

JENSON SEIS & EIS FUND

Investor Frequently Asked Questions

What kind of companies will the Fund invest in?

SEIS

Investments will be made in small, start-up companies, selected by the Fund Manager, carrying on business in a wide range of sectors and industries. The Fund Manager intends to initially target SEIS Qualifying Companies, which have gross assets of less than £350,000 and less than 25 full-time employees. The Fund Manager and Jenson Funding Partners LLP have already started to identify target companies into which the Fund Manager intends to invest the monies raised by the Fund in respect of successful applications received by the Closing Date.

EIS

Investments will be made in early stage high growth companies, selected by the Fund Manager, carrying on business in a wide range of sectors and industries. The Fund Manager is targeting smaller sized EIS Qualifying Companies who generally must have less than 250 employees with gross assets not exceeding £15 million. Some of these companies will be at or near the Seed EIS qualifying criteria. The Fund Manager and Jenson Funding Partners LLP have an on-going established pipeline of possible target companies into which the Fund Manager will potentially invest the monies raised by the Fund.

Who can invest in these schemes?

Participation in the Fund is restricted to individuals who can be categorised as having the expertise, experience and knowledge to make their own investment decisions and to understand the risks involved in relation to the Fund, such characteristics being those of elective professional clients under COBS 3.5.3 R(1).

How will investments be monitored?

The Fund Manager with assistance from Jenson Funding Partners LLP will constantly monitor and re-evaluate the Investments to ensure that they perform to the Fund Manager's expectations. This will include regular board meetings, informal meetings with management teams and a review of quarterly financials against budget. In addition, Jenson Solutions will be working closely with the Investee Companies by providing business support services and in some cases a part-time finance director.

How do investors check the progress of the Fund?

A formal valuation statement prepared jointly by the Fund Manager will be sent to Investors every six months.

How long will my investment be held in the Fund?

To maximise the growth available to Investors, it is intended that funds will be returned to Investors as each investment is realised. Given the early stage nature of these investments, realisations could take five to seven years.

What is the minimum and maximum I can invest?

SEIS

The minimum participation by an Investor in the Fund under SEIS is £10,000. Participation in excess of this amount must be in multiples of £1,000. There is no maximum participation in the Fund, but income tax relief is presently restricted to a maximum investment of £200,000 under the SEIS and £1 million under the EIS respectively. There is no limit on the amount of capital gains tax that can be deferred under SEIS, and no limit on the amount of business property relief for IHT purposes.

EIS

The minimum participation by an Investor in the Fund under EIS is £10,000. Participation in excess of this amount must be in multiples of £1,000. There is no maximum participation in the Fund, but income tax relief and CGT deferral is presently restricted to a maximum investment of £1 million per person under the EIS.

Who owns the Investment in the Investee Companies?

The Investors are the beneficial owners of shares in each Investee Company in which the Fund invests. Each Investor's Investment will be in proportion to his/her investment in the Fund subject only to any rounding where there are insufficient funds to buy a whole share. However, to allow efficient administration, shares will be registered in the name of the Nominee who will hold the shares on an Investor's behalf as the Investor's nominee, subject always to HMRC rules for ownership from time to time. Further details of the nominee arrangement are given in Investment Memorandum.

Can an Investor own an investment jointly with his or her spouse?

Investments in the Fund cannot be jointly owned, but each spouse can make a separate investment, and each can receive income tax relief on the first £200,000 in respect of SEIS Qualifying Investments or £1 million in respect of EIS Qualifying Investments **but is subject to the limit of the amount of income tax and CGT due to be paid in the tax year by each spouse.**