



Foresight
ventures

WILLIAMS | ADVANCED
ENGINEERING

FORESIGHT WILLIAMS

TECHNOLOGY
EIS FUND

A unique collaboration between
Foresight Group and Williams
Advanced Engineering

**INFORMATION MEMORANDUM
with Application Form**

OCTOBER 2018

This information memorandum has been issued and approved as a financial promotion for the purpose of Section 21 of the Financial Services and Markets Act 2000 by Foresight Group LLP, which is authorised and regulated by the Financial Conduct Authority (FRN: 198020).

1. Important notice

This information memorandum ("Information Memorandum") dated October 2018 constitutes a financial promotion pursuant to section 21 of the Financial Services and Markets Act 2000 ("FSMA") issued and approved by Foresight Group LLP ("Foresight"), which is authorised and regulated by the Financial Conduct Authority ("FCA") (FCA number: 198020) and whose registered office is at The Shard, 32 London Bridge Street, London SE1 9SG. The Fund is an alternative investment fund and its "units" are non-readily realisable securities. This Information Memorandum is only being distributed by Foresight to professional clients, including intermediaries such as independent financial advisers, each of whom will be a professional client for regulatory purposes. If any such person to whom this Information Memorandum is distributed by Foresight wishes to provide it to its own clients who are retail clients, they must each fall within one of the following categories, and the intermediary is responsible for ensuring compliance with this requirement:

- a) An existing client of a financial adviser regulated by the FCA which has advised that the Fund is a suitable investment for them in accordance with FCA Conduct of Business (COBS) rule 9;
- b) A person who meets the requirements for being a professional client in accordance with COBS rule 3.5;
- c) A person who qualifies as a certified high net worth individual in accordance with COBS rule 4.7.9;
- d) A person who qualifies as a certified sophisticated investor in accordance with COBS rule 4.7.9;
- e) A person who qualifies as a self-certified sophisticated investor in accordance with COBS rule 4.7.9; or
- f) A person certified as a restricted investor within the meaning of COBS rule 4.7.10.

The Fund is not an unregulated collective investment scheme because it satisfies the conditions of paragraph 2 of the Schedule to the Financial Services and Markets Act 2000 (Collective Investment Schemes) Order 2001 and is therefore not subject to the additional restrictions in s.238 of FSMA or those in COBS 4.12 regarding the promotion of non-mainstream pooled investments.

This Information Memorandum is issued solely for the purposes of seeking applications to the Foresight Williams Technology EIS Fund (the "Fund"). All potential investors should seek specialist independent tax and financial advice from a financial adviser authorised under FSMA before subscribing to the Fund to ensure that this opportunity is a suitable investment in light of the contents of this Information Memorandum and their individual circumstances.

The contents of this Information Memorandum are not to be taken as constituting advice relating to legal, taxation or investment matters and should not be relied upon for the purposes of making an investment or other decision, and your attention is drawn to the section headed Risk Factors on pages 36 to 38. Participation in the Fund will not be suitable for all recipients of this Information

Memorandum. Reliance on this Information Memorandum for the purpose of engaging in any investment activity may expose an individual to a significant risk of losing all of the property or other assets invested.

The Fund will comprise investments by individual investors in a selection of EIS Qualifying Companies and uninvested cash. Each Investor, for legal and tax purposes, will be the beneficial owner of a specific number of Shares in each Investee Company.

All Shares and cash will be managed on a collective basis in accordance with the investment objectives and restrictions set out in Schedule 1 of the Investor's Agreement.

It is the responsibility of the Investor, and their adviser where appropriate, to ensure that this opportunity is a suitable investment in light of the contents of this Information Memorandum and their individual circumstances.

Applications may only be made, and will only be accepted, subject to the terms and conditions of this Information Memorandum, the Investor's Agreement and Application Form.

All statements of opinion or belief contained in this Information Memorandum and all views expressed and statements made represent Foresight's own assessment and interpretation of information available to it as at the date of this Information Memorandum. No representation is made, or assurance given, that any statements, views or forecasts are correct or that the objectives of the Fund will be achieved. Prospective Investors must determine for themselves what reliance (if any) they should place on such statements, views or forecasts and no responsibility or liability (whether direct, indirect, consequential loss or other) is accepted by Foresight or its members and employees in respect thereof.

The information contained in this Information Memorandum makes reference to the current laws concerning EIS Relief, Business Property Relief and Capital Gains Tax ("CGT") deferral. Such information may be subject to change and is not guaranteed. The tax reliefs referred to in this Information Memorandum are those currently available and their value depends on individual circumstances.

Past performance is not necessarily a guide to future performance and may not necessarily be repeated. You should be aware that share values and income from them may go down as well as up and you may not get back the amount you originally invested. Changes in legislation in respect of the EIS in general, and qualifying investments and qualifying trades in particular, may affect the ability of the Fund to meet its objectives and/or reduce the level of returns which would otherwise have been achievable.

The attention of prospective investors is drawn to the fact that amounts invested through the Fund on behalf of the Investors will be committed to investments which may be of a long term and illiquid nature. Neither the Fund nor the companies in which it invests will be quoted on any recognised or designated investment exchange and,

accordingly, there will not be an established or ready market for participation in the Fund nor the underlying investments. Investments made through the Fund will not, therefore, be easily realisable.

This Information Memorandum does not constitute, and should not be considered as, an offer to buy or sell or solicitation of an offer to buy or sell any security or share. It does not constitute a public offering in the United Kingdom. In addition, this Information Memorandum does not constitute an offer or solicitation in any jurisdiction in which such an offer or solicitation is not authorised or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such an offer or solicitation. It is the responsibility of each recipient (including those located outside the UK) to satisfy himself or herself as to full compliance with the Applicable Laws and regulations of any relevant territory in connection with any application to participate in the Fund, including obtaining any requisite governmental or other consent and observing any other formality presented in such territory.

This Information Memorandum includes statements that are (or may be deemed to be) "forward-looking statements". These "forward-looking statements" can be identified by the use of forward-looking terminology including the terms "believes", "continues", "expects", "intends", "may", "will", "would" or "should" or, in each case, their negative or other variations or comparable terminology. These "forward-looking statements" include all matters that are not historical facts. "Forward-looking statements" involve risk and uncertainty because they relate to future events and circumstances. "Forward-looking statements" contained in this Information Memorandum based on past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Subject to any requirement under Applicable Laws and regulations, Foresight does not undertake to update or revise any "forward-looking statements", whether as a result of new information, future events or otherwise. Investors should not place undue reliance on "forward-looking statements", which speak only as at the date of this Information Memorandum.

The contents of this Information Memorandum have been prepared by and approved as a financial promotion for the purpose of Section 21 of the Financial Services and Markets Act 2000 by Foresight Group LLP, which is authorised and regulated by the Financial Conduct Authority (FRN: 198020). Neither Williams Technology Ventures Limited nor any member of the Williams Group assumes any responsibility for the contents of this Information Memorandum.

Save as mentioned below, references to "Foresight", "Foresight Group", "The Manager", "we" and "our" are to Foresight Group LLP and/or, where applicable, any wholly-owned subsidiary of Foresight Group LLP that has been appointed as promoter of the Fund.

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FURTHER INFORMATION

If you require any further information relating to the Fund please contact the sales team at Foresight by telephone on **020 3667 8199** or by e-mail to **sales@foresightgroup.eu**.

Please note that Foresight is not able to provide you with investment, financial or tax advice.

2. Letter of Introduction

October 2018

Dear Investor,

The Foresight Williams Technology EIS Fund represents an exciting investment opportunity made possible by a collaboration between Foresight Group and the Williams Advanced Engineering business of the Williams Group.

The Fund offers investors the opportunity to invest in a portfolio of early-stage companies developing innovative and transformational technologies across a range of different sectors. The investments are intended to be structured to qualify for the tax reliefs available through the Enterprise Investment Scheme.

The Fund seeks to generate significant returns for investors that are possible through early-stage investing.

The relationship between Williams and Foresight began in early 2015 and based on our combined vision and respective fields of expertise, Foresight launched the Fund in November 2016.

Foresight has a 34 year track record of fund raising and investing into smaller companies in the UK through tax efficient schemes, working alongside management teams to grow their businesses before exiting to deliver returns for investors.

The Fund will target investment in companies where we believe Williams' expertise and services can be harnessed to assist with the development of the businesses, towards successful exits at high value multiples.

We believe there are four key reasons why you might consider this an attractive investment opportunity.

1 ENGINEERING AND TECHNOLOGY ADVISER

Since 2010 the Williams Group has diversified its operations to offer technology and engineering services under a dedicated division.

Williams Advanced Engineering provides technical innovation, engineering, testing, manufacturing and operational consultancy services to the automotive, motorsport, defence, aerospace, healthcare and energy sectors. With its highly experienced and dedicated engineering and commercial team it provides services to a number of corporate clients operating internationally. Employing more than 250 people, Williams Advanced Engineering currently has more than forty ongoing projects for twenty different customers.

With its work across a range of industry sectors it is well positioned to identify growing market opportunities. Through its reputation and commercial relationships, Williams Advanced Engineering also has access to an exciting pipeline of investment opportunities. Given this market insight and technical expertise, it is able to provide technical due diligence on small to medium sized businesses ("SMEs") and provide services to assist with the development of technologies and portfolio firms towards commercialisation.

The Williams brand is synonymous with world class engineering, innovation and performance and investee companies could benefit from this association (subject to agreement with each investment company).

2

DISRUPTIVE TECHNOLOGIES

The Fund will target businesses with potentially market-disruptive

technologies that have achieved a good level of success prior to investment. This success is likely to be a mixture of strong patents, promising market trials and a clear road map for how to move the technology and associated businesses towards commercialisation.

The UK is a hotbed of innovation and Williams' location just south of Oxford places it within one of the UK's most important technology regions, with a thriving early stage community backed by world class academics and technology institutions.

A powerful delivery-focused collaboration results from combining specialist support from the Williams Advanced Engineering teams, alongside the strong investment track record that Foresight has demonstrated in supporting entrepreneurial and innovative businesses over the last 34 years.

The Fund will seek to generate significant returns for Investors. The pipeline of qualified opportunities is strong with good coverage from a mix of traditional technologies being used in new applications, as well as new advanced data-rich technologies being prepared to disrupt incumbents. This information Memorandum provides a case study on 'Utonomy', an investment made by the Fund, in addition to some other examples of potential investment opportunities, and shows how investment from the Fund could drive the businesses through to commercialisation and exit.

3

FORESIGHT'S TRACK RECORD

Established in 1984, Foresight Group is proud of its 34 year track record

of investing into and growing small companies. Foresight now has c.£2.8 billion of assets under management and a wide and varied investor base of private and institutional investors.

Foresight managed Venture Capital Trusts and Enterprise Investment Schemes have over 22,000 shareholders with some £450 million invested. Foresight VCT, formerly Foresight Technology VCT, remains one of the UK's most successful VCTs since launch, having paid out more than £55 million in tax-free dividends and much of this was derived from successful investments and exits in the technology and engineering sectors.

Using its extensive network of non-executive directors and entrepreneurs, Foresight is well positioned to introduce senior resource to investee companies to optimise opportunities for commercial success. Foresight's established network of corporate finance advisers and intermediaries opens up access to many similar business opportunities. The Fund will continue Foresight's long history of supporting innovative and entrepreneurial businesses.

4

EIS QUALIFYING INVESTMENTS FOR TAX RELIEF

The Fund will invest in companies that are

expected to qualify under the Enterprise Investment Scheme (EIS), one of a very small number of tax-efficient schemes officially sanctioned by HM Revenue and Customs. Subject to your personal circumstances, investments should qualify for a number of tax reliefs including 30% income tax relief and capital gains tax deferral on amounts invested and capital gains tax exempt growth of investments. Further details of the tax reliefs are available on page 26. It is our intention that all of the monies invested will be into EIS qualifying companies.

We hope that you find this Information Memorandum clear and easy to understand. You can call us on 020 3667 8199 for more detail at any time. You should seek financial advice before you invest in the Fund. When you are ready to invest, you will find Application Forms from page 56 onwards.

Bernard Fairman
Chairman,
Foresight

Foresight
ventures

“ *Small businesses are the engine of the British economy and by continuing to innovate they are ensuring their successful growth and contributing to productivity and prosperity in our country.*

We want Britain to be the best place in Europe to innovate, patent new ideas and start a business.

Jo Johnson

Minister of State for Universities, Science, Research and Innovation (2016-2018)

Common Business Objectives

Foresight and Williams Advanced Engineering are entrepreneurial businesses that focus on innovation, flexibility and sustainability.



3. Key facts

Fund Name	Foresight Williams Technology EIS Fund
Fund structure	Unapproved EIS Fund
Minimum investment	£10,000
Sector focus	Unquoted companies that have early-stage disruptive technologies applicable across a wide range of industrial uses
Target expected portfolio size	Minimum of 10 investee companies*
Investment Horizon	Target 18 months from date of subscription for clients to be fully invested.
Fundraising timetable	Evergreen - the Fund is open for subscription on an ongoing basis**

* Depending on the funds raised and the investment opportunities secured.

** The Fund may be closed for new subscriptions at any time.

4. Investment Opportunity and Strategy

Technology and Engineering Innovation at its core

The Fund's core investment strategy is to focus on early stage companies with strong intellectual property ("IP"), operating in attractive markets - £100m+ market size or more, where Williams' technology, engineering, commercial and promotional added value support may offer a distinct advantage to Investee Companies. Rather than having a particular sector focus, the Fund is aligned to capabilities where Williams Advanced Engineering could add value. Where appropriate, the Fund will also consider co-investing with other EIS funds, family offices, IP investing groups and/or university spin out funds. This is to provide additional investment for companies as well as spread the risk of early stage investment.

The Fund will seek to make investments typically of between £500,000 and £3 million in each company, using ordinary shares so as to comply with EIS rules. However, some investments will be made on a tranching basis, based on agreed milestones of technology development and progress.

Where Williams Advanced Engineering and Investee Companies agree to work together on specific projects, a Master Services Agreement (MSA) will be put in place between Williams (or an affiliate) and the Investee Company to enable the two companies to work closely together. The scope of these services will vary depending on the technology and stage of development. Typical support could include a range of engineering, prototyping and commercial services such as assisting with the development of supply chains and collaborations. Williams may also be able to offer promotional support to investee companies.

From a governance perspective, Foresight will seek to appoint an Investor Director and where appropriate a non-executive chairman or director to each Investee Company. They will provide not only guidance and support to the management team but also to help drive the development strategy of each business over the 3 to 5 years after investment and as they set out their exit strategies. These non-executive chairmen and directors may be sourced from Foresight's extensive network of individuals across the UK.

INVESTMENT CRITERIA

Foresight believes that there are a number of elements that lead to a successful EIS investment. The Fund will focus on the following criteria when evaluating potential investment opportunities.



WILLIAMS ADVANCED ENGINEERING VALUE-ADD:

The focus will be on early stage companies where Williams' technology, engineering, commercial or promotional added value support may offer a distinct advantage.



DISRUPTIVE TECHNOLOGY:

The Fund will seek businesses that have developed market leading and/or innovative technology that has clear commercial advantages to the end customer.



A ROADMAP TO COMMERCIALISATION:

Investee Companies will have a clear path to commercialisation in less than 36 months from the point of initial investment.



MARKET OPPORTUNITY GREATER THAN £100 MILLION:

The opportunity should have a minimum global addressable market size of £100 million.



Businesses with the potential to deliver 10x multiples at exit.



A strong and ambitious management team: The Fund will focus on working with and building experienced teams with a track record of success in the sectors and markets in which their companies operate.

These criteria are indicative only and the Fund will have the discretion to invest in companies which may not exhibit all of these characteristics.

4. Investment Opportunity and Strategy

The Foresight Williams Technology EIS Fund offers investors the chance to invest in a wide range of disruptive technology companies seeking to exploit their IP through scalable, commercial operations. These technologies are likely to have been developed by small teams that operate in both the academic and commercial sectors. The Fund will use the support of the Williams team as well as an investment process geared towards tax-efficient risk-based investments. The Fund will support innovations that typically sit between the stages of applied research and pre-commercial deployment. This stage is defined as being between levels 4 and 8 on the Technology Readiness Level (“TRL”) spectrum (see page 10 for more information).

Investors will have access to a diverse technology base with innovation at its heart. With the combination of the technical, commercial and promotional experience of Williams Advanced Engineering alongside Foresight’s investment expertise, experience of early-stage opportunities and nurturing of UK SMEs, portfolio companies will be offered dedicated support to accelerate their technologies towards commercialisation.

The Fund will work with a wide range of institutions to identify and develop a strong pipeline of opportunities. This will ensure a breadth of investments across different markets and technologies that are aligned to the potential for Williams to add value, such as:



Lightweight structures



Composites, materials and nanomaterials



Battery systems and energy storage



Data analytics



Aerodynamics and thermodynamics

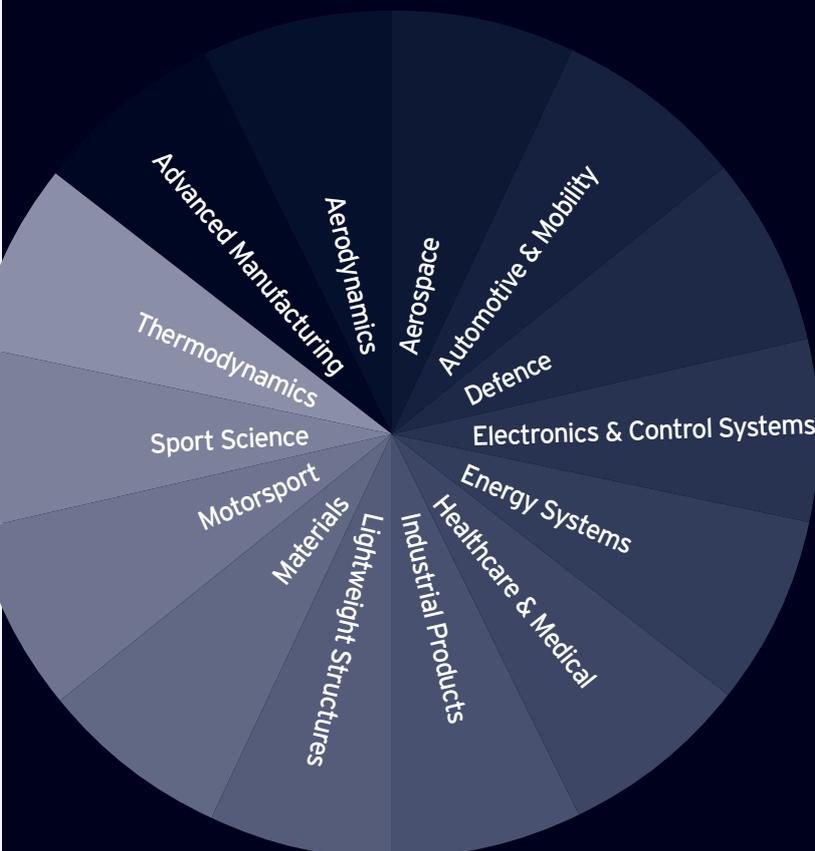


Electronics and control systems



Advanced manufacturing

SECTORS AND COMPETENCIES



“As we continue to receive requests for support from businesses we are increasingly finding that Formula One know-how and technology can benefit other industries.”

Claire Williams
Deputy Team Principal, Williams

4. Investment Opportunity and Strategy

Each opportunity will have technology in development at a stage typically between levels 4 and 8 on the TRL index, ie from technologies that have achieved proof of concept up to technologies that are incorporated in commercial designs but are yet to reach full commercial deployment and scale.

The TRL scale was originally developed by NASA to describe the level of technology maturity between initial idea and commercial deployment, and this scale is now adopted and widely used across government, academia and industry. We are seeking to deploy investment into businesses both pre- and post-revenue that fit the sector focus areas.

The Fund will derive pipeline from sources as diverse as:

- InnovateUK including the Catapults
- Science and Technology Facilities Council
- University Technology Transfer Offices
- Angel Investor Networks
- Innovation Networks
- Other VC Funds with similar objectives
- Corporate Partners

TECHNOLOGY READINESS LEVEL ("TRL")								
1	2	3	4	5	6	7	8	9
RESEARCH		APPLIED RESEARCH & DEVELOPMENT			DEMONSTRATION		PRE-COMMERCIAL DEPLOYMENT	
Basic Research	Applied Research	Proof of Concept	Lab Testing Compon't	Lab Testing System	Prototype System Verified	Pilot System Demo.	Incorp. In Comm'l Design	Full Comm'l Deploy't
STAGES OF COMMERCIALISATION								
1	2	3a	3b	3c	3d	4a	4b	4c
CONCEPT	SEED	PRODUCT DEVELOPMENT				MARKET LAUNCH/GROWTH		
Idea To Exploit	Market Research, Initial Product Spec	Resource & Plan	Validate Market & Build Venture	Route To Market, Supply Chain	Client Trials & First Sale	Market Entry	Proven	Growth
3	4	5	6	7	8	9 TRL		

Courtesy: Carbon Limiting Technologies Ltd



Williams Advanced Engineering and Foresight will work alongside each other to provide market leading technical and engineering support as well as commercialisation know-how.

Craig Wilson
Managing Director,
Williams Advanced Engineering

Bernard Fairman
Chairman,
Foresight Group

5. Engineering and Technology Adviser

Williams Advanced Engineering

Williams Advanced Engineering is the advanced engineering services and technology division of the Williams Group which also includes Williams Grand Prix Engineering Limited, a company that operates a leading Formula One racing team. Williams Grand Prix Engineering Limited was formed in 1977 by Sir Frank Williams and Sir Patrick Head and has secured 16 FIA Formula One World Championship titles since its foundation.

Since 2010, the Williams Group has diversified its operations to offer Williams Advanced Engineering, a technology and engineering services business that places the group's Formula One expertise at its core. Combining a selection of advanced engineering tools and some of the industry's best engineers with speed-to-market derived from four decades of success in the ultra-competitive environment of Formula One, Williams Advanced Engineering provides technical innovation, engineering, testing and manufacturing services to the automotive, motorsport, defence, aerospace and energy sectors.

Williams Advanced Engineering has grown significantly since its creation. Having opened a dedicated new facility in 2014, the business currently employs more than 250 people working on some 40 projects for 20 different customers.

PREVIOUS WILLIAMS TECHNOLOGY INCUBATION EXAMPLE: HYBRID TECHNOLOGY

The genesis of the diversification of the Williams Group was the hybridisation of Formula One in 2009. However, the origins of Williams Advanced Engineering can be traced back even further, as the Williams Group had undertaken projects outside of Formula One on an ad hoc basis for over 30 years, such as creating the Metro 6R4 rally car in the 1980s, and running touring cars for Renault and Le Mans cars for BMW in the 1990s.

Mobile flywheel technology had been evaluated by the Williams Group for the Formula One car. The Williams Group also identified other uses for the technology in other industries such as public transport, and began to commercialise it, through a new venture, Williams Hybrid Power Limited. Williams Hybrid Power Limited was eventually sold to global engineering firm GKN plc in 2014.

With the expertise in hybrid propulsion systems growing, the Williams Group was approached by Jaguar Land Rover in 2010 to help in the creation of their C-X75 hybrid supercar.

BROAD DIVERSITY OF SKILLS

The team at Williams is deployed across a wide range of engineering skill sets including mechanical and industrial design, electrical, electronics and control systems design, and working in areas such as: prototype, additive and advanced manufacturing. Engineering programmes are supported by specialists across disciplines including aerodynamics, thermodynamics, materials and structures.

Williams Advanced Engineering has access to the Williams Formula One team's extensive testing and manufacturing facilities which include wind tunnels, test cells, materials labs, additive manufacturing, composite production and conventional machining facilities. Engineering projects are supported by dedicated programme management and procurement teams.

TECHNICAL DUE-DILIGENCE

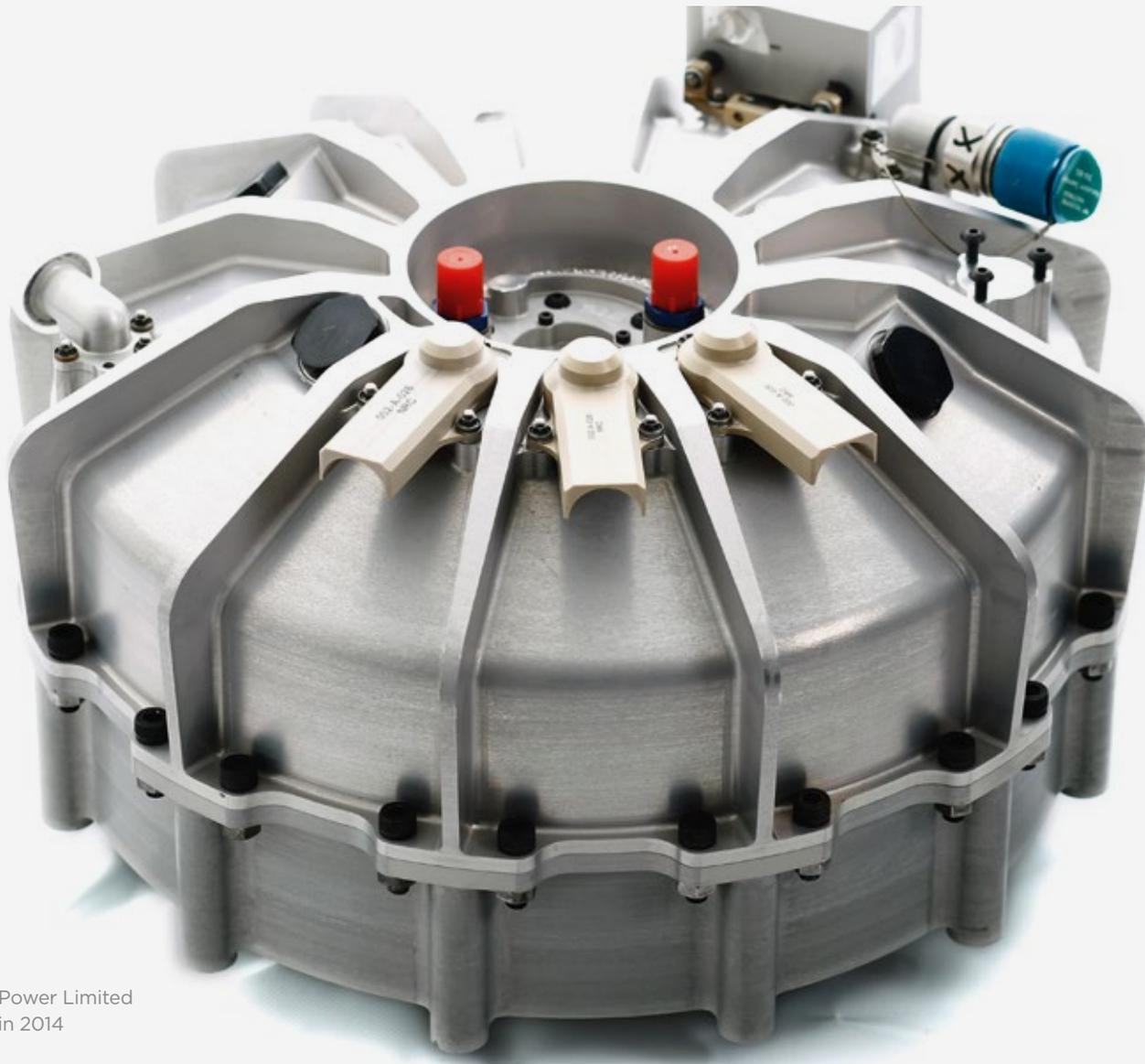
While Foresight will take responsibility for selecting and structuring the investment opportunities, Williams will undertake technical due diligence and, unless otherwise agreed with Foresight, will procure IP due diligence relating to the strength of any patents. As part of this due diligence process, Williams will analyse the technical maturity of the technology including its TRL, identify any significant hurdles and identify where Williams Advanced Engineering may be able to add value. The type of target company and its assets will influence to some extent the technical due diligence necessary, for example for a control systems company Williams may want to assess whether the control algorithms developed by the company comply with recognised code development standards, whereas for a manufacturing business Williams will want to assess manufacturing processes and quality standards. The overall process will be largely similar irrespective of the business type, but adjusted to suit where more depth is necessary.

In summary, the goals of the technical appraisal and technical due diligence are to assess the following:

- Technical capabilities of the technology including the maturity of the technology (TRL)
- Technical capabilities of the team
- Strength of patents
- Potential for Williams Advanced Engineering to add value

“ We are a world-class engineering company that happens to go racing

Sir Frank Williams
Founder and Team Principal,
Williams



Williams Hybrid Power Limited
sold to GKN plc in 2014

5. Engineering and Technology Adviser



WILLIAMS ADVANCED ENGINEERING AWARDS

2018

Queen's Award for Enterprise in Innovation

2018

Royal Academy of Engineering
MacRobert Award Finalist

2017

**MIA Business Excellence Award for
Technology and Innovation**

2017

ISO 9001:2015 awarded July 2017

2016

IET Innovation Awards
Winner - Horizontal Innovation

2016

British Engineering Excellence Awards
Winner - Consultancy of the Year 2016

2015

Royal Automobile Club Simms Medal
For the Formula E battery

2015

Race Tech World Motorsport Symposium
Most Innovative New Motorsport Product of the Year -
for the Formula E battery

2015

IET Innovation Awards
Finalist

2014

British Renewable Energy Awards
Pioneer Award - for stationary flywheel energy storage

2013

Oxford Brookes Innovation Award

2012

Motorsport Industry Association
Business of the Year 2012

Compact Electric Assist Hub Technology

SELECTED WILLIAMS ADVANCED ENGINEERING CUSTOMERS



THALES



NISSAN

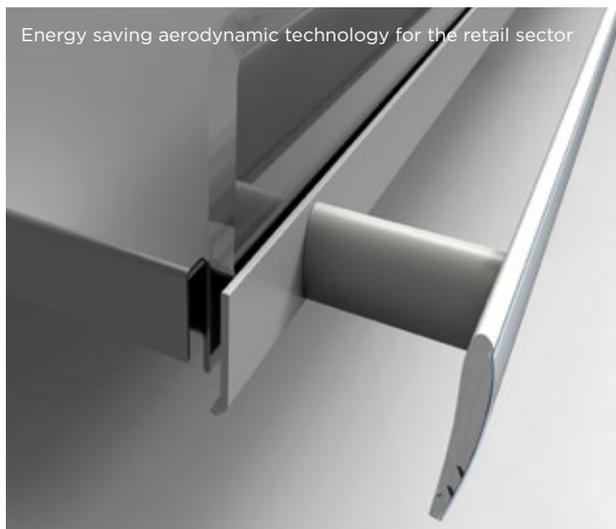
BROMPTON ELECTRIC FOLDING BICYCLE

Working with Brompton, Williams Advanced Engineering was responsible for the mechanical, electrical and electronic aspects of the Brompton Electric system including the design and development of a novel patented electric assist hub.



Case Study: Aerofoil Technology

Williams Advanced Engineering has collaborated with UK start-up Aerofoil Energy to develop a new aerodynamic device that can reduce significantly the energy usage of refrigerators in supermarkets and convenience stores.



Energy consumption makes up a significant percentage of a supermarket's operational costs. Open fronted multi deck refrigerators consume excessive energy, with some of the cold air used to cool produce spilling out into the aisles resulting in increased energy consumption and "cold aisle syndrome" which can be unpleasant for shoppers. Aerofoil Energy and Williams Advanced Engineering are developing a new retrofittable aerofoil system that attaches onto each refrigerator shelf to keep more of the cool air inside the refrigerator cabinet. This innovative technology can deliver significant energy savings for supermarkets and convenience stores, with corresponding benefits for their carbon footprint. Aerofoil Energy is working closely with Williams



Williams Advanced Engineering and Aerofoil Energy won the award for Horizontal Innovation at the 2016 IET Innovation Awards for their work on this aerofoil technology.

Aerofoil Energy is a good example of the type of company in which Foresight Williams Technology EIS Fund might invest and is itself a potential investment opportunity.

to refine the aerofoil concept, utilising Williams' proven expertise in aerodynamic design and testing from four decades of success in Formula One racing. Williams uses computational fluid dynamics to model and simulate new designs before testing at its facilities in Oxfordshire.

Sainsbury's uses 1% of the UK's energy in total. As part of its 20x20 Sustainability Plan, Sainsbury's has committed to reducing its absolute operational carbon emissions by 30% by 2020 and this technology can play a key role in achieving this target.

In November 2017 Sainsbury's announced that it would roll out aerofoils across its 1,400 UK stores and in September 2018 Asda announced that it will install aerofoils in 187 of its supermarkets.

“ By keeping the cold air in our fridges using this technology, we'll see an energy reduction of up to 15% which, when multiplied across all of our stores is a significant amount of energy saved. By looking outside of our industry, and borrowing technology from an industry that is renowned for its speed and efficiency, we are accelerating how we are reducing the impact on the environment whilst making shopping in Sainsbury's stores a more comfortable experience

Paul Crewe, Head of Sustainability, Engineering Energy and Environment, Sainsbury's (2008 - 2017)



6. Fund Manager

Foresight is a leading independent infrastructure and private equity investment manager owned by its partners, who together have combined investment experience of over 200 years across a wide variety of sectors. The investment teams operate on a collaborative basis with a pro-active and pragmatic investment style. Foresight's vision to be a leader in investing in trends ahead of the curve is achieved through its dynamic and entrepreneurial values of flexibility, innovation, problem solving and a commitment to attracting and retaining the best professionals in the industry.

Foresight was founded in 1984, initially as an early-stage technology investor. The two founders, Bernard Fairman and Peter English, raised a £20m venture capital fund, which was invested in unquoted technology companies in the UK, Europe and USA and returned £80 million to investors. Building on the success of the first fund, in 1997 Foresight raised one of the first VCTs, the technology/media focused Foresight VCT plc. which still remains one of the best performing VCTs ever launched 21 years later. Foresight has since diversified its activities into infrastructure with a specialist focus on renewable energy projects including solar, waste and smart data. The Group has its headquarters in London, and has operations in Italy, USA and Australia.

With assets under management of c. £2.8 billion, raised from UK and international private and high net worth individuals, family offices, pension funds and other institutional investors, Foresight strives to generate capital appreciation for its investors over the long term alongside the additional benefit to UK tax payers of tax reliefs available through the Enterprise Investment Scheme.



Over the last 3 years, Foresight has raised a number of Regional Growth Funds based out of Foresight offices in Nottingham and Manchester. These funds, cornerstoned by local government pension funds and in one case the British Business Bank, are targeting growth capital deals across these regions, investing between £100,000 and £5 million into technology related and more traditional management led businesses.



c.£2.8 BILLION

ASSETS UNDER MANAGEMENT



AVG. 3X SME RETURNS

ON FULL OR PARTIAL EXITS SINCE 2010



GENERATING ENOUGH CLEAN ENERGY FOR

630,000

UK HOMES



1.1GW

OF SOLAR GENERATING CAPACITY



REGIONAL GROWTH FUNDS

BASED OUT OF OFFICES IN

**NOTTINGHAM, MANCHESTER,
MILTON KEYNES & LEICESTER**

These examples are not representative of the only investments or returns the Fund may make.

Investing in unquoted investments is high risk. Capital is at risk.



Early-stage technology realisations that Foresight has successfully achieved include:

Simulity

Technology: Embedded comms software for SIM cards
Amount invested: £4.0m
Exit: Purchased by ARM
Proceeds: £11.7m

3x

Alaric

Technology: Credit & debit card authorisation & anti-fraud software
Amount invested: £2.2m
Exit: Purchased by NCR Corporation
Proceeds: £10.9m

5x

Advanced Composites Group

Technology: High performance composite materials
Amount invested: £1.6m
Exit: Purchased by UMECO
Proceeds: £10m

6x

AppDNA

Technology: Apptitude software to evaluate compatibility of a change in software operating systems
Amount invested: £0.8m
Exit: Purchased by Citrix Systems Inc
Proceeds: £25.0m

32x

Gemplus

Technology: Smart cards
Amount invested: £1.9m
Exit: Floated on Euronext Paris and Nasdaq
Proceeds: £57.5m

30x

7. Fund Details

The Fund will invest into early-stage, unquoted companies that in some instances are yet to achieve any revenues and in the majority of instances will not have reached the point of profitability.

Investments of this type carry a high degree of risk.

Investment of Investors' Subscriptions could take up to two years, although it is anticipated that it will take around eighteen months.

Investors' portfolios will be diversified across at least 10 different holdings

Investors' portfolios should benefit from diversification in at least ten investments (depending on available opportunities). As Investments arise at different times, an Investor might not make the same Investments as another Investor who made their Subscription at an earlier or later date. The Fund Manager will normally allocate investments with regard to the value and date of Investors' original Subscriptions and the value of Investors' remaining Subscriptions at the time the opportunity arises.

The Fund is structured as an Unapproved EIS Fund

The word 'unapproved' applies to the tax status of the Fund, not the qualifying nature of the underlying investments. Investors in unapproved EIS Funds become entitled to claim the tax reliefs (as explained below) as and when shares in the underlying companies are issued.

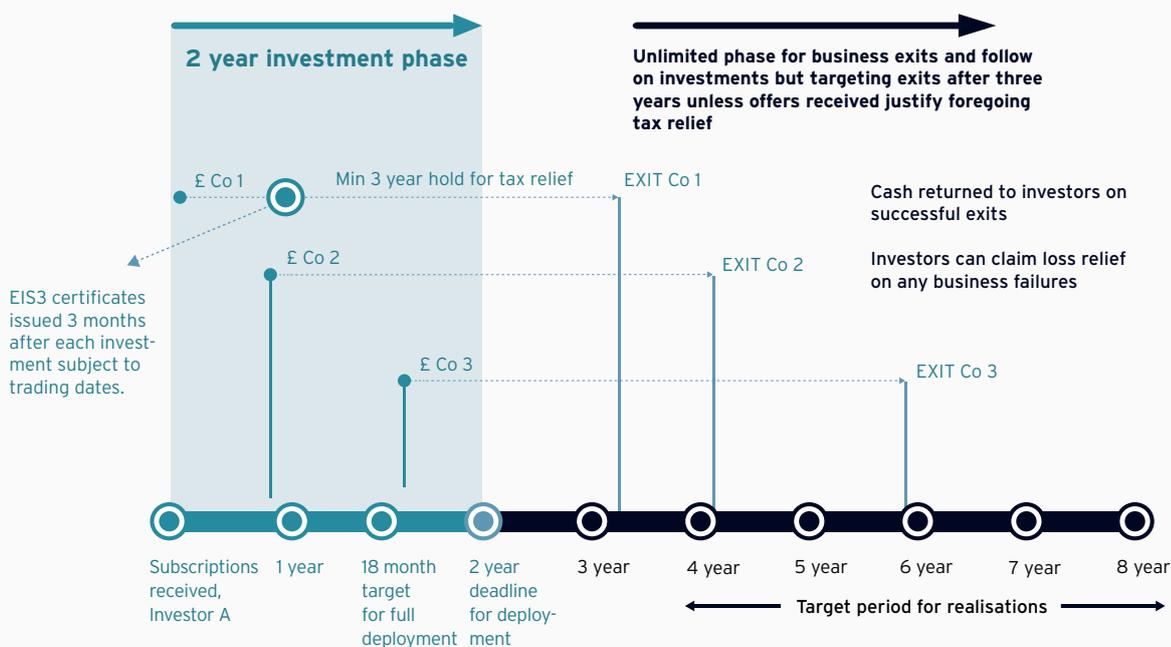
The Fund should be viewed as a long-term investment (4 to 8+ years)

It will take up to two years to deploy Investors' Subscriptions into underlying companies, although we target completing this in 18 months. Each investment must be held for a minimum of three years from the point of investment to maintain the income tax relief and it may take considerably longer than three years to realise investments on behalf of investors in order to return money to them.

Returns will be generated through the sale of shares in portfolio companies

Monies will not be returned in consolidated form at one time. Instead Investors should expect to receive their proceeds over a period of time. Portfolio holdings in the Fund will be illiquid and will be realised from time-to-time as and when opportunities arise. Liquidity is likely to arise over a 4 to 8+ year period.

INDICATIVE TIMELINE FOR AN INVESTOR'S SUBSCRIPTION



This timetable is for illustrative purposes only and does not accurately represent when investments or exits will be made.

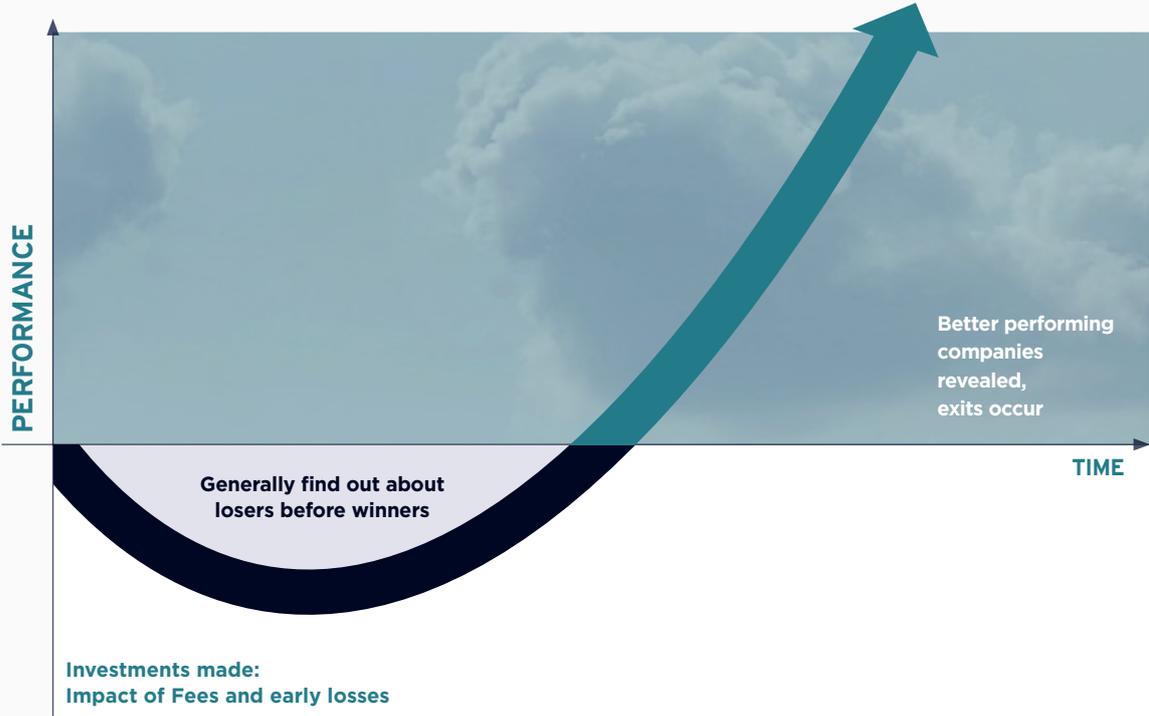
8. Investor Suitability

Prospective Investors into the Fund should consider the following prior to deciding whether or not to invest:

<p>1</p> <p>It is almost inevitable that certain companies within the Portfolio will reduce in value, possibly to zero.</p>	<p>2</p> <p>Investing into companies at an early stage offers the potential for very high returns on the 'winners' within the Portfolio. Typically, the earlier an investment is made into a company, the greater the potential return.</p>	<p>3</p> <p>It is typically the case with early-stage venture capital that investments go through a 'J' curve effect over the Fund's lifetime. In the early years, Fund portfolio valuations tend to reduce as investments are made and fees are incurred. Typically, the weaker investments within the Portfolio come to light before the stronger investments emerge. In other words, it is likely that some investments in the Portfolio will be written down prior to others in the Portfolio being written up.</p>
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*Foresight is not responsible for confirming whether this Fund is suitable for any particular investor. Any investor who is unsure should consult a financial adviser. Foresight also cannot advise professional clients.

THE 'J' CURVE

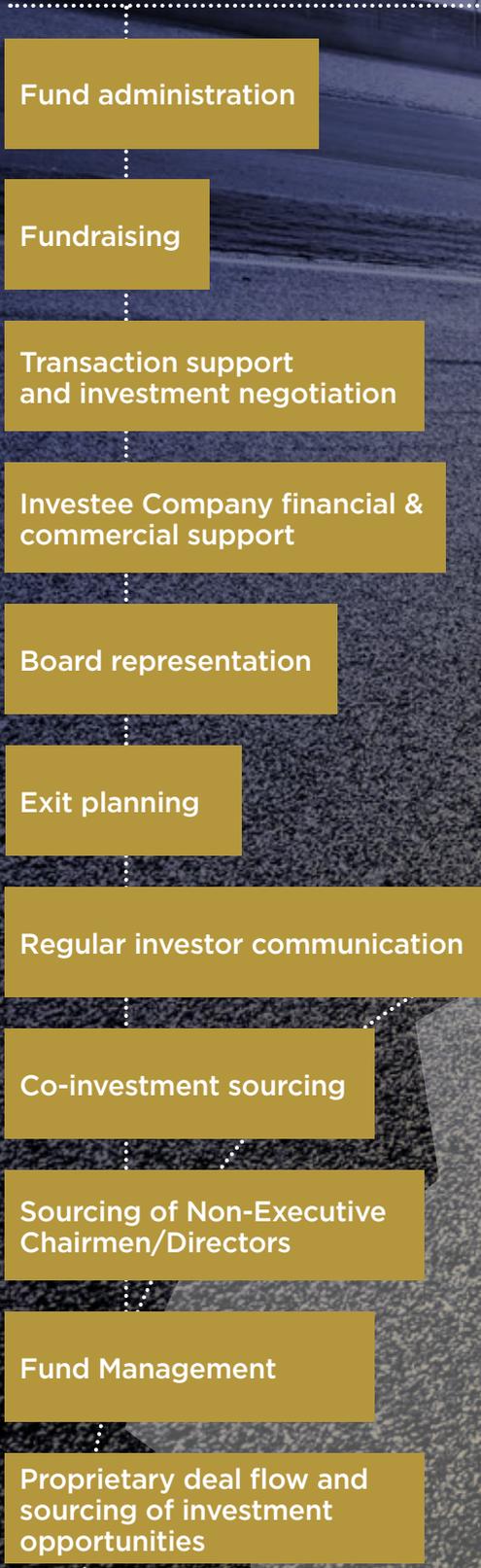


Source: Foresight for illustrative purposes only and is not a reliable indicator of future results.

COLLABORATIVE WORKING RELATIONSHIP

FORESIGHT GROUP

responsible for



WILLIAMS ADVANCED ENGINEERING

responsible for



*Williams Advanced Engineering will, in addition, unless otherwise agreed with Foresight, procure IP due diligence relating to the strength of any patents.

9. Deal flow

Existing Pipeline and Future Deal Flow Strategy

Foresight and Williams are proactively identifying investment opportunities meeting the Fund's investment criteria and leveraging the existing deal flow generated by their teams. Since the Fund was launched in November 2016 the investment team has sourced and reviewed over 400 opportunities. In addition, Foresight reviews more than 1,500 investment opportunities every year across the UK at various stages of the growth cycle including early and later stage technology oriented businesses. A number of channels are used to build a quality pipeline for the Fund, using the combined networks of Foresight and Williams, as well as direct sourcing of new opportunities. We believe that SMEs could benefit from the potential support offered by Williams Advanced Engineering, and that offer of support distinguishes this fund from many other EIS funds.

The Fund generates new deal flow by engaging with Foresight's existing industry contacts built up over 30+ years, partnering with universities with a track record of developing spin outs, working with co-investors, supporting Government's micro business and Intellectual Property ("IP") initiatives, and ensuring a presence at relevant technology conferences. Moreover, the Fund will hold a series of marketing events annually to target off-market opportunities.

Co-investors are an important source of deal flow for the Fund. Foresight and Williams have already engaged with a number of funders whose investment profiles are aligned to the Fund across early stage VCs and innovation groups. Foresight is already establishing or further building close relationships with these funders.

The collaboration between Foresight and Williams has already attracted inbound deal flow from companies that recognise the substantial benefits a corporate sponsor can lend their business, particularly one with a track record of developing and commercialising engineering led IP.

1. VC co-investors

Foresight and Williams are aware that many of the VC firms and some corporate venture capital groups in their networks are interested in co-investment opportunities in order to share the risk and also benefit from Williams' added value services.

2. University tech-transfer offices/university spin-outs

Through Williams' university relationships, Catapults, incubation and accelerator centres, Williams is well placed to identify deal flow.

3. Family offices

Foresight has access to dealflow through its family office network.

4. Self-sourced

Attending conferences, inbound leads, innovation events, conducting targeted marketing to create market pull in specific market and/or technology areas.

10. Example Investment Opportunities

Set out below are some examples of companies with disruptive technologies which could be suitable investment opportunities for the Fund. Foresight and Williams Advanced Engineering are currently evaluating companies like these for suitability with respect to the Fund.

The details in this section are provided to give potential investors a flavour of the types of investments the Fund may make; the Fund may or may not invest in any of the companies identified here.

FREEFLOW TECHNOLOGIES LTD

E-bike technology with a patented transmission system that provides higher power density than existing solutions as well as being lighter, smaller and cheaper.

DESCRIPTION:	Patented e-bike transmission system
SECTOR:	Consumer Leisure
MARKET OPPORTUNITY:	£8bn
TRL:	5

WILLIAMS ADDED VALUE

MECHANICAL DESIGN, CONTROLS, ENERGY SYSTEM (BATTERY & PROPULSION)
PROTOTYPING AND PRODUCTION ENGINEERING.



NB: The Fund completed an investment of £1.7 million into FreeFlow Technologies Limited on 5 October 2018

INOVO ROBOTICS

Low-cost intelligent collaborative robot ("cobot") arm, desk mountable and safe to work alongside humans to facilitate automation of batch manufacturing in 80% of manufacturers for whom automation is too complex or costly.

DESCRIPTION:	Low-cost modular cobot with easy to use software interface
SECTOR:	Advanced manufacturing and industrial products
MARKET OPPORTUNITY:	£3bn
TRL:	4

WILLIAMS ADDED VALUE

DESIGN DEVELOPMENT, CONTROLS, MOTOR AND TRANSMISSION PROTOTYPING AND PRODUCTION ENGINEERING.



11. Portfolio

UTONOMY

Ground-breaking intelligent gas grid solutions provider Utonomy is the first business into which the Fund has invested (£1.2m).

DESCRIPTION:	Gas grid solutions provider
SECTOR:	Energy Industrial
MARKET OPPORTUNITY:	£450m
TRL:	7

WILLIAMS ADDED VALUE

ACTUATOR HARDWARE DEVELOPMENT,
ACTUATOR CONTROL SYSTEM DEVELOPMENT



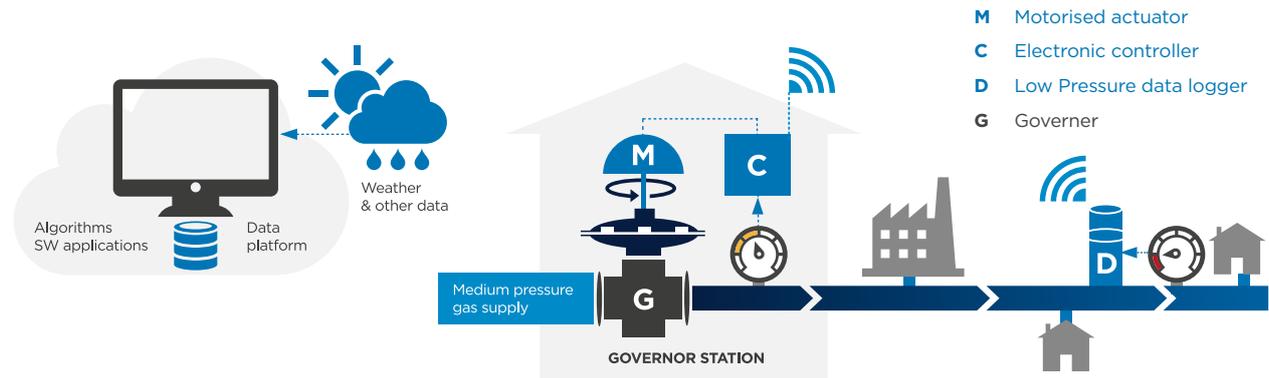
Established in 2015, Utonomy has developed an innovative technology for reducing leakage in gas distribution networks. Its unique “internet of things” solution automatically optimises gas distribution pressures through electromechanical actuators retrofitted to the network and controlled by intelligent, cloud-based software.

The leakage of methane from gas distribution networks is a massive global problem, with over 300bn MWh of potent greenhouse gas lost from networks around the world each year. This is estimated to cost consumers more than £5bn per annum, not to mention the impact that this leakage has on the environment, releasing the equivalent of 1.7bn tonnes

per annum of CO2 into the atmosphere - more than four times the total emissions of the UK.

Building on their proven expertise in precision engineering, systems integration and optimisations, Williams Advanced Engineering is well-placed to support the design and development of the actuator technology, a critical component of the Utonomy gas network management solution. Foresight’s experience in growing businesses and expanding them globally will be invaluable to Utonomy in the commercialisation of their technology and the expansion of their business.

OPTIMISING GAS NETWORK PRESSURE: UTONOMY SOLUTION



“ We are delighted to receive investment through the Foresight Williams Technology EIS Fund. This will enable us to complete the product development, certification and customer trials of our innovative solution for reducing methane emissions. We are very pleased to get the chance to work with Williams Advanced Engineering to develop our technology further and to have the support of Foresight to grow Utonomy into a world leading company.

Adam Kingdon CEO Utonomy

12. Team

Three senior partners of Foresight will play important roles in relation to the Fund alongside senior executives at Williams Advanced Engineering.

Bernard Fairman

**Chairman,
Foresight Group**

Bernard has over 35 years' investment experience. He founded Foresight Group, formerly VCF Partners, with Peter English in 1984, having worked with several small electronics companies before joining the newly formed 3i Ventures in 1981. Bernard began his career with a degree in economics from Nottingham University as an oil investment analyst with Panmure Gordon, then moved to Edward Bates, a specialist City investment bank.

David Hughes

**Chief Investment Officer,
Foresight Group**

David is responsible for Foresight's overall investment activities and portfolio management. He has 40+ years' experience of unquoted investment management, initially with 3i and subsequently establishing fund management operations for Framlington Investment Management Ltd, Baltic plc and Bank Austria AG, London. David has been involved in VCT management since 2004.

Gary Fraser

**Finance Director,
Foresight Group**

Gary is a Chartered Accountant and Chartered Fellow of the Securities Institute. He has over 20 years' experience in finance and investment, and worked for Ernst & Young and ISIS Asset Management before joining Foresight in 2004.

Craig Wilson

**Managing Director,
Williams Advanced Engineering**

Craig joined Williams Advanced Engineering in November 2013 as Managing Director, and has seen the business successfully grow in the Automotive, Motorsport, Defence, Aerospace and Energy sectors. Before joining Williams Advanced Engineering, Craig co-founded an engineering consultancy specialising in bringing sustainable transport projects to market. Craig is also a Director of Williams Technology Ventures Limited.

James Colgate

**Group Strategy Director,
Williams Grand Prix Engineering Limited**

James joined the Williams Group in 2011 and is a member of the Executive Management Team, responsible for the development, communication and deployment of the business strategy across the Williams Group of companies, along with his responsibilities as a Director of Williams Technology Ventures Limited.

Martin Hudson

**Financial Director,
Williams Advanced Engineering**

Martin has been Finance Director of Williams Advanced Engineering since 2016. He started his career at Ford Motor Company, and also worked at a smaller automotive company during a period of rapid growth. Away from the automotive world, Martin spent a number of years in the industrial manufacturing sector, including involvement in international M&A activity. He has more than 6 years of experience in businesses applying knowledge and know-how from the automotive and motorsport sectors to other industries. Martin qualified as a CIMA associate in 2003 and holds a first class honours degree in Mathematical Sciences with German from Liverpool University.

Christian Bedford

**Head of Legal,
Williams Advanced Engineering**

Christian is Head of Legal for Williams Advanced Engineering and a member of the company's Senior Leadership Team. Prior to joining Williams in 2012, Christian was an Associate in the Intellectual Property Group of law firm Allen & Overy LLP, where he was responsible for advising clients on a variety of commercial and legal matters. Christian has been practising law for over 10 years and was awarded a Distinction for PGDip Commercial Intellectual Property from Nottingham Law School. Christian is also a Director of Williams Technology Ventures Limited.

12. Team

The core team that will be responsible for identifying potential investment opportunities for the Fund is shown below. Foresight has established a separate Investment Committee comprised of Foresight personnel and/or representatives with responsibility for selecting Investee Companies.

John Holden

Director,
Foresight Group

A specialist investor in technology, John joined Foresight specifically to work on deploying the Foresight Williams Technology EIS Fund, leading the Fund's first investment into Utonomy. John has worked in and managed technology investment teams at businesses such as 3i Group, ANGLE and Imperial Innovations before working on his own advisory and funding businesses. John is a graduate of Durham University and has a MBA with Distinction from Cranfield University.

Andrew Bloxam

Senior Investment Manager
Foresight Group

Andrew joined the Foresight Williams team in 2018 and brings over 15 years' experience advising and investing in fast growing UK technology SMEs. Most recently, Andrew was a Director at Committed Capital, a technology-focused EIS investor. Previously he was an Associate at Strata Partners, a technology-focused corporate finance adviser, and an Analyst at investment bank JPMorgan, in the London technology M&A team. Andrew holds an MA in Economics from Cambridge and an MBA from the University of Surrey.

Tom Haywood

Investment Manager,
Foresight Group

Tom's experience straddles both sides of the venture capital fence, as an investment manager at early stage cleantech venture capital and PE turnaround firms but also as co-founder and CFO of a pre-revenue biotech manufacturing company, raising funds from venture capital and governments and forging partnerships with big pharma organisations. At Foresight he is focused on the deployment of the Foresight Williams Technology EIS Fund and management of the portfolio. Tom graduated from UCL with a 1st in classics, has an MSc from Oxford in Biodiversity conservation and management and an MBA from London Business School.

David Miles

Investment Manager,
Foresight Group

David joined Foresight in 2012 as a member of the Finance team before transferring to Foresight's Private Equity division where he is a member of the Ventures team. David acquired operational experience working on secondment to Foresight portfolio company TheldleMan.com and other portfolio companies. David holds a degree in History from Exeter University and is ACCA qualified.

Matthew Burke

Head of Technology Ventures,
Williams Advanced Engineering

Matt is Head of Technology Ventures at Williams Advanced Engineering with his primary responsibility being the Foresight Williams Technology EIS Fund. He joined Williams Advanced Engineering in 2011 spending his first three years at the Williams Technology Centre Qatar leading their stationary energy storage technology commercialisation programme. He returned to the UK in 2014 to take on wider technology commercialisation responsibilities at Williams Advanced Engineering including the development and leadership of the Aerofoil Energy partnership. Prior to Williams Advanced Engineering he has held engineering R&D positions at Tata Motors, Torotrak, and Ford Motor Company. He holds an MSc in Dynamics and Control from the University of Bath, and is a Chartered Engineer and Fellow of the Institution of Mechanical Engineers.

Edward Inns

Investment Analyst,
Williams Advanced Engineering

Ed is responsible for sourcing new investment opportunities for the Fund for and on behalf of Foresight. Prior to WWilliams Advanced Engineering, he has been involved in early stage investments into over 20 science and technology companies since 2015. Ed graduated with an MEng from Oxford University and pursued his interest in scientific research at Cambridge University where he completed his PhD in Biomedical Materials.

Craig Wilson, James Colgate, Christian Bedford, Matthew Burke and Edward Inns have been appointed to carry out the customer functions for and on behalf of Williams Technology Ventures Limited, in its capacity as appointed representative of Foresight.

13. Summary of Tax Reliefs

The tax treatment of any investment will depend on Investors' individual circumstances and all potential investors should, therefore, seek personal tax and financial advice before investing.

Amongst other qualifying requirements, investor's must hold each investment for a three year period from the commencement of each investee company's trade or issuance of their shares, whichever is the later, (the "Three Year Period") to retain the EIS tax reliefs summarised below.

EIS reliefs are only available on EIS qualifying shares. Please note that some fees will be deducted prior to investors' monies being invested in qualifying shares so investors will not receive the tax reliefs on 100% of the money that they invest into the Fund.

A more detailed explanation of the tax reliefs and EIS requirements is set out in Appendix 1.

All references to taxation in this document are to UK taxation and (unless the contrary is stated) assume that an investor is an individual resident in the United Kingdom for tax purposes. Investors who are resident in other jurisdictions are strongly urged to seek their own tax advice.

EFFECTIVE DATE

The 'Effective Date' is the date that shares in the underlying Investee Companies are issued to you, provided the Investee Company is carrying on its trade at that time. The date that monies are paid to the Fund has no bearing on the timing of the tax reliefs.

INCOME TAX RELIEF

Eligible Investors may reduce the amount of income tax they pay by 30% of the amount invested in EIS qualifying shares made through the Fund. For example, if an Investor invests £100,000 in EIS qualifying Investments through the Fund, the Investor can reduce the amount of income tax paid by £30,000. This relief is available on the first £1,000,000 of EIS qualifying investments in each tax year. From 6 April 2018, the relief may be available on the first £2,000,000 of EIS qualifying investments, provided any amounts invested over £1,000,000 are invested in "knowledge-intensive companies". For further details, please refer to Appendix 1. The amount of income tax relief claimed cannot exceed the income tax which an eligible Investor is due to pay.

Eligible Investors can claim the relief against their income tax liability in the tax year that the Fund makes each EIS qualifying Investment (the tax year in which the Effective Date (as defined above) falls). They can also carry back some or all of the relief to the preceding tax year to the extent that they have not used their annual limit in the previous tax year. For example, EIS income tax relief in respect of investments in the 2018/2019 tax year may be carried back into the 2017/2018 tax year up to the annual limit.

The income tax relief can be used to offset any form of income tax including, for example, higher rate dividend tax, tax on savings income and tax arising from property income.

CAPITAL GAINS TAX DEFERRAL RELIEF

Eligible Investors can defer capital gains tax up to the amount invested in Investments made through the Fund. This applies to gains made in the three years before the Effective Date and future gains made up to one year after the Effective Date. Gains are deferred until the EIS qualifying investments are realised. Capital gains tax will apply to the deferred gain at the rate in force when the Investments are sold.

CAPITAL GAINS TAX EXEMPTION

Any capital gains realised on a disposal of Investments made through the Fund after the Three Year Period, and on which EIS relief has been given and not withdrawn, will be capital gains tax free. Any capital gains realised on a disposal within the Three Year Period will (in addition to giving rise to a claw back of income tax relief) be subject to capital gains tax, at the current rate which is either 10% or 20% for individuals (the tax rate used depends on the total amount of the individual's taxable income).

LOSS RELIEF

Any capital losses arising on a disposal of shares in EIS Qualifying Companies can be offset against the individual's gains in the tax year in which the disposal occurs, or, if not fully used, against gains of a subsequent year. Alternatively, on making a claim, the loss may be offset against the individual's income in either the tax year in which the disposal occurs, or the previous tax year.

Under the current tax regime, loss relief of up to 45% can be claimed depending on the Investor's marginal tax rate. Loss relief of up to 20% can be claimed against capital gains

LOSS RELIEF AGAINST INCOME AT THE MARGINAL RATE

	45%	40%
Initial investment	£100,000	£100,000
Less income tax relief at 30%	(£30,000)	(£30,000)
Net investment	£70,000	£70,000
Net loss on investment if shares sold for nil value	(£70,000)	(£70,000)
Loss relief claimed against Income Tax	£31,500	£28,000
Net loss	(£38,500)	(£42,000)
Percentage of initial investment cost	38.5%	42%

13. Summary of Tax Reliefs

given the prevailing tax rate. The amount of loss relief that can be claimed is net of any income tax relief claimed on that Investment. Each Investee Company is assessed individually for losses, regardless of the overall performance of the portfolio. Loss relief is not subject to the Three Year Period, it can be claimed on losses arising at any time.

Worked examples showing how loss relief can be claimed against income tax are shown below.

INHERITANCE TAX RELIEF

Once an Investment made through the Fund has been held for two years, it is expected to qualify for 100% Business Property Relief. This means that an Investment will be an exempt asset for IHT purposes, provided the Investment is held at the date of death. The two year qualifying period commences on the date that shares are allocated.

TIMING

The timing of the EIS tax reliefs is dependent on the time when Foresight makes the investments into the EIS Qualifying Companies (the Effective Date) and when they

each commence trading. The Fund Manager will aim to make investments from Investors' Subscriptions within 18 months following subscription but may take up to two years. As a result, the investments will qualify for income tax relief for the tax years in which the investments are made as well as the preceding tax year via the carry back facility. Each Investee Company will issue an EIS3 certificate as soon as practical following the Effective Date. Typically this takes four months but can take longer and timings are subject to HM Revenue & Customs ("HMRC"). If the Investee Company is not yet trading, it must trade for a period of not less than 4 months before the application for the EIS 3 certificate can be made to HMRC. The EIS 3 certificates will be sent to Investors as and when they become available. These certificates provide the evidence required to claim income tax relief and capital gains tax deferral relief.

Foresight reserves the right to return uninvested funds if it concludes that the funds cannot be properly invested.

Income Tax Relief may be withdrawn or reduced in certain circumstances.

THE RELATIONSHIP BETWEEN CAPITAL GAINS FREE GROWTH AND LOSS RELIEF

One of the attractive aspects of the EIS is the relationship between the different tax treatment of holdings at point of realisation. Investors do not have to pay CGT on holdings which are realised for a profit other than on a deferred gain. If holdings are sold for a loss, then loss relief can be claimed against those holdings as described above.

Each Investment is assessed for the reliefs as opposed to the performance of the whole portfolio.

Consider the following example:

Company	Initial Investment	Income Tax Relief	Net Cost	Exit Value*	Loss Relief	Total Returns
A	£10,000	£3,000	£7,000	£0	£3,150	£6,150
B	£10,000	£3,000	£7,000	£40,000	£0	£43,000
C	£10,000	£3,000	£7,000	£2,000	£2,250	£7,250
D	£10,000	£3,000	£7,000	£0	£3,150	£6,150
E	£10,000	£3,000	£7,000	£10,000	£0	£13,000
Totals	£50,000	£15,000	£35,000	£52,000	£8,550	£75,550

*net of all fees

Initial investment amounts are amounts invested into underlying companies. Assumes investor is able to use all of the available income tax relief. Investor's tax rate is assumed here to be 45% at the time of exit for loss relief calculation.

As illustrated by the table above despite the portfolio delivering only £2,000 of investment gains against initial investment, the total return to the investor is £25,550 due to the initial income tax relief, the CGT on the holdings sold for a profit and loss relief claimed against the loss making investments.

14. Claiming Tax Reliefs

INCOME TAX RELIEF:

Once you have received your EIS3 certificate(s), you should enter the amount invested on your tax return for the year you are entitled to claim the income tax relief at 30%. If you have already submitted your tax return, complete the claim section on the EIS3 Certificate and send it to your tax office.

NB: You will receive one EIS3 Certificate per EIS Qualifying Company and these will arrive separately. It will take around four months from the date of each investment for you to receive your EIS3 Certificates.

CAPITAL GAINS TAX DEFERRAL RELIEF:

Once you have received your EIS3 Form, you should enter the amount invested on your tax return for the year in which you are entitled to claim capital gains tax deferral and complete the claim section on the EIS3 form and send it to your tax office with your return. If you have already submitted your tax return for the relevant gain, you will also need to send the completed EIS3 to your tax office in order to support your claim.

LOSS RELIEF:

You can claim loss relief (if applicable) within one year of 31 January following the year in which the loss was made. You may claim the loss against your gains in the tax year in which the disposal occurs, or, if not fully used, against gains of a subsequent year. Alternatively, on making a claim, you may claim against your income in either the tax year in which the disposal occurs, or the previous tax year. You can claim by entering the allowable loss in the relevant box on your tax return.

For Foresight's guide on claiming tax relief please contact our Investor Relations team on: **020 3667 8181**.





“Revolutions are not obvious when they happen. When James Watt started the industrial revolution with the steam engine in 1775 no one said, ‘Today, everything changes.’ When Karl Benz drove around Mannheim in 1885, no one said, ‘There will be 500 million of these driving around in a century.’ And certainly in 1958 when Noyce and Kilby invented the integrated circuit, the idea of a quintillion (10 to the 18th power) transistors being produced each year seemed ludicrous.

Steve Blank

Silicon Valley Entrepreneur,
Mentor and Author

15. Fund Operation

INVESTOR COMMUNICATIONS

Following receipt of an Investor's Subscription, Investors will receive a confirmation letter and initial Portfolio Statement confirming their Subscription, a summary of charges and their Policy Number. A copy of the correspondence will be sent to the Investor's financial adviser in advance. When Investments into underlying companies are made, the Investor will receive a contract note confirming investment details such as the investment date, the company invested in the number of shares acquired and the price paid per share. An overview of the Investee Company will also be enclosed.

ANNUAL INVESTOR DAY

The Fund will be holding an Annual Investor Day at the Williams Group headquarters in Grove, Oxfordshire. The Annual Investor Day will be an opportunity for investors to come together at Williams Advanced Engineering and experience the high performance nature of what they do. The event will include a range of activities including presentations from Investee Companies, tours through the exclusive Formula One museum and a visit to Williams' facilities.

REPORTS

Semi-annual valuation statements will be provided at the end of February (for the period ending 31 December) and at the end of August (for the period ending 30 June) and will include information on trading and investment activity over the period.

ADVANCE ASSURANCE

It is intended that each investment will meet the EIS qualifying conditions. As part of the comprehensive due diligence process on each prospective investment, Foresight will ensure that, in most cases, the Company's Advance Assurance is in place prior to any Fund investment.

The Fund will be holding an Annual Investor Day at the Williams Group headquarters in Grove, Oxfordshire alongside providing six-monthly valuation statements which will include information on trading and investment activity over the report period.



16. What Happens After Investing

- 1** **Day 1:** The Investor and financial adviser complete an application form and send it to the Receiving Agent. 
- 2** **Within 7 days:** An acknowledgement is sent to the Investor and a copy is emailed to their financial adviser. The Investor has a 14 day cooling-off period from the date of this letter to change their mind and cancel the investment with no penalties. 
- 3** Adviser Initial Charges and the Foresight Initial Charge are deducted and paid shortly after the cooling-off period. 
- 4** The remaining charges - the total ongoing adviser charges, one year's Annual Management Charge and one year's Secretarial Charges - are deducted on the first working day of the calendar quarter following the Start Date of each Investor's Subscription. 
- 5** It is expected that an Investor's net subscription will be invested in qualifying companies within two years of the end of the cooling-off period. 
- 6** Following an investment in an EIS Qualifying Company, the company makes an EIS1 application to HM Revenue & Customs ("HMRC"). Once HMRC has approved the Investment they will issue EIS3 certificates to the company. Foresight will then add the Investors' details to the certificates and send them to Investors to allow them to claim the tax relief. This process usually takes around 14 weeks from the date of the investment but may take longer because timings are subject to HMRC. 
- 7** **Investors will be sent half-yearly reports by post updating them on the Fund.** These will be sent at the end of February and August, reporting on the six months to 31 December and 30 June, respectively. 
- 8** **This is a long term investment.** Exits will be pursued on a case-by-case basis. Investors should start to see their holdings realised between four and eight years from investment as exit opportunities arise. 

17. Charges

FORESIGHT PRODUCT CHARGES		ADVISER CHARGES	
Retail Client Initial Charge ¹	2.5%	Adviser Initial Charges ⁵	Variable
Professional Client Initial Charge ²	5.5%	Ongoing Charges ⁶	Variable (0.5% pa optional)
Annual Management Charge ³	2.0% of the Portfolio value	PERFORMANCE INCENTIVE⁷ Calculated against realised investments on each Investor's portfolio shared 50:50 between Foresight and Williams 20% of proceeds received in excess of an Investor's Subscription	
Secretarial Charge ⁴	0.3% of the value of the Portfolio (subject to an RPI-linked minimum of £60,000 in aggregate)		

1. RETAIL CLIENT INITIAL CHARGE

Where advice has been provided to a retail client in respect of their investment in the Foresight Williams Technology EIS Fund, that subscription is subject to an initial charge of 2.5% of the Investor's Subscription (net of any agreed adviser charges) payable immediately, of which 2% will be retained by Foresight and 0.5% will be payable to Williams. This initial charge will be taken prior to any investments being made in the underlying companies. As a result Investors will not be able to claim tax relief on this amount.

The Initial Charge will cover the costs incurred by Foresight and Williams for deal and fund raising activity where applicable.

The Initial Charge will not be paid on any uninvested monies returned to an Investor.

Financial intermediaries that provide execution only services to retail clients may, in certain situations, be permitted to receive commission. In such permitted situations the Investor will pay the Professional Client Initial Charge as set out below instead of the Advised Investor Initial Charge, and advisers or financial intermediaries will be paid initial commission by Foresight, usually at the rate of 3% of the Investor's Subscription.

2. PROFESSIONAL CLIENT INITIAL CHARGE

Where an investment has been made by a professional client in the Foresight Williams Technology EIS Fund, that subscription is subject to an initial charge of up to 5.5% of the Investor's Subscription, payable immediately, of which 2% will be retained by Foresight, 0.5% will be payable to Williams Technology Ventures Limited and the remainder (usually 3%) will be available for the adviser to be remunerated through commission. The charge will be taken prior to any investments in the underlying companies. As a result Investors will not be able to claim tax relief on this amount.

The Initial Charge will cover the costs incurred by Foresight and Williams in connection with deal and fund raising activity where applicable.

The Initial Charge will not be paid in respect of any uninvested monies returned to an Investor.

3. ANNUAL MANAGEMENT CHARGE

An AMC of 2% applies, calculated daily based on the most recent quarterly portfolio value and this will be charged for all Investors from the end of the cooling-off period following the Investor's Subscription. The AMC is shared between Foresight and Williams, in such proportions as Foresight and Williams may agree from time to time. One year's AMC will be deducted from Investors' Subscriptions (net of any agreed adviser charges and the Initial Charge) on the first working day of the calendar quarter following the cooling-off period. As a result Investors will not be able to claim tax relief on this amount.

From year two onwards, the AMC will accrue annually and will be recouped through investee company exits, dividends or income.

4. SECRETARIAL CHARGE

The Secretarial Charge of 0.3% (subject to an RPI-linked minimum of £60,000 in aggregate) applies, calculated daily based on the most recent quarterly portfolio value and this will be charged for each investor from the end of the cooling-off period following the Investor's Subscription. This charge relates to the costs associated with administering the Fund and its investments. For further information see Schedule 2, section 2 of the Investor's Agreement on page 49. One year's Secretarial Charge will be deducted from Investors' Subscription (net of any agreed adviser charges and the Foresight initial charge) in advance at the same time as the AMC. As a result Investors will not be able to claim tax relief on this amount.

From year two onwards, the Secretarial Charge will accrue annually and will be recouped through investee company exits, dividends or income.

5. ADVISER INITIAL CHARGES

An investor can specify on the Application Form the amount of any up front charges agreed with their financial intermediary in connection with the Foresight Williams Technology EIS Fund. Foresight will deduct such agreed

17. Charges

Investor is paying commission to his financial intermediary, this will be facilitated separately out of the higher Initial Charge as noted in section 2.

6. ONGOING CHARGES

Investors can confirm in the Application Form the amount of any ongoing charges agreed with their financial intermediaries in connection with the Foresight Williams Technology EIS Fund. All sums to be facilitated (upfront or ongoing) will be deducted from the Investors' Subscription. As a result Investors will not be able to claim tax relief on this amount. The amount of any ongoing charges to be facilitated by Foresight will be deposited in a bank account with a third party pending payment to advisers.

7. PERFORMANCE INCENTIVE

Foresight and Williams will be entitled to a Performance Incentive fee, payable from the proceeds of realised Investments. This fee, which will be deducted from realisation proceeds, is only payable by each investor when that investor has received proceeds in excess of their Subscription. The Performance Incentive fee is calculated against each Investor's portfolio as 20% of proceeds in excess of their Subscription split equally between Foresight and Williams.

In the event of an early withdrawal by the Investor pursuant to the terms of the Investors' Agreement the Performance Incentive may become payable as detailed in Schedule 2 of the Investors' Agreement.

8. VAT

To the extent applicable, VAT will be charged on any fees related to the Fund as appropriate.

9. OTHER FEES

Any legal, accounting and other fees incurred by the Fund in connection with potential Investments that do not proceed to completion (abort fees), which are not covered by the Investee Companies, will be borne by Foresight. The Investee Companies may also pay Foresight and Williams arrangement fees, directors' fees or monitoring fees relating to the Fund's investment, which Foresight and Williams may retain for their own benefit. Like the abort fees the level of these fees cannot be determined at outset.

EXAMPLE ILLUSTRATION OF ACTUAL INVESTMENT AMOUNT IN EIS QUALIFYING SHARES

DESCRIPTION	%	£	RUNNING TOTAL £	COMMENTS
Investor's Subscription		£100,000.00		
Less Initial Adviser Charge	e.g. 2.5%	£2,500.00	£97,500.00	% of sum submitted
Foresight Initial Charge	2.5%	£2,437.50	£95,062.50	% of sum submitted less adviser charges
One year's AMC in advance	2.0% + VAT	£2,281.50	£92,781.00	% of sum submitted less adviser & Foresight charges
One year's Secretarial Charges in advance	0.3% +VAT	£342.22	£92,438.78	% of sum submitted less adviser & Foresight charges
Eligible for EIS Relief			£92,438.78	

Please note: this is for illustrative purposes only. Actual amount invested into EIS Qualifying Shares will depend on level of fees charged to each individual investor.

18. Liquidity

As the Investments will be in unquoted companies, there will be no readily available market for the sale of shares. Options for realising investments and returning funds to Investors will be considered after their respective Three Year Periods. However, the timescale for realising Investments will almost always be longer than the end of a Three Year Period. Investors should view their investment in the Fund as a long term investment with proceeds being received over a 4 to 8+ year window.

OPTIONS AT EXIT

The proceeds from the sale of Investments in the portfolio will be returned to investors as and when they are received. If Foresight continues to offer a similar type of EIS at the point of exit, Investors will be offered the option of re-investing investment proceeds into new opportunities.

“Foresight is delighted to be collaborating with the Williams Advanced Engineering team to support high quality disruptive technology leaders seeking EIS funding in order to develop and commercialise their proposition. The unique combination of Williams and Foresight is expected to result in a diversified investment base of no fewer than 10 companies, revolutionising their respective markets and delivering strong returns to investors.

Bernard Fairman
Chairman of Foresight Group

19. Valuation of Investments

Investors in the Fund will receive a Portfolio valuation every 6 months. These valuations will be prepared by Foresight based on recently available management information from each Investee Company and adhere to the valuation principles stated below.

The fair value of an unlisted security is established using International Private Equity and Venture Capital Valuation Guidelines (“IPEVC Guidelines”). The following considerations are used when calculating the fair value using the Valuation Guidelines:

- For recent investments, the cost will be a good indication of fair value for a period up to 12 months;
- Where there has been any recent investment by third parties, the price of that investment will provide the basis of valuation;
- If a fair value is not readily ascertainable, alternative methodologies in the IPEVC Guidelines are considered when calculating fair value;
- All recorded values of investments are regularly reviewed for any indication of impairment and adjusted accordingly.

20. The Fund: Legal and Regulatory Structure

The Fund will comprise investments by individual investors in shares in a selection of EIS Qualifying Companies, which are collectively managed on behalf of all Investors in accordance with the investment objectives and restrictions set out in Schedule 1 of the Investor’s Agreement. The Investor’s Agreement is made between each Investor and Foresight (on behalf of itself and the Administrator and the Nominee) on the terms set out in Appendix 2 to this Information Memorandum. Foresight will be responsible for

the discretionary management of all cash and Shares within the Fund but each Investor, for legal and tax purposes, will be the beneficial owner of a specific number of Shares in each Investee Company. The Fund is an unapproved EIS fund. The Nominee will be the registered holder of all Investments of the Fund.

The Fund is an Alternative Investment Fund for the purposes of the Alternative Investment Fund Managers Directive (2011/61/ EU) (“AIFMD”).

20. The Fund: Legal and Regulatory Structure

The Fund is not a collective investment scheme within the meaning of section 235 FSMA nor a Non-mainstream Pooled Investment by virtue of it being a fund complying with Article 2 of the Schedule to the Financial Services and Markets Act 2000 (Collective Investment Schemes) Order 2001 and, pursuant to clause 15.2 of the Investor's Agreement, Investors are entitled only to the withdrawal rights prescribed by that clause. Investors in the Fund will make Investments together and their Investments will be managed by Foresight on a common basis. The Fund will, therefore, constitute a collective investment undertaking within the meaning of the Markets in Financial Instruments Directive (MiFID) and, by virtue of the exemption for collective investment undertakings and their operators in Article 2.1(h) of MiFID, the Fund (and the management by Foresight thereof) falls outside the remit of MiFID.

All Investors in the Fund will, for the purposes of FCA conduct of business rule 18.5 as applicable to full-scope UK AIFMs only, be categorised by Foresight as retail clients unless otherwise agreed by Foresight and the Investor. For the avoidance of doubt, as the Fund is an AIF, Foresight will, for regulatory purposes, treat the Fund as its client and, other than as set out above, will not owe any client obligations under the FCA Rules to investors.

All applications to the Fund will require the Investor's financial intermediary to sign the Intermediary Certificate included as part of the Application Form. Advisers must certify that participation in the Fund meets the investor's objectives that they have the expertise, experience and knowledge to understand the risks and that they are able to bear the associated risk involved in participating in the Fund. Applications without signed Intermediary Certificates will not be accepted unless Foresight is otherwise satisfied with all applicable legal and regulatory requirements. Foresight is covered by the Financial Services Compensation Scheme. An Investor may be entitled to compensation from this scheme if Foresight cannot meet its obligations, as described in greater detail in the Investor's Agreement.

THE FUND'S SERVICE PROVIDERS

The Fund will be managed by Foresight Group LLP, and Foresight has appointed Williams Technology Ventures Limited to provide it with certain services with respect to the Fund. Foresight's role is to act as the Fund Manager and provide all investment management advice and support to each of the Investee Companies. In addition, Foresight is responsible for sourcing investment opportunities and for all interaction and communication with Investors in the Fund and their respective advisers. Williams Technology Ventures is primarily responsible for sourcing investment opportunities and will undertake technical due diligence in respect of investment opportunities and, unless otherwise agreed with Foresight, will procure IP due diligence relating to the strength of any patents. Williams Technology Ventures Limited (or an affiliate) will also be providing ongoing support to Investee Companies with which it enters into an MSA, for the life of the investment by the Fund.

Williams Technology Ventures Limited has also separately been appointed as an appointed representative of Foresight in connection with the sourcing of the investment opportunities for the Fund.

NCM Depositary Services Limited will act as depositary to the Fund. Documents evidencing title to the Investee Company shares will be held in custody by the Nominee.

SUMMARY OF MATERIAL AGREEMENTS

The terms governing the Investor's investment in the Fund are set out in the Investor's Agreement in Appendix 2, and Investors should read this in full before deciding to invest in the Fund.

Foresight and Williams Technology Ventures Limited have also entered into a Joint Venture and Services Agreement relating to the Fund. This agreement sets out in detail all of the duties and obligations of Williams Technology Ventures Limited relating to the provision of services by Williams to Foresight under the Joint Venture and Services Agreement including the agreed process for investigating the investment opportunities, the fees payable to Williams Technology Ventures Limited and the agreed standards of liability between Foresight and Williams. The key terms of this agreement which affect the Investors have been described in this Information Memorandum.

21. Conflicts Policy

Foresight, in accordance with FCA rules, operates its business in such a way as to minimise the occurrence of conflicts of interest. Any potential conflicts of interest will be dealt with according to Foresight's compliance manual and its established Conflicts of Interest Policy.

Williams Technology Ventures Limited is registered as an Appointed Representative of Foresight Group. A comprehensive compliance procedure has been put in place to ensure that Williams complies with all FCA requirements and regulations.

22. Risk factors

Investment in smaller, unquoted companies, by its nature, involves a high degree of risk. Investors should seek financial advice about whether participation in the Fund is suitable for them in the light of the information in this document and their personal circumstances.

Set out below are what Foresight believes to be the key risks associated with participating in the Fund. Additional risks and uncertainties, not presently known to Foresight, or which it currently deems immaterial, may also have an adverse effect on the Fund and on Investments.

GENERAL RISK

Prospective Investors should be aware that the value of Investments through the Fund can fall as well as rise. In addition, there is no guarantee that the valuation of Shares will fully reflect their underlying value, or that the Shares can be sold at that valuation. The value of Investments and income from them may go down as well as up and Investors may not get back the amount they originally invest through the Fund. Investors should only invest in the Fund if they can withstand a total loss of their investment. Past performance is not necessarily a guide to future performance and may not necessarily be repeated.

LIQUIDITY AND EXIT

The Investee Companies will be small, unquoted companies. Realisation of investments in unquoted companies can be difficult and may take considerable time. Proper information for determining their value or the risks to which they are exposed may also not be available. Investment in such companies by its nature is illiquid and uncertain and consequently involves a higher degree of risk than a portfolio of quoted shares.

There is no market, nor is there intended to be a market, for Investments; as such, an Investment will not be readily realisable. It is not intended that any income or capital will be returned to Investors during the Three Year Period. After the Three Year Period, it may still be difficult to realise Investments or to obtain reliable information about their value as the market for shares in smaller companies is often less liquid than that for shares in larger companies, bringing with it potential difficulties in acquiring, valuing and disposing of such shares. An EIS investment should, therefore, be seen as a longer term investment.

DIVERSIFICATION

The Fund will seek to create a diverse portfolio of investments. The Fund's portfolio may include a small number of large positions at any given time. If the Fund's investments are concentrated in a few companies or industries, any adverse change in one or more of such companies or industries could have

a material adverse effect on the Fund's Investments.

The Fund Manager will normally allocate investments with regard to the value and date of Investors' original Subscriptions and the value of Investors' remaining Subscriptions at the time the opportunity arises. As investments arise at different times, and Subscriptions may be accepted on an ongoing basis, the Subscription of a later investor in the Fund may not be invested in all of the Investee Companies in which an earlier Investor is invested. Similarly an early Investor in the Fund may not have sufficient uninvested cash in his or her Portfolio to participate in the same Investments as a later Investor. The Fund Manager may depart from this basis of allocation if, in its absolute discretion, it considers it appropriate to do so having regard to the overall Investment Policy of the Fund and the benefit of creating diversity within the Portfolios of Investors.

INVESTEE COMPANY PERFORMANCE

The performance of the Fund is dependent on the ability of the Fund Manager to identify appropriate Investee Companies and on the ability of the Investee Companies to perform in line with their respective business plans. Early stage businesses will be dependent on the skills of a small group of individuals, the loss of any of which may be particularly detrimental to those companies. Moreover, products and technologies developed by Investee Companies may prove not to be commercially or technically successful. While investments in these companies may present greater opportunities for growth, such investments may also entail greater risks than are customarily associated with investments in large companies. Commensurate with the nature of venture capital investing it should be expected that some companies, and the investments in those companies, may fail.

PORTFOLIO/FUND PERFORMANCE

The level of returns from Investments may be less than expected if there is delay in the investment programme, such that all or part of the Fund is held

22. Risk factors

in cash or near cash investments for longer than expected, or if the returns obtained on Investments are less than planned, or if Investments cannot be realised at the expected time and values. There can be no guarantee that suitable investment opportunities will be identified in order to meet the Fund's objectives.

FUND MANAGER

The departure of any of the Fund Manager's members, partners or employees or those of its Associates could have a material adverse effect on the performance of the Fund. Whilst the Fund Manager has entered into appropriate agreements with its members, partners, employees and Associates, the retention of their services cannot be guaranteed. The past performance of Foresight Group is not necessarily a guide to its future performance and may not necessarily be repeated. The value of Investments and income from them may go down as well as up and Investors may not get back the amount they originally invest in the Fund.

WILLIAMS ADVANCED ENGINEERING

The departure of any of Williams' (or its affiliates') directors, officers or employees could have a material impact on Williams' ability to fulfil its added value services which could potentially have a material adverse effect on the performance of the Fund.

TAX AND POLICY CHANGES

The information contained in this Information Memorandum makes reference to the current laws concerning EIS Relief, Business Property Relief and Capital Gains Tax Deferral Relief. These levels and bases of relief may be subject to change. The tax reliefs referred to in this Information Memorandum are those currently available and their value depends on individual circumstances. Past performance is not necessarily a guide to future performance and may not necessarily be repeated.

In particular, the Finance Bill (No. 2), first published in November 2017, contains several provisions which, if enacted, will change the circumstances in which Investee Companies and

Investors can benefit from EIS relief. These are discussed further in Appendix 1 (Taxation). As with all information in this Information Memorandum, they remain subject to further change.

Any change of governmental, economic, fiscal, monetary or political policy and, in particular any spending cuts or material movements in interest rates could materially affect, directly or indirectly, the operation of Investee Companies and/or the performance of Investment Companies and the value of and returns from Investments and/or their ability to achieve or maintain EIS qualifying status as more particularly, but not exhaustively, detailed below.

There is no guarantee that Foresight will be able to make suitable Investments and/or achieve the proposed investment strategy of the Fund, and Foresight reserves the right to return any uninvested monies to Investors (net only of any adviser charges and commission paid out) at its discretion.

EIS QUALIFYING STATUS OF THE INVESTOR

There are circumstances in which an Investor could cease to qualify for the Tax Advantages offered by the EIS. For example, Capital Gains Tax Deferral Relief could be lost if an Investor ceases to be resident or ordinarily resident in the United Kingdom during the Three Year Period. In addition, an Investor could cease to qualify for EIS Relief and there may be a clawback of EIS Relief if they receive value from the Fund or one of the Investee Companies during the period beginning one year before the Shares in the Investee Companies are issued and ending on the conclusion of the Three Year Period. Payment of a normal dividend, however, would not typically be regarded as a receipt of value.

EIS QUALIFYING STATUS OF THE INVESTEE COMPANIES

If an Investee Company ceases to carry on business of the type prescribed for EIS Qualifying Companies during the Three Year Period or otherwise ceases to satisfy certain qualifying requirements, this could prejudice its qualifying status under the EIS. The

situation will be closely monitored with a view to preserving the Investee Company's qualifying status, but this cannot be guaranteed. A failure to meet the qualifying requirements for EIS could result in:

- Investors being required to repay the 30% income tax relief received on subscription for Shares and interest on the same;
- A liability to tax on capital gains on a disposal of the Shares; and
- Any deferred gain crystallising.

Further details of the taxation implications of an investment in an EIS Qualifying Company are set out in Appendix 1 of this document.

Although provisional approval will usually be sought from HMRC that the Investee Companies are expected to be EIS Qualifying Companies and their activities should qualify under the EIS prior to making an Investment, there is no guarantee that the formal EIS claims will be agreed or that any Tax Reliefs obtained will not be subsequently withdrawn. In those circumstances, Subscription monies will not be returned to Investors. If an Investee Company fails to obtain EIS Qualifying Company status, or if it is subsequently withdrawn, EIS income tax relief and Capital Gains Tax Deferral Relief would not be available to Investors or could be withdrawn.

Under HMRC EIS rules, EIS Qualifying Companies are required to have employed all of their funds (after the deduction of issue costs) within 24 months after the date of issue of Shares, except where the qualifying activity consists of preparing to carry on a trade in which case the time limit is 24 months after the date of commencing the trade. If an Investee Company fails to employ this level of funds within the required deadlines, the Investee Company would be in breach of the EIS regulations and tax relief may be withdrawn.

A sale of Shares in the Investee Companies within the Three Year Period will result in the 30% income tax relief available upon subscription for those Shares becoming repayable to HMRC

22. Risk factors

and in any capital gains on such Shares and any deferred gain being subject to CGT. It is possible for Investors to lose their EIS Relief and/or Capital Gains Tax Deferral Relief and/or Business Property Relief by taking or not taking certain steps. Investors are advised to take appropriate independent professional advice on the tax aspects of their investment. Changes in legislation concerning EIS rules, in particular, in relation to qualifying holdings and qualifying trades, may limit the number of available opportunities and/or reduce the level of returns which might otherwise have been achievable.

POTENTIAL CONFLICTS OF INTEREST

Situations may arise where the interests of Investors conflict with the interests of other funds managed by the Fund Manager or its Associates, or with those of the Fund Manager, Williams (or any affiliate) or other funds, their associates and their officers, members or employees. The Fund may invest in companies in which Williams (or any affiliate) or other funds managed by the Fund Manager or its Associates may invest or may already hold investments. Decisions made by the Fund Manager may be more beneficial for one fund managed or advised by the Fund Manager or its Associates than for any others and decisions made by the Fund Manager may also be beneficial to Williams (or any of its affiliates).

The Fund may co-invest with third parties (including Williams or its affiliates) or through joint ventures or other entities. Such co-investing may give rise to the possibility that a co-investor or partner may at any time have economic or business interests or goals which are inconsistent with those of the Investors, or that such person may take action contrary to the Fund's investment objectives. The entitlement of the Fund Manager and Williams to a performance incentive fee may create an incentive for the Fund Manager to make more speculative investments on behalf of Investors than it would otherwise make in the absence of such a performance-based compensation arrangement. The Fund Manager may enter into fee sharing arrangements with third party marketers, including placement agents, or other advisers

who refer Investors to the Fund, and such marketers may have a conflict of interest in advising prospective investors whether to invest in the Fund.

The Fund Manager may in its absolute discretion provide certain Investors with the opportunity to co-invest in Investments. Potential conflicts may be inherent in, or arise from, the Fund Manager's discretion in providing such opportunities to certain Investors. In addition, once such co-investments are made, the Investor's interests and those of co-investing Investors may subsequently diverge.

FUND ISSUES

The Fund Manager reserves the right to cease to manage the Fund in certain circumstances set out in the Investor's Agreement, in which event it will try to transfer the Fund to another fund manager or to terminate the Fund in an expeditious way, but there is a possibility that the Tax Advantages may be lost.

The Fund Manager will seek to realise Investments for each Investor in an orderly fashion over a period of 4 to 8 years from the date of Subscription but it cannot be guaranteed that the investments made can easily be realised within this period and, even where they can be realised, that this can be done on an advantageous basis.

FINANCIAL SERVICES COMPENSATION SCHEME

The Fund Manager is covered by the Financial Services Compensation Scheme. An Investor may be entitled to compensation from the scheme if the Fund Manager cannot meet its obligations, as described in greater detail in the Investor's Agreement.

Foresight will arrange for funds to be placed on deposit at the Investors' own risk. Initially, funds will be held in a client account operated by The City Partnership (UK) Limited. Funds set aside to facilitate ongoing charges will be placed on deposit in a bank account with a third party corporate services provider pending payment to advisers. Neither the Fund Manager, nor any person engaged by it to hold such funds as receiving agent or otherwise nor any director or officer of any of

them, will be liable to any Investor in the event of an insolvency of any bank with which such funds are deposited, nor in the event of any restriction on the ability to withdraw funds from such bank for reasons beyond the reasonable control of any of them.



Appendix 1: Taxation

EIS Qualifying Companies

Each Investee Company in which the Fund invests must initially (i.e. at the time of issue of the Shares) not be listed on a recognised stock exchange (as defined for the purposes of EIS Relief) and there must be no “arrangements” in place for it to become so listed. In addition, throughout the Three Year Period, it must not be a subsidiary of, or be controlled by, another company. It must either exist to carry on a qualifying trade or else be the parent company of a trading group and there must be no “arrangements” in existence for the Investee Company to become a subsidiary of, or be controlled by, another company.

A trading group is a group in which, directly or indirectly, more than 50% of the shares of each subsidiary is held by another member of the group, but any subsidiary employing any of the money raised by the issue of Shares must be a qualifying 90% subsidiary. Non-qualifying business activities (broadly, investment activities and non-qualifying trades) must not comprise a substantial part of the business of the group as a whole. The qualifying business activity for which the money is raised by the issue of Shares must be a trade carried on by a company wholly or mainly in the UK with a requirement that an Investee Company issuing the Shares under the EIS must have a permanent establishment in the UK. There must also be no ‘disqualifying arrangements’ in existence (i.e. broadly tax avoidance arrangements).

It is also a requirement that an Investee Company must not be ‘in difficulty’ when Shares are issued. An Investee Company will not generally be treated as ‘in difficulty’ within 3 years of its formation or if it is able to raise funds from existing shareholders or the market.

The value of the gross assets of the Investee Company and any subsidiaries must not exceed £15 million immediately before the issue of Shares and £16 million immediately afterwards.

The maximum fund raising per Investee Company is restricted to £5 million in

aggregate (from EIS and other state-aided risk capital sources) per year and the maximum number of full-time (or full-time equivalent) employees in the Investee Company at the time of Investment is restricted to fewer than 250.

Under provisions which are included in the Finance Bill (No. 2) 2017-2018 and which are expected to apply to investments made on and after 6 April 2018, Investee Companies which qualify as knowledge-intensive (“Knowledge-Intensive Companies”) may receive investments of up to £10 million in aggregate per year under the EIS and VCT schemes. A Knowledge-Intensive Company is one which spends at least 15% of operating costs on research and development in any of the three accounting years that end prior to the investment, OR at least 10% of operating costs in all three of those years and which is either involved in the creation of intellectual property and/or it is reasonable to assume that within 10 years the exploitation of intellectual property will form the greater part of its business OR that the workforce of the relevant company consists of at least 20% of skilled employees (ie generally employees with qualifications at masters level or above).

Most types of trades are qualifying trades, but the following are excluded:

- Dealing in land, commodities or futures, or in shares, securities or other financial instruments;
- Dealing in goods otherwise than in the course of an ordinary trade of wholesale or retail distribution, or acting as a wholesaler or retailer of goods of a kind which are collected or held as investments if stock is not actively sold;
- Banking, insurance, money lending, debt factoring, hire purchase financing or other financial activities;
- Leasing, except certain lettings of ships, or receiving royalties or licence fees (subject to certain exceptional cases);
- Providing legal or accountancy services;
- Farming and market gardening;

- Forestry and timber production;
- Property development;
- Shipbuilding;
- Producing coal and/or steel;
- Operating or managing hotels or similar establishments;
- Operating or managing nursing homes and residential care homes;
- Providing services to a trade consisting of any of the above carried on by a “connected person”;
- The generation or export of electricity or making electricity generating capacity available;
- Producing gas or fuel;
- All heat and energy generation activities; and;
- Providing services to another company in certain circumstances where the other company’s trade consists, to a substantial extent, of excluded activities.

Shares only qualify for EIS Relief if they are ordinary shares which do not, at any time during the Three Year Period, carry any present or future preferential right to dividends (save where the amount and date of payment of the dividend is not dependent on the decision of any party and provided that the dividends are not cumulative) or to an Investee Company’s assets on its winding up, or any present or future right to be redeemed.

Provisions contained in the Finance Bill (No. 2) 2017-2018 will, if enacted, require investee companies to satisfy a ‘risk to capital’ condition in order for their shares to qualify for EIS Relief. Investee companies will have to demonstrate that they have objectives to grow and develop their trade and that there is a significant risk that there will be a loss of capital of an amount greater than the net investment return for investors. This provision is expected to apply to investments made on or after Royal Assent to Finance Bill 2017-18.

UNAPPROVED EIS FUND

The Fund has not been approved by HMRC under section 251 of the Income Tax Act. This means that the Investor can obtain EIS relief in the tax year in

Appendix 1: Taxation

which Investments in EIS Qualifying Companies are made by the Fund and in the preceding tax year to the extent that Carry Back Relief is claimed in respect of the Investments.

When an Investment has been made in an EIS Qualifying Company and that company has been trading for at least 4 months, the Fund Manager will send Investors an EIS3 Certificate. The EIS3 Certificate can be used by an Investor to claim EIS Relief in respect of the amount invested in that company. The EIS3 Certificate will state the amount of the EIS qualifying investment the Investor has made through the Fund and is required when claiming EIS Relief through a personal taxation return. EIS Relief must be claimed no later than 5 years after 31 January following the year of assessment in which the Investment was made.

EIS TAX RELIEFS

To obtain the tax reliefs described below, it is necessary to subscribe for Shares in EIS Qualifying Companies and claim the relief. The summary in paragraphs (a) to (e) below is based on current law, and gives only a brief outline of the tax reliefs and assumes that the Investor is a 40% taxpayer. It does not set out all the rules which must be met by EIS Qualifying Companies and an Investor. The tax reliefs will only be relevant to Investors who pay UK income tax and/or wish to defer a capital gain.

(a) Income Tax Relief

Individuals can obtain income tax relief on the amount subscribed for Shares in EIS Qualifying Companies (up to £1,000,000 in each tax year for all EIS investments) provided they are not connected with any issuing company. Husbands and wives and civil partners can each subscribe up to £1,000,000. To calculate the relief, 30% is multiplied by the amount subscribed. The relief is given against the individual's income tax liability for the tax year in which the Shares are issued unless the individual makes a Carry Back Relief claim.

Provisions in the Finance Bill (No. 2) 2017-2018 (which are expected to apply to investments made on and after 6 April 2018) will, if enacted, increase the annual investment limit in EIS Qualifying

Companies to £2,000,000, provided that any amount over £1,000,000 is

invested in one or more Knowledge-Intensive Companies (see above).

(b) Carry Back Relief

Eligible Investors can claim income tax relief against their tax liability for the tax year preceding that in which Shares are issued to the extent that the eligible Investor has not used their annual limit in the previous tax year.

(c) Capital Gains Tax Deferral Relief

To the extent to which a UK resident Investor (including individuals and certain trustees) subscribes for Shares, they can claim to defer paying tax on all or part of a chargeable gain. The gain may have arisen on the disposal of any asset, or a previously deferred gain may have been brought back into charge. Although there is a limit of £1,000,000 for income tax relief (see (a) above) and for the exemption from capital gains tax upon a disposal (see (d) below), there is no limit on the amount of EIS Investments that can be used to defer a gain. If the Investor dies whilst still holding Shares, the deferred CGT liability is extinguished entirely. Shares must be issued within 1 year before and 3 years after the date of the disposal which gives rise to the gain or the date upon which a previously deferred gain crystallises. The gain is deferred until there is a chargeable event such as a disposal of Shares or an earlier breach of the EIS rules.

(d) Capital Gains Tax Exemption

Any capital gains realised on a disposal of Shares in an EIS Qualifying Company after the Three Year Period, and on which EIS relief (see (a) above) has been given and not withdrawn, will be capital gains tax-free. Any capital gains realised on a disposal within the Three Year Period will be subject to CGT, at 10% or 20% for individuals (depending on the individual's taxable income).

(e) Loss Relief against income or gains

Tax relief is available at any time in respect of any loss realised upon a disposal of Shares in an EIS Qualifying Company on which EIS income tax relief (see (a) above) or Capital Gains Tax Deferral Relief (see (c) above) has been

given and not withdrawn. The amount of the loss (after taking account of any income tax relief initially obtained) can be set against the individual's gains in the tax year in which the disposal occurs, or, if not fully used, against gains of a subsequent year. Alternatively, on making a claim, the loss, net of income tax relief, may be set off against the individual's taxable income in either the tax year in which the disposal occurs, or the previous tax year.

INHERITANCE TAX

Business Property Relief

Although not an EIS tax relief as such, an investment in an EIS Qualifying Company should qualify for 100% relief from IHT under current legislation, provided the investment has been held for at least two years and is still held at time of death. There is no upper limit on the amount of IHT Relief which can be claimed. The combined availability of the tax reliefs referred to above may result in significant tax savings.

Trusts

Reliefs from inheritance tax are available to UK resident Investors such as trustees of discretionary or life interest trusts. Capital Gains Tax Deferral Relief, as described above, may be claimed on the amount subscribed for Shares in EIS Qualifying Companies against any chargeable gains if the investment is made within one year before and three years after the date of the disposal which gives rise to the gain or the date upon which a previously deferred gain crystallises. Loss Relief may be available under the normal capital loss rules in respect of any losses incurred on Investments made through the Fund.

Inheritance Tax: discretionary trusts may benefit from Business Property Relief on EIS Investments made by the Fund, provided they have been held in the trust for two years.

Please note that this is only a condensed summary of the relevant taxation legislation and should not be construed as constituting advice. A potential Investor should obtain individual advice from his or her own investment or taxation adviser before applying to participate in the Fund. The value of any tax reliefs will depend on the investor's individual circumstances.

Appendix 2: Investor's Agreement

This Agreement sets out the terms and conditions of the Fund

1. Definitions, Construction and Interpretation

1.1 In this Investor's Agreement the definitions contained in the Glossary set out in Appendix 3 of the Information Memorandum dated October 2018, as amended from time to time shall apply.

1.2 Words and expressions defined in the FCA Rules which are not otherwise defined in this Investor's Agreement shall, unless the context otherwise requires, have the same meaning in this Investor's Agreement.

1.3 Any reference to a statute, statutory instrument or to rules or regulations in this Investor's Agreement shall be references to such statute, statutory instrument or rules or 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 In this Investor's Agreement, unless the context otherwise requires, references to persons shall include the plural and vice versa; words importing the masculine gender shall include the feminine and neuter and vice versa; reference to persons shall include bodies corporate, unincorporated associations and partnerships.

1.5 Unless otherwise indicated in this Investor's Agreement, references to clauses and Schedules shall be to clauses and Schedules in this Investor's Agreement.

1.6 Headings to clauses and Schedules are for convenience only and shall not affect the interpretation of this Investor's Agreement.

2. Participating in the fund

2.1 This Investor's Agreement comes into force on the date on which the Investor's Application Form is formally accepted.

2.2 An Application Form will be considered to be formally accepted on the Acceptance Date.

2.3 This Investor's Agreement enables the Investor to participate in the Fund. The Fund will be a Complying Fund.

2.4 The Investor hereby appoints the Fund Manager, on the terms set out in this Investor's Agreement, to manage his cash and investments within the Fund collectively with those of other Investors. The Fund Manager agrees to accept its appointment and obligations on the terms set out in this Investor's Agreement.

2.5 The Fund Manager is authorised and regulated by the FCA, and has permission to manage unauthorised AIFs. The Fund Manager is a party to this Investor's Agreement in its own right and as agent for and on behalf of the Administrator and the Nominee.

2.6 Unless otherwise agreed between the Fund Manager and the Investor, the Investor will be categorised by the Fund Manager as a "Retail Client", for the purposes of FCA conduct of business rule 18.5 as applicable to full-scope UK AIFMs only. For the avoidance of doubt, as the Fund is an AIF, the Fund Manager will, for regulatory purposes, treat the Fund as its client and, other than set out in this clause 2.6, will not owe any obligations under the FCA Rules to the Investor.

2.7 The Investor confirms and warrants that:

(a) He is an experienced investor in small to medium higher risk, unquoted companies and is suitably knowledgeable of the risks associated with non-Readily Realisable Investments; and

(b) If he has completed Box 2 of the Application Form with details of agreed adviser charges to be facilitated, he has been advised as to the suitability of participation in the Fund by his financial adviser.

2.8 The Investor confirms that he is not seeking advice from the Fund Manager or the Promoter on the merits of any investment in respect of the Fund.

2.9 The Investor agrees that the Information Holders may hold information about him and his affairs in order to verify his identity and financial standing or otherwise in the performance of this Investor's Agreement (Information Holders). All such use of information about the Investor which is personal data shall comply with the terms of clause 22 below.

2.10 Anti-money laundering regulations aim to prevent criminal property being used or disguised as legitimate wealth. The Fund Manager (and any entity appointed to hold cash) has a duty to comply with any applicable anti-money laundering provisions including the Proceeds of Crime Act 2002, the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and the FCA Rules. The Fund Manager (and any entity appointed to hold cash) must, therefore, verify the Investor's identity and report suspicious transactions to the appropriate enforcement agencies. If the Investor does not provide the identity verification information when requested, the Fund Manager may be unable to accept any instructions from him or to comply with its obligations under this Investor's Agreement in whole or in part. The Investor shall indemnify the Fund Manager for any loss resulting from the Investor's failure to provide such information when reasonably requested or failure to comply with applicable anti-money laundering legislation. The Investor authorises Foresight or its Associates to undertake any electronic searches necessary for the

purposes of verifying their identity and address and to check the details they supply against their particulars on any database (public or otherwise).

2.11 Following receipt of an Application Form, the Fund Manager will write to the Investor enclosing a form of cancellation notice. If the Investor wishes to exercise his right to cancel, the Investor must notify the Fund Manager by delivering the duly completed form to the Fund Manager at The Shard, 32 London Bridge Street, London SE1 9SG within 14 days of the date of the letter from the Fund Manager enclosing the cancellation notice.

2.12 If the Investor exercises his cancellation rights, the Fund Manager shall arrange for the refund of any monies paid by the Investor, less any charges the Fund Manager or its agents or the Promoter (or any entity appointed to hold cash) has already incurred for any Services undertaken (or from any obligations to make payments) pursuant to the terms of this Investor's Agreement or paid out in respect of agreed Adviser Charges. The Fund Manager is obliged to hold Investors' subscription monies until the Fund Manager has satisfactorily completed its anti-money laundering checks and the Investor will not be entitled to interest on such monies.

2.13 The right to cancel set out in clauses 2.11 and 2.12 is without prejudice to the right under clause 15.2 to terminate this Investor's Agreement, which is a separate right.

2.14 The right to cancel under the FCA Rules does not give the Investor the right to cancel, terminate or reverse any particular investment transaction executed for the account of the Investor before such cancellation takes effect.

2.15 The Fund Manager will comply with FCA conduct of business rule 11.2 as modified by conduct of business rule 18.5.4A

2.16 Williams' services are being provided to Foresight under a separate agreement between Williams and Foresight, and Williams does not owe any fiduciary or other duties and/or obligations to the Investor under this Investor's Agreement.

3. Subscriptions

3.1 The Investor:

(a) Must make a Subscription to the Fund of not less than £10,000, and must pay the total Subscription amount into the prescribed account at the same time as submitting his Application Form to invest in the Fund;

(b) May make further Subscriptions (in

Appendix 2: Investor's Agreement

multiples of £1,000);

3.2 The Investor may make a withdrawal from the Fund and terminate this Investor's Agreement pursuant to clause 15.2.

3.3 Subscriptions received shall be deposited in an interest bearing client account pursuant to clause 7.7 pending their investment.

4. Services

4.1 The Fund Manager will manage the Fund on the terms set out in this Investor's Agreement. The Fund Manager will exercise all discretionary powers in relation to the selection of, or exercising rights relating to, Investments on the terms set out in this Investor's Agreement, including, in particular the negotiation and execution of agreements and ancillary documentation relating to Investments. The Fund Manager intends to invest the Investor's Subscriptions to the Fund during the Investment Period.

4.2 The Fund Manager will also arrange for the provision of administration services which does not extend to custody and the Fund Manager and the Nominee will arrange for depositary services in relation to the Fund by a suitably authorised person, as required. The Administrator shall initially be Foresight Fund Managers Limited but the Fund Manager shall be entitled from time to time at its discretion to replace any Administrator with another person who may be an Associate or to provide such administration services itself in which case, where the context permits, the Fund Manager shall, for the purposes of this Investor's Agreement be deemed to be the Administrator.

4.3 The Fund Manager and the Nominee have appointed NCM Depositary Services Limited to act as depositary of the Fund pursuant to the Depositary Agreement. The Depositary will fulfil the duties and responsibilities provided for by AIFMD, and in particular will ensure that the Fund's cash flows are properly monitored and that all payments made by or on behalf of Investors in respect of their Subscriptions have been received and that all cash of the Fund has been booked in accounts opened in the name of the Fund or as otherwise provided for by AIFMD. The Fund Manager and the Nominee will have the authority to enter into an agreement with the Depositary (or any successor depositary to the Depositary) appointed in accordance with the provisions of AIFMD and to issue orders and instructions (including, without limitation to, the Depositary) with respect to the making and disposition of Investments, the payment and/or the deposit of monies, securities and other assets of the Fund, in each case without the consent of the Investors.

4.4 The Investor hereby authorises the Fund Manager or its agents to act on his behalf and in the name of the Investor or his nominee to negotiate, agree, execute and do all such acts, transactions, agreements and deeds as the Fund Manager or its agents may deem necessary or desirable in connection with the Fund for the purposes of making, and managing and disposing of Investments and cash on behalf of the Investor and generally fulfilling the objectives and purposes of the Fund (including facilitating the payment of agreed charges on behalf of Investors to their financial intermediaries) and this authority shall be irrevocable and shall survive, and shall not be affected by, the subsequent death, disability, incapacity, incompetence, termination, bankruptcy, insolvency or dissolution of the Investor. This authority (subject to clause 7.7) will terminate upon the investor ceasing to hold any cash or other assets in the Fund.

4.5 It is the Investor's responsibility to keep his financial circumstances, objectives and appetite for risk under review and to assess whether an investment in the Fund remains suitable for his needs (and to seek advice from a suitably qualified and authorised professional financial adviser, if appropriate). The Fund Manager and the Promoter shall not be liable for any losses suffered or incurred by an Investor as a result of his investment in the Fund (whether or not he has received advice from a professional adviser) and cannot and do not make any representation that such investment is suitable or appropriate for the Investor's specific needs and requirements.

4.6 If the Fund Manager shall acquire any shares or other assets in which Investors in the Fund alone or with others, may, as a class, have a community of interest in relation to the continuing management of such shares and assets by the Fund Manager, then the Fund Manager shall (alone or with such other third parties as it may nominate) have such power, right and authority on behalf of the Investor to execute such trusts and do such acts and transactions in relation to such assets for the benefit of the class (but not including incurring any liabilities for the account of the Investor in respect of such shares or other assets) as the Fund Manager (in its absolute discretion) may think fit, including, without prejudice to the generality of the foregoing, the power to exercise or transfer all voting rights and powers of consent which may attach to or be relevant to such shares or assets and/or to dispose of or consolidate such shares and assets and/or to charge such shares and assets as indirect security (without recourse to the Investor) for the discharge of financial obligations owed by third parties with or without receiving any consideration for the

account of the Investor for so doing and on the basis that such shares and assets may not be withdrawn from the Fund except on termination of the Fund.

5. Investment Objectives And Restrictions

5.1 In performing the Services, the Fund Manager shall have regard to and shall comply with the investment objectives and the investment restrictions set out in Schedule 1 to this Investor's Agreement.

5.2 In performing the Services, the Fund Manager shall at all times have regard to:

- (a) The need for Investments to attract the Tax Advantages in accordance with the investment objectives and restrictions set out in Schedule 1 of this Investor's Agreement; and
- (b) All Applicable Laws.

6. Terms Applicable To Dealing

6.1 In effecting transactions for the Investor, the Fund Manager will act in accordance with the FCA Rules.

6.2 Where relevant, it is agreed that all transactions will be effected in accordance with the rules and regulations of any relevant market, exchange or clearing house (and the Fund Manager shall take all such steps as may be required or permitted by such rules and regulations and/or by good market practice) through which transactions are executed and to all Applicable Laws so that:

(a) If there is any conflict between the provisions of this Investor's Agreement and any such rules, customs or Applicable Laws, the latter shall prevail; and

(b) Action may be taken as thought fit in order to ensure compliance with any such rules, customs or applicable laws. An Investor should, however, be aware that his Subscription will be invested in a range of unlisted securities and there is generally no relevant market or exchange and consequent rules and customs and there will be varying practices for different securities. Transactions in shares of such securities will be effected on the best commercial terms which can be secured.

6.3 Subject to the FCA Rules, transactions may be aggregated with those for other customers of the Fund Manager, and of its members, partners, employees and Associates and their employees and, if so, any Investments made pursuant to such transactions will be allocated on a fair and reasonable basis in accordance with the FCA Rules.

6.4 The Fund Manager will normally allocate investments with regard to the value and date of Investor's original Subscriptions and the value of Investors'

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remaining Subscriptions at the time the opportunity arises. As investments arise at different times, and Subscriptions may be accepted on an ongoing basis, the Subscription of a later investor in the Fund may not be invested in all of the Investee Companies in which an earlier Investor is invested. Similarly an early Investor in the Fund may not have sufficient uninvested cash in his or her Portfolio to participate in the same Investments as a later Investor. The Fund Manager may depart from this basis of allocation if, in its absolute discretion, it considers it appropriate to do so having regard to the overall Investment Policy of the Fund and the benefit of creating diversity within the Portfolios of Investors.

6.5 Subject to both the FCA Rules and the Fund Manager's policy on the management of conflicts of interest, the Fund Manager may make use of soft commission arrangements in respect of transactions undertaken for the Fund as may be disclosed to the Investor from time to time.

6.6 The Fund Manager will act in good faith and with due diligence in its choice and use of counterparties but, subject to this obligation and to the FCA Rules, shall have no responsibility for the performance by any counterparty of its obligations in respect of transactions effected under this Investor's Agreement.

7. Custody

7.1 The Fund Manager and the Nominee will arrange for a suitably authorised depository to carry out safekeeping duties with regard to the assets within the Fund. Cash will be dealt with as provided in clause 7.7.

7.2 Investments will be registered in the name of the Nominee. Investments will be beneficially owned by the Investor at all times but the Nominee will be the legal owner of the Investments of the Investor in the Fund. The Depository will not, save as set out in clause 7.6, carry on any activity except as instructed by the Fund Manager and/or the Nominee.

7.3 The Nominee will hold any title documents or documents evidencing title to the Investments for the account of the Fund. Individual customer entitlements are not identifiable by separate certificates or other physical documents of title or external electronic records. In the event of a default of the Nominee, those for whom it holds securities on behalf of the Fund may share in any shortfall pro rata. Pursuant to section 250(1) of the Income Tax Act, shares subscribed for, issued to, held by or disposed of for an individual by a nominee are treated for the purposes of the EIS as subscribed for, issued to, held by or disposed of by the individual Investor. The Administrator shall maintain at all times a record sufficient to show the beneficial interest of the Investor in the whole number of Shares and cash allocated to him within the Fund.

7.4 Investments or title documents may not be lent to or deposited by way of collateral with a third party and nor may there be any borrowing against the security of the Investments or such title documents.

7.5 An Investment may be realised in whole or in part by the Fund Manager in order to discharge an obligation of the Investor under the Agreement, for example in relation to payment of fees, costs and expenses.

7.6 The Administrator will arrange for the Investor to receive details of any meetings of shareholders of the Investee Companies in Investments and any other information issued to shareholders of the Investee Companies if the Investor at any time in writing requests such details and information (either specifically in relation to a particular Investment or generally in respect of all Investments). The Nominee will vote as the Fund Manager may see fit at any meeting of shareholders in an Investee Company in which an Investment is held for an Investor. The Nominee shall appoint proxies to vote at such meeting as instructed by the Fund Manager or as required under the FCA Rules.

(a) A bonus or capitalisation issue will be automatically credited to an Investor's holding;

(b) Otherwise (where appropriate) the Fund Manager will be sent a summary of the proposal and the required action to be taken (if any) for instructions;

(c) If, on a rights issue, no instruction is received from the Fund Manager, the Nominee will allow the rights to lapse. Lapsed proceeds in excess of £3 will be credited to the Investor. Sums less than this will be retained for the benefit of the Administrator. However, if nil paid rights in a secondary market are acquired for the Investor, such rights will be taken up, unless the Fund Manager provides contrary instructions;

(d) All offers will be accepted upon going unconditional whether or not any instructions have been received;

(e) The Fund Manager may instruct the Nominee to allocate rights, or Shares acquired as a result of rights being taken up, to Investors other than those Investors which made the original investment leading to the allocation of those rights if, in its absolute discretion, the Fund Manager considers it appropriate to do so having regard to the overall investment policy of the Fund and the allocation of investment opportunities amongst Investors in accordance with clause 6.4; and

(f) Entitlements to Shares will be to the nearest whole Share rounded down and the aggregate of fractional entitlements may be held by the Nominee for the Administrator. If partly paid Shares are held for an Investor and are the subject of a call for any due balance and no instruction is received, the

Administrator may sell sufficient of the Investments to meet the call.

7.7 The cash balance held for an Investor will be deposited with an authorised banking institution in a common call account with customer trust status, together with cash balances belonging to other Investors and the Fund Manager shall appoint a suitably authorised person to operate such account, save that, if and for so long as the Fund Manager is itself a suitably authorised person, it may provide such services itself. Initially, Investors' cash will be held in a segregated bank account operated by The City Partnership (UK) Limited which will act as receiving agent in respect of Subscriptions. Cash balances will not be actively managed and will only attract the interest rates (if anything) applicable to call accounts. Any interest earned on cash balances held for the Investor in the Fund will be added to the Investor's share of the Fund. Mainspring Nominees Limited has been appointed to assist with the payments of Investment returns, including facilitating payments to the Fund Manager in respect of any fees payable by the Investee companies to advisers in respect of the Investor's investment and the balance to the Investor. It has also been appointed to hold monies deducted from the Investor's Subscription to pay ongoing charges agreed by the Investor with their financial intermediary and facilitating payment of those charges to the financial intermediary pursuant to clause 9.2. Any amounts held for the benefit of the Investor will be held in designated client money accounts.

7.8 The Fund Manager may decide to cease to treat as money owed to an Investor any unclaimed cash of an Investor if the Fund Manager has taken reasonable steps to contact the Investor and to return the balance for a period of at least six years. In such circumstances, the Fund Manager may retain such funds for its own benefit.

8. Reports And Information

8.1 Contract notes will be provided for each transaction for the Investor.

8.2 The Fund Manager shall send the Investor a report relating to the Fund, complying with the FCA Rules, every six months, in respect of the periods ending on or around 30 June and 31 December. Reports will include a measure of performance in the later stages of the Fund once valuations are available for the Investments. Investments will be valued in accordance with appropriate IPEVC Guidelines from time to time prevailing.

8.3 The Fund Manager and the Administrator shall supply such further information (so far as the Fund Manager does not consider such information to be commercially sensitive) which is in its respective possession or under its control as the Investor may reasonably request as soon as reasonably practicable after receipt of such request.

8.4 Any contract notes, statements, reports

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or further information relating to the Fund or the Investee Companies which so provided by the Fund Manager or the Administrator to the Investor will state the basis of any valuations of Investments provided.

8.5 Investors have the right to request the provision of a periodic statement every three months.

9. Fees And Expenses

9.1 The Fund Manager, Williams, the Promoter, the Depositary and the Administrator shall receive fees for their services, and reimbursements of their costs and expenses, as set out in Schedule 2 to this Agreement.

9.2 The Fund Manager and the Promoter may facilitate, or procure the facilitation of payments in respect of charges which the Investor has agreed with his/her financial intermediary on his/her behalf as detailed in the Information Memorandum and the Application Form. The Investor confirms that any ongoing agreed charges payable to their financial intermediary is and will be for ongoing services to the Investor in relation to the Fund. The Investor has the right to cancel the facilitation of any ongoing charges at any time by notice in writing to the Fund Manager. The Investor may also request that facilitation of ongoing charges be paid to a new financial intermediary who is advising the Investor in relation to the Fund in place of the previous financial intermediary. Any such request must be made by at least 30 days' notice in writing to the Fund Manager. The Fund Manager may structure the funding and payment of such payments at its discretion for legal, tax and regulatory reasons from time to time. The administration of remuneration for advisers will be managed by Foresight Fund Managers Limited.

9.3 The Fund Manager shall be responsible for meeting all fees and expenses of the Nominee.

10. Management and Administration Obligations

10.1 The Fund Manager and the Administrator shall each 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 and 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), neither the Fund Manager nor the Administrator shall take any action which may prejudice obtaining the Tax Advantages for the Investments, save where the Fund Manager considers it to be in the best interests of the Investors.

11. Obligations Of The Investor

11.1 The Investor's participation in the Fund, which is governed by this Investor's Agreement, is set up on the basis of the declaration and elections made by the Investor in his Application Form which includes the following statements by the Investor in relation to his Subscription:

(a) That he agrees to notify the Fund Manager if any Investment is in any company with which the Investor is connected within the meaning of Section 163 and Sections 166 to 177 of the Income Tax Act;

(b) That he agrees to notify the Fund Manager if, within three years of the date of issue of Shares by an EIS Qualifying Company, the Investor becomes connected with the company or receives value from such company;

(c) That he will provide the Fund Manager with his tax district, tax reference number and National Insurance number;

(d) He has been advised as to the suitability of an investment in the Fund by his financial adviser (as applicable); and

(e) That he and his financial adviser will notify the Fund Manager in the event that any Investment is no longer suitable.

11.2 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 Investor's Agreement.

11.3 The Investor must immediately inform the Fund Manager in writing of any change of tax status, other material change in circumstance and any change in the information provided in the Application Form to which clause 11.1 refers.

11.4 In addition, an Investor must provide the Fund Manager with any information which it reasonably requests for the purposes of managing the Fund pursuant to the terms of this Investor's Agreement.

12. Delegation

12.1 Without prejudice to any other provision of this Investor's Agreement, the Fund Manager may employ or otherwise appoint agents and advisers and other persons, including Associates, to perform any administrative, depositary, custodial or ancillary services to assist the Fund Manager in performing its Services and may rely on advice from any agent or advisers or other such persons, in which case it will act in good faith and with due diligence in the selection, use and monitoring of such persons but (save where the agent, adviser or other persons are an Associate of the Fund Manager, for whom the Fund Manager will remain directly responsible to the Investor for all acts and omission as if they were that of the Fund Manager). The Fund Manager will not be responsible for the acts and omissions of any such, adviser or other persons.

12.2 Without prejudice to any other provision of this Investor's Agreement, the Fund Manager may delegate or subcontract any of its functions under this Investor's Agreement, subject to selecting such delegates with due skill and care and keeping all such appointments under review, but (save where the delegate is an Associate of the Fund Manager, for whom the Fund Manager will remain directly responsible to the Investor for all acts and omission as if they were that of the Fund Manager), the Fund Manager will not be responsible for the acts and omissions of any such delegate.

12.3 For the avoidance of doubt, the provisions of clauses 12.1 and/or 12.2 shall apply if the Fund Manager appoints any person other than itself to be the Administrator pursuant to clause 4 or if it appoints any person to provide such services as are referred to in clause 7.2 or clause 7.7.

12.4 The Administrator shall have similar powers of delegation to those conferred on the Fund Manager by clauses 12.1 and 12.2 and, if the Administrator does so, then the provisions of those clauses shall apply mutatis mutandis.

13. Potential Conflicts Of Interest And Disclosure

13.1 The Fund Manager, Williams and the Administrator may provide similar services or any other services whatsoever to any customer and neither the Fund Manager, Williams nor the Administrator shall in any circumstance be required to account to the Investors for any profits earned in connection therewith. So far as is deemed practicable by the Fund Manager or the Administrator, the Fund Manager or the Administrator will use all reasonable endeavours to ensure fair treatment as between the Investors and such customers in compliance with the FCA Rules.

As AIFM, the Fund Manager ensures the fair treatment of the Investors through its decision making procedures and organisational structure which identify any preferential treatment, or the right thereto, accorded to any of the Investors and ensure that any such preferential treatment does not result in an overall disadvantage to the other Investors.

13.2 The Fund Manager, and any Associate may, subject to FCA Rules and without prior reference to the Investors, recommend transactions in which it or an Associate has, directly or indirectly, a material interest or a relationship of any description with another party, which may involve a potential conflict with its duty to the Investors. Neither the Fund Manager, nor any Associate, shall be liable to account to the Investors for any profit, commission or remuneration made or received from or by reason of such transactions or any connected transactions. For example, such potential conflicting interests or duties may arise because:

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(a) The Fund Manager, Williams or an Associate may receive remuneration or other benefits by reason of acting in corporate finance or similar transactions involving, or by providing advisory services to, companies whose securities are held for the Investor;

(b) The Fund Manager, or Williams or their Associates may take an equity stake in a company whose securities are held for the Investor at a price not below the issue price available to the Investor subject to clause 13.2 (c);

(c) The entitlement of the Fund Manager and Williams to the performance incentive described in Schedule 2 of this Agreement may be obtained by subscriptions for Shares by or on behalf of the Fund Manager or Williams and/or their directors, members, partners, employees, Associates and others with whom they may share such entitlement. Those Shares may be subscribed at a price below the issue price available to the Investor and may dilute the returns to the Investor but only to the extent of the value of the performance incentive and subject to the conditions described in Schedule 2;

(d) The Fund Manager, Williams or an Associate provides services for other customers. In particular the Fund Manager manages a number of other funds, and if investment opportunities are suitable for the Fund and other funds or accounts which it manages the Fund Manager will allocate those opportunities in accordance with its allocation policy as in place from time to time;

(e) Any of the directors, members, partners, employees or Associates of the Fund Manager or Williams, or their employees, is or may become a director of, hold or deal in securities of, or otherwise be interested in any company whose securities are held or dealt in on behalf of the Investor;

(f) The transaction is in securities issued by an Associate or the customer of an Associate;

(g) The transaction is in relation to an Investment in respect of which the Fund Manager, Williams or an Associate may benefit from a commission or fee payable otherwise than by the Investor and/or it or an Associate may also be remunerated by the counterparty to any such transaction;

(h) The Fund Manager deals on behalf of the Investors with an Associate;

(i) The Fund Manager may act as agent for the Investors in relation to a transaction in which it is also acting as agent for the account of other customers and Associates;

(j) The Fund Manager may, in exceptional circumstances, deal in investments as principal in respect of a transaction for the Investors;

(k) The Fund Manager may have regard, in exercising its management discretion, to the relative performance of other funds under its management;

(l) The Fund Manager may effect transactions involving placings and/or new issues with an Associate who may be acting as principal or receiving agent's commission. The Fund Manager or an Associate may retain any agent's commission or discount or other benefit (including directors' fees) that accrues to them;

14. Liability

14.1 The Fund Manager agrees, for itself and as agent for the Administrator that each of them 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 under the FCA Rules.

14.2 The Fund Manager shall not be liable for any loss (including loss of profit; loss of anticipated profit; loss of goodwill; loss of agreement or contract; loss of business opportunity; loss of anticipated savings; or indirect, special or consequential loss, however arising) to the Investor arising from any investment decision made 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 Fund Manager or any of its members, partners or employees.

14.3 The Administrator, the Promoter and the Nominee shall not be liable for any loss to the Investor arising from any action in accordance with this Investor's Agreement, except to the extent that such loss is directly due to the negligence or wilful default or fraud of the Administrator or the Nominee (as applicable) or their respective Associates or any of its or their members, partners or employees. The Fund Manager will be responsible for the acts and omissions of Foresight Fund Managers Limited for so long as that entity acts as nominee for the Fund.

14.4 The Depositary's liability to the Nominee, the Fund and the Investors will not generally be affected by the fact that it has entrusted the safekeeping of all or part of the assets in its care to a third party. Under the conditions set forth in AIFMD, the Depositary may discharge itself of liability towards the Nominee and the Investors. By signing this Investor's Agreement and thereby becoming an Investor in the Fund, the Investors will be required to accept that the Fund Manager and the Nominee may enter into agreements with the Depositary to the effect that the Depositary can discharge itself of liability, in the case where the law of a third country requires that certain

financial instruments are held in custody by a local entity and there are no local entities that satisfy the delegation requirements laid down in AIFMD or for other objective reasons.

14.5 Subject to clauses 6.6 and 12, the Fund 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 for the Fund, other than where such party is an Associate.

14.6 In the event of any failure, interruption or delay in the performance of the Fund Manager's or the Administrator's (or any of their respective agents', delegates' or subcontractors') respective obligations resulting from acts, events or circumstances not reasonably within its control (including but not limited to acts or regulations of any governmental or supranational bodies or authorities) or breakdown, failure or malfunction of any telecommunications or computer service or systems, the Investor acknowledges that neither the Fund Manager nor the Administrator, as appropriate, shall be liable or have any responsibility of any kind for any loss or damage thereby incurred or suffered by the Investor.

14.7 The Fund Manager and the Promoter give no representations or warranty as to the performance of the Fund. Investments are high risk investments, being non-Readily Realisable Investments. There is a restricted market for such Investments and it may therefore be difficult to sell the Investments or to obtain reliable information about their value. Investors should consider the suitability of the investment objectives and restrictions set out in Schedule 1 of this Agreement carefully and note the risk warnings set out in the Information Memorandum. Nothing in this clause 14 shall exclude the liability of the Fund Manager for its own fraud.

15. Termination

15.1 The Fund Manager will seek to realise each investor's Investments in an orderly fashion over a period of four to eight years from the relevant Start Date but it cannot be guaranteed that Investments made can be easily realised within this period and, even where they can be realised, that this can be done on an advantageous basis. If the Fund Manager has not realised all of the Investor's Investments after a period of eight years it may, in its discretion, procure that all or any Shares allocated to the Investor within the Fund will be sold or transferred into the Investor's name or as the Investor may otherwise direct. Any cash allocated to the Investor within the Fund will be paid to the Investor.

15.2 An Investor is entitled to make withdrawals of his Shares at any time after the end of the period of seven years beginning with the date on which the

Appendix 2: Investor's Agreement

Shares in question were issued (or five years in respect of any Shares which have been admitted to official listing in an EEA State or to dealings on a recognised investment exchange). If any Shares are held in respect of which a claim for EIS Relief has been disallowed or an assessment has been made withdrawing or reducing relief by reason of the body corporate in which the Shares are held having ceased to be a body corporate which is a qualifying company for the purposes of the EIS, an Investor is entitled to make withdrawals of those Shares at any time after the end of the period of six months beginning with the date on which the shares in question ceased to be relevant shares. An Investor is entitled to withdraw any cash allocated to him within the Fund at any time. The Fund Manager will have a lien on all assets being withdrawn or distributed from the Fund and shall be entitled to dispose of some or all of the same and apply the proceeds in discharging any liability (including for any accrual of the performance incentive fee) of the Investor to the Fund Manager. This Agreement shall terminate upon the completion of the withdrawal from the Fund of all Shares and cash which the Investor is entitled to receive under this clause 15.2. The balance of any sale proceeds and control of any remaining Investments will then be passed to an Investor.

15.3 If:

(a) The Fund Manager gives to the Investor not less than 3 months' written notice of its intention to terminate its role as Fund Manager under this Agreement; or

(b) The Fund Manager ceases to be appropriately authorised by the FCA or becomes insolvent;

the Fund Manager shall endeavour to make arrangements to transfer the Investments to another fund manager, in which case that fund manager shall assume the role of the Fund Manager under this Agreement, failing which the Agreement shall terminate forthwith and, subject to clause 16, the Investments held for the account of the Investor shall be transferred into the Investor's name or as the Investor may otherwise direct.

15.4 If the Investor requests in writing that its interest in the Fund is transferred to another person, the Fund Manager shall execute the Investor's request within a reasonable time and in an efficient manner so long as it is legally able to do so. For the avoidance of doubt the transferrable interest is the investment units in the Fund, being its beneficial title to the Shares, and this clause 15.4 shall not entitle the Investor to request a transfer of the legal title to those Shares except as provided under clause 15.2.

16. Consequences Of Termination

16.1 On termination of this Agreement pursuant to clause 15, the Fund Manager

will use reasonable endeavours to complete all transactions in progress at termination expeditiously on the basis set out in this Investor's 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 Investor will pay fees, expenses and costs properly incurred by the Fund Manager, Williams and the Administrator (including a fair amount determined by the Fund Manager in compensation for accrued performance incentive fees not obtained by subscriptions for Shares) up to and including the date of termination and payable under the terms of this Investor's Agreement.

16.3 On termination, the Fund Manager may retain and/or realise such Investments as may be required to settle transactions already initiated and to pay the Investor's outstanding liabilities, including fees, costs and expenses payable under clause 9 of this Agreement (including a fair amount determined by the Fund Manager in compensation for accrued performance incentive not obtained by subscriptions for Shares), the details of which are set out in Schedule 2 to this Investor's Agreement.

16.4 Clauses 14 and 17 shall survive the termination of this Investor's Agreement.

17. Confidential Information

17.1 Neither the Fund Manager, nor the Investor shall disclose to third parties or take into consideration for purposes unrelated to the Fund information either:

(a) The disclosure of which by it would be or might be a breach of duty or confidence to any other person; or

(b) Which comes to the notice of a partner or member of or an employee, officer or agent of the Fund Manager or the Administrator or of any Associate but does not properly come to the actual notice of that party providing services under this Investor's Agreement.

17.2 Each of the Fund Manager and the Administrator will at all times keep confidential all information acquired in consequence of the Services, except for information which:

(a) Is in the public knowledge; or

(b) Which they may be entitled or bound to disclose under compulsion of law; or

(c) Is requested by regulatory agencies; or

(d) Is given to their professional advisers where reasonably necessary for the performance of their professional services; or

(e) Which is authorised to be disclosed by the relevant party; and shall use all reasonable endeavours to prevent any breach of this clause 17.2.

17.3 The Fund Manager will procure that the Administrator, Depositary, Promoter and any entity appointed to hold cash pursuant to clause 7.7 will observe and comply with the provisions of clauses 17.1 and/or 17.2.

18. Complaints And Compensation

18.1 The Fund Manager has established procedures in accordance with the FCA Rules for consideration of complaints. Details of these procedures are available from it on request. Should an Investor have a complaint, he should contact the Fund Manager by writing to The Compliance Officer, Foresight Group LLP, The Shard, 32 London Bridge Street, London SE1 9SG.

18.2 Where the Investor is categorised by the Fund Manager as an Eligible Complainant, pursuant to FCA Dispute resolution rule 2.7.3. if for any reason the Investor is dissatisfied with the Fund Manager's final response, the Investor is entitled to refer its complaint to the Financial Ombudsman Service. A leaflet detailing the procedure involved will be provided in the Fund Manager's final response.

18.3 The Fund Manager is covered by the Financial Services Compensation Scheme. The Investor may be entitled to compensation from the scheme if the Fund Manager cannot meet its obligations. This depends on the type of business and the circumstances of the claim. Most types of investment business are covered up to a maximum of £50,000. Further information about compensation arrangements is available on request from the Fund Manager or from www.fscs.org.uk

19. Notices, Instructions And Communications

19.1 Notices of instructions to the Fund Manager or the Administrator should be in writing and signed by the Investor, except as otherwise specifically indicated.

19.2 The Fund Manager or the Administrator may rely and act on any instruction or communication which purports to have been given by persons authorised to give instructions by the Investor under the Application Form or subsequently notified by the Investor from time to time and, unless that relevant party receives written notice to the contrary, whether or not the authority of such person shall have been terminated.

19.3 All communications to the Investor shall be sent (whether postal or electronic) to the latest address notified by the Investor to the Fund Manager or the Administrator and shall be deemed received by the Investor on the second day after posting or on the day after dispatch in the case of electronic communication. All communications by the Investor shall be made in writing or (save as otherwise

Appendix 2: Investor's Agreement

provided) shall be made by telephone to the Fund Manager or the Administrator, in which case conversations may be recorded for the avoidance of any subsequent doubt. Communications sent by the Investor will be deemed received only if actually received by the Fund Manager or the Administrator. Neither the Fund Manager nor the Administrator will be liable for any delay or failure of delivery (for whatever reason) of any communication sent to the Investor.

20. Unsolicited Real-Time Financial Promotion

The Fund Manager and the Promoter may communicate an unsolicited real-time financial promotion (i.e. interactive communications such as a telephone call or electronic mail promoting Investments) to the Investor.

21. Amendments

21.1 The Fund Manager may amend the terms and conditions in this Agreement by giving the Investor not less than 10 business days' written notice.

21.2 The Fund Manager may also amend these terms by giving the Investor written notice with immediate effect if such is necessary in order to comply with HMRC requirements, in order to maintain the EIS Relief or in order to comply with the FCA Rules or other statutory or regulatory requirements.

22. Data Protection

22.1 For the purposes of the DPA, the Fund Manager will act as data controller (and in some circumstances, the data processor) of all personal data received from the Investor. The Investor consents to the Information Holders processing and using their personal data provided in connection with the Fund and in accordance with the terms of the DPA.

22.2 All information provided by the Investor to any Information Holder, including personal data, may be used for processing the Investor's Application Form, verifying their identity, meeting the Fund Manager's obligations under Applicable Laws, managing the Fund, administering the Investor's account and involvement in the Fund and for service quality, product analysis and market research purposes.

22.3 In addition to clauses 2.9 and 2.10, the Information Holders may keep records containing details of the name and certain personal information of the Investor; including personal data and the products and services they have purchased and used. The Information Holders may keep a record of any correspondence with the Investor and copies of any documents provided by an Investor or their financial intermediary may be stored, including any documents provided under clause 2.10.

By providing any personal information to the Information Holders, including personal data, the Investor consents to the transmittal of their information, including personal data, outside of the European Economic Area for the purposes of the DPA.

22.4 The Information Holders may share certain information about the Investor with third parties if they provide products or services to the Investor, credit reference agencies and UK and overseas law enforcement agencies or regulatory authorities and other relevant bodies.

22.5 The Information Holders may send information to the Investor about their other products and services from time to time, unless an Investor notifies the Fund Manager otherwise. Such information may be provided via telephone, post, email, text message or other means, unless an Investor notifies the Fund Manager to stop such communications.

22.6 Except for the uses set out in this clause 22, the information held about the Investor by Information Holders is confidential and subject to the terms of clause 17.

22.7 The Investor has the right to receive a copy of any personal information held about them, subject to a fee of £10 as permitted by law. The Investor may contact the Fund Manager in accordance with clause 19 to request a copy.

23. Assignment

23.1 This Investor's Agreement is personal to the Investor and may not be assigned by the Investor without prior written consent of the Fund Manager.

23.2 In the event of the Investor's death, the Fund Manager and Administrator will continue to deal with the Investor's personal representatives.

23.3 The Fund Manager may assign this Investor's Agreement to an Associate by giving notice to the Investor, provided that such Associate is authorised and regulated to perform all of the Fund Manager's functions hereunder and subject to any amendments required to this Agreement to effect the assignment and subsequent operation by the Associate as provided in clause 21.1.

24. Entire Agreement

This Investor's Agreement, together with the Application Form, comprises the entire agreement of the Fund Manager and its Associates with the Investor relating to the provision of the Services.

25. Rights Of Third Parties

Save for the rights of the Administrator and the Nominee a person who is not a party to this Agreement has no right under the

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

26. Severability

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

27. Governing Law

This Investor's 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 – INVESTMENT OBJECTIVES AND RESTRICTIONS

Investment Objectives of the Fund

To generate capital gains and to provide Investors with the Tax Advantages associated with EIS Investments principally derived from investing in seed and earlier stage technology and engineering-led businesses based in the UK.

Investment Restrictions of the Fund

1 In carrying out its duties hereunder in respect of the Fund, the Fund Manager shall, so far as is practicable, make investments each of which, subject to each Investor's individual circumstances, qualify for EIS Relief, and regard shall be had, and all reasonable steps taken, by the Fund Manager to comply with such policies or restrictions as are required in respect of EIS Investments in order to attract the reliefs from taxation under the EIS as may be prescribed by HMRC from time to time.

2 In particular, but without prejudice to the generality of the above statements, the restrictions for the Fund are as follows:

(a) It is likely that no more than 15% of the Net Subscription of an Investor will be invested in any one Investee Company at full fundraising provided that this shall not restrict the subsequent merger, acquisition or unitisation of Investee Companies with other Investee Companies.

(b) In the event of a gradual realisation of Investments prior to termination of the Fund under clause 15.1, the cash proceeds of realised EIS investments may be placed on deposit or invested in fixed interest government securities or other investments of a similar risk profile. Proceeds will be paid out on termination of the Fund or in instalments in advance of termination, as determined by the Fund Manager.

Appendix 2: Investor's Agreement

(c) The Fund may not invest in funds either managed or advised by the Fund Manager or an Associate or in funds which are not regulated collective investment schemes.

(d) The Fund's Investments may not include the securities of a company in respect of which any issue or offer for sale was underwritten, managed or arranged by the Fund Manager or an Associate during the preceding 12 months.

SCHEDULE 2 - FEES AND EXPENSES IN RESPECT OF THE FUND

The charges described below (other than the performance incentive fee) are payable by the Investors directly to the Fund Manager or the Promoter (and where relevant by the Fund Manager on to Williams). The fund management and annual charges will accrue for all Investors from the Start Date. One year's AMC and Secretarial Charge will be deducted from Investor's subscription (net of any agreed Adviser Charges and Foresight Initial Charge) on the first working day of the calendar quarter following the Start Date. From year two onwards the AMC and Secretarial Charge will be recouped from the proceeds of sale of investments or dividends or income received. Fees and charges payable to the Fund Manager and remuneration payments to advisers that are not paid by Investors and that are not covered in the one year of AMC will be recouped from the proceeds of sale of Investments or dividends received. VAT will be added where applicable.

1 Initial Charges

The level of initial charges payable to the Promoter reflects whether or not commission is agreed to be paid (where permissible) by the Promoter to financial intermediaries in connection with an Investor's Subscription. In certain limited situations, commission may be paid as described in more detail below:

Initial Charge: (Retail Clients)	2.5% of the Investor's Subscription (net of any Adviser Charges)
Initial Charge: (Professional Clients)	5.5% of the Investor's Subscription (net of any Adviser Charges)

The Fund is subject to an Initial Charge of 2.5% of the Investor's Subscription (for Advised Clients) or 5.5% of the Investor's Subscription (for Professional Clients or clients of execution only services) (net of any agreed Adviser Charges) payable immediately of which 2.0% will be retained by the Promoter and 0.5% will be retained by Williams.

The amount of the Initial Charge will reduce the EIS Relief available to Investors and the value of Investors' investments via the Fund.

The Initial Charge will cover all costs of deal and fund raising activity. The Initial Charge will not be payable to the extent that the Promoter returns any uninvested monies to an Investor.

The Promoter has agreed to facilitate Adviser Charges (up front and ongoing) if requested. Such charges will be deducted from the Investor's Subscription before the Initial Charge is applied.

Charges payable to the financial intermediary of an Investor to be facilitated by the Promoter will only be paid by prior agreement of the Investor and adviser as noted on the Application Form.

Financial intermediaries who provide execution only services may also, in certain situations, be permitted to receive commission even where no advice or personal recommendation has been given. In such permitted situations advisers or financial intermediaries will be paid initial commission by the Promoter usually at the rate of 3% of Subscriptions. This will be financed by the higher Initial Charge as shown above.

If the Investor changes his/her financial intermediary to whom annual commission is payable he/she should inform the Administrator of the details of his new financial intermediary who will, subject to legal and regulatory requirements, be entitled to receive the annual trail commission instead.

2 Annual Charges

Annual Management Charge:	2.0% (+VAT) of the value of the Portfolio.
Secretarial Charge:	0.3% (+VAT) of the value of the Portfolio (subject to an RPI linked* minimum of £60,000 in aggregate)

The annual charges will accrue for all Investors from the Start Date. The AMC of 2% will be shared between Foresight and Williams, in such proportions as Foresight and Williams may agree from time to time.

Foresight will bear any legal, accounting and other fees incurred by the Fund in connection with potential Investments which do not proceed to completion and may retain for its own benefit any arrangement fees and director's or monitoring fees which it receives in connection with Investments.

** The annual secretarial fee will be adjusted on 1 July 2018 and annually thereafter (based on reference dates to be fixed by the Fund Manager) in line with the changes in the Retail Prices Index ('RPI') in each period in respect of which the payment is due. After the first year, the initial secretarial charge will be increased in line with any change in RPI between such dates as are fixed by the Fund Manager in that 12 month period. In each subsequent year, the base annual fee will*

be that which is increased by virtue of the previous RPI calculation and the RPI multiple used will be the difference between the first RPI reference date and last RPI reference date in each relevant 12 month period. Where there is an overall decrease in RPI in any 12 month period, the annual fee will remain unchanged from that for the previous year. The Fund Manager may choose a suitable alternative index to replace the RPI if such index is no longer published or is significantly changed.

3 Performance Incentive

Foresight and Williams will be entitled to a Performance Incentive fee, payable based upon the proceeds of realising Investments plus dividends payable to Investors.

This fee, which will be deducted from realisation proceeds, is only payable in respect of proceeds received in excess of an Investor's Subscription (i.e. before any fees are deducted). The Performance Incentive fee is calculated as 20% of proceeds received in excess of an Investor's subscription (gross amount invested before deduction of any fees).

The Performance Incentive fee may be obtained by subscriptions for Shares by or on behalf of the Fund Manager, Williams and their directors, members, employees, affiliates and/or Associates (as applicable) or as a charge deducted from proceeds due to the Investor. In the event of the Investor making a withdrawal of Shares pursuant to clause 15.2, the Investor shall be liable for a charge equal to a fair amount determined by the Fund Manager in compensation for accrued Performance Incentive fees not obtained by subscriptions for Shares.

4 Expenses

The Fund Manager shall be entitled to charge the Fund a pro-rata proportion of expenses reasonably incurred by the Administrator in respect of the administration of the Fund.

The Fund Manager shall be entitled to charge the Fund an annual fee of 0.05% of the assets of the Fund under the management of the Fund Manager, subject always to a minimum of £5,000 per annum, (to be increased by RPI each year commencing 1 January 2018) payable to the Depositary in respect of its services as depositary of the Fund, together with other fees and expenses incurred by the Depositary in accordance with the Depositary Agreement.

The Fund Manager will notify clients of any material changes to its execution arrangements or its execution policy by posting an updated version on its website.

Appendix 3:

Information required under Article 23 of AIFMD

As the Fund Manager is authorised as an AIFM, it is required to manage the Fund in accordance with AIFMD and must disclose certain prescribed information pursuant to Article 23 of AIFMD and FCA FUND Investment Funds sourcebook rule 3.2.2. The following table either sets out the required information or indicates where the required information is located within this Information Memorandum.

Information to be disclosed	AIFMD relevant article	Section where required information is disclosed in the Memorandum
GENERAL FUND INFORMATION		
Investment strategy and objectives of the Fund	Art 23(1)(a)	Section 4: Investment Opportunity and Strategy Schedule 1: Investment Objectives and Restrictions of Appendix 2: Investor's Agreement
Information on where the Fund is established	Art 23(1)(a)	The Fund is established in the UK.
Types of assets in which the Fund may invest and the techniques it may employ and all associated risks	Art 23(1)(a)	Section 3: Key Facts Section 4: Investment Opportunity and Strategy Section 7: Fund Details Section 22: Risk Factors Schedule 1: Investment Objectives and Restrictions of Appendix 2: Investor's Agreement
Applicable investment restrictions	Art 23(1)(a)	Schedule 1: Investment Objectives and Restrictions of Appendix 2: Investor's Agreement
Circumstances in which the Fund may use leverage, restrictions on using leverage, the types and sources of leverage permitted and the associated risks	Art 23(1)(a)	N/A
Maximum level of leverage which the AIFM is entitled to employ on behalf of the Fund	Art 23(1)(a)	N/A
Procedures by which the Fund may change its investment strategy or investment policy, or both	Art 23(1)(b)	Clause 21: Amendments of Appendix 2: Investor's Agreement
Description of the main legal implications of the contractual relationship entered into for the purpose of investment	Art 23(1)(c)	Section 20: The Fund: Legal and Regulatory Structure Clause 2: Participating in the Fund of Appendix 2: Investor's Agreement
Identity of the AIFM, the Fund's depository, auditor and any other service providers and description of their duties	Art 23(1)(d)	Section 20: The Fund: Legal and Regulatory Structure
Description of how the AIFM is protected against potential professional liability risks	Art 23(1)(e)	The Manager maintains professional liability insurance in accordance with article 12 of the Commission delegated regulation (EU) No 231/13 to cover professional liability risks in the performance of activities for which the AIFM is responsible.

Appendix 3: Information required under Article 23 of AIFMD

Description of any delegated management functions by the AIFM, or any safe-keeping functions by the Depositary, the identity of the delegate and description of conflicts of interest	Art 23(1)(f)	Foresight acts as the Fund Manager and has appointed Williams Technology Ventures Limited to provide certain services with respect to the Fund (see Section 20: The Fund: Legal and Regulatory Structure) Clause 12: Delegation of Appendix 2: Investor's Agreement
Description of the Fund's valuation procedure	Art 23(1)(g)	Section 19: Valuation of Investments
Description of the Fund's liquidity risk management procedures, including redemption rights both in normal and exceptional circumstances and the existing redemption arrangements with investors	Art 23(1)(h)	Section 18: Liquidity
Description of all fees, charges and expenses and of the maximum amounts thereof which are directly or indirectly borne by investors	Art 23(1)(i)	Section 17: Charges Schedule 2: Fees and Expenses in respect of the Fund of Appendix 2: Investor's Agreement
Description of how the AIFM ensures a fair treatment of investors and a description of any preferential treatment or the right to obtain preferential treatment obtained by any investor	Art 23(1)(j)	Clause 13: Potential Conflicts of Interest and Disclosure of Appendix 2: Investor's Agreement
Latest annual report	Art 23(1)(k)	N/A
Procedure and conditions for the issue and sale of interests	Art 23(1)(l)	Clause 3: Subscriptions of Appendix 2: Investor's Agreement Clause 15: Termination of Appendix 2: Investor's Agreement
Latest net asset value of the Fund	Art 23(1)(m)	N/A
Historical performance of the Fund, where available	Art 23(1)(n)	N/A
Identity of the prime broker and a description of any material arrangements of the Fund with its prime brokers and the way the conflicts of interest in relation thereto are managed	Art 23(1)(o)	N/A
Information about any transfer of liability to the prime broker that may exist	Art 23(1)(o)	N/A
Description of how any changes to liquidity or leverage provisions of the Fund will be disclosed to investors	Art 23(1)(p)	N/A

Appendix 4: Glossary

Acceptance Date	In respect of each Investor, the date that the Investor receives a written confirmation from the Fund Manager that the Investor's Application Form is accepted.
Administrator	Foresight Fund Managers Limited or such other person as the Fund Manager may from time to time appoint to provide administration and safe custody services in respect of the Fund;
AIF	Alternative investment fund;
AIFM	Alternative investment fund manager;
AIFMD	EU Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and any laws, rules or regulations promulgated thereunder including, without limitation, any Commission delegated Regulation published in the Official Journal of the European Union from time to time and, where relevant, any implementing measure adopted in any relevant member state of the European Union, including without limitation, the Alternative Investment Fund Managers Regulations 2013;
Applicable Laws	All relevant laws, regulations and rules, including those of any government or of the FCA, in any applicable jurisdiction;
Application Form	An application form to participate in the Fund completed by a prospective Investor in the form provided by the Fund Manager;
Associate	Any person or entity which (whether directly or indirectly) controls or is controlled by the relevant person or any parent company of the relevant person (for the purpose of this definition "control" shall refer to the ability to exercise significant influence over the operating or financial policies of any person or entity);
Business Property Relief	Relief from IHT pursuant to sections 103-114 Inheritance Tax Act 1984;
Capital Gains Tax Deferral Relief	Relief by way of deferral of CGT (Section 150C and Schedule 5B of the Taxation of Chargeable Gains Act 1992);
Carry Back Relief	As described in Appendix 1 to this Information Memorandum;
CGT	Capital gains tax;
Complying Fund	A complying fund within the meaning of Article 2 of the Schedule to the Financial Services and Markets Act 2000 (Collective Investment Schemes) Order 2001;
Depositary	NCM Depositary Services Limited;
Depositary Agreement	A depositary agreement entered into by, inter alia, the Depositary, the Nominee and the Fund Manager dated 09 October 2017 (as amended);
DPA	<p>The Data Protection Act 1998 as amended, extended or re-enacted from time to time and all Applicable Laws relating to the processing of personal data and privacy, including where applicable the guidance and codes of practice issued by the Information Commissioner or any other supervisory authority, and the equivalent of any of the foregoing in any relevant jurisdiction, and data controller, data processor, data subject, personal data, processing and appropriate technical and organisational measures shall have the meanings given to those terms respectively in the Data Protection Act 1998;</p> <p>From 25th May 2018 the General Data Protection Regulation (GDPR) replaced all existing data protection legislation in the UK (including the UK's Data Protection Act 1998 (DPA)). The Fund Manager will comply with GDPR as required from the effective date and, for the avoidance of doubt, any references to DPA should be considered to refer to GDPR from that date;</p>
Effective Date	The date that shares are issued in the underlying portfolio Investee Companies (or they commence trading, whichever is later);

Appendix 4: Glossary

EIS	Enterprise Investment Scheme, as set out in the Income Tax Act;
EIS Qualifying Companies	Companies that meet the EIS requirements regarding EIS Relief and Capital Gains Tax Deferral Relief (and each an “EIS Qualifying Company”);
EIS Relief	Relief from income tax under EIS;
Foresight Group	Comprises Foresight Group CI Limited, Foresight Group LLP and Foresight Fund Managers Limited;
Foresight or Fund Manager	Foresight Group LLP (a limited liability partnership registered in England under number OC300878 and whose registered office is at The Shard, 32 London Bridge Street, London SE1 9SG); and any other subsidiary of Foresight Group CI Limited from time to time;
FCA	The Financial Conduct Authority;
FCA Rules	The FCA’s rules made under powers given to the FCA by FSMA;
FSMA	The Financial Services and Markets Act 2000, as amended from time to time;
Fund	The Foresight Williams Technology EIS Fund which describes the aggregate of all the Investors’ Agreements;
HMRC	HM Revenue & Customs;
IHT	Inheritance Tax;
Income Tax Act	Income Tax Act 2007, as amended from time to time;
Information Holders	The Fund Manager, its Associates, the Administrator, the Nominee, the Depositary, any entity appointed by the Fund Manager to hold cash and each of their agents;
Information Memorandum	This document;
Initial Charge	The (Retail Client Initial Charge or Professional Client Initial Charge) payable as set out in section 16: Charges;
Intermediary Certificate	Certificate of client suitability completed by the Financial Intermediary submitted with Application Form;
IP	Any and all patents, trade marks, service marks, rights in designs, get-up, trade, business or domain names, goodwill associated with the foregoing, copyright including rights in computer software and databases, topography rights (in each case whether registered or not and any applications to register or rights to apply for registration of any of the foregoing), rights in inventions, know-how, trade secrets and other confidential information, rights in databases and other intellectual property rights of a similar or corresponding character which may now or in the future subsist in any part of the world.
Investee Companies	Companies in which the Fund invests (and each an “Investee Company”);
Investment	An investment made through the Fund (together the “Investments”);
Investment Period	In respect of each Investor, the period starting on the Start Date and ending 2 years after that date, provided that such period may be reduced or terminated by the Fund Manager giving the Investor written notice that either (i) 100% of the aggregate Subscriptions to the Fund have been committed to, reserved for, or expended in relation to investments, fees, expenses and/or any other relevant liabilities or obligations of the Fund; or (ii) the Fund Manager and Williams have agreed that the period should be so reduced or terminated;

Appendix 4: Glossary

Investor	An individual (and certain trustees) who complete(s) an Application Form which is accepted by the Fund Manager and so enters into an Investor's Agreement;
Investor's Agreement	An Investor's agreement to be entered into by each Investor with the Fund Manager, in the terms set out in Appendix 2 of this Information Memorandum;
IPEVC Guidelines	The International Private Equity and Venture Capital Valuation Guidelines from time to time;
Loss Relief	Relief in respect of income tax for allowable losses pursuant to section 131 of the Income Tax Act;
MIFID	EU Directive 2004/39/EC on markets in financial instruments (as subsequently amended by Directive 2007/44/EC and Directive 2008/10/EC);
Net Subscription	An Investor's Subscription (minus any agreed adviser charges, Foresight Initial Charge and first year's AMC and Secretarial Charge payable out of the Subscription amount), invested into underlying companies and eligible for EIS relief;
Nominee	Foresight Fund Managers Limited;
Portfolio	The portfolio of Investments and cash held within the Fund;
Promoter	The Fund Manager or any wholly-owned subsidiary of the Fund Manager appointed by the Fund or the Fund Manager in accordance with Applicable Laws to provide promotional and related services in respect of the Fund;
Readily Realisable Investment	A government or public security denominated in the currency of the country of its issuer or any other security which is admitted to official listing on an Exchange in an EEA State, regularly traded on or under the rules of such an Exchange, or regularly traded on or under the rules of a recognised investment exchange or (except in relation to unsolicited real-time financial promotions) designated investment exchange, or a newly issued security which can reasonably be expected to fall within the above categories when it begins to be traded (this term does not include AIM or PLUS traded investments, nor does it include unlisted securities);
Receiving Agent	The City Partnership (UK) Limited of 110 George Street, Edinburgh, EH2 4LH or such other receiving agent as may be appointed by the Fund Manager from time to time;
Retail Client	A client who is neither a professional client nor an eligible counterparty;
Services	The services provided under clause 4 of the Investor's Agreement;
Shares	Shares in an Investee Company subscribed for by the Fund on behalf of Investors;
SME	Small Medium Enterprise;
Start Date	In respect of each Investor, the 15th day after the Acceptance Date, provided that the Investor has not exercised their cancellation rights.
Subscription	A cash subscription to the Fund by way of an Application Form pursuant to clause 3 of the Investor's Agreement;
Three Year Period	The period beginning on the date the Shares in an Investee Company are issued and ending three years after that date, or three years after the commencement of the Investee Company's trade, whichever is later;

Appendix 4: Glossary

TRL	Technology Readiness Level;
VCT	A company satisfying the requirements of Chapter 3 of Part 6 of the Income Tax Act for venture capital trusts;
Williams	The Williams Group of companies, of which Williams Grand Prix Holdings PLC is the ultimate parent company, and including Williams Advanced Engineering Limited and Williams Technology Ventures Limited

23. Application Form and Intermediary Certificate

APPLICATION FORM AND IMPORTANT NOTE

The Application Form and these notes incorporate by reference the Information Memorandum. Unless otherwise stated or as the context shall otherwise require, defined terms and expressions used in the Application Form and these notes have the meanings ascribed to them in the Information Memorandum.

The minimum investment is £10,000.

If an application set out in an Application Form is not accepted, the Fund Manager will promptly notify the applicant and return the Subscription enclosed with the Application Form by post (or by bank transfer) without interest and at the risk and cost of the applicant. The Fund Manager reserves the right not to process Applications immediately. Any interest arising pending the Start Date on a Subscription, or part of a Subscription, held prior to it being used to make an Investment, shall accrue for the benefit of the Fund Manager.

WHO CAN APPLY?

Please note that applications will generally only be accepted if they are submitted countersigned by a financial intermediary authorised by the FCA.

You can apply either through an execution only intermediary or a financial adviser. If you apply through a financial adviser, your financial adviser must certify that participation in the Fund meets your objectives, you have the expertise, experience and knowledge to understand the risks and that you are able to bear the associated risk involved in participating in the Fund.

Foresight reserves the right to accept an Application Form without an Intermediary Certificate on a case by case basis if it is satisfied with all applicable legal and regulatory requirements.

INDEPENDENT FINANCIAL ADVICE, ASSESSMENT AND CUSTOMER DUE DILIGENCE PROCEDURES

You must arrange for a financial adviser, authorised by the Financial Conduct Authority, to carry out:

- (i) An assessment that you are capable of making your own investment

decisions and understand the risks involved in participating in the Fund (as applicable); and

- (ii) the customer due diligence procedures required by the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 within the guidance for the UK Financial Sector issued by the Joint Money Laundering Steering Group

Your financial adviser must provide the Intermediary Certificate set out at the end of this document.

INSTRUCTIONS FOR COMPLETING THIS APPLICATION FORM

Before completing this Application Form, please carefully review the following documents:

- **The Information Memorandum;** and
- **the Investor's Agreement.**

Then follow the steps listed 1–6 below.

1. Please complete the form in type or use BLOCK CAPITALS (save for your signature) in black/blue permanent ink, and sign any changes you make. Do not erase any text or use white-out. If you have any queries, please contact Foresight on 020 3667 8199
2. Please indicate to whom you would like us to send communications. If you do not indicate a preference, correspondence will be sent to you directly
3. Complete the 'Intermediary Remuneration' section 3 with details of any charges that you have agreed with your authorised financial adviser and that you wish Foresight to facilitate or tick the commission box if that applies. Please initial beside the amount entered as confirmation of your agreement. Any adviser charges agreed will be deducted from your Subscription.
4. Arrange for a financial intermediary, authorised by the Financial Conduct Authority, to complete sections 5–8. Sections 5–8 need to be completed accurately and in full to secure intermediary remuneration. If you have been advised as to the suitability of an investment in the Fund, please also

arrange for your financial Intermediary to carry out the assessments and customer due diligence measures referred to above and to complete the Intermediary Certificate ensuring that the box in section 1 of the Intermediary Certificate has been ticked. Intermediaries need to complete the Intermediary Certificate in full (as required) to avoid unnecessary delays in processing the application or the possibility of the application not being accepted.

5. Sign and date the Application Form in Section 4.
6. Send the entire Application Form, your signed Intermediary Certificate and, if paying by cheque, (note, cheques from corporate accounts are not permitted) your cheque made payable to 'City Partnership-Foresight Williams' by post to the Receiving Agent using the following address:

The City Partnership (UK) Limited
110 George Street, Edinburgh EH2 4LH

Bank transfers should be paid to:

Sort code: 80-22-60

Account number: 15170869

Account Name: City Partnership-Foresight Williams

SWIFT: BOFSGBSIDP

IBAN: GB70BOFS80226015170869

Please reference bank transfers with your surname and initials.

7. Retain a copy of the completed Application Form.

Technical Adviser

Williams Technology Ventures Limited

Station Road
Grove
Wantage
Oxfordshire
OX12 0DQ

T: (0)1235 777700
E: enquiries@williamsf1.com
W: www.williamsf1.com/advanced-engineering

Fund Manager

Foresight Group LLP

The Shard
32 London Bridge Street
London
SE1 9SG

T: (0)20 3667 8100
E: info@foresightgroup.eu
W: www.foresightgroup.eu

Receiving Agent

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110 George Street
Edinburgh
EH2 4LH

T: (0)131 243 7210
W: www.city.uk.com

Administrator & Nominee

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