

# Mercia EIS Fund Q1 2021 - Application Form

## Guidance Notes

This application form incorporates by reference the Information Memorandum. Unless otherwise stated, defined terms and expressions used in the application form have the meanings ascribed to them in the Information Memorandum.

**1. The minimum investment is £25,000, payable by bank transfer after your application has been accepted (Bank of Scotland, sort code: 12-21-37, account number: 00100130). Or, cheques may be made payable to, The Share Centre - Mercia EIS Fund Q1 2021. Investors should note that any money received before the application has been accepted may be returned.**

**2. Within the Client Information Form, you must provide information for us to be able to assess the appropriateness of this fund for you, based on your knowledge and experience of investing. Please note that promotion of this fund is restricted to investors who qualify by meeting the tests set out in the FCA rules.**

**3. Please make sure you have read and understand all of the information associated with the fund, and follow the instructions carefully, before completing and sending the application to our Receiving Agent & Custodian, The Share Centre;**

Mercia EIS Fund Q1 2021  
c/o The Share Centre  
PO Box 2000  
Aylesbury, Buckinghamshire  
HP21 8ZB

### Who can apply?

You can apply to invest if you fall within the categories specified within page 2 of the Information Memorandum. A prospective investor is a person who is capable of making their own investment decisions and understands the risks involved, which are described in the Information Memorandum, or has been professionally advised in relation to the product and the risks involved.

**If you have any enquiries regarding this form, please call +44 (0) 330 223 1430 or email [enquiries@mercia.co.uk](mailto:enquiries@mercia.co.uk).**

### By completing and signing this application form, I confirm that:

- i. My identity may be checked by electronic means such as the use of data held by specialised data agencies. However, I note that we or The Share Centre may request AML documentation in addition to this, if necessary, to meet regulatory requirements;
- ii. I am applying on my own behalf based on the information provided by Mercia;
- iii. I have read and understood the risk warnings set out on pages 24-27 of the Information Memorandum and in particular note that past performance is not a reliable guide to future performance and that these non-readily realisable investments are not easy to price and that valuations are not likely to come from publicly available independent sources.
- iv. As per section 13.1 (b) of the Investor's Agreement, I will notify the Manager of any investment with which I am connected within Section 163 and Sections 166 to 171 of the Income Tax Act 2007 (EIS) and within Section 257BA and 257BB of the 2012 Finance Act (SEIS); and
- v. I will notify the Manager if, within three years of the date of issue of Shares by an EIS Qualifying Company or SEIS Qualifying Company, I become connected with that company or receive value from it.

### Investment Objectives and Risks

The Mercia EIS Fund is designed to provide investors with access to a portfolio of unlisted investments which qualify for tax advantages under the Enterprise Investment Scheme and the Seed Enterprise Investment Scheme. You should be aware that shares in unlisted companies are generally higher risk than shares listed on the main market of the London Stock Exchange and that you may lose some or all of your invested capital. The Mercia EIS Fund is designed for growth rather than for income. The investment is likely to be held for the medium to long term, as investments in EIS-qualifying companies and SEIS qualifying companies have to be held for at least three years in order to benefit from the income tax relief and capital gains tax deferral or exemption available. Even after the three years, you are unlikely to be able to realise the investment easily.

# Application Form

Mercia will decide, with absolute discretion, whether to accept or reject an application and will notify you of its decision. No application form should be considered as accepted until Mercia, or our Custodian, has issued a written confirmation of acceptance.



Please complete the following in BLOCK CAPITALS.

Title: Mr  Mrs  Miss  Ms  Dr  Other  Please specify:

Forename(s):

Surname(s):

Date of birth (dd/mm/yyyy):

Nationalities:

Town of birth:

Country of birth:

Permanent residential address & no. of years at this address:  Previous address (if less than 3 years):

House name/no: <input type="text"/>	House name/no: <input type="text"/>
Address 1: <input type="text"/>	Address 1: <input type="text"/>
Address 2: <input type="text"/>	Address 2: <input type="text"/>
Town/City: <input type="text"/>	Town/City: <input type="text"/>
County: <input type="text"/>	County: <input type="text"/>
Postcode: <input type="text"/>	Postcode: <input type="text"/>

Daytime phone number:

Email address:

National Insurance Number:

Tax residence: UK  Other  Please specify:

Are you a US person? Yes  No   
Applications will only be accepted from a US Person if they reside in the UK, provide evidence that they pay UK tax and complete a W-9 Form.

I hereby apply to invest £

I note that fees will be taken from this amount. If you would like a specific Net Subscription amount invested, please contact enquiries@mercia.co.uk to confirm the Gross Subscription payable.

The default is to subscribe into EIS companies only.

I wish to allocate 15% of my subscription to Seed EIS (SEIS) companies:

Any investor who invests over £100,000 has the option to pay the above fees by annual invoice, should you wish to do this, please tick here.

As a Mercia EIS Fund investor, it will be assumed that you are a UK taxpayer and therefore you wish to seek Tax Reliefs. If this is incorrect, please inform enquiries@mercia.co.uk. The tax reliefs available will depend on your personal circumstances and any changes to the tax laws or rates of relief may negatively affect the tax efficiency of this investment.

### Charges

Mercia fees are competitive within the industry, and we are dedicated to being transparent. Our fees are as follows (exclusive of VAT):

- 2% Initial Fee (reduced to 1% for existing clients)
- 1.75% Annual Management Fee (chargeable for six years)
- 0.25% Annual Custodian & Administration Fee (chargeable for six years)
- 0.35% Custodian's Dealing Charge (no VAT applicable and capped on exit)
- 20% Performance Fee on returns above the net subscription

The default mechanism to pay fees is by subtracting three years fees (including VAT as appropriate) from the subscription, with the remaining three years' fees paid by invoicing annually in advance.

**FOR ADVISED CLIENTS ONLY (OR THOSE WHO HAVE USED AN EXECUTION ONLY INTERMEDIARY) - If an advisor fee is to be charged, this section must be signed by the investor, failure to do so will delay the payment of the advisor fee.**

I hereby elect to pay an adviser fee, including VAT where applicable, of  % deducted from my subscription.

Alternatively, I hereby elect to pay an adviser fee, including VAT where applicable, of £  deducted from my subscription.

Stamp of Financial Intermediary or full address:

FRN registration:

Intermediary name:

Email address:

Telephone number:

Bank or building society:

Sort Code:

Account Number:

Investor signature:

Date:

# Client Information Form

This section must be completed, and failure to do so will unfortunately delay the acceptance of this application.

## Your Profession

Please state your current profession or, if you are retired, your previous profession.

Please state your first language if not English.

## Investment Experience

Your experience and understanding of various types of investments is a factor in our determination of your appropriateness to invest. Please complete the table below to show in which types of shares you have had personal experience.

**In the previous 3 years, how many of the following investments have you made?**

	No. of investments		No. of investments
AIM-listed or unquoted companies	<input type="text"/>	Professionally managed portfolios of SEIS/EIS/VCT investments	<input type="text"/>
Direct investments into start-up companies	<input type="text"/>	Other, please specify within the further information section	<input type="text"/>

Please confirm the average size of these investments; £

Please provide any further information (e.g. details of your experience or background), which you think might be relevant to our assessment of whether this investment is appropriate for you, particularly in EIS/similar funds, or any company directorships you currently hold or have held in the last five years:

## Please tick the following boxes to confirm;

*I have read and kept a copy of the Key Information Document relating to the Mercia EIS Fund.*

*I have read the Mercia EIS Fund Information Memorandum and Investor's Agreement. I am aware of and understand the investment objectives and risks of the Mercia EIS Fund and confirm that these are consistent with my own personal financial objectives and risk appetite.*

*I have read and understand the Acknowledgements and Representations listed overleaf.*

*I confirm that I have read, understood and accept the Custodian Terms of Business;  
<https://www.share.com/Global/Forms/partners/eis/eis-cust-tobs.pdf>.*

**Please sign and date this form to confirm that the information provided is accurate to the best of your knowledge.**

**By signing this form, you are executing an investment in Mercia EIS Fund Q1 2021.**

Full name of applicant:

Signature:

Date:

If you **do not** want email to be used as the primary route for correspondence, tick here

# Acknowledgements and Representations

Please make sure you read and understand this page in full before filling out the application form.

- 1.** If your application is accepted, you agree to observe, perform and be bound by the provisions of the Investor's Agreement.
- 2.** You confirm that you personally possess sufficient knowledge, experience and expertise in financial and business matters (including experience with investments of a similar nature to an investment in the Fund) to be capable of evaluating the merits and risks of an investment in the Fund.
- 3.** You represent and warrant that: a) if investing through a trust, it is duly authorised and qualified to invest in the Fund and the individual or individuals signing this Application Form on its behalf have been duly authorised by it to do so or; b) if you are an individual, that you have reached the age of majority under the laws of your country of nationality or domicile, and; c) in the case of a trust or an individual, this application, upon acceptance by the Fund Manager, will be its or your legal, valid and binding obligation, enforceable against it or you in accordance with the terms of the Investor's Agreement.
- 4.** You acknowledge that this Application Form is not transferable or assignable.
- 5.** You confirm your agreement that this Application Form be governed by and construed in accordance with the laws of England and Wales and that the courts of England and Wales shall have exclusive jurisdiction to hear and determine any suit, action or proceedings and to settle any disputes which may arise out of, or in connection with, this Application Form and, for such purposes, you irrevocably submit to the jurisdiction of such courts. In addition, you irrevocably waive any objection which you might now or hereafter have to the courts of England and Wales being nominated as the forum to hear and determine any such suit, action or proceedings and to settle any such disputes. You also agree not to claim that any such court is not a convenient or appropriate forum.
- 6.** You confirm that you accept the terms of the Investor's Agreement and will, at the request of the Fund Manager, forthwith enter into and execute such formal deeds of adherence whereby you will agree to observe, perform and be bound by the provisions of the Investor's Agreement as the Fund Manager may require.
- 7.** You agree that, by signing this Application Form, you grant to the Fund Manager authority to make, execute, sign, acknowledge, swear to, deliver, record and file on your behalf: any other business certificate or other instrument or document of any kind that the Fund Manager deems necessary or desirable to accomplish the business, purpose and objectives of the Fund, or that is required by any applicable law; any agreement or instrument which the Fund Manager deems appropriate to: i) admit you as an Investor in the Fund in accordance with the terms of the Investor's Agreement; ii) effect the addition, substitution or removal of the Fund Manager pursuant to the Investor's Agreement; or iii) effect an amendment or modification to the Investor's Agreement adopted in accordance with the terms of the Investor's Agreement; provided always, to the fullest extent permitted by law, this authority is irrevocable and shall survive, and shall not be affected by, your subsequent death, disability, incapacity, incompetence, termination, bankruptcy, insolvency or dissolution. This authority will only terminate upon your complete withdrawal from the Fund.
- 8.** You agree that the foregoing representations, warranties, agreements and acknowledgements shall survive the date of your admission to the Fund and this Application Form shall be binding upon and inure to the benefit of the parties and their successors and permitted assignees.
- 9.** You agree that any term or provision of this Application Form which is invalid or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms or provisions of this Application Form or affecting the validity or enforceability of any of the terms or provisions of this Application Form in any other jurisdiction.
- 10.** You undertake to notify the Fund Manager immediately if there are ever relevant circumstances of which the Fund Manager should be aware in relation to managing your Portfolio(s).
- 11.** You acknowledge that Mercia may rebate investor fees to those companies who introduce clients on an execution only basis.