

**MOBEUS VCTs**

**OFFERS FOR SUBSCRIPTION**

**TO RAISE, IN AGGREGATE, UP TO £50 MILLION  
WITH OVER-ALLOTMENT FACILITIES TO RAISE,  
IN AGGREGATE, UP TO A FURTHER £30 MILLION**

**FOR 2017/18 TAX YEAR**

Promoted and advised by  
Mobeus Equity Partners LLP

**SECURITIES NOTE AND APPLICATION FORM**

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**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT ABOUT WHAT ACTION YOU SHOULD TAKE, YOU ARE RECOMMENDED TO SEEK YOUR OWN FINANCIAL ADVICE IMMEDIATELY FROM YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT FINANCIAL INTERMEDIARY AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FSMA).**

This document constitutes a securities note (**Securities Note**) issued by Mobeus Income & Growth VCT plc (**MIG**), Mobeus Income & Growth 2 VCT plc (**MIG 2**), Mobeus Income & Growth 4 VCT plc (**MIG 4**) and The Income & Growth VCT plc (**I&G**) (together the **Companies** and each a **Company**) dated 6 September 2017.

This document has been prepared in compliance with the Prospectus Directive, English law and the rules of the UK Listing Authority (**UKLA**) and the information disclosed may not be the same as that which would be disclosed if this document had been prepared in accordance with the laws of a jurisdiction outside England. Additional information relating to the Companies is contained in a registration document issued by the companies (**Registration Document**). A brief summary written in non-technical language conveying the essential characteristics of and risks associated with the Companies and ordinary shares of 1p each in the capital of each of the Companies which are being offered for subscription (**Offer Shares**) (the **Offers** and each an **Offer**), is contained in a summary issued by the Companies (**Summary**). The Securities Note, Registration Document and Summary have been prepared in accordance with the Prospectus Rules made under FSMA (**Prospectus Rules**) and have been approved by the Financial Conduct Authority (**FCA**) in accordance with FSMA.

This Securities Note, the Registration Document and the Summary together comprise a prospectus issued by the Companies dated 6 September 2017 (**Prospectus**). The Prospectus has been filed with the FCA in accordance with the Prospectus Rules and you are advised to read the Prospectus in full.

The Companies and the directors of the Companies (**Directors**) (whose names are set out on the inside back cover of this document) accept responsibility for the information contained in the Prospectus. To the best of the knowledge of the Companies and the Directors (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 does not omit anything likely to affect the import of such information.

## **Offers for subscription to raise, in aggregate, up to £50 million with over-allotment facilities to raise, in aggregate, up to a further £30 million through the issue of Offer Shares in each Company**

### **Mobeus Income & Growth VCT plc**

Registered in England  
and Wales

under number 05153931  
ISIN: GB00B01WL239

Offer for subscription to raise  
up to £15 million, with an over-  
allotment facility to raise up to a  
further £10 million

### **Mobeus Income & Growth 2 VCT plc**

Registered in England  
and Wales

under number 03946235  
ISIN: GB00B0LKLZ05

Offer for subscription to  
raise up to £10 million, with an over-  
allotment facility to raise up to a  
further £5 million

### **Mobeus Income & Growth 4 VCT plc**

Registered in England  
and Wales

under number 03707697  
ISIN: GB00B1FMDH51

Offer for subscription to  
raise up to £10 million, with an over-  
allotment facility to raise up to a  
further £5 million

### **The Income & Growth VCT plc**

Registered in England  
and Wales

under number 04069483  
ISIN: GB00B29BN198

Offer for subscription to raise up to  
£15 million, with an over-allotment  
facility to raise up to a further  
£10 million

In connection with the Offers, Howard Kennedy Corporate Services LLP, the sponsor to the Offers, and Mobeus Equity Partners LLP (**Mobeus**), the promoter to the Offers, are acting for the Companies and no one else and will not be responsible to anyone other than the Companies for providing the protections afforded to customers of Howard Kennedy Corporate Services LLP and Mobeus (subject to the responsibilities and liabilities imposed by FSMA and the regulatory regime established thereunder) in providing advice in relation to the Offers. Howard Kennedy Corporate Services LLP and Mobeus are authorised and regulated in the United Kingdom by the FCA.

Shakespeare Martineau LLP, which is regulated in the United Kingdom by the Solicitors Regulation Authority, is acting as legal adviser to the Companies and no one else and will not be responsible to anyone other than the Companies for providing advice in connection with any matters referred to herein.

None of the Offer Shares has been, nor will be, registered in the United States under the United States Securities Act of 1933, as amended, (the Securities Act) or under the securities laws of Canada, Australia, Japan or South Africa (each a Restricted Territory) and they may not be offered or sold directly or indirectly within the United States or any of the Restricted Territories or to, or for the account or benefit of US Persons (as defined in Regulation S made under the Securities Act) or any national, citizen or resident of the United States or any of the Restricted Territories. The Offers are not being made, directly or indirectly, in or into the United States or any of the Restricted Territories or in any other jurisdiction where to do so would be unlawful. In particular, prospective investors who are resident in the United States or any Restricted Territory should note that this document is being sent for information purposes only. The distribution of this document in jurisdictions other than the UK may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any of these restrictions. Any failure to comply with any of those restrictions may constitute a violation of the securities law of any such jurisdiction. An Application Form is not being and must not be forwarded to or transmitted in or into the United States or a Restricted Territory.

Application has been made to the UKLA for the Offer Shares to be admitted to the premium segment of the Official List and to the London Stock Exchange plc for such Offer Shares to be admitted to trading on its main market for listed securities. It is expected that admission to the Official List will become effective and that dealings in the Offer Shares will commence within three Business Days following allotment. The Companies' existing issued Shares are traded on the London Stock Exchange's main market for listed securities.

Copies of this Securities Note, the Registration Document and the Summary (and any supplementary prospectus issued by the Companies) are available free of charge from the National Storage Mechanism ([www.morningstar.co.uk/uk/NSM](http://www.morningstar.co.uk/uk/NSM)) and the promoter of the Offers:

Mobeus Equity Partners LLP  
30 Haymarket  
London SW1Y 4EX

telephone: 020 7024 7600  
download: [www.mobeusequity.co.uk/investor-area](http://www.mobeusequity.co.uk/investor-area)  
email: [info@mobeusequity.co.uk](mailto:info@mobeusequity.co.uk)

The procedure for, and the terms and conditions of, application under the Offers 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 agent, Mobeus Offers, The City Partnership (UK) Limited, 110 George Street, Edinburgh EH2 4LH. Each Offer opens on 6 September 2017 and will close on 4 April 2018 (or, if earlier, as soon as that Offer is fully subscribed or otherwise at the relevant Company's Board's discretion).

**YOUR ATTENTION IS DRAWN TO THE RISK FACTORS ON PAGE 2.**

# Risk Factors

**YOUR ATTENTION IS DRAWN TO THE ADDITIONAL RISK FACTORS IN RELATION TO AN INVESTMENT IN THE COMPANIES ON PAGES 3 AND 4 OF THE REGISTRATION DOCUMENT.**

**Although the significant tax benefits available to Qualifying Investors in VCTs reduce the investment risk, prospective investors should carefully assess the risks of investing in the Companies. The following are those risk factors which are material to each Company's Offer Shares and of which each Company's respective Directors are aware. Material risk factors relating to the Companies are contained in the Registration Document. Additional risks which are not presently known to the Directors, or that the Directors currently deem immaterial, may also have an effect on the market risk attaching to their respective Company's Offer Shares. The value of the Shares in a Company could decline due to any of these risk factors described below, and investors could lose part or all of their investment in that Company. Investors should consider consulting an independent financial intermediary authorised under FSMA.**

- The value of Shares, and the income derived from them, can fluctuate and investors may not get back the full amount they invested. In addition, there is no certainty that the market price of Shares will fully reflect their underlying net asset value (NAV) nor is there any guarantee that dividends will be paid, nor that any dividend target stated will be met.
- Although the existing Shares are (and it is anticipated that the Offer Shares will be) admitted to the premium segment of the Official List of the UKLA and to trading on the London Stock Exchange's main market for listed securities, the secondary market for VCT shares is generally illiquid, which may be partly attributable to the fact that the initial tax reliefs are not available for VCT shares generally bought in the secondary market. Moreover, VCT shares usually trade at a discount to NAV. Therefore, investors may find it difficult to realise their investment in a Company at close to the NAV of a Share of that Company (albeit that each Company currently operates a buyback policy with the objective of maintaining the discount to NAV at which its Shares trade at approximately 10%). Investment in a Company should, therefore, be seen as a long term investment.
- Without a Company undertaking share buybacks, trading in its Shares is unlikely to be active, so the bid price (the price which sellers are likely to receive in the market) is likely to reflect the price at which that Company may decide to buy back its Shares for cancellation. Share buybacks will be subject to regulatory requirements and any applicable law at the relevant time, as well as a Company's available liquid resources and available distributable reserves. Investors should not rely upon any share buyback policy to offer any certainty of selling Shares at prices that reflect their underlying NAV.
- The past performance of the Companies and Mobeus is not an indication of future performance. The return received by investors will be dependent on the performance of the underlying investments in the Company in which they invest. The value of such investments, and interest income and dividends therefrom, may rise or fall. The recent change in the investment strategy, as a result of the changes in the VCT rules, to investing in smaller, earlier stage companies increases investment risk which may adversely affect the future performance of the Companies. Additionally, Mobeus does not yet have a proven track record in managing such growth company investments, although experienced growth capital investment professionals have been recruited.
- The Articles of each Company provide the opportunity for Shareholders of a Company to vote on the continuation of that Company at the annual general meeting falling after the fifth anniversary of the earlier of the last allotment of shares or the last continuation vote held. The allotment of Offer Shares in a Company pursuant to its Offer will, therefore, defer (in accordance with the Articles) the opportunity for Shareholders of the relevant Company to vote on the continuation of that Company for at least five years and, as a result, both new and existing Shareholders may have to wait longer to realise their holding in the relevant Company, if no trading in the market is possible.
- The number of Offer Shares to be issued in a Company will be calculated by a formula linked to the latest published NAV of a Share in the relevant Company which will determine the Offer Price. The most recently published unaudited NAVs for each Company are as at 30 June 2017. Prospective investors should be aware that each Company publishes NAVs quarterly and may publish additional NAVs more frequently for the purposes of its Offer. If revised NAVs are published during the course of an Offer, investors may receive a different number of Offer Shares in the relevant Company from that anticipated.
- The tax rules, or their interpretation, in relation to an investment in a Company and/or the rates of any tax, may change during the life of that Company and may apply retrospectively. The value of the tax reliefs depends on the personal circumstances of the investors, who should consult their own tax advisers before making any investment.
- The disposal of Offer Shares within five years of subscription will result in any income tax relief claimed thereon becoming repayable. In addition, loss of VCT status by a Company will result in Qualifying Investors losing tax reliefs available for VCT shares, resulting in adverse tax consequences, including any income tax relief claimed on Offer Shares issued by the relevant Company if the Offer Shares have not been held for five years as at the date of VCT status being regarded as lost. Further, the disposal of existing Shares within six months either side of the acquisition of Offer Shares in the same Company will result in the amount of the investment in Offer Shares to which VCT tax reliefs are available being reduced by an amount equal to the proceeds received on the disposal.

# Introduction and Key Features

## The Mobeus VCTs

The Mobeus VCTs are established venture capital trusts that aim to make tax-free dividend distributions from capital gains and income generated from existing and diversified portfolios of investments in small UK companies.

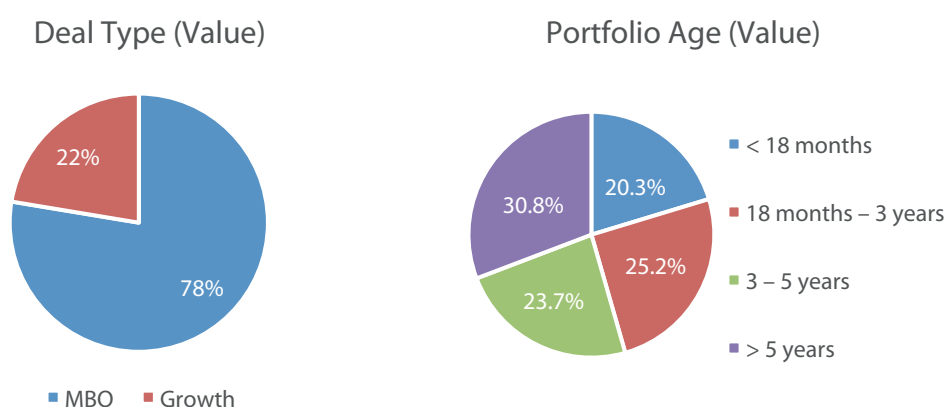
The Companies are predominantly invested in management buyouts (MBOs) of established profitable companies. As a result of changes to the VCT rules, all new investments since November 2015 have been (and will be) in younger, smaller companies to fund their growth and development.

### Mobeus has promoted several offers by the Mobeus VCTs since 2010. Since that time, the Mobeus VCTs have:

- Raised £129 million
- Returned £169 million to Shareholders in dividends\*
- Made 30 investments totalling £159 million
- Sold 19 investments, realising £126 million in cash proceeds, contributing to a gain of £104 million over cost during the life of these investments
- Made nine growth and development investments under the new VCT regulations in the last 18 months totalling £31 million

\* Including the dividends of 9.0p per MIG Share payable on 13 September 2017 and 18.0p per MIG 4 Share payable on 11 September 2017.

### Combined Mobeus VCTs' Portfolios\*\*



\*\* Investment portfolios (excluding cash and liquidity funds) as at 30 June 2017, but adjusted for subsequent portfolio movements as set out on page 25.

## Other Key Features

	MIG	MIG 2	MIG 4	I&G	Further details on page
<b>Dividend policy:</b> annual dividend target per Share of:	4.0p	5.0p	4.0p	6.0p	37
<b>Buyback policy:</b> to buy at a % discount to the latest NAV per Share of:	10%	10%	10%	10%	38
<b>Ongoing charges as a % of net assets:</b>	2.7%	3.0%	2.8%	2.8%	39

## Mobeus Equity Partners LLP (Mobeus)

Mobeus is the UK's sixth largest VCT investment adviser and has a successful 18 year VCT investment track record. Its award-winning fund management team comprises 23 investment professionals, supported by 11 other employees. As at the date of this document, as well as the £199 million of funds under management in the Mobeus VCTs, Mobeus manages a £166 million institutional LP fund focused on investments in smaller company MBOs.

# Timetable and Summary Offer Terms

## Expected Timetable for each Company

Offer opens	6 September 2017
Early Investment Incentive expiry date	the earlier of 3 November 2017 and applications being accepted totalling, in aggregate, £50 million across the Offers
First allotment	by 3 November 2017
Offer closes	12.00 noon 4 April 2018
Effective date for the listing of Offer Shares and commencement of dealings	within three Business Days following allotment
Share certificates and tax certificates to be dispatched	within ten Business Days of allotment

### Note:

Each Board will close its respective Company's Offer (which includes the over-allotment facility referred to below if utilised) earlier than the date stated above if it is fully subscribed by an earlier date or at its discretion. Each Board further reserves the right to accept Application Forms and to allot and arrange for the listing of Offer Shares in its Company in respect of Subscriptions received for its Company's Offer on or prior to the first allotment date or the closing date of such Offer as the relevant Board sees fit, which may not be on the dates stated above. The date to which the Early Investment Incentive applies may be extended at the discretion of Mobeus.

## Offers: Key Data

	MIG	MIG 2	MIG 4	I&G	For all VCTs
Maximum amount to be raised under the Offer (excluding the over-allotment facility) - £ million	15.0	10.0	10.0	15.0	50.0
Maximum amount to be raised under the Offer (including the over-allotment facility) - £ million*	25.0	15.0	15.0	25.0	80.0
Maximum number of Offer Shares to be issued (including the over-allotment facility) - million	41.0	23.0	20.0	37.0	121.0
Net assets as at 30 June 2017 (unaudited) - £ million	62.4	39.3	52.8	70.2	224.7
Adjusted net assets as at 30 June 2017 (unaudited)** - £ million	55.6	36.8	45.5	61.1	199.0
Net asset value per Share as at 30 June 2017 - pence	82.6	110.2	106.2	96.2	n/a
Adjusted net asset value per Share as at 30 June 2017** - pence	73.6	103.2	88.2	81.2	n/a
Investor's minimum subscription:					
– aggregate investment across all Offers	n/a	n/a	n/a	n/a	£6,000
– investment per Offer	£1,500	£1,500	£1,500	£1,500	n/a
Offer Costs (% of the Investment Amount)	3.25%	3.25%	3.25%	3.25%	n/a

\* If a Board decides (in consultation with Mobeus) to utilise the over-allotment facility, this will be advised through a RIS Announcement.

\*\* Adjusted for dividends paid/payable since 30 June 2017 as explained in the Dividend Policy section on page 37.

## Allocation, pricing and costs

The number of Offer Shares to be allotted in each relevant Company to a successful Applicant will be determined by applying the Allotment Formula below. The Offer Price paid by an Investor will be their Investment Amount, divided by the number of Offer Shares.

$$\text{Number of Offer Shares} = \frac{A - B - C}{\text{NAV}}$$

Where:

- A is the Investment Amount in the relevant Company (this being the monetary amount of the investor's application accepted in respect of that Company's Offer).
- B is the Offer Costs to be borne by the relevant investor (this being 3.25% of the Investment Amount, reduced by an amount equal to:
- (i) any applicable Early Investment Incentive;
  - (ii) any 'execution-only' commission offered by Mobeus and waived by the 'execution-only' intermediary; and
  - (iii) any other fee reduction Mobeus agrees for any specific investor or group of investors.
- Where Offer Costs are reduced from 3.25% of the Investment Amount, this will increase the number of Offer Shares allotted to an investor.
- C is, in respect of advised investors, the amount of any initial adviser charge agreed to be facilitated (up to the maximum of 4.5% of the Investment Amount).
- NAV is the most recently published NAV per share in that Company on the day of allotment, adjusted for dividends declared and for which the record date for payment has passed at the time of allotment.

Investors can invest in one of three ways, namely:

- (i) through an "execution only" intermediary who does not offer advice;
- (ii) through a financial adviser who provides advice; or
- (iii) by direct application.

Offer costs of 3.25% of the Investment Amount are payable by the Companies to Mobeus as the promoter of the Offers (**Offer Costs**) and are borne by the investor through the Allotment Formula. The Offer Costs may be reduced:

- i) by the Early Investment Incentive if applicable (see below);
- ii) in respect of investors applying through 'execution-only' intermediaries, by the amount of initial commission waived by the intermediary (which will increase the number of Offer Shares to be allotted);
- iii) any other fee reduction Mobeus may agree in respect of any specific investor or group of investors.

Where Offer Costs are reduced, this will increase the number of Offer Shares allotted to an investor. 'Execution-only' applications will also attract annual trail commission payable to the intermediary by the Companies at the rate of 0.375% of the net asset value of an Offer Share at the end of each financial year (subject to a cumulative cap of 2.25% of the Offer Price).

The Companies can also facilitate the payment of an initial adviser charge on behalf of an Investor (up to a maximum of 4.5% of the Investment Amount) where advice has been provided to an investor in relation to an Application. These adviser charges (referred to as C above) are in addition to Offer Costs and will be borne by the investor through the Allotment Formula (i.e. the maximum initial costs for an advised investor will be 7.75% of the Investment Amount, unless additional adviser charges to be paid directly by the investor to the adviser are agreed).

In the event that a Company utilises its over-allotment facility, Mobeus has agreed to waive its management fees for the relevant Company for the 12 month period following the close of that Company's Offer by an amount equal to 1% of any gross funds raised by that Company under its over-allotment facility.

Details on Offer selection, allocation of your Application, the Allotment Formula (how the number of Offer Shares will be calculated **and the resulting pricing of those Offer Shares**), together with details of 'execution only' intermediary commission and facilitation of financial adviser charges, are set out on pages 26 to 30 of Part Three of this document.

### Early Investment Incentive

Applications which are accepted up to the earlier of **the first £50 million**, in aggregate, being raised across the Offers **OR 3 November 2017** will be eligible to receive an **early investment incentive discount equal to 1%** of the amount they subscribe for under the Offers. The Early Investment Incentive will be applied through the Allotment Formula. It will reduce the Mobeus charge in respect of those Applications, thereby resulting in an increased number of Offer Shares being allotted to the investor (as explained above). Mobeus reserves the right to increase the aggregate amount and/or extend the date to which the Early Investment Incentive will apply.

If you wish to check how much of the first £50 million has been applied for, please visit [www.mobeusequity.co.uk/fundraising](http://www.mobeusequity.co.uk/fundraising) as the cumulative amount applied for will be updated by Mobeus each working day.

## What to do next

Please complete the Application Form at the end of this document. A guide as to how to complete the Application Form can be found on pages 64 to 68. The Offers are currently planned to be open until 4 April 2018 (unless an Offer is, including the over-allotment facility if utilised, fully subscribed by an earlier date or otherwise at the relevant Board's discretion). Completed Application Forms should be delivered to:

Mobeus Offers

The City Partnership (UK) Limited  
110 George Street  
Edinburgh EH2 4LH

Cheques should be made payable to **"City Partnership – Mobeus Offers"**

If you have any queries about the Offers please contact Mobeus on 020 7024 7600 or at [info@mobeusequity.co.uk](mailto:info@mobeusequity.co.uk) or the distributor for the Offers, Portunus Investment Solutions Limited on 020 3411 9575 or mobile 07747 631467.

It should be noted that Mobeus and Portunus will only be able to deal with the practicalities of application and are not permitted to provide any investment, financial or tax advice in connection with any investment in the Companies under the Offers.



# Letter from the Chairmen of the Companies

6 September 2017

Dear Investor

We are pleased to invite you to subscribe for new Offer Shares in the four Mobeus VCTs.

The Offers allow investors to select which of the Mobeus VCTs they wish to invest in. Investors may choose either to:

- invest equally in all of the Companies;

**or**

- invest different amounts in one or more of the Companies.

This is subject to a Company's Offer (including the over-allotment facility if utilised by the relevant Company's Board) not having closed prior to an investor's Application being processed. Further details relating to selection options and the terms of the Offers are set out in Part Three of this document.

The last Mobeus VCT fundraising in 2014/2015 proved to be very popular with investors. The Companies raised £39 million in aggregate, with the offers becoming fully subscribed in 13 weeks. Therefore, we encourage investors to make an early Application in order to ensure their Application is satisfied in full. Mobeus are also offering an early investment incentive of 1% as set out on page 29.

## **Track Record**

We believe that the Mobeus VCTs rank amongst the leading generalist VCTs in terms of their performance. The Mobeus track record has been recognised within the industry and the Mobeus team has won numerous investment industry awards.

The Mobeus VCTs are ranked 1st (MIG), 8th (I&G), 12th (MIG 2) and 18th (MIG 4) out of 41 generalist, including planned exit, VCTs based on unaudited NAV Cumulative Total Return over the five years to 31 July 2017\*.

Further details on the Companies' performance track record for cumulative annual returns and dividends paid are set out more fully on pages 9 to 11.

## **Investment strategy**

The track record of the Companies reflects the success of their former investment strategy whereby Mobeus primarily focused on financing management buyouts (MBOs) of established, profitable businesses, using a combination of loan stock and equity.

New rules were introduced in November 2015 that require all new investments by VCTs to be made in younger and smaller companies for growth and development purposes. The Mobeus VCTs have adapted to these new rules by amending their investment policies, while Mobeus has recruited further experienced growth capital investment professionals to its existing team. Already, nine new investments have been completed under the new rules, deploying £31 million.

Based upon past performance, the existing portfolio and the evolution of the investment strategy, we believe that there is potential for attractive returns to be generated for Shareholders and new investors alike.

\* source: Association of Investment Companies – monthly statistics as at 31 July 2017 showing five year NAV cumulative total return on £100 invested.

### **Timing**

The UK economy faces a number of challenges and uncertainties over the coming years. However, we believe that higher quality, smaller, private companies with robust business models, strong management and sound financing have the potential to prosper across all stages of the UK economic cycle. In our view, this may be a particularly good time for the Companies to increase their liquidity to fund future investments and capitalise on the opportunities offered by this sector.

In addition, each Company's existing portfolio contains a number of investments in companies which are progressing well, in many cases generating significant income returns to the Companies, and are capable of producing further growth in profits. The income generated and further realisation of such potential should provide exit opportunities and returns over the medium term for Shareholders. A new investor in a Company gains immediate exposure to this potential in its portfolio.

### **Taxation**

VCTs continue to be attractive to investors seeking to minimise the effect of higher income and capital gains tax rates.

VCTs offer Qualifying Investors, subject to annual investment limits, up to 30% upfront income tax relief on the amount subscribed for VCT shares (subject to the shares being held for five years). Dividends are tax-free, including capital distributions of realised gains on investments, whilst any gains arising on the disposal of the VCTs' shares are free of capital gains tax.

### **Alignment of interests**

The Directors and the partners of Mobeus intend to invest at least £850,000 pursuant to the Offers. This reinforces the alignment of interests with other Shareholders and reflects confidence in the investment strategy.

We very much hope that existing Shareholders will add to their holdings and look forward to welcoming new investors to the Mobeus VCTs.

Yours faithfully

**Clive Boothman**  
Chairman of MIG

**Nigel Melville**  
Chairman of MIG 2

**Christopher Moore**  
Chairman of MIG 4

**Colin Hook**  
Chairman of I&G

# Part One – Why Invest in these Offers?

The Boards believe it continues to be an advantageous time to be making venture capital investments. The Offer is designed to appeal to Qualifying Investors who wish to hold their Offer Shares over the long term, whilst receiving tax-free dividends from income and capital realisations.

The Companies invest in an illiquid asset class, where a medium to long term investment view has to be taken. The Companies already have established and diversified portfolios and are advised by one of the VCT industry's leading advisers with a strong performance track record. As at the date of this document, the Companies have net assets of approximately £199 million in aggregate. New investors under the Offers will join nearly 9,000 existing investors in the Companies and gain immediate exposure to these assets.

The Boards believe that the three key reasons why investors should give strong consideration to the Offers are track record, the investment strategy and timing.

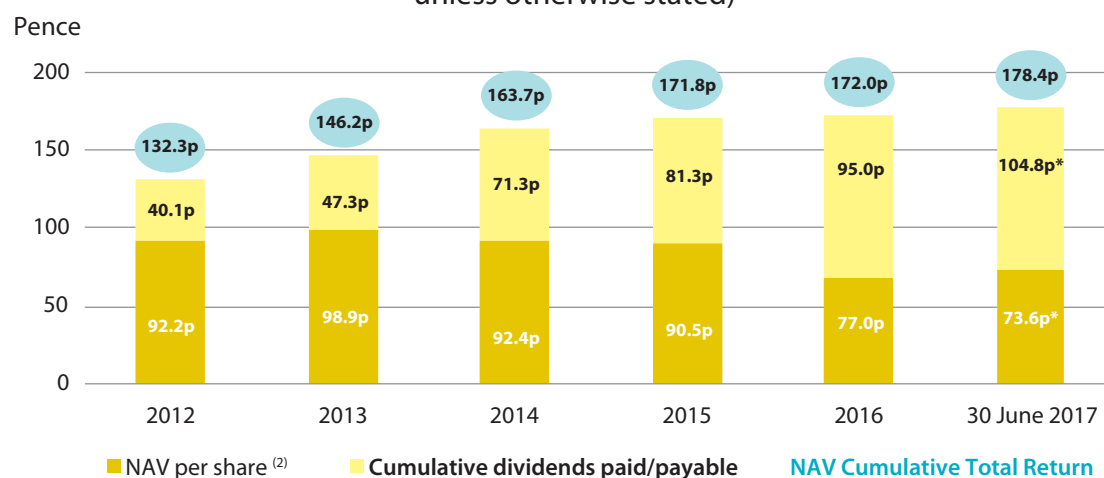
## Track record – Actual performance

The financial performance of the Companies for their last five financial years/periods and to the latest quarter end in the current period, is summarised below. The tables show both the capital performance and dividend performance of each Company.

MIG Shares were originally launched in July 2004 at an issue price of 100p per share. MIG 2 Shares (these being the original C share class with MIG 2) were launched in September 2005 at an issue price of 100p per share. Shares in MIG 4 were originally launched in January 1999 at an issue price of 100p per share but subsequently a 2:1 share consolidation took place resulting in the adjusted issue price per MIG 4 Share of 200p. This Share consolidation was prior to the period of performance shown. I&G Shares (these being the original S share class) were launched in December 2007 at an issue price of 100p per share.

## Mobeus Income & Growth VCT plc

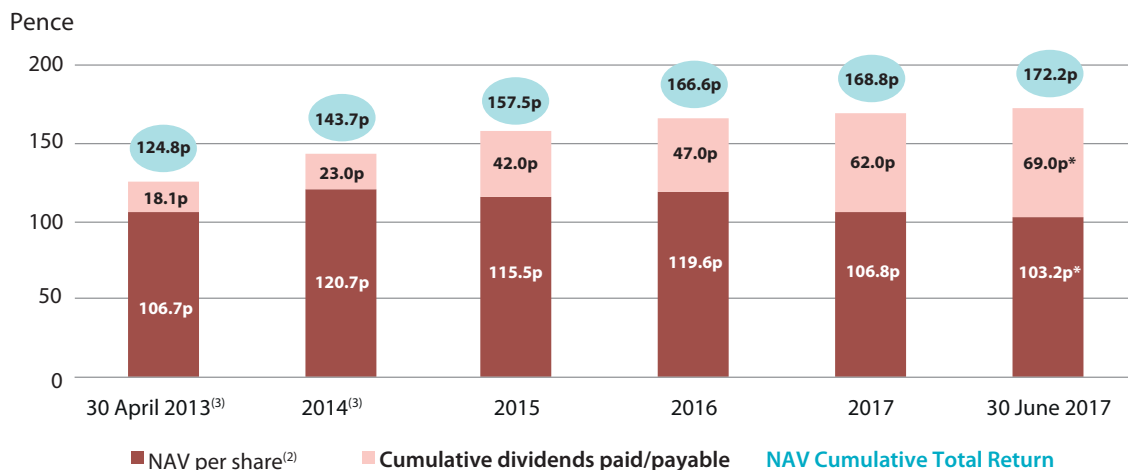
NAV Cumulative Total Return – MIG VCT (as at 31 December unless otherwise stated) <sup>(1)</sup>



\*Adjusted for the dividend of 9.0p payable on 13 September 2017 to MIG Shareholders on the register on 18 August 2017.

### Mobeus Income & Growth 2 VCT plc

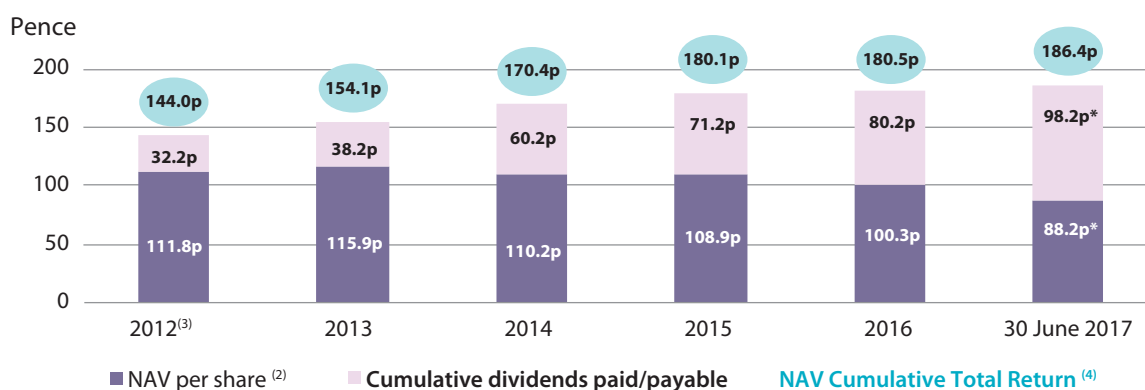
NAV Cumulative Total Return – MIG 2 VCT (as at 31 March unless otherwise stated) <sup>(1)</sup>



\*Adjusted for the dividend of 7.0p per MIG 2 Share paid on 28 July 2017 to MIG 2 Shareholders on the register on 7 July 2017.

### Mobeus Income & Growth 4 VCT plc

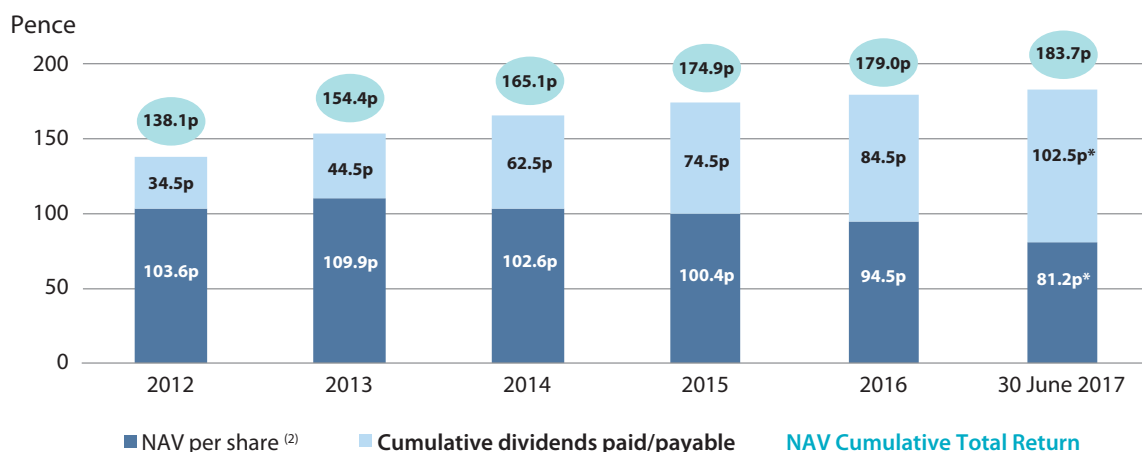
NAV Cumulative Total Return – MIG 4 VCT (as at 31 December unless otherwise stated) <sup>(1)</sup>



\*Adjusted for the dividend of 18.0p per MIG 4 Share payable on 11 September 2017 to MIG 4 Shareholders on the register on 11 August 2017.

### The Income & Growth VCT plc

NAV Cumulative Total Return – I&G VCT (as at 30 September unless otherwise stated) <sup>(1)</sup>



\*Adjusted for the dividend of 15.0p per I&G Share paid on 31 August 2017 to I&G Shareholders on the register on 11 August 2017.

### Notes to the Track Record

- (1). Audited/unaudited NAV as at the relevant period end, plus cumulative dividends paid/payable in respect of the periods since launch of the current share class, to date. Where dividends were paid in respect of a financial period, but after the end of that period, the dividends paid have been adjusted upwards and the closing NAV has been adjusted downwards. The NAV cumulative total return for each Company, as at the start dates of the period of performance covered by the charts above and below, is MIG: 122.4p (as at 1 January 2012), MIG 2: 112.7p (as at 1 May 2012), MIG 4: 121.7p (as at 1 February 2012) and I&G: 125.3p (as at 1 October 2011).
- (2). The NAV included for all the Companies is at 30 June 2017 (unaudited), this being the latest published NAV as at the date of the document, adjusted for dividends paid or payable after that date as explained under the relevant table. The NAV for the earlier years is at the date shown, adjusted for dividends paid or payable in respect of the relevant year.
- (3). MIG 2 changed its year end to 31 March in 2014 and MIG 4 changed its year end to 31 December in 2012. These two particular financial periods were, therefore, 11 month periods.
- (4). The data does not reflect the benefit of income tax relief available on initial investment for Qualifying Investors.

### Track record – five year and relative performance

The table below shows the percentage growth in the NAV cumulative total return on £100 invested for all four companies for the last five years to 31 July 2017, with the rankings based upon data reported by the Association of Investment Companies (monthly statistics as at 31 July 2017 showing five year NAV cumulative return on £100 invested). The table also shows each Company's ranking when compared with 40 other AIC generalist (including planned exit) VCTs.

	MIG	MIG 2	MIG 4	I&G
% growth in NAV Cumulative Total Return over past five years	59.6%	33.9%	29.7%	40.3%
Ranking*	1st	12th	18th	8th

\* out of 41 AIC Generalist (including planned exit) VCTs.

**The data above does not reflect the benefit of income tax relief available on initial investment for Qualifying Investors and relates principally to a period of performance under the former investment strategy of focusing on management buyouts.**

### The investment strategy

This section details the approach taken to making qualifying investments under both the former and current investment strategies, in response to the new VCT rules introduced in November 2015. Before Qualifying Investments are identified, cash is placed in liquid, low risk Money Market Funds and bank deposits. The investment strategy of each Company aims to minimise the risk of loss to investors, while still providing the prospect of attractive returns. Risk is managed in a number of ways.

Investors will benefit from investment into an existing portfolio of predominantly MBO investments, which have historically had a low loss ratio, delivered a strong yield and attractive investment returns to the Companies. This will be balanced with recent investments by the Companies and future investments in younger and fast growing companies which will have the potential for significant capital growth.

### The former investment strategy - MBOs

The track record of the Companies reflects the success of their former investment strategy whereby Mobeus focused on financing management buyouts (MBOs) of established, profitable businesses, using a combination of loan stock and equity.

The Companies made investments under this former investment strategy up to November 2015. These predominantly MBO investments still comprise 78% of the Companies' current investment portfolio (excluding cash and liquidity funds), though this percentage will reduce over time as further growth capital investments are made and as sales of investments under the previous strategy occur. The key aspects of this former strategy are explained below.

The Companies pursued this strategy because MBO deals were considered attractive and lower risk for two reasons:-

- The Companies were frequently able to buy these businesses alongside management teams that had a unique and informed understanding of the financial opportunities and risks within their business.
- The incumbent management teams were highly incentivised to buy these businesses on attractive terms for themselves and for the Companies. Management teams were prepared to put at risk significant personal capital to purchase shares at the same time as the Companies. Both parties were seeking to buy the business together on the most attractive terms with the mutual objective of realising maximum value through selling the business in the medium term.

## Key characteristics of investments and target companies

In identifying target companies and MBO deals to invest in, Mobeus sought the following characteristics:

### *Minimising the risk of loss*

The Mobeus strategy was to deploy that cash in a wide spread of companies identified as profitable and generating positive cash flow so that they were capable of supporting an investment structure that included income yielding loan stock, as well as dividend payments to the Companies. In the event of the value of an investee company falling, the loan stock which is generally secured and ranks ahead of the ordinary shares (equity), holds its investment value longer than the equity, thus providing some downside protection.

### *Larger businesses and larger deals*

Substantial investments were made in businesses that were typically larger and mature and consequently less risky than those invested in by some other VCTs. As at 30 June 2017, the average MBO investment made under the previous Mobeus strategy still held is £4.3 million, with the average annual revenue of each MBO investee company still held being £17.6 million.

### *Focus upon established profitable businesses*

The companies aimed to invest in businesses that were established, profitable (at the earnings, before interest, tax and amortisation (EBITA) level) and cash generative at the point of investment. All of the Companies' ten largest investments (ignoring cash and liquidity funds) are profitable businesses (based on EBITA) as shown in Part Two of this document.

Such businesses generally represent less risky investments than early stage or unprofitable companies. Investing in profitable businesses has enabled the Companies to structure their investments in loan stock and equity. The loan stock portion reduces the risk of investing in unquoted businesses, as it generates a regular income and also ranks ahead of all shareholders in entitlement to income and capital receipts. Of these ten largest investments, the loan stock element of the investments expressed as a percentage of the total investment cost was 73.7% at the time of original investment.

## Performance

This former MBO investment strategy has delivered highly attractive historic returns to the Companies since the start of 2007 that can be illustrated using three key measures:

Low loss ratio – of £161 million invested by the Companies in this strategy, realised capital losses have represented a negligible 0.1%.

Realised returns – of 28 investments made under this strategy by the Companies, 9 have been fully or partially realised through sale at an average realised return of a 3.2 multiple of cost.

Uplift on exit – whilst the Companies are required to hold all investments at fair market value, the historic experience has been that actual realisation events have typically delivered significantly greater returns than the previously held unrealised valuation. On average the historic uplift between last valuation and realised proceeds has been 87%. The most recent example of such uplift occurred with the sale of Entanet, where an uplift of 117% from £9.9 million to £21.5 million was achieved.

The Boards believe that the quality of this strategy and MBO track record has received strong third party validation recently by Mobeus successfully raising a £166 million fund from international institutional investors to pursue a similar strategy. These institutions have chosen to commit to this Mobeus strategy without the benefit of any VCT tax incentives.

## The current investment strategy – Growth Capital

New rules were introduced in November 2015 that require new investments by all VCTs to be made in younger and smaller companies for growth and development purposes. The Mobeus VCTs have adapted to these new rules by amending their investment policies, while Mobeus has recruited further experienced growth capital investment professionals to its existing team and completed nine new investments under the new rules, deploying £ 31 million.

Growth capital (also called venture capital, development capital, expansion capital or growth equity) is a type of equity investment in privately owned or unquoted companies which are beyond the stage of start-up and are usually looking for capital to finance a transformational event in their lifecycle.

With established products/services, operations and revenue the company has proven the initial market opportunity and the attractiveness of its offering. To continue to grow rapidly, it now requires funding to support major expansion to deliver its potential.

Fast growing smaller and younger companies are an attractive investment opportunity due to a number of factors:

- In many cases, with limited security to support a loan, such companies struggle to achieve bank funding and are open to a combination of equity and debt funding from an investor.
- Key employees within the business are usually significant shareholders in the company and are highly incentivised to grow their business and equity value.

- Their existing small scale allows them to be focused on specific niches, developing targeted products and services which are differentiated from their competitors.
- They can experience significant revenue growth far exceeding the general economy as their offering achieves greater market awareness.
- As they begin to benefit from economies of scale they can dramatically improve profitability during the lifetime of the investment.
- Smaller fast growing companies can be attractive acquisition targets to larger competitors, as they look to supplement their own growth. In many instances they are willing to pay premium prices for the asset, providing the investor with an attractive exit.

Growth capital investments may carry higher risk, because the companies may be less established than companies under the previous policy and may still be loss-making, but should have the potential for greater growth and returns than more established companies.

### **Key Characteristics of investment and target companies**

Mobeus will continue to apply its prudent approach as it identifies target companies to invest in and seeks some or all of the following characteristics:

#### ***An established company with a robust business model***

The company will have existing products and/or services which are generating revenues where the product/service unit economics are compelling and clearly indicate the ability to be profitable within 24 months and/or to increase profitability as the company scales.

#### ***Evidence of a market opportunity***

The company will offer significant growth in its potential sales and profits over the next few years. Often, this growth will originate from pursuing new markets and/or new products.

#### ***Founder and manager owned with a strong management team***

The management of a company will have a significant shareholding in the business to ensure they are incentivised and aligned with the Mobeus VCTs as investors to make the business succeed. The team will have a proven track record of achievement and a clear strategic vision to develop the company, which should deliver shareholder value.

#### ***The company will have no or limited third party debt***

Mobeus will be the key investment partner to the company allowing for greater influence and a priority claim on the company's assets.

#### ***Opportunity to provide additional follow on capital***

Investments will frequently offer the opportunity to finance further attractive growth, with follow on financing provided to scale up companies where progress is on target.

#### ***Stage of development, geographical spread and sector diversification***

To provide a balanced investment portfolio in terms of risk profile, it will consider investments across the UK, within a wide variety of sectors and in companies with annual revenues primarily ranging from £0.5 to £10 million.

#### ***Use of funds invested will finance a transformational event in a company's lifecycle***

Events could include: expanding operational capacity, adding to the senior management team, new product development and/or market opportunities, sales and marketing initiatives, international expansion and financing additional working capital as the business grows.

#### ***Structured investment***

Frequently, funds from the Companies will be the first institutional investment in the business, where previously the business has been self-funded and/or supported by Angel investors. Investments will be made using a range of financial structures and instruments including: equity instruments which provide investor controls and protections, allowing Mobeus significant influence over the company's plans and development; secured debt instruments, which provide for priority repayment when the company exits thereby reducing the downside risk of the investment; and instruments which develop as the company matures, for example involving increased interest and dividend payments only once the company matures and has the capacity to pay.

## Performance




The implementation of this new strategy commenced with the first investment being completed in February 2016. The number and quality of investments made so far is promising. **In the period of approximately 19 months to date, nine investments have been completed, representing £31 million.** Although it is too early to draw conclusions, the initial performance of these investments has been encouraging in Mobeus's view. Each of these nine investments, together with each of the more recent MBO investments, is set out below under 'New Investments from 1 January 2014 to date'.

## Timing

We believe that high quality smaller companies, with proven business models, good management and sound financing are able to prosper across all stages of the UK economic cycle. Mobeus has seen the opportunity both to invest capital and to realise investments in such businesses over recent years, illustrated below in two separate tables.

## New Investments from 1 January 2014 to date





The Companies have completed £97.6 million in aggregate of investment transactions since 1 January 2014 to date. The amounts invested in aggregate by the Companies are shown below:

Date of investment	Company/Activity	Logo	Type of transaction	Total investment (£ million)
<b>INVESTMENTS COMPLETED AFTER THE INTRODUCTION OF THE NEW VCT RULES IN NOVEMBER 2015</b>				
July 2017	<b>Wetsuit Outlet</b>		Growth Capital	10.0
	Wetsuit Outlet has established itself as a leading online retailer in the watersports market, stocking an impressive brand portfolio including Musto, Billabong, RipCurl, O'Neil, Red Paddle (an existing investee company of the Companies) and Gul. Founded in 2005, it has developed into a successful and profitable business with £11.5 million of revenues and £1.8 million of operating profit. It now sells to 160 countries and international sales represented 52% of sales. The investment is to fund working capital and growth in the existing activity and to enter two new markets.			
May 2017	<b>MyTutorweb Limited</b>		Growth Capital	2.0
	MyTutorweb is a digital marketplace that connects school pupils who are seeking private one-to-one tutoring with university students. The business is satisfying a growing demand from both schools and parents to improve pupils' exam results and to enhance their academic and career prospects. This investment represents an opportunity to consolidate the sizeable £2 billion UK tutoring market, build MyTutorweb's market presence and will also be used to drive technological development.			
March 2017	<b>Chatfield Services Limited (trading as Buster &amp; Punch)</b>		Growth Capital	2.4
	Buster & Punch is a London-based interiors brand founded in 2012 by architect and industrial designer Massimo Buster Minale. Buster & Punch (www.busterandpunch.com) started in a small garage in East London, where it built the 'World's first designer LED light bulb' (Buster Bulb) and made its name with its industrial-inspired lighting. Its products are now sold in over 50 countries, both directly to end-consumers, designers and architects, and through well-known retailers including John Lewis, Harvey Nichols and Harrods. The investment will support the business's international expansion plans and the broadening of its product range.			



Date of investment	Company/Activity	Logo	Type of transaction	Total investment (£ million)
January 2017	<b>Ibericos Etc. Limited (trading as Tapas Revolution)</b>		Growth Capital	2.5
<p>Based in London, Ibericos Etc. Limited (which trades as Tapas Revolution) is a leading Spanish restaurant chain in the casual dining sector focusing on shopping centre sites with high footfall. Having opened its first restaurant in Shepherd's Bush Westfield, the business has since opened a further six restaurants. The investment provided growth capital to a high-calibre team with significant restaurant rollout experience, who have spent the past five years building and refining their offer and are now well placed to capitalise on a strong pipeline of new sites.</p>				
December 2016	<b>Preservica Limited<sup>1</sup></b>		Growth Capital	3.0
<p>Preservica has developed software for the long-term preservation of digital records, ensuring that digital content remains accessible, irrespective of future changes in technology. Previously a subsidiary of Tessella (a former investee company of the Companies), it was demerged prior to the sale of Tessella in December 2015. The new investment in December 2016 provided growth capital to finance the development of the business.</p>				
November 2016	<b>Pattern Analytics Limited (trading as Biosite)</b>		Growth Capital	2.8
<p>Based in the Midlands, Pattern Analytics (trading as Biosite) is a fast-growing provider of biometric access control (via fingerprint reading) and software-based workforce management solutions for the construction sector. The investment was made to support the expansion of the team to facilitate the development of new site-management tools to enable managers to oversee all aspects of a construction project.</p>				
October 2016	<b>BookingTek Limited</b>		Growth Capital	2.5
<p>Based in London, BookingTek has developed software that enables hotels to reduce their reliance on third party booking systems by means of a real time booking platform for meeting rooms and restaurant reservation. The investment is to support further growth. A small follow on investment was also made in March 2017.</p>				
June 2016	<b>MPB Group Limited</b>		Growth Capital	2.1
<p>MPB is a fast growing online marketplace for used photo and video equipment. Based in Brighton, its custom-designed pricing technology enables MPB to offer both buy and sell services through the same platform and offers a one-stop shop for all its customers. The investment is to fund expansion of its platform globally, with launches into both the US and German markets.</p>				
February 2016	<b>Redline Worldwide Limited</b>		Growth Capital	3.7
<p>Redline Worldwide Limited ("Redline") is a market leader in the provision of security consultancy and training services to airlines, governments, institutions, airports and global distribution companies. Redline currently operates predominantly in the aviation security market and is at the forefront of counter terrorism training and services. The investment will be applied to enable the company to grow in its core aviation market and in other sectors.</p>				
<b>Sub total:</b>				<b>31.0</b>

Date of investment	Company/Activity	Logo	Type of transaction	Total investment (£ million)
<b>INVESTMENTS COMPLETED PRIOR TO THE INTRODUCTION OF THE NEW VCT RULES IN NOVEMBER 2015</b>				
October 2015	<b>Tovey Management Limited (trading as Access IS)</b>		MBO	11.0
Access IS is a leading provider of data capture and scanning hardware. The company has a significant share of the worldwide market for this technology in airports and strong positions in the fast growing markets of both ID & Security and Transport & Ticketing. This was an opportunity to invest in a longstanding and profitable business that is well positioned in its niche market.				
July 2015	<b>Vian Marketing Limited (trading as Red Paddle Co)</b>		Growth Capital	4.0
Tushingham Sails is a supplier of sails to the UK windsurfing market. It has recently moved into the young and rapidly expanding watersport of stand-up paddleboarding, as the manufacturer of its own fast growing brand called Red Paddle. The company's design ethos and historical market knowledge have enabled Tushingham to penetrate this world market and the Companies are optimistic that its strong growth will continue.				
April 2015	<b>Jablite Holdings Limited</b>		MBO	5.0
Jablite is the UK's largest domestic manufacturer of Expanded Polystyrene products operating under two divisions manufacturing packaging (Styropack) and construction (Jablite) products. The business was acquired from its Dutch parent and operates from five production sites in the UK.				
January 2015	<b>Media Business Insight Holdings Limited</b>		MBO	11.7
Media Business Insight Holdings Limited is a publishing and events business focused on the creative production industries, specifically advertising, TV production and film. Based in Shoreditch, East London, the company comprises four distinct brands. The investment represented an attractive opportunity to invest in a sector leading company underpinned by strong recurring revenues from subscriptions and events.				
December 2014	<b>Master Removers Group Limited trading as Ward Thomas Group, Aussie Man &amp; Van and Bishopsgate</b>		Corporate restructuring	7.2
Ward Thomas is a brand-led specialist logistics, storage and removals business. The Group now comprises three distinct businesses operating under a common management structure with common shareholders. Separate investments were originally made into Master Removers Group Limited, which owns the Anthony Ward Thomas and Bishopsgate businesses, and into Aussie Man & Van Limited.				
December 2014	<b>ASL Technology Holdings Limited<sup>1</sup></b>		Acquisition/bank refinancing	3.4
ASL Technology is a printer and photocopier services business based in Cambridge and focused on SME customers primarily based in East Anglia and the northern Home Counties. The Companies originally invested £4.3 million in 2010 and have since completed a further investment of £3.4 million into the company in December 2014, to provide capital to refinance the bank and support the company's buy and build strategy.				

Date of investment	Company/Activity	Logo	Type of transaction	Total investment (£ million)
July 2014	<b>Tharstern Group Limited</b>		MBO	5.0
<p>Tharstern is a leading supplier of software-based management information systems to the global commercial printing and graphic arts industries. The company has over 7,000 users worldwide in over 500 customer sites. Tharstern employs 40 staff at its headquarters in Colne, Lancashire.</p>				
June 2014 / June 2015	<b>CGI Creative Graphics International Limited</b>		Buy/in/MBO	6.3
<p>CGI Creative Graphics International is a leading specialist provider of adhesive decorative graphics to the automotive, recreational vehicle and airline markets. It operates from two centres, in Bedford, England and Cape Town, South Africa. The Companies made a further loan stock investment in June 2015, of which £1.7 million had already been negotiated at the time of the £4.5 million original investment in June 2014.</p>				
February 2014/ February 2015	<b>Entanet Holdings Limited</b>		MBO	9.5
<p>Entanet is a wholesale communications provider based in Telford. It supplies a range of voice and data services to IT resellers which in turn supply small and mid-sized companies. The Companies originally invested £6.0 million in February 2014, and a further loan stock investment of £3.5 million was made in February 2015 which had already been negotiated at the time of the original investment. This investment was sold in August 2017, as disclosed below.</p>				
January 2014	<b>Bourn Bioscience Limited<sup>(2)</sup></b>		Expansion capital	3.5
<p>Bourn Hall is one of the UK's leading IVF/assisted fertility businesses with a dominant presence in East Anglia. Its Bourn Hall clinic near Cambridge was the first IVF clinic in the world. It was founded in 1980 by Robert Edwards and Patrick Steptoe who were responsible for the conception of the first test tube baby, Louise Brown, in 1978.</p>				
<b>Sub total:</b>				<b>66.6</b>
<b>Total new investments from 1 January 2014 to date (£ million):</b>				<b>97.6</b>

(1). These are further investments in existing portfolio companies. The aggregated amount invested is shown in Part Two.




(2). MIG did not invest in this company.

## Realisations\* from 1 January 2014 to date

The Mobeus team has a strong record of realising VCT investments profitably. **Significant realisations from the Companies' investments achieved by the Mobeus team since 1 January 2014 to date are set out below, realising cumulative cash gains of £99.4 million, on total proceeds of £147.4 million against a cost of £48.0 million.** Opportunities to realise investments are often unpredictable and can depend on the economic cycle.

Investors should note that the number and value of the investment realisations during the calendar years 2014 and 2015 were exceptional.

Business		Money Multiple <sup>(1)</sup>	Cash gain (£ million) <sup>(2)</sup>
<b>Entanet Holdings Limited</b> <b>August 2017</b>		2.5X	14.7
Entanet is one of the UK's leading wholesale communications infrastructure providers. It was sold to AIM-quoted CityFibre Infrastructure Holdings plc in August 2017. The Companies invested £9.5 million in Entanet and the investment has returned £24.2 million so far with potential deferred consideration of up to £2.2 million receivable over the next 24 months.			
<b>Westway Services (2014) Limited<sup>3</sup></b> <b>December 2015</b>		6.9X	8.8
Westway is a heating, ventilation and air conditioning services company. It was sold to ABM Industries Inc, one of the largest facility management services providers in the US. The investment of £1.5 million returned £10.3 million in cash over its life.			
<b>Tessella Holdings Limited</b> <b>December 2015</b>		2.8X	10.2
Tessella is a science powered technology and consulting services company. It was sold to French engineering consultancy, Altran Group plc. As part of the sale transaction, the Companies have retained a small investment in a data archiving business, Preservica, which was previously held within Tessella. The Companies have since invested £3.0 million in Preservica, as shown above. The Companies originally invested £5.6 million in Tessella and the investment has returned £15.8 million in cash to date.			
<b>Ingleby (1879) Limited (trading as EMaC)</b> <b>December 2014</b>		3.1X	12.5
EMaC is the UK's largest outsourced provider and administrator of service plans to the motor trade. It was sold to Innovation Group plc, a global provider of business process services and software solutions to the insurance, fleet, motor and property industries. The investment of £6 million has returned £18.5 million in cash to date.			
<b>Youngman Group Limited</b> <b>October 2014</b>		2.5X	5.4
Youngman is a leading provider of ladders and access towers. It was sold to the world's largest ladder manufacturer, WernerCo. The Companies originally invested £3.5 million, and the investment returned £8.9 million in cash over its life.			
<b>Focus Pharma Holdings Limited</b> <b>October 2014</b>		4.5X	11.1
Focus is a licensor and distributor of generic pharmaceuticals. It was sold to Cinven-backed Amdipharm Mercury Group. The Companies originally invested £3.2 million to support a management buyout in 2007 and the investment returned £14.3 million in cash over its life.			
<b>DiGiCo Global Limited</b> <b>July 2014</b>		5.5X	20.7
DiGiCo manufactures digital sound mixing consoles. It was sold to a new professional audio group backed by Electra Partners. The Companies originally invested £4.6 million to support the management buyout of DiGiCo in 2007 and the investment returned £25.3 million in cash over its life.			

Business		Money Multiple <sup>(1)</sup>	Cash gain (£ million) <sup>(2)</sup>
<b>Monsal Holdings Limited</b>		2.0X	3.5
<b>June 2014</b>			
Monsal supplies engineering services to the water and waste sectors. It was sold to the US conglomerate General Electric. The Companies originally invested to support the management buyout of Monsal in 2007 and supported further funding rounds in 2009 and 2011. The investment of £3.6 million returned £7.1 million in cash over its life.			
<b>ATG Media Holdings Limited (partial realisation)</b>		1.9X	7.9
<b>June 2014</b>			
ATG Media is a publisher and online auction platform operator. It was partially sold as part of a secondary MBO led by ECI Partners. The Companies originally invested to support the management buyout of ATG Media in 2008 and provided further acquisition finance in 2013. The investment of £9.0 million has returned £16.9 million in cash to date and the Companies retain a significant loan stock and equity stake.			
<b>MachineWorks Software Limited</b>		4.1X	4.6
<b>April 2014</b>			
MachineWorks' core software products are used by manufacturers of machine tools and machine tool controllers to simulate real life manufacturing situations. MachineWorks was de-merged from the Companies' original investment in VSI in March 2011 and was sold to Westec Holding Company Limited. The investment of £1.5 million has returned £6.1 million in cash to date.			
<b>Cumulative cash gains from investments realised from 1 January 2014 to date (£ million)</b>			<b>99.4</b>

(1). Money multiple means the total of net proceeds, loan repayments, dividends and interest received in cash from the date of investment to date, divided by the original cost of investment. In the case of a partial sale, the calculation excludes the current valuation of the remaining investment, so the multiple is that achieved to date.

(2). Cash gain is the surplus of the total received in cash as described in note 1 above, over the original cost of investment.

(3). MIG 2 did not invest in this company.

\* In addition to these realisations, returns totalling £26.9 million have been received principally from loan repayments of £20.46 million and other sundry proceeds of £6.44 million from other investments held in the portfolio over the same period.

\*\* Past performance is not a guide to future performance. As with any diversified portfolio of investments there have also been investment losses and write offs. All of the financial data above is unaudited.

## Part Two – The Companies’ Largest Investments

The investments set out below represent the Companies’ ten largest investments (excluding liquidity funds and cash deposits, which are shown below under ‘Other Investments’).

As at the date of this document, these ten largest investments comprise approximately 40.9% of the aggregate investment portfolios (investments, plus cash and liquidity funds) of the Companies and represent all investments which represent 5% or more of the gross assets of one or more of the Companies (other than bank balances and liquidity funds).

All of the companies referred to below are profitable based on EBITA, as at the date of their last published accounts. The Boards and Mobeus believe that EBITA is a more meaningful measure of an investee company’s underlying profitability to investors than profit after taxation. This is because earnings are calculated before deducting loan stock interest (which is part of the return to Mobeus VCTs earned by the investment structure) and other interest.

The ‘Retained profit/(loss)’ figures in the tables below are in respect of the relevant financial year as opposed to a cumulative amount (that has been carried forward from previous financial years). The percentage of investment portfolio in the tables below takes into account cash held and investments in liquidity funds.

### Tovey Management Limited (trading as Access IS)

Original MBO investment in October 2015

**Total cost:** £11.0 million  
**Total valuation:** £13.1 million



	MIG	MIG 2	MIG 4	I&G	Year ended 31 December 2016 <sup>1*</sup> (£ million)
<b>Current cost (£ million)</b>	3.3	1.9	2.5	3.3	<b>Sales</b> 12.4
<b>Valuation (£ million)</b>	3.9	2.3	3.0	3.9	<b>EBITA</b> 1.3
<b>Valuation methodology</b>	Earning multiple (for all Companies)				<b>Profit/(loss) before tax</b> 1.2
<b>Equity/voting rights</b>	13.4%	8.0%	10.1%	13.6%	<b>Retained profit/(loss)</b> 1.3
<b>Percentage of investment portfolio</b>	7.0%	6.3%	6.4%	6.4%	<b>Net assets</b> 6.5

\*These figures are for the trading subsidiary, Access Limited.  
Activity: Provider of data capture and scanning hardware.  
Location: Reading.

### Virgin Wines Holding Company Limited

Original MBO investment in November 2013

**Total cost:** £8.4 million  
**Total valuation:** £11.0 million



	MIG	MIG 2	MIG 4	I&G	Year ended 30 June 2016 <sup>1</sup> (£ million)
<b>Current cost (£ million)</b>	2.4	1.3	1.9	2.8	<b>Sales</b> 38.0
<b>Valuation (£ million)</b>	3.2	1.7	2.5	3.6	<b>EBITA</b> 2.0
<b>Valuation methodology</b>	Earning multiple (for all Companies)				<b>Profit/(loss) before tax</b> 0.2
<b>Equity/voting rights</b>	12.2%	6.4%	9.7%	13.7%	<b>Retained profit/(loss)</b> 1.9
<b>Percentage of investment portfolio</b>	5.7%	4.6%	5.6%	5.9%	<b>Net assets</b> 3.3

Activity: Online wine retailer.  
Location: Norwich.

**ASL Technology Holdings Limited**  
Original MBO investment in December 2010

**Total cost: £9.7 million**  
**Total valuation: £10.2 million**



	MIG	MIG 2	MIG 4	I&G	Year ended 30 September 2016 <sup>1</sup> (£ million)
<b>Current cost (£ million)</b>	3.0	2.1	1.9	2.7	<b>Sales</b> 16.1
<b>Valuation (£ million)</b>	3.1	2.2	2.0	2.9	<b>EBITA</b> 1.7
<b>Valuation methodology</b>	Earning multiple (for all Companies)				<b>Profit/(loss) before tax</b> (0.4)
<b>Equity/voting rights</b>	14.4%	10.3%	9.5%	13.3%	<b>Retained profit/(loss)</b> (0.4)
<b>Percentage of investment portfolio</b>	5.6%	6.0%	4.5%	4.7%	<b>Net liabilities</b> (2.8)

Activity: Printer and photocopier services.  
Location: Cambridge.

**Manufacturing Services Investment Limited (trading as Wetsuit Outlet)**  
Original Growth Capital investment in July 2017

**Total cost: £10.0 million**  
**Total valuation: £10.0 million**



	MIG	MIG 2	MIG 4	I&G	Year ended 31 March 2016 <sup>1*</sup> (£ million)
<b>Current cost (£ million)</b>	2.8	1.7	2.3	3.2	<b>Sales</b> 8.6
<b>Valuation (£ million)</b>	2.8	1.7	2.3	3.2	<b>EBITA</b> 1.4
<b>Valuation methodology</b>	Recent investment price (for all Companies)				<b>Profit/(loss) before tax</b> 1.4
<b>Equity/voting rights</b>	7.6%	4.7%	6.4%	8.8%	<b>Retained profit/(loss)</b> 1.1
<b>Percentage of investment portfolio</b>	4.9%	4.7%	5.1%	5.2%	<b>Net assets</b> 3.7

\*These figures are for the trading subsidiary B2C (Holdings) Limited  
Activity: Online retailer of watersports clothing and products.  
Location: Southend-on-Sea, Essex.

## Media Business Insight Holdings Limited

Original MBO investment in January 2015

**Total cost:** £11.7 million

**Total valuation:** £8.5 million



	MIG	MIG 2	MIG 4	I&G	Year ended 31 December 2015 <sup>1*</sup> (£ million)
<b>Current cost (£ million)</b>	3.3	2.0	2.7	3.7	<b>Sales</b> 8.8
<b>Valuation (£ million)</b>	2.4	1.4	2.0	2.7	<b>EBITA</b> 0.5
<b>Valuation methodology</b>	Earning multiple (for all Companies)				<b>Profit/(loss) before tax</b> 0.1
<b>Equity/voting rights</b>	19.0%	11.6%	15.7%	21.2%	<b>Retained profit/(loss)</b> 0.1
<b>Percentage of investment portfolio</b>	4.3%	4.0%	4.4%	4.4%	<b>Net assets</b> 1.9

*\*These figures are for the trading subsidiary, Media Business Insight Limited.*

*Activity: A publishing and events business focused on the creative production industries.*

*Location: London.*

## Turner Topco Limited (trading as ATG Media)

Original MBO investment in October 2008

**Total cost:** £6.9 million

**Total valuation:** £6.1 million



	MIG	MIG 2	MIG 4	I&G	Year ended 30 September 2016 <sup>1</sup> (£ million)
<b>Current cost (£ million)</b>	2.5	1.4	1.5	1.5	<b>Sales</b> 20.6
<b>Valuation (£ million)</b>	2.2	1.2	1.4	1.4	<b>EBITA</b> 2.8
<b>Valuation methodology</b>	Earnings multiple (for all Companies)				<b>Profit/(loss) before tax</b> (8.0)
<b>Equity/voting rights</b>	6.0%	3.2%	3.7%	3.7%	<b>Retained profit/(loss)</b> (8.8)
<b>Percentage of investment portfolio</b>	4.0%	3.2%	3.0 %	2.2%	<b>Net liabilities</b> (18.8)

*Activity: Publisher and on-line auction platform operator.*

*Location: London.*



## Vian Marketing Limited (trading as Tushingham Sails)

Original growth capital investment in July 2015

**Total cost:** £4.0 million

**Total valuation:** £5.9 million



	MIG	MIG 2	MIG 4	I&G	Year ended 29 February 2016 <sup>1*</sup> (£ million)
<b>Current cost (£ million)</b>	1.2	0.7	0.9	1.2	<b>Sales</b> 9.6
<b>Valuation (£ million)</b>	1.8	1.0	1.3	1.8	<b>EBITA</b> 0.5
<b>Valuation methodology</b>	Earnings multiple (for all Companies)				<b>Profit/(loss) before tax</b> 0.5
<b>Equity/voting rights</b>	9.3%	5.6%	7.1%	9.5%	<b>Retained profit/(loss)</b> 0.4
<b>Percentage of investment portfolio</b>	3.2%	2.9%	2.9%	2.9%	<b>Net assets</b> 2.3

<sup>1</sup>These figures are for the operating subsidiary, Tushingham Sails Limited.

Activity: Design, manufacturing and sale of stand-up paddleboards and windsurfing sails.

Location: Totnes, Devon.

## Gro-Group Holdings Limited

Original MBO investment in March 2013

**Total cost:** £7.1 million

**Total valuation:** £5.7 million



	MIG	MIG 2	MIG 4	I&G	Period ended 31 December 2015 <sup>1*</sup> (£ million)
<b>Current cost (£ million)</b>	2.0	1.1	1.6	2.4	<b>Sales</b> 21.0
<b>Valuation (£ million)</b>	1.6	0.9	1.3	1.9	<b>EBITA</b> 1.3
<b>Valuation methodology</b>	Earnings multiple (for all Companies)				<b>Profit/(loss) before tax</b> (0.4)
<b>Equity/voting rights</b>	13.4%	7.6%	10.7%	16.3%	<b>Retained profit/(loss)</b> (0.4)
<b>Percentage of investment portfolio</b>	2.8%	2.4%	2.8%	3.1%	<b>Net assets</b> 1.0

<sup>1</sup>These figures are for an 18 month period.

Activity: Baby sleep products.

Location: Ashburton, Devon.

## EOTH Limited (trading as Rab and Lowe Alpine)

Original growth capital investment in October 2011

**Total cost: £4.5 million**

**Total valuation: £5.6 million**



	MIG	MIG 2	MIG 4	I&G	Year ended 31 January 2016 <sup>1</sup> (£ million)
<b>Current cost (£ million)</b>	1.3	0.8	1.0	1.4	<b>Sales</b> 37.8
<b>Valuation (£ million)</b>	1.6	1.0	1.2	1.8	<b>EBITA</b> 1.7
<b>Valuation methodology</b>	Earnings multiple (for all Companies)				<b>Profit/(loss) before tax</b> 0.5
<b>Equity/voting rights</b>	2.3%	1.5%	1.7%	2.5%	<b>Retained profit/(loss)</b> 0.7
<b>Percentage of investment portfolio</b>	2.9%	2.8%	2.6%	2.8%	<b>Net assets</b> 11.1

Activity: Branded outdoor equipment and clothing.

Location: Alfreton, Derbyshire.

## Tharstern Group Limited

Original MBO investment in July 2014

**Total cost: £4.7 million**

**Total valuation: £5.4 million**



	MIG	MIG 2	MIG 4	I&G	Year ended 31 January 2017 <sup>1</sup> (£ million)
<b>Current cost (£ million)</b>	1.4	0.8	1.1	1.4	<b>Sales</b> 4.9
<b>Valuation (£ million)</b>	1.6	0.9	1.2	1.7	<b>EBITA</b> 0.4
<b>Valuation methodology</b>	Earnings multiple (for all Companies)				<b>Profit/(loss) before tax</b> (0.6)
<b>Equity/voting rights</b>	15.3%	8.8%	12.2%	16.2%	<b>Retained profit/(loss)</b> (0.6)
<b>Percentage of investment portfolio</b>	2.8%	2.5%	2.7%	2.7%	<b>Net assets</b> 0.5

Activity: Software based management information systems to the print sector.

Location: Colne, Lancashire.

<sup>1</sup> The information on investee companies' sales, profits and losses and net assets shown in the tables above has been sourced from the latest financial year end accounts published (unless stated otherwise) by those investee companies, not all of which is audited ("Third Party Information"). The Third Party Information has been accurately reproduced and, as far as the Companies are aware and are able to ascertain from information published by the investee companies, no facts have been omitted which would render the reproduced information inaccurate or misleading.

## Other investments

The following liquidity fund and bank balances also represent more than 5% of the gross assets of one or more of the Companies. In all cases, the amount invested is the same as their valuation, on a fair value basis. No equity or voting rights apply to such investments.

<b>Federated Short-Term Sterling Prime Fund-2 (liquidity fund)</b>	<b>MIG</b>	<b>MIG 2</b>	<b>MIG 4</b>	<b>I&amp;G</b>
Amount invested and at valuation (£ million)	2.0	2.2	1.6	2.9
Percentage of investment portfolio (%)	3.6	6.0	3.6	4.7
<b>Goldman Sachs Sterling Liquid Reserves Fund</b>	<b>MIG</b>	<b>MIG 2</b>	<b>MIG 4</b>	<b>I&amp;G</b>
Amount invested and at valuation (£ million)	1.3	2.3	1.0	0.5
Percentage of investment portfolio (%)	2.3	6.2	2.1	0.9
<b>Fidelity Institutional Liquidity Fund (sterling)</b>	<b>MIG</b>	<b>MIG 2</b>	<b>MIG 4</b>	<b>I&amp;G</b>
Amount invested and at valuation (£ million)	1.6	-	2.4	2.0
Percentage of investment portfolio (%)	2.8	-	5.2	3.3
<b>Nationwide Building Society (deposit account)</b>	<b>MIG</b>	<b>MIG 2</b>	<b>MIG 4</b>	<b>I&amp;G</b>
Amount invested and at valuation (£ million)	2.6	2.0	0.8	1.0
Percentage of investment portfolio (%)	4.6	5.5	1.7	1.7
<b>Close Brothers</b>	<b>MIG</b>	<b>MIG 2</b>	<b>MIG 4</b>	<b>I&amp;G</b>
Amount invested and at valuation (£ million)	-	-	2.0	3.2
Percentage of investment portfolio (%)	-	-	4.4	5.1

## Notes

The above investments, liquidity fund and bank balances have an aggregate value of greater than 50% of the gross assets of each Company as at the date of this document.

Investment and portfolio information contained in the tables above has been extracted from the Companies' accounting records (the unaudited half-year report to 30 June 2017 in respect of MIG and MIG 4 and from unaudited financial information to 30 June 2017 for MIG 2 and I&G), save for the following adjustments:

- (i) The following movements have occurred since 1 July 2017 across the Companies:
  - a) Investments by the Companies in Entanet Holdings Limited were realised for a total of £21.4 million (MIG: £6.1 million, MIG 2: £3.3 million, MIG 4: £4.9 million and I&G: £7.1 million). The unaudited valuations as at 30 June 2017 above reflected the actual realisation proceeds subsequently received.
  - b) Loan repayments from TPSFF Holdings Limited (formerly The Plastic Surgeon Holdings Limited) of £802,000 (MIG: £298,000, MIG 2: £157,000, MIG 4: £184,000 and I&G: £163,000).
  - c) Further investments by the Companies of a net £1.0 million in Manufacturing Services Investment Limited, such entity having become Wetsuit Outlet Limited.
- (ii) Balances in cash and liquidity funds are as at 30 June 2017, as adjusted for the transactions above, as well as dividends paid and payable after 30 June 2017, namely MIG (9.0p per MIG Share), MIG 2 (7.0p per MIG 2 Share), MIG 4 (18.0p per MIG 4 Share) and I&G (15.0p per I&G Share). The estimated percentage of total assets (investments, cash and liquidity funds) held in cash, liquidity funds and cash held in companies preparing to trade, adjusting for the transactions above, are MIG: 25.6%, MIG 2: 31.6%, MIG 4: 30.1% and I&G: 25.1%.

As at the date of this document, save as set out above, there has been no material change in the valuations of investments set out in this Part Two since 30 June 2017 in respect of all four Companies.

# Part Three – Details of the Offers

## The Offers

The Companies are seeking to raise, in aggregate, up to £50 million (with over-allotment facilities to raise, in aggregate, up to a further £30 million) through the issue of Offer Shares pursuant to the Offers. The amount each Company is seeking to raise, and the maximum number of Offer Shares it will issue, is set out below.

Company:	MIG	MIG 2	MIG 4	I&G
Maximum amount to be raised (excluding the over-allotment facility)	£15 million	£10 million	£10 million	£15 million
Maximum amount to be raised (including the over-allotment facility)	£25 million	£15 million	£15 million	£25 million
Maximum number of Offer Shares to be issued	41 million	23 million	20 million	37 million

Each Offer opens on 6 September 2017 and will close (unless fully subscribed earlier or otherwise at the discretion of the relevant Board) on 4 April 2018. If a Board decides (in consultation with Mobeus) to utilise the over-allotment facility under its Company's Offer, this will be advised through a RIS Announcement. There are no minimum aggregate subscription levels on which any of the Offers are conditional and the Offers are not underwritten.

The full terms and conditions of the Offers can be found at the end of this Securities Note.

## Application Selection Procedures

An Applicant may apply to invest equally in each of the Offers or apply to invest specific amounts under one or more of the Offers, subject to the relevant Offer (including the over-allotment facility if utilised) being open at the time his or her Application Form is processed (and subject to the minimum subscription levels referred to below).

If an Offer is able to accommodate an Applicant's amount in part before reaching full subscription, that partial sum will be utilised before that Applicant's next option is processed. **Please note that there is one combined Application Form for the Offers and Applicants should complete this as set out in the Application Procedures on pages 64 to 68.**

An Applicant must apply for a minimum, in aggregate, of £6,000 in one or more of the Offers, irrespective of how many Offers are applied for. In addition to the requirement to apply for a minimum aggregate amount of £6,000 across the Offers, an Applicant must also apply for a minimum of £1,500 per Offer applied for (thereafter in multiples of £500 per Offer).

Applications under an Offer will normally be accepted on a first-come first-served basis, subject always to the discretion of the relevant Board. Applicants are encouraged to submit their Application Form early in order to increase the probability that their Application will be successful and their selection of Offers satisfied.

**Where an Applicant has chosen to apply equally to each of the Offers, as far as practically possible, the following will apply at the time his or her Application Form is processed:**

- If all of the Offers remain open, the Application will be allocated equally to each of the Offers.
- If one or more, but not all, of the Offers have closed, the Application will be allocated equally to each of the other Offers which remain open.
- If all of the Offers have closed, the total amount will be returned.

**Where an Applicant has chosen to apply for specific amounts under one or more of the Offers, as far as practically possible, the following will apply at the time his or her Application Form is processed:**

- If all of the chosen Offers remain open, the Application will be allocated as indicated on the Application Form.
- If one or more, but not all, of the chosen Offers has/have closed, an Applicant may elect to have his or her Application, **in respect of the closed Offer(s)**, either:
  - (1) re-allocated equally to the **other Offers that he or she has applied for** that remain open; or
  - (2) re-allocated equally **to the other Offers that remain open**, irrespective of whether or not he or she had originally applied for them; or
  - (3) returned to the Applicant.
- If all of the chosen Offers have closed, the total amount will be returned.

The Terms and Conditions of Applications for the Offer Shares under each Offer are set out on pages 59 to 63 of this document. By signing the Application Form, an Applicant will be declaring that he or she has read the Terms and Conditions of Applications and agrees to be bound by them.

Applicants are advised to read the notes within Application Procedures on pages 64 to 68 of this document, in particular in respect of how to make elections as to investing in all or specific Offers and the consequences of one or more of the Offers already being fully subscribed or deemed to have closed by the time the Application Form is processed.

### Maximum Initial Charges

The alternative methods by which an investor can subscribe for Offer Shares are set out below. Except where an investor has agreed to pay a financial adviser a charge for advice regarding the suitability of the investment, the maximum initial costs an investor will pay will be 3.25% of the Investment Amount. The maximum initial costs for an advised investor will be 7.75% of the Investment Amount, unless additional adviser charges to be paid directly by the investor to the adviser are agreed. An investor may bear less than this, depending on the terms offered by the financial adviser, intermediary and/or Mobeus.

### The Allotment Formula

The Allotment Formula determines the number of Offer Shares to be allotted in the relevant Company. It is used for two reasons. First, it creates a structure which enables Qualifying Investors to receive up front VCT income tax relief on the Investment Amount. Second, it means that each investor pays his/her own specific costs which results in his/her own bespoke Offer Price per Offer Share in each Company. This bespoke price is derived from the number of Offer Shares in the relevant Company allotted to the investor. The Boards believe that this results in a fair outcome for all investors and Shareholders.

The Allotment Formula to determine the number of Offer Shares in each Company to be allotted to an investor is as follows:

$$\text{Number of Offer Shares} = \frac{A - B - C}{\text{NAV}}$$

#### Where:

**A** is the Investment Amount;

**B** is the amount of Offer Costs;

**C** is any amount of initial adviser charges to be facilitated; and

**NAV** is the most recently published NAV per share in that Company on the day of allotment, adjusted for dividends declared and for which the record date for payment has passed at the time of allotment.

The number of Offer Shares to be allotted will be rounded down to the nearest number of whole Offer Shares in the relevant Company (i.e. fractions of Offer Shares will not be allotted).

Further information in relation to the constituent parts of the Allotment Formula is outlined below.

#### (i) Investment Amount

The Investment Amount is the monetary amount of the investor's Application accepted in respect of a Company.

#### (ii) Offer Costs

Mobeus, as promoter to the Offer, will receive a fee equal to 3.25% of the Investment Amount in respect of each Application accepted. Mobeus has agreed to reduce its fee by an amount equal to:

- any Early Investment Incentive discount of 1% that may be applicable in respect of an Application; and
- any 'execution only' initial commission offered by Mobeus and waived by the 'execution only' intermediary.

Mobeus may also agree to reduce its fees further (in whole or part) in respect of any specific investor or group of investors.

The net fee payable to Mobeus after these reductions will be the relevant amount of Offer Costs applied through the Allotment Formula in determining the number of Offer Shares to be allotted. Any reduction in Offer costs borne by an investor will increase the number of Offer Shares allotted to that investor. Mobeus will not offer any 'execution only' initial commission and/or further reduce its fee to the extent that the aggregate reduction would be more than 3.25% of the Investment Amount of any Application.

Further details on the Offer Costs, Early Investment Incentive and 'execution only' intermediary commission are set out on the following pages.

### (iii) Facilitation of initial financial adviser charges

Investors who agree to pay an initial financial adviser charge for advice in respect of an investment under the Offer can have this charge 'facilitated' as explained in part (a) of the section entitled 'Financial Adviser Charges and Intermediary Commissions' on page 29.

Any amount agreed to be facilitated (to be no more than 4.5% of the Investment Amount) will be applied through the Allotment Formula in determining the number of Offer Shares to be allotted and is in addition to Offer Costs of up to 3.25% of the Investment Amount.

### (iv) NAV per Share

Each Company publishes NAVs on a quarterly basis. These will be used to calculate the number of Offer Shares to be allotted to an investor through the Allotment Formula. Should there be a movement in the NAV between the normal quarterly dates that a Board of a Company believe to be significant, the relevant Company will publish an updated unaudited NAV, which will be used to calculate the number of Offer Shares. NAVs will be adjusted for dividends declared and for which the record date for payment has passed at the time of allotment.

Calculating the number of Offer Shares to be issued in each Company by reference to the then existing NAV per Share, plus costs, avoids dilution of the NAV of the existing Shares (ignoring the dilution caused by any permissible annual trail commission payments by each Company, which is not expected to be material).

### Offer Price

The Offer Price is determined by dividing the Investment Amount in the relevant Company by the number of Offer Shares issued by that Company to that investor. After each allotment, the results of each allotment (including details of the Offer Shares allotted and issued and the range of Offer Prices) will be announced through RIS Announcements.

### Allotment Formula Examples

Below are **examples** of how the Allotment Formula works for each of an advised investor, an 'execution only' investor and a direct investor. They are all based on an **illustrative** Investment Amount of £10,000 for a Company, a NAV of £1.05 per Share **and** that they benefit from an Early Investment Incentive of 1%.

In respect of the advised investor, example 1 assumes that a financial adviser initial charge equal to 0.75% (£75) of the Investment Amount is to be facilitated.

In respect of the 'execution only' investor, example 2 assumes that a commission equal to 0.75% (£75) of the Investment amount has been offered by Mobeus to the 'execution only' intermediary, but that the commission is waived by such intermediary (which reduces the Offer Costs).

In respect of the direct investor, example 3 has no adviser charge or 'execution only' intermediary commission.

	Investment Amount (A) (£)	Offer Costs (B) (3.25% less reductions) (£)	Initial adviser charge to be facilitated (C) (£)	NAV per Share (£)	Number of Offer Shares
Advised investor	10,000	(225)	(75)	1.05	9,238
Execution-only investor (initial commission waived)	10,000	(150)	-	1.05	9,380
Direct investor	10,000	(225)	-	1.05	9,309

### Offer Costs

Each Company will pay Mobeus, as promoter to its Offer, a fee equal to 3.25% of the Investment Amount in respect of successful Applications. In consideration, Mobeus will meet all the costs and expenses of each Offer, including:

- permissible initial commissions to 'execution only' intermediaries (see part (b) of the section 'Financial Adviser Charges and Intermediary Commissions' below)

but not the following:

- any amounts due from a Company to the investor in connection with the facilitation of initial adviser charges (see part (a) of the section 'Financial Adviser Charges and Intermediary Commissions' below) – such amounts being paid by the Company but borne by the relevant investor through the Allotment Formula; and
- permissible annual trail commission (see part (b) of the section 'Financial Adviser Charges and Intermediary Commissions' below) – such commission being paid by the relevant Company.

#### Reductions in Offer Costs:

Mobeus has agreed to reduce its fee in respect of a successful Application by an amount equal to any Early Investment Incentive discount of 1% applicable in respect of an Application and any 'execution only' initial commission offered by Mobeus but waived by the 'execution only' intermediary.

Mobeus may also agree (at its discretion) to reduce its fee further (in whole or part) in respect of any specific investor or group of investors for the benefit of such investors.

The benefit of these reductions will be applied through the Allotment Formula by reducing the Offer Costs for those investors, thereby increasing the number of Offer Shares to such investors.

Mobeus will not offer any further reduction in its fee which would result, in aggregate, in a reduction to its fee of more than 3.25% of the Investment Amount of any Application.

Assuming that the Offers are fully subscribed (and that the over-allotment facilities are fully utilised), the maximum Offer Costs payable by each Company and the minimum net proceeds (excluding any annual trail commission) will be:

Company:	MIG	MIG 2	MIG 4	I&G
Offer Costs	£812,500	£487,500	£487,500	£812,500
Net Proceeds	£24,187,500	£14,512,500	£14,512,500	£24,187,500

In the event that a Company utilises its over-allotment facility, Mobeus has agreed to waive its management fees for the relevant Company for the 12 month period following the close of that Company's Offer by an amount equal to 1% of any gross funds raised by that Company under its over-allotment facility.

#### Early Investment Incentive

Investors who successfully apply for Offer Shares pursuant to the Offers up to the earlier of **the first £50 million**, in aggregate, being raised across the Offers **OR 3 November 2017** will be eligible to receive an **early investment incentive discount equal to 1%** of the Investment Amount.

The Early Investment Incentive will be applied through the Allotment Formula. It will reduce the Mobeus charge in respect of those Applications, thereby resulting in an increased number of Offer Shares being allotted to the investor. Mobeus reserves the right to increase the aggregate amount and/or extend the date to which the Early Investment Incentive will apply. Mobeus intends to update its own website ([www.mobeusequity.co.uk/fundraising](http://www.mobeusequity.co.uk/fundraising)) each working day with the cumulative value of applications received under the Offers.

Investors will receive a letter of acknowledgement upon receipt of their Application, which will confirm whether or not their Application will be eligible for the Early Investment Incentive. In addition, once the Early Investment Incentive is no longer available, an RNS announcement will be made by each Company.

#### Financial Adviser Charges and Intermediary Commissions

The FCA has introduced regulations in respect of charges and commissions payable to financial advisers in consideration of advice being provided to their clients. These regulations took effect on 31 December 2012. This section details how financial adviser charges and intermediary commissions affect investors who invest through one of the three methods below:

##### (a) Investors who receive advice from their financial adviser

In accordance with the regulations, initial commission and trail commission are not permitted to be paid to financial advisers that have provided advice after 30 December 2012. However, an investor can agree to pay an initial charge to their financial adviser for advice received in relation to an investment in the Companies.

An initial adviser charge:

- Can be paid directly by the investor to the financial adviser.

**OR**

- Can, at the request of the investor, be facilitated by the Companies in whole or part (the amount which the Companies may agree to facilitate will be no more than 4.5% of the Investment Amount). If the initial adviser charge agreed with the financial adviser is greater than this maximum amount, the investor will need to make additional payments direct to the financial adviser.

It should be noted that the maximum amount of initial charges which may be facilitated on behalf of advised investors as outlined above should not be considered as a recommendation as to the appropriate levels of a financial adviser charge. This is for the investor and the financial adviser to agree depending on the advice and service being provided.

If the investor requests that an initial adviser charge be facilitated, this will be paid on behalf of the investor from an equivalent amount due to the investor from the Companies. The amount of any adviser charge facilitated will be taken into account in the Allotment Formula and the investor will receive fewer Offer Shares (equivalent to the value of the initial adviser charge). This will not, however, affect the availability of up front VCT income tax relief on the Investment Amount. Facilitation of any initial adviser charge will not affect the application of, if relevant, the Early Investment Incentive.

**(b) Investors who do not receive advice and submit their Application through an 'execution only' intermediary**

Intermediaries who provide 'execution only' services, to the extent permitted under legislation and regulations:

- May be offered an initial commission\* by Mobeus at a rate (to be agreed with Mobeus) determined by reference to their client's Investment Amount under the Offers (save that Mobeus will not offer any 'execution only' initial commission which, together with any further reduction to its fee, would result, in aggregate, in a reduction to its fee of more than 3.25% (less, if relevant, the Early Investment Incentive) of the Investment Amount of any Application).

**AND**

- Will be paid annual trail commission of 0.375% of the net asset value at the end of each financial year of the Offer Shares issued to their client under the Offers. This is subject to a cumulative trail commission cap of 2.25% of the Offer Price, their client continuing to hold their Offer Shares and the client not subsequently receiving advice from the intermediary. This trail commission is paid by each Company. As trail commission only applies to Applications through 'execution-only' intermediaries, and is capped at an amount equal to 2.25% of the Offer Price, the dilution from these payments across a Company's total funds is considered to be small.

\*'Execution only' intermediaries may agree to waive all or part of any initial commission offered by Mobeus in respect of their client's Application. Mobeus has agreed to reduce its fee by an amount equal to any initial commission waived, resulting in a lower amount of Offer Costs being applied through the Allotment Formula as set out above.

Investors and execution-only intermediaries should note that trail commission is not payable if the intermediary subsequently then gives advice in respect of a holding. It is the responsibility of the investor and the execution-only intermediary to notify the relevant Company as soon as possible if advice is given and payments for this (or for any other reason) must cease (though each Company also reserves the right to cease payments if it believes advice may have been given or for any other reason in its absolute discretion).

**(c) Commission Arrangements on existing shareholdings**

In respect of existing trail commission arrangements to intermediaries, such payments will continue (to the extent permitted under legislation and regulations), but not if subsequent financial advice in respect of the holding is given. As a result, should a Shareholder in a Company decide to seek financial advice from their existing execution-only intermediary in respect of participating in that Company's Offer, any trail commission which is currently being paid to that intermediary pursuant to an existing holding in that Company must cease and Mobeus and/or the Company should be notified accordingly.

**Direct investors**

Investors who have not invested their money through a financial adviser or intermediary and have submitted their Applications directly will bear the Offer Costs of an amount equal to 3.25% of their Investment Amount (through the Allotment Formula above), subject to any Early Investment Incentive or other Mobeus fee reductions.

**Use of funds**

It is intended that the proceeds of each Offer will be used by the relevant Company in accordance with its investment policy, a summary of which is set out in Part Six of this document. In particular, monies raised will be used to fund investment opportunities, as well as being used to fund dividends, buybacks and normal annual running costs.

**Results of the Offers**

The following will be announced through RIS Announcements:

- after each allotment, the results of each allotment (including details of the Offer Shares allotted and issued and the range of Offer Prices); and
- following the close of an Offer, the final results of that Offer.



# Part Four – The Investment Adviser: Mobeus

**The Boards believe that Mobeus is an investment adviser with a proven record of investing capital profitably and generating good levels of income for the Companies.**

## **Mobeus**

Mobeus is a UK limited liability partnership. Its origins date back to 1998 when its four founder partners began working together. Since 30 June 2012, Mobeus has been wholly owned by its executive partners.

The Mobeus team has now grown to 34 people, including 23 investment professionals. The Mobeus team focuses on advising and administering the four Mobeus-advised VCTs and on managing an Institutional limited partnership.

## **The Mobeus team**

Mobeus is one of the largest and most experienced VCT advisers. The Boards believe that there are four major features that make Mobeus one of the leading VCT investment advisers:

- *VCT performance track record* – the team has a strong and consistent record of delivering profitable cash realisations from VCT investments.
- *Experience* – the investment team of 23 private equity investment professionals includes ten partners who have an average of 23 years' experience in UK private equity.
- *Stability* – the four partners who originally formed the team have worked and invested together for 19 years.
- *Commitment* – as owners of their fund management business and given that the Mobeus VCTs represent a significant part of this business, the team has a clear and aligned interest with Shareholders in making the Mobeus VCTs a success.

## **VCT investment team**

### **Mark Wignall**

Mark is the managing partner of Mobeus and a founder partner. He entered the UK venture capital industry in 1987 on joining GLE Development Capital and became managing director in 1994. In 2004 he led the management team that acquired GLE Development Capital to form Matrix Private Equity Partners. In 2012, he led the partner group that bought itself out of the Matrix Group to form Mobeus. Mark is a member of the AIC VCT Forum and has 30 years' experience in private equity investment.

### **Clive Austin**

Clive is a partner of Mobeus and has an overall responsibility for the firm's investment portfolio. He is an investment management specialist whose experience covers a wide variety of sectors and stages of company development. He has been working with Mobeus since 2013. Before joining Mobeus, he worked at NVM Private Equity.

### **Trevor Hope**

Trevor is a partner who joined Mobeus in 2016 to develop and lead the firm's growth capital investment strategy. For over 20 years, Trevor has invested growth capital into UK businesses across a wide range of sectors including technology, media, leisure, business services, healthcare, telecoms and consumer services. Before joining Mobeus, he was the chief investment officer of Beringea, manager of the Proven VCTs.

### **Bob Henry**

Bob is a founder partner of Mobeus. He entered the private equity industry with County Bank in 1979. He established and was head of HSBC Ventures, the UK bank's captive smaller venture capital firm, from 1992, leaving to join Mobeus in 1998. He has over 30 years' experience in private equity investment. Bob works alongside Trevor Hope in developing and leading the firm's growth capital investment strategy.

### **Guy Blackburn**

Guy is a portfolio director and acts as a non-executive director on a number of Mobeus investee companies providing support with business planning and growth.

### **Greg Blin**

Greg is an investment director at Mobeus responsible for sourcing investment opportunities across the UK. Greg has particular experience investing in the consumer sector. Previously, he was a manager at PricewaterhouseCoopers where he provided corporate finance advice on a variety of buy-side and sell-side transactions. Greg is a Chartered Accountant.

### **Amit Hindocha**

Amit joined Mobeus in 2016 and is an investment director responsible for sourcing and completing investment opportunities from across the UK. He previously worked as an investment manager at the Business Growth Fund and LMS Capital. Before moving to the investment side, Amit spent five years as a management consultant advising on mid-market private equity and corporate transactions.

### Josh Levy

Josh joined Mobeus as an investment executive in 2017 from Mercia Technologies PLC where he spent three and a half years investing predominantly into venture and growth stage software companies. Josh holds an MA in Land Economy with Management Studies from the University of Cambridge & Judge Business School.

### Jane Reoch

Jane joined Mobeus as a portfolio director in 2017. Her focus is to monitor and report on all growth capital investments within the portfolio. Previously, she was an investment director at Panoramic Growth Equity responsible for origination, execution and management of investments.

### Eric Tung

Eric is a partner of Mobeus. He qualified as a chartered accountant with KPMG and joined Enterprise Ventures in 1990, becoming head of investment, leaving to join Mobeus in 2000. He has over 20 years' experience in private equity investment.

### Mike Walker

Mike is a founder partner of Mobeus. He 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 Mobeus in 1998 and has over 30 years' experience in private equity investment.

### Mobeus awards

The Mobeus team has won numerous private equity investment industry awards, including:

Award	Winner
<b>unquote" British Private Equity Awards:</b>	
VCT Manager of the Year	2008, 2012, 2013, 2014, 2015
VCT Exit of the Year	2015
<b>Insider Dealmakers:</b>	
South West Private Equity House of the Year	2013
South East Private Equity House of the Year	2011, 2013, 2015, 2016
Central & East Private Equity House of the Year	2014
<b>Investor Allstars awards:</b>	
VCT of the Year	2012, 2015
VCT Manager of the Year	2005, 2006

## Part Five – The Boards

**As required by the Listing Rules, the Board of each Company is independent of Mobeus. All Directors are non-executive and, except for Helen Sinclair, independent of Mobeus. Helen is a director of both I&G and MIG 4 and, as both are advised by Mobeus, is deemed not to be an independent director under the Listing Rules.**

**Each Board has substantial experience of venture capital businesses and has overall responsibility for its Company's affairs, including determining the investment policy of the relevant Company, and making investment decisions on the advice of Mobeus. Each Board also retains responsibility for approving both the valuations of its portfolio and the net assets of its Company (on the advice of Mobeus).**

### Mobeus Income & Growth VCT plc

#### Clive Boothman (independent chairman)

Clive has over 30 years' experience in the financial services industry. Initially, he qualified as a chartered accountant and worked for Arthur Young McClelland Moores (now Ernst & Young) and Moore Stephens (Bermuda). He was with Schroders for seventeen years from 1983 during which time he was, at different times, managing director, Schroder Unit Trusts for ten years and managing director of the Firm's Private Client Group for the final two years. Since leaving Schroders, he has been chief executive of the stockbroker, Gerrard Limited (2000 – 2001), the fund platform Cofunds Limited (2002 – 2003) and London Representative of Jersey Finance Limited (2009 – 2011).

More recently, from 2004 until December 2014, he was non-executive chairman of Investment Funds Direct Limited (trading as Ascentric), a comprehensive, whole-of-market wrap platform. Since July 2014, he has been non-executive chairman of Platform One Group Limited, another wrap platform which specialises in providing services to international clients and their advisers as well as UK higher net worth clients.

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#### Bridget Guérin (independent director)

Bridget has over 30 years' experience in the financial services industry. She was managing director of Matrix Money Management Limited between June 1999 and March 2011 and sat on the Matrix Group board between 2000 and 2009.

Prior to joining Matrix, Bridget gained 14 years of retail investment fund experience at Schroder Unit Trusts Limited, Ivory & Sime and County NatWest. Bridget is currently a non-executive director of CCP Quantitative Fund, CCP Core Macro Fund, Schroder Income Growth Fund plc, a London listed investment trust and Charles Stanley Group plc. She is on the board of Beverley Racecourse Limited and is a member of the York Racecourse Committee and is a trustee of the York Racecourse Pension Fund. Bridget was a director of MIG 3 which merged with MIG in May 2010.

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#### Catherine Wall (independent director)

Catherine has over 30 years' experience in the private equity industry, having worked for Barclays Private Equity (now called Equistone Partners Europe) from 1984 to 1989 and also from 1994 to 2013, and for 3i plc from 1989 to 1993. As a director of Barclays Private Equity she led and managed numerous investments in management buy-outs. She later became UK portfolio director, supervising the management of all the firm's UK investments.

She held over 20 roles as non-executive director, non-executive chairman or shareholder representative on the boards of investee companies in which Barclays Private Equity/Equistone Partners Europe were invested; additionally, she was a non-executive director of Indigo Holdings Limited from August 2010 to December 2012 and served on the investment committee of the British Red Cross from 2004 to July 2014. She is currently chairman of Signum Technology Limited, a valve manufacturer, a non-executive director of Greenwood & Coope Limited (trading as Cormar Carpets) and is on the investment panel of Westminster Abbey.

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### Mobeus Income & Growth 2 VCT plc

#### Nigel Melville (independent chairman)

Nigel was chairman of Emtelle Holdings Limited, the UK's leading supplier of fibre-optic ducting systems, until August 2008. He has been a director of a number of other public and private companies. Between 1972 and 1995, he was an investment banker, latterly as a director of Barings, responsible for international corporate finance. In 1995 he established Melville Partners to provide strategic consultancy to a range of international companies.

### **Ian Blackburn (independent director)**

Recently appointed on 1 July 2017, Ian is a qualified chartered accountant who specialised in Corporate Finance at KPMG before building and selling two listed food groups. He has extensive UK European strategic, operations and finance experience as chief executive and finance director of Perkins Foods plc and Zetar plc. Currently, he is an active investor in a number of SMEs including chairman and non-executive roles with Mood Foods, Kinteract, and Peppersmith. He is also a trustee/treasurer of The Thomas Fryer Charity.

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### **Sally Duckworth (independent director)**

Sally has worked in the financial services sector since 1990 and in the private equity industry since 2000. An active angel investor, she sits on the board of several early stage companies. She is a qualified accountant, former investment banker and venture capitalist. From 2000 to 2004 she worked for Quester Capital Management Limited as part of the investment team for their VCTs.

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### **Adam Kingdon (independent director)**

Adam has over 20 years' experience as a turnaround specialist and of restoring companies to profitability. He led a management buyout of Robinson Electronics, a supplier of test equipment for electricity supply utilities. He then went on to turn around more than ten loss-making engineering and technology companies in the UK, France, Germany, Holland and Belgium. He is also the founder and chief executive of i2O Water Limited and a director of Kingdon Burrows Performance Aircraft Limited.

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### **Ken Vere Nicoll (independent director)**

Ken has over 40 years' corporate finance experience and retired from Matrix Corporate Capital LLP, which provided corporate finance advice and stockbroking services, on 30 June 2009. He was a non-executive director of Unicorn AIM VCT II plc until March 2010, when it merged with Unicorn AIM VCT plc. He will be retiring from the MIG 2 Board on 14 September 2017.

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## **Mobeus Income & Growth 4 VCT plc**

### **Christopher Moore (independent chairman)**

Christopher has considerable experience of the venture capital industry. After completing a law degree and qualifying as a chartered accountant with Price Waterhouse, he worked for Robert Fleming Inc., Lazards, Jardine Fleming and then Robert Fleming, latterly as a main board director from 1986 to 1995. During this period he was involved in various unquoted and venture capital investments and remained chairman of Fleming Ventures Limited, an international venture capital fund, until the fund's final distribution in 2003. His roles have included acting as senior adviser to the chairman of Lloyds and chairing the successful turnaround of a public industrial group. Until May 2010, he was a director of MIG and until September 2010 he was a director of I&G. He was also a director of MIG 3 until it merged with MIG in 2010.

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### **Andrew Robson (independent director)**

Andrew qualified as a chartered accountant in 1984. From 1984 to 1997, he worked in corporate finance at Robert Fleming & Co Limited, becoming a director. Following a four year term in charge of the finances of the National Gallery, he joined Société Générale as a director in the London M&A department. He subsequently became finance director of the eFinancial group, a group specialising in financial publishing and online recruitment. He now works as a business adviser to small companies. Andrew has over 15 years' experience as a non-executive director, including with investment companies. He is currently an executive director of First Integrity Limited (from December 2006), and a non-executive director of Peckwater Limited, Shires Income plc (from May 2008), JP Morgan Smaller Companies Investment Trust plc (from 2007) and Witan Pacific Investment Trust plc (from 2014). Andrew was a non-executive director of Edinburgh UK Smaller Companies Tracker Trust plc from 1998 to 2006, British Empire Trust plc from 2008 to earlier this year and M&G Equity Investment Trust plc from 2007 to 2011.

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**Helen Sinclair (non-independent director)**

Helen 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 an 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 helped raise the initial funds for Mobeus Income & Growth 2 VCT plc (formerly Matrix e-Ventures VCT plc). She is a non-executive director of Gresham House Strategic plc and is chairman of British Smaller Companies VCT plc. Helen is a director of both I&G and MIG 4 and, as both are advised by Mobeus, is deemed not to be an independent director under the Listing Rules.

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**The Income & Growth VCT plc****Colin Hook (independent chairman)**

Colin has extensive financial and commercial experience. He has worked in the City for more than 30 years. During this time, he has himself successfully founded two fund management companies and directed fund management operations for more than ten years. His City involvement includes mergers and acquisitions. From 1994 to 1997 he was chief executive of Ivory and Sime plc. Until February 2013, he was chief executive of Pole Star Space Applications Limited, a company which he helped to found in 1998 and which is today the world's leading provider of real-time tracking information for the maritime industry. He remains a director on this board. Until September 2010, he was also chairman of MIG 4.

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**Jonathan Cartwright (independent director)**

Jonathan is a qualified chartered accountant. He has significant experience of the investment trust sector and of serving on the boards of both public and private companies in executive and non-executive roles. Jonathan joined Caledonia Investments plc in 1989, serving as finance director from 1991 to December 2009. Prior to this he was group financial controller at Hanson plc from 1984 to 1989. He was a non-executive director of Bristow Group Inc. (from 1996 to 2009) and of Serica Energy plc (from 2008 to 2012). He is non-executive chairman of BlackRock Income & Growth Investment Trust plc and also of Aberforth Split Level Investment Trust plc. He is also a non-executive director of Tennants Consolidated Limited. Jonathan has served on the Self-Managed Investment Trust Committee of the Association of Investment Companies (to December 2009).

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**Helen Sinclair (non-independent director)**

Please see above for MIG 4.

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# Part Six – Objectives and Policies

The objectives and investment policies for the Companies are similar in all material respects. A summary of the Companies' objectives and investment policies is set out below. The full objectives and investment policies for each Company are set out in the Registration Document which is available on the Mobeus website.

## Summary of the Companies' objectives

The objective of MIG, MIG 2 & MIG 4 is to provide investors with a regular income stream, arising both from the income generated by companies selected for the portfolio and from realising any growth in capital, while continuing at all times to qualify as a VCT.

The objective of I&G is to provide investors with an attractive return by maximising the stream of tax-free dividend distributions from the income and capital gains generated by a diverse and carefully selected portfolio of investments, while continuing at all times to qualify as a VCT.

## MIG, MIG 2 and MIG 4's investment policies

The investment policies of MIG, MIG 2 and MIG 4 are the same and designed to ensure that each VCT continues to qualify and is approved as a VCT by HMRC.

Each Company's investment policy is designed to meet the Company's objective. Each Company's policy is to invest primarily in a diverse portfolio of UK unquoted companies.

Investments are made selectively across a number of sectors, principally in established companies. Investments are usually structured as part loan stock and part equity in order to produce a regular income stream and to generate capital gains from realisations.

There are a number of conditions within the VCT legislation which need to be met by each Company and which may change from time to time. Each Company will seek to make investments in accordance with the requirements of prevailing VCT legislation.

Asset allocation and risk diversification policies, including the size and type of investments each Company makes, are determined in part by the requirements of prevailing VCT legislation. No single investment may represent more than 15% (by VCT tax value) of the relevant Company's total investments at the date of investment.

## Liquidity

Each Company's cash and liquid funds are held in a portfolio of readily realisable interest bearing investments, deposit and current accounts, of varying maturities, subject to the overriding criterion that the risk of loss of capital be minimised.

## Borrowing

Each Company's articles of association permit borrowings of amounts up to 10% of the adjusted capital and reserves (as defined therein). However, none of the Companies have ever borrowed and each Board would only consider doing so in exceptional circumstances.

## I&G's investment policy

I&G's investment policy is to invest primarily in a diverse portfolio of UK unquoted companies. Investments are generally structured as part loan and part equity in order to receive regular income and to generate capital gains upon sale.

Investments are made selectively across a number of sectors, principally in established companies.

I&G's cash and liquid resources are held in a range of instruments of varying maturities, subject to the overriding criterion that the risk of loss of capital be minimised.

## VCT regulation

The investment policy is designed to ensure that I&G continues to qualify and is approved as a VCT by HMRC.

Amongst other conditions, I&G may not invest more than 15% of its investments (by VCT value at the time of investment) in a single company or group and must have at least 70% by VCT value of its investments throughout the period in shares or securities comprised in VCT qualifying holdings, of which a minimum overall of 30% by VCT value (70% for funds raised after 6 April 2011) must be in ordinary shares which carry no preferential rights (save as may be permitted under VCT rules). In addition, although I&G can invest less than 30% (70% for funds raised after 6 April 2011) of an investment in a specific company in ordinary shares it must have at least 10% by VCT value of its total investments in each VCT qualifying company in ordinary shares which carry no preferential rights (save as may be permitted under VCT rules).

The companies in which investments are made must have no more than £15 million of gross assets at the time of investment and £16 million immediately following the investment to be classed as a VCT qualifying holding.

### Asset mix

I&G initially holds its funds in a portfolio of interest-bearing investments and deposits. The investment portfolio of qualifying investments is built up over a three year period with the aim of investing and maintaining at least 70% of net funds raised in qualifying investments.

### Risk diversification and maximum exposures

Risk is spread by investing in a number of different businesses across different industry sectors. To reduce the risk of high exposure to equities, each qualifying investment is structured to achieve the optimum balance between loan stock and equity to provide protection against downside risk alongside the best potential overall returns.

### Co-investment

I&G is entitled to invest along side other VCTs advised by Mobeus that have a similar investment policy, normally on a pro rata to net assets basis.

### Borrowing

I&G's Articles permit borrowings of amounts up to 10% of the adjusted capital and reserves (as defined therein). However, I&G has never borrowed and the I&G Board has no current plans to undertake any borrowing.

### Liquid investments

Each Company's liquid investments are held in Money Market Funds and bank deposits which since 5 April 2016 must not exceed seven days' notice, with the objective of generating income whilst maintaining that Company's capital, pending investment in UK unquoted companies. Money Market Funds invest their assets in money market instruments (i.e. cash and near cash, such as bank deposits, very short term fixed interest securities or floating rate notes). The main objective for existing funds held in Money Market Funds and funds held in bank deposits, now and in the future, will be the protection of capital. Priority is, and will be, given to the credit rating of the funds or banks used rather than the rates of interest offered, which are currently at historically low levels.

### Valuation policies

Unquoted investments will be valued at fair value in accordance with IPEVC Valuation Guidelines. Investments in AIM traded companies will be valued at the prevailing bid price.

### Dividend policies

The Companies normally pay income dividends each year. Subject to fulfilling certain regulatory requirements, the Companies also seek to pay capital dividends following portfolio realisations. The ability to pay a dividend is considered at each quarterly meeting.

**MIG and MIG 4** have a current minimum annual target dividend of at least **4p per share**. **I&G's** current annual target dividend is **6p per share**, while **MIG 2** has a current annual target dividend of no less than **5p per share**. Each Board intends to continue with a policy of maximising the stream of dividend distributions to Shareholders, from the income and capital gains generated by their respective portfolios, or from other distributable reserves. There is, however, no guarantee that dividends will continue to be paid by the Companies or that the dividend targets stated will be met. I&G reported in the 2016 I&G Annual Report that the sustainability of its target dividend is under review, which remains the case.

In respect of each of the Company's current financial years, each Company has paid or has declared the following interim dividends. MIG 2 paid an interim dividend of 7.0p per MIG 2 Share on 27 July 2017 to MIG 2 Shareholders on the register on 7 July 2017, I&G paid an interim dividend of 15.0p per I&G Share on 31 August 2017 to I&G Shareholders on the register on 11 August 2017, MIG 4 will pay an interim dividend of 18.0p per MIG 4 Share on 11 September 2017 to MIG 4 Shareholders on the register on 11 August 2017 and MIG will pay an interim dividend of 9.0p per MIG Share on 13 September 2017 to MIG Shareholders on the register on 18 August 2017.

Further current year dividend payments, if any, will be announced within the period of each Company's normal financial reporting cycle and made by the dates shown below. Each Company may pay dividends by an earlier date, should the relevant Board think fit and subject to the performance of that Company.

Company	In respect of year to	Dividend payment date
MIG	31 December 2017	by May 2018
MIG 2	31 March 2018	by March 2018*
MIG 4	31 December 2017	by May 2018
I&G	30 September 2017	by February 2018

(\* MIG 2 has, in recent years, paid all dividends in respect of a financial period prior to the end of that financial period.)

## Dividend investment schemes

Both MIG 4 and I&G operate a dividend investment scheme whereby Shareholders can elect to have their dividends reinvested in further Shares in the relevant Company. Under the terms of both schemes, the dividends are reinvested at the higher of firstly, 70% of the last published NAV per Share in the relevant Company prior to allotment and the average of the middle market price for Shares in the relevant Company from the London Stock Exchange Daily Official List for the five business days immediately preceding the payment date of the dividend. In practice to date, Shares under each Company's scheme have been allotted on the latter basis, which has resulted in Shares being allotted approximately at a 10% discount to the latest announced NAV. The terms of the schemes are available on the Mobeus website:

For MIG 4 – <http://www.mobeusequity.co.uk/investor-area/mobeus-income-and-growth-4-vct/dividends>

For I&G – <http://www.mobeusequity.co.uk/investor-area/the-income-and-growth-vct/dividends>

**If you would like your dividends from MIG 4 and/or I&G to be re-invested, please complete and sign the relevant mandate form(s), set out on the two pages immediately after the Application Form at the end of this document. Please return this/these with your Application Form.**

## Buyback policies

The Boards are aware that it is usually difficult for investors to sell VCT shares in the market at or close to net asset value. Each Board aims to provide Shareholders who wish to sell their Shares with an opportunity to do so by operating an active policy of buying back Shares, thereby seeking, inter alia, to manage the level of discount to net asset value at which Shares may trade in the market. Each Company is currently operating its buyback policy with the objective of maintaining the discount to NAV at which the Shares trade at approximately 10% or less. The Shares are currently trading, on a mid-market basis, at discounts to the latest published NAVS as at 30 June 2017, adjusted for dividends paid/payable after 30 June 2017, of approximately 10%.

The target discount will generally be against the Company's latest published NAV, adjusted for the right to any dividends. However, if a Board, in consultation with Mobeus, considers that there has been a material movement in the Company's NAV from the latest announced figure, that Board will apply this target discount to its best estimate of the current NAV and announce this NAV before such buybacks are undertaken.

In pursuing this policy, each Board's priority will be to ensure that it is acting prudently and in the interests of remaining Shareholders of the relevant Company. Share buybacks will be entirely at each Board's discretion and will be subject to the relevant Company having sufficient funds available and distributable reserves for such a purpose. Shareholders of each Company have authorised the Company of which they are Shareholders to buy back Shares as set out in Part Eight of this document. Share buybacks will also be subject to the Listing Rules and any applicable law and regulatory restrictions at the relevant time. Shares bought back in the market will ordinarily be cancelled.

Investors should be aware that the Companies have historically bought back shares at prices representing different discounts to NAV and, at times, greater than 10%.

## Co-investment policy

Subject to the requirements of their investment policies, the Companies aim to invest in larger, relatively more mature unquoted companies through investing alongside each other compared to what would otherwise be the case individually. The Companies may co-invest in combined investments advised by Mobeus of up to £5 million, as long as that business has not received funds from any state-aided risk capital schemes in the 12 months prior to the date of investment.

Where more than one of the Companies wishes to participate in an investment opportunity, allocations will generally be made in proportion to the latest published net asset value (adjusted for any subsequent dividends, buybacks and share allotments) of each Company at the date each investment proposal is forwarded to each Board. The general exception to this is where investments are proposed to be made in an investee company where a Company has a pre-existing investment. Implementation of this policy will be subject to the availability of monies to make the investment and other portfolio considerations such as sector exposure and the VCT requirement to achieve or maintain a minimum of 70% of a particular Company's portfolio in Qualifying Companies.

Any variation from this co-investment policy insofar as it affects a Company may only be made with the prior approval of the relevant Board.



# Part Seven – Management Expenses and Administration

## Annual expenses cap

The normal annual expenses of the Companies (which include the management fees below) are capped, based on the closing net asset value of each Company, as follows:

Company	Annual expenses cap*	Expenses excluded from the annual expenses cap	Ongoing charges ratio**
MIG	3.60%	irrecoverable VAT, exceptional items and performance incentive fees	2.7%
MIG 2	3.60%	irrecoverable VAT, exceptional items and performance incentive fees	3.0%
MIG 4	3.40%	irrecoverable VAT, exceptional items and performance incentive fees	2.8%
I&G	3.25%	exceptional items, performance incentive fees and trail commission	2.8%

\* Any excess over these caps will be rebated by Mobeus.

\*\* As disclosed in the last audited accounts for each Company. The ongoing charges ratio has been calculated using the AIC recommended methodology. This figure shows the annual percentage reduction in shareholder returns as a result of recurring operational expenses including VAT, assuming markets remain static and the portfolio is not traded. Although the ongoing charges figure is based upon historical information, it provides an indication of the likely level of costs that will be incurred in managing the fund in the future. It includes normal annual recurring expenses including VAT, but excludes performance incentive fees, annual trail commission and, for the avoidance of doubt, exceptional or non recurring items. The calculation of the ongoing charges ratio, therefore, differs slightly from the calculation of the annual expenses cap.

## Management fees

Mobeus acts as the investment adviser, company secretary and administrator to the Companies and is entitled to annual fees, based on the net asset value of the relevant Company, as follows:

- MIG**  
 An amount equal to 2% per annum of MIG's net assets, plus an annual fixed fee of £120,000 which is subject to annual RPI increases\* (currently £134,168).
- MIG 2**  
 An amount equal to 2% per annum of MIG 2's net assets, plus an annual fixed fee of £104,432 which is subject to annual RPI increases\* (currently £113,589).
- MIG 4**  
 An amount equal to 2% per annum of MIG 4's net assets plus an annual fixed fee of £107,827 which is subject to annual RPI increases\* (currently £115,440).
- I&G**  
 An amount equal to 2.4% per annum of I&G's net assets, 0.4% of such fee being subject to an annual minimum and maximum payment of £150,000 and £170,000 respectively.

\*Where the above fees are subject to annual RPI increases, Mobeus agreed in 2013 to waive such further increases until otherwise agreed with the relevant Board.

In the event that a Company utilises its over-allotment facility, Mobeus has agreed to waive its management fees for the relevant Company for the 12 month period following the close of the Company's Offer by an amount equal to 1% of any gross funds raised by that Company under its over-allotment facility.

## Performance incentive fees

As is customary in the private equity industry, Mobeus is also entitled to receive annual performance incentive fees as set out below.

- MIG**  
 Mobeus is entitled to receive an annual performance-related incentive fee of 20% of the dividends paid in a year in excess of a "Target Rate" comprising firstly, an annual dividend paid in a year target which started at 6p per share on launch (indexed each year for RPI) and secondly a requirement that any shortfall of cumulative dividends paid in each year beneath the cumulative annual dividend target is carried forward and added to the Target Rate for the next accounting period. Any excess of cumulative dividends paid above the cumulative annual dividend target is not carried forward, whether an incentive fee is payable for that year or not. Payment of a fee is also conditional upon the daily weighted average NAV per MIG Share throughout such year equalling or exceeding the daily weighted average base NAV per MIG Share throughout the same year. The performance fee is payable annually.

For the year ending 31 December 2017, the annual dividend target is 7.33p per MIG Share (subject to any RPI increase for the current year) and there is no opening shortfall in the cumulative dividends target. Besides meeting the annual dividend target, payment of any incentive fee is also subject to MIG maintaining the average NAV per MIG Share equal to an average base NAV per MIG Share for the current year. As at 30 June 2017, this base NAV per MIG Share figure stands at 98.56p compared to the current average NAV per MIG Share of 81.96p. No performance fee has been paid to date, apart from the bonus payment referred to below.

For the year ended 31 December 2014, depending upon the interpretation of the terms contained in the original performance incentive agreement, a performance fee was potentially payable to Mobeus. In light of the absence of sufficient clarity in several parts of the performance incentive agreement at that time, and to recognise the particularly strong returns achieved by Mobeus for MIG during the preceding eighteen months, the MIG Board recommended the payment of an ex-gratia bonus of £250,000 to Mobeus. This payment was approved by MIG Shareholders at a general meeting held on 3 September 2015 and subsequently paid to Mobeus on 30 September 2015.

- **MIG 2**

Mobeus is entitled to receive a performance incentive fee calculated as an amount equivalent to 20% of the excess of a "Target Rate" comprising an annual dividend target of 7.55p (indexed each year for RPI) per MIG 2 Share as at 31 March 2017, and a requirement that any cumulative shortfalls below the annual dividend target from previous years must be made up in the relevant year in question. Any excess is not carried forward, whether a fee is payable for that year or not.

Payment of a fee is also conditional upon the average NAV per MIG 2 Share for the relevant year equalling or exceeding the average "Base NAV" per MIG 2 share for that year. Base NAV commenced at 100p per MIG 2 Share when the C ordinary shares ("C Shares"), which are now constituted within the MIG 2 Shares class, were first issued in 2005, with this further being adjusted for subsequent MIG 2 Shares issued and bought back.

Any performance fee will be payable annually. It will be reduced to the proportion which the number of "Incentive Fee Shares" represent of the total number of MIG 2 Shares in issue at any calculation date. Incentive Fee Shares are the only MIG 2 Shares upon which an incentive fee is payable. These are the number of C Shares in issue just before the merger of the two former share classes on 10 September 2010 (the merged share class then subsequently became the current class of MIG 2 Shares) plus MIG 2 Shares issued under new fundraisings since the merger. This total is then reduced by an estimated proportion of the MIG 2 Shares bought back by MIG 2 since the merger, that are attributable to the Incentive Fee Shares.

As at 31 March 2017, the end of the last financial year for MIG 2, cumulative dividends paid exceeded the annual cumulative dividend target by 0.05p per MIG 2 Share (£13,458 surplus in aggregate being 78.1% of the total surplus, where 78.1% is the proportion of Incentive Fee Shares to the total number of MIG 2 Shares in issue as at the year end) and taking into account the target rate of dividends and the dividends paid to MIG 2 Shareholders. The annual dividend hurdle was 7.55p per MIG 2 Share as at the year end after adjustment for RPI. The Base NAV was 106.14 per MIG 2 Share as at the year-end and an average of 106.13p for the year, compared to an average NAV per MIG 2 Share for the year of 116.23p. Accordingly, an Incentive payment of £2,692 was payable for the year, being 20% of the surplus of £13,458 referred to above.

For the year ending 31 March 2018, the annual dividend hurdle is currently 7.55p per MIG 2 Share (subject to any RPI increase for the current year) and as at 30 June 2017 the Base NAV is 106.14p, compared to a current average NAV per MIG 2 Share of 109.31p for the year.

- **MIG 4**

Mobeus is entitled to receive a performance incentive fee of an amount equal to 20% of excess annual dividends paid in an accounting period to the holders of MIG 4 Shares in excess of an annual dividend target return of 8.52p (subject to annual RPI increases) per MIG 4 Share, subject to MIG 4 maintaining an average NAV per MIG 4 Share above or equal to an average "Base NAV" per MIG 4 Share. As at 30 June 2017 the Base NAV is currently 118.64p and the average NAV is currently 106.26p per MIG 4 Share.

The performance incentive fee is payable annually and any cumulative shortfalls against the annual dividend target return from previous years have to be made up in the year in question before any entitlement arises. The current cumulative dividend shortfall (ignoring the RPI increase for the current year) is 13.10p per MIG 4 Share.

No performance incentive fee has been paid to date and nor is one likely to be paid for the current year.

- **I&G**

Until 30 September 2013, Mobeus was entitled to receive a performance related incentive payment (payable in cash or I&G Shares) based on realised gains from the investment portfolio which it advises. The performance payment represented an amount equal to 20% of any excess (over the investment growth hurdle detailed below) of realised gains over realised losses from these investments during each accounting period provided that in respect of the portfolio:

- at any calculation date, the value of the investment portfolio, based on I&G's normal accounting policies, adjusted for net realised gains and losses and total surplus income since 20 June 2007 was equal to or greater than the embedded value of the portfolio, as adjusted by new investments and the value of the Nova Capital Management portfolio (as at 30 June 2007); and
- such excess was subject to an investment growth hurdle of 6% per annum calculated from 1 July 2007.

Fees of £422,733 for the year ended 30 September 2008, £1,584,811 for the year ended 30 September 2012 and £28,156 for the year ended 30 September 2013 have been paid to Mobeus from I&G. Foresight Group LLP, in connection with their previous appointment as an investment manager of I&G, has an ongoing entitlement to performance fees in respect of the portfolio of the original I&G ordinary share fund (similar to the above but disregarding the terms relating to the merger of the original I&G ordinary shares and I&G S ordinary shares). Fees of £1,957,234 for the year ended 30 September 2012, £31,517 for the year ended 30 September 2013, and £43,830 for the year ended 30 September 2016 have been paid to Foresight Group LLP. The estimated incentive fee payable to Foresight Group LLP for the year ended 30 September 2017 is £nil.

The basis of calculation remains in force, but only with the former adviser, Foresight Group LLP, from that date. The agreement is due to expire on 10 March 2019.

The basis of calculation of the payment to Mobeus was amended, and is now covered by a separate agreement, with effect from 1 October 2013. The payment to Mobeus is now 15% of net realised gains for each year, payable in cash. It is payable only if cumulative NAV total return per I&G Share (this being the closing NAV per I&G Share as at a year end plus cumulative dividends paid per I&G Share to that year end, since 1 October 2013) exceeds a "Target Return". The Target Return is the greater of either:

- i) compound growth of 6% per annum (but 5% per annum for the year ended 30 September 2014 only), before deducting any incentive fee payable for the year of calculation only, under both this amended agreement and the existing incentive agreement with Foresight Group LLP, in cumulative NAV total return per I&G Share; or
- ii) the cumulative percentage change in the Consumer Prices Index since 1 October 2013 to the relevant financial year end, the resultant figure then being multiplied by  $(100+A)/100$ , where A is the number of full 12 month periods (or part thereof) that have passed between 1 October 2013 and the relevant financial year end (the result of this is that the cumulative increase in inflation is further uplifted to include a 1% above inflation increase per annum in the Target Return).

Both measures of Target Return are applied to the same opening base, being NAV per I&G Share as at 30 September 2013 of 113.90p. The objective of this Target Return is to enable I&G Shareholders to benefit from a cumulative NAV return of at least 6% per annum (5% in the financial year ended 30 September 2014), before any incentive fee is payable. Once a payment has been made, cumulative NAV total return is calculated after deducting past years' incentive fees paid and payable.

Under this amended agreement, any fee payments to Mobeus are subject to an annual cap of an amount equal to 2% of the net assets of I&G as at the immediately preceding year end. This cap will include any fee payable to Foresight Group LLP under the old agreement, although any such payment to Foresight Group LLP is not capped. Any excess over the 2% remains payable to Mobeus in the following year(s), subject to the 2% annual cap in such subsequent year(s) and after any payment in respect of such subsequent year(s). The incentive fee payable to Mobeus for the year ended 30 September 2016 was £1,096,391. As at 30 June 2017, the estimated incentive fee payable for the year ending 30 September 2017 is currently £607,634.

## **VAT**

The Companies currently do not pay VAT on the management fees or performance incentive fees above. Future legislation or interpretation could change each Company's position in respect of VAT.

## **VCT status monitoring**

Philip Hare & Associates LLP receives an annual fee of £7,500 (plus VAT) from MIG, £7,000 (plus VAT) from MIG 2, £8,000 (plus VAT) from MIG 4 and £9,000 (plus VAT) from I&G for providing advice and assistance in relation to the maintenance of the VCT status of that Company and receives usual hourly rates in connection with all other VCT tax advice and assistance. Shakespeare Martineau LLP has advised the Companies in relation to the VCT tax implications of the Offers.

# Part Eight – Other Information

## History of the Companies

### MIG

MIG was launched in July 2004 and has been advised solely by Mobeus since launch.

In May 2010, MIG completed a merger with MIG 3 which was also solely advised by Mobeus since launch. The merger was completed by the transfer of assets and liabilities of MIG 3 to MIG in consideration of MIG Shares being issued to the shareholders of MIG 3. £41.1 million of net funds has been raised by MIG pursuant to offers since 2011.

MIG was awarded 'VCT of the Year' at the 2013 Investment Week Company Awards.

As at 30 June 2017, MIG had (unaudited) net assets of £62.4 million, £49.5 million of which was invested in 38 companies (which includes 6 companies to which investment has been provided and which are seeking trade opportunities), with the balance of approximately £12.9 million substantially invested in Money Market Funds or held in bank deposits and cash.

### MIG 2

MIG 2 was launched in May 2000. In September 2005, MIG 2 changed its investment strategy and launched a new C ordinary share fund. The ordinary shares and C ordinary shares were merged in September 2010 on a relative net asset basis creating one enlarged share class. £44.3 million of net funds has been raised in aggregate under the share offers launched since 2000.

As at 30 June 2017, MIG 2 had (unaudited) net assets of £39.3 million, £29.5 million of which was invested in 38 companies (which includes 6 companies to which investment has been provided and which are seeking trade opportunities), with the balance of approximately £9.8 million substantially invested in Money Market Funds or held in bank deposits and cash.

### MIG 4

MIG 4 was launched as TriVen VCT plc in January 1999 (raising net funds of £18.8 million) and was originally advised by three VCT investment advisers, Mobeus (originally GLE Development Capital Limited), Elderstreet Private Equity Limited and LICA Development Capital (whose portfolio was subsequently assumed by Nova Capital Management Limited).

The investment mandates for Elderstreet and Nova were terminated in 2006 and Mobeus was awarded the investment mandate as sole investment adviser. At the time, a 2 for 1 share consolidation occurred so that the subscription price for original investors became 200p per share. £48.9 million of net funds has been raised in aggregate under the share offers since 2007.

As at 30 June 2017, MIG 4 had (unaudited) net assets of £52.8 million, £37.9 million of which was invested in 44 companies (which includes 6 companies to which investment has been provided and which are seeking trade opportunities) with the balance of approximately £14.9 million substantially invested in Money Market Funds or held in bank deposits and cash.

### I&G

I&G launched as TriVest VCT plc in October 2000 and was advised in respect of the original ordinary share fund by three VCT investment advisers, Mobeus (originally GLE Development Capital Limited), Foresight Group LLP and LICA Development Capital (whose portfolio was subsequently assumed by Nova Capital Management Limited).

In 2007, I&G launched an S ordinary share fund raising £11.2 million, for which Mobeus was the sole investment adviser.

The investment mandates for Nova and Foresight were terminated (in 2007 and 2009 respectively) and Mobeus was awarded the investment mandate as sole adviser in respect of the original ordinary share fund.

In March 2010, the S ordinary shares and the original ordinary shares were merged on a relative NAV basis, creating an enlarged share class. £36.3 million of net funds has been raised by I&G pursuant to the offers since 2011.

As at 30 June 2017, I&G had (unaudited) net assets of £70.2 million, £54.7 million of which was invested in 47 companies (which includes 6 companies to which investment has been provided and which are seeking trade opportunities), with the balance of approximately £15.7 million substantially invested in Money Market Funds or held in cash, less other net current liabilities, of £0.2 million.

## Life of the Companies

It is intended that the Companies should have an unlimited life, but also that Shareholders should have the opportunity to review the future of the Companies at appropriate intervals.

In order, therefore, for the future of the Companies to be considered by Shareholders, the Articles of the Companies contain provisions requiring the Directors of the relevant Company at the annual general meeting falling after the fifth anniversary of the last allotment of Shares in their Company (or, if later, the last continuation vote) to invite Shareholders in that Company to consider and debate the future of the relevant Company (including whether the Company should be wound up, sold or unitised).

In the case of each Company, a general meeting of the Company will be called to propose the required resolutions for decision by the Shareholders of that Company.

## Share certificates and CREST

The Offer Shares will be available to be issued in either registered form (i.e. certificated) or electronic form (i.e. via CREST). Investors who wish to have their Offer Shares issued direct to their nominee's CREST account should accordingly complete Box 5 of the Application Form.

## Investor profile

A typical investor will be a retail investor who is a UK taxpayer, aged 18 or over and who already has a portfolio of VCT and non-VCT investments (such as unit trusts, OEICs, investment trusts and direct shareholdings in listed and non-listed companies).

The investor should be comfortable with the risk factors set out at the beginning of this document, understand the investment strategy (including the recent changes) and be willing to retain the investment for at least five years.

## Capitalisation and indebtedness

### MIG

As at 5 September 2017 (the latest practicable date prior to publication of this document), MIG has no indebtedness, whether guaranteed, unguaranteed, secured, unsecured, direct and/or contingent and there is no current intention of incurring any such indebtedness for at least the twelve month period from the date of this document.

The capitalisation of MIG as at 30 June 2017, extracted without material adjustment from the MIG Half-Year Report, is set out opposite. Save for an interim dividend declared of 9.0p per MIG Share, payable on 13 September 2017, which will reduce net assets by approximately £6.8 million, there has been no material change in the capitalisation of MIG between 30 June 2017, the date to which the MIG Half-Year Report was made up to, and 5 September 2017, the latest practicable date prior to publication of this document.

Shareholders' Equity	£
Called-up share capital	755,975
Capital redemption reserve	9,440
Share premium account	19,463,849
Revaluation reserve	6,290,934
Special distributable reserve	30,659,875
Profit & loss account	5,249,156
<b>Total</b>	<b>62,429,229</b>

### MIG 2

As at 5 September 2017 (the latest practicable date prior to publication of this document), MIG 2 has no indebtedness, whether guaranteed, unguaranteed, secured, unsecured, direct and/or contingent and there is no current intention of incurring any such indebtedness for at least the twelve month period from the date of this document.

The capitalisation of MIG 2 as at 31 March 2017, extracted without material adjustment from the MIG 2 Annual Report, is set out opposite. Save for an interim dividend of 7.0p per MIG 2 Share paid on 27 July 2017, which reduced net assets by £2,497,067, there has been no material change in the capitalisation of MIG 2 between 31 March 2017, the date to which MIG 2's Annual Report was made up to, and 5 September 2017, the latest practicable date prior to publication of this document.

Shareholders' Equity	£
Called-up share capital	356,724
Capital redemption reserve	87,583
Share premium account	15,901,497
Revaluation reserve	2,001,764
Special distributable reserve	7,540,615
Profit & loss account	12,172,802
<b>Total</b>	<b>38,060,985</b>

## MIG 4

As at 5 September 2017 (the latest practicable date prior to publication of this document), MIG 4 has no indebtedness, whether guaranteed, unguaranteed, secured, unsecured, direct and/or contingent and there is no current intention of incurring any such indebtedness for at least the twelve month period from the date of this document.

The capitalisation of MIG 4 as at 30 June 2017, extracted without material adjustment from the MIG 4 Half-Year Report, is set out opposite. Save for an interim dividend declared of 18.0p per MIG 4 Share, payable on 11 September 2017, which will reduce net assets by approximately £7.3 million, there has been no material change in the capitalisation of MIG 4 between 30 June 2017, the date to which the MIG 4 Half-Year Report was made up to, and 5 September 2017, the latest practicable date prior to publication of this document.

## I&G

As at 5 September 2017 (the latest practicable date prior to publication of this document), I&G has no indebtedness, whether guaranteed, unguaranteed, secured, unsecured, direct and/or contingent and there is no current intention of incurring any such indebtedness for at least the twelve month period from the date of this document.

The capitalisation of I&G as at 31 March 2017, extracted without material adjustment from the I&G Half-Year Report, is set out opposite. Save for a dividend of 3p per I&G Share paid on 20 June 2017, which reduced net assets by £1,783,360, the share premium account being increased by £384,021 pursuant to the allotment of 468,318 I&G Shares under the dividend investment scheme on 20 June 2017 and a dividend of 15.00p per I&G Share paid on 31 August 2017 reducing net assets by £8,908,790, and the share premium account being increased by £1,995,102 pursuant to the allotment of 2,810,003 I&G Shares under its dividend investment scheme on 31 August 2017, there has been no material change in the capitalisation of I&G between 31 March 2017, the date to which the I&G Half-Year Report was made up to, and 5 September 2017, the latest practicable date prior to publication of this document.

## Working capital statements

MIG is of the opinion that its working capital is sufficient for its present requirements, that is for at least the twelve month period from the date of this document.

MIG 2 is of the opinion that its working capital is sufficient for its present requirements, that is for at least the twelve month period from the date of this document.

MIG 4 is of the opinion that its working capital is sufficient for its present requirements, that is for at least the twelve month period from the date of this document.

I&G is of the opinion that its working capital is sufficient for its present requirements, that is for at least the twelve month period from the date of this document.

Shareholders' Equity	£
Called-up share capital	497,492
Capital redemption reserve	9,342
Share premium account	14,169,354
Revaluation reserve	3,512,924
Special distributable reserve	28,357,894
Profit & loss account	6,277,368
<b>Total</b>	<b>52,824,374</b>

Shareholders' Equity	£
Called-up share capital	724,688
Capital redemption reserve	12,313
Share premium account	18,809,469
Revaluation reserve	5,645,322
Special distributable reserve	24,404,104
Profit & loss account	20,285,532
<b>Total</b>	<b>69,881,428</b>

## Significant change statements

Save for the interim dividend declared of 9.0p per MIG Share payable on 13 September 2017 (which will reduce net assets by approximately £6.8 million and the NAV per MIG Share by the amount of the dividend), there has been no significant change in the financial or trading position of MIG since 30 June 2017, the date to which the MIG Half-Year Report was made up to.

Save for the interim dividend of 7.0p per MIG 2 Share paid on 27 July 2017 (which reduced the net assets by £2,497,067 and the NAV per MIG 2 Share by the amount of the dividend), there has been no significant change in the financial or trading position of MIG 2 since 31 March 2017, the date to which the MIG 2 Annual Report was made up to.

Save for the interim dividend declared of 18.0p per MIG 4 Share payable on 11 September 2017 (which will reduce net assets by approximately £7.3 million and the NAV per MIG 4 Share by the amount of the dividend), there has been no significant change in the financial or trading position of MIG 4 since 30 June 2017, the date to which the MIG 4 Half-Year Report was made up to.

Save for the interim dividends of 3.0p per I&G Share paid on 20 June 2017 and 15.0p per I&G Share paid on 31 August 2017 (which reduced the net assets by, in aggregate, £10,692,150 and the NAV per I&G Share by the aggregate amount of the dividends) and the allotment of 468,318 I&G Shares on 20 June 2017 and 2,810,003 I&G Shares on 31 August 2017 pursuant to I&G's dividend investment scheme (which increased the share premium account by, in aggregate, £2,379,923, there has been no significant change in the financial or trading position of I&G since 31 March 2017, the date to which the I&G Half-Year Report was made up to.

## Shareholder authorities

### MIG

The following resolutions of MIG were passed at the annual general meeting of MIG held on 10 May 2017:

- (a) That, in substitution for any existing authorities, the MIG Directors were generally and unconditionally authorised pursuant to section 551 of CA 2006, to exercise all the powers of MIG to allot MIG Shares and to grant rights to subscribe for, or to convert any security into, MIG Shares up to an aggregate nominal amount of £252,799, provided that this authority shall expire (unless renewed, revoked, or varied by MIG in a general meeting) on the date falling fifteen months after the passing of the resolution, or, if earlier, at the conclusion of the annual general meeting of MIG to be held in 2018, but so that this authority shall allow MIG to make before such expiry of the authority offers or agreements which would or might require MIG Shares to be allotted or rights to be granted after such expiry and the MIG Directors are entitled to allot MIG Shares or grant rights pursuant to any such offers or agreements as if the authority conferred had not expired.
- (b) That, in substitution for any existing authorities, the MIG Directors were empowered in accordance with sections 570 and 573 of CA 2006 to allot or make offers or agreements to allot equity securities (as defined in section 560(1) of CA 2006) for cash, pursuant to the authority given in accordance with section 551 of CA 2006 by paragraph (a) above, or by way of a sale of treasury shares, as if section 561(1) of CA 2006 did not apply to any such sale or allotment, provided that the power conferred shall be limited to the allotment of equity securities:
  - (i) with an aggregate nominal value of up to but not exceeding £215,000 in connection with offer(s) for subscription; and
  - (ii) otherwise than pursuant to sub-paragraph (i) above of equity securities, with an aggregate nominal value of up to, but not exceeding 5% of the issued MIG Share capital from time to time,

in each case where the proceeds of the allotment may be used, in whole or in part, to purchase MIG Shares in the market and provided that this authority shall (unless renewed, revoked or varied by MIG in general meeting) expire on the date falling fifteen months after the passing of the resolution, or, if earlier, at the conclusion of the annual general meeting of MIG to be held in 2018, except that MIG may, before such expiry of the authority, make offers or agreements which would or might require equity securities to be allotted after such expiry and the MIG Directors may allot equity securities in pursuance of such offers or agreements as if the authority conferred thereby had not expired.

- (c) That, in substitution for any existing authorities, MIG was authorised pursuant to and in accordance with section 701 of CA 2006 to make one or more market purchases (within the meaning of section 693(4) of CA 2006) of MIG Shares provided that:
  - (i) the maximum aggregate number of MIG Shares which may be purchased shall not exceed 11,332,061 or, if lower, such number of MIG Shares (rounded down to the nearest whole MIG Share) as shall equal 14.99% of the MIG Shares in issue at the date of the passing of the resolution;
  - (ii) the minimum price which may be paid for a MIG Share is one penny (the nominal value thereof);
  - (iii) the maximum price which may be paid for a MIG Share (excluding expenses) shall be the higher of (a) an amount equal to 5% above the average of the middle market quotations for a MIG Share taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which that MIG Share is contracted to be purchased and (b) the price stipulated by Article 5(1) of the Buy-back and Stabilisation Regulation (EC 2273/2003);

- (iv) the authority conferred by the resolution shall (unless renewed, varied or revoked by MIG in general meeting) expire on the date falling fifteen months after the passing of the resolution, or, if earlier, at the conclusion of the annual general meeting of MIG to be held in 2018; and
- (v) MIG may make a contract or contracts to purchase its own MIG Shares under this authority prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority, and may make a purchase of its own MIG Shares in pursuance of any such contract.

The following resolutions of MIG were passed at the general meeting of MIG held on 3 August 2017:

That, in addition to existing authorities:

(a) *Authority to allot shares*

the MIG Directors be and hereby are generally and unconditionally authorised in accordance with section 551 of CA 2006, to exercise all the powers of MIG to allot MIG Shares and to grant rights to subscribe for, or to convert any security into, MIG Shares (Rights) up to an aggregate nominal value of £410,000, provided that this authority shall (unless renewed, revoked or varied by MIG in general meeting) expire on the date falling fifteen months after the passing of this resolution (save that MIG shall be entitled to make offers or agreements before the expiry of such authority which would or might require shares to be allotted or Rights to be granted after such expiry and the MIG directors shall be entitled to allot shares or grant Rights pursuant to any such offers or agreements as if the authority had not expired); and

(b) *Disapplication of pre-emption rights*

the MIG Directors be and hereby are empowered pursuant to sections 570 and 573 of CA 2006 to allot equity securities (as defined in section 560 of CA 2006) for cash, pursuant to the authority conferred by paragraph (a) of this resolution as if section 561(1) of CA 2006 did not apply to any such allotment, provided that this authority shall be limited to the allotment of equity securities with an aggregate nominal value of up to but not exceeding £410,000 in connection with offer(s) for subscription (where the proceeds may be used, in whole or in part, to purchase MIG Shares), such authority to (unless renewed, revoked or varied by MIG in general meeting) expire on the date falling fifteen months after the passing of this resolution (save that MIG shall be entitled to make offers or agreements before the expiry of such authority which would or might require equity securities to be allotted after such expiry and the shall be entitled to allot equity securities in pursuance of such offers or agreements as if the authority conferred by this resolution had not expired).

## **MIG 2**

The following resolutions of MIG 2 were passed at the general meeting of MIG 2 held on 3 August 2017:

That, in substitution for existing authorities:

(a) *Authority to allot shares*

the MIG 2 Directors be and hereby are generally and unconditionally authorised in accordance with section 551 of the CA 2006, to exercise all the powers of MIG 2 to allot MIG 2 Shares and to grant rights to subscribe for, or to convert any security into, MIG 2 Shares (Rights) up to an aggregate nominal value of £230,000, provided that this authority shall (unless renewed, revoked or varied by MIG 2 in general meeting) expire on the conclusion of the annual general meeting of MIG 2 to be held in 2018 (save that MIG 2 shall be entitled to make offers or agreements before the expiry of such authority which would or might require shares to be allotted or Rights to be granted after such expiry and the MIG 2 Directors shall be entitled to allot shares or grant Rights pursuant to any such offers or agreements as if the authority had not expired); and

(b) *Disapplication of pre-emption rights*

the directors be and hereby are empowered pursuant to sections 570 and 573 of CA 2006 to allot equity securities (as defined in section 560 of CA 2006) for cash, pursuant to the authority conferred by paragraph (i) of this resolution as if section 561(1) of CA 2006 did not apply to any such allotment, provided that this authority shall be limited to the allotment of equity securities:

- (i) with an aggregate nominal value of up to but not exceeding £190,000 in connection with offer(s) for subscription; and
- (ii) otherwise than pursuant to sub-paragraphs (b)(i) above, with an aggregate nominal value of up to, but not exceeding, 10% of the issued share capital of MIG 2 from time to time,

where the proceeds may be used, in whole or in part, to purchase shares in the capital of MIG 2, such authority to (unless renewed, revoked or varied by MIG 2 in general meeting) expire on the conclusion of the annual general meeting of MIG 2 to be held in 2018 (save that MIG 2 shall be entitled to make offers or agreements before the expiry of such authority which would or might require equity securities to be allotted after such expiry and the shall be entitled to allot equity securities in pursuance of such offers or agreements as if the authority conferred by this resolution had not expired).



## MIG 4

The following resolutions of MIG 4 were passed at the annual general meeting of MIG 4 held on 8 May 2017:

- (a) That, in substitution for any existing authorities, the MIG 4 Directors were generally and unconditionally authorised pursuant to section 551 of CA 2006 to exercise all the powers of MIG 4 to allot MIG 4 Shares and to grant rights to subscribe for, or convert any security into, MIG 4 Shares up to an aggregate nominal value of £248,086 provided that the authority conferred by this resolution shall (unless renewed, varied, or revoked by MIG 4 in a general meeting) expire on the date falling fifteen months after the passing of this resolution or, if earlier, at the conclusion of the annual general meeting of MIG 4 to be held in 2018, but so that this authority shall allow MIG 4 to make before the expiry of this authority offers or agreements which would or might require MIG 4 Shares to be allotted or rights to be granted after such expiry and the MIG 4 Directors be entitled to allot MIG 4 Shares or grant rights pursuant to any such offers or agreements as if the authority conferred by this resolution had not expired.
- (b) That, in substitution for any existing authorities, the MIG 4 Directors were empowered in accordance with sections 570 and 573 of CA 2006 to allot or make offers or agreements to allot equity securities (as defined in section 560 (1) of CA 2006) for cash, pursuant to the authority conferred upon them by the resolution in paragraph (a) above or by way of a sale of treasury shares, as if section 561(1) of CA 2006 did not apply to any such sale or allotment, provided that the power conferred by this resolution shall be limited to the allotment of equity securities:
  - (i) with an aggregate nominal value of up to, but not exceeding £150,000 in connection with offer(s) for subscription;
  - (ii) with an aggregate nominal value of up to, but not exceeding, 10% of the issued MIG 4 Share capital from time to time pursuant to any dividend investment scheme operated by MIG 4 at a subscription price per MIG 4 Share which is less than the net asset value per MIG 4 Share; and
  - (iii) otherwise than pursuant to sub-paragraphs (i) and (ii) above, of equity securities with an aggregate nominal value of up to, but not exceeding, 10% of the issued MIG 4 Share capital from time to time,

in each case where the proceeds may be used, in whole or in part, to purchase MIG 4 Shares in the market and provided that such authority shall (unless renewed, varied or revoked by MIG 4 in general meeting) expire on the date falling fifteen months after the passing of this resolution or, if earlier, on the conclusion of the annual general meeting of MIG 4 to be held in 2018, except that MIG 4 may, before the expiry of this authority make offers or agreements which would or might require equity securities to be allotted after such expiry and the MIG 4 Directors may allot equity securities in pursuance of such offers or agreements as if the authority conferred by this resolution had not expired.

- (c) That, in substitution for any existing authorities, MIG 4 was authorised pursuant to and in accordance with section 701 of CA 2006 to make one or more market purchases (within the meaning of section 693(4) of CA 2006) of MIG 4 Shares provided that:
  - (i) the aggregate number of MIG 4 Shares which may be purchased shall not exceed 7,351,551 or, if lower, such number of MIG 4 Shares (rounded down to the nearest whole MIG 4 Share) as shall equal 14.99% of the MIG 4 Shares in issue at the date of passing this resolution;
  - (ii) the minimum price which may be paid for a MIG 4 Share is 1 penny (the nominal value thereof);
  - (iii) the maximum price which may be paid for a MIG 4 Share (excluding expenses) shall be the higher of (a) an amount equal to 5% above the average of the middle market quotations for a MIG 4 Share taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the MIG 4 Share is contracted to be purchased and (b) the price stipulated by Article 5(1) of the Buy-back and Stabilisation Regulation (EC 2273/2003);
  - (iv) the authority conferred by this resolution shall (unless renewed, varied or revoked by MIG 4 in general meeting) expire on the date falling fifteen months after the passing of this resolution or, if earlier on the conclusion of the annual general meeting of MIG 4 to be held in 2018; and
  - (v) MIG 4 may make a contract or contracts to purchase its own MIG 4 Shares under the above authority prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority, and may make a purchase of its own MIG 4 Shares in pursuance of any such contract.

The following resolutions of MIG 4 were passed at the general meeting of MIG 4 held on 3 August 2017:

That, in addition to existing authorities:

(a) *Authority to allot shares*

the MIG 4 Directors be and hereby are generally and unconditionally authorised in accordance with section 551 of CA 2006, to exercise all the powers of MIG 4 to allot MIG 4 Shares and to grant rights to subscribe for, or to convert any security into, MIG 4 Shares (Rights) up to an aggregate nominal value of £200,000, provided that this authority shall (unless renewed, revoked or varied by MIG 4 in general meeting) expire on the date falling fifteen months after the passing of this resolution (save that MIG 4 shall be entitled to make offers or agreements before the expiry of such authority which would or might require shares to be allotted or Rights to be granted after such expiry and the MIG 4 Directors shall be entitled to allot shares or grant Rights pursuant to any such offers or agreements as if the authority had not expired); and

(b) *Disapplication of pre-emption rights*

the MIG 4 Directors be and hereby are empowered pursuant to sections 570 and 573 of CA 2006 to allot equity securities (as defined in section 560 of CA 2006) for cash, pursuant to the authority conferred by paragraph (a) of this resolution as if section 561(1) of CA 2006 did not apply to any such allotment, provided that this authority shall be limited to the allotment of equity securities with an aggregate nominal value of up to but not exceeding £200,000 in connection with offer(s) for subscription (where the proceeds may be used, in whole or in part, to purchase MIG 4 Shares), such authority to (unless renewed, revoked or varied by MIG 4 in general meeting) expire on the date falling fifteen months after the passing of this resolution (save that MIG 4 shall be entitled to make offers or agreements before the expiry of such authority which would or might require equity securities to be allotted after such expiry and the shall be entitled to allot equity securities in pursuance of such offers or agreements as if the authority conferred by this resolution had not expired).

## I&G

The following resolutions of I&G were passed at the annual general meeting of I&G held on 8 February 2017:

(a) That, in substitution for any existing authorities, the I&G Directors were generally and unconditionally authorised pursuant to section 551 of CA 2006 to exercise all the powers of I&G to allot I&G Shares and to grant rights to subscribe for, or convert, any security into I&G Shares up to an aggregate nominal value of £237,314, provided that the authority conferred by this resolution shall (unless renewed, revoked or varied by I&G in general meeting) expire on the date falling fifteen months after the passing of this resolution, or, if earlier, at the conclusion of the annual general meeting of I&G to be held in 2018 but so that this authority shall allow I&G to make before the expiry of this authority offers or agreements which would or might require I&G Shares to be allotted or rights to be granted after such expiry and the I&G Directors shall be entitled to allot I&G Shares or grant rights pursuant to any such offers or agreements as if the authority conferred by this resolution had not expired.

(b) That, in substitution for any existing authorities, the I&G Directors were empowered in accordance with sections 570 and 573 of CA 2006 to allot or make offers or agreements to allot equity securities (as defined in section 560(1) of CA 2006) for cash, pursuant to the authority conferred upon them by the resolution set out in paragraph (a) above, or by way of a sale of treasury shares, as if section 561(1) of CA 2006 did not apply to any such sale or allotment, provided that the power conferred by this resolution is limited to the allotment of equity securities:

- (i) with an aggregate nominal value representing £165,400 in connection with offer(s) for subscription;
- (ii) with an aggregate nominal value of up to, but not exceeding, 5% of the issued I&G Share capital from time to time pursuant to any dividend investment scheme operated by I&G at a subscription price per I&G Share which is less than the net asset value per I&G Share; and
- (iii) otherwise than pursuant to sub-paragraphs (i) and (ii) above, with an aggregate nominal value of up to, but not exceeding, 5% of the issued I&G Share capital from time to time,

in each case where the proceeds of the allotment may be used in whole or in part to purchase I&G Shares in the market and provided that this authority shall (unless renewed, varied or revoked by I&G in general meeting) expire on the date falling fifteen months after the passing of this resolution, or, if earlier, at the conclusion of the annual general meeting of I&G to be held in 2018, except that I&G may, before the expiry of this authority, make offers or agreements which would or might require equity securities to be allotted after such expiry and the I&G Directors may allot equity securities in pursuance of such offers or agreements as if the authority conferred hereby had not expired.

(c) That, in substitution for any existing authorities, I&G was authorised pursuant to and in accordance with section 701 of CA 2006 to make one or more market purchases (within the meaning of section 693(4) of CA 2006) of its own I&G Shares provided that:

- (i) the aggregate number of I&G Shares which may be purchased shall not exceed 10,779,912 or, if lower, such number of I&G Shares (rounded down to the nearest whole I&G Share) as shall equal 14.99% of the I&G Shares in issue at the date of the passing of this resolution;
- (ii) the minimum price which may be paid for an I&G Share is one penny (the nominal amount thereof);
- (iii) the maximum price which may be paid for an I&G Share shall be the higher of (a) an amount equal to 5% above the average of the middle market quotations for an I&G Share taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the I&G Share is contracted to be purchased; and (b) the price stipulated by Article 5(1) of the Buy Back and Stabilisation Regulation 2003 (EC2273/2003);
- (iv) the authority conferred by this resolution shall (unless previously renewed, varied or revoked by I&G in general meeting) expire on the date falling fifteen months after the passing of this resolution, or, if earlier, at the conclusion of the annual general meeting of I&G to be held in 2018; and
- (v) I&G may make a contract or contracts to purchase its own I&G Shares under this authority prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority, and may make a purchase of its own I&G Shares pursuant to any such contract.

The following resolution of I&G was passed at the general meeting of I&G held on 3 August 2017:

That, in addition to existing authorities:

(a) *Authority to allot*

the I&G Directors be and hereby are generally and unconditionally authorised in accordance with section 551 of CA 2006, to exercise all the powers of I&G to allot I&G Shares and to grant rights to subscribe for, or to convert any security into, I&G Shares (Rights) up to an aggregate nominal value of £370,000, provided that this authority shall (unless renewed, revoked or varied by I&G in general meeting) expire on the date falling fifteen months after the passing of this resolution (save that I&G shall be entitled to make offers or agreements before the expiry of such authority which would or might require shares to be allotted or Rights to be granted after such expiry and the I&G Directors shall be entitled to allot shares or grant Rights pursuant to any such offers or agreements as if the authority had not expired); and

(b) *Disapplication of pre-emption rights*

the directors be and hereby are empowered pursuant to sections 570 and 573 of CA 2006 to allot equity securities (as defined in section 560 of CA 2006) for cash, pursuant to the authority conferred by paragraph (a) of this resolution as if section 561(1) of CA 2006 did not apply to any such allotment, provided that this authority shall be limited to the allotment of equity securities with an aggregate nominal value of up to but not exceeding £370,000 in connection with offer(s) for subscription (where the proceeds may be used, in whole or in part, to purchase shares in the capital I&G), such authority to (unless renewed, revoked or varied by I&G in general meeting) expire on the date falling fifteen months after the passing of this resolution (save that I&G shall be entitled to make offers or agreements before the expiry of such authority which would or might require equity securities to be allotted after such expiry and the shall be entitled to allot equity securities in pursuance of such offers or agreements as if the authority conferred by this resolution had not expired).

## Share rights

The following provisions apply to each of the Companies, mutatis mutandis, unless otherwise stated.

### Votes of members

Subject to the provisions of CA 2006 and to any special terms as to voting on which any shares may have been issued or may for the time being be held and to any suspension or abrogation of voting rights pursuant to the Articles, at any general meeting every member who is present in person or by proxy or (being a corporation) is present by a duly authorised representative shall on a show of hands have one vote and on a poll shall have one vote for each share of which he is the holder.

### Variation of class rights

Subject to the provisions of CA 2006, if at any time the share capital of the Company is divided into shares of different classes any of the rights for the time being attached to any share or class of shares in the Company (and notwithstanding that the Company may be or be about to be in liquidation) may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated in such manner (if any) as may be provided by such rights or, in the absence of any such provision, either with the consent in writing of the holders of not less than three quarters in nominal value of the issued shares of the class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of shares of the class duly convened and held as provided in these Articles (but not otherwise).

The foregoing provisions of this article shall apply also to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the separate rights of which are to be varied.

### **Transfer of shares**

Except as provided below, each member may transfer all or any of his shares by instrument of transfer in writing in any usual form or in any form approved by the Board. Such instrument shall be executed by or on behalf of the transferor and (in the case of a transfer of a share which is not fully paid up) by or on behalf of the transferee. The transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the register in respect of it.

The Board may, in its absolute discretion, refuse to register a share transfer unless:

- it is in respect of a share which is fully paid up;
- is it in respect of one class of share;
- it is in favour of a single transferee or not more than four joint transferees;
- it is duly executed by the transferor;
- it is duly stamped (if so required); and
- it is delivered for registration at the registered office of the Company, accompanied by the relevant share certificate and such other evidence as the Board may reasonable require to prove the title of the transferor.

### **Dividends**

Subject to the provisions of CA 2006 and of the Articles, the Company may by ordinary resolution declare that out of profits available for distribution dividends be paid to members according to their respective rights and interests in the profits of the Company available for distribution. However, no dividend shall exceed the amount recommended by the Board.

- (a) Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up (otherwise than in advance of calls) on the shares on which the dividend is paid. Subject as aforesaid, all dividends shall be apportioned and paid pro rata according to the amounts paid up or credited as paid up on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividend as from a particular date or be entitled to dividends declared after a particular date it shall rank for or be entitled to dividends accordingly.
- (b) All dividends and interest shall be paid (subject to any lien of the Company) to those members whose names shall be on the register at the date at which such dividend shall be declared or at the date at which such interest shall be payable respectively, or at such other date as the Company by ordinary resolution or the Board may determine, notwithstanding any subsequent transfer or transmission of shares.
- (c) The Board may pay the dividends or interest payable on shares in respect of which any person is by transmission entitled to be registered as holder to such person upon production of such certificate and evidence as would be required if such person desired to be registered as a member in respect of such shares.

### **Issued share capital and dilution**

The issued share capital of MIG as at the date of this document is 75,511,897 MIG Shares. If the full 41 million MIG Shares are allotted pursuant to the MIG Offer, the existing 75,511,897 MIG Shares would represent 64.8% of the enlarged issued MIG share capital.

The issued share capital of MIG 2 as at the date of this document is 35,652,431 MIG 2 Shares. If the full 23 million MIG 2 Shares are allotted pursuant to the MIG 2 Offer, the existing 35,652,431 MIG 2 Shares would represent 60.8% of the enlarged issued MIG 2 share capital.

The issued share capital of MIG 4 as at the date of this document is 49,739,171 MIG 4 Shares. If the full 20 million MIG 4 Shares are allotted pursuant to the MIG 4 Offer, the existing 49,739,171 MIG 4 Shares would represent 71.3% of the enlarged issued MIG 4 share capital.

The issued share capital of I&G as at the date of this document is 75,689,629 I&G Shares. If the full 37 million I&G Shares are allotted pursuant to the I&G Offer, the existing 75,689,629 I&G Shares would represent 67.2% of the enlarged issued I&G share capital.

Annual trail commission payments are capped at a cumulative 2.25% of the relevant Offer Price, and only applies to Applications through 'execution only' intermediaries. As a result, the dilution from annual trail commission across each Company's total funds is considered to be small.

The principal legislation under which the Companies operate, and under which the Offer Shares will be created, is CA 2006 and regulations made thereunder. Each Company and its Shareholders are subject to the provisions of the City Code on Takeovers and Mergers and CA 2006 which require shares to be acquired/transferred in certain circumstances.

## Investor communications

The Boards recognise the importance of maintaining regular communications with Shareholders. In addition to the announcement and publication of the annual report and accounts and the half-yearly report for the Companies as detailed below, the Companies also publish quarterly statements of net asset value. Mobeus also produces a bi-annual newsletter for Shareholders. The newsletter provides details of the latest NAVs for each Company, a performance table, the ten largest investments across the portfolios and an update on investment activities. Mobeus will also publish information on new investments and the progress of companies within the Companies' portfolio on its website [www.mobeusequity.co.uk](http://www.mobeusequity.co.uk). In addition, a shareholder event is held annually.

	Year end	Announcement and publication of annual report	Announcement and publication of half-yearly report
MIG	31 December	March	August
MIG 2	31 March	June	November
MIG 4	31 December	March	August
I&G	30 September	December	May

## Use of the Prospectus

The Companies and the Boards consent to the use of the Prospectus, and accept responsibility for the content of the Prospectus, with respect to the subsequent resale or final placement of securities by financial advisers and intermediaries, from the date of the Prospectus until the close of the Offers. Each Offer will close on or before 4 April 2018. There are no conditions attaching to this consent. Financial advisers and intermediaries may use the Prospectus in the UK.

**Information on the terms and conditions of the Offers will be given to investors by financial advisers and intermediaries at the time that the offer is introduced to investors. Any financial adviser of intermediary using the Prospectus must state on its website that it is using the Prospectus in accordance with the consent set out in the above paragraph.**

## Documents available for inspection

Copies of the following documents will be available for inspection during usual business hours on weekdays, weekends and public holidays excepted, at the offices of Mobeus, 30 Haymarket, London SW1Y 4EX whilst the Offers are open:

- the Articles of each of the Companies;
- the material contracts referred to in paragraphs 5 of Parts I, II, III and IV of the Registration Document;
- the audited financial statements for MIG for the years ended 31 December 2014, 2015 and 2016, the unaudited half yearly accounts for MIG for the period ended 30 June 2016 and the MIG Half-Year Report;
- the audited financial statements for MIG 2 for the years ended 31 March 2015, 2016 and 2017;
- the audited financial statements for MIG 4 for the years ended 31 December 2014, 2015 and 2016 the unaudited half yearly accounts for MIG 4 for the period ended 30 June 2016 and the MIG 4 Half-Year Report;
- the audited financial statements for I&G for the years ended 30 September 2014, 2015 and 2016, the unaudited half yearly accounts for I&G for the period ended 31 March 2016 and the I&G Half-Year Report;
- the Registration Document;
- this Securities Note; and
- the Summary.

6 September 2017

# Part Nine - Taxation Considerations

## Tax Position of Investors

### 1. Tax reliefs

The following is only a summary of the law concerning the tax position of individual investors in VCTs and does not constitute legal or tax advice. Potential investors are recommended to consult a professional adviser as to the taxation consequences of an investment in a VCT.

The tax reliefs set out below are those currently available to individuals who are UK tax payers and aged 18 or over who subscribe for Offer Shares under an Offer and will be dependent on personal circumstance. Whilst there is no specific limit on the amount of an individual's acquisition 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 (including shares purchased in the secondary market and through dividend investment schemes). Qualifying Investors who intend to invest more than £200,000 in VCTs in any one tax year should consult their professional advisers.

#### (a) Income tax

##### (i) *Relief from income tax on investment*

A Qualifying Investor subscribing for Offer Shares will be entitled to claim income tax relief on amounts subscribed up to a maximum of £200,000 invested in VCTs in any tax year.

The relief is given at the rate of 30% on the amount subscribed for VCT shares regardless of whether the Qualifying Investor is a higher rate, additional rate or basic rate tax payer, provided that the relief is limited to the amount which reduces the Qualifying 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.

##### (ii) *Dividend relief*

A Qualifying Investor, who acquires shares in VCTs (including through dividend investment schemes) in any tax year costing up to a maximum of £200,000, will not be liable to income tax on dividends paid on those shares and there is no withholding tax thereon.

##### (iii) *Purchases in the market*

A Qualifying Investor who purchases existing shares in the market will be entitled to claim dividend relief (as described in paragraph 1(a)(ii) above) but not relief from income tax on investment (as described in paragraph 1(a)(i) above).

##### (iv) *Withdrawal of relief*

Relief from income tax on a subscription for VCT shares will be withdrawn if the VCT shares are disposed of (other than between spouses or on death) within five years of issue or if the VCT loses its approval within this period as detailed below.

Dividend relief ceases to be available if the VCT loses its approval within this period, as detailed below, or if shares are no longer owned by a Qualifying Investor.

#### (b) Capital gains tax

##### (i) *Relief from capital gains tax on the disposal of VCT shares*

A disposal by a Qualifying Investor of VCT shares 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 VCT shares acquired within the limit of £200,000 for any tax year and does not apply where VCT shares were issued after 5 April 2014 and are repurchased by the VCT directly from the shareholder within three years of issue.

##### (ii) *Purchases in the market*

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

#### (c) Acquisition and disposal of shares in the same VCT

The disposal of existing shares in a VCT within six months before or after subscription for new shares in the same VCT (or otherwise where the acquisition and subscription is linked) will result in the amount of the investment in the new shares in the VCT to which VCT tax reliefs are available being reduced by an amount equal to the proceeds received on the disposal.

#### (d) Loss of VCT approval

For a company to be fully approved as a VCT, it must meet the various requirements as set out below.

If a company which has been granted approval as a VCT subsequently fails to comply with the conditions for approval, approval as a VCT may be withdrawn. In these circumstances, relief from income tax on the initial investment is repayable unless loss of approval occurs more than five years after the issue of the relevant VCT shares. In addition, relief ceases to be available on any dividend paid in respect of profits or gains in any accounting period ending when VCT status has been lost and any gains on the VCT shares up to the date from which loss of VCT status is treated as taking effect will be exempt, but gains thereafter will be taxable.

### 2. Illustration of effect of tax relief for qualifying investors

The table below has been prepared for illustrative purposes only and does not form part of the summary of the tax reliefs contained in this section. The table shows how the initial tax reliefs available can reduce the effective cost of an investment of £10,000 in a VCT by a Qualifying Investor subscribing for VCT shares to only £7,000:

	Effective Cost	Tax Relief
Investors unable to claim any tax reliefs	£10,000	Nil
Qualifying Investor (higher rate tax payer) able to claim full 30% income tax relief	£7,000	£3,000

The combined effect of the initial income tax relief, tax-free dividends and tax-free capital growth can substantially improve the net returns of an investor in a VCT.

### 3. Obtaining tax reliefs

The Companies will provide to each Qualifying Investor a certificate which Qualifying Investors may use to claim income tax relief, either by obtaining from HMRC an adjustment to their tax coding under the PAYE system or by waiting until the end of the tax year and using their tax return to claim relief.

### 4. 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 a VCT as they may be subject to tax in other jurisdictions as well as in the UK.

## Tax Position of the Companies

### 1. Qualification as a VCT

To qualify as a VCT, a company must be approved as such by HMRC. To obtain such approval it must:

- (a) not be a close company;
- (b) have each class of its ordinary share capital listed on a regulated market;
- (c) derive its income wholly or mainly from shares or securities;
- (d) have at least 70% by VCT Value of its investments in shares in Qualifying Investments, 70% of which must be eligible shares (30% for funds raised before 6 April 2011);
- (e) have at least 10% by VCT Value of each Qualifying Investment in eligible shares;
- (f) not have more than 15% by VCT Value of its investments, at the time of making an investment, in a single company or group (other than a VCT or a company which would, if its shares were listed, qualify as a VCT);
- (g) not retain more than 15% of its income derived from shares and securities in any accounting period;
- (h) not make any non-Qualifying Investment other than those specified in section 274 of ITA 2007;
- (i) not, in respect of any share capital created on or after 6 April 2014, and any reserves created from the cancellation thereof, make any payment out of such share capital and reserves to shareholders within three years from the end of the accounting period in which that share capital was created.
- (j) not invest in a company or group which causes the company or group to receive more than £5 million of state aid investment in the 12 months ending on the date of that investment;
- (k) not invest in a company or group which causes that company or group to receive more than £12 million (£20 million for 'knowledge intensive' companies) of state aid during its lifetime; and
- (l) invest in companies where the first state aid investment was before seven years (ten years for 'knowledge intensive' companies) of the first commercial sale in respect of the relevant trade, save for in certain limited circumstances where the funds are to be used in connection with a new product or geographical market.

Conditions (j) to (l) do not apply to investments in shares listed on a recognised stock exchange or to certain investment funds/vehicles.

The approved status of a VCT may also be affected where an investee company uses any funds from a VCT investment to acquire another company or trade in the five years after that investment.

The term 'eligible shares' means ordinary shares which do not carry any rights to be redeemed or a preferential rights to assets on a winding-up or dividends (other than certain non-cumulative fixed preferential rights).

## 2. Qualifying investments

A qualifying investment consists of shares or securities first issued to the VCT (and held by it ever since) by a company satisfying the conditions set out in Chapters 3 and 4 of Part 6 of ITA 2007.

The conditions are detailed, but include the following:

- (i) the investee company must be a Qualifying Company;
- (ii) have gross assets not exceeding £15 million immediately before and £16 million immediately after the investment;
- (iii) apply the money raised for the purposes of a qualifying trade within certain time periods;
- (iv) not be controlled by another company;
- (v) have fewer than 250 full-time (or full-time equivalent) employees (500 in the case of 'knowledge intensive' companies);
- (vi) at the time of the VCT investment not obtain more than £5 million of state aid investment in any rolling 12 month period and £12 million of state aid investment (£20 million for 'knowledge intensive' companies) during its lifetime;
- (vii) the first commercial sale was not more than seven years (ten years for 'knowledge intensive' companies) prior to the first state aid investment in respect of the relevant trade, save for in certain limited circumstances where the funds are to be used in connection with a new product or geographical market; and
- (viii) not use the VCT funds to acquire shares in another company, another business or trade or provide a return of capital to existing shareholders.

From 6 April 2012 there is a 'disqualifying purpose' test under which an investment will not be a qualifying investment if the investee company has been set up for the purpose of accessing tax reliefs or is in substance a financing business.

## 3. Qualifying companies

A Qualifying Company must be unquoted (for VCT purposes companies whose shares are traded on the AIM markets are considered to be unquoted) and must carry on a qualifying trade. For this purpose certain activities are excluded (such as dealing in land or shares or providing financial services). The qualifying trade must either be carried on by, or be intended to be carried on by, the Qualifying Company or by a qualifying subsidiary at the time of the issue of shares or securities to the VCT (and at all times thereafter).

The company must have a permanent establishment in the UK, but the company need not be UK resident. A company intending to carry on a qualifying trade must begin to trade within two years of the issue of shares or securities to the VCT and continue it thereafter.

A Qualifying Company may have no subsidiaries other than qualifying subsidiaries which must, in most cases, be at least 51% owned.

## 4. Approval as a VCT

A VCT must be approved at all times by HMRC. Approval has effect from the time specified in the approval.

A VCT cannot be approved unless the tests detailed above are met throughout the most recent complete accounting period of the VCT and HMRC is satisfied that they will be met in relation to the accounting period of the VCT which is current when the application is made. However, where a VCT raises further funds, VCTs are given grace periods to invest those funds before such further funds become subject to the tests.

However, to aid the launch of a VCT, HMRC may give provisional approval if satisfied that conditions (b), (c), (f) and (g) in paragraph 1 above will be met throughout the current or subsequent accounting period and condition (d) in paragraph 1 above will be met in relation to an accounting period commencing no later than three years after the date of provisional approval.

Each of the four Companies has obtained approval as a VCT from HMRC.



## 5. Withdrawal of approval

Approval of a VCT (full or provisional) may be withdrawn by HMRC if the various tests set out above are not satisfied. The exemption from corporation tax on capital gains will not apply to any gain realised after the point at which VCT status is lost.

Withdrawal of approval generally has effect from the time when notice 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 of the tests were satisfied.

Withdrawal of provisional approval has effect as if provisional approval had never been given (including the requirement to pay corporation tax on prior gains).

## 6. Unlawful State Aid

Investments made by VCTs in underlying portfolio companies are regarded as state aided. Where the European Commission believes that state aid has been provided which is unlawful, in particular if it is not consistent with the Risk Finance Guidelines, it may require the Government to recover that state aid. Such recovery may be from the investee company, the VCT or the VCT's investors.

## 7. Patient Capital Review

The UK Government announced in January 2017 that it would carry out a 'patient' capital review. Building on current best practices, the review is intended to strengthen the UK further as a place for growing innovative firms and ensuring that they can obtain the 'patient' finance necessary for long-term growth. The venture capital schemes (which include venture capital trusts), as a source of funding to smaller UK companies, are part of this review. The conclusions and recommendations arising from this review are not yet known. However, we expect that the changes to the venture capital schemes, if any, may be announced as part of the 2017 Autumn Budget. As a consequence, there may be additional adverse restrictions placed on, or other adverse consequences for, the venture capital schemes.

**The above is only a summary of the conditions to be satisfied for a company to be treated as a VCT.**

# Part Ten – Definitions

The following definitions apply throughout this document unless the context otherwise requires:

AIC	Association of Investment Companies
AIM	the Alternative Investment Market
Allotment Formula	the formula to calculate the number of Offer Shares to be issued by each Company to each investor as set out in this Securities Note
Applicant or investor	an applicant under the Offer
Application	a valid application by an Applicant for Offer Shares pursuant to one or more of the Offers
Application Form	the application form for the Offer at the end of this document or any revised or additional application form that is published or made available in connection with the Offers
Articles	the articles of association of I&G and/or MIG and/or MIG 2 and/or MIG 4, as the context permits
Boards	the board of directors of I&G, MIG, MIG 2 and MIG 4 (and each “a Board”)
“Business Days	any day (other than a Saturday) on which clearing banks are open for normal banking business in sterling
CA 2006	Companies Act 2006 (as amended)
Closing Date	the closing date of an Offer, expected to be 12.00 noon on 4 April 2018, or earlier if fully subscribed or otherwise as so resolved by the relevant Board
Companies or the Mobeus VCTs	I&G, MIG, MIG 2 and MIG 4 (and each “a Company”)
Directors	the directors of I&G and/or MIG and/or MIG 2 and/or MIG 4, as the context permits
Early Investment Incentive	an amount equal to 1.00% of the Investment Amount on Applications which are received and accepted up to the earlier of the first £50 million in aggregate being raised or to 3 November 2017, payable by Mobeus and which will be used to purchase additional Offer Shares in the Companies (as applicable) as set out in Part Three of this document
EBITA	a company’s earnings before the deduction of interest, tax and amortisation
FCA	the Financial Conduct Authority
FSMA	the Financial Services and Markets Act 2000 (as amended)
HMRC	Her Majesty’s Revenue & Customs
I&G	The Income & Growth VCT plc
I&G Annual Report	the annual report for I&G for the year ended 30 September 2016
I&G Half-Year Report	the half-year report for I&G for the six month period ended 31 March 2017
I&G Shares	ordinary shares of 1p each in the capital of I&G
Investment Amount	the monetary amount of an Application accepted
IPEVC Valuation Guidelines	the International Private Equity and Venture Capital Valuation Guidelines
Listing Rules	the Listing Rules of the UK Listing Authority
London Stock Exchange	London Stock Exchange plc
MBO	management buy out
MIG	Mobeus Income & Growth VCT plc
MIG Half-Year Report	the half-year report for MIG for the six month period ended 30 June 2017
MIG Shares	ordinary shares of 1p each in the capital of MIG
MIG 2	Mobeus Income & Growth 2 VCT plc

MIG 2 Annual Report	the annual report for MIG 2 for the year ended 31 March 2017
MIG 2 Shares	ordinary shares of 1p each in the capital of MIG 2
MIG 3	Matrix Income & Growth 3 VCT plc
MIG 4	Mobeus Income & Growth 4 VCT plc
MIG 4 Half-Year Report	the half-year report for MIG 4 for the six month period ended 30 June 2017
MIG 4 Shares	ordinary shares of 1p each in the capital of MIG 4
Mobeus	Mobeus Equity Partners LLP, the investment adviser, administrator, company secretary and promoter to the Companies, which is authorised and regulated by the FCA
Money Market Funds	money market funds, government securities or other low risk liquid assets
NAV or net asset value	the net asset value of a company or, as the case may be, share, calculated in accordance with that company's normal accounting policies
Offer Costs	the costs relating to an Offer to be applied pursuant to the Allotment Formula as set on page 27
Offers	the offers for subscription of Offer Shares in the Companies (including, if utilised, the over-allotment facilities) as described in the Prospectus (and each an "Offer")
Offer Price	the price at which the Offer Shares will be allotted in each Company, as determined by dividing the Investment Amount in a Company by the number of Offer Shares to be issued by that Company (in accordance with the Allotment Formula)
Offer Shares	the MIG Shares, MIG 2 Shares, MIG 4 Shares and I&G Shares (as the context permits), being offered for subscription pursuant to the Offers (and each an "Offer Share")
Official List	the official list of the UK Listing Authority
Portunus or Distributor	Portunus Investment Solutions Limited
Prospectus	together, the Registration Document, this Securities Note and the Summary
Prospectus Rules	the prospectus rules of the UK Listing Authority
Qualifying Company	an unquoted (including an AIM-listed) company which satisfies the requirements of Chapter 4 of Part 6 of the Tax Act
Qualifying Investment	an investment in a Qualifying Company satisfying the requirements of Chapter 4 of Part 6 of the Tax Act
Qualifying Investor	an individual aged 18 or over who is resident in the United Kingdom and who invests in the Companies
Receiving Agent	The City Partnership (UK) Limited
Registrar	Capita Asset Services (a trading name of Capita Registrars Limited) or Computershare Investor Services plc, as the context permits (together "the Registrars")
Registration Document	the registration document issued by the Companies dated 6 September 2017 in connection with the Offers
RPI	Retail Prices Index
RIS Announcements	regulatory announcements through one of the newswire services designated as a Regulatory Information Service by the FCA for the purposes of Appendix 3 of the Listing Rules (and each a "RIS Announcement")
Securities Note	this document
Shareholder	a holder of Shares in one or more of the Companies (as the context permits)
Shares	MIG Shares and/or MIG 2 Shares and/or MIG 4 Shares and/or I&G Shares (and each a "Share"), as the context permits

Sterling	the official name for the standard monetary unit of the United Kingdom
Summary the Tax Act	the summary issued by the Companies dated 6 September 2017 in connection with the Offer the Income Tax Act 2007 (as amended)
UKLA or UK Listing Authority	the FCA in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000
United Kingdom or UK	the United Kingdom of Great Britain and Northern Ireland
United States or US	the United States of America, its states, territories and possessions (including the District of Columbia)
VCT Value	the value of an investment calculated in accordance with section 278 of the Tax Act
Venture Capital Trust or VCT	a venture capital trust as defined in section 259 of the Tax Act

# Terms and Conditions of Application

The following terms and conditions apply to all of the Offers (or each Offer as the context permits).

Save where the context otherwise requires, words and expressions defined in this document have the same meanings when used in these terms and conditions, the Application Form and explanatory notes.

The section headed "Application Procedures" and the Application Form (including any revised or additional Application Form(s) made available by the Companies in connection with the Offers) form part of these terms and conditions of Application.

- (a) The amount to be raised by each Company is as follows: MIG: up to £15 million (subject to an over-allotment facility of up to £10 million), MIG 2: up to £10 million (subject to an over-allotment facility of up to £5 million), MIG 4: up to £10 million (subject to an over-allotment facility of up to £5 million) and I&G: up to £15 million (subject to an over-allotment facility of up to £10 million). If a Board decides (in consultation with Mobeus) to utilise the over-allotment facility under its Company's Offer, the relevant Company will make an RIS Announcement as soon as reasonably practicable. The maximum number of Offer Shares to be issued by each Company in connection with its Offer is 41 million MIG Offer Shares, 23 million MIG 2 Offer Shares, 20 million MIG 4 Offer Shares and 37 million I&G Offer Shares. An Offer will close at 12.00 noon on 4 April 2018 (or, if earlier, as soon as the Offer is fully subscribed or otherwise at the relevant Board's discretion).
- (b) The contract created by the acceptance of an Application in respect of an Offer will (unless the Board of the relevant Company resolves otherwise) be conditional on admission to the Official List and to trading on the London Stock Exchange's market for listed securities in respect of the relevant Offer Shares becoming effective. If any Application in respect of an Offer is not accepted in full or if any contract created by acceptance does not become unconditional, the Application monies or, as the case may be, the balance thereof (save where the amount is less than £1 in respect of a Company, in which case you authorise such amount to be paid to that Company and used for its own purpose) will be returned (without interest) at the risk of the person(s) entitled thereto by (i) returning each relevant Applicant's cheque or banker's draft or by crossed cheque in favour of the Applicant, through the post or (ii) by bank transfer to the same bank account from which the monies were received as identified on the Application Form. In the meantime, Application monies will be retained by the Receiving Agent in a separate account).
- (c) The right is reserved by each Company to present all cheques and banker's drafts for payment on receipt and to retain Share certificates (as applicable), pending clearance of successful Applicants' cheques and banker's drafts (including the minimum aggregate level of application per Offer and the aggregate minimum level of Application across all Offers). A Company may treat Applications as valid and binding even if not made in all respects in accordance with the prescribed instructions and a Company may, at its discretion, accept an Application in respect of which payment is not received by the Company prior to the Closing Date. Each Board reserves the right to accept Applications and issue Offer Shares in respect of Applications accepted, prior to the Closing Date. Applications which are not accompanied by cheques or banker's drafts available for immediate presentation or by other valid payment means will be dealt with at the discretion of the relevant Board.
- (d) By completing and delivering an Application Form, you (as the Applicant), in respect of each Offer:
  - (i) irrevocably offer to subscribe for such number of Offer Shares as is determined by applying the Allotment Formula to the Investment Amount specified in your Application Form in respect of the relevant Company's Offer (or such lesser amount for which your Application is accepted) and further, subject to these terms and conditions and the Articles of the relevant Company and any supplementary prospectus issued by the Companies and filed with the FCA, which you are deemed to have received and read (whether or not so read);
  - (ii) agree that, in consideration of the relevant Company agreeing to process your Application, your Application will not be revoked until its Offer is closed and that this paragraph shall constitute a collateral contract between you and that Company which will become binding upon dispatch by post to, or (in the case of delivery by hand) on receipt by, the Receiving Agent of your duly completed Application Form;
  - (iii) agree and warrant that your cheque or banker's draft may be presented for payment on receipt and will be honoured on first presentation and agree that if it is not so honoured you will not be entitled to receive certificates in respect of the Offer Shares or to enjoy or receive any rights or distributions in respect of such Offer Shares (nor shall your financial adviser be entitled to any facilitation of any initial adviser charges), unless and until you make payment in cleared funds for such Offer Shares and such payment is accepted by a Company in its absolute discretion (which acceptance shall be on the basis that you indemnify it and the Receiving Agent 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 any documents of title and any monies returnable to you or payable to your financial adviser may be retained pending clearance and that such monies will not bear interest) and you agree that, at any time prior to the unconditional acceptance by the relevant Company of such late payment, that Company may (without prejudice to its other rights) avoid the agreement to subscribe for such Offer Shares, avoid the facilitation of any initial adviser charges and may issue or allot Offer Shares to some other person, in which case you will not be entitled to any payment in respect of such Offer Shares, other than the refund to you, at your risk, of the proceeds (if any) of the cheque or banker's draft accompanying your Application Form (or as made by bank transfer), without interest;

- (iv) agree that, in respect of those Offer Shares for which your Application has been received and is not rejected, your Application may be accepted at the election of the relevant Company either by notification to the London Stock Exchange of the basis of allocation or by notification of acceptance thereof to the Receiving Agent;
- (v) agree that any subscription monies, together with other monies received from other Applicants, may be held on trust by the Receiving Agent, as may be applicable, for the purposes of either (a) the payment of the Offer Price in respect of Offer Shares you have subscribed for or (b) the return to you (without interest earned in respect of such monies) in circumstances where such payment(s) as referred to in (a) are not made. In circumstances where (b) applies, you acknowledge that interest earned on such monies will be paid to the relevant Company;
- (vi) agree that any monies refundable to you may be retained by the Receiving Agent, as may be applicable, pending clearance of your remittance and any verification of identity which is, or which the Companies or the Receiving Agent may consider to be, required for the purposes of the Money Laundering Regulations 2007 and that such monies will be paid without interest;
- (vii) authorise the Registrars to send Share certificate(s), if relevant, in respect of the number of Offer Shares for which your Application is accepted and the Receiving Agent, as may be applicable, to send a crossed cheque for any monies returnable, by post, at your own risk, without interest, to your address set out in the Application Form and to procure that your name (or, where Section 5 of the Application Form is completed, the name of your CREST nominee inserted in Section 5) is placed on the register of members of each relevant Company in respect of such Offer Shares;
- (viii) agree that all Applications and instructions to facilitate any initial adviser charges and contracts resulting therefrom shall be governed by and construed in all respects 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 relevant Company to bring any action, suit or proceeding arising out of or in connection with any such Applications and instructions to facilitate any adviser charges, acceptances of Applications and contracts in any other manner permitted by law or any court of competent jurisdiction;
- (ix) agree and acknowledge that you are making your Application on the basis of the information and statements concerning the relevant Company and its Offer Shares contained in the Prospectus (and any supplementary prospectus issued by the Companies and filed with the FCA, which you are deemed to have received and read (whether or not so read)) and the latest publicly available financial information of the relevant Company and agree that no person responsible solely or jointly for the Prospectus (or supplementary prospectus) or any part thereof or involved in the preparation thereof shall have any liability for any other information or representation relating to that Company or its Offer Shares or for any change in the law or regulations affecting venture capital trusts;
- (x) irrevocably authorise the Receiving Agent and/or Registrar and/or the relevant Company or any person authorised by any of them, as your agent, to do all things necessary to effect registration of any Offer Shares subscribed by or issued to you into your name (or, where Section 5 of the Application Form is completed, the name of your CREST nominee inserted in Section 5) and authorise any representative of the Receiving Agent, the Registrar or of the relevant Company to execute any document required therefor;
- (xi) confirm and warrant that the information provided on the Application Form is true and accurate and that any instructions thereon in relation to the facilitation of initial adviser charges are confirmed and that you irrevocably authorise the relevant Company (as required) to make such payments from your investor entitlement;
- (xii) confirm that you are not a US person as defined under the United States Securities Act of 1933, as amended, or a resident of Canada and that you are not applying for any Offer Shares with a view to their offer, sale, delivery to or for the benefit of any US person or a resident of Canada, and that you have reviewed the restrictions contained in paragraphs (e) and (f) below and warrant compliance therewith;
- (xiii) warrant that you are an individual aged 18 or over;
- (xiv) agree that all documents in connection with an Offer and any returned monies will be sent by post at your risk;
- (xv) agree, on request by the relevant Company or the Receiving Agent on behalf of that Company, to disclose promptly in writing to the relevant Company any information which that Company or the Receiving Agent may reasonably request in connection with your Application including, without limitation, satisfactory evidence of identity to ensure compliance with the Money Laundering Regulations 2007 and authorise the relevant Company and the Receiving Agent to disclose any information relating to your Application as it considers appropriate;
- (xvi) undertake that you will notify the relevant Company if you are not or cease to be either an individual subscribing for the Offer Shares within the limit set out in section 262 of ITA 2007 or beneficially entitled to the Offer Shares;

- (xvii) declare that a loan has not been made to you or any associate which would not have been made, or would not have been made on the same terms, but for you offering to subscribe for, or acquiring, Offer Shares and that the Offer 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;
  - (xviii) warrant that, if you sign the Application Form on behalf of somebody else, you have due authority to do so on behalf of that other person, and such person will also be bound accordingly and will be deemed also to have given the confirmations, warranties, undertakings and authority contained herein and undertake to enclose your power of attorney or a copy thereof duly certified by a solicitor or bank with the Application Form;
  - (xix) acknowledge that the Receiving Agent and Mobeus are acting solely for each Company and no-one else and will not be responsible to anyone other than the relevant Company for providing any advice in relation to the subject of this document and will not treat you (or, where Section 5 of the Application Form is completed, your CREST nominee) as its customer;
  - (xx) consent to the information provided on the Application Form being provided to the Receiving Agent, Mobeus (as the promoter to the Offers) and the Registrars to process shareholding details and send notifications to you (or, where Box 5 of the Application Form is completed, your CREST nominee); and
  - (xxi) acknowledge that the Companies (or its agents) may, if necessary, disclose information to HMRC and the IRS to satisfy their FATCA obligations.
- (e) Each Company reserves the absolute right to inspect (either itself or through the Receiving Agent or other agents) all Application Forms, and may consider void and reject any Application Form that does not in the sole judgment of the relevant Company satisfy the terms and conditions of its Offer. If an Application Form is not completed or in the Company's determination (in its absolute discretion) has not been validly completed, provided that the Application Form is otherwise in order and is accompanied by the appropriate Application monies, the Application may be accepted as a valid Application in whole or in part at the Company's discretion.
  - (f) No action has been, or will be, taken in any jurisdiction by, or on behalf of, a Company or Mobeus which would permit a public offer of the Offer Shares in any jurisdiction 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 UK. No person receiving a copy of this document (the Securities Note), the Registration Document, the Summary (including any supplementary prospectus issued by the Companies and filed with the FCA) or an Application Form in any territory other than the UK 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 regulation or other legal requirements. It is the responsibility of any person outside the UK wishing to make an Application 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 requiring to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory.
  - (g) The Offer Shares have not been and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States of America, its territories or possessions or other areas subject to its jurisdiction (the "USA"). In addition, none of the Companies have been and will not be registered under the United States Investment Company Act of 1940, as amended. Mobeus is not and will not be registered under the United States Investment Advisers Act of 1940, as amended. No subscription will be accepted if it bears an address in the USA.
  - (h) Multiple Applications under the Offers are permitted. Applications will otherwise be accepted on a 'first-come, first-served' basis (but subject always to the discretion of the relevant Board). The right is reserved to reject in whole or in part and scale down and/or ballot any Application or any part thereof including, without limitation, Applications in respect of which any verification of identity which a Company or the Receiving Agent considers may be required for the purposes of the Money Laundering Regulations 2007 has not been satisfactorily supplied. Each Board in its absolute discretion may decide to close or suspend its Offer at any time. Allotments of Offer Shares will also be subject to the relevant Company having the requisite authorities from its Shareholders from time to time. An Offer shall be suspended if the issue of such Offer Shares would result in the breach of the Prospectus Rules and/or the Listing Rules of the FCA or any other statutory provision or regulation applicable to the relevant Company. Dealings prior to the issue of certificates, if applicable, for Offer Shares will be at the risk of investors. A person so dealing must recognise the risk that an Application may not have been accepted to the extent anticipated or at all.
  - (i) An Offer cannot be withdrawn after dealings in the Offer Shares have commenced.
  - (k) Successful Applicants, whose Applications are accepted and which are received up to the earlier of the first £50 million being raised across the Offers or to 3 November 2017, will be eligible to receive an early investment incentive discount

of an amount equal to 1% of their Investment Amount. If this is the case then the Early Investment Incentive will be allocated proportionately to each Offer for which an Application is accepted. Mobeus has agreed to reduce its fee in respect of such Applications by an amount equal to the Early Investment Incentive which will be applied through the Allotment Formula as a reduction in the amount of Offer Costs and will, therefore, increase the number of Offer Shares to be allotted to the investor, Mobeus reserves the right to increase the amount of, and/or extend the deadline for, the Early Investment Incentive. For the avoidance of doubt, initial income tax relief is only available on the Investment Amount and no further relief is available on any additional Offer Shares issued pursuant to the Early Investment Incentive.

- (l) Initial and annual trail commission will only be paid to 'execution only' intermediaries by each Company. 'Execution only' intermediaries may, to the extent permitted under legislation and regulations, be offered an initial commission by Mobeus at a rate determined by reference to their client's Investment Amount under the Offers. Mobeus will not offer any 'execution only' initial commission which, together with any Early Investment Incentive Discount and any further reduction in its fee offered, would result, in aggregate, in a reduction to its fee of more than 3.25% of the Investment Amount of any Application. In addition, 'execution only' intermediaries will, to the extent permitted under legislation and regulations, normally also be entitled to annual trail commission of 0.375% of the net asset base value for each such Offer Share (subject to a cumulative trail commission cap of 2.25% of the Offer Price and their client continues to hold such Offer Shares). Confirmation that no advice has been given must be provided on the Application Form. For the avoidance of doubt, initial and annual trail commission will not be payable where financial advisers have provided advice, though initial financial adviser charges may be facilitated as referred to below, or if the client disposes of his Offer Shares.

Investors and intermediaries should note that trail commission is not payable if the intermediary subsequently then gives advice in respect of a holding. The relevant Company should be immediately notified that trail commission payments should cease. It is the responsibility of the investor and the intermediary to notify the relevant Company if advice is given and payments for this (or for any other) reason should cease (though each Company also reserves the right to cease payments if it believes advice may have been given or for any other reason in its absolute discretion).

Any initial commissions will be paid out of the Offer Costs. Trail commission will be paid by the Companies. Annual trail commission in respect of each Company will be paid shortly after the later of the relevant Company's annual general meeting or, where applicable, the date of payment of the final dividend in each year. The administration of annual trail commission will be managed on behalf of the Companies by Mobeus which will maintain a register of 'execution only' intermediaries entitled to trail commission.

'Execution only' intermediaries should keep a record of Application Forms submitted bearing their stamp or full address details to substantiate any claim for selling commission.

The Receiving Agent will collate the Application Forms bearing the 'execution only' intermediaries' stamps or full address details and calculate any initial commission payable which will be paid following allotment of Offer Shares to such intermediary's client.

'Execution only' intermediaries may agree to waive all or part of any initial commission offered by Mobeus in respect of their clients' Application. If this is the case then the amount waived will be allocated proportionately to each Offer for which an Application is accepted. Mobeus has agreed to reduce its fee by an amount equal to any initial commission waived, which will be applied through the Allotment Formula as a reduction in the amount of Offer Costs and will, therefore, increase the number of Offer Shares to be allotted to the investor.

Investors and execution-only intermediaries should note that trail commission is not payable if the intermediary subsequently then gives advice in respect of a holding. It is the responsibility of the investor and the execution-only intermediary to notify the relevant Company as soon as possible if advice is given and payments for this (or for any other reason) must cease (though each Company also reserves the right to cease payments if it believes advice may have been given or for any other reason in its absolute discretion).

In respect of existing trail commission arrangements to intermediaries, such payments will continue (to the extent permitted under legislation and regulations), but not if subsequent financial advice in respect of the holding is given. As a result, should a Shareholder in a Company decide to seek financial advice from their existing execution-only intermediary in respect of participating in that Company's Offer, any trail commission which is currently being paid to that intermediary pursuant to an existing holding in that Company must cease and Mobeus and/or the Company should be notified accordingly.

- (m) The Companies will, through the Receiving Agent, provide facilitation services in respect of any initial financial adviser charges agreed between an investor and their financial adviser. The maximum amount to be facilitated will be 4.5% of the Investment Amount (to be allocated proportionately against each Offer for which an Application is accepted unless special instructions are stated on the Application Form).



Such investors will be due an entitlement from each relevant Company in which Offer Shares are allotted up to an amount equal to the amount to be facilitated from which such adviser charge will be paid on behalf of the investor. The investor entitlement may not be taken by the investor as a cash payment. If the initial adviser charge agreed between the investor and the financial adviser is greater than the maximum amount agreed to be facilitated by the Companies, then the investor will need to make such additional payment direct to their financial adviser. The charging of VAT on an initial financial adviser charge is the sole responsibility of the financial adviser. Should any facilitated initial charge undertaken by the Receiving Agent exclude the payment of any such VAT, the investor will, at all times, remain solely responsible to make up such VAT deficit (if any) to the adviser.

If the investor and financial adviser agree that an initial charge is to be facilitated by the Receiving Agent, the Application Form must be countersigned by the financial adviser to confirm (i) that the facilitation amount has been agreed and (ii) that the financial adviser has read and agrees to be bound by the terms and conditions of the relevant Offers.

Initial adviser charges will only be facilitated if, and to the extent, they are permitted under legislation and regulations.

Further details of facilitation services and confirmation of instructions are set out in the Application Form at the end of this document. Initial income tax relief should be available on the total Investment Amount in the Companies for Qualifying Investors.

- (m) The maximum aggregate amount of commission which will be paid by each Company is an amount representing no more than 10% of the respective Offer Price per Offer Share allotted by that Company.
- (n) Mobeus may (at its discretion) agree to reduce its fee (in whole or part) in respect of any specific investor or group of investors for the benefit of such investors. Any reduction will be applied through the Allotment Formula as a reduction in the amount of Offer Costs and will, therefore, increase the number of Offer Shares to be allotted to the investor. Mobeus will not offer any further reduction in its fee which, together with any Early Investment Incentive discount and any 'execution only' initial commission offered, would result, in aggregate, in a reduction to its fee of more than 3.25% of the Investment Amount of any Application.
- (o) The Companies reserve the right to publish revised Application Forms from time to time. Applicants and their advisers/intermediaries should, therefore, check when completing an Application Form that no subsequent version has been published or made available by the Companies (which will be downloadable from [www.mobeusequity.co.uk/investor-area](http://www.mobeusequity.co.uk/investor-area)).
- (p) The Companies further reserve the right to provide editable PDF Application Forms or an Application Form which can be completed on-line. The submission of such Application Forms to the Companies and/or the Receiving Agent by or on behalf of an investor shall constitute confirmation by the investor of agreement to these terms and conditions if such Application Forms are electronically signed or otherwise have the investor's name stated in full within the signature box.
- (q) The Companies reserve the right to make the Offers available via one or more platforms (subject to information being received in respect of any Applicant and the intended underlying beneficial holder of Offer Shares as may be requested by or on behalf of the Companies).
- (r) An Offer will be suspended or withdrawn to the extent that the relevant Company has insufficient shareholder authority to allot Offer Shares in that Company.

# Notes on How to Complete the Application Form

The Offers are open to all existing Shareholders and new investors.

The Application Form for use in connection with the Offers is attached at the end of this document. Additional copies of the Application Form can be obtained from [www.mobeusequity.co.uk](http://www.mobeusequity.co.uk) or by contacting Mobeus on 020 7024 7600 between the hours of 9.00 a.m. and 6.00 p.m. on any Business Day. The Companies reserve the right to publish revised and/or additional Application Forms from time to time.

To apply to participate in the Offers, please complete and return the Application Form to The City Partnership (UK) Limited, 110 George Street, Edinburgh EH2 4LH by post or hand delivered (during normal business hours only) by 12.00 noon on 4 April 2018.

Please complete all parts of the Application Form in accordance with the following instructions. The Applicant should complete Sections 1 to 9 (as applicable), while the Applicant's financial adviser or intermediary, if any, should complete Sections 10 to 13 (as applicable on pages 4 and 5 of the Application Form).

**If you wish to apply to participate in the dividend investment scheme operated by MIG 4 or I&G, please also complete the relevant Dividend Mandate Forms set out on the two pages immediately after the Application Form at the end of this document and return this/these with your Application Form.**

## Application Form Instructions:

### To be completed by the Applicant

#### 1. Your personal details

Insert (using block capitals) in Section 1 your full name, full address, work and home telephone numbers, e-mail address, National Insurance number, date of birth and tax residency details. The Companies (or their agents) may, if necessary, disclose information to HMRC and the IRS to satisfy their FATCA obligations. Please tick the box provided if you are an Existing Shareholder.

**If you are already an Existing Shareholder, please take care that your name and title exactly match those shown on your existing Share certificate(s). This should help prevent your new shareholding being opened in a separate, duplicate account on the register of members.**

Please tick the relevant box to advise us as to how you would like to receive acknowledgement of your Application.

#### 2. Application details

**Depending on the application option you choose, please complete EITHER Section 2a OR 2b.**

If both sections have been completed, the Application will be dealt with in the manner which the Boards consider appropriate depending on the information included or otherwise rejected.

#### 2a Applications to invest equally under all of the Offers which are open at the time the Application Form is processed.

Insert (in figures) the total aggregate value of the investment you wish to make pursuant to the Offers. This amount will be invested, as far as practically possible, equally in all of the Offers that are open at the time your Application Form is processed. This may mean that you invest in only one Offer if all of the other Offers have closed, or are deemed closed, by the time your Application Form is processed. Your Subscription must be for a minimum aggregate amount of £6,000 (thereafter in multiples of £500).

If all of the Offers have closed, or are deemed closed, by the time your Application Form is processed then the total amount of your Application will be returned to you.

Please note that if you subscribe by completing Section 2a of the Application Form you should not complete Section 3, which deals with re-allocation/return of Applications. This is because amounts subscribed under Section 2a will be automatically allocated equally, as far as practically possible, among all the Offers that are open at the time your Application is processed.

#### 2b Applications to one or more of the Offers or for different amounts.

Insert (in figures) the value of the investment you wish to make pursuant to each Company's individual Offer. Your total Application must be for a minimum aggregate amount of £6,000 and the amount you subscribe to each Company's individual Offer must be for a minimum of £1,500 (thereafter in multiples of £500 per Offer).

**If you choose to complete Section 2b you should also complete Section 3** to indicate whether you want your Application either re-allocated or returned in the event that one or more, but not all, of the Offers under which you have applied has/have, or is/are deemed, closed by the time your Application Form is processed. If you do not complete Section 3, your Application will be dealt with as if you have ticked Box 3 in that section as set out below.

### 3. Re-allocation/return instructions

**You should complete this section if you have chosen to invest in the Offers through Section 2b of the Application Form.**

In the event that one or more, but not all, of the Offer(s) for which you have applied has/have, or is/are deemed, closed by the time your Application Form is processed please tick the relevant box (one only) to denote your instructions on how you want your Application to that/those Offer(s) re-allocated or whether you want your Application to that/those Offer(s) returned as follows:

- Box 1 Re-allocated, so far as is practicably possible, equally in **the remaining Offers for which you have applied** and which are open. This may mean that your entire Application is allocated to just one Offer if all of the other Offers have, or are deemed, closed by the time your Application Form is processed.
- Box 2 Re-allocated, so far as is practicably possible, equally in **all the remaining Offers** which are open. This may mean that your entire Application is allocated to just one Offer if all of the other Offers have, or are deemed, closed by the time of your Application Form is processed and that all or part of your Application is allocated to an Offer which was not originally selected by you for your investment.
- Box 3 returned to you (your Application for the other Offers will continue).

If all of the Offers to which you have applied have, or are deemed, closed by the time your Application Form is processed, the total amount of your Application will be returned to you.

In the event that you choose to have your Application re-allocated by ticking Boxes 1 or 2 as described above, the Receiving Agent will inform you of the allocation of your Application as a result of the re-allocation, following the allotment of your Offer Shares.

If you have requested that your Application in respect of a closed Offer be returned to you, monies will be returned to you by cheque or bank transfer (in the same manner in which monies were remitted with your original Application) as soon as practicably possible.

### 4. Payment details

You can provide your Application monies either by cheque/banker's draft or via a bank transfer. Please tick the relevant box in Section 4.

#### (i) Payment by cheque/banker's draft

Pin your cheque or banker's draft, which must be made payable to "**City Partnership - Mobeus Offers**" and crossed "A/C Payee only", to the Application Form. Your payment must relate solely to this Application.

Your cheque or banker's draft must be drawn in Sterling on an account with a United Kingdom or European Union regulated credit institution, and which is in the sole or joint name of the investor and must bear the appropriate sort code in the top right-hand corner. The right is reserved to reject any Application in respect of which the investor's cheque or banker's draft has not been cleared on first presentation. Any monies returned will be sent by cheque crossed "A/C Payee only" in favour of the investor without interest.

Cheques may be presented for payment on receipt. Applications under the Offers will normally be accepted on a first-come, first-served basis, save that Applications accompanied by a post-dated cheque **will not be processed until the cheque can be presented and will not be treated as being received by the Receiving Agent until that date**, subject always to the discretion of the Boards. **This may mean that your application is not allocated to an Offer that closes in the meantime.** If using a post-dated cheque, please print "POST-DATED" alongside the amount inserted in Section 2. Failure to print "POST-DATED" in section 2 may result in the cheque being presented in error.

The right is reserved to reject any Application in respect of which the investor's cheque or banker's draft has not been cleared on first presentation. Any monies returned will be sent by cheque crossed "A/C Payee only" in favour of the investor without interest.

#### (ii) Payments via bank transfer

Payments via bank transfer should be made to the following account:

Bank of Scotland plc  
Account number: 16551263  
Sort Code: 80-22-60  
Account name: City Partnership – Mobeus Offers  
IBAN: GB33BOFS80226016551263  
BIC: BOFSGS1SDP

If you wish to transfer by bank transfer, payments must be made by BACS, CHAPS or Faster Payment in sterling. Details of the bank being instructed to make such bank transfer must be entered into Section 4 of the Application Form.

Payments in electronic form must come from a UK bank account and from a personal account in the name of the individual investor where they have sole or joint title to the funds.

The account name must be the same as that shown in Section 4 of the Application Form. Payments must relate solely to your Application. Please also reference bank transfers with your surname, initials and post code and also complete these details in Section 4. No receipt in respect of electronic payments will be issued but the Receiving Agent will contact you if it has not matched an electronic payment to your application.

**Money Laundering Notice – Important Procedures for Applications of the Sterling equivalent of €15,000 (£14,000 approx.) or more.**

The verification requirements of the Money Laundering Regulations 2007 will apply and verification of the identity of the Applicant may be required. **Failure to provide the necessary evidence of identity may result in your Application being treated as invalid or in a delay of confirmation.** If you are an existing Shareholder of one or more of the Companies and have previously provided the Receiving Agent with the appropriate money laundering documents, you will not need to provide the documents again (unless otherwise requested).

If the Application is for the Sterling equivalent of €15,000 or more (or is one of a series of linked Applications the value of which exceeds that amount):

- (A) Verification of the investor's identity may be provided by means of a "Letter of Introduction", from a financial adviser or duly authorised intermediary or other regulated person (such as a solicitor or accountant) who is a member of a regulatory authority and is required to comply with the Money Laundering Regulations 2007 or a UK or EC financial institution (such as a bank). The City Partnership (UK) Limited will supply specimen wording on request; or
- (B) If an Application is made direct (not through a financial adviser or intermediary), you must ensure that the following documents are enclosed with the Application Form:
  - (1) either a certified copy of your passport or driving licence; and
  - (2) a certified copy of a recent (no more than three months old) original bank or building society statement, or utility bill, or recent tax bill, in your name.

Copies should be certified as true copies by a solicitor or bank. Original documents will be returned by post at your risk.

Alternatively, if you have a financial adviser or are using an execution-only intermediary, he or she can confirm that this has been carried out by ticking the relevant box at the end of Section 10 and nothing further should, save as set out below, be required (though the Company(ies) and the Receiving Agent reserve the right to request further information at their discretion). Where a bank transfer is being made for £50,000 or more, the investor must in all cases provide a certified copy of their passport and a recent (no older than three months) bank statement whether or not a financial adviser or an execution-only intermediary has ticked the relevant box at the end of Section 10.

## 5. Nominee details

If you would like your Offer Shares to be issued directly in the name of your nominee through CREST, please complete your nominee's details in Section 5.

## 6. Data protection

Tick the box at Section 6 if you do not wish for your personal details to be used by Mobeus and/or the Receiving Agent to send you information on other products or services they offer.

## 7. Electronic communications

The Companies provide Shareholders with the opportunity to receive documents by electronic communication. Should you wish to receive notification of when documents are published on the Mobeus website for the Companies, please tick the box at Section 7. Your email address must also be provided in Section 1 to help process your election.

## 8. Dividend payment mandate

Dividends will be paid by cheque and sent to a Shareholder's registered address. Alternatively, dividends paid in cash may be paid directly into bank or building society accounts. In order to help facilitate this, please complete Section 8.

\*If you are an existing Shareholder who has already completed the mandate referred to in Section 8 in the past, please do so again for this new investment.

## 9. Applicant's signature and date

Please sign and date in the appropriate spaces in Section 9.

**The rest of the Application Form should be completed by your financial adviser or intermediary (if any) but investors who are using a financial adviser or intermediary should be aware of its contents and the comments below.**

#### **10. Financial adviser/'execution only' intermediary details**

Financial advisers/'Execution only' intermediaries should complete Section 10 giving their contact name and address and their FCA Number.

The Receiving Agent will pay initial commission and facilitated adviser charges by bank transfer. In order to help facilitate this, please complete the payment details in Section 10.

Please tick the relevant boxes as to whether this is an advised or 'execution only' client.

If an adviser has already carried out the identity verification requirements of the Money Laundering Regulations within the guidance of the UK Capital Financial Sector issued by the Joint Money Laundering Steering Group, please tick the relevant box at the end of Section 10. If this box is not ticked, the Applicant will need to comply with the confirmation of identity information set out under the Money Laundering Notice on page 66 of the Securities Note.

#### **11. Financial advisers that provide advice**

Financial advisers who have provided advice to their clients should complete Section 11.

If you have agreed to pay your financial adviser a fee directly, your financial adviser should tick option A within Section 11, confirming that they have provided financial advice to you but that no facilitation service is required pursuant to this Application.

If you have agreed with your financial adviser that the payment of an initial adviser charge should be facilitated by the Receiving Agent out of the investor entitlement from the Companies to you, your financial adviser should:

- confirm that they have provided financial advice to you by ticking either box in Section 11;
- insert the amount of the initial adviser charge (both in £ and as a percentage) to be facilitated to the financial adviser (the maximum amount to be facilitated will be 4.5% of the aggregate amount inserted in Section 2a or, as applicable, Section 2b).

Adviser charges will be allocated proportionately against each Offer for which an Application is accepted, subject always to the maximum amount to be facilitated of 4.5%. Any amount of adviser charge (including any applicable VAT thereon) in excess of this maximum amount will be the responsibility of the Applicant.

Adviser charges will only be facilitated if, and to the extent, they are permitted under legislation and regulations. If Section 11 is not completed, then the Companies will assume that no facilitation of an initial adviser charge is required.

Financial advisers should take particular notice of the notes to Section 11 and advise their client accordingly. In particular, if the amount inserted in Section 11b represents an amount which is less than the initial adviser charge agreed to be paid by you to the financial adviser then you as the investor will, at all times, remain solely responsible to make up such deficit to the financial adviser.

Please note the financial advisers' obligation to advise their clients of the Risk Factors found on page 2 of this document and pages 3 and 4 of the Registration Document.

#### **12. 'Execution only' intermediaries**

Intermediaries who are acting on an 'execution only' basis (i.e. who are not providing advice) should complete Section 12.

'Execution only' intermediaries should confirm that they have not provided financial advice to the Applicant by ticking the box in Section 12 and select (if an initial commission is offered by Mobeus) their elected initial commission option. Annual trail commission will, however, be available to all 'execution only' intermediaries.

Availability of initial commission and initial commission options are set out on page 30 of this document. The amount of any initial commission agreed should be indicated in Section 12 accordingly. Commissions will only be paid if, and to the extent, they are permitted under legislation and regulations and the 'execution-only' intermediary's client continues to hold their Offer Shares.

'Execution only' Intermediaries can waive some or all of any initial commission offered for the benefit of their clients. If the initial commission is to be waived this should be indicated by completing Section 12 accordingly.

#### **13. Financial adviser/'execution only' intermediary signature and date**

The financial adviser/'execution only' intermediary should sign and date in the appropriate spaces in Section 13 and by doing so confirm that they agree to be bound to the terms and conditions of the Offers, whether or not advice has been given and, if relevant, the amount of the financial adviser charge has been agreed with you.

## Frequently Asked Questions

**Q: How do I know how many Offer Shares I will receive?**

A: The number of Offer Shares to be issued to investors will be determined by the Allotment Formula set out on page 27 of this document. As the Offer Price is variable, you should check for the most recently published NAVs of the Shares per Company and seek independent financial advice as to when it would be most appropriate for you to invest.

**Q: To whom should I make the cheque or banker's draft payable?**

A: Cheques and banker's drafts should be made payable to "City Partnership - Mobeus Offers". Please ensure that all identification requirements are sent to the Receiving Agent with your Application Form

**Q: Can I send Application monies by bank transfer?**

A: Yes, monies can be sent by bank transfer to City Partnership - Mobeus Offers (Bank of Scotland plc, Account Number: 16551263 and Sort Code 80-22-60). Please ensure that all identification requirements are sent to the Receiving Agent with your Application Form.

**Q: Where should I send my Application?**

A: Your Application Form and cheque/banker's draft (unless a bank transfer is being made) should be sent to Mobeus Offers, The City Partnership (UK) Limited, 110 George Street, Edinburgh EH2 4LH.

**Q: What happens after I send in my Application?**

A: The Receiving Agent will send you confirmation that it has received your Application Form by return post or by email (as selected in Section 1). The confirmation will indicate by when the next allotment(s) of Shares under the relevant Offer(s) is/are planned, but investors should note that the Board(s) have discretion as to when such allotments will actually take place. If the Receiving Agent has any questions about your Application they will contact you by telephone or email in the first instance, so it is important that you provide your contact information on the Application Form. Applications will otherwise be accepted at the discretion of the Boards, though the Boards intend to meet Applications on a 'first-come, first-served' basis.

**Q: How do I know whether my Application for one or more of the Offers, if such Offer(s) is/are closed or deemed closed, is to be re-allocated or returned?**

A: If you have applied for your Application to be split equally across all Offers, if an Offer is closed at the time your Application Form is processed, your Application will be reallocated equally across those Offers which remain open.

If you have applied for specific amounts under one or more of the Offers and an Offer is closed at the time your Application Form is processed, your Application in respect of the closed Offer will be re-allocated in accordance with your instructions on the Application Form.

In each case, you will be notified of any re-allocation and the number of Offer Shares allotted in each Company following your Application being accepted and Offer Shares being allotted (either when your Share certificate(s) is/are dispatched to you or separately if you have requested that your Offer Shares be issued directly into CREST).

If you have requested that your Application in respect of a closed Offer be returned to you, monies will be returned to you by cheque or bank transfer (in the same manner in which monies were remitted with your original Application) as soon as practicably possible. Your Application for any Offers which remain open will continue.

**Q: When can I expect to receive Share and tax certificates?**

A: The Receiving Agent will send Share and tax certificates approximately ten Business Days after the allotment of Offer Shares. As noted above, allotments take place at the discretion of the Boards. However, allotments of Offer Shares will take place no later than 5 April 2018. Allotments that have taken place will be announced through a Regulatory Information Service.

**Q: What do I do if I wish to hold my Offer Shares through a nominee?**

A: Please complete Section 5 of the Application Form.

**Q: What do I do if I have any queries on how to complete an Application Form?**

A: Please contact the Receiving Agent on 0131 243 7210 or Mobeus on 020 7024 7600 or at [info@mobeusequity.co.uk](mailto:info@mobeusequity.co.uk). It should be noted that the Receiving Agent and Mobeus will only be able to deal with the practicalities of application and are not permitted to provide any investment, financial or tax advice in connection with any investment in the Companies under the Offers.

**Q: Am I able to re-invest my dividends in further shares?**

A: I&G and MIG 4 operate a dividend investment facility. If you would like to join the scheme(s), please complete the relevant dividend investment scheme mandate form(s) and send them with your Application Form to the City Partnership (UK) Limited. Please note that you must read the terms and conditions of the schemes on each Companies' website ([www.mig4vct.co.uk](http://www.mig4vct.co.uk) and [www.incomeandgrowthvct.co.uk](http://www.incomeandgrowthvct.co.uk)).

**MOBEUS INCOME & GROWTH VCT PLC**  
**MOBEUS INCOME & GROWTH 2 VCT PLC**  
**MOBEUS INCOME & GROWTH 4 VCT PLC**  
**THE INCOME & GROWTH VCT PLC**

Definitions used in the Securities Note published by the Companies dated 6 September 2017 (Securities Note) (copies of which can be downloaded from [www.mobeusequity.co.uk/investor-area/fundraising](http://www.mobeusequity.co.uk/investor-area/fundraising)) apply herein. Before completing this Application Form you should read the Terms and Conditions of Application and Notes on how to complete the Application Form.

The Offers open on 6 September 2017 and will close at 12.00 noon on 4 April 2018. Each Board will close its respective Company's Offer earlier if it is fully subscribed by an earlier date or otherwise at its discretion. Please send the completed Application Form with your cheque or banker's draft (or, if making a bank transfer, ensuring Section 4 has been completed) and, if necessary, proof of identity to **Mobeus Offers, The City Partnership (UK) Limited, 110 George Street, Edinburgh EH2 4LH**. Cheques and banker's drafts should be made payable to "City Partnership - Mobeus Offers".

**If you wish to apply to participate in the dividend investment scheme operated by MIG 4 or I&G, please also complete the relevant Dividend Mandate Forms in the Securities Note and return this with your Application Form.**

The Companies and the Receiving Agent cannot accept responsibility if any details provided by you are incorrect.

Please contact the Receiving Agent on 0131 243 7210 or Mobeus on 020 7024 7600 or at [info@mobeusequity.co.uk](mailto:info@mobeusequity.co.uk) if you have any queries on how to complete the Application Form. It should be noted that the Receiving Agent and Mobeus will only be able to deal with the practicalities of application and are not permitted to provide any investment, financial or tax advice in connection with any investment in the Companies under the Offers.

**Please complete in BLOCK CAPITALS.**

**To be completed by the Applicant**

<b>1</b>	<b>Personal Details</b>
Title: Mr/Mrs/Miss/Ms/Dr/Other	
Forenames:	
Surname(s):	
Address:	
Post Code:	
Email Address:	
Telephone (work):	Telephone (home):
Date of Birth: <input type="text" value="DD"/> <input type="text" value="MM"/> <input type="text" value="YYYY"/>	National Insurance Number: <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Countries where you are tax resident:	
Please tick this box if you are a U.S. citizen: <input type="checkbox"/>	
If you are a U.S. citizen, please provide your US taxpayer identification number (TIN):	
If you are an existing investor in any of the Companies, please tick this box: <input type="checkbox"/>	
Please confirm below how you would like the Receiving Agent to acknowledge receipt of your Application:	
Post: <input type="checkbox"/>	Email: <input type="checkbox"/>
<b>If you are an existing shareholder in a Company in which you would like to invest, please ensure that the details provided in this section match your existing shareholder account, to avoid duplicate shareholder accounts being created.</b>	



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**Application Details****Please complete either Section 2a OR Section 2b (but not both)**

I wish to apply under the Offer(s) for the amount(s) set out below, or such lesser amount(s) for which this subscription will be accepted, on the terms and conditions set out on pages 59 to 63 of the Securities Note.

**2a Application to invest equally under all of the Offers**

I wish to apply for the following amount to be invested equally in all of the Offers:

£

Please note that Applications must be for a minimum of £6,000.

**2b Applications to one or more of the Offers or for different amounts**

I wish to apply to one or more of the Offer(s) for the following amount(s) (as may be re-allocated in accordance with the instructions set out in Section 3 or otherwise in the Securities Note) as set out below:

Please note that Applications must be for a minimum of £6,000 in aggregate and a minimum of £1,500 per Company (thereafter in multiples of £500 per Offer).

Mobeus Income & Growth VCT plc (minimum £1,500)

£

Mobeus Income & Growth 2 VCT plc (minimum £1,500)

£

Mobeus Income & Growth 4 VCT plc (minimum £1,500)

£

The Income & Growth VCT plc (minimum £1,500)

£

**TOTAL (to equal a minimum aggregate amount of £6,000)**

£

3

**Re-allocation/return Instructions (complete ONLY if you have completed Section 2b)**

Please tick **one box only**. In the event that one or more, but not all, of the Offers for which I have subscribed has/have, or is/are deemed, closed at the time my Application Form is processed, then I hereby request the following:

- (1) the amount in respect of the closed Offer(s) be re-allocated so that it is invested equally in the remaining Offer(s) for which I have applied and which are open.
- (2) the amount in respect of the closed Offer(s) be re-allocated so that it is invested equally in all of the remaining Offers which are open.
- (3) the amount in respect of the closed Offer(s) be returned to me.

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**Payment Details**

Please tick one box only:

- (i) I enclose a cheque or banker's draft made payable to "City Partnership - Mobeus Offers".
- (ii) I confirm that I have made a bank transfer to:   
 Bank of Scotland plc  
 Account number: 16551263  
 Sort Code: 80-22-60  
 Account name: City Partnership – Mobeus Offers

Please complete the following information for the account from which any bank transfer is being made (please only make one bank transfer in respect of your Application):

Name of Bank:

Account Name:

Account Number:

Sort Code:   :   :

Reference (surname, initials and post code):



5 **Nominee/CREST Details**

I request that any Offer Shares for which my subscription is accepted are issued to my nominee through CREST.

CREST Participant ID:

CREST Member Account ID:

Participant Name:

Participant Address:

Post Code:

Contact name:

Telephone:

Reference (optional):

Fax:

6 **Data Protection Act**

Mobeus Equity Partners LLP and the Receiving Agent will use the information you give for administration, research and statistical purposes. Information provided by you will be held in confidence by Mobeus Equity Partners LLP and the Receiving Agent and will not be passed on to any other product or service companies (other than the registrars of the Companies in which you invest for the purposes of maintaining your shareholding and sending you notices). Your details may be used by Mobeus Equity Partners LLP and the Receiving Agent to send you information on other products and services they offer. If you would prefer not to receive such information, please tick this box.

7 **Electronic Communications**

Each of the Companies provides its Shareholders with the opportunity to receive documents by electronic communication. Should you wish to receive notification of when documents are published on the Mobeus website for each of the Companies, please tick this box. Your email address must also be provided in Section 1.

8 **Dividend Mandate (see notes below)**

Please forward, until further notice, all dividends that may from time to time become due to any Shares now standing or which may hereafter stand, in my name in the register(s) of members of any of the Companies to:

a. Name of Bank of Building Society:

b. Account Number:  c. Sort Code:  :  :

d. Account Name (BLOCK capitals, please):

e. If different to Section 8d, please add Applicant's name (BLOCK capitals please): f. Postcode of Applicant

Notes: All dividends on any Shares held in any of the Companies may be paid directly into bank and building society accounts. In order to help process this, please complete the above mandate instruction section.

Please complete this section even if you are an existing investor in a Company and have previously provided a dividend mandate instruction.

If you wish to apply to participate in the dividend investment scheme operated by MIG 4 or I&G, please also complete the relevant Dividend Mandate Form set out on the two pages immediately after the Application Form at the end of the Securities Note and return this with your Application Form.

9 **Applicant's Signature and Date**

**By signing this form I HEREBY DECLARE THAT I have read the terms and conditions of the Offers set out on pages 59 to 63 of the Securities Note (and as further contained herein) and agree to be bound by them. I understand this is a long term investment and have read the Risk Factors set out on page 2 of the Securities Note and pages 3 and 4 of the Registration Document, as well as the Prospectus as a whole.**

Signature:

Date:



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**Financial Adviser/'Execution Only' Intermediary Details**

Firm Name: \_\_\_\_\_ FCA Number: \_\_\_\_\_

Contact Name: \_\_\_\_\_ IFA Administrator Contact: \_\_\_\_\_

Email(s): \_\_\_\_\_

Address: \_\_\_\_\_

Post Code: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

Please confirm below how you would like the Receiving Agent to acknowledge receipt of your client's Application:

Post:  Email:

**Payment Details** (to be used if your 'execution only' commission/financial adviser charge is to be paid to a network or other third party).

Name: \_\_\_\_\_

Contact: \_\_\_\_\_

Address: \_\_\_\_\_

Post Code: \_\_\_\_\_

Email: \_\_\_\_\_ Telephone: \_\_\_\_\_

**Payment Instruction**

The intention is to pay 'execution only' commission(s) or financial adviser charges by direct transfer. To facilitate this, please complete the following payment instruction details.

Please forward, until further notice, all monies that may become due as a result of my client's investment in any of the Companies to:

Name of Bank of Building Society: \_\_\_\_\_ Account Name: \_\_\_\_\_

Account Number:         Sort Code:   :   :

**What type of investment is this?** (tick one box only):

This is an advised investment – please go to Section 11.

This is a non-advised investment ('execution only') – please go to Section 12.

I confirm that I have identified and verified the identity of the Application to the standard required by the Money Laundering Regulations 2007 within the guidance for the UK Capital Financial Sector issued by the Joint Money Laundering Steering Group.

(Please note that if this box is not completed, the Applicant must provide the confirmation of identity information set out on page 66 of the Securities Note if the Application amount is for the sterling equivalent of €15,000 (£14,000 approx) or more).

11

**Financial Advisers**

Please tick one of the following boxes to confirm that financial advice has been provided by you to your client in respect of this Application and whether or not an initial adviser charge is required to be facilitated.

a. My client has agreed to pay my adviser charge in respect of this Application directly and there is no requirement for any charge to be facilitated.

b. My client has agreed to have such amount as is set out below facilitated to me as an initial adviser charge\*.

Specified amount:

£

% of the total amount inserted in Section 2a or Section 2b (maximum 4.5%):

%

\*The maximum amount which may be facilitated to a financial adviser will be 4.5% of the total amount in Section 2a or Section 2b. If the amount agreed to be facilitated represents an amount which is less than the initial financial adviser charge agreed to be paid to the financial adviser then the investor will, at all times, remain solely responsible to make up such deficit to the financial adviser.

The charging of VAT on an initial adviser charge is the sole responsibility of the financial adviser. Should any charge facilitated by the Companies not include the payment of any such VAT, the investor will, at all times, remain solely responsible to make up such VAT deficit (if any) to the financial adviser.

VCT tax reliefs should be available in respect of the total amount inserted in Section 2a or Section 2b.

12

**'Execution Only' Intermediaries**

Please tick this box to confirm that no financial advice has been provided by you to your client in respect of this Application.

Amount of initial commission offered by Mobeus:  %  
(% of the amount inserted in Section 2)

a. Amount of initial commission to be paid to 'execution only' intermediary:  %

b. Amount of initial commission to be re-invested for client:  %

c. Total (a+b):  %

(this should equal the amount offered by Mobeus and inserted above.)

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Financial Adviser/'Execution Only' Intermediary Signature and Date

By signing this form I HEREBY DECLARE THAT I have read the terms and conditions of the Offers set out on pages 59 to 63 of the Securities Note (and as further contained in the Prospectus and herein) and agree to be bound by them. I also confirm that the amount inserted in Section 11b above (if applicable) has been agreed with my client.

Signature:

Date:



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# MIG 4 DIVIDEND INVESTMENT SCHEME MANDATE FORM

Name and address	Investor code (if you are an existing shareholder in Mobeus Income & Growth 4 VCT plc)*
Daytime Telephone Number	
Email address	

If you wish to participate in Mobeus Income & Growth 4 VCT plc dividend investment scheme, please complete, sign and return this mandate form with the Application Form for the Offers to City Partnership (UK) Limited. Please note that your completed mandate form will be passed on to Capita Asset Services (the "Scheme Administrator") as soon reasonably practicable following the allotment of MIG 4 Offer Shares pursuant to the MIG 4 Offer and will only effective in respect of a dividend payment with a record date falling 15 days after the receipt of the mandate form by the Scheme Administrator.

\* Your investor code is shown on your existing share certificates. If you are an existing shareholder of Mobeus Income & Growth 4 VCT plc and already a participant in the dividend investment scheme, any MIG 4 Offer Shares allotted to you will automatically be mandated to the scheme. Please, however, complete the mandate form in case the information provided on the Application Form in respect of the MIG 4 Offer is not consistent with your existing account held in respect of Mobeus Income & Growth 4 VCT plc.

## To: the Scheme Administrator

1. I/we, the undersigned, being the registered holder(s) of ordinary shares in Mobeus Income & Growth 4 VCT plc elect to participate in the Mobeus Income & Growth 4 VCT plc dividend investment scheme for dividends paid on all of my/our holding of ordinary shares in Mobeus Income & Growth 4 VCT plc from time to time (evergreen instruction).
2. I/We have read and agree to the terms and conditions of the Mobeus Income & Growth 4 VCT plc dividend investment scheme dated 6 August 2015 ("Scheme Terms and Conditions") which are available on Mobeus Income & Growth 4 VCT plc's website: [www.mig4vct.co.uk](http://www.mig4vct.co.uk). I/We acknowledge that this mandate form together with the Scheme Terms and Conditions form a legally binding agreement between the Scheme Administrator and me/us.
3. **I/we agree that share certificates will be sent at my/our risk by post.**
4. This mandate will remain in force until written notice is received by the Scheme Administrator in accordance with the Scheme Terms and Conditions.

Signature 1	Signature 3
Signature 2	Signature 4
Date	



**All joint holders of ordinary shares must sign this mandate form.** In the case of a company this mandate form must be executed under its common seal or be signed by a duly authorised officer, whose capacity should be stated.

If this mandate form is not completed to the satisfaction of the Scheme Administrator it will not be processed and will be returned to you for completion.

If you have any questions please contact the Scheme Administrator by telephone on **0871 664 0324 (calls cost 10p per minute plus network charges). Lines are open Monday – Friday, 9.00 am to 5.30 pm or if calling from overseas +(44) 208 639 3399 or by e-mail to [vcts@capita.co.uk](mailto:vcts@capita.co.uk).**

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# I&G DIVIDEND INVESTMENT SCHEME MANDATE FORM

Name and address	Investor code (if you are an existing shareholder in The Income & Growth VCT plc)*
Daytime Telephone Number	
Email address	

If you wish to participate in The Income & Growth VCT plc dividend investment scheme, please complete, sign and return this mandate form with the Application Form for the Offers to City Partnership (UK) Limited. Please note that your completed mandate form will be passed on to Capita Asset Services (the "Scheme Administrator") as soon as reasonably practicable following the allotment of I&G Offer Shares pursuant to the I&G Offer and will only be effective in respect of a dividend payment with a record date falling 15 days after the receipt of the mandate form by the Scheme Administrator.

\* Your investor code is shown on your existing share certificates. If you are an existing shareholder of The Income & Growth VCT plc and already a participant in the dividend investment scheme, any I&G Offer Shares allotted to you will automatically be mandated to the scheme. Please, however, complete the mandate form in case the information provided on the Application Form in respect of the I&G Offer is not consistent with your existing account held in respect of The Income & Growth VCT plc.

## To: the Scheme Administrator

1. I/we, the undersigned, being the registered holder(s) of ordinary shares in The Income & Growth VCT plc elect to participate in the The Income & Growth VCT plc dividend investment scheme for dividends paid on all of my/our holding of ordinary shares in The Income & Growth VCT plc from time to time (evergreen instruction).
2. I/We have read and agree to the terms and conditions of The Income & Growth VCT plc dividend investment scheme dated 16 September 2015 ("Scheme Terms and Conditions") which are available on The Income & Growth VCT plc's website: [www.incomeandgrowthvct.co.uk](http://www.incomeandgrowthvct.co.uk). I/We acknowledge that this mandate form together with the Scheme Terms and Conditions form a legally binding agreement between the Scheme Administrator and me/us.
3. **I/we agree that share certificates will be sent at my/our risk by post.**
4. This mandate will remain in force until written notice is received by the Scheme Administrator in accordance with the Scheme Terms and Conditions.

Signature 1	Signature 3
Signature 2	Signature 4
Date	



If this mandate form is not completed to the satisfaction of the Scheme Administrator it will not be processed and will be returned to you for completion.

If you have any questions please contact the Scheme Administrator by telephone on **0871 664 0324 (calls cost 10p per minute plus network charges)**. Lines are open Monday – Friday, 9.00 am to 5.30 pm or if calling from overseas +(44) 208 639 3399 or by e-mail to [vcts@capita.co.uk](mailto:vcts@capita.co.uk).

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# Notes

# Notes

# Corporate Information

## Directors (Non-executive)

### MIG

Clive Nicholas Boothman (Chairman)  
Bridget Elisabeth Guérin  
Catherine Alison Wall

### MIG 2

Nigel Edward Melville (Chairman)  
Ian Marcel Blackburn  
Sally Louise Duckworth  
Adam Fletcher Downs Kingdon  
Kenneth Charles Vere Nicoll

### MIG 4

Christopher Mark Moore (Chairman)  
Andrew Stephen Robson  
Helen Rachelle Sinclair

### I&G

Colin Peter Hook (Chairman)  
Jonathan Harry Cartwright  
Helen Rachelle Sinclair

### Investment Adviser, Administrator, Company Secretary and Promoter

Mobeus Equity Partners LLP  
30 Haymarket  
London SW1Y 4EX

### Stockbroker

Panmure Gordon (UK) Limited  
One New Change  
London EC4M 9AF

### Receiving Agent

The City Partnership (UK) Limited  
110 George Street  
Edinburgh EH2 4LH

### Sponsor

Howard Kennedy Corporate Services LLP  
No. 1 London Bridge  
London SE1 9BG

### Registrars for MIG 2, MIG 4 and I&G

Capita Asset Services  
34 Beckenham Road  
Beckenham  
Kent BR3 4TU  
Telephone Number: 0871 664 0324\*

### Registered Office

30 Haymarket  
London  
SW1Y 4EX

### Company Registration Numbers

MIG: 05153931  
MIG 2: 03946235  
MIG 4: 03707697  
I&G: 04069483

### Websites

[www.migvct.co.uk](http://www.migvct.co.uk)  
[www.mig2vct.co.uk](http://www.mig2vct.co.uk)  
[www.mig4vct.co.uk](http://www.mig4vct.co.uk)  
[www.incomeandgrowthvct.co.uk](http://www.incomeandgrowthvct.co.uk)

### Telephone Number

020 7024 7600

### Solicitors

Shakespeare Martineau LLP  
6th Floor  
60 Gracechurch Street  
London EC3V 0HR

### Distributor

Portunus Investment Solutions Limited  
Office 4  
8 Percy Street  
London W1T 1DJ

### Auditors

BDO LLP  
55 Baker Street  
London W1U 7EU

### VCT Status Adviser

Philip Hare & Associates LLP  
4-6 Staple Inn  
High Holborn  
London WC1V 7QH

### Registrars for MIG

Computershare Investor Services PLC  
The Pavilions  
Bridgwater Road  
Bristol BS99 6ZZ  
Telephone Number: 0870 707 1155\*

Further details on the costs of calls, opening hours and how to contact the Companies' registrars from abroad are detailed on their websites [www.capitashareportal.com](http://www.capitashareportal.com) and [www.investorcentre.co.uk](http://www.investorcentre.co.uk).

\*Capita Asset Services telephone number is open between 8.30 a.m. and 5.30 p.m. (GMT) Monday to Friday (except UK public holidays). If telephoning from outside of the UK dial +44 20 3170 0187. Calls to Capita Asset Services helpline are charged at 10p per minute (including VAT) plus your service providers' network extras. Calls from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones.

\*\*Computershare's telephone number is open between 8.30am and 5.30pm (GMT) Monday to Friday (except UK public holidays). Calls to Computershare's 0870 number are often free if included in your plan. If not included, calls will be charged at no more than dialling a STD code (about 2p per minute usually depending on your supplier). Calls to the helpline from outside of the UK will be charged at applicable international rates.

Mobeus Equity Partners LLP  
30 Haymarket  
London SW1Y 4EX  
020 7024 7600  
[www.mobeusequity.co.uk](http://www.mobeusequity.co.uk)

