will be held with an authorized banking institution, together with cash balances belonging to other customers of TSC. These deposits may be held within instant access accounts or in unbreakable term deposits up to the terms permitted by the FCA in the Client Asset Rules or any agreed modifications or directions granted by the FCA in relation to those rules. TSC may debit or credit your Account for all sums payable by or to you (including dividends you may receive in cash, fees and other amounts payable by you).
- 4.8. Interest will be payable quarterly on credit balances on money in your Account at the rates published in the Investor Agreement. Where you make a payment to TSC to be credited to your Account, no interest will start to be calculated on this sum until the payment has cleared.
- 4.9. Investments held on your behalf are pooled with the investments of other clients. All investments in your Account will be held by Share Nominees Limited, TSC's 'pooled' nominee company ('the Nominee'). This means that there are no separate certificates, documents evidencing legal ownership or external electronic records of your individual investment holdings. The holdings will be registered in the name of the Nominee. As a result your holding may not be individually identifiable on the relevant company register. The Nominee is a bare trust and holds investments for you as the beneficial owner, together with investments belonging to other customers of TSC, ensuring they are kept separate from the resources of TSC itself. If we identify a shortfall in the investment pool relative to the total sum of our clients' holdings in that investment, we will segregate an equivalent amount of our own money as client money to cover the cost of rectifying that shortfall until it is corrected. This will not affect the record TSC maintains which shows how much stock is held on your behalf.
- 4.10. The Nominee holds the investments on trust, such that when customers buy or dispose entirely of an investment in

accordance with this Agreement, their interest in relation to that investment within the trust is created or extinguished respectively.

- 4.11. TSC accepts responsibility for holdings in the name of the Nominee and for acts and omissions of the Nominee.
- 4.12. TSC may deliver or accept delivery of investments either in certificate form or via Crest on behalf of the Nominee.
- 4.13. Investments may be held on behalf of TSC by custodians, sub-custodians or investment clearing systems. Overseas investments may be held on behalf of TSC by an overseas custodian, its sub-custodian or an investment clearing system. TSC will use all due skill care and diligence in the selection and review of third party custodians and of the arrangements for the holding and safekeeping of assets but, in so far as we have met our obligations under CASS 6.3.1R, TSC and the Nominee do not accept responsibility for any losses arising from the default of such an appointed custodian or clearing system. It should be noted that there may be different settlement, legal and regulatory requirements in overseas jurisdictions from those applying in the UK and different practices for the separate identification of investments.
- 4.14. Overseas investments held by the Nominee may be in the form of CREST Depository Interests ("CDIs") or American Depository Receipts ("ADRs"). CDIs and ADRs generally cannot be registered into certificates. CDIs may be liable for withholding tax from the country of origin of the underlying investment. TSC is not obliged to reclaim any foreign withholding tax deducted. If you are unsure about the tax implications of dealing in overseas investments, you should seek independent tax advice.
- 4.15. On some occasions, money relating to overseas investments not held by the Nominee may be deposited in a client bank account outside the UK. Money held in its country of origin will be held with an approved bank or depository: however there may be times, because of the applicable law or market practice, when it is not possible to hold your money in a client bank account with an approved bank or depository. In some cases, the bank or depository with which your money may be held outside the UK may not have accepted that it has no right of set off or counterclaim against your money in respect of any sum owed by TSC on any other account held by TSC at the bank. Additionally, your money may be passed to another person, such as an exchange, clearing house or an intermediate broker, for the purposes of a transaction on your behalf through or with that person. It is to be noted that for banks, depositories and persons located outside the UK, the legal and regulatory regime applying will be different from that of the UK: in the event of failure, your money may be treated in a different manner from that which would apply if the money was held in the UK.
- 4.16. Our treatment of cash funds for investment in business investment relief services under the direction of the fund manager is detailed in schedule 4 to these terms of business.
- 4.17. Subject to paragraph 4.11 above, in the event of there being a shortfall in the total quantity of money or an investment held in a pooled nominee or client money bank account, compared with the quantity or balance which should be held for customers, or in the event of an authorised banking institution, the Nominee or any other third party custodian, bank or counterparty used by TSC defaulting (e.g. if they become insolvent), customers may have to bear that shortfall on a pro-rata basis.
- 4.18. Dividends from investments will usually only be received as cash.
- 4.19. You shall not charge or pledge the investments held under this Agreement (i.e. use them as security for a loan) or dispose of all or part of them otherwise than in accordance with this Agreement.

5. Dealing

- 5.1. Purchases and sales effected by us will be on an execution only basis and will be executed by us on instructions received from the Fund Manager and may be made on any market through any intermediary that we select in accordance with the Order Execution Policy.
- 5.2. We will inform the Fund Manager of any changes that may occur to any investment that we hold for you as Nominee, resulting from a take-over or other offer, or scheme of arrangement, or where rights or similar benefits arise. Having received this notification from us, it is the Fund Manager's responsibility to instruct us to take action, if any, on your behalf. In the absence of such notification from the Fund Manager, we reserve the right to take no action on your behalf.
- 5.3. Where we hold partly paid shares for you, we may at our absolute discretion sell such number thereof as may be necessary in order to pay any calls or installments due on the balance held.
- 5.4. We will collect dividends, interest on Securities, interest on deposits and other distributions that are due to you, and credit them to your account.
- 5.5. We may combine orders by the Fund Manager with the orders of other customers and with our own orders or orders of associated companies and persons connected with TSC. The combining of orders may result in a more or exceptionally a less favorable price being achieved than if the order had been executed separately, though if the price is less favourable, we shall advise the Fund Manager in advance for each such transaction and seek their authority to proceed as required by FCA rules. We will arrange for the execution of orders as soon as is reasonably practicable given the prevailing circumstances after instructions have been received. Further information is contained within TSC's Order Allocation Policy.
- 5.6. Where your Securities are held by the Nominee on a non-discretionary basis, we will not exercise the voting rights attached to such Securities without the receipt of a specific written or electronic instruction from the Fund Manager. If you wish to give such instruction, you should do so via the Fund Manager (which may charge an appropriate administration fee).
- 5.7. Securities will be registered in the name of the Nominee, which as a non-trading wholly owned subsidiary is not authorised under the Financial Services and Markets Act 2000, or any other nominee approved by us. We accept full

responsibility for any loss that might arise as a result of any default by Share Nominees Limited or any other nominee company controlled by us in which the Securities are held.

- 5.8. All dealing instructions are only dealt automatically if they can be completely satisfied. If a dealing instruction cannot be executed automatically for whatever reason, it will, if possible, be manually executed as soon as practicable. Dealing Instruction will not be partially filled.
- 5.9. Dealing instructions issued to us by the Fund Manager cannot be altered once they have been accepted and executed by TSC.
- 5.10. Dealing instructions from the Fund Manager to purchase investments will only be executed if there is sufficient money in your Account, or sufficient sale proceeds due, to meet the potential cost of execution (including all applicable charges). Subject to this, in the event of adverse price fluctuations TSC has the right to reduce the size of a purchase dealing instruction if there are insufficient funds in your Account to meet the potential cost of execution (including all applicable charges). Dealing instructions to sell investments will only be executed if there are sufficient investments recorded within your Account that can be transferred to the purchaser, which shall not be adversely affected by paragraph 5.8 above.
- 5.11. TSC may retain any commissions received from a third party arising from transactions carried out for you and the amount of such commission and the identity of the third party will be available upon request.
- 5.12. In addition, TSC may pay a share of the fees or commissions charged to you with third parties and the amount paid to the third party and its identity will be available upon request.
- 5.13. HM Revenue and Customs ("HMRC") may challenge any purchase or sale prices in less liquid investments for open market valuation purposes (for instance, for assessing capital gains tax liability). When assessing tax liabilities arising from a transaction in less liquid investments, you should seek independent tax advice, and should not necessarily rely upon any transaction price or contract note as evidence of an open market value.

6. Settlement

- 6.1. Once TSC has executed a dealing instruction from the Fund Manager, sale proceeds (if a sale) or investments (if a purchase) will be available for withdrawal by the Fund Manager only once those sale proceeds or investments have been received in full by TSC.
- 6.2. If for any reason the anticipated sale proceeds or investments are not received in full the following rules will apply to your account, along with all other applicable customers of TSC:
 - if purchasing investments: entitlement arises, in the chronological order in which instructions were received by TSC, to the relevant investments actually delivered to TSC. In the event of any delivery shortfall, your account will be credited with a cash sum equal to the whole or relevant part of the sum debited from your Account in respect of the relevant investments;
 - if selling investments: entitlement arises, in the chronological order in which instructions were received by TSC, to cash actually received by TSC. In the event of any payment shortfall, relevant investments equal to the whole or relevant part of the number of shares, bonds, warrants or units originally sold will be returned to your account.

7. Liability

- 7.1. You agree to be responsible for any costs or losses incurred by TSC and/or the Nominee which a reasonable person would consider to have been incurred by them and be reimbursable to them:
 - as a result of your specific request, fault, omission or dishonesty; and/or
 - arising from the proper performance of our functions or the proper exercise of the terms of this Agreement, except where such costs or losses are due to our fraud, willful default or negligence. Neither this paragraph nor anything else within this Agreement will restrict or exclude any duty or liability owed to you under the rules of the FCA, the Financial Services and Markets Act 2000 ("FSMA"), Financial Services Act 2012 or under common law.
- 7.2. TSC may, at any time where it reasonably considers it necessary or desirable to do so, suspend all or any of its services including, without limitation, carrying out repairs or upgrades to hardware or software and correcting any hardware or software error and TSC shall not be liable for any losses incurred by you arising from the suspension.
- 7.3. Whilst TSC will use its reasonable endeavours to ensure that its Internet websites are available at all times, it will not be liable for any loss or damages resulting from the websites being inaccessible. Access to the websites may be suspended temporarily or permanently and without notice.
- 7.4. If TSC fails, interrupts or delays performing its obligations under this Agreement because of a breakdown, failure or malfunction of any telecommunications or computer services or systems (internally or externally) or any other event not reasonably within its control, then TSC will not be liable to you nor will it be responsible for any loss or damage caused or suffered by you as a result of such event. This includes, but is not restricted to, any delay, breakdown or failure of any transmission or telecommunication or computer systems or facilities, strikes or other industrial action or dispute, or the failure of any relevant exchange, clearing house, broker, independent software vendor, settlement agent or bank to perform its obligations or to operate efficiently and correctly or any other event which is reasonably outside TSC's control.
- 7.5. The information contained within TSC's websites originated by TSC is believed to be correct, but cannot be guaranteed.
- 7.6. Where information, or links to information, on TSC's websites consists of pricing or performance data or other information which has been obtained from third parties, TSC will not normally have carried out any independent verification of such data and does not accept liability for any reliance placed upon such data, if that data is proven to be inaccurate or incomplete.

- 7.7. You undertake not to distribute, sell or license any content contained on, or linked to from, TSC's websites. You agree that TSC or its authorised agents may at all reasonable times and on reasonable notice have access to and inspect your computer systems, accounts, records and other documents (in both hard copy and machine readable form) in relation to any suspected re-distribution, re-sale or sub-licensing of such content.
- 7.8. TSC is not responsible for the security or transmission of electronic instructions either from TSC or from you.
- 7.9. TSC shall not be responsible for any loss or damage or depreciation in value of the investments or for any failure to produce a return on capital invested, howsoever arising.
- 7.10. You acknowledge that the role of TSC is not to provide any investment advice under this Agreement and as such, TSC will have no liability to you under this Agreement for any investment advice that might be given to you (inadvertently or otherwise).

8. Escrow Accounts

- 8.1. Where a Fund Manager requests or instructs us to transfer or hold client money or client assets in an account operated by a solicitor (such as a solicitor's escrow accounts or a solicitor's general client account), we shall do so on the strict basis, that you accept that TSC accepts no liability for such client money or client assets whilst held by the solicitor or after they have been transferred out by us to the solicitor or until they have been received by us from the solicitor.
- 8.2. You further accept that it is the responsibility of you or your Fund Manager as appropriate to ensure that any solicitor that we are instructed to send client money or client assets to is satisfactory to you and it is your or your Fund Manager or Advisor's responsibility, not TSC's, to conduct any due diligence that may be appropriate. TSC may require sight of this due diligence and may at our sole option, without accepting any responsibility or liability, not effect a transaction until we have received satisfactory due diligence information.
- 8.3. In order to protect client money and client assets, at our option, and without accepting any liability or obligation, we may only accept a solicitor's escrow arrangement with firms of solicitors who are prepared to indemnify us in writing in respect of client money and asset obligations and their compliance with Solicitors Regulatory Authority rules with appropriate disclosures of the client account procedures operated by the solicitor.
- 8.4. In order to limit our risk and protect client money and client assets, we reserve the right to require a contractually binding liability release letter from you or our Client and / or your Fund Manager or Financial Advisor (even if such person or firm has discretionary powers), if we are requested to transfer funds or assets to any third party, including solicitors, before effecting any such transfer.
- 8.5. We will not enter into any sub-custodian arrangement that does not meet TSC's due diligence requirements, irrespective of instructions from you or your Fund Manager or Advisor. Sub custody arrangements and requirements are set out in FCS CASS rules.

9. Termination

- 9.1. Any process of termination will be in accordance of the Investor Agreement within the Offering Memorandum that you have entered into with the Fund Manager.

10. Complaints and Compensation

- 10.1. All If you have a complaint, please contact the department at TSC you have an issue with. You can contact us by any means including letter, telephone or email. If TSC cannot resolve the complaint to your satisfaction, you may be entitled to refer it to the Financial Ombudsman Service, the independent complaints handling body for the financial services industry. A copy of TSC's complaints handling procedure is available upon request.
- 10.2. TSC participates in the Financial Services Compensation Scheme, established under the FSMA, which provides compensation to eligible investors in the event of the firm being unable to meet its customer liabilities. Payments under the protected investment business scheme are limited to a maximum of the first £50,000 of the claim. Further information is available from TSC's Compliance team.

11. General

- 11.1. All written or electronic communications TSC sends you will be to the latest address notified by you to TSC and shall be assumed received by you on the second day after posting or on the day after dispatch in the case of electronic communication. Communications sent by you shall be deemed received only if actually received by TSC.
- 11.2. Telephone calls may be recorded for the purposes of training, quality control and monitoring and confirming regulatory compliance.
- 11.3. TSC and the Nominee may employ agents on such terms as they think fit. TSC will satisfy itself that any person to whom it delegates any of its functions or responsibilities under the terms agreed with you is competent to carry out those functions and responsibilities. TSC will take reasonable care in the selection and supervision of such agents.
- 11.4. Should any clause within this Agreement or part thereof become or be declared illegal, invalid or unenforceable for any reason, the remainder of the clause and Agreement shall be unaffected and shall remain in full force and effect.
- 11.5. The Contracts (Rights of Third Parties) Act 1999 will not apply to this Agreement, meaning that only you and TSC have the right to enforce any of the terms and conditions mentioned.

Section 2

Schedule 1

Conflicts of Interest Policy - Summary Version

TSC aims to identify and prevent conflicts of interest which may arise between itself and its customers, and between one customer and another, in order to avoid any adverse effect on its customers. This Policy sets out procedures, practices and controls in place to achieve this. The avoidance of potential conflicts of interest is a key consideration, so operational structures and procedures, password-controlled systems, data hierarchy, and the clear segregation of roles and responsibilities are all designed to work preventing any conflicts arising in the first place. This Policy applies to all officers (whether Executive or Non-Executive), employees and any persons directly or indirectly linked to the Share plc group of companies ("the Group") and refers to all interactions with all customers of the Group.

Scope

Types of conflict which may carry a material risk of damage to the interests of a customer include, but are not limited to, the following. Where the Group or any person directly or indirectly linked to the Group:

- is likely to make a financial gain or avoid a financial loss at the expense of the customer;
- has an interest in the outcome of a service provided to, or of a transaction carried out on behalf of, the customer which is distinct from that customer's interest in that outcome;
- has a financial or other incentive to favour the interest of another customer or group of customers over the interests of the customer;
- carries on the same business as the customer;
- receives, or will receive, from a person other than the customer an inducement in relation to the service provided to the customer in the form of monies, goods or services, other than the standard commission or fee for that service;
- designs, markets or recommends a product or service without properly considering all the Group's other products and services and the interest of their customers.

Guarding against conflicts of interest

A number of different safeguard systems and processes are in place in order that the potential for conflicts of interest is minimised:

- personal account dealing requirements upon all officers, employees and certain associates of TSC in relation to their own investments;
- an Investment Research Policy covering the production and dissemination of investment research by TSC;
- a Register of Information logging receipt and use of any 'inside information' by TSC;
- Chinese Walls restricting the flow of price sensitive information within TSC;
- a Gifts and Inducements Log registering the solicitation, offer or receipt of certain benefits to staff;
- external business interests conflicting with TSC's interests are prohibited for TSC's officers and employees, unless Board approval is provided;
- job roles and system access is subject to appropriate segregation of duties considerations, detailed within a separate Policy;
- remuneration packages within TSC are structured to minimise any link with levels of business generated with retail customers;
- order execution ensures TSC must not receive any remuneration, discount or non-monetary benefit for routing client orders to any particular trading venues or execution venues;
- corporate governance requirements are followed as appropriate to the size and nature of Share plc;
- legal and regulatory record keeping requirements are followed, including the maintenance of a Privacy Policy for Internet users;
- a Public Interest Disclosure Policy ("whistleblowing") is in place for TSC employees;
- where a conflict of interest arises, TSC will, if known, disclose it to a customer prior to undertaking investment business for that customer. A full version of the Conflicts of Interest Policy is available on request from TSC's Compliance team

Schedule 2

Order Allocation Policy

Where TSC considers it necessary and in the best interests of its customer(s), an order may be aggregated (i.e. combined) with orders received from other customers.

You should be aware that aggregating orders in this way may work to your disadvantage. This may be because your shares will be bought or sold alongside shares of other customers, the price you pay or receive may not be the same as it would have been if those shares had been bought or sold non- aggregated. The market may also quote a different price because of the larger number of shares being bought or sold together. The price you pay or receive could, therefore, be higher or lower than if your shares had been bought or sold on their own.

An order will only be carried out if the total order can be dealt, i.e. an order will not be partially filled. If you apply for a new issue of securities (e.g. within an initial public offer or placing) and that offer is oversubscribed, you may receive a partial allocation of securities or none at all. The allocation guidelines of the offer will be followed wherever practicable by TSC when deciding how to allocate securities where the full amount applied for has not been distributed. In the absence of any guidelines, TSC will allocate the securities pro rata to each customer's application within the offer.

Schedule 3

Order Execution Policy

Part One: The Quality of Execution

When executing orders on behalf of customers in relation to shares and other financial instruments, TSC will take all sufficient steps to achieve what is called "best execution" of customer orders. This means that TSC has in place a policy and procedures which are designed to obtain the best possible execution result, subject to and taking into account:

- the nature of customer orders
- the priorities the Fund Manager places upon TSC in filling those orders; and
- the market in question,

and which provides, in TSC's view, the best balance across a range of sometimes conflicting factors. TSC will take into consideration a range of different factors which include not just price, but which may also include such other factors as the cost of the transaction, the need for timely execution, the liquidity of the market (which may make it difficult to execute an order), the size of the order and the nature of the financial transaction. TSC's commitment to provide its customers with "best execution" does not mean that TSC owes customers any fiduciary responsibilities over and above the specific regulatory obligations placed upon TSC or as may be otherwise contracted. While TSC will take all sufficient steps, based on those resources available to it, to satisfy itself that it has processes in place that can reasonably be expected to lead to the delivery of best execution of customer orders, TSC cannot guarantee that it will always be able to provide best execution of every order executed on each customer's behalf.

Part Two: Order Execution Policy

1. Your Fund Manager's orders must be received on either a 'best price' or 'limit price' basis and are subject to the requirements of this execution policy
2. Where an order is received with specific instructions as to how the order should be executed, the order will be executed in line with those instructions. It is important to note that specific instructions may prevent TSC from taking the steps it has designed and implemented in this policy to obtain the best possible result for the execution of customer orders.
3. Customer orders received for transferable securities, i.e. shares, exchange traded funds ('ETFs'), exchange traded commodities ('ETCs'), warrants, covered warrants and investment trusts will be executed on one of the following markets:
 - a. London Stock Exchange ("LSE"); the LSE is a regulated market and one of the larger, better known European markets for dealing in both UK and international shares;
 - b. Alternative Investment Market ("AIM"); a market for smaller-capitalisation growth companies. AIM is not a regulated market, but is an exchange-regulated market owned by the LSE; and
 - c. such other markets and Recognised Investment Exchanges as TSC considers appropriate in the circumstances.

4. The choice of market depends on which market of multilateral trading facility ('MTF') a particular security is traded on, for example, where a security is only traded via the LSE, the customer order can only be executed via the LSE. Where the same customer order can be executed on either of two separate markets and where TSC can trade on both, TSC will choose the market that will provide the best possible result for that customer order.
5. Customer orders are usually executed via specialist market makers known as Retail Service Providers ("RSPs"). TSC deals with a number of RSPs, all of whom are members of the LSE and authorised and regulated by the FCA. The RSPs quote a price and size in securities in which they are registered to deal and make this information available via various information vendors. The range of RSPs available to TSC will be dependent on which RSPs are accessible through the information vendor used; TSC will be linked to one or more information vendors which provide access to a wide range of RSPs.
6. When TSC receives an order from your Fund Manager, the order is passed, via an information vendor, to an automated polling system, which connects directly to the appropriate RSPs registered with that information vendor. The automated polling system will then identify the RSP offering the best price for an order and this information is sent back to TSC for acceptance.
7. On some occasions, where the RSP is unwilling or unable to execute an order electronically, the order will have to be executed manually with the RSP over the telephone.
8. There may be occasions when, as a result of either specific instructions, the nature of the security being traded, or the services being provided, orders will not be executed on either a regulated market or MTF. Where such instances arise, TSC will obtain the fund manager's prior consent before proceeding to execute such orders. The fund manager's prior consent may either be in the form of a general agreement or in respect of individual transactions
9. If an order is for a bond, PIB or gilt-edged security, it will be executed on the LSE via an RSP.
10. There are a number of different execution factors which can affect the outcome of orders e.g. price, cost, speed, the likelihood of execution and settlement, the size and nature of the order or any other considerations relevant to the execution of an order. However, as TSC does not differentiate charging structures or settlement processes between execution venues, TSC considers the most significant factor to be the price at which the order can be executed. By achieving the best price possible given the execution venues available, TSC delivers the best possible result for the customer orders received.
11. Adherence to this policy is monitored by the Dealing team and overseen as part of the annual Compliance monitoring programme.
12. From April 2018 TSC will publish via its website an annual report detailing the top five venues TSC has used to execute customer orders, for each class of financial instrument.

Part Three: Client Acknowledgement

You acknowledge that:

- you have been made aware of and accept the nature, policy and procedures which TSC has in place for providing best execution as defined in this Order Execution Policy;
- in the absence of any express instructions from your Fund Manager, TSC shall have full discretion to choose a relevant venue from its current list of venues for executing any order or orders; and
- in choosing an execution venue, TSC will assess and balance a range of all relevant factors, including those set out in this policy, which, in its reasonable determination, TSC considers relevant to achieving the best result for you.

Schedule 4

Business Investment Relief (where applicable)

1. We will hold cash funds arising from investor subscriptions in business investment relief services in one or more offshore non-interest bearing client money bank account or sub bank account or other bank account arrangements as approved by the Fund Manager. All client money will be held offshore in an appropriately regulated bank institution, or onshore in an FCA approved UK bank pending investment in a business asset that qualifies for Business Relief within the UK ('a Qualifying Investment').
2. The transfer of funds onshore and the deployment funds will be on the instructions of the Fund Manager acting in accordance with the Investor Agreement.
3. We will act on the instructions of the Fund Manager to realise investments for investors; and be authorised to buy, sell, retain, convert, exchange or otherwise deal in the Qualifying Shares.
4. We will act in good faith and with reasonable care and diligence in the performance of our functions. We will not be liable to an investor in the event of any loss in value of funds invested or any insolvency of any bank with which funds are deposited in accordance with the Custodian Agreement, nor in the event of any restriction on our ability to withdraw funds from such bank for reasons reasonably beyond our control.

| Notes





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