

Nova Cofoundery SEIS & EIS Fund

Key Information Document

1 . Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product

Nova Cofoundry SEIS and EIS Fund (the Fund)

Manufacturer and Investment Adviser

Nova Managers Ltd

Website

www.wearenova.co.uk

Phone number

+44 (0) 151 558 0161

Competent Authority of the PRIIP Manufacturer in relation to the KID

Nova Managers Ltd (FRN: 826519) is authorised and regulated by the Financial Conduct Authority as an Appointed Representative of Sapia Partners Ltd (FRN: 550103)

Date of production of this Key Information Document

7 December 2018

Comprehension alert

You are about to purchase a product that is not simple and may be difficult to understand

2 . What is this product?

Type

Enterprise Investment Scheme Fund. A discretionary managed service structured as an alternative investment fund

Objectives

The objective of the Fund is to generate tax-efficient capital growth of 218p for every 100p invested net of all fees and before income tax relief claimed under the Enterprise Investment Scheme, with a targeting portfolio growth of 20% year on year

Intended retail investor

Based on the ability to bear investment loss, investment time horizon, thematic knowledge and past experience of tax-incentivised venture capital schemes, as well as their liquidity needs and their investment objectives, who do not need access to their capital in the short and medium term, and require access to personal taxation reliefs

Insurance benefits and costs

Not applicable

Maturity date

This product has no maturity date

3 . What are the risks & what could I get in return?



The risk indicator assumes you keep the product for 6 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less. You may not be able to cash in early. You may have to pay significant extra costs to cash in early.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. We have classified this product as 6 out of 7, which is the second highest risk class. This is due to the possibility that investors may lose all of their initial investment, though not more than their original investment. It is unlikely that subscribers to this product will have access to their capital for at least 3-4 years from the date of their subscription and the recommended minimum holding period is 6 years.

4 . Performance scenarios

Performance Scenario	For each subscription of £10,000	Stage		
		Early (1 yr)	Intermediate (3 yr)	Recommended (6 yr)
Unfavourable (0%)	What you might get back after costs	£1,000	£10,000	£10,000
	Average return each year	-90%	0%	0%
Moderate (20%)	What you might get back after costs	£1,500	£17,280	£29,860
	Average return each year	-85%	20%	20%
Favourable (30%)	What you might get back after costs	£2,000	£27,440	£75,295
	Average return each year	-80%	40%	40%

This table shows the money you could get back over the next 6 years, under different scenarios, assuming that you invest £10,000. The scenarios illustrate how your investments could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment. This product cannot be easily cashed in. This means it is difficult to estimate how much you would get back if you cash in before the end of the recommended holding period. You will either be unable to cash in early or you will have to pay high costs or make a large loss if you do. The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

5 . What happens if Nova is unable to pay out?

Should an investee company experience financial difficulties, it is possible that investors will lose all of their investment in that company. If returns are not made to the investor due to the failure of an underlying investee company, then it is likely that investors will be able to claim loss relief under the Enterprise Investment Scheme.

The Financial Services Compensation Scheme (FSCS), established under the Financial Services and Markets Act 2000, provides compensation to eligible claimants in the event that EIP is unable to meet its liabilities. Payments under the protected investment business scheme are currently limited to a maximum of the first £50,000 of the claim. Further information is available from the Investment Manager or the Financial Services Compensation Scheme at www.fscs.org.uk.

6 . What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They include potential early exit penalties. The figures assume you invest GBP 10 000. The figures are estimates and may change in the future.

Costs over time

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Investment £10,000			
Scenarios	If you cash in after 1 year	If you cash in after 3 years	If you cash in after 6 years
Total costs	£0	£456	£2,972
Impact on return (RIY) per year	0.00%	1.06%	2.02%

Composition of costs

The table below shows the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period and the meaning of the different cost categories.

This table shows the impact on return per year:

One off costs	Entry costs	0%	The impact of the costs you pay when entering your investment. This is the most you will pay, and you could pay less.
	Exit costs	0%	The impact of the costs of exiting your investment when it matures.
Ongoing costs	Portfolio transaction costs	0%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	0%	The impact of the costs that we take each year for managing your investments and the costs presented in Section 2.
Incidental costs	Performance fees	20%	The impact of the performance fee. We take these from the realisations of your investments once you have received back 150% of your initial investment.
	Carried interests	0%	The impact of carried interests.

7 . How long should I hold it and can I take money out early?

There is a 14-day cooling off period applicable to this product. There is no fixed maturity date for this product. The recommended minimum holding period is 6 years, as investments of this nature are difficult to realise. No established market exists for the trading of shares in private companies. Selling shares within the first 3 years of share subscription may lead to the loss of some or all tax reliefs claimed under the Enterprise Investment Scheme.

8 . How can I complain?

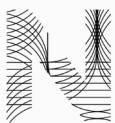
Should an Investor have a complaint, they should contact Nova Managers Ltd in the first instance, which has established procedures in accordance with the FCA Rules for consideration of complaints. Details of these procedures are available on request. Nova Managers Ltd can be contacted at www.wearenova.co.uk, emailed at info@wearenova.co.uk, called on 0151 558 0161 or written to at 17 Boundary Street, Liverpool, L5 9UB. If Nova is unable to resolve the complaint to the satisfaction of the Investor, the Investor may be entitled to refer it to Sapia Partners LLP, who can be contacted at www.lawsonconner.com, or written to at 134 Buckingham Palace Rd, Belgravia, London, SW1W 9SA.

9 . Other relevant information

Detailed information regarding suitability and risks is detailed in the Information Memorandum.

The Fund is 100% manager fee-free at point of investment, if subscriptions are received via a financial adviser. Please refer to the 'Costs and fees' section in the Information Memorandum for full details.

For investors that invest via a suitably qualified and authorised financial intermediary, Nova Managers Ltd charges all fees, apart from the aforementioned performance fee, to the investee company and these are taken in to consideration when returns are calculated or projected.



NOVA

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