

EIS / SEIS DUE DILIGENCE QUESTIONNAIRE

FUND NAME

DATE

Completed by:



Please Return to:

Insert Name and contact details

Telephone

Mobile

E-Mail

Website

Contents

EIS / SEIS DUE DILIGENCE QUESTIONNAIRE	1
FUND NAME	1
DATE	1
INVESTMENT MANAGER INFORMATION	3
REGULATORY, COMPLIANCE and GOVERNANCE	6
FUND/PORTFOLIO INFORMATION	9
FEES AND CHARGES	11
FUND OBJECTIVES & PHILOSOPHY	12
INVESTMENT PROCESS	13
PORTFOLIO STRUCTURE.....	15
PERFORMANCE DETAILS	16
RISK MANAGEMENT (PLEASE ANSWER QUESTIONS AS APPLICABLE).....	18
MIFID II	20

INVESTMENT MANAGER INFORMATION

Company name	
Country of incorporation	
Date of incorporation	
Company number	
Registered office address	
Accounting reference date	
Auditors	
Company credit ratings	
Company financial strength ratings	
Firm within scope of MiFID II	[Yes / No]
Firm within scope of AIFMD	[Yes / No]
Fund within scope of PRIIPS	[Yes / No]

1. Please provide a brief history of the company

2. Please describe your firm's organisational and legal structure

3. Please provide details of the ownership structure

4. Please provide details of the senior management team, a brief biography and their individual responsibilities and their tenure of service.

Name	Responsibility	Biography	Date joined

5. Who are your key employees responsible for the fund management of the product

6. How long has the firm been in business under its present name and principal ownership

7. Please list below the total assets under management and the number of funds managed by the company currently and for each of the past five years.

Total AUM	Number of funds managed

8. Broadly describe the breakdown of AUM by:

Product	Client type	Geography

9. Please provide details of the Investment Team for this Fund, a brief biography and their individual responsibilities and their tenure of service. Please also identify who deputises for the fund/portfolio manager:

Name	Responsibility	Biography	Date joined

10. Please complete the table below for all team members that left in the past five years, including a brief reason for their departure.

DDQ: [FUND NAME]

Name	Responsibility	Years in industry	Date joined	Date left	Reason for departure

11. How are key individuals compensated:

12. Please explain how Directors/Founders interests are aligned with investors? Have personal assets been invested?

REGULATORY, COMPLIANCE and GOVERNANCE

Regulated by FCA?	[Yes / No]
FCA number	
If not FCA regulated, who provides you with a regulatory umbrella?	
Tax advisers to the firm	
Tax advisers to the fund	
Compliance advisers to the firm	
Compliance advisers to the fund	
Legal advisers to the firm	
Legal advisers to the fund	

- 1) Please provide details of any other 3rd parties involved with the firm and fund not mentioned above
- 2) What is the legal structure of the Fund:
- 3) Please provide details of your FCA permissions:
- 4) Please detail who is responsible for Compliance and to whom they report within the organisation:
- 5) Please give a brief overview of the Compliance Team, a brief biography, their individual responsibilities and their tenure of service:
- 6) Please state any compliance issues you have identified over the last 5 years?
- 7) Please provide details of your money laundering reporting officer and to whom they report within the organisation:
- 8) Please provide details of your anti money laundering procedures:

- 9) Please provide details of your complaints handling process
- 10) Please provide broad details of any outstanding complaints and number of complaints received in last 3 years (on a financial year basis)
- 11) Please provide details of your privacy and GDPR policy and information security policy
- 12) Please detail who is responsible for CASS and to whom they report within the organisation:
- 13) Please provide details of your CASS permissions, or, if using an external firm, please provide details of this firm and the due diligence process in the selection process as well as related corporate governance procedures
- 14) Is the Firm covered by the FSCS? Is the fund covered? Please provide details
- 15) Please provide details of your disaster recovery plan
- 16) Has there been any litigation or other legal proceedings against your organisation, any fund managed or advised by you, or any of your employees in the last 5 years (on a financial year basis)? Please provide details
- 17) Has the firm, or any of your previous or current funds been subject to an HMRC enquiry? If so, please provide details of any ongoing enquiries and the outcome of any settled enquiries
- 18) What resources are available for the response to any enquiry by HMRC or legal challenge? Please provide details
- 19) Please provide details of the shareholder rights of the fund and ability by shareholders to effect change
- 20) Please detail who is responsible for ESG and to whom they report within the organisation:

DDQ: [FUND NAME]

- 21) Please provide details on your ESG policy and any changes made to your company, practices and investment strategy as a result of implementing this

- 22) Please provide details on how you have implemented the UK Stewardship Code

- 23) Please provide a copy of the management contract for the fund

- 24) Please state any connections between the fund/portfolio management team and the investee company e.g. ownership, shared employees etc

- 25) Please detail how the firm manages any potential conflicts of interest

FUND/PORTFOLIO INFORMATION

Fund/Portfolio name	
Fund/Portfolio launch date	
Fund/Portfolio AUM (include date) and corresponding figure 12 months ago	
Strategy AUM (include date)	
Firm AUM (include date)	
Investment Adviser(s) if applicable	
Fund/Portfolio type - Approved / Unapproved / Discretionary Managed Portfolio	
Managed fund/portfolio since (date)	
Fund/Portfolio manager location	
Fund jurisdiction	
Valuation point	
Reporting status and frequency (Please indicate which share classes if applicable)	
Platform availability	
Retail or NMPI offering?	
HMRC Advance Assurance received by all potential investee companies?	
Anticipated time for EIS 3/5 certs to be received by investors?	

DDQ: [FUND NAME]

Fund/tranche close date and anticipated time for deployment of funds?	
Has the fund/portfolio received a third party review? If so, by who?	

FEES AND CHARGES

Initial charge (if waived/deferred please indicate). Please note if VAT is incl/exc or exempt	AMC . Please note if VAT is incl/exc or exempt	Any other fees e.g. dealing, custodian etc	Fee/Expenses Cap?	Fees charged to fund/portfolio or investee company	When payable and, for annual fees, how long

1. If applicable please give details of any performance fee charged: annual percentage, calculation methodology including any hurdle rates, whether tax relief included or excluded, calculated on per company or per fund/portfolio basis and high water mark, frequency of payment. Please address the possibility of a “free ride” for an interim investor both as the fund rises and as the fund falls.
2. Please break down and quantify the major categories of fees and expenses charged directly to this fund in addition to those outlined above. What is the OCF of the fund?
3. Fees fixed or variable?
4. Please break down, and quantify, the major categories of fees and expenses charged directly to any holdings within this fund by the fund manager or 3rd parties, including arrangement fees, monitoring fees and exit fees.
5. Please give details on any possible dilution levies within the fund.
6. Does fee charging structure adhere to EISA Fee guidelines? - [Fees Transparency - EISA](#)

FUND OBJECTIVES & PHILOSOPHY

1. Fund Objective (if possible please define what you mean by phrases such as 'long-term'etc):

2. Fund benchmark and target return :

3. What is the rationale behind this benchmark:

4. Please detail the fund's investment philosophy

5. Please detail the fund's investment strategy

6. Please provide details and rationale for any change in investment strategy during the past 3 years (on a financial year basis):

INVESTMENT PROCESS

1. Please detail the investment process from idea generation to final investment. Please cover security selection, key valuation measures, and portfolio construction including how weightings are determined
2. Please provide details of how deals are structured (e.g. debt, gearing, equity, preference shares). Where debt and gearing are used, please provide details of controls
3. Over what timeframe do you typically invest (deployment time):
4. How long does it typically take for an investors fund to be fully invest:
5. Please detail the exit strategy within the fund:
6. Please describe all possible sources of dealflow (i.e. portfolio management team, analysts, external sources):
7. What internal and external resources are available to the team to identify dealflow:
8. Have there been any periods where the performance of the fund has not been in line with your expectations as set out above? Please give details.
9. How scalable is the investment process? Do you plan to cap the fund at a certain AUM level, and if yes at what level?
10. Have there been any changes or enhancements to the process? What precipitated the changes and what was the desired impact?

11. Do you insist on a taking an investor seat on the Boards of your investee companies?
12. What competitive advantages does the fund possess?
13. Please provide a list of all the communications available to investors, and their frequency of delivery.
14. How do you communicate with investors? e.g. portal, email etc
15. Do EIS investors have voting rights?
16. Are EIS investors are always outvoted by the founders/Principal shareholders? E.g. Founder members are Ordinary A shareholders and hold more than 51% of share capital against investors as Ordinary B shareholders

PORTFOLIO STRUCTURE

1. Please detail any investment guidelines specific to the fund (e.g. minimum country exposure etc)
2. Number of investments currently held
3. Typical number of investments a new investor will get exposure to (a range is acceptable)
4. Average holding time for a) failed investment b) successful investment
5. Has the fund/portfolio experienced any failures over the last three years?
6. Who provides Custodian services and please provide their contact details?
7. What are the cancellation rights?
8. Is the scheme covered by FSCS?
9. What is the projected return for investors over 3,5 and 7 years?

PERFORMANCE DETAILS

	By Value (£)	By Number
Total investment made		
Total investments realised		
Total investments realised at a loss		
Total investments realised at a profit		
Total Return Target		
Net Asset Value Target		
Please detail any other performance targets		

For the following table, please complete separate tables for any changes in strategy e.g. pre- and post- risk-to-capital investments. Make clear the separation for investments from the funds the DDQ applies to and those from other funds with similar strategies.

	Invested Value (£)	Realised/current value (£)	By Number	Average duration
Total investments made				
Total investments realised (including those exited with no value)				
Total investments realised at a loss				
Total investments realised at a profit				
Portfolio exit returns	RoIC:		Global IRR:	
Total unrealised investments				
Unrealised investments written off		£0		
Unrealised Investments written down				
Unrealised investments with no movement				
Unrealised investments showing a gain				

DDQ: [FUND NAME]

Dividend Target	
Total Return Target	
Net Asset Value Target	
Target return on individual investments	
Please detail any other performance targets	

RISK MANAGEMENT (PLEASE ANSWER QUESTIONS AS APPLICABLE)

1. Please detail who is responsible for Risk Management and to whom they report within the organisation:
2. Please give a brief overview of the Portfolio Monitoring Team for this Fund, a brief biography, their individual responsibilities and their tenure of service:
3. List the primary risk measures and limits used to manage the fund's risk profile and detail any key reports used for this purpose:
4. Please detail any systems used to measure/manage risk within the fund:
5. How long would it take in normal market conditions to liquidate the fund without incurring unusual costs? How long would it take in stressed market conditions? Please complete the tables below for the former.

Normal market conditions	Estimated Liquidity Profile (% NAV)				
	Time in days				
Participation Rate (12M ADV)*	0-1	2-5	6-10	11-20	>20
25%					
50%					
100%					
Normal market conditions	Estimated Liquidation Cost (bps)				
	Time in days				
Participation Rate (12M ADV)*	0-1	2-5	6-10	11-20	>20
25%					
50%					
100%					

DDQ: [FUND NAME]

*12M ADV is the preferred calculation method. Please specify where a different assumption has been used.
Methodology should allow for partial liquidation of a position.

Target Markets – Investor Type	
Investor Type	<i>(Retail, Professional, Eligible Counterparty or combinations)</i>
Target Markets – Knowledge and/or Experience	
Basic Investor	<i>(Yes / No / Neutral)</i>
Informed Investor	<i>(Yes / No / Neutral)</i>
Advanced Investor	<i>(Yes / No / Neutral)</i>
Target Markets – Ability to bear losses	
No capital Loss	<i>(Yes / No / Neutral)</i>
Limited capital Loss	<i>(Yes / No / Neutral)</i>
Limited capital loss level	<i>(XX% floating decimal)</i>
No capital guarantee	<i>(Yes / No / Neutral)</i>
Loss beyond capital	<i>(Yes / No / Neutral)</i>
Target Markets – Risk Tolerance	
PRIIPS or UCITS Methodology (confirm)	<i>(1-7)</i>
Internal for Non-PRIIPS and Non-UCITS	<i>(Low / Medium / High)</i>
Target Markets – Client Objectives and Needs	
Return Profile – Preservation	<i>(Yes / No / Neutral)</i>
Return Profile – Growth	<i>(Yes / No / Neutral)</i>
Return Profile – Income	<i>(Yes / No / Neutral)</i>
Return Profile – Hedging	<i>(Yes / No / Neutral)</i>
Return Profile – Option or leveraged	<i>(Yes / No / Neutral)</i>
Return Profile – Other	<i>(Yes / Neutral)</i>
Time Horizon	<i>(RHP in years or Very Short Term (<1Y) or Short term (<3Y) or Medium term (<5Y) or Long term (>5Y) or Neutral)</i>
Target Market – Distribution Channels	
Execution Only	<i>(Retail or Professional or Both or Neither)</i>
Execution with appropriateness test or Non-advised services	<i>(Retail or Professional or Both or Neither)</i>
Investment Advice	<i>(Retail or Professional or Both or Neither)</i>
Portfolio Management	<i>(Retail or Professional or Both or Neither)</i>

1. Please define your justifications for the target market information in the fund details:
2. Will you be using the standard European MiFID II Template (EMT) for the collection of target market information and other MiFID II reporting?
3. Who will be your nominated third party data vendor for provision of target market information? If not using a vendor, how are you expecting to provide us with target market information and other MiFID II reporting?

4. How frequently do you expect to provide target market information?
5. Please confirm you have met all the MiFID II requirements for Best Execution. If not, please explain:
6. Please provide a link to your Best Execution Policy:
7. Please confirm where you intend to publish your RTS 28 report and when you envisage the first report will be published?