

INVESTOR'S AGREEMENT

This Agreement sets out the terms and conditions for the Amberside Scientific EIS Fund.

1. Definitions, Construction and Interpretation

- 1.1 In this Agreement the definitions set out at page 44 to 46 of this Information Memorandum issued by the Manager shall apply.
- 1.2 Words and expressions defined in the FCA Rules which are not otherwise defined in this Agreement shall, unless the context otherwise requires, have the same meaning in this Agreement.
- 1.3 Any reference to a statute, statutory instrument or to rules or regulations shall be references to such statute, statutory instrument or rules and regulations as from time to time amended, re-enacted or replaced and to any codification, consolidation, re-enactment or substitution thereof as from time to time in force.
- 1.4 References to "you" or "your" are references to the Investor who enters into this Agreement with the Manager. References to the singular only shall include the plural and vice versa.
- 1.5 Unless otherwise indicated, references to Clauses shall be to Clauses in this Agreement.
- 1.6 Headings to Clauses are for convenience only and shall not affect the interpretation of this Agreement.

2. Investing in the Fund

- 2.1 This Agreement between you, as an Investor and the Manager comes into force on the date on which the Manager accepts your Application Form. The Manager will notify you by email (if you have provided an email address) if your Application Form is accepted. No notification will be provided if you have not provided a valid email address.
- 2.2 This Agreement enables you to appoint the Manager as a discretionary investment fund manager to act on your behalf to make venture capital investments in EIS Qualifying Companies and to manage those investments in common on behalf of all Investors in accordance with the Investment Objective. The Fund will be a Complying Fund.

- 2.3 You, as an Investor, hereby appoint the Manager, on the terms set out in this Agreement, to manage your Portfolio as one of a series of similar Portfolios, which together constitute the Fund. The Manager accepts its appointment and obligations on the terms set out in this Agreement. You, as the Investor, grant the Manager full authority, at the Manager's sole discretion and without reference to you, to enter the kind of transactions or arrangements for your account and to invest, on your behalf, in the type of investments or assets set out in the Information Memorandum. Any Investments made on your behalf will be made on a restricted basis and limited to the types of investments detailed in the Information Memorandum.
- 2.4 You, as an Investor, acknowledge that the Manager has the authority to carry out administration and receiving agent services on your behalf but may appoint third parties to do so which the Manager considers suitable.
- 2.5 The Manager is authorised and regulated by the FCA for the conduct of UK business.
- 2.6 This Agreement is entered into by the Manager on behalf of itself and, to the extent that it is relevant, on behalf of Amberside Nominees Limited, the Custodian.
- 2.7 In consideration of the Manager's appointment, the Manager shall be entitled to the fees expressed to be payable under this Agreement.
- 2.8 You confirm that you have expertise, experience and knowledge in the investment field relevant to the Amberside Scientific EIS Fund and that you are an experienced investor in medium to high risk, Unquoted companies and have suitable knowledge of the risks associated with non-Readily Realisable Investments such as to give reasonable assurance to the Manager, in the context of the nature of the transactions or services envisaged, that you are capable of making your own investment decisions and understanding the risks involved in a participation in the Amberside Scientific EIS Fund and that such participation is appropriate for you.
- 2.9 You confirm that you are not seeking advice from the Manager or Anglo Scientific on the merits of your Subscription and any investments made by the Fund.
- 2.10 The Manager may from time to time utilise an online service to assist with the monitoring and reporting of your Investment in the Fund. This service will be operated by a third party and any additional terms and conditions associated with the service you will be required to sign up to in order.

2.11 The Manager has a duty to comply with the anti-money laundering provisions of the Proceeds of Crime Act 2002, the Money Laundering Regulations 2007 and the FCA Rules. The Manager will therefore verify your identity and report suspicious transactions to the appropriate enforcement agencies. If you do not provide the identity verification information when requested, the Manager may be unable to accept any instructions from you or provide you with any services or return proceeds to you.

2.12 The Manager will comply with FCA conduct of business rule 11.2, as more particularly detailed in Schedule 3 to this Investor's Agreement.

3. Subscription

3.1 You, as an Investor:

(a) must make a Subscription of not less than £25,000 (other than with the discretion of the Manager) at the same time as submitting your Application Form to invest in the Fund; and

(b) may make such greater Subscription (in multiples of £1,000) as you may decide.

subject to the Manager's discretion to accept your application to invest in part only. If your application to invest is scaled back the Manager will refund to you the amount of your proposed Subscription which is not accepted in accordance with clause 3.4.

3.2 You may make a withdrawal from the Fund, or terminate this Agreement, pursuant to Clause 15 below.

3.3 Your Subscription Monies shall be deposited in a client account held by the Custodian and will only be available to invest pending the Manager accepting your Application Form. The Custodian does not pay interest on money held, although this may be reviewed if deposit rates at banks are increased significantly.

3.4 The basis and extent of acceptance of your application will be determined by the Manager in its absolute discretion. It is intended that applications will be accepted in the order in which they are received. The right of the Manager is reserved, notwithstanding the basis so determined, to reject in whole or in part and/or scale down any application. Subscription Monies not accepted will be returned to the applicant in full by means of a bank transfer to the account they were received from. The right is also reserved to treat as valid any application not complying fully with these terms and conditions of application or not in all respects complying with the application procedures

set out in this Agreement. In particular, but without limitation, the Manager may accept applications made otherwise than by completion of an Application Form where the applicant has agreed in some other manner to apply in accordance with these terms and conditions.

3.5 The Fund is categorised by the Manager as the equivalent of an "as a professional client" and this Investor's Agreement taken together with all other Investor's Agreements constitute the "Client Agreement" between the Fund and the Manager for the purposes of the FCA Rules.

4. Services

4.1 The Manager will manage the Fund on the terms set out in this Investor's Agreement. The 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. For the avoidance of doubt this includes any conversion of shares, the amount of capital invested in an Investee Company, voting or other rights relating to such shares, and you hereby irrevocably authorise and empower the Manager in this regard.

4.2 The Tax Advantages are dependent on your personal circumstances as well as the actual underlying Investments made by the Fund. In providing its services to you, the Manager shall not be required to take into account taxation matters and the Manager and the Custodian do not provide tax advice. Therefore, you should seek independent tax advice to determine and understand the suitability of investing in the Fund and any effect that this may have on your own position generally.

4.3 The Manager will provide administration services for the Fund on the terms set out in this Agreement and the Custodian will provide nominee services in relation to the holding of Investee Company shares. The Manager may appoint a third party to provide administration services to the Fund on such terms as may be approved by the Investment Committee.

4.4 You hereby authorise (and grant to the Manager a power of attorney for) the Manager or its agents to act on your behalf and in your name (or on behalf of your nominee and in their name) to negotiate, agree, execute and do all such acts, transactions, agreements and deeds as the Manager or its agents may deem necessary or desirable in connection with the Fund for the purposes of managing your Portfolio including making, and managing and disposing of Investments and cash on your behalf 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). This authority (and power of attorney) shall be irrevocable and shall survive, and shall not be affected by, your subsequent death, disability, incapacity, incompetence, termination, bankruptcy, insolvency or dissolution. This authority will terminate upon the Investor ceasing to hold any cash or other assets in the Fund.

- 4.5** The Manager and Investment Advisor shall not have any authority to act on your behalf or as your agent, except as expressly provided in this Agreement or as the Manager may otherwise be authorised by you (or by an authorised person on your behalf) from time to time.

5. Investment Objective and Restrictions

- 5.1** In performing its discretionary investment management services, the Manager shall have regard to and shall comply with the Investment Objective and the Investment Restrictions.

- 5.2** In performing its discretionary investment management services, the Manager shall at all times have regard to:

- (a)** the need for the Investments to attract the Tax Reliefs; and
- (b)** all Applicable Laws.

- 5.3** Surplus cash held prior to investment in investee companies and, in the event of a gradual realisation of Investments prior to termination of the Fund under Clause 15.1, any cash proceeds of realised Investments, may be placed on deposit or invested in government securities or in other investments of a similar risk profile.

6. Terms Applicable to Dealing

- 6.1** In effecting transactions for the Fund, the 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 the relevant market or exchange and the Manager shall take all such steps as may be required or permitted by such rules and regulations and/or by good market practice. All transactions in Investments will be subject to the rules and customs of the exchange or market and/or clearing house through which the transactions are executed and to all Applicable Laws so that:

- (c)** if there is any conflict between the provisions of this Agreement and any such rules, customs or Applicable Laws, the latter shall prevail; and

- (d)** action may be taken as thought fit in order to ensure compliance with any such rules, customs or Applicable Laws.

You should, however, be aware that Subscriptions 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 that can be secured.

- 6.3** Subject to the FCA Rules, transactions for an Investor may be aggregated with those for other Investors and may be aggregated with other customers of the Manager, and of its employees and Associates and their employees. Investments made pursuant to such transactions will be allocated on a fair and reasonable basis in accordance with the FCA Rules and endeavours will be made to ensure that the aggregation will work to the advantage of each of the Investors, but you should be aware that the effect of aggregation may work on some occasions to your disadvantage.

- 6.4** Generally investments will be allocated between Investors by reference to the proportion which the Investor's uninvested cash bears to the total uninvested cash of all Investors, though the Manager may invest all of your Subscription in a single company where you have expressed a preference for investment in a particular company in your Application Form.

- 6.5** When determining the price per share and number of shares to be allocated to an Investor in an Investee Company, the Manager takes into account the following:

- (a)** the timing of the Investments;
- (b)** variations to prevent Investors having fractions of shares; entitlements to shares will be to the nearest whole share rounded down and the aggregate of fractional entitlements may be held by the Custodian for the Manager; and
- (c)** if one or more of the Investors has notified the Manager that they are an accountant, lawyer or other professional person who is subject to professional rules preventing him/her from making an Investment in a particular Investee Company, then the number of shares provisionally allocated

to that Investor or Investors shall not be acquired for any of their Portfolios in the Fund; and

- (d) whether the Investor is liable to pay their IFA (where the IFA treats the Investor as a retail client) adviser fees or (where the IFA treats the Investor as a professional client) commission (as applicable).

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

7. Custody

7.1 Investments will be registered in the name of the Custodian. Investments within your Portfolio will therefore be beneficially owned by you at all times but the Custodian will be the legal owner of the Investee Company shares. The Custodian will not, save as set out in clauses 7.5 and 7.6, carry on any activity except as instructed by the Manager.

7.2 The Manager will hold any title documents or documents evidencing title to the Investments on behalf of the Nominee. Individual customer entitlements are not identifiable by separate certificate or other physical document of title. In the event of a default of the Custodian, those for whom it holds securities may share in any shortfall pro rata. On occasion, your Investments may be used to settle other person's transactions which will not affect the Manager's record of your entitlements. The Custodian holds the Investments pursuant to a trust under which the interests of Investors are created or extinguished when the Manager makes acquisitions or disposals in accordance with this Agreement. Pursuant to section 250(1) and 257HE Income Tax Act 2007 shares subscribed for, issued to, held by or disposed of for an individual by a nominee are treated for the purposes of the EIS and SEIS as subscribed for, issued to, held by or disposed of by the individual Investor. The Manager shall maintain at all times a record sufficient to identify your beneficial interest in the whole number of shares allocated to your Portfolio and the cash within your Portfolio.

7.3 Investments or title documents may not be lent to a third party and nor may there be any borrowing against the security of the Investments or such title documents.

7.4 An Investment may be realised in order to discharge your obligations under this Agreement, for example in relation to payment of fees, costs and expenses.

7.5 The Manager will arrange for you to receive details of any meetings of investee companies in which you are

invested and any other information issued by investee companies if you at any time in writing request such details and information (either specifically in relation to a particular Investment or generally in respect of all Investments). You shall be entitled, as a matter of right, to require the Custodian to appoint you as its proxy to vote as you may see fit at any meeting of shareholders in an Investee Company in which you are invested. If you are not validly appointed as the Custodian's proxy for the purposes of a meeting of the shareholders of an Investee Company, and upon the application of the Manager to the Custodian, the Custodian may (but is not obliged to) appoint the Manager as its proxy to vote at that meeting. In the case of variations in the share capital, receipts of a notice of conversion or proposal to wind up, amalgamate or takeover a company in which an Investment is held for you:

- (a) a bonus or capitalisation issue will be automatically credited to an Investor's holding;
- (b) otherwise (where appropriate) the Manager will be sent a summary of the proposal and the required action to be taken (if any);
- (c) in the case of a rights issue or other proposed variation, the Custodian will send the Manager such summary of the proposal and the required action to be taken (if any) as it may receive, and if no instruction is received from the Manager, the Custodian will allow the rights to lapse. Lapsed proceeds in excess of £3 will be credited to you. Sums less than this will be retained for the benefit of the Custodian. However, if nil paid rights in a secondary market are acquired for you, such rights will be taken up, unless the Manager provides contrary instructions;
- (d) all offers will be accepted by the Custodian only upon instructions from the Manager;
- (e) entitlement to shares will be to the nearest whole share rounded down and the aggregate of fractional entitlements may be held by the Custodian for the Manager;
- (f) if partly paid shares are held for you and are the subject of a call for any due balance and no instruction is received from the Manager, the Custodian may sell sufficient of your Investments as (in its reasonable opinion) is necessary to meet the call; and
- (g) in the case of a proposal to wind up, amalgamate or take over an Investee Company the Manager

will be sent a summary of the proposal and the required action to be taken (if any).

7.6 Where applicable, you are responsible for complying with all requirements under the Takeover Code and to notify the FCA and the Takeover Panel of dealings in relevant shares during a takeover or merger.

7.7 You hereby authorise the Investment Committee, acting as a representative organ of the Fund in its capacity as a professional client of the Manager, to:

(a) consent to and approve arrangements for the holding of money which correspond with the following conditions that;

(i) money held for an Investor is deposited with an authorised banking institution in a common call account with customer trust status, together with cash balances belonging to other Investors;

(ii) the Manager operates such account jointly with such other person or persons of whom the Independent Investment Committee shall approve;

(iii) all dealings with money in amounts exceeding £100,000 (or such other limit of which the Investment Committee shall approve) shall require the prior authorisation of a member of the Investment Committee;

(iv) cash balances will not be actively managed;

(v) any interest earned on cash balances held for Investors will be retained by the Custodian; and

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

(b) where arrangements for the holding of money correspond with the requirements of paragraph (a) above, opt out of the FCA client money rules in accordance with CASS 7.10.10 and to acknowledge that money will not therefore be required by the FCA Rules to be segregated from money of the

Manager and so, but for the provisions of this clause 7.8, money could be used by the Manager in the course of its own business and, were this to be the case, the Fund would only rank as a general creditor of the Manager; and

(c) approve, as they shall think fit, alternative arrangements, for the holding of money by a person authorised to do so by the FCA including, if it is so authorised and so elects, by the Manager.

7.8 The Manager may debit or credit the account for all sums payable by you or to you (including dividends receivable in cash and fees and other amounts payable by you) and make adjustments:

(a) in respect of sums received by you otherwise than as a result of credits properly made to the account initiated by the Manager under this Agreement; and

(b) to effect settlement in respect of Investments.

Share dividends shall not be receivable under this Agreement otherwise than in cash.

Interest may be payable on credit balances on the bank account and shall be paid to the Manager as a contribution towards the cost of establishing and maintaining the Fund.

7.9 The Manager may decide to cease to treat as your money any of your unclaimed cash if there has been no movement in the balance in the bank account in a period of five years (notwithstanding any payments or receipts of charges, interest or similar items) and the Manager has taken reasonable steps to contact you and to return the balance.

7.10 You confirm that in no event shall an investment counterparty dealing with the Manager, the Manager or Custodian with respect to any document signed or action undertaken for or on behalf of you in accordance with this Agreement be obliged to inquire into the necessity or expediency of any act or action of you, the existence or non-existence of any fact or facts which constitute conditions precedent to acts by you or any act or failure to act by you or as to any other matter whatsoever involving you. You declare that a person who deals with the Custodian, Manager and the Manager in good faith may accept a written statement signed by the Custodian, Manager or Manager to the effect that their appointment as such hereunder has not been revoked as conclusive evidence of that fact.

8. Reports and Information

- 8.1 You will be provided with contract notes by the Manager for each transaction.
- 8.2 The Manager shall send you a report relating to the Fund, complying with the FCA Rules, every six months. 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 valuation rules from time to time prevailing.
- 8.3 The Manager shall supply such further information which is in its possession or under its control as you may reasonably request as soon as reasonably practicable after receipt of such request.
- 8.4 Any contract notes, statements, reports or information so provided by the Manager to you will state the basis of any valuations of Investments provided.

9. Fees and Expenses

- 9.1 The Manager shall receive fees on the basis set out in schedule 2 to this Agreement. The Manager will arrange for investee companies to facilitate the payment of such fees if practicable as well as the Adviser Charges agreed by you and your IFA (or commission, where applicable) in accordance with schedule 2 of this Agreement.
- 9.2 The Manager may facilitate or procure the facilitation of payments in respect of charges which you have agreed with your financial intermediary as detailed in the Information Memorandum and the Application Form. You confirm that any ongoing agreed charges payable to your financial intermediary are and will be for ongoing services to you in relation the Fund. You have the right to cancel the facilitation of any ongoing charges at any time notice in writing to the Manager. You may also request that facilitation of ongoing charges to a new financial intermediary who is advising you in relation to the Fund in place of previous financial intermediary. Any such request must be made by at least 30 days' notice writing to the Manager. The Manager may structure the funding and payment such payments at its discretion for legal, tax and regulatory reasons from time to time. The administration of remuneration for financial intermediaries will be managed by the Manager.
- 9.3 The Manager shall be responsible for meeting all fees and expenses of the Custodian.

10. Management and Administration Obligations

- 10.1 The Manager shall use all commercially reasonable endeavours on the basis and with the resources available to it as described in the Information Memorandum to provide its 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) the Manager shall not take any action which may prejudice obtaining the Tax Reliefs save where the Manager considers it to be in the best interests of Investors.

11. Your Obligations

- 11.1 Your Portfolio, which is to be established by this Agreement, will be established on the basis of the declaration made in your Application Form which includes the following statements in relation to your Subscription:
 - (a) that you agree to notify the Manager if any Investment is made in any company with which you are connected within the meaning of Section 163 and Sections 166 to 177 of the Income Tax Act 2007;
 - (b) that you agree to notify the Manager if, within three years of the date of issue of an Investment in an Investee Company, you become connected with the Investee Company or receive value from that Investee Company; and
 - (c) that you will provide the Manager with your tax district, tax reference number and National Insurance number.
- 11.2 You hereby confirm 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 You must immediately inform the Manager in writing of any change of tax status, other material change in circumstance and any change in the information provided in the Application Form to which Clause 11.1 above refers.
- 11.4 In addition, you must provide the Manager with any information which it reasonably requests for the purposes of managing your Portfolio pursuant to the terms of this Agreement.

12. Delegation and Assignment

The Manager may employ agents and sub-contractors, including associates, to perform any administrative, custodial or ancillary services to assist the Manager in performing its services, in which case it will act in good faith and with due diligence in the selection and use of agents but (save where the agent, adviser or other persons are an Associate of the Manager, for whom the Manager will remain directly responsible to the Investor for all acts and omissions as if they were those of the Manager) the Manager will not be responsible for the acts and omissions of any such persons. For the avoidance of doubt the provisions of this clause shall apply if the Manager appoints any person other than itself to be an administrator for the Fund or if it appoints any person to provide.

13. Potential Conflicts of Interest and Disclosure

13.1 This Clause 13 list of potential conflicts of interest is not intended to be comprehensive.

13.2 The Manager may provide similar services or any other services whatsoever to any client and the Manager shall not in any circumstance be required to account to you for any profits earned in connection therewith. So far as is deemed practicable by the Manager it will use its reasonable endeavours to ensure fair treatment as between the Fund and such clients in compliance with the FCA Rules. However, the Manager may provide advisory or discretionary fund management activities for other clients, including, without limitation, other arrangements similar to the Fund. The investment strategies employed for such other arrangements could conflict with the transactions and strategies employed in advising the Fund in respect of its portfolio and may affect the prices and other instruments in the underlying investee companies.

13.3 The Manager and any Associate may, subject to FCA Rules, and without prior reference to you, recommend and/or undertake transactions in which they have, 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 you provided however that the Manager shall make a full and fair disclosure of any conflicts of interest which may arise to the Investment Committee and shall act in accordance with such directions and guidelines as they may provide. If the Manager does this then neither the Manager, nor any Associate, shall be liable to account to you 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:

- (a) the Manager or any Associate may receive remuneration or other benefits by reason of acting in corporate finance or similar transactions involving companies whose securities are held for you;
- (b) the Manager or any Associate may take an equity stake in a company whose securities are held for you at a price not below the issue price available to you. Additionally the Manager may hold an equity stake in a company whose securities are held for you which was issued to the relevant member or members of the Manager at an issue price which is less than the issue price available to you where the equity stake, or the entitlement to it is acquired before shares are issued to you;
- (c) the Manager or an Associate provides investment services for other clients. In particular the Manager may manage other funds and if investment opportunities are suitable for the Fund and other funds or accounts which it manages the Manager will allocate those opportunities in accordance with its allocation policy as in place from time to time;
- (d) any of the Manager's directors or employees, or those of an Associate, is or may become a director of, holds or deals in securities of, or is otherwise interested in any Investee Company whose securities are held on your behalf (save that any such securities held by the Manager, or an Associate will not be capable of assignment, save to employees of the Manager, or an Associate as relevant, for a period of three years following their subscription);
- (e) the transaction is in securities issued by an Associate of the Manager or the client of that Associate;
- (f) the transaction is in relation to an Investment in respect of which the Manager (or their Associates) may benefit from a commission or fee payable otherwise than by you and/or the Manager or their Associate may also be remunerated by the counterparty to any such transaction;
- (g) the Manager deals on your behalf with an Associate;
- (h) the Manager may act as your agent in relation to a transaction in which it is also acting as agent for the account of other customers and Associates;
- (i) the Manager may, in exceptional circumstances, deal in investments as principal in respect of a transaction for you;

- (j) the 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 Manager or an Associate may retain any agent's commission or discount or other benefit (including directors' fees) that accrues to them; or
- (k) the transaction is in the securities of an Investee Company for which the Manager or an Associate has underwritten, managed or arranged an issue within the period of 12 months before the date of the transaction.

14. Liability

14.1 The Manager agrees that it 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 you under the FCA Rules.

14.2 Neither the Manager nor its partners, officers, employees and agents shall be liable to you for any direct or indirect loss, damage, costs, charges, expenses or other claims of whatsoever nature arising under, or in connection with, things done or omitted to be done by it pursuant to this Agreement, including (but not limited to) loss or damage incurred as a result of:

- (a) HMRC not granting EIS Relief or withdrawing EIS Relief previously claimed in relation to investee companies or any adverse tax implications of any transactions arising in connection with the Manager's services under this Agreement;
- (b) third party claims;
- (c) any delay or change in market conditions before any transaction is effected on your behalf;
- (d) for any losses, costs, expenses, damages and liabilities, you may suffer because of anything outside the Manager's reasonable control to prevent and the effect of which is beyond the Manager's reasonable control to avoid, including, but not limited to: the introduction of any change to any law; acts or regulations of any governmental or supranational bodies or authorities currency restrictions, devaluations and fluctuations; acts of terrorism; war; civil unrest; lock-out or strike, market conditions affecting the execution or settlement of transaction of the value of assets; faults and interruptions in executing trades or investments made on your account or, where applicable,

processing investment instructions including failure or malfunction of any telecommunications or computer service or services; the failure of any relevant exchange or clearing houses; and strikes and industrial disputes not within our reasonable control;

- (e) the solvency, acts or omissions of any third party we deal with on your behalf (other than an Associate of the Manager) including any broker, nominee company, manager, settlement agent, depositary or other third party by whom or in whose control any of your investments (or documents of, or certificates evidencing, title thereto) may be held or through whom any transactions may be effected, or any other third party with whom the Manager deals or transacts business or who is appointed by the Manager in good faith on your behalf), unless the Manager has been grossly negligent in selecting or dealing with them for you;
- (f) the Manager not investigating any instruction from you that it reasonably believes may be genuine which turns out not to be genuine;
- (g) the Manager not following an instruction from you in accordance with this Agreement where the Manager reasonably believes that following such instruction would give rise to a breach of any Applicable Laws; and/or
- (h) any error by you or your agents in sending any instructions to the Manager or arising from you countermanding any outstanding instructions which has already given rise to binding rights or obligations.

14.3 The Manager shall not be liable to you for any losses arising from any investment decision made or for other action in accordance with this Agreement (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 howsoever arising), except to the extent that such loss is finally judicially determined to have been solely caused by the gross negligence or wilful default or fraud of the Manager or any of its officers, employees or agents.

14.4 The Manager accepts responsibility for holdings of Investee Company shares in the name of the Custodian and for the acts and omissions of the Custodian, provided, however, that the Manager shall not be liable for any loss

to you arising from any action it takes in accordance with this agreement, except to the extent that such loss is directly due to the gross negligence or wilful default or fraud of the Manager or any of its officers, agents or employees.

- 14.5** Subject to Clauses 6.6 and 12, the 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 such party which is their Associate.
- 14.6** In the event of any failure, interruption or delay in the performance of the Manager's obligations resulting from acts, events or circumstances not reasonably within 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, you acknowledge that the Manager shall not be liable or have any responsibility of any kind to any loss or damage thereby incurred or suffered by you.
- 14.7** The Manager gives no representations or warranty as to the performance of the Fund. Investments in Investee Companies are high risk, 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. By entering into this Agreement you confirm that you have considered the suitability of the Investment Objectives and Investment Restrictions set out in schedule 1 to this Agreement, have read and understood the Information Memorandum including, in particular, the risk warnings set out therein, and have taken your own independent advice. Nothing in this Clause 14 shall exclude the liability of the Manager for its own fraud.
- 14.8** The Manager, will not be liable to you for any consequent impact on the Fund or any consequent damage or loss suffered or incurred by you in respect of the circumstances set out in this Clause 14.
- 14.9** Nothing in this Agreement will operate to exclude or limit any liability of the Manager, or the Manager: (i) in respect of fraud on the part of the Manager, or (ii) in respect of death or personal injury arising from the Manager's gross negligence, or (iii) which otherwise cannot lawfully be omitted or excluded (including any duty or liability owed to you under the FCA Rules), or (iv) which is finally and judicially determined to have resulted from their wilful default or gross negligence.
- 14.10** The Manager's total liability under or in connection with this Agreement shall be limited to foreseeable loss and not consequential loss.

14.11 You and your professional tax adviser remain responsible for the management of your affairs for tax purposes.

14.12 The Manager reserves the right to put such controls and limitations on any account opened on your behalf as it in its reasonable discretion deems fit in response to the requirements of any duly constituted authorities including without limitation:

- (a) the orders of courts binding on the Manager or duly recognised foreign courts;
- (b) HMRC; and
- (c) sanctions lists issued by the European Union, HM Treasury or any other similar body.

For the avoidance of doubt this Clause 14.12 shall permit the Manager to freeze your account.

14.13 The Manager is solely liable for the performance and observance of the terms of this Investor's Agreement. The individual members of the Investment Committee are appointed by the Manager to provide advice and guidance to and generally to oversee the good corporate governance of the Manager and the members of the Investment Committee do not owe you any duty of care or any other obligation to any other person and shall not have any personal liability to you whatsoever and howsoever arising.

15. Termination

15.1 Where possible, the Manager will seek to realise Investments within a period of five to seven years after the investment but realisations may take much longer given the type of investments envisaged. You acknowledge that there can be no guarantee as to the performance or value of Investments, or the achievability or timing of realisations. On termination of this Agreement, the Manager shall endeavour to procure that all remaining Investee Company shares in your Portfolio will be sold or transferred into your name or as you may otherwise direct. Any cash within your Portfolio will (net of fees and costs, including bank charges) be paid to you.

15.2 Unless you agree otherwise with the Manager, you are entitled to make withdrawals of Investee Company shares in your Portfolio at any time after the end of the period of seven years beginning with the date on which the shares in question were issued or withdrawals of Investee Company shares which have become listed on a recognised investment exchange or official listing in an

EEA State in your Portfolio at any time after the period of five years beginning with the date on which the shares in question were issued.

You are entitled to withdraw any uninvested cash in your Portfolio at any time before it has been committed to an Investee Company and subject to giving 10 days' notice in writing to the Manager. The 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 an Investor's liability to the Manager for fees which are due or which have been accrued. If you make a withdrawal of shares pursuant to this clause you will be liable for a charge equal to a fair amount determined by the Manager in compensation for its contingent entitlement to accrued performance fees.

This Agreement shall terminate upon the completion of the withdrawal from the Fund of all Investee Company shares and cash which you are entitled to receive under this clause 15.2. The balance of any sale proceeds and control of any remaining Investee Company Investments will then be passed to you.

15.3 If:

- (a) the Manager gives you not less than one month's written notice of its intention to terminate its role as Manager under this Agreement; or
- (b) the Manager ceases to be appropriately authorised by the FCA or becomes insolvent

the Manager shall use its reasonable endeavours to make arrangements to transfer the Investments to another fund manager in which case that fund manager shall assume the role of the Manager under this Agreement (*mutatis mutandis*), failing which the Agreement shall terminate forthwith and, subject to Clause 16, the Investments held in your name shall be transferred into your name or as you may otherwise direct.

15.4 Subject always to the Manager's discretion to determine otherwise, there is no minimum fund size.

16. Consequences of Termination

16.1 On termination of this Agreement pursuant to Clause 15, the Manager will use reasonable endeavours to complete all transactions in progress at termination expeditiously on the basis set out in this Agreement.

16.2 Termination will not affect accrued rights, existing commitments or any contractual provision intended to survive termination and will be without penalty or other additional payments save that you will pay fees, expenses and costs properly incurred by the Manager and which are due up to and including the date of termination and which are payable under the terms of this Agreement, including a charge equal to a fair amount determined by the Manager in compensation for its contingent entitlement to accrued performance fees.

16.3 On termination, the Manager may apply cash held for you, and may retain and/or realise such Investments as may be required to settle transactions already initiated and to pay your outstanding liabilities, including fees, costs and expenses payable which are set out in Schedule 2 to this Agreement (if applicable).

17. Confidential Information and Data Protection

17.1 Neither the Manager, nor the Investor, shall disclose to third parties or take into consideration for purposes unrelated to the Fund information: the disclosure of which by it would be or might be a breach of duty or confidence to any other person; or which comes to the notice of an employee, officer or agent of the Manager or of any Associate but properly does not come to the actual notice of that party providing services under this Agreement.

17.2 The Manager, will at all times keep confidential all information acquired in consequence of the services, except for information which: is in the public knowledge; or which they may be entitled or bound to disclose under compulsion of law; or is requested by regulatory agencies; or is given to their professional advisers where reasonably necessary for the performance of their professional services; or 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 Manager may verify your identity and assess your financial standing. In doing so, a credit or mutual reference agency may be consulted which will record a search.

17.4 All data which you provide to the Manager, or the Custodian is held by that party subject to Data Protection Regulations. You hereby agree that the Manager and the Nominee, may pass personal data to each other and to other parties insofar as is necessary in order for them to provide their services as set out in this Agreement and to the FCA and any regulatory authority which regulates them and in accordance with all other Applicable Laws.

- 17.5** In accordance with Data Protection Regulations, you are entitled to a copy of the information the Manager and the Custodian holds about you. In the first instance, you should direct any such request to the Manager. You should inform the Manager if any information the Manager holds about you is inaccurate, so that the Manager may correct it.
- 17.6** You may not require the destruction or deletion of any record pertaining to you unless the Manager or the Custodian is required to destroy or delete such records by force of law or other regulatory requirement, including Data Protection Regulations.
- 17.7** The Manager and where relevant the Custodian will act as data controller (and in certain circumstances, data processor) within the meaning of Data Protection Regulations. You hereby consent to the storage, processing and use by the Manager, and where relevant the Custodian, and their respective agents and Associates of personal data (as defined in Data Protection Regulations) given by you under this Agreement in connection with the provision of the services under this Agreement. You undertake to supply personal data to the Manager and the Manager in accordance with the provisions of Data Protection Regulations.
- 17.8** Your personal data will be stored on a database, which is shared by the Manager, the Custodian and their Associates. If you opt in to receive marketing communications on the Application Form, you agree that this personal data may be used by them and/or their Associates to send you details of new and existing products or other opportunities which may be considered of interest or relevance to you (including by e-mail) unless you notify them in writing that it may not be used in this way.

18. Complaints and compensation

The Manager has established procedures in accordance with the FCA Rules for consideration of complaints. Details of these procedures are available from the Manager on request. Should you have a complaint, you should contact either the Manager or Custodian.

19. Notices, Instructions and Communications

- 19.1** Notices of instructions to the Manager or the Custodian should be in writing and signed by you, except as otherwise specifically indicated.
- 19.2** The Manager or the Custodian may rely and act on any instruction or communication which purports to have been given by persons authorised to give instructions by

you under the Application Form or subsequently notified by you 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 with you shall be sent (whether postal or electronic) to the latest address you have supplied in writing to the Manager or the Custodian and shall be deemed received by you on the second day after posting or on the day after dispatch in the case of electronic communication. All communications by you shall be made in writing or (save as otherwise provided) by telephone to the Manager or the Custodian, in which case conversations may be recorded for the avoidance of any subsequent doubt. Communications sent by you will be deemed received only if actually received by the Manager or the Custodian. The Manager will not be liable for any delay or failure of delivery (for whatever reason) of any communication sent to you.

20. Unsolicited real time financial promotion

If you opt in to receive marketing communication on the Application Form, the Manager may communicate an unsolicited real time financial promotion (i.e. interactive communications such as a telephone call promoting an investment) to you.

21. Amendments

The Manager may amend this agreement by giving you written notice with immediate effect if such amendment is necessary in order to comply with Applicable Laws including HMRC requirements, or in order to maintain the Tax Reliefs or in order to comply with the FCA rules. Any other proposed amendments will be notified to you, and if you fail or omit to give notice of your rejection of the proposed amendment within 30 days of the date of the amendment notice, this Agreement shall be deemed amended accordingly.

22. Entire agreement

This Agreement, together with the Application Form and other documents mentioned in it, comprises the entire agreement of the Manager with you relating to the provision of the services described therein. This agreement is personal to you and may not be assigned by you without the prior written consent of the Manager. In the event of your death the Manager will continue to deal with your personal representatives. The Manager may assign the whole or part of its fees due in accordance with Schedule 2 to any Associate of the Manager and/

or, where permissible in accordance with FCA Rules, to any financial intermediary representing an Investor and may also assign this agreement to an Associate by giving notice to you, provided that such Associate is authorised and regulated to perform all of the Manager's functions hereunder and subject to any amendments required to this agreement to effect the assignment and subsequent operation by the Associate as amended pursuant to clause 21.

23. Rights of Third Parties

- 23.1** A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement, but this does not affect any right or remedy of such third party which exists or is available apart from that Act.
- 23.2** Notwithstanding any provision of this Agreement, this Agreement (and any provision of it) may be rescinded, amended or varied without the consent of any third party and section 2(1) of the Contracts (Rights of Third Parties) Act 1999 will not apply.

24. Severability

- 24.1** If any term, condition or provision of this Agreement shall be held to be invalid, unlawful or unenforceable to any extent, such term, condition or provision shall not affect the validity, legality or enforceability of the remainder of this Agreement.
- 24.2** If any provision of this Agreement is so found to be invalid or unenforceable in accordance with Clause 24.1 but would be valid or enforceable if some part of the provision were deleted or the period, area or scope of application of the clause were reduced, the clause in question will apply with any modification(s) that may be necessary to make it valid and enforceable.
- 24.3** The parties agree, in the circumstances referred to in Clause 24.1, and if Clause 24.2 does not apply, to attempt to substitute for any invalid or unenforceable provision a valid and enforceable provision which achieves to the greatest extent possible the same effect as would have been achieved by the provision which is invalid or unenforceable. The obligations of the parties under any invalid or unenforceable provision of this Agreement will be suspended while the parties attempt to agree the substitution.

26. Governing Law

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

Schedule 1:

Investment Objective and Restrictions of the Fund

Investment Objective of the Fund

1. To offer Investors the opportunity to invest in Unquoted EIS Qualifying Companies which carry on business or intend to carry on business of a type described in the Information Memorandum published by Amberside Capital Limited in December 2018.

Investment Restrictions for the Fund

2. In carrying out its duties hereunder in respect of the Fund, regard shall be had, and all reasonable steps taken, by the Manager to comply with such policies or restrictions as are required in order to attract the Tax Reliefs as may be prescribed by HMRC from time to time.
3. In particular, but without prejudice to the generality of the above statements, the restrictions for the Fund are as follows:
 - (a) Whilst no more than 25% of the Subscription of an Investor will normally be invested in any one Investee Company at full fund raising, if attractive investment opportunities arise before the Maximum Fund Size has been reached then all of your Subscription may be invested in a single company and provided further that this shall not restrict the subsequent merger, acquisition or unification of Investee Companies with other Investee Companies; and
 - (b) each Investee Company in which Investments are made will, so far as the Manager is aware at the time of the Investment, be a EIS Qualifying Company.
4. You, as an Investor, should be aware that the Fund's Investments will include non-Readily Realisable Investments. There is a restricted market for such Investments and it may therefore be difficult to deal in the Investments or to obtain reliable information about their value.
5. In the event of a gradual realisation of Investments prior to termination of this Agreement under Clause

15, the cash proceeds of realised 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 this Agreement or in instalments in advance of termination, as determined by the Manager, subject to HMRC approval (if necessary).

Schedule 2: Fees and Expenses in respect of the Fund

The fees and charges payable in connection with the Fund are as set out in the section headed "Fees and Charges" on page 22 of the Information Memorandum.

Schedule 3: Execution policy

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

The execution criteria are defined as the characteristics of the client, order (orders placed in the market will indicate a price range that is suitable for the investment decision), type of financial instrument (some shares are more liquid than others, and illiquid shares will be less easily tradable in volume) and the execution venue.

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

The Manager may establish special purpose vehicles as investments. Investors will be issued shares in such SPVs. As shares

in SPVs cannot be obtained from any other sources there is limited opportunity to apply some of the execution factors.

The Manager will review the effectiveness of its execution policy and order execution arrangements on an annual basis. Whenever a material change occurs that affects the Manager's ability to continue to obtain the best possible result for the Investors, the Manager will notify the Investors of any material changes to its execution arrangements or its execution policy by posting an updated version on its website.

Consent

The Manager is required to obtain your consent to this execution policy. This will be demonstrated by your submission of a completed Application Form to the Manager.

GLOSSARY

INTRODUCTION

This Glossary applies to your investment in the Fund. Your investment will have the features and risks set out in the Information Memorandum, Investor Agreement and the Application Form and you should read all these documents carefully. The Glossary applies from when your Application Form is accepted (including the time your money is held before the Closing Date).

We or us, Amberside: Amberside Capital Ltd (and affiliated companies), the Fund Manager, authorised and regulated by the Financial Conduct Authority (FCA) (FRN 706218).

Act or FSMA: Financial Services and Markets Act 2000.

Adviser Charge: A fee agreed between an Investor and their Financial Adviser and paid or payable by an Investor to a Financial Adviser.

AIM: Alternative Investment Market operated by London Stock Exchange plc.

Anglo Scientific: Incorporates Anglo Scientific Ltd (03914022), Anglo Scientific Investments Limited (11568979) and its principals: Douglas Dundonald, Vito Levi D'Ancona, Fred Edenius, Henry Hyde-Thomson, Will Addison. The legal contracting entity to the fund is Anglo Scientific Investments Limited.

Annual Administration Fee: An annual fee payable to the Fund Manager. Where possible this will be levied on the Investee Companies. Where it is not possible to have this paid by the Investee Company, the Fund Manager may seek alternate methods to pay this fee.

Applicable Laws: All relevant UK laws, regulations and rules, including those of the FCA.

Application Closing Date: There is no official closing date of this fund it is intended to stay open until such time as the Fund Manager believes they cannot find sufficient investments.

Application Form: An Application Form completed by a prospective Investor in the form provided by the Fund Manager.

Associates: any person, partnership or entity which (whether directly or indirectly) controls or is controlled by another person, partnership or other entity. 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 Day: A day (other than Saturday or Sunday) on which commercial banks are open for business in London.

Business Investment Relief (BIR): Business investment relief as set out in sections 809A to 809VO of the Income Tax Act 2007 and available in certain prescribed circumstances to non-domiciled or individuals who are resident and domiciled in the UK but not ordinarily resident, who have claimed the remittance basis of taxation which were introduced by the Finance Act 2012. This is also often referred to as Inheritance Tax (IHT) Relief.

Capital Gains Deferral or CGT Deferral Relief: Deferral of CGT (as set out in section 150C and Schedule 5B of the Taxation of Chargeable Gains Act 1992).

Capital Gains Tax (CGT): A tax that is levied on capital gains.

Client Money Account: A current or deposit account at a third party bank. Although the Fund does not require the Custodian to be FCA regulated, the Fund Manager will ensure that the Custodian does not enter into any agreements other than to provide the custody of Client assets.

Complying Fund: an arrangement, specified in Paragraph 2(2)(b) of the Schedule to the Financial Services and Markets Act 2000 (Collective Investment Schemes) Order 2001 (SI 2001/1062), which is, in summary, an arrangement where: (a) the operator will, so far as practicable, make investments which, subject to each participant's individual circumstances, qualify for relief under Part 5 of the Income Tax Act 2007; and (b) the minimum contribution to the arrangements by each participant must be not less than £2,000.

Custodian: Amberside Nominees Ltd or any such other entity as the Fund Manager may appoint from time to time to provide custodian services in respect of the Fund.

Data Protection Regulations: means, the GDPR and the Data Protection Act 2018, the Privacy and Electronic Communications (EC Directive) Regulations 2003, and all other Applicable Laws relating to the processing of personal data, privacy, the protection of personal data in electronic and direct marketing, including any Applicable Laws or regulation which supercedes, replaces or implements any of the foregoing in the United Kingdom.

Distributions: any amounts paid by way of dividends, tender offers, share buybacks, proceeds on a sale or liquidation of the Investee Company and any other further proceeds or value received, or deemed to be received by investors in the Investee Company in respect of their shares in that company, excluding any income tax relief and any other tax reliefs on subscription.

EIS Qualifying Companies: A company that meets the EIS requirements regarding EIS Relief and Capital Gains Deferral (and each an "EIS Qualifying Company").

EIS Relief: Relief from income tax under EIS.

Enterprise Investment Scheme or EIS: The Enterprise Investment Scheme as set out in the Income Tax Act 2007 sections 156-257 and in sections 150A-150C and schedule 5B of the Taxation of Chargeable Gains Act 1992.

Execution-Only: a transaction which is executed by a financial intermediary (an "Execution-Only Broker") upon the specific instructions of a client where the firm does not give advice relating to the merits of the transaction or make a personal recommendation.

Exit: A listing, sale of the entire share capital of an Investee Company, winding up or other capital distribution.

FCA: The Financial Conduct Authority who can be contacted at 12 Endeavour Square, London, E20 1JN.

FCA Rules: The rules contained in the FCA's Handbook of Rules and Guidance.

FSMA: The Financial Services and Markets Act 2000 (as amended).

Financial Adviser: A person authorised under FSMA such as an independent Financial Adviser, Wealth Manager or FCA authorised intermediary who assesses either the suitability or appropriateness of the investment for an Investor.

Form EIS 3: A Certificate issued by HMRC stating and confirming the EIS Relief obtainable by an Investor.

Fund Manager: Amberside Capital Ltd a limited company registered in England and Wales under registered number 09479851 and whose registered office is at Amberside House, Wood Lane, Hemel Hempstead, Hertfordshire, HP2 4TP. Amberside Capital is Authorised and Regulated by the Financial Conduct Authority (FRN 706218).

GDPR: means the EU Regulations 2016/679 General Data Protection Regulation.

HMRC: Her Majesty's Revenue & Customs.

Independent Co-Investors: organisations who originate investment opportunities for the Fund and may co invest alongside the Fund.

Inheritance Tax or IHT: A tax that is levied on your estate in the event of your death or any other chargeable lifetime transfer.

Initial Fee: An initial fee payable to the Fund Manager and Investment Advisor and levied on the Investee Companies.

Investee Companies: Companies in which the Fund is invested.

Investment: The holdings in the various Investee Companies subscribed for by the Fund Manager on behalf of Investors.

Investment Adviser: Anglo Scientific Investments Ltd, a limited company registered in England and Wales under registered number **11568979** and whose registered address is The Elms Courtyard, Bromsberrow, Ledbury, Herefordshire, United Kingdom, HR8 1RZ

Investment Committee: A committee consisting of at least three senior members from the Fund Manager, Investment Adviser and an independent chairman nominated by the Fund Manager.

Investor: A person who completes an Application Form which is accepted by the Fund Manager and so enters into an Investor Agreement.

Investor Agreement: The agreement between the Investors and the Fund Manager in the form set out on pages 31 to 43.

Maximum Fund Size: The aggregate maximum Subscription of £50.0 million into the Fund by Investors which may be increased at the Fund Manager's discretion.

Minimum Holding Period: EIS shares must be held for a period of at least three years from the date of issue or the start of trade if later, otherwise income tax reliefs will be withdrawn.

Minimum Subscription: The minimum amount an Investor may subscribe into the Fund, being £25,000.

MiFID: Markets in Financial Instruments Directive (Directive 2014/65/EC).

Nominee: A company established for holding investments on behalf of Investors. Although the Nominee Company becomes the legal owner of such investments, the investor is the beneficial owner. The initial Nominee is the Custodian.

Performance Incentive Fee: The fee payable to the Fund Manager and Investment Advisor if Distributions to an Investor exceed 150% of their Subscription.

Portfolio: The Subscription Monies an Investor contributes to the Fund plus all Investments made through the Fund which are allocated to an Investor and registered in the name of the

Nominee on the Investor's behalf and which are subscribed out of such monies plus all income and capital profits arising thereon.

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

Related Company: Any company in the same group of companies as the Fund Manager or Investment Advisor.

Subscription: A cash Subscription by way of an Application Form, from which any agreed Adviser Charges (including ongoing Adviser charge) are deducted in advance of any investment in the Investee Companies.

Tax Advantages: The various tax advantages including EIS Relief and CGT Deferral Relief, arising from the Investment in shares in EIS Qualifying Companies.

Terms of Business: The Amberside Terms of Business by which all Financial Advisers are bound. Available on our website www.amberside.com.

Unquoted: With reference to a company means a company not listed or quoted on an investment exchange or whose shares are not, with the agreement or approval of any officer of the relevant company, the subject of information published for the purpose of facilitating deals in the shares or indicating prices at which persons may be willing to deal.

VCT: Venture Capital Trusts, established under Part 6 of the Income Tax Act 2007.

