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Deepbridge Technology Growth EIS

Deepbridge Advisers Limited / Enterprise Investment Partners

Summary

The Deepbridge Technology Growth EIS is a discretionary portfolio service which will invest into a small portfolio of up to nine underlying companies, focussing on three sectors: resource and energy innovation, medical technology and high growth IT- based solutions.

	Positives	Issues
Why Invest	**Strategy:** Well defined investment process to invest directly in companies in selected technology areas.	**Concentration:** Portfolio may be up to nine investments, though smaller investors may get greater concentration.
The Investment Manager	**Team:** The Deepbridge team is very experienced in the relevant areas and its Committees have very strong outside members.	**Track record:** Although the team is experienced, to date Deepbridge has only had one partial exit. The investment team is small, but growing.

Nuts & Bolts

- **Investing:** Deployments take place on a monthly basis, so new money will usually be invested within that period.
- **Diversification:** Portfolio of between three and nine companies.
- **Valuation:** Unprofitable companies will be held at cost or at last relevant transaction. Profitable companies use a discounted average multiple from relevant companies.

Specific Issues

- **Fees:** Only the performance fee is not charged directly to the company.
- **Performance fee:** Performance fee of 20% on gross returns over £1.20 on a per company basis.

Risks

- **Risk mitigation:** Deepbridge aim to mitigate risk by active ongoing support of the company and choosing conservative business plans. The companies are revenue generating, but still immature with the risks that brings.
- **Target return:** The target return for the fund is £1.60 for each gross £1 invested over 3-4 years. Individual companies tend to have much higher targets, reflecting that success in a company will give an excellent return, but there is a real risk of loss in any project.

Analyst	Adviser information		Contact details	
Brian Moretta	Scheme assets	£30.6m	Managing Partner	Ian Warwick
bm@hardmanandco.com	Scheme target	£20m in 2017/18	Contact	Andrew Aldridge
020 7194 7622	EIS assets	£39.4m		01244 746 000
	Total FUM	£84.6m		deepbridgecapital.com
	Fund launch date	2013		

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Factsheet

Deepbridge Technology Growth EIS	
Product name	Deepbridge Technology Growth EIS
Product manager	Enterprise Investment Partners LLP
Investment Adviser	Deepbridge Advisers Limited
Tax eligibility	EIS
Target return	£1.60 for each £1 invested
Target income	None
Type of product	Discretionary portfolio service
Term	3-4 years
Sectors	Technology
Diversification:	
Number of companies	3-9
(Expected) Gini coefficient	0.11-0.33

Fees	Amount	Paid by
Initial fees:		
Corporate advisory and arrangement fee	Up to 5% (excl VAT)	Investee company
Non-advised investor fee	2.5% (inc VAT)	Investor
Dealing fee	0.65%	Investee company
Annual fees:		
Maintenance fee	2% (excl VAT) of investment	Investee company
Custody Administration Fee	0.5% (excl VAT)	Investee company
Exit fees:		
Performance fee	20%	Investor share of proceeds above a £1.20 hurdle per company
Dealing fee	0.65%	Investee company

Advisor fee facilitation	Yes
Advisor fee amounts	As agreed with investor up to 3%
HMRC Approved fund?	No
Advance Assurance from HMRC	Yes
Reporting	Semi-annually
Minimum investment	£10,000
Current funds raised	£3.3m
Fundraising target	£20m in this financial year
Closing date(s)	Evergreen, but by 26 Mar'18 for deployment before FY end
Expected exit method	Trade sale, IPO or other exit opportunity

Source: Deepbridge Advisers Limited, Hardman & Co research

Fund Aims

The Deepbridge Technology Growth EIS is a discretionary managed portfolio service focussed on companies with technologies that are at the stage of being commercialised. Funds are invested into a portfolio of three to nine companies which are in the areas of resource and energy innovation, medical technology and high-growth IT-based solutions. The target return is £1.60 for each £1 invested (gross) over a minimum of three years. There is no income target

There are two parties involved in running the fund:

- **Deepbridge Advisers Limited**: the Investment Adviser, who sources and recommends investments and provide ongoing support to companies.
- **Enterprise Investment Partners LLP**: (EIP) the Fund Manager, who make the final decisions and provide appropriate regulatory support.

Summary of Risk Areas

Note: There are generic risks from investing in EIS or unquoted companies in addition to the specific ones commented on below. Comments on relative risk refer to other EIS investments and not to wider investments.

Investments

Portfolio Risk

Each investment will be into a technology company. The target is for investors to receive shares in 3-9 companies. Each investment is likely to perform independently of the others, with idiosyncratic risk dominating market risk.

While the target return for the fund is £1.60 for each £1 invested, each company is assessed as having a return potential of 4-5x the amount invested. This suggests each investment will be high risk.

Sourcing and External Oversight

Sourcing has been focussed on the network of Deepbridge's partners, but has expanded to include university incubators and Daresbury Park. Having recently started two SEIS funds, it seems likely an increasing number will be follow-ons to existing investments.

The EIS has two sources of external oversight. The Investment Supervisory Board has members who are external and voluntary. Enterprise Investment Partners also has to have investments approved by its Investment Committee.

Ongoing Support and Monitoring

As per many EIS managers, Deepbridge takes a board position on investee companies. However, one of Deepbridge's distinguishing features is that most of its senior staff have been entrepreneurs themselves and can bring the appropriate support and insight that enables. As well as a formal reporting structure, Deepbridge expects to be in daily contact with many investee companies.

Exits

The intention is that exits will come through trade sales or other normal exit routes such as IPOs. To date there has been one partial exit through a secondary sale, which is not expected to be the normal exit route.

Adviser

Team

The Deepbridge team brings both entrepreneurial and investment experience, with a range of backgrounds including various technology areas and beyond. We note that Deepbridge has recruitment plans based on expected growth, as some operational areas are approaching capacity with their current staff.

Track Record

Having first started in 2013, the EIS has invested in 12 companies to date with one partial exit. The latter gave a return of 2-4x investment, depending on timing of the investment. Only one investment to date has decreased in value. The track record is very limited, but shows signs of promise.

Regulation

Product

Advance Assurance will be sought from HMRC for each company investment.

Manager

The Fund Manager is Enterprise Investment Partners LLP. It is FCA registered (number 604439) with fund management and custodian permissions. Submissions to Companies House appear to be up to date. Deepbridge Capital LLP is also authorised by the FCA.

Risk Analysis / Commentary

Although the age of Deepbridge means it does not have an extensive track record in EIS, it brings a team that is experienced and has developed a very well-defined investment process. The members of the team that we have met have shown a commitment to understanding, analysing and supporting businesses, rather than being technology evangelists. We note that internal resources are a potential constraint, but that recruitment is planned to keep capacity ahead of requirements.

To date, Deepbridge has shown an ability to source and deploy assets, but it is too early to assess whether it can produce the intended returns in the target timescale. The external scrutiny that decisions are subject to does give comfort to investors that there is a good degree of oversight on their decision making.

Diversification within the fund is limited, though typical of products in the EIS area. We note the helpful increase in the maximum number of investments in the latest version of the EIS. Individual companies that succeed are likely to give excellent returns, but those that do not may return little or nothing. This EIS should be considered in the context of an investor’s entire portfolio.

Overall, while investing in this area inevitably carries risks, the Deepbridge process looks at potentially exciting investments and may be rewarding too.

Investment Process

Deeper dig into process

Deepbridge lists three sectors as its principle areas of interest:

- Energy and resource innovation;
- Medical technologies;
- Business enterprise and other high growth IT-based businesses.

Investors will note that these are quite broad categories and very few technology businesses would clearly sit outside these. Although Deepbridge has invested in consumer facing technology, the emphasis in the third category appears to be more on business facing companies. Each sector was selected because the Deepbridge team feel they have expertise and good contacts in them.

Deepbridge focuses on technology companies that are at the early stages of commercialisation i.e. post-proof of concept and are already revenue generating. It is clear that Deepbridge is bringing an international outlook and looking at companies in the context of a global market. The intention is to provide some diversification within each investor's portfolio across these three areas.

Deepbridge identifies three particular areas that it focuses on when conducting an initial overview of a business:

- **Commercial relevance**: in essence identifying whether is there an adequate market for the technology. This includes identifying whether it actually satisfies a customer need, whether there are enough of those customers and whether there is a space in the market for that product.
- **Technological relevance**: broadly whether the technology is commercially feasible. Looking whether the technology works in whatever stage it is at, whether it is scaleable and the time/investment required to get it to full commercialisation. This may also include flexibility and resources to keep developing the product to keep up with market or technology changes.
- **Investment relevance**: following the other two, an assessment of how appropriate it is for EIS investors. The focus is very much on the ability to generate profits and the timescale in which those might be achieved. Although long-term potential is necessary, there needs to be a realistic expectation of progress in the target 3-4 year investment horizon.

Although these have some overlap, it does give a reasonably well structured framework for investors to understand Deepbridge's process. All bar two of the investments to date have been into companies that are already generating revenue, so the emphasis is on growing company sales rather than proving the technology works. The above areas are broadly covered at the initial review stage of an investment. Deepbridge also articulates a set of investment criteria, some of which are included in the areas above, which are covered at the due diligence stage. These also include:

- A desire to invest in either "disruptive" or "breakthrough" technologies – the team do not seem to be looking at applications of existing technology.
- Robust intellectual property, which will probably include something that is either patentable or has been patented. Investors should note this is not a

panacea, as such cases can consume considerable resources and take a long time to resolve.

- Experienced and engaged management team who are also open to advice and guidance.
- Suitable financial systems and controls and a willingness to let Deepbridge have oversight of them if necessary.
- Exit strategy within 3-4 years.

The latter is clearly for the benefit of EIS shareholders. We would note that EIS investors typically take a 30-40% stake of the equity in investee companies and they are generally unquoted. This means an investor's exit is likely to come from either the company being acquired via a trade sale or a flotation.

Overall, Hardman & Co find the investment process and criteria to be articulated better than many in the EIS sector, though discipline in its execution remains a key factor in whether it is successful.

Sourcing Deals

Deepbridge relies strongly on the network of contacts from its senior management to source deals. Although based in the north of England, it has no geographical restrictions or preferences, though from conversations its strongest areas appear to be outside the south-east.

It also cites some institutions, universities and research centres which it has active relationships with, including Imperial College London, Scottish Investment Bank and Daresbury Innovation Centre. Deepbridge appears to have grown the range and depth of these over the last few years, some of which is linked to the launch of other products.

In terms of attracting investments, Deepbridge usse its experience in developing businesses as a key attraction. Its main interest is in companies that need access to expertise, not those that just want a cheque.

Most of the companies that Deepbridge has invested in also have ongoing funding needs and new EIS investors may participate in further funding rounds for existing SEIS or EIS holdings. The relatively recent launch of SEIS products by Deepbridge will probably mean that there will be more follow-on investments into existing Deepbridge companies than previously. This is a delicate balance, as while it is a more certain source of future funding, the EIS requirement for a 3 year investment for new shareholders may not sit well with existing shareholders. From a risk perspective, this may be a positive as such companies will have already demonstrated an ability to meet milestones.

While Deepbridge is looking to have up to nine investments in this EIS, which is an increase on previous years. The expansion of sourcing options over the last couple of years should make this achievable, with more follow-ons in the portfolio.

Decision Making

The decision making process follows a similar pattern to most EIS managers. The executive team at Deepbridge carries out the selection, appraisal and review of all potential investments. This is a very considered decision, for example Deepbridge reviewed over 100 companies to select the first six investments.

Valuations are usually based off business plans, using discounted multiples of expected profits in 3-4 years time. Deepbridge does examine the forecast revenue figures to check their validity, discounting for execution risk. Ultimately, the valuation is based off comparable companies using EBITDA multiples.

Proposed investments are presented to the Investment Supervisory Committee for approval. It should be noted that two of the three people on it are very strong industry figures who are not Deepbridge employees, giving added credibility to this part of the process.

The Committee is given an aggregation of the due diligence information, including information on the company, its directors and significant shareholders, as well as the rationale for investing. The shareholder agreement is seen as a particularly important element, making sure that EIS investors get appropriate rights. The Committee may also source external experts to validate technology, if required, though this may happen at an earlier stage in the due diligence process.

The Committee's designated role is not simply to validate investment decisions, but also to act on behalf of EIS investors. Consequently, its involvement continues beyond the approval of any company for investment. It also has responsibility for appointing specialists to help the company and monitoring any exits.

After the Investment Supervisory Committee has agreed on an investment, it needs to be approved by Enterprise Investment Partners' Investment Committee. At the time of writing, this is a relatively newer part of the setup. Deepbridge note that, so far, EIP has challenged the diligence information more, looking for better back-up evidence and information. To date, however, they have not challenged the rationale for any decisions and have not rejected any investments.

Overall, it usually takes about 3 months from initial interest to deployment of capital. It should be noted that in most cases the investment is not normally deployed in a lump sum, but is usually paid down over time and subject to the achievement of milestones. This has the advantage for investors that the EIS is usually making ongoing investments and can allow rapid deployment of investor funds. It also effectively means monthly tranches, as each month may see changes in the companies receiving investment.

It should be noted that Deepbridge, members of its team or members of the Investment Supervisory Committee may invest alongside EIS investors, but will do so on the same terms (though see *Fees* below).

Governance and Post-Investment Monitoring

Before being added to the portfolio all companies will be in receipt of Advance Assurance from HMRC. Deepbridge notes that it sometimes gives companies help with structuring, usually for technical reasons rather than due to the core business plan.

Investors will receive half yearly reports and valuations on their holdings. Deepbridge has published a valuation methodology which will be applied to holdings. In short, companies which do not have a positive EBITDA will be valued at the book cost of the shares. Companies with a positive EBITDA will be valued using an average price-earnings multiple of comparable listed companies and applying a discount (to reflect higher risk and reduced liquidity). These are in line with standard international guidelines. Since 2016, Deepbridge has a policy that all valuations will be examined at least annually.

As mentioned above, Deepbridge sees one of its key roles as supplying expertise to the investee companies. One of its differentiators from some other EIS managers is that most of the investment team has been successful entrepreneurs themselves. Their experience of investee companies is that the management are often very good at technology, but are less experienced on business matters.

Like many EIS managers, Deepbridge looks to appoint a senior member of its team to the Board of investee companies in a non-executive position. However, Deepbridge sees its involvement going beyond that. In essence, it is looking to be more of a mentor to the company, encouraging its development by bringing technical, financial or other support. This may or may not come from Deepbridge directly. Often it is ensuring that suitable management or experts are involved with the company as staff or consultants. Sometimes its involvement has been more direct, such as assisting with project management for a build which can have cost savings while reducing execution risk.

Formally, Deepbridge expects a 6-month formal report, quarterly management accounts, attend board meetings and monitor the share capital. Informally, contact with the company will extend beyond board meetings, and Deepbridge will maintain regular management contact. For new investments that is almost daily, though for more mature investments the contact can be less frequent.

Performance is also regularly compared against the operational plan and, if necessary, remedial action is sought. Deepbridge has indicated that it is looking for investee companies to follow a "conservative business model" and it will be making sure that this happens. Overall this goes well beyond simply monitoring the investment, and Deepbridge see this as an important part of its risk mitigation.

Exits

Deepbridge emphasises that it is exit focussed from the time of the initial investment. Although the team will have an idea of how the exit may occur, this is by necessity a flexible plan. The main anticipated exit route is through a trade sale, though IPOs or other routes are possible. The one (partial) exit to date came through a secondary market sale, though this is unlikely to be common.

Track Record

Since its launch in 2013, the Technology Growth EIS has invested in 12 companies. Some of these companies have received more than one tranche of investment, in addition to the flow depending on milestones. Since 2016, valuations are updated at least annually and the figures Hardman & Co have been supplied are as of December 2017.

To date there has been only one partial exit, which was Sky Medical Technology. An investor wanted to take a substantial stake and gave Deepbridge investors the option to sell their shares. Some did so, but others kept their holding. Those that exited received returns of 2-4x their original investment, depending on when their investment was made. There have since been further secondary transactions at a higher valuation.

Of the twelve companies, including Sky Medical, seven have seen a positive revaluation since the initial investment and one a decline. The gains range from 21% to 386% (Sky Medical). With some companies having seen multiple tranches of investment, the unrealised moves for some investors in the relevant companies may be less than that. The decline was on a merger, with the range for different shareholders from 22% to 45%, with an average of 33%.

The four companies with no valuation change are all investments made in the last two years. The crude average revaluation change is 74%, with a median of 38%.

Hardman & Co note that the target for exiting in 3-4 years could be ambitious for a technology fund. Of the two investments that have exceeded that term, one was Sky Medical. It is too early to judge how successful Deepbridge will be in reaching that target.

Overall, while the track record is limited it does show signs of promise.

Fees

The fees for the EIS are set out in the table on page 3 and, other than the performance fee and non-advised investor fee, are payable by the investee companies. These are straightforward, other than as noted below:

- **Non-advised investor fee**: where an investor does not come through an intermediary, Deepbridge charge a fee of 2.5% (incl VAT) to reflect the additional support these investors usually need. This is deducted before subscription, and so is not eligible for relief.
- **Corporate advisory and arrangement fee**: the Information Memorandum says this is up to 5%. We understand that in practice it is almost always 5%.
- **Performance fee:** this is charged on a per company basis. Is possible that performance fees may be payable if the fund as a whole has lost money. However, the threshold of £1.20 helps to offset this risk.
- **Warrants:** Deepbridge will sometimes receive warrants either in lieu of the above payments or in addition to them. These typically are for 5-6 years and are intended to incentivise the management.

Other than where indicated, the fees and charges are quoted net of VAT. Where investee companies have sufficient VATable revenue, the VAT can be offset, but where a project is unsuccessful that may not be the case.

Fundraising targets

The target fundraise is £20m in the 2017/18 financial year. Deployments take place monthly, so it is expected that new money will be invested in that timescale. The fund itself is evergreen, but the closing date for money to be invested in the 2017/18 financial year is 26 March 2018.

The minimum subscription is £10,000 per investor. The minimum subscription per company is £3,333, so investors who commit less than £30,000 will get exposure to fewer than nine companies.

Fund Manager & Investment Adviser

Enterprise Investment Partners was established in 2010. It has acted as a manager and/or promoter for various EIS, SEIS and BPR/BR products.

Deepbridge Advisers has been focussed on technology investments since its inception. Founded by Ian Warwick, the Technology Growth EIS has been its flagship product in EIS. Deepbridge has expanded its product range over the last couple of years and now has four active EIS and SEIS funds. It has also added investments in renewables, which are used, inter alia, in its Business Relief product.

Key People

Ian Warwick – Managing Partner

Has spent the last 20 years leading publicly quoted technology businesses in the UK and USA. Prior to Deepbridge he was Chairman and CEO of Aftersoft Group Inc, turning the business round and returning it to profit.

Dr Savvas Neophytou – Partner, Head of Life Sciences

Following gaining a PhD in psychopharmacology, he spent 15 years as a top rated investment banker and analyst at several large investment banks and brokers. Was also CEO of Now Healthcare Group, a telemedicine business.

Kieran O'Gorman – Technical Partner

Has had a broad range of roles in insurance, private client stockbroking and the alternative asset space. Within Deepbridge his role includes sourcing investment capital and client communication.

Rick Parry - Partner

Has held various senior roles in the sporting world, most notably as CEO of the FA Premier League and CEO of Liverpool Football Club. He was chair of The Sports Betting Integrity Panel and is an advisor to the Kingdom of Saudi Arabia.

Professor Chris Wood – Senior Medical Adviser

Experienced biotech entrepreneur who has founded and successfully exited two companies (Bioenvision Inc and Medirace Limited) for a combined $900m. As well as his Deepbridge role, he is involved in several biotech projects.

Matthias Mueller – Senior Technology Adviser

Has worked in innovation-led technology engineering as well as IT and Systems Integration. His primary role is assisting with the appraisal and assessment of new technologies.

In operational terms, the Deepbridge investment team is split into life sciences and technology with a common due diligence and post-investment team.

At the time of the last Hardman &Co review of a Deepbridge product we noted that the team was small. It has grown substantially since then, and currently has 26 members of staff. The bulk of this growth has been on the support side, as Deepbridge has developed its in house capabilities.

The staff on the investment side of the business has grown at a slower rate. Recently a new manager was recruited for life sciences and an appointment is being sought for the technology side too. This is welcome, as the current partners are approaching their capacity for the close involvement in investee companies that the Deepbridge process demands.

We understand that there also are some administrative areas in which expected growth will push capacity to the limit with current staffing levels. There is a plan to increase headcount significantly over the course of 2018, with some recruitment having already started.

The Investment Supervisory Committee for the fund consists of Rick Parry, Chris Wood and Matthias Mueller, together with Kieran O'Gorman as the Deepbridge representative. We note that, unusually, the members of the Committee receive no direct remuneration. They are incentivised by the increased connections and knowledge that the role brings, though we note that some do also invest alongside the EIS (on the same terms).

Appendix 1 – Due Diligence Summary

Summary of core due diligence questions		
Investment Manager		**Validated by**
Company	Enterprise Investment Partners LLP	
Founded	2010	Hardman & Co
Type	Limited liability partnership	Hardman & Co
Company number	OC357090	Hardman & Co
Ownership	Two members	Hardman & Co
FCA Registration	604439	Hardman & Co
Solvency	Yes	Company
EISA member	Yes	Hardman & Co
Investment Adviser		
Company	Deepbridge Advisers Limited	
Founded	2013	Hardman & Co
Type	Private limited company	Hardman & Co
Company number	08614835	Hardman & Co
Ownership	Deepbridge Capital LLP	Hardman & Co
FCA Registration	609786	Hardman & Co
Solvency	Yes	Hardman & Co
EISA member	Yes	Hardman & Co
Fund Custodian		
Company	Reyker Securities plc	Information Memorandum
FCA Registration	115308	Hardman & Co

Source: Hardman & Co research

Regulation

Enterprise Investment Partners LLP currently has two members: Martin Sherwood and Christian Elmes. It has appropriate permissions for a fund manager. The company has a strong balance sheet as of the last accounts (March 2017) with £288,630 of equity reserves. Currently EIP has capital at 109% of its requirements. Submissions to Companies House appear to be up to date.

Deepbridge Advisers Limited is wholly owned by Deepbridge Capital LLP. This has seven members, with Ian Warwick holding a 51.1% stake and the balance being held by other senior members of the Deepbridge team. Deepbridge Capital LLP is authorised by the FCA (number 563366), with Deepbridge Advisers Limited being an appointed representative. Deepbridge Advisers Limited have accounts made up to July 2016 and submissions to Companies House appear to be up to date. For capital, Deepbridge Capital LLP is a BIPRU50k firm. At 31 July 2017 (latest accounts) its net members interest was £316,501 and its solvency ratio was 109%.

Appendix 2 – Example Fee Calculations

This calculates the estimated amounts payable both directly and indirectly under certain assumptions.

Basic Assumptions	
Term	5 years
Investor amount	£100,000
VAT is reclaimed by investee companies	

Source: Hardman & Co Research

Calculations					
		Hardman & Co Standard			Target
Gross Return		**-50%**	**0%**	**50%**	**60%**
Amount (pre-tax relief)		**£100,000**	**£100,000**	**£100,000**	**£100,000**
Initial Fees	**Rate**				
Corporate advisory and arrangement fee	5.00% (excl VAT)	£5,000	£5,000	£5,000	£5,000
Dealing fee	0.65%	£650	£650	£650	£650
Total initial fees		£5,650	£5,650	£5,650	£5,650
Net investment		£100,000	£100,000	£100,000	£100,000
Annual fees					
Maintenance fee	2.00%	£2,000	£2,000	£2,000	£2,000
Custody administration fee (annual)	0.50%	£500	£500	£500	£500
Total over 5 years		£12,500	£12,500	£12,500	£12,500
Gross fund after investment return		£50,000	£100,000	£150,000	£160,000
Exit fees					
Dealing fee	0.65%	£325	£650	£975	£1,040
Performance	20% over £1.20	£0	£0	£6,000	£8,000
Net amount to investor		£50,000	£100,000	£144,000	£152,000
Gain (pre tax relief)		-£50,000	£0	£44,000	£52,000
Gain (post tax relief)		-£20,000	£30,000	£74,000	£82,000
Total fees paid		£18,475	£18,800	£25,125	£27,190

Source: Hardman & Co research

Notes: tax relief only allows for basic relief and makes no allowance for any loss relief or other benefits.

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In particular, Article 12(3) of the Directive states: 'The following benefits shall qualify as acceptable minor non-monetary benefits only if they are' (b) 'written material from a third party that is commissioned and paid for by an[sic] corporate issuer or potential issuer to promote a new issuance by the company, or where the third party firm is contractually engaged and paid by the issuer to produce such material on an ongoing basis, provided that the relationship is clearly disclosed in the material and that the material is made available at the same time to any investment firms wishing to receive it or to the general public;'

The fact that we are commissioned to write the research is disclosed in the disclaimer, and the research is widely available.

The full detail is on page 26 of the full directive, which can be accessed here: http://ec.europa.eu/finance/docs/level-2-measures/mifid-delegated-regulation-2016-2031.pdf

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