MATRIX INCOME & GROWTH 4 VCT PLC 4

A VENTURE CAPITAL TRUST

SECURITIES NOTE
WITH APPLICATION FORM

Sponsored by
Teather & Greenwood Limited
Offer for Subscription of up to
£20,000,000

Contents

Securities Note

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document you should consult your bank manager, solicitor, accountant or other independent financial adviser fully authorised pursuant to the Financial Services and Markets Act 2000, who specialises in advising upon investment in shares and other securities, without delay.

Copies of this securities note ("Securities Note") which together with a registration document ("Registration Document") and a summary note ("Summary Note") comprises listing particulars (the "Prospectus") relating to Matrix Income & Growth 4 VCT plc (the "Company" or the "Fund"), and has been prepared in accordance with the Listing Rules and Prospectus Rules made under Part VI of the Financial Services and Markets Act 2000. In subscribing for Offered Shares you will be treated as subscribing solely on the basis of this Prospectus. **Your attention is drawn to the risk factors set out on page 2 and to the Terms and Conditions of Application set out on pages 26 to 29.**

Persons receiving this document should note that, in connection with this document, Teather & Greenwood Limited and Matrix-Securities Limited act for the Fund and no-one else, and will not be responsible for anyone other than the Fund for providing the protections afforded to customers of Teather & Greenwood Limited and Matrix-Securities Limited, or for providing advice in relation to this document. Both Teather & Greenwood Limited and Matrix-Securities Limited are authorised and regulated by the Financial Services Authority.

The Directors of the Fund, whose names appear on page 13, and the Fund accept responsibility for the information contained in the Prospectus. To the best of the knowledge and belief of the Directors and the Fund (who have taken all reasonable care to ensure that such is the case) the information contained in the Prospectus is in accordance with the facts and contains no omission likely to affect its import.

Application has been made to the UK Listing Authority for the ordinary shares ("Offered Shares") issued under the offer for subscription to be admitted to the Official List and to the London Stock Exchange for the admission of such Offered Shares to trading on its market for listed securities. It is expected that admission will become effective and that dealings in the Offered Shares will commence three Business Days following allotment.

Matrix Income & Growth 4 VCT plc

(Incorporated in England and Wales under the Companies Act 1985 with registered number 03707697)

Offer for Subscription

of Ordinary Shares of £0.01 at the Offer Price to raise up to £20 million

Sponsor	Promoter
Teather & Greenwood Limited	**Matrix-Securities Limited**

The procedure for, and the terms and conditions of, application under this offer for subscription are set out at the end of this document together with an Application Form.

Completed Application Forms must be posted or delivered by hand to the Receiving Agents, Computershare Investor Services PLC. This Offer for Subscription will open on 2 November 2006 and will close not later than 5 April 2007 or as soon as the Offer is fully subscribed. The Directors in their absolute discretion may decide to extend or increase the Offer.

Risk Factors

The Directors draw the attention of potential Investors to the following risk factors that may affect the Fund's performance and/or the availability of tax reliefs.

An investment in the Company is suitable only for Investors who are capable of evaluating the risks and merits of such investment and who have sufficient resources to bear any loss which might result from such investment. Investors are advised to take their own independent financial advice on the tax aspects of their investment.

Potential Investors should be aware that the value of Shares in the Fund can fluctuate and that they may not get back the amount they invested. There is a limited secondary market for VCTs and most trade at below their net asset value. In addition, there is no certainty that the market price of Shares will fully reflect the underlying Net Asset Value or that any dividends will be paid. Nor should potential Investors expect that the share buyback policy will offer any certainty of selling their Shares at a price that reflects or is close to the underlying Net Asset Value. Investors should be aware that an investment in the Fund should be considered as a long-term investment.

The past performance of funds managed or advised by the Manager is not a guide to the future performance of the Company.

A portfolio of investments in unquoted companies can offer good investment returns but by its nature is uncertain and consequently involves a higher degree of risk than a quoted portfolio.

There can be no guarantee that the Company's investment objectives will be achieved or that suitable investment opportunities will be identified.

Valuations of unlisted companies are determined by the Directors within the IPEVCV. These valuation guidelines provide for discounts to reflect the non-marketability of unlisted investments. The valuation of the portfolio depends, to some extent, on stock market conditions.

Although it is anticipated that the Offered Shares will be admitted to the Official List of the UK Listing Authority and traded on the London Stock Exchange's market for listed securities, it is expected that there will be an illiquid market and Shareholders are expected to find it difficult to realise their investment.

Realisation of investments in unquoted companies can be difficult and may take a considerable time. There may also be constraints imposed on the realisation of investments in order to maintain the tax status of the Fund.

The fact that a share is listed on AIM does not guarantee its liquidity. The spread between the buying and selling price of such shares may be wide and thus the price used for valuation may not be achievable. PLUS (formerly OFEX) is not regulated by the London Stock Exchange. AIM is an exchange-regulated market and is not regulated by the London Stock Exchange. The Company may invest in AIM and/or PLUS (formerly OFEX) traded companies.

Whilst it will be the intention of the Directors that the Fund will be managed so as to continue to qualify as a Venture Capital Trust, there can be no guarantee that such status will be maintained. A failure to continue to meet the qualifying requirements could result in the Fund losing the tax reliefs previously obtained, resulting in adverse tax consequences for Shareholders including a requirement to repay the income tax relief obtained. Furthermore, should the Fund lose its Venture Capital Trust status, dividends and the disposal of Shares would become subject to tax.

Although the Fund may receive conventional venture capital rights in connection with some of its investments, as a minority investor it may not be in a position to fully protect its interests.

To receive the tax advantages available to VCTs, potential investors must be over the age of 18.

Any realised losses on the disposal of Shares will not be allowable losses for the purpose of capital gains tax and will, therefore, not be available for set off against any capital gains.

The information in this Prospectus is based on existing legislation, including tax legislation. The tax rules or their interpretation in relation to an investment in the Fund and/or the rates of tax may change during the life of the Fund and any changes could be retrospective. The value of tax reliefs depends on the personal circumstances of holders of Shares, who should consult their own tax advisors before making any investment. The current legislation provides for income tax relief of up to 30% of the amount subscribed (subject to overall limitations on the amount of tax relief that can be claimed by an individual through investment in a VCT).

If a Shareholder who subscribes for Offered Shares under the Offer disposes of those Offered Shares within five years the Shareholder will be subject to clawback by HM Revenue & Customs of the income tax relief originally claimed.

Offer Timetable

Offer opens	2 November 2006
Deadline for receipt of applications for final allotment in 2006/2007 tax year	5 April 2007
Offer closes	5 April 2007
Allotment	Fortnightly
Effective date for the listing of Offered Shares and commencement of dealings	Expected to be 3 Business Days following allotment

There is no minimum amount to be raised under the Offer and the Directors expect to start making allotments of Offered Shares during the first week of January 2007. They reserve the right to amend the date at which Offered Shares will begin to be allotted. The Directors also reserve the right to extend the closing date of the Offer or the amount of the Offer at their discretion. The Offer will close earlier than the date stated above if it is fully subscribed by an earlier date.

Offer Statistics

Latest published NAV per MIG 4 VCT Share published as at 31 July 2006	£1.136
Estimated Offer Price per Share (based on a NAV of £1.136 per existing MIG 4 VCT Share)	£1.20
Minimum initial investment	£5,000
Maximum amount to be raised	£20 million
Maximum number of Offered Shares in issue following the Offer (based on an estimated Offer Price of £1.20 per Offered Share)	16,666,667

Costs relating to the Offer

Offer costs as a percentage of the gross proceeds	5.5%
Initial commission to intermediaries (included in 5.5% Offer costs)	2.25%
Annual commission (subject to maximum cumulative payment of 2.25% of the NAV attributable to financial intermediaries' clients' holdings)	0.375%

Definitions

The following definitions are used throughout this document, except where the context requires otherwise:

Act
Companies Act 1985 (as amended)

AIM
the Alternative Investment Market

Business Day
any day on which banks are generally open for business in London, other than a Saturday

Directors or Board
Directors of Matrix Income & Growth 4 VCT plc

Fund or Company or Matrix Income & Growth 4 VCT or MIG 4 VCT
Matrix Income & Growth 4 VCT plc, originally named TriVen VCT plc

IPEVCV
International Private Equity & Venture Capital Valuation guidelines

Investor
an individual aged 18 or over who is resident in the United Kingdom

Issue
the issue of Offered Shares pursuant to the Offer

London Stock Exchange
London Stock Exchange plc

Manager or MPEP or Matrix Private Equity Partners
Matrix Private Equity Partners Limited or Matrix Private Equity Partners LLP as the case may be, the Fund's manager, duly authorised and regulated by the Financial Services Authority from time to time

Matrix-Securities
Matrix-Securities Limited, the Fund's promoter, a wholly owned subsidiary of Matrix Group Limited. Matrix-Securities Limited is authorised and regulated by the Financial Services Authority

MIG
Matrix Income & Growth VCT plc, a generalist VCT focusing on a range of industrial and commercial sectors

MIG 2
Matrix Income & Growth 2 VCT plc, a generalist VCT focusing on a range of industrial and commercial sectors, originally named Matrix e-Ventures VCT

MIG 3
Matrix Income & Growth 3 VCT plc, a generalist VCT focusing on a range of industrial and commercial sectors

MBO
Management Buy Out

Net Asset Value or NAV
the aggregate of the gross assets of the Company less its gross liabilities, calculated in accordance with the Company's accounting policies

Offer
the offer for subscription of up to £20,000,000 of Offered Shares pursuant to the terms of the Prospectus at the prevailing Offer Price

Offer Price
the offer price of the Offered Shares being the most recently published NAV per Share of the Company divided by 0.945, as determined by the Board

Offered Shares
shares to be issued under the Offer

PLUS
PLUS Markets plc, formerly named OFEX an unregulated UK Share Market

Prospectus
the combined Registration Document, Securities Note and Summary Note

Qualifying Company or VCT Qualifying Investment
an unquoted or AIM traded company which satisfies the requirements of schedule 28B of the Taxes Act

Share(s)
ordinary share(s) of £0.01 each in the capital of the Fund

Shareholder
a holder of Shares

Taxes Act
the Income and Corporation Taxes Act 1988 (as amended)

Total Return
the aggregate value of an investment or collection of investments valued in accordance with the IPEVCV, plus any capital repaid and income or dividends received

TriVest
TriVest VCT plc, a multi-manager VCT focusing on industrial, commercial and technology investments

UK Listing Authority
the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000

Venture Capital Trust or VCT
a company which is, for the time being, approved as a Venture Capital Trust under Section 842AA of the Taxes Act

Key Features

- **Significant tax benefits for Investors**

  An Investor can enjoy the following tax reliefs under the Offer:
  – up-front 30% income tax relief
  – tax free dividends
  – gains on disposal of shares free from capital gains tax

- **Tax free dividends**

  MIG 4 VCT seeks to provide Shareholders with a regular and growing income stream, by way of tax free dividends, and to generate capital growth through portfolio realisations, the profits of which can then be distributed by way of additional tax free dividends.

- **Incentive to pay dividends**

  The Manager is incentivised to produce high levels of income and will only receive its performance related incentive fee if it generates returns that enable the Fund to pay out annual dividends to shareholders of at least 6%, expressed as a percentage of the NAV immediately following the close of the Offer.

- **Compelling investment strategy**

  MIG 4 VCT is a generalist VCT investing primarily in a diversified portfolio of established profitable unquoted companies which are cash-generative and therefore capable of producing income and capital repayments to the Fund prior to their ultimate sale or flotation. The Fund expects to co-invest with the other VCTs advised by the Manager, thereby becoming able to invest in larger transactions and companies than other VCTs investing in isolation. The focus will be on investing in MBOs.

- **Experienced award winning investment manager**

  The Manager, Matrix Private Equity Partners, is one of the most experienced, stable and successful teams engaged in managing VCTs with an executive team of eight managers specialising in unquoted investments. The four managers who originally formed the investment team have worked together since 1998.

  The Manager has won the prestigious Venture Capital Trust Manager of the Year award two years running at the Investor AllStars Venture Capital Awards in 2005 and 2006. It was also short listed for the House of the Year at the 2006 BVCA/Real Deals Private Equity Awards and the Small Buy Out House of the Year at both the 2005 and 2006 unquote" Private Equity Awards.

- **Proven track record**

  Matrix Private Equity Partners has a proven record of investing successfully in unquoted companies to generate income and growth. The team's track record dates from April 1999, and since that time the Manager has made 28 investments in VCT Qualifying Companies following the same investment strategy as the Fund. At 30 September 2006, MPEP had invested £36.2 million at cost and the total return was £56.2 million, showing an uplift of £20.0 million over cost i.e. an increase of 55%. In particular the Directors believe that the performance of MPEP's investments on behalf of TriVest VCT most accurately illustrates its medium term investment performance. As at 30 September 2006 MPEP's TriVest investment portfolio had generated an absolute return of 105% since launch in October 2000 (see pages 8 and 9 for a comprehensive description of MPEP's track record).

- **Existing mature portfolio**

  MIG 4 VCT already has a mature portfolio. At 31 July 2006 the portfolio comprised investments in 26 companies and was made up of 40.8% loan stock with an average annual running yield of 7.7%. The balance was held in ordinary shares, cash and money market funds. Investing into a VCT with an already established portfolio offers the potential for earlier investment realisations and possible capital gains for Shareholders.

- **No minimum**

  No minimum amount is required under the Offer. This means Investors can be certain that the Offer will proceed.

- **Liquidity**

  The Directors currently pursue a share buy back policy which seeks to manage the level of the discount to NAV at which the Shares trade in normal markets. The Directors operate this policy to try to ensure that Shareholders who wish to sell their holding in the Fund should be able to do so while bearing in mind the interests of all Shareholders.

Chairman's Letter

Matrix Income & Growth 4 VCT plc
(registered in England no. 03707697)
One Jermyn Street
London SW1Y 4UH

2 November 2006

Dear Investor,

Welcome to the new Matrix Income & Growth 4 VCT plc Share Offer which is aiming to raise up to £20 million for the Company.

I believe VCTs, and MIG 4 VCT in particular, offer one of the most attractive investment opportunities currently available to Investors. My reasons for writing this are:

Award Winning Investment Manager
Matrix Private Equity Partners is one of the most successful private equity managers in the VCT industry. MPEP has a proven track record of investment underpinned by its excellent deal flow. At the recent Investor AllStars 2006 Awards ceremony, Matrix Private Equity Partners won the award for the second year running for the Venture Capital Trust Manager of the Year. The judging panel commented "Matrix is one of the few VCTs that has successfully defended its title." I believe that MPEP's investment strategy is ideally suited to maximising the Company's ability to take advantage of the tax reliefs afforded to VCTs.

VCT Tax Reliefs
The Government showed its continued support for the VCT industry in the 2006 Finance Act. Dividends remain tax-free, subject to investment limits and the Chancellor has set the up-front income tax relief at 30% for the 2006/7 tax year, continuing the status of VCTs as one of the most tax efficient investment products available to UK investors. An Investor will therefore be able to receive up to 30% of their initial investment back in the form of a cash income tax rebate as long as the investment is held for a minimum of five years and the Investor has paid at least that amount in income tax for the year of subscription.

Compelling Investment Strategy
MPEP has a value-driven investment approach which focuses on Management Buy Outs of unquoted companies capable of delivering income and growth. This approach should enable Shareholders to receive tax free dividends on a regular twice yearly basis. These dividends will comprise income from investments and profits from the realisations of investments.

Matrix Income & Growth 4 VCT plc
MIG 4 VCT (formerly TriVen VCT) was originally established as a multi-manager VCT. In July 2006, one of the Company's existing investment managers, Matrix Private Equity Partners, was selected and appointed to be the sole investment manager. In October 2006, Shareholders approved the change in name of the Company to MIG 4 VCT. The Company will reflect a similar investment strategy to the three existing Matrix Income & Growth VCTs.

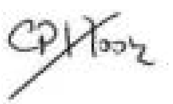
MIG 4 VCT already has a mature portfolio. As at 31 July 2006 the portfolio comprised investments in 26 companies and was made up of 40.8% loan stock with an average annual running yield of 7.7% and the balance was held in ordinary shares, cash and money market funds. Investing into a VCT with an already established portfolio offers the potential for earlier investment realisations and capital gains.

Enhanced Liquidity
In order to enhance the liquidity of the Shares in the Company and to seek to manage the level of the discount to Net Asset Value at which Shares may trade in normal markets, the Directors will continue to operate an active share buyback policy.

You can invest between £5,000 and £200,000 per tax year in Matrix Income & Growth 4 VCT. The Application Form can be found on page 31 of this Securities Note.

To demonstrate their belief in the Company and to show their support for the Offer the Directors and members of the MPEP team have committed to invest a minimum aggregate amount of £160,000. We all very much look forward to welcoming you as a Shareholder as well.

Yours sincerely,



Colin Hook
Chairman

Part I: Why invest in Matrix Income & Growth 4 VCT?

The investment objective of the Fund is to provide Shareholders with a regular and growing income stream, by way of tax free dividends, and to generate capital growth through portfolio realisations, the profits of which can be distributed as additional tax free dividends. The Manager intends to structure investments in unquoted companies as part loan and part equity, expecting to receive regular income and to generate capital gains from trade sales and flotations.

Twin sources of tax free dividends

A particular feature of Matrix Income & Growth 4 VCT's approach will be to invest a high proportion of its assets in mature unquoted companies in the form of yield-bearing instruments such as preference shares or loan stock. The Manager aims to use these instruments to construct a high yield portfolio of investments enabling the Company to pay regular tax free dividends.

Furthermore, as an overriding objective when making investments, the Manager will endeavour to ensure that the companies in which the Fund invests have the potential for further growth and ultimate capital realisation. Such realisations, which are expected to comprise primarily trade sales, are expected to enable the Fund to pay significant additional tax free dividends.

Matrix Private Equity Partners – The Investment Manager

Matrix Private Equity Partners is one of the most experienced teams focused on VCT investment, currently advising over £80 million of funds on behalf of five VCTs. The Board believes that there are a number of features that make MPEP stand out as a VCT manager:

- Experience – MPEP has a team of eight private equity investment managers, who together have a total of over 130 years' experience of relevant private equity transactions.
- Stability – The four managers who originally formed the investment team have worked together since 1998.
- Commitment to VCTs – MPEP is focused on VCT management and its business is jointly owned by the six senior managers in the investment team and Matrix Group. MPEP allocates its deal flow exclusively to its VCTs.
- Deal flow – MPEP secures a strong pipeline of attractive deals. Between September 2005 and September 2006, MPEP has invested £17.9 million in qualifying investments in the MBOs of eight companies on behalf of its advised VCTs.
- Lower risk strategy – Co-investing alongside four other VCTs enables the Company to invest in larger transactions and lower risk companies than many other VCTs. MPEP typically invests in MBOs of companies valued between £2 million and £20 million with annual turnovers between £5 million and £50 million.
- Award winners – **Venture Capital Trust Manager of the Year award** (Investor AllStars Venture Capital Awards 2005 and 2006); short listed for **House of the Year** (BVCA/Real Deals Private Equity Awards 2006); short listed for **Small Buy Out House of the Year** (unquote" Private Equity Awards 2005 and 2006, in November).

The Team

The core of the investment team was formed in 1998 and has subsequently been increased to eight managers.

Mark Wignall (49) heads the team. He is an economist and commenced his career in 1980 with MAI plc. He joined GLE Development Capital in 1987 and became Managing Director in 1994. In March 2004 he led the management team that acquired GLE Development Capital to form Matrix Private Equity Partners. He has 19 years' experience of private equity investment.

Ashley Broomberg (36) joined Matrix Group Limited in 2001. He is a chartered accountant with a background in corporate finance and strategy consulting, having previously worked with Arthur D. Little and Arthur Andersen. He has five years' experience of private equity investment.

Jonathan Gregory (45) qualified as a chartered accountant with Baker Tilly and joined the Manager in 1995. He has over 20 years' experience working with unquoted companies and he is a non-executive director of BBI Holdings plc, a company quoted on AIM. He has 11 years' experience of private equity investment.

Bob Henry (52) entered the private equity industry with County Bank in 1979 and established and ran HSBC Ventures from 1992, leaving to join the Manager in 1998. He has over 20 years' experience of private equity investment.

Eric Tung (45) qualified as a chartered accountant with KPMG and joined Enterprise Ventures in 1990 becoming Head of Investment, leaving to join the Manager in 2000. He has 15 years' experience of private equity investment.

Mike Walker (53) originally trained at 3i plc and was a director of Gresham Trust plc for seven years, becoming head of its Portfolio Management Unit. He joined the Manager in 1998 and is a non-executive director of several of the Manager's VCT investee companies. He has over 20 years' experience of private equity investment.

John Brandon (62) is a qualified civil engineer and entered the venture capital industry in 1981 joining Midland Montagu Ventures. From 1992 – 2003 he was an investment director at HSBC Ventures, becoming Managing Director in 1998 following Bob Henry's departure. He joined the Manager in 2004 and has over 20 years' experience of private equity investment.

Katia Frank (36) has particular responsibility for deal flow and origination. She is a qualified engineer and prior to joining the Manager in 2000, she worked for Pi Capital and Nat West Development Capital. She has 7 years' experience of private equity investment.

MPEP's Track Record

MPEP manages over £80 million of funds across five VCTs.

TriVest VCT – MPEP is one of three advisers to the funds raised for this multi-manager VCT with an original £13.2 million allocation of the fundraising that closed in April 2001.

MIG VCT – MPEP is the sole adviser to the funds raised from an original £22.0 million fundraising that closed in June 2005.

MIG 2 VCT – originally named Matrix e-Ventures VCT, MIG 2 VCT changed name and strategy, becoming a generalist VCT and appointed MPEP as its investment adviser in August 2005. £13.2 million was raised in the original fundraising that closed in April 2000 and a further £9.1 million was raised through a C share fundraising that closed in April 2006.

MIG 3 VCT – MPEP is the sole adviser to the funds raised from an original £20.0 million fundraising that closed in April 2006.

MIG 4 VCT – formerly named TriVen VCT, MPEP was one of three advisers to the funds raised for this multi-manager VCT with an original allocation of £6.0 million that closed in April 1999. MPEP was appointed sole adviser in August 2006.

From its first VCT investment in April 1999, MPEP has made investments in 28 VCT Qualifying Companies following the same generalist investment strategy as MIG 4 VCT. At 30 September 2006, MPEP had invested £36.2 million at cost and the total return was £56.2 million, showing an uplift of £20.0 million over cost – i.e. an increase of 55%.

	MIG 4 VCT	TriVest VCT	MIG VCT	MIG 2 VCT	MIG 3 VCT	Total
First investment made	**April 1999**	**December 2000**	**April 2005**	**August 2005**	**April 2006**	**April 1999**
Number of VCT Qualifying Companies	22	22	11	9	4	28
	£million	£million	£million	£million	£million	£million
Total cost of the investments	**8.5**	**14.4**	**6.9**	**4.9**	**1.5**	**36.2**
a) Income received from loan stock and dividends	1.3	2.0	0.2	0.1	–	3.6
b) Capital returned in cash to VCT	3.3	8.5	–	–	–	11.8
c) Valuation of current investments	5.9	19.0	8.0	6.4	1.5	40.8
Total Return (a + b + c)	**10.5**	**29.5**	**8.2**	**6.5**	**1.5**	**56.2**
Absolute Return	**+24%**	**+105%**	**+19%**	**+32%**	**–**	**+55%**

The majority of the investments MPEP has made on behalf of MIG, MIG 2 and MIG 3 VCTs have been held for less than one year following the date of investment and are therefore held at cost, which equates to fair value in line with the IPEVCV for unquoted investments. The two VCTs that cover a longer period for the team's VCT investment track record are MIG 4 VCT and TriVest. The Directors believe that the performance of TriVest most accurately illustrates the medium term investment performance of MPEP and demonstrates that the performance of MIG 4 VCT would have benefited from this if it had raised greater funds from which to have made investments. The track records of the investments made by MPEP in the various VCTs are shown above.

The absolute return quoted for MPEP's VCT investments above reflects only those returns from VCT Qualifying Investments made by MPEP and does not reflect the returns of the VCTs as a whole; the returns quoted take into account neither income from non-qualifying investments nor the costs of running the VCTs. The return is calculated from the date of the first VCT Qualifying Investment made by MPEP.

Past investment portfolio performance is not a guide to future performance. The Fund's returns and performance are likely to be different from those outlined above.

Source: The portfolio return data in the table have been derived from the internal accounting records of each VCT maintained by an affiliate of the Manager up to and including 30 September 2006. Valuations of the individual investments that make up each of these portfolios have been carried out in accordance with the IPEVCV or, in the case of AIM quoted investments, are based on the bid price on 30 September 2006. The above returns are before the Manager's remuneration including, where applicable, performance related fees, and exclude the tax-related benefits afforded to Investors from subscribing in the VCTs.

Enhanced liquidity

The Directors are aware that in the past it has often been difficult for Investors to sell VCT shares at or close to NAV. The Directors currently pursue an active policy of buying back Shares in the market, seeking to manage the level of discount to NAV at which Shares trade in normal markets.

At their quarterly board meetings the Directors review, *inter alia*, the levels of discounts to NAV at which comparable quoted VCTs are trading. Based on this review and other relevant factors, the Directors agree the Fund's share buyback policy for the forthcoming period. The Directors intend to continue to maintain frequent communication with the market so that, whenever a significant number of Shares come on offer in the market, the Directors will become aware.

In pursuing this policy, the Directors' highest priority is to ensure that they are acting prudently and fairly in the interests of all shareholders. Share buybacks are transacted entirely at the Directors' discretion and are subject to the Fund having sufficient distributable reserves available for such purposes. They are also subject to the rules of the UK Listing Authority and any other applicable law at the relevant time. Although the Directors' intention is that Shareholders who wish to sell their holding in the Fund should be able to do so, potential Investors should be aware that there is a risk that this may not be possible from time to time.

Tax benefits

The Offer provides a tax efficient investment opportunity, with the following attractive tax reliefs available to Investors who can invest up to £200,000 per person per tax year:

- Up-front income tax relief of 30% of the amount invested can be deducted from the Investor's income tax liability (provided Offered Shares are held for at least five years);
- all dividends paid by MIG 4 VCT are tax free; and
- capital gains on disposal of Shares in MIG 4 VCT are tax free provided Offered Shares have been held for at least five years before disposal.

This is only a brief summary of the tax benefits of investing under the Offer. Further information appears on pages 17 and 18. Investors' attention is drawn to the risk factors relating to taxation referred to on page 2.

Dividend policy

The Fund's dividend policy is to pay out income to Shareholders half yearly.

A privileged feature of a VCT, where they are not investment companies under the Act, not available to a normal investment trust, is the ability to distribute net realised capital profits. Whenever the Fund makes successful realisations for cash of unquoted portfolio investments, the Directors intend to take full advantage of this feature by paying out to Shareholders as much as is prudent of any net realised capital profit with the next half yearly dividend payment.

Generally, a VCT is required to distribute by way of dividend such amount as ensures that it retains not more than 15% of its income derived from shares and securities.

MIG 4 VCT already has a mature portfolio of investments. This should enable the Company to make successful realisations, which can be paid out as dividends, earlier than a comparable new fund.

The Company is currently legally structured as an investment company. This enhances its ability to pay dividends out of income. In the future, when the Directors consider it appropriate to distribute accumulated net capital profits by way of dividend (for example on the disposal of a successful equity investment in the portfolio of VCT Qualifying Investments), investment company status will be revoked to enable capital distributions to be made.

Shareholder Communications

In order to allow Shareholders access to a flow of further additional information regarding new investments, developments in investee companies and portfolio performance, the Manager intends to produce a biannual newsletter on the Company's investment portfolio in addition to the normal statutory reports. The newsletter will be issued to Shareholders during the alternative quarters from the annual and interim reports. This will replace the newsletter currently sent out by the Board to existing shareholders.

Part II: How will the Fund be invested?

Investment policy

Matrix Income & Growth 4 VCT will continue to build up its qualifying investment portfolio over the next three years. In line with the Company's lower-risk strategy, the net proceeds of the Offer will be invested initially in readily realisable interest bearing investments and deposits. The Manager will aim to invest approximately 80% of the net funds raised in the Offer. The Manager primarily seeks to invest in a diverse selection of established profitable unquoted companies. The Manager also considers investment in AIM quoted and PLUS traded businesses but only where it has had an investment in that company prior to flotation, or where it believes there is a compelling investment opportunity. Investments in VCT Qualifying Companies will generally be made in amounts ranging from £200,000 to £1 million. Not more than 10% of the Fund's investments, based on cost, will be invested in any one company.

The Manager aims to make investments that in aggregate are structured up to 70% as loan stock or preference shares with attractive income terms so that a regular stream of income and capital distributions should be generated for the Company which can be distributed to Shareholders.

After the Company has reached its VCT qualifying targets of a minimum of 70% being invested in qualifying assets, the balance of the net assets will remain invested in readily realisable interest bearing investments. These assets are expected to provide the capacity to support any future cash needs of investee companies, the operating needs of the Company, and to provide funds for any possible share buybacks, subject to distributable reserves being available.

Investment process

The Manager focuses on established, robust companies with credible plans and solid profit growth prospects. Typically these will be companies that make or supply the products and services that we see used around us in our daily lives. Such companies are typically valued between £2 million and £20 million with annual turnovers between £5 million and £50 million. Examples of investments that have previously been made by MPEP are set out on pages 14 and 15.The investment team looks for companies that are already profitable, cash generative and therefore able to sustain a stream of contractual payments of income and capital to the Fund.

The Manager focuses on unquoted investment opportunities, which it has consistently found to be more attractively priced than those presented by companies accessing public markets, such as AIM and PLUS. Unquoted companies also offer the opportunity for intensive appraisal, due diligence and negotiation of terms. Unquoted investment opportunities will originate from the Manager's own extensive network of chartered accountants and corporate financiers who act as intermediaries on behalf of management teams looking to raise equity finance. Prior to an investment being made, each selected company is subject to a rigorous process of due diligence which concentrates on the following:

- the quality of the management team;
- the track record of profitability;
- evidence of the company's competitive advantage in its markets;
- a sufficiently attractive valuation at the time of investment;
- the opportunity to structure an investment that can deliver regular income for the Fund; and
- the prospect of achieving an exit, usually by way of a trade sale, within an appropriate timescale.

The Manager considers investments in a broad range of sectors and different transaction types and has a particular focus on investing to support incumbent management teams in acquiring the business they manage, but do not own. This type of transaction, commonly referred to as a Management Buy Out or MBO, forms a significant proportion of UK private equity financing activity and accounted for 55% of all activity by amount invested in 2005 (Source – BVCA Report On Investment Activity 2005 published in July 2006). The Manager believes MBOs offer particularly attractive investment attributes for three reasons. These are the incumbent management's:

- unique and privileged understanding of the financial risks and opportunities within their business;
- preparedness to invest personal capital to purchase shares at the same time as the Fund; and
- alignment of interest with the Fund in seeking to buy their company at the lowest possible price with the objective of crystallising value in their investment in the medium term.

Post-investment management

Once an investment has been made, the Manager seeks to add value to investee companies in a number of ways including:

- reviewing strategic plans;
- helping with the development of the business;
- assisting with acquisitions or mergers and additional fundraisings; and
- preparing companies for sale.

Normally, a member of the Manager's team and an experienced individual well known to the Manager will be appointed to the board of each investee company as a non-executive director and chairman respectively.

Co-investment relationships

MIG 4 VCT expects to co-invest with the four other VCT funds advised by the Manager. This typically enables the Manager to participate in investment rounds of up to £5 million. The Directors believe that this enables the Company to invest in larger and more robust companies than many other VCTs.

Where more than one of the Manager's VCT funds wishes to participate in an investment opportunity, the VCTs' allocations will be made in the ratio of the net funds raised and allocated to the Manager for each VCT. This will be subject to the availability of funds to make the investment and other portfolio considerations such as sector exposure and the requirement to achieve or maintain a minimum of 70% of a VCT fund's portfolio in VCT Qualifying Investments.

Where a VCT is in its fundraising period, its net funds raised for the purpose of allocation will be assumed to be the value of shares allotted at the time the allocation calculation is made.

When a VCT has insufficient funds available to satisfy its allocation, the balance shall be offered to the remaining VCT clients who have funds available for new investments *pro rata* as between themselves.

Any variation from this co-investment policy, insofar as it affects the Company or where the Company makes any investment not at the same time and on the same terms as that made by other VCT funds, may only be made with the prior approval of the Directors.

Part III: The Board

The Board

The Board comprises three non-executive Directors, all of whom are independent of the Manager. The Board has overall responsibility for the Fund's affairs including the determination of its investment policy. Investment proposals will be originated, transacted and recommended by the Manager and then formally approved by the Directors:

Colin Hook (Chairman), aged 64, has wide industrial and commercial experience. He has directed fund management operations for more than ten years and his City involvement includes flotations, mergers and acquisitions and general corporate finance. From 1994 to 1997 he was Chief Executive of Ivory & Sime plc. He is currently the non-executive Chairman of TriVest VCT plc and Chairman of Pole Star Space Applications Limited, a leading provider of real-time tracking information for maritime applications via a global web-based satellite enabled solution.

Christopher Moore, aged 61, has considerable experience of the venture capital industry. After qualifying as a Chartered Accountant with Price Waterhouse, Christopher worked for Robert Fleming Inc., Lazards, Jardine Fleming and then Robert Fleming, latterly as a main board director for 9 years (1986-95). During this period he was involved in various unquoted and venture capital investments and remained Chairman of Fleming Ventures Limited, an international technology venture capital fund until 2003. He is Chairman of the Company's Audit Committee. His recent advisory roles included acting as senior adviser to the Chairman of Lloyds, the insurance group, for 4 years. He was also Chairman of Calderburn plc from 1996 to 1999, and led a successful turnaround and sale of the group's businesses. He is currently a non-executive director of TriVest VCT plc, Matrix Income & Growth VCT plc and Matrix Income & Growth 3 VCT plc and Chairman of Oxonica plc.

Helen Sinclair, aged 40, has extensive experience of investing in a wide range of small and medium sized businesses. She graduated in Economics from Cambridge University and began her career in banking. After a MBA at INSEAD business school, Helen worked from 1991 to 1998 at 3i plc based in their London office. She was a founding director of Matrix Private Equity Limited when it was established in early 2000 and has since raised two funds, Matrix Income & Growth 2 VCT plc (formerly Matrix e-Ventures VCT plc) and Matrix Enterprise Fund. She is Chairman of the Company's Investment Committee. Helen is currently a non-executive director of TriVest VCT plc and Hotbed Fund Managers Limited and provides consultancy services in the UK residential property arena.

The Board and members of the management team intend to invest £160,000 in aggregate in the Offer.

Corporate governance

The Board recognises the importance of sound corporate governance. The Board has adopted the 2003 FRC Combined Code ("the Combined Code") in respect of the year ended 31 January 2006. It has considered the principles detailed in the Combined Code and believes that the Company complies with the provisions of the Combined Code.

Part IV: MIG 4 VCT Investment Portfolio

The Company was originally a multi-manager Venture Capital Trust, advised by three independent managers; MPEP, Elderstreet Investments Limited and LICA Development Capital Limited (subsequently taken over by Nova Capital Management Limited). However, the Board felt it would be beneficial to the Company to appoint a single adviser, a change that came into effect on 31 July 2006, when MPEP was appointed as sole adviser.

As at 31 July 2006, the date of the Company's most recently published unaudited interim report, the Company's £9.7 million net assets comprised £3.1 million in cash and money market funds and £6.7m in investments. The investment portfolio comprised of investments in 26 companies at an aggregate cost of £7.4 million and valued at £6.7 million. The portfolio is made up of 40.8% loan stock with an average annual running yield of 7.7% with the balance being held in ordinary and preference shares. Six of these companies have received funding within the last twelve months and are carried at cost which approximates to fair value in accordance with the IPEVCV.

10 Largest Investments

The Company's 10 largest investments, at the date of this document with their prevailing valuations as at 30 September 2006, are listed below. These investments carry a total valuation of £5.3 million.

HIGHER NATURE - Mail order distribution of vitamins and natural medicines

Cost	£500,000	First Investment	November 1999
Valuation	£1,729,925	Transaction type	Expansion

YOUNGMAN GROUP - The UK market leader in the manufacture and supply of aluminium access towers and ladders

Cost	£500,000	First Investment	October 2005
Valuation	£1,184,223	Transaction type	MBO

MAVEN MANAGEMENT - A market research company

Cost	£175,000	First Investment	February 2000
Valuation	£517,361	Transaction type	MBO

STORTEXT FM - A document management software and services provider

Cost	£561,816	First Investment	February 2000
Valuation	£375,968	Transaction type	Expansion

TOTTEL PUBLISHING - A publisher of legal and tax titles

Cost	£235,200	First Investment	October 2004
Valuation	£346,791	Transaction type	MBO

LETRASET - A provider of specialist art products to the graphic arts industry

Cost	£500,000	First Investment	June 2001
Valuation	£256,421	Transaction type	MBO

MINISTRY OF CAKE - A leading manufacturer of desserts and cakes for the food service industry

Cost	£328,720	First Investment	September 2005
Valuation	£253,471	Transaction type	MBO

BRITISH INTERNATIONAL HOLDINGS - A leading supplier of helicopter services			
Cost	£250,000	First Investment	June 2006
Valuation	£250,000	Transaction type	MBO

VSI - Software for CAD and CAM vendors			
Cost	£177,213	First Investment	April 2006
Valuation	£177,213	Transaction type	MBO

BLAZE SIGNS HOLDINGS - Designer, manufacturer and installer of shop front and internal signage			
Cost	£164,510	First Investment	April 2006
Valuation	£164,510	Transaction type	MBO

Source: The valuation data in the table have been derived from the internal accounting records of the Company maintained by an affiliate of the Manager up to and including 30 September 2006. Valuations of the individual investments have been carried out in accordance with the IPEVCV.

The Directors are not aware of any information which may materially affect the above information at the date of this document.

Part V: Management, Expenses and Administration

The Manager

The Manager is appointed under a new management agreement which came into effect in October 2006. The Manager's appointment is for a period of three years and can be terminated by not less than twelve months' notice given at any time after the second anniversary of this agreement. The Manager's appointment may also be terminated in circumstances of material breach or insolvency by either party.

Issue Costs

The Promoter has agreed to indemnify the Fund to the extent of any excess of initial costs over 5.5% of the initial funds subscribed. Accordingly, on the basis that the Offer is fully subscribed total costs will be £1.1 million and net proceeds will be £18.9 million which will be used in the furtherance of the investment policy described on page 11.

Fees

The Manager receives a fund management fee of 2% per annum of the NAV of the Fund. The fund management fees will be calculated and payable quarterly in advance together with any applicable VAT.

As is customary in the private equity industry, the Manager may retain for its own benefit and without liability to account to the Fund, subject to full disclosure having been made to the Board, arrangement fees which it receives in connection with any unquoted investment made by the Fund up to a maximum of 2.5% of the amount invested by the Fund in the relevant investee company. It may also receive all monitoring fees or directors' fees. Costs incurred on abortive investment proposals will be the responsibility of the Manager.

A maximum of 75% of the Fund's management fees is capable of being charged against capital reserves with the balance being charged against revenue.

Matrix-Securities Limited provides Company Secretarial and Accountancy services to the Fund. The appointment can be terminated by not less than twelve months' notice given at any time after an initial two year period. Matrix-Securities Limited receives annual fees of 0.09% and 0.21% of the net assets of the existing Fund as at 31 October 2006 and of gross funds raised under the Offer (plus VAT) for the secretarial and accountancy services respectively both rising annually in line with the Retail Prices Index (All Items). These fees are paid quarterly in arrears.

Annual expenses

The annual running costs of the Fund will be capped at 3.4% per annum (excluding any irrecoverable VAT and any performance related incentive fee) of the Fund's NAV as at the end of each quarter. This figure covers the annual costs incurred by the Fund in the ordinary course of its business and includes the management fees mentioned above, Directors' remuneration, fees payable to the Fund's registrar, stockbroker, auditor, tax and legal advisers and the annual trail commission to financial advisers, as set out under the heading 'Adviser Commission' on page 16. Any costs above the capped level will be borne by the Manager.

Performance related incentive fee

As is customary in the private equity industry, the Manager will receive a performance related incentive fee to reward exceptional performance. As from the beginning of the Company's annual reporting period commencing 1 February 2010 the Manager will be entitled to receive a performance fee equivalent to 20% of the excess above 6%, expressed as a percentage of the NAV per Share immediately following the close of the Offer, of the annual dividends paid to Shareholders. The performance fee will only be payable if the mean NAV per Share over the year relating to payment has remained at or above the NAV per Share immediately following the close of the Offer. The performance fee will be payable annually after 1 February 2010, with any cumulative shortfalls below the 6% threshold from that date having to be made up in later years.

Reporting to Shareholders

The annual report and accounts of the Fund are made up to 31 January each year and are normally circulated to Shareholders in the following May. Shareholders may elect to receive a Summary Financial Statement instead which helps to reduce the Company's running costs. Shareholders also receive unaudited interim half yearly reports made up to 31 July each year, which are normally circulated to shareholders in the following October. The next report is expected to be sent to Shareholders in May 2007 and will be the annual accounts in respect of the period ending 31 January 2007. In addition, Shareholders will receive from the Manager a twice yearly newsletter on the Company's investment portfolio. The newsletter will be issued to Shareholders during the alternative quarters from the annual and interim report.

Life of the Fund

The life of the Fund was extended in October 2006 until the AGM to be held in 2012 at which point Shareholders will be canvassed as to any further extension.

VCT status monitoring

PricewaterhouseCoopers LLP is retained by the Fund to advise on compliance with the legislative requirements relating to VCTs. PricewaterhouseCoopers LLP also reviews the qualifying status of new investment opportunities and carries out regular reviews of Matrix Income & Growth 4 VCT's investment portfolio.

PricewaterhouseCoopers LLP will work closely with the Manager and the Fund's accountant but will report directly to the Board.

Adviser commission

Authorised financial intermediaries will normally be paid commission of 2.25% on successful applications.

In addition, provided they continue to act for their client and the client continues to hold their Offered Shares, financial advisers will normally be paid, in respect of their clients' holdings, an annual trail commission of 0.375% of the NAV (as determined from the audited annual accounts of the Fund) attributable to their clients' holdings as at the time of calculation of the annual year end NAV .

The annual trail commission will normally be paid in June each year. It is anticipated that the first such payment will be paid in June 2007 in respect of the accounting period ending 31 January 2007.

The Fund shall be entitled to rely on a notification from a client that he has changed his adviser. No payment of trail commission shall be made to the extent that the cumulative trail commission would exceed 2.25% of the issue price of each Offered Share.

Financial intermediaries may agree to waive their initial commission. If so an Investor's application will attract an additional allotment of Offered Shares amounting to the equivalent value of the waived commission at no greater cost.

CREST

The Fund will apply for permission for the Offered Shares to be admitted to the CREST system and Shareholders will be able to hold their Offered Shares in certified and uncertified form.

Part VI: Tax considerations for VCT shareholders

The following information is only a summary of the law concerning the tax position of individual investors in VCTs. Potential Investors (including existing shareholders who wish to apply for Offered Shares) are recommended to consult a professional adviser as to the taxation consequences of an investment in a VCT.

Tax reliefs for Investors in the Offer

Below is a summary of the current reliefs for VCT investment made on or after 6 April 2006.

The tax reliefs set out below are available to UK residents aged 18 or over who subscribe under the Offer. Whilst there is no specific limit on the amount of an individual's acquisitions of shares in a VCT, tax reliefs will only be given to the extent that the total of an individual's subscriptions or other acquisitions of shares in VCTs in any tax year do not exceed £200,000. Investors who intend to invest more than £200,000 in VCTs in any one tax year should consult their professional advisers as to the tax implications.

1. Income tax

a) Relief from income tax on investment

An investor subscribing for Offered Shares in the Fund will be entitled to claim income tax relief on amounts up to a maximum of £200,000 in any tax year. To obtain relief an investor must subscribe on his own behalf although the Offered Shares may subsequently be transferred to a nominee. Relief is given at the rate of 30% on the amount subscribed, provided that the relief is limited to the amount which reduces the investor's income tax liability to nil. Investments to be used as security for or financed by loans may not qualify for relief, depending on the circumstances.

	Effective cost	Income tax relief
VCT investment by an individual claiming no tax reliefs	£10,000	
VCT investment by an individual claiming full 30% income tax relief	£7,000	£3,000

b) Dividend relief

An investor who acquires under the Offer, in any tax year, Offered Shares having a value of up to a maximum of £200,000 will not be liable to income tax on dividends paid by the Fund on those Shares and no income tax will be withheld therefrom.

c) Purchasers in the market

An individual purchaser of existing Shares in the market will be entitled to claim dividend relief (as described in paragraph b) above) but not relief from income tax on investment (as described in paragraph a) above).

d) Withdrawal of relief

Relief from income tax on subscription for shares in a VCT is withdrawn if the shares, or an interest in them or right over them, are disposed of (other than between spouses or on death) within five years of issue or if the VCT loses its VCT approval within this period.

Where an investor has acquired shares in the same VCT on more than one occasion, he will be treated as disposing of the shares which he acquired at an earlier date, in priority to those he acquired on a later date. Where he has acquired shares on the same occasion, some of which qualify for relief and some of which do not, he will be treated as disposing of the shares which do not qualify for relief in priority to those which qualify.

2. Capital gains tax

a) Relief from capital gains tax on the disposal of Shares

A disposal by an Investor of Shares in the Fund will give rise to neither a chargeable gain nor an allowable loss for the purposes of UK capital gains tax. The relief is limited to the disposal of Shares acquired within the limit of £200,000 for any tax year.

b) Purchasers in the market

An individual purchaser of existing Shares in the market will be entitled to claim relief from capital gains tax on disposal (as described in paragraph a) above).

Loss of VCT status

If a VCT which has been granted approval subsequently fails to comply with the conditions for approval, approval as a VCT may be withdrawn. Where approval is withdrawn:

a) Relief from income tax on investment

Income tax relief on investment is repayable where the shares have been held for less than five years (for an investment made before 6 April 2006 the period is three years).

b) Dividend relief

Dividends paid at any time in an accounting period during which approval is lost will be subject to income tax.

c) Relief from capital gains tax on the disposal of Shares

The Investor will be treated as having disposed of his shares immediately before the VCT ceased to be approved, and as having immediately re-acquired them at that value (thus, any capital gain up to that date will be exempt from tax, but any gains arising after that will be taxable in the ordinary way).

d) Capital gains tax deferral relief

Any chargeable gain on which tax has been deferred will be brought into charge. This will only apply where the investment was made before 6 April 2004.

Tax reliefs for existing Shareholders

Existing investors in the Fund (unless they wish to make a further investment under the Offer) will remain unaffected by the Offer and the tax treatment of their investments will continue to be the same as at the time of their original investment, namely that they will have received 20% income tax relief and where applicable capital gains tax deferred relief for the year of their investment and have had to have held their original Shares for a minimum period of three years from issue.

Obtaining tax reliefs

The Fund will provide a certificate to each investor which the investor may use to claim income tax relief, either by obtaining from HM Revenue & Customs an adjustment to his tax coding under the PAYE system or by waiting until the end of the tax year and using his self-assessment return to claim relief. Dividends received in respect of Offered Shares acquired under the Offer up to the qualifying maximum of £200,000 per tax year need not be shown in an investor's self-assessment tax return.

Investors not resident in the UK

Investors not resident in the UK should seek their own professional advice as to the consequences of making an investment in the Fund as they may be subject to tax in other jurisdictions as well as in the UK.

Part VII: Tax position of the Fund

The Fund has to satisfy a number of tests in order to qualify as a VCT and therefore to obtain the tax benefits available to VCTs and their individual shareholders. A summary of those tests relevant on or after 6 April 2006 is set out below.

Qualifying as a VCT

In order to qualify as a VCT, the Fund must satisfy the following conditions in each accounting period:

(a) it must be approved as a VCT by HM Revenue & Customs;

(b) it must not be a close company;

(c) throughout the period each class of its equity share capital must be quoted on the Official List of the London Stock Exchange;

(d) it must derive its income in that period wholly or mainly from shares or securities;

(e) it must have at least 70% by value of its investments throughout the period in newly issued shares or securities (where the securities are not redeemable within 5 years of issue) comprised in holdings in unquoted or AIM quoted companies which satisfy the requirements of schedule 28B of the Taxes Act ("Qualifying Holdings"), of which 30% by value must be ordinary shares which carry no preferential rights to dividends or assets on winding up and no rights to be redeemed;

(f) it must have at least 10% by value of its Qualifying Holdings in each single company or group in ordinary shares which carry no preferential rights to dividends or assets on winding up and no rights to be redeemed;

(g) it must have not more than 15% by value of its investments throughout that period in a single company or group (other than a VCT, or other similar company); and

(h) it must generally not retain more than 15% of the income which it derives from shares and securities in that period.

Value for the purposes of the above conditions means as set out in section 842AA(5) of the Taxes Act.

In order, however, to facilitate the launch of VCTs, there is a relaxation of some of these tests during the Fund's first and, in the case of test (e), up to the third accounting period (see below under heading "Approval as a VCT"). A further relaxation of test (e) applies to the use of any money derived from any further issues of shares by the VCT for up to three years after the shares are issued.

Qualifying Holdings

In order for an investment to qualify as an investment in a Qualifying Holding, not more than £1 million may be invested in the same company in any tax year. Where investments are made in two consecutive tax years up to this limit, there must be at least a six month gap between them. The £1 million limit is restricted further if the trade in which the money invested is applied is carried on through a partnership or joint venture.

In addition, to qualify as a Qualifying Holding each company in which the Fund makes an investment must satisfy the following tests:

(a) it must be unquoted (which will, in the case of a company which was unquoted at the time of the VCT's investment, be deemed to be the case for a further five years after the company ceases to be unquoted). Companies whose shares are traded on AIM are treated for this purpose as unquoted;

(b) it must be a Qualifying Company (see below under the heading "Qualifying Companies and qualifying subsidiaries");

(c) it must have gross assets of £7 million or less immediately pre-investment and £8 million or less immediately post-investment. For Funds raised before 6 April 2006 the limits were £15 million and £16 million respectively. In the case of companies which have qualifying subsidiaries (see below), the test is applied on a group basis;

(d) it (or a relevant qualifying subsidiary of the Qualifying Company) must apply the money invested for the purposes of a qualifying trade, which is carried out wholly or mainly in the UK, (see below under the heading, "Qualifying Companies and qualifying subsidiaries") within certain time periods;

(e) it must not be able to control (whether on its own or together with a connected person) any company which is not a qualifying subsidiary;

(f) it must not be controlled by another company (on its own or together with a connected person); and

(g) it must not have any property managing subsidiaries which do not fall into the definition of relevant qualifying subsidiaries (see below).

In certain circumstances, a holding can be split into part-Qualifying Holdings and part non-Qualifying Holdings.

Qualifying Companies and qualifying subsidiaries

A Qualifying Company is a company which exists to carry on one or more qualifying trades (see below) or is the parent of a trading group, where all of its subsidiaries are qualifying subsidiaries and the group as a whole is not engaged in non-qualifying activities (see below).

For the purposes of the Qualifying Holdings test in (d) above, a subsidiary will be a relevant qualifying subsidiary if at least 90% of its issued share capital and its voting power is owned by the Qualifying Company. Certain other tests as to the distribution of the subsidiary's profits and assets on a winding-up must also be satisfied.

In the case of Qualifying Holdings test in (e) above, a subsidiary will be a qualifying subsidiary if more than 50% of its issued share capital is owned by the Qualifying Company and the other tests are also satisfied.

A trade will be a qualifying trade only if it does not to a substantial extent include non-qualifying activities (non-qualifying activities include dealing in land or shares, property development, providing financial services or activities which are largely land-based, such as farming, hotels and nursing homes). In the case of a company which is preparing to carry on a qualifying trade, the qualifying trade must begin within two years of the issue to the VCT of the shares or securities, and must continue thereafter.

Approval as a VCT

A VCT must be approved as such at all times by HM Revenue & Customs. Approval has effect from the time specified in the approval, which cannot be earlier than the time at which the application for approval is made.

A VCT cannot be approved until the relevant tests (see above under the heading, "Qualifying as a VCT") have been satisfied throughout the most recent complete accounting period of the VCT and HM Revenue & Customs is satisfied that the tests will be satisfied in relation to the accounting period of the VCT which is current at the time the application is made.

However, in order to facilitate the launch of VCTs, HM Revenue & Customs may grant provisional approval to a VCT, notwithstanding that not all the relevant tests are satisfied at the time of the application, provided that HM Revenue & Customs is satisfied that the tests will be satisfied within a certain period. In particular, HM Revenue & Customs may grant provisional approval if it is satisfied that:

(a) the relevant tests in (c), (d), (g) and (h) under the heading, "Qualifying as a VCT" above will either be satisfied in the accounting period current when the application for approval is made or in the following accounting period;

(b) the relevant test in (e) under the heading, "Qualifying as a VCT" above, will be satisfied in relation to any accounting period beginning not more than three years after the time when approval is given, or if earlier, when it has effect; and

(c) the relevant tests in (c), (d), (e), (g) and (h) under the heading, "Qualifying as a VCT" above, will continue to be satisfied in all subsequent accounting periods.

Withdrawal of approval

Approval as a VCT may be withdrawn by HM Revenue & Customs if the relevant tests (see above under the heading, "Qualifying as a VCT") are not satisfied. Withdrawal of approval generally has effect from the time when notice of withdrawal is given to the VCT but, in relation to capital gains of the VCT only, can be backdated to not earlier than the first day of the accounting period commencing immediately after the last accounting period of the VCT in which all the tests were satisfied.

The above is only a summary of the conditions to be satisfied under current law and practice for a company to be treated as a VCT. For comprehensive clarification, prospective investors are recommended to consult a professional adviser.

Part VIII: Directors, Managers and Advisers

Directors
Colin Hook
Christopher Moore
Helen Sinclair

all of:
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Registrar
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Huddersfield
West Yorkshire
HD8 0LA

Part IX: General

1. The Offer Price will be calculated as follows:

   Offer Price = most recently published NAV per Share at time of allotment divided by 0.945

   The NAV is published quarterly and released on an appropriate Regulatory Information Service.

   Fractions of Offered Shares will not be issued and holdings will be rounded down to the nearest whole number of Offered Shares.

   Allotments of Offered Shares will not be made where the Offer price would be at a discount of more than 10% to the middle market price of the Company's Shares as at the time which the Offer is announced.

2. The following table shows the authorised share capital and the issued and fully paid share capital of the Company as at the date of this document and as it will be after the proposed issue of Offered Shares pursuant to the Offer (assuming full subscription):

Share capital	**Matrix Income & Growth 4 VCT**
Authorised:	
Shares of 1p each	40,000,000
Issued:	
Shares issued fully paid or credited as fully paid	8,574,337
Issued as part of the Offer*	16,666,667
Total issued after Offer*	25,241,004

* assuming full subscription of the Offer at an Offer Price of £1.20 based on the NAV per Share published as at 31 July 2006 of £1.136.

3. The following table shows the capitalisation of the Company as at 31 July 2006, the most recent date in respect of which unaudited financial information on the Company has been published.

	£'000
Shareholder's equity	
Share capital	857
Share premium	–
Other reserves*	8,723

* Excludes revenue reserve of £161,000.

There has been no material change in the capitalisation of the Company since 31 July 2006.

The following table shows the Company's unaudited gross indebtedness as at 30 September 2006 (extracted without material adjustments from internal accounting records).

	£'000
Total current debt	
Guaranteed	–
Secured	–
Unguaranteed/unsecured	132
Total non-current debt	
Guaranteed	–
Secured	–

Unguaranteed/unsecured

As at 30 September 2006 the Company had unaudited net liquid assets (excluding its unlisted and AIM portfolio) of £3,108,000 (extracted without material adjustments from internal accounting records).

		£'000
A	Cash	**1,144**
B	Cash equivalents	1,964
C	Trading Securities	0
D	**Liquidity (A+B+C)**	**3,108**
E	**Current financial receivables**	**89**
F	Current bank debt	0
G	Current position of non current debt	0
H	Other current financial debt	(132)
I	**Current financial debt (F+G+H)**	**(132)**
J	**Net current assets (I-E-D)**	**3,065**
K	Non-current bank loans	0
L	Bonds issued	0
M	Other non-current loans	0
N	**Non-current financial indebtedness (K+L+M)**	**0**
O	**Net current assets less non current indebtedness (J+N)**	**3,065**

As at 30 September 2006 Matrix Income & Growth 4 VCT has no borrowings or indebtedness in the nature of borrowings (including loan capital issued or created but unissued), term loans, liabilities under acceptance or acceptance credits, mortgages, charges, convertible debt securities, debt securities with warrants attached or guarantees of other contingent liabilities.

Working Capital Statement

Matrix Income & Growth 4 VCT is of the opinion that its working capital is sufficient for its present requirements, meaning for the twelve month period following the date of this document.

Part X: The Shares

The creation and issue of the Offered Shares was approved at an extraordinary general meeting ("EGM") of the Company on 18 October 2006.The Offered Shares will rank *pari passu* with the existing Shares of the Company. A full description of the rights attached to each of the Shares is contained in the new articles of association (the "Articles") adopted at the EGM which contain, *inter alia*, provisions to the following effect:

Voting Rights

Subject to any terms as to voting upon which any shares may be issued, or may for the time being be held, every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative shall have one vote on a show of hands and, on a poll every member shall have one vote for every Ordinary Share of which they are the holder. On a poll votes may be given in person or by proxy. A member shall not be entitled to vote unless all calls or other sums due from him have been paid. A member shall not be entitled to vote in respect of any shares held by him in relation to which he, or any other person appearing to be interested in such shares, has been duty served with a notice under section 212 of the Act if, having failed to supply the Company with the information thereby required, or having supplied information which is false or misleading in a material respect, within the period specified in such notice, they are served with a default notice to that effect.

Dividends

(i) Subject to the Act, the Company may by ordinary resolution declare dividends to be paid out of profits available for distribution to members according to their rights and priorities but no dividend shall exceed the amount recommended by the Board. The Board may from time to time pay to the members such interim dividends as appear to the Board to be justified by the profits available for distribution and the position of the Company.

(ii) Except as provided by the rights attached to shares, all dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid (other than amounts paid in advance of calls) on the shares during any portion or portions of the period in respect of which the dividend is paid. All dividends unclaimed for a period of 12 years after having been declared shall be forfeited and shall revert to the Company.

(iii) The Board may, if authorised by an ordinary resolution of the Company, offer the holders of Ordinary Shares the right to elect to receive additional Ordinary Shares, credited as fully paid, instead of cash in respect of any dividend or any part of any dividend.

Distribution of Assets on a Winding Up

The liquidator may, with the sanction of an extraordinary resolution of the Company and subject to the Act, divide among the members in specie the whole or any part of the assets of the Company, and vest the whole or any part of the assets in trust on such trusts for the benefit of the members as he shall determine.

Transfer of Shares

The instrument of transfer of a share may be in any usual form or in such other form as the Board may approve. The instrument of transfer shall be executed by or on behalf of the transferor and (in the case of a partly paid share) by or on behalf of the transferee. The Board may, in its absolute discretion and without assigning any reason therefore, refuse to register any transfer of shares, all or any of which are not fully paid provided that, where any such shares are admitted to the Official List of the London Stock Exchange, such discretion may not be exercised in such a way as to prevent dealings in the shares of that class from taking place on an open and proper basis. The Board may also refuse to register the transfer of any shares unless:

(i) the transfer instrument is lodged with the Company, accompanied by the relevant share certificate(s) and such other evidence of the right of the transferor to make the transfer as the Board my reasonably require;

(ii) the transfer instrument is in respect of only one class of share; and

(iii) the transfer is not in favour of more than four transferees. If any of the above conditions is not complied with, the Board may refuse to register the transfer in question. There are no other restrictions on the registration of a transfer of shares.

Variation of Rights

Whenever the capital of the Company is divided into different classes of shares, the rights attached to any class may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated, whether or not the Company is being wound up, either with the written consent of the holders of three-quarters in nominal amount of the issued shares of the affected class, or with the sanction of an extraordinary resolution passed at a separate general meeting of such holders, but not otherwise. The quorum at any such general meeting is two persons holding or representing by proxy at least one-third in nominal amount of the issued shares of the class in question or, at an adjourned meeting, one person holding shares of the class in question or his proxy.

Any holder of shares of the class in question present in person or by proxy may demand a poll. Holders of shares of the class in question shall, on a poll, have one vote for every share of the class held by them respectively. The rights or privileges attaching to any class of shares shall not, subject to the terms on which such shares may be issued, be deemed to be varied or abrogated by the creation or issue of new shares ranking pan passu with or subsequent to those already issued.

Share Capital, Changes in Capital and Purchase of Own Shares

(i) Without prejudice to any special rights previously conferred on the holders of any existing shares, any share may be issued with such rights or restrictions as the Company may from time to time determine by ordinary resolution. Subject to the Act and to any rights conferred on the holders of any other shares, the Company may issue redeemable shares. Subject to the Articles of Association and the Act, the power of the Company to allot and issue shares shall be exercised by the Board at such time, for such consideration and upon such terms and conditions as the Board may determine.

(ii) The Company may, by ordinary resolution, increase its share capital, consolidate and divide its share capital into shares of larger amount and, subject to the Act, subdivide its shares or any of them into shares of smaller amount, and cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

(iii) Subject to the Act, the Company may, by special resolution, reduce its share capital, any capital redemption reserve and any share premium account in any way.

(iv) Subject to the Act, the Company may purchase all or any of its own shares of any class (including any redeemable shares).

Part XI: Terms and Conditions of Application

The words and expressions defined in the Prospectus, save where the context requires otherwise, have the same meanings when used in the Application Form and explanatory notes in relation thereto. The section headed "Application Procedure" forms part of these terms and conditions of application.

A Terms and Conditions

1. The contract created by the acceptance of applications in the manner herein set out will be conditional on the Offer Agreement between Matrix-Securities Limited, Teather & Greenwood Limited, the Company and the Directors becoming unconditional in all respects and not being terminated in accordance with its terms before the first allotment of Offered Shares. If any application is not accepted, or if any contract created by acceptance does not become unconditional, or if any application is accepted for fewer Offered Shares than the number applied for, the application monies or the balance of the amount paid on application will be returned without interest by post at the risk of the applicant. However, if any balance of funds from an application is lower than the cost of an Offered Share and £1, the monies will be donated to a registered charity. In the meantime application monies will be retained by Computershare Investor Services PLC in a separate account.

2. The Company reserves the right to present all cheques and banker's drafts for payment on receipt and to retain documents of title and surplus application monies pending clearance of the successful applicants' cheques and banker's drafts.

3. By completing and delivering an Application Form you (as the applicant):

(a) irrevocably offer to subscribe for the number of Offered Shares specified in your Application Form (or any smaller number for which the application is accepted) at the prevailing Offer Price, subject to the provisions of this Prospectus, these terms and conditions and the Memorandum and Articles of Association of the Fund;

(b) authorise Computershare Investor Services PLC or Capita Registrars to send definitive documents of title for the number of Offered Shares for which your application is accepted, and/or a crossed cheque for any monies returnable, by post to your address as set out in your Application Form and to procure that your name is placed on the register of members of the Company in respect of such Offered Shares;

(c) in consideration of the Company agreeing that it will not, prior to the closing date of the Offer, offer any Offered Shares to any persons other than by means of the procedures set out or referred to in this document, agree that your application may not be revoked until the closing date of the Offer, and that this paragraph constitutes a collateral contract between you and the Company which will become binding upon despatch by post or delivery by hand of your Application Form duly completed to Computershare Investor Services PLC;

(d) agree and warrant that your cheque or banker's draft will be presented for payment on receipt and will be honoured on first presentation and agree that, if such remittance is not so honoured, you will not be entitled to receive certificates for the Offered Shares applied for or to enjoy or receive any rights or distributions in respect of such Offered Shares unless and until you make payment in cleared funds for such Offered Shares and such payment is accepted by the Company (which acceptance shall be in its absolute discretion and may be on the basis that you indemnify it against all costs, damages, losses, expenses and liabilities arising out of or in connection with the failure of your remittance to be honoured on first presentation) and that at any time prior to unconditional acceptance by the Company of such late payment in respect of such Offered Shares, the Company may (without prejudice to its other rights) treat the agreement to allot such Offered Shares as void and may allot such Offered Shares to some other person in which case you will not be entitled to any refund or payment in respect of such Offered Shares (other than return of such late payment);

(e) agree that any documents of title and any monies returnable to you may be retained pending clearance of your remittance and that such monies will not bear interest;

(f) agree that all applications, acceptances of applications and contracts resulting therefrom will be governed by, and construed in accordance with, English law and that you submit to the jurisdiction of the English courts and agree that nothing shall limit the right of the Company to bring any action, suit or proceeding arising out of or in connection with any such applications, acceptances of applications and contracts in any other manner permitted by law or in any court of competent jurisdiction;

(g) agree that, in respect of those Offered Shares for which your application has been received and processed and not refused, acceptance of your application shall be constituted by notification of acceptance thereof by Computershare Investor Services PLC;

(h) agree that all documents in connection with the Offer and any returned monies will be sent at your risk and may be sent by post to you at your address as set out in the Application form;

(i) agree that, having had the opportunity to read the Prospectus, you shall be deemed to have had notice of all information and representations concerning the Company contained herein;

(j) confirm that in making such application you are not relying on any information or representation in relation to the Company other than those contained in the Prospectus and you accordingly agree that no person responsible solely or jointly for this document and the Prospectus or any part thereof or involved in the preparation therefore shall have any liability for any such information or representation;

(k) confirm that you have reviewed the restrictions contained in paragraphs 4 and 5 below and warrant as provided therein;

(l) warrant that you are not under the age of 18 years;

(m) agree that such Application Form is deemed to be addressed to the Company, Teather & Greenwood Limited, Computershare Investor Services PLC and Matrix-Securities Limited;

(n) agree to provide the Company with any information which it may request in connection with your application or to comply with the VCT or other relevant legislation (as the same may be amended from time to time);

(o) warrant that, in connection with your application, you have observed the laws of all relevant territories, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with your application in any territory and that you have not taken any action which will or may result in the Company, Teather & Greenwood Limited, or Matrix-Securities Limited acting in breach of the regulatory or legal requirements of any territory in connection with the Offer or your application;

(p) agree that Teather & Greenwood Limited, Computershare Investor Services PLC and Matrix-Securities Limited will not regard you as its customer by virtue of your having made an application for Offered Shares or by virtue of such application being accepted; and

(q) declare that a loan has not been made to you or any associate, which would not have been made or not have been made on the same terms, but for you offering to subscribe for, or acquiring Offered Shares and that the Offered Shares are being acquired for bona fide commercial purposes and not as part of a scheme or arrangement the main purpose of which, or one of the main purposes of which, is the avoidance of tax.

4. No action has been or will be taken in any jurisdiction by, or on behalf of, the Company which would permit a public offer of Offered Shares in any jurisdiction where action for that purpose is required, other than the United Kingdom, nor has any such action been taken with respect to the possession or distribution of this document other than in the United Kingdom. No person receiving a copy of this document or an Application Form in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to him nor should he in any event use such Application Form unless, in the relevant territory, such an invitation or offer could lawfully be made to him or, such Application Form could lawfully be used without contravention of any registration or other legal requirements. It is the responsibility of any person outside the United Kingdom wishing to make an application for Offered Shares to satisfy himself as to full observance of the laws of any relevant territory in connection therewith, including obtaining any requisite governmental or other consents, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory.

5. The basis of allocation will be determined by the Company (after consultation, if applicable, with Teather & Greenwood Limited, Computershare Investor Services PLC and Matrix-Securities Limited) in its absolute discretion. It is intended that applications will be accepted in the order in which they are received subject to any prior booking of allocations which may be agreed with Matrix-Securities Limited to give authorised financial intermediaries time to consult with their clients. The Offer will be closed as soon as full subscription is reached unless the size of the Offer is extended at the absolute discretion of the Directors. The right is reserved, notwithstanding the basis so determined, to reject in whole or in part and/or scale down any application, in particular multiple and suspected multiple applications, which may otherwise be admitted. The right is also reserved to treat as valid any application not complying fully with these Terms and conditions of application or not in all respects complying with the Application procedure set out on page 30. In particular, but without limitation, the Company (after consultation with Teather & Greenwood Limited, Computershare Investor Services PLC and Matrix-Securities Limited) may accept applications made otherwise than by completion of an Application Form where the applicant has agreed in some other manner to apply in accordance with these terms and conditions.

   The Directors expect to start making allotments of Offered Shares during the first week of January 2007 but they reserve the right to amend the date at which Offered Shares will begin to be allotted. Interest will not be paid on valid applications. The Offer is not underwritten.

6. Save where the context requires otherwise, terms defined in this document bear the same meaning when used in these Terms and Conditions of Application and in the Application Form.

7. Authorised financial intermediaries who, acting on behalf of their clients, return valid Application Forms bearing their stamp and FSA number will normally be paid 2.25% commission on the amount payable in respect of the Offered Shares allocated for each such Application Form. In addition, provided they continue to act for their client and the client continues to hold Offered Shares, such intermediaries will be paid, in respect of their clients' holdings, an annual trail commission of 0.375% of the NAV (as determined from the audited annual accounts of the Fund) attributable to their clients' holdings at the end of the preceding financial year. The annual trail commission will normally be paid in June each year. It is anticipated that the first payment will be paid in June 2007 in respect of the accounting period ended 31 January 2007. The administration of annual trail commission will be managed on behalf of the Company by Matrix Registrars Limited which will maintain a register of intermediaries entitled to trail commission. The Company shall be entitled to rely on a notification from a client that he has changed his adviser in which case the trail commission will cease to be payable. No payment of trail commission shall be made to the extent that the cumulative trail commission would exceed 2.25% of the issue price of each such Share. Financial intermediaries should keep a record of Application Forms submitted bearing their stamp to substantiate any claim for selling commission. Computershare Investor Services PLC will collate the Application Forms bearing the financial intermediaries' stamps and calculate the selling commission payable which will be paid within 14 days of each allotment.

8. Financial Intermediaries may agree to waive initial commission in respect of your application.

   If this is the case then your application will be treated as an application to apply for the amount stated in box number 2 of the Application Form plus a number of additional Offered Shares equivalent to the amount of commission waived at the prevailing Offer Price.

B Lodging of Application Forms and Dealing

Completed Application Forms with the appropriate remittance must be posted or delivered by hand to Computershare Investor Services PLC at the address detailed on page 21. The Offer opens on 2 November 2006 and will be closed on full subscription or, if earlier, at the discretion of the Directors but in any event not later than 5 April 2007, save that the amount and the closing of the Offer be extended by the Directors. Successful applications will be notified as soon as possible. If you post your Application Form, you are recommended to use first class post and to allow at least three business days for delivery.

It is expected that dealings in the Offered Shares will commence within three business days following their allotment (such allotments together with the related

Offer Price being announced on a Regulatory Information Service) and that share certificates will be dispatched within seven days of allotment. The Offered Shares will be in registered form. Dealings prior to receipt of share certificates will be at the risk of applicants. A person so dealing must recognise the risk that an application may not have been accepted to the extent anticipated or at all. To the extent that any application is not accepted, the monies in excess of any payment will be returned without interest by the applicant's cheque or banker's draft or by sending a crossed cheque in favour of the applicant through the post, at the risk of the person entitled thereto.

The ISIN code for the Shares is GB0005391510.

C Availability of Prospectus and Application Forms

Copies of the Securities Note, Registration Document, Summary Note and Application Forms will be available free of charge on request, until the Offer closes, from the following addresses:

Matrix-Securities Limited
One Jermyn Street
London SW1Y 4UH
Tel: 020 7925 3377
Fax: 020 7925 3286

Teather & Greenwood Limited
Beaufort House
15 St Botolph Street
London EC3A 7QR
Tel: 020 7426 3269
Fax: 020 7247 0075

Copies of the Securities Note, Registration Document, Summary Note and Application Forms will also be available to the public for inspection at the Document Viewing Facility, at the Financial Services Authority, 25 North Colonnade, Canary Wharf, London E14 5HS.

Dated 2 November 2006

Part XII: Application Procedure

Before making any application to acquire Offered Shares you are strongly recommended to consult an independent financial adviser authorised under the Financial Services and Markets Act 2000. To complete the Application Form;

BOX 1

Insert your full name and address in BLOCK CAPITALS. Individuals can only apply on their own behalf and in their own name. You must be the beneficial owner of the Offered Shares issued to you pursuant to the Offer. You must not use a nominee name as this will jeopardise your entitlement to tax reliefs. You must also give your own address and full postcode and telephone number. Telephone numbers will only be used in case of a query with regard to your application.

BOX 2

Insert (in figures) the total amount payable for the Offered Shares for which you are applying. Your application must be for a minimum of £5,000.

PAYMENT

If you are paying by Cheque please make it payable to Computershare Investor Services PLC, re Matrix Income & Growth 4 VCT plc. Attach your cheque to the Application Form. Cheques must be honoured on first presentation. A separate cheque must accompany each application. No receipt for your payment will be issued. The cheque or banker's draft must be drawn in sterling on an account at a bank branch or building society in the United Kingdom or the Channel Islands and bear a bank sort code number in the top right hand corner. You may, if you wish, use a personal cheque drawn by someone else, in which case your full name and address should be written on the back of the other person's cheque. Any money not accepted will be returned by the applicant's cheque or banker's draft or by sending a cheque crossed "Account Payee Only" in favour of the applicant. If you would like to send your money by electronic transfer please give your bank the following account details:

Sort Code: 16–08–13
Account Number: 10003956
Account Name: Computershare Investor Services PLC
Re: Matrix Income & Growth 4 VCT plc

BOX 3

Sign and date the form. If the form is signed on your behalf by an attorney or other agent, that person should state on the form the capacity in which they are signing and the original power(s) of attorney or a copy thereof duly certified by a solicitor must be enclosed for inspection and will be returned in due course.

Money Laundering Notice

Important procedures for Applications of £9,000 (€15,000) or more. The verification of identity requirements of the Money Laundering Regulations 2003 (as amended) will apply and verification of the identity and address of the applicant may be required. Failure to provide the necessary evidences may result in your application being treated as invalid or in a delay in confirmation. If we have previously received the appropriate documents, you will not need to provide them again. If the application is for more than £9,000 (€15,000) (or is one of a series linked applications which exceeds that amount):

- verification of the applicant's identity should be provided by means of a "Letter of Introduction", from an IFA or other regulated person (such as a solicitor or accountant), who is a member of a regulatory authority and who is required to comply with the Money Laundering Regulations 2003 (as amended), or a UK or EC financial institution (such as a bank). Matrix-Securities Limited will supply specimen wording on request; or
- if an application is made direct (not through an IFA) you must ensure that the following documents are enclosed with the form: a certified copy of your passport or driving license; and a recent (no more than 3 months old) original bank or building society statement or utility bill in your name. Copies should be certified by a solicitor or bank. Original documents will be returned by post at your risk. If a cheque is drawn by a third party, the above will also be required from that third party.

For internal use only	
Date recvd	Input
App. no.	Checked

Application Form

Matrix Income & Growth 4 VCT plc Ordinary Shares of £0.01 each at the Offer Price.

This Application Form should be completed in full and sent by post or by hand to:

Computershare Investor Services PLC, PO Box 859, The Pavilions, Bridgwater Road, Bristol BS99 1XZ.

so as to arrive as soon as possible but in any case no later than 10.00 am on 5 April 2006. Before completing this application form you should read the Terms and Conditions of Application and Application Procedure.

This application list for the Offer will open on 2 November 2006 and the closing date will be 5 April 2007. The closing date for applications for Offered Shares to be allotted in the 2006/2007 tax year is 10.00 am on 5 April 2007. The final closing date may be determined by the Directors in their absolute discretion.

1

Title Dr/Mr/Mrs/Miss/Other	
Forename(s)	
Surname(s)	
Residential Address	
	Postcode
National Insurance Number	Date of Birth
Telephone (work)	Telephone (home)
Email address	

I offer to subscribe on the Terms and Conditions of Application set out in the Prospectus dated 2 November 2006 and the Memorandum and Articles of Association. Applications must be for a minimum of £5,000. I ENCLOSE A CHEQUE DRAWN ON A UK CLEARING BANK, MADE PAYABLE TO "COMPUTERSHARE INVESTOR SERVICES PLC RE: MATRIX INCOME & GROWTH 4 VCT PLC".

I have sent my application by electronic transfer ☐ I have enclosed a cheque ☐

Documents enclosed to comply with anti-money laundering legislation ☐

If making payment by electronic transfer please make sure this Application Form is sent to the above address at the same time.

2

Total payment enclosed £

3

Signature of applicant	Date

Intermediaries to complete. FSA No. must be quoted

Name of Financial Adviser

Title Mr/Mrs/Miss Forename	Surname
Email address	Telephone

Name of Administrator/Support Staff

Title Mr/Mrs/Miss Forename	Surname
Email address	Telephone

Stamp of Financial Intermediary firm or full address details:	If commission is to be paid to a network or head office, please give details.

Insert the amount of the commission (up to a maximum of 2.25%) that you wish to be waived and invested in additional shares for your client.

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