

TOP-UP OFFERS FOR SUBSCRIPTION
FOR UP TO £7.28 MILLION IN AGGREGATE OF THE
ORDINARY SHARES OF FORESIGHT VCTs 1, 2, 3 & 4

OFFER DOCUMENT WITH APPLICATION FORM



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 ADVISER AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000.

YOUR ATTENTION IS DRAWN TO THE RISK FACTORS ON PAGE 3.

Copies of this document are available free of charge from the offices of the Companies' investment manager, Foresight Group CI Limited, La Plaiderie House, La Plaiderie, St Peter Port, Guernsey GY1 1WF ("Foresight CI").

Foresight VCT plc

(Incorporated in England and Wales under the Companies Act 1985 with registered number 03421340)

Offer for Subscription of New Ordinary Shares of 1p each to raise up to £582,773

Foresight 2 VCT plc

(Incorporated in England and Wales under the Companies Act 1985 with registered number 05200494)

Offer for Subscription of New Ordinary Shares of 1p each to raise up to £1,490,370

Foresight 3 VCT plc

(Incorporated in England and Wales under the Companies Act 1985 with registered number 03121772)

Offer for Subscription of New Ordinary Shares of 1p each to raise up to £ 3,950,244

Foresight 4 VCT plc

(Incorporated in England and Wales under the Companies Act 1985 with registered number 03506579)

Offer for Subscription of New Ordinary Shares of 1p each to raise up to £1,288,100

In connection with these offers ("Offers") by Foresight VCT plc ("Foresight 1"), Foresight 2 VCT plc ("Foresight 2"), Foresight 3 VCT plc ("Foresight 3") and Foresight 4 VCT plc ("Foresight 4") (together "the Companies" and each a "Company") for new ordinary shares in each Company ("New Ordinary Shares"), Foresight CI acts 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 Foresight CI, nor for providing advice in relation to these Offers. Foresight CI is licensed by the Guernsey Financial Services Commission.

Applications will be made to the UK Listing Authority for the New Ordinary Shares to be admitted to the Official List and to the London Stock Exchange for the admission of such New Ordinary Shares to trading on its main market for listed securities. It is expected that admission will become effective and that dealings in the New Ordinary Shares will commence within three Business Days of their allotment. The Companies' existing issued Shares are traded on the London Stock Exchange plc's main market for listed securities.

The procedure for, and the terms and conditions of, applications under these 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 City Partnership (UK) Limited, Thistle House, 21 Thistle Street, Edinburgh EH2 1DF. The Offers open on 3 December 2012 and will close not later than 30 April 2013 or as soon as the relevant Offer is fully subscribed or otherwise at the discretion of the Directors of the relevant Company. The Board of each Company may, in their absolute discretion, decide to extend the Offer by their Company.

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STATISTICS OF THE OFFERS

Foresight 1 estimated* Offer price per New Ordinary Share (based on an unaudited NAV of 115.8p per Foresight 1 Ordinary Share as at 30 September 2012)	123.0p
Foresight 2 estimated* Offer price per New Ordinary Share (based on an unaudited NAV of 88.4p per Foresight 2 Ordinary Share as at 30 June 2012)	94.0p
Foresight 3 estimated* Offer price per New Ordinary Share (based on an unaudited NAV of 77.8p per Foresight 3 Ordinary Share as at 30 September 2012)	83.0p
Foresight 4 estimated* Offer price per New Ordinary Share (based on an unaudited NAV of 95.1p per Foresight 4 Ordinary Share as at 30 September 2012)	101.0p

* Correct for applications received before 30 December 2012 and thereafter in respect of Execution-only applications and Professional Client Investors. Prices for Retail Client Investors may vary.

IMPORTANT NOTES

This document, which constitutes a financial promotion for the purposes of Section 21 of the Financial Services and Markets Act 2000, has been approved, for the purposes of that section only, by Foresight Group LLP (which is regulated by the Financial Services Authority in the United Kingdom, pursuant to the Financial Services and Markets Act 2000) ("Foresight Group").

In approving this document, Foresight Group is acting solely 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 Foresight Group or for providing financial advice in relation to the subject of this document.

There is no guarantee that a Company's investment objective will be attained. If you are in any doubt as to what action to take, you should contact an independent financial adviser. The levels and bases of reliefs from taxation described in this document are those currently available. These may change and their value depends on an investor's individual circumstances.

No person has been authorised to issue any advertisements or give any information, or make any representations in connection with the Offers, other than those contained in this document, and if issued, given or made, such advertisements, information or representations must not be relied upon as having been authorised by the Companies. This document does not constitute either a prospectus or listing particulars.

Foresight Group and Foresight CI have both given, and neither have withdrawn, their consent to the inclusion of the references to their names in the form and context in which they are included.



ESTIMATED COSTS RELATING TO EACH OF THE OFFERS

Applications up to and including 30 December 2012 and/or for Professional Client Investors

Costs of the Offers (estimated) as a percentage of the gross proceeds*	5.5%
Initial commission to intermediaries (included in the 5.5% Offer costs)	3.0%
Annual commission to intermediaries (subject to a maximum cumulative payment of 2.25%)	0.375%

Applications after 30 December 2012 for Retail Client Investors

Promoter's Fee	2.5%
Such charges as are agreed between each investor and his independent financial adviser on an initial and/or on-going basis. The payment of these charges can be facilitated as described on page 19 and on the Application Form.	Variable

*Excluding annual trail commission and assuming full subscription under each of the Offers - any costs in excess of 5.5% to be borne by the Companies.

RISK FACTORS

EXISTING AND PROSPECTIVE INVESTORS SHOULD CONSIDER CAREFULLY THE FOLLOWING RISK FACTORS IN ADDITION TO THE OTHER INFORMATION PRESENTED IN THIS DOCUMENT.

If any of the risks described below were to occur, it could have a material effect on the Companies' businesses, financial condition, result of operations or on the value of the Shares. The risks and uncertainties described below are not the only ones the Companies, the Directors or investors in the Shares will face.

Additional risks not currently known to the Companies or the Directors, or that the Companies or the Directors currently believe are not material, may also adversely affect the Companies' businesses, financial condition and result of operations. The value of Shares could decline due to any of the risk factors described below, and investors could lose part or all of their investment. Investors who are in doubt should consult an independent financial adviser authorised under FSMA.

- The value of Shares and the income from them can fluctuate and investors may not get back the amount they invested. In addition, there is no certainty that the market price of the Shares will fully reflect the underlying net asset value nor that dividends will be paid. Shareholders should not rely upon any share buy-back policy to offer any certainty of selling their Shares at prices that reflect the underlying NAV.
- The net asset value of the Shares will reflect the values and performance of the underlying assets in the respective portfolios. The value of the investments and income derived from them can rise and fall.
- The past performance of the Companies or other funds managed by ForesightGroup, the investment manager to the Companies, is no indication of the future performance of the Companies. The return received by Investors will be dependent on the performance of the underlying investments. The value of such investments, and interest income and dividends therefrom, may rise or fall.
- The existing Shares issued by the Companies have been (and it is anticipated that the New Ordinary Shares to be issued pursuant to the Offers will be) admitted to the Official List of the UK Listing Authority and are (or will be) traded on the London Stock Exchange's main market for listed securities. However, the secondary market for VCT shares is generally illiquid and, therefore, there may not be a liquid market (which may be partly attributable to the fact that initial tax reliefs are not available for VCT shares bought in the secondary market and because VCT shares usually trade at a discount to NAV) and investors may find it difficult to realise their investment. Investment in the Companies should be seen as a long term investment.
- There is no guarantee the Companies will meet their objectives or that suitable investment opportunities will be identified to enable a Company to meet its objective.
- The target tax-free return to investors in Shares is not guaranteed, nor is the level and timing of distributions to Shareholders. The level of returns from the Shares may be less than expected if there is a delay in the investment programme, such that a Company's proceeds of its Offer are held in cash or near cash investments for longer than expected.
- While it is the intention of each Board that its Company will be managed so as to continue to qualify as a Venture Capital Trust, there can be no guarantee that a Company's status will be maintained. A failure to meet the qualifying requirements could result in investors losing the tax reliefs available for VCT shares, resulting in adverse tax consequences, including, if the holding has not been held for the relevant holding period, a requirement to repay the income tax relief obtained. Furthermore, should a Company lose its VCT status, dividends and gains arising on the disposal of Shares would become subject to tax and the Company would also lose its exemption from corporation tax on its capital gains.
- The information, including tax rules, contained in this document is based on existing legislation. The tax rules or their interpretation in relation to an investment in the Companies and/or the rates of tax, or other statutory provisions to which the Companies are subject, may change during the life of the Companies and such changes could be retrospective.
- If an Investor who subscribes for Shares under the Offers disposes of those shares within five years, the Investor will be subject to clawback by HM Revenue & Customs of any income tax relief originally obtained on subscription.
- Changes in legislation concerning VCTs, in particular, in relation to qualifying holdings and qualifying trades, may limit the number of qualifying investment opportunities and/or may reduce the level of returns which might otherwise have been achievable.
- Investment in unquoted companies (including AIM-traded and ISDX Growth Market-traded companies) by its nature involves a higher degree of risk than investment in companies listed on the Official List. In particular, the viability and financial performance of small companies often depends on a narrow product range, small markets, limited financial resources, a small number of staff and counterparties and they may be more exposed to political, exchange rate, taxation and regulatory changes. In addition, the market for securities in smaller companies may be less regulated and is usually less liquid than that for securities in larger companies, bringing with it potential difficulties in acquiring, valuing and disposing of such securities. Full information for determining their value or the risks to which they are exposed may also not be available. Investment returns will, therefore, be uncertain and involve a higher degree of risk than investment in a company listed on the Official List.

- Realisation of investments in unquoted companies can be difficult and may take considerable time. There may also be constraints imposed on the realisations of investments by the need to maintain the VCT status of a Company which may restrict that Company's ability to obtain maximum value from its investments.
- Although the Companies may receive conventional venture capital rights in connection with their investments, as minority investors they may not be in a position to fully to protect their interests.
- Any change of Governmental, economic, fiscal, monetary or political policy and, in particular, any spending cuts or material increases in interest rates could materially affect, directly or indirectly, the operation of the Companies and/or the performance of the Companies and the value of and returns from Shares and/or their ability to achieve or maintain VCT status.
- Where more than one of the Companies (or the relevant fund attributable to a share class) managed or advised by Foresight Group wishes to participate in an investment opportunity, allocations will be made in accordance with the allocation policy agreed as at the date of allocation. The policy provides that allocations are made firstly to any Company (or the relevant fund attributable to a share class) with an existing investment in the relevant company, secondly to any Company (or the relevant fund attributable to a share class) whose investment strategy is specifically focused on the business of the relevant company and thirdly to all other Companies (or the relevant fund attributable to a share class) whose investment strategy is generally consistent with the investment in the business of the relevant Company. Within each stage, allocations are made pro rata to the net funds raised by each Company (or the relevant fund attributable to a share class), except where there is an existing investment, in which case allocation is pro rata to such 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 requirement to achieve or maintain a minimum of 70% of a particular Company's portfolio in Qualifying Investments. This may mean that a greater or lesser allocation is received than would otherwise be the case.
- Where a Company invests the proceeds of its Offer in companies in which other funds managed or advised by Foresight Group (including in respect of the other classes of shares in the relevant Company) have invested or are investing, conflicts of interest may arise and the Board of the relevant Company will exercise its judgment in managing such conflicts.
- Although each of the Companies' existing share classes will be managed separately and benefit from fixed costs being spread across a larger asset base, they will continue, however, to be subject to the overall financial position and performance of that Company as a number of accounting, company law and VCT tests are applied at Company level. In addition, if, on liquidation, in the unlikely event there was a deficit in relation to one share class, such deficit would be borne by the other share classes of that Company.

Client Categorisation

In order for your IFA to receive commission in respect of an application received after 30 December 2012, you must be classified by the IFA as an elective professional client for the purposes of the FSA Rules ("Professional Client Investor").

This means that your IFA must undertake an adequate assessment of your expertise, experience and knowledge that gives reasonable assurance, in light of the nature of an investment in one or more of the Companies, that you are capable of making your own investment decisions and understanding the risks involved.

If you are classified as a Professional Client Investor by your IFA you will lose the protections applicable exclusively to retail clients under the FSA rules. As set out below, certain of the FSA rules will automatically be limited or modified in their application to you and certain of the FSA rules will be capable of modification in their application to you in relation to any business carried out by your IFA.

- (i) Your IFA will not be obliged to take reasonable steps to ensure, when making a personal recommendation, that it is suitable for you having regard to your knowledge and experience of similar investments, your financial situation and investment objectives.
- (ii) Your IFA will not be obliged to warn you of the nature of any risks involved in any potential investments in a Company. The key risks of investing in one or more of the Companies are set out on pages 3-4.
- (iii) Your IFA will not be obliged to disclose the basis or amount of its charges for any services it provides to you or on your behalf or the amount of any other income that may be received from third parties in connection with such services.
- (iv) Your IFA will not be obliged to set out any of the prescribed contents, disclosures or risk warnings needed for retail customers in prospectuses, marketing brochures and other non-real time financial promotions material, nor will they be subject to the restrictions that apply to a retail client in relation to unsolicited real time communications.

(v) Your IFA will not be required to give you the warnings required for retail clients in relation to material which may lead them to deal with or use overseas firms which are not regulated by the FSMA nor have to satisfy itself that the overseas firm will deal with you in an honest and reliable way.

(vi) Your IFA will also not be required to comply with the FSA rules relating to restrictions on and the content of direct offer advertisements.

The following rules will be limited or modified in their application to professional clients and investors in one or more of the Companies.

(i) The majority of the FSA Rules in relation to the form and content of financial promotions will not be applicable in respect of any financial promotion communicated or approved by your IFA.

(ii) Your IFA will not be required by the FSA to provide you with a periodic statement on the value and composition of your portfolios of investments where you have requested the IFA not to do so or where the IFA has taken reasonable steps to establish that you do not want this.

(iii) In complying with the FSA requirement that an IFA should take reasonable steps to obtain, when executing orders, the best possible result for his clients taking into account the following execution factors: price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to making investments your IFA may take into account the following criteria for determining the relative importance of these execution factors: your categorisation as a professional client (rather than as a retail client); the characteristics and investment objectives of the Companies and the VCT rules and the normal commercial practice of the counterparties and strategic partners with which the Companies will do business. In particular, factors such as the suitability, expertise and market position of counterparties and strategic partners may be more important than price in obtaining the best possible execution result in the context of achieving the investment objective.

DEFINITIONS

IN THIS DOCUMENT THESE EXPRESSIONS AND ABBREVIATIONS HAVE THE FOLLOWING MEANINGS UNLESS THE CONTEXT OTHERWISE REQUIRES.

"AC Percentage"	in accordance with COBs 6.1A, the charge agreed to be paid by a Retail Client Investor to his or her FSA authorised adviser in relation to the provision of a personal recommendation to invest in New Ordinary Shares expressed as a percentage of the amount subscribed by the Retail Client Investor
"Adviser Charge"	an amount equal to the AC Percentage of NAV per Share
"AIM"	the Alternative Investment Market
"Articles"	the articles of association of one or more of the Companies (as the context permits)
"Boards"	the board of directors of one or more Companies (as the context permits) (and each "a Board")
"Business Days"	any day (other than a Saturday) on which clearing banks are open for normal banking business in sterling
"Closing Dates"	5 April 2013 for applications specifying that some or all of the New Ordinary Shares applied for are to be issued in the 2012/13 tax year and 30 April 2013 (unless extended in respect of any Company by the Directors of that Company) for all other applications
"Companies"	one or more of Foresight 1, Foresight 2, Foresight 3 and Foresight 4 (as the context permits) (and each "a Company")
"Directors"	the directors of one or more of the Companies from time to time (as the context permits)
"ESMA"	the European Securities and Markets Authority
"Execution-only"	a transaction which is executed by an FSA authorised firm upon the specific instructions of a client where the firm does not give advice relating to the merits of the transaction or make a personal recommendation
"FSA"	the Financial Services Authority
"Foresight 1"	Foresight VCT plc
"Foresight 2"	Foresight 2 VCT plc
"Foresight 3"	Foresight 3 VCT plc
"Foresight 4"	Foresight 4 VCT plc
"Foresight 1 Ordinary Shares"	ordinary shares of 1 penny each in the capital of Foresight 1 (ISIN number GB00B68K3716)
"Foresight 2 Ordinary Shares"	ordinary shares of 1 penny each in the capital of Foresight 2 (ISIN number GB00B03CKY62)
"Foresight 3 Ordinary Shares"	ordinary shares of 1 penny each in the capital of Foresight 3 (ISIN number GB00B3QF3772)
"Foresight 4 Ordinary Shares"	ordinary shares of 1 penny each in the capital of Foresight 4 (ISIN number GB00B07YBS95)
"Foresight Group"	depending on the context in which used, either Foresight Group LLP in its capacity as Promoter or Foresight Group CI Limited or its delegates in its capacity as Investment Manager of the Companies
"Foresight CI"	Foresight Group CI Ltd, which is licensed by the Guernsey Financial Services Commission
"FSA Rules"	the rules of the Financial Services Authority as set out in the FSA Handbook
"Infrastructure Shares"	infrastructure shares of 1 penny each in the capital of Foresight 1 (ISIN number GB00B45M5X62) and Foresight 2 (ISIN number GB00B5M3H114)
"Investor"	an individual aged 18 or over who is a resident tax payer in the United Kingdom and who invests in a Company
"IPEVC 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
"Memorandum"	the memorandum of association of one or more of the Companies (as the context permits)
"MiFID"	Markets in Financial Instruments Directive
"Money Laundering Regulations"	Money Laundering Regulations 2007
"Money Market Funds"	money market funds, Government securities or other liquid assets
"NAV" or "net asset value"	the net asset value per Share calculated in accordance with the relevant Company's normal accounting policies
"New Ordinary Shares"	Shares in the Companies being offered for subscription pursuant to the Offers
"Offers"	the offers for subscription of New Ordinary Shares by each of the Companies set out in this document (and each an "Offer")
"Official List"	the official list of the UK Listing Authority
"Planned Exit Shares"	planned exit shares of 1 penny each in the capital of Foresight 1 (ISIN number GB00B61K7Y37) and/or Foresight 2 (ISIN GB00B61M8H90)
"Pricing Formula"	the relevant formula, depending on the date the application for New Offer Shares is received, to calculate the Offer price of the New Ordinary Shares under each of the Offers as set out on page 8
"Professional Client Investor"	Investors who apply for New Ordinary Shares through their IFA where the IFA has classified the Investor as an elective professional client for the purposes of FSA Rules and their IFA is an Article 3 MiFID exempt firm
"Promoter"	Foresight Group LLP
"Promoter's Fee"	an amount equal to 2.5% of NAV per Share
"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
"Receiving Agent"	The City Partnership (UK) Limited
"Registrar"	Computershare Investor Services PLC
"Regulations"	the Uncertificated Securities Regulations 2001
"Retail Client Investor"	Investors who apply for New Ordinary Shares through their IFA where the IFA has classified the Investor as a retail client for the purposes of FSA Rules
"Shareholder"	a holder of Shares in one or more of the Companies (as the context permits)
"Shares"	Foresight 1 Ordinary Shares and/or Foresight 2 Ordinary Shares and/or Foresight 3 Ordinary Shares and/or Foresight 4 Ordinary Shares (as the context permits)
"Tax Act"	the Income Tax Act 2007 (as amended)
"Total Return"	the aggregate value of an investment or collection of investments comprising net asset value, valued where appropriate in accordance with the IPEVC Valuation Guidelines, plus the aggregate amount of all distributions (both revenue and capital) made
"UKLA" or "UK Listing Authority"	the Financial Services Authority 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
"VCT Value"	the value of an investment calculated in accordance with Section 278 of the Tax Act
"Venture Capital Investments"	shares in, or securities of, a Qualifying Company held by a venture capital trust which meets the requirements described in Chapters 3 and 4 of Part 6 of the Tax Act
"venture capital trust" or "VCT"	a venture capital trust as defined in Section 259 of the Tax Act

CHAIRMEN'S LETTER

Reasons for the Offers

Following the success of recent top-up offers across the Companies' ordinary share classes the Board of each Company has decided to raise further funds again this year.

As with prior offers, the decision to raise new funds is to enable Foresight Group, the investment manager to each of the Companies, to continue to make new private equity investments and existing portfolio follow-on investments. We are pleased to report that Foresight Group informs us that it is experiencing strong deal flow in this sector and expects to complete investments in several of such opportunities over the next few months.

Across all four funds the private equity investments have significantly outperformed the environmental infrastructure investments to date and it is for this reason that the Boards have decided that future monies raised will be invested in private equity investments to benefit from the higher potential returns.

Foresight Group believes that the market is at a low point in the investment cycle and that a combination of a lack of bank debt and changes in vendor pricing expectations following years of recession and economic volatility has contributed to the level of interesting investment opportunities in Foresight Group's deal flow.

This combination of robust profitable opportunities and low vendor pricing expectations is unusual but Foresight Group can capitalise upon it by investing new monies raised in these new investments.

This is the primary reason for opening Top Up offers at the current time.

Additionally, the funds raised will support the existing portfolio and enable each Company to continue to spread its fixed costs over a larger asset base, to the benefit of its Shareholders.

Structure of the Offers

Each of the Companies is looking to raise, under their respective Offer, the amount set out in the table on page 9 through the issue of New Ordinary Shares, which is the maximum amount each Company may currently raise in accordance with the Prospectus Rules without the publication of a full prospectus. Each Company's Offer is a separate offer, although the default option is for an Investor's subscription to be split evenly amongst the four Companies. These Offers do not apply to the C share classes in either Foresight 2 or Foresight 4 or the Planned Exit Shares or Infrastructure Shares in Foresight 1 or Foresight 2. Details of the application procedures are set out on pages 19-20.

Early Bird Discount

All investors investing before 31 January 2013, will receive an additional share allocation of 2% of the total amount invested.

Investment Objective

The investment objective of each of the Companies is to provide investors with attractive returns from a portfolio of investments in fast growing unquoted companies in the United Kingdom.

The Opportunity

Existing Shareholders in each Company will be able to add to their current holdings, while benefiting from the tax reliefs available on the issue of new VCT shares for either the tax year 2012/13 or 2013/14 (or both).

New Investors will be able to gain access to the Companies' mature portfolios of investee companies, which have a recent history of regular dividend payments to Shareholders, as well as benefiting from the tax reliefs available on the issue of new VCT shares for either the tax year 2012/13 or 2013/14 (or both).

Pricing Formula

For all applications received on or before 30 December 2012, the price will be determined by taking the most recently calculated Net Asset Value of a Share in the relevant Company ("NAV per Share") and dividing it by 0.945 to allow for issue costs of 5.5 per cent, then rounding up to the nearest whole pence per share.

For applications received after 30 December 2012, the following formula will be applied:

Price = NAV/X

Where X is the Net Asset Value per Share reduced to take into account costs attributable to the Promoter's Fee and a specific retail investor's agreed Adviser Charge or commission (whichever may be relevant to any given investment).

X is calculated as follows:

$$X = \frac{\text{NAV per share less} \\ \text{(a) Promoter's Fee; and either} \\ \text{(b) Adviser's Charge; or} \\ \text{(c) Commission}}{\text{NAV}}$$

The number of New Ordinary Shares to be allotted will be determined by dividing the amount subscribed by an Investor by the price given by the above formula rounded down to the nearest whole share.

Worked example for applications received after 30 December 2012

A Retail Client Investor receives a personal recommendation from his adviser in respect of the Offers and decides to subscribe £10,000 in Foresight VCT plc. The adviser's standard charge for this, as agreed between the Retail Client Investor and the adviser, is 2% of funds subscribed. It is further agreed that the adviser will have the on-going task of managing the relationship between the Retail Client Investor and the Investment Manager, for which his standard charge is 0.375% of funds subscribed over a period of four years (£150 in total).

The Promoter's Fee is a flat 2.5% of NAV per Share.

Therefore:

$$\text{Price} = \text{NAV}/X = 115.8/0.94 = 124\text{p}$$

$$X = \frac{115.8 - 2.895 - 2.316 - 1.737}{115.8} = 0.94$$

The NAV per Share of 115.8 divided by 0.94 gives a subscription price of 124p (rounded up). For £10,000 subscribed, this will result in an allocation of 8,064 New Ordinary Shares in Foresight VCT plc.

The Company pays the adviser's up front facilitation payment of 2% and the Promoter's Fee of 2.5% and transfers £150 (in respect of the agreed on-going payments) into a cash account in the name of the Investor operated by Woodside Corporate Services Limited. Payments of £37.50 a year will be made from this account to the adviser in respect of his on-going services. If the Retail Client Investor at any point chooses to cancel these on-going payments, the money kept aside in lieu will be immediately returned to him.

An Investor who subscribes for shares but either has no adviser or has already paid his adviser through a separate agreement should indicate this on the application form and would receive a greater number of shares (8403 following the example above).

In each case (and in the case of Execution-only and non-MiFID Professional Client Investors who are paying commission to their adviser or broker) the Investor can claim VCT income tax relief on the full amount of their subscription (£3,000 of relief, following the above example).

The Offers and Issue of New Ordinary Shares

Each Board has agreed that its Company should make an offer for subscription for New Ordinary Shares to raise up to the following amounts:

Company	Max No. of Shares to be issued based on the most recently published NAV	Max aggregate consideration (£)
Foresight 1	502,391	582,773
Foresight 2	1,674,574	1,490,370
Foresight 3	5,064,416	3,950,244
Foresight 4	1,341,771	1,288,100

These limits have been imposed to obviate the need for, and cost of, producing a full prospectus. The maximum number of Shares each Company can issue under the Offers is limited to 10% of those already admitted to trading on the official list of the London Stock Exchange, calculated in accordance with ESMA guidance (ESMA/2011/85) over a previous rolling 12 month period, and the maximum consideration each Company can offer under their respective Offers, aggregated with amounts offered under other offers open in a previous rolling 12 month period, is the sterling equivalent of €5 million (based on the prevailing exchange rate on 30 November 2012 being the latest practicable date, and no more than three Business Days, prior to the publication of this document).

An Investor's investment will, unless advised to the contrary in accordance with the terms of the application procedures, be split into four equal monetary amounts between the Companies (i.e. an investment of £20,000 will be invested as £5,000 in each Company) and used to purchase such number of New Ordinary Shares in each Company at the Offer price calculated on the basis of the Pricing Formula. Once a Company's maximum allocation of Shares has been allotted, excess subscriptions will be divided between the remaining Companies at the discretion of Foresight Group.

However, investments of £4,000 or greater can be made into a single VCT rather than being split between all four VCTs.

These Pricing Formulae allow new Investors to subscribe for New Ordinary Shares at the current net asset value plus costs, thereby preventing, to the extent costs can be anticipated, dilution to existing Shareholders. The New Ordinary Shares will rank pari passu with the existing Shares of the relevant Company in issue in respect of any upcoming dividend payments from the date of issue. New Investors should also benefit from 30% income tax relief on their subscription for New Ordinary Shares, which would not be available if Shares were purchased from a third party in the market.

The number of New Ordinary Shares to be allotted will be determined by the amount subscribed in each Company divided by the Offer price as determined by the relevant Pricing Formula, rounded down to the nearest whole New Ordinary Share. Excess subscription monies greater than £1 and not used to acquire New Ordinary Shares will be refunded. No interest shall accrue or be payable on any amounts refunded. The application of the relevant Pricing Formula avoids the necessity to repeatedly announce the price of the New Ordinary Shares during the period in which the Offers are open and makes explicit the basis on which the price of the New Ordinary Shares will be determined.

Each of the Companies ordinarily provides financial, portfolio and valuation information on a quarterly basis through its interim reports, annual reports and fact sheets.

Annual or interim results announcements released during the period in which the Offers are open may have either an upward or downward impact on the net asset value of Shares. Copies of the most recently published documents are available on request by calling 01732 471 800 or by visiting www.foresightgroup.eu

The most recently published NAVs per Share in each Company are set out below under Current Trading and Prospects. Based on these NAVs, the Offer Price for the New Ordinary Shares in each Company, assuming they were applied for prior to 30 December 2012, would be issued as follows:

Foresight 1 123p per New Ordinary Share
(NAV of 115.8p ÷ 0.945)

Foresight 2 94p per New Ordinary Share
(NAV of 88.4p ÷ 0.945)

Foresight 3 83p per New Ordinary Share
(NAV of 77.8p ÷ 0.945)

Foresight 4 101p per New Ordinary Share
(NAV of 95.1p ÷ 0.945)

The Offers and Issue of New Ordinary Shares

The final issue prices may be higher or lower than those detailed above and will be determined by the NAV for each Company on the day of allotment, which is subject to market conditions. For example, the table below shows the difference that, in respect of each Company, a 5% uplift in NAV or a 5% fall in NAV would make (ignoring Adviser Charges and commission) in the issue price of a New Ordinary Share.

Company	Issue price per New Ordinary Share if the NAV increased by 5%	Issue price per New Ordinary Share if the NAV decreased by 5%
Foresight 1	125p	113p
Foresight 2	96p	87p
Foresight 3	84p	76p
Foresight 4	103p	93p

The New Ordinary Shares will, from the date of issue, rank pari passu with the existing Shares in the relevant Company, respectively.

Current Trading and Prospects

During the period since each of the four Companies last reported results, financial markets have continued to be overshadowed by a number of concerns. The uncertain progress of global economic recovery has been a particular issue and the ongoing euro-zone debt crisis has also contributed to market nervousness and volatility. These conditions have had a mixed impact on the current portfolio with a number of portfolio companies continuing to trade well and enjoy sustained periods of growth. However, others have been affected by recession induced factors, principally the environmental infrastructure investments. The monies raised from these top-up offers will principally be used to invest in supporting the existing portfolio and to invest in traditional private equity investments. Foresight Group has seen a marked increase in opportunities in these areas and vendor price expectations have been lowered resulting in several attractive opportunities being available for investment.

Furthermore, the Boards understand that Foresight Group is optimistic that the current deal flow of investment opportunities in both later stage investments and management buyouts will result in investments being made that will underpin the future growth and distribution policies of the Companies.

The market in which the Companies operate continues to be encouraging in terms of potential new investment opportunities, as evidenced by the current deal flow being reviewed by Foresight Group. Each Company will have access to this deal flow of new opportunities as it invests new funds raised as well as reinvesting some of the proceeds from successful realisations.

FORESIGHT 1

Copies of Foresight 1's annual report and financial statements for the year ended 31 December 2011 and its interim report for the six months ended 30 June 2012 are available at www.foresightgroup.eu

As referred to in the Chairman's Statement, the performance of the Foresight 1 Ordinary Shares portfolio overall during the period has been encouraging, notwithstanding the generally weak UK macroeconomic environment and the recent recession. A number of investee companies continued to trade well over the last 12 months and enjoyed good growth, most notably Aquasium, Autologic Diagnostics, Infrared Integrated Systems (sold during July 2012) and Alaric Systems, with exporters trading appreciably better than those companies largely serving domestic markets. Unsurprisingly, others have been affected to varying degrees by recession induced factors, including i-plas and Silvigen.

Although Withion Power has achieved energy generation at its 0.5MW biomass advanced gasification facility in Derby it requires significant further investment to reach 3.0 MW and economic viability and, as a consequence, a provision of 50% has been made against the value of this investment. Foresight Group is currently considering the future funding and options for the plant.

These mixed trading conditions are likely to prevail well beyond 2012, putting greater emphasis on robust business models and quality of management and it is these qualities that Foresight Group is looking for in its current deal flow of opportunities being actively considered for investment. Flowrite Refrigeration Holdings Limited is a recent example of a management buyout that displayed these characteristics and has performed ahead of expectations since the investment was made in May 2012.

The above represents a summary of the highlights of the portfolio as at 30 September 2012, at which time the NAV per Foresight 1 Ordinary Share was 115.8p. Other than as disclosed above, there have been no significant changes to Foresight 1's trading or financial position since 30 June 2012, the date to which the latest interim accounts were prepared.

The prospects for the current portfolio and pipeline of potential new investment opportunities give both the Board and Foresight Group confidence about the ability of Foresight 1 to achieve its investment objective of providing investors with attractive returns and maximising tax-free distributions.

FORESIGHT 2

Copies of Foresight 2's annual report and financial statements for the year ended 30 September 2011 and its interim report for the six months ended 31 March 2012 are available at www.foresightgroup.eu

In its interim management statement to 30 June 2012, Foresight 2 announced a net asset value of 88.4p per Ordinary Share down from 92.2p per Ordinary Share as at 31 March 2012. The fall in the Ordinary Share net asset value between 31 March 2012 and 30 June 2012 was principally as a result of writing down to £nil the holdings in Silvigen, I-plas Group and Crumb Rubber during the period. The remaining portfolio is constituted of traditional private equity investments and environmental investments and these together are expected to deliver the future performance of the fund.

The performance of the Foresight 2 Ordinary Shares portfolio overall during the period has been encouraging, notwithstanding the generally weak UK macroeconomic environment and the recent recession. A number of investee companies continued to trade well and enjoyed good growth, most notably Autologic Diagnostics, TFC Europe, The Bunker Secure Hosting, Closed Loop Recycling and Evance Wind Turbines, with exporters trading appreciably better than those companies largely serving domestic markets. Unsurprisingly, others have been affected to varying degrees by recession induced factors, including i-plas, Crumb Rubber and Silvigen.

These mixed trading conditions are likely to prevail well beyond 2012, putting greater emphasis on robust business models and quality of management and it is these qualities that Foresight Group is looking for in its current deal flow of opportunities.

The above represents a summary of the recent highlights of the portfolio as at 30 June 2012, at which time the NAV per Foresight 2 Ordinary Share was 88.4p.

During July, the Foresight 2 Ordinary Shares fund realised approximately £2.3m from the sale of Infrared Integrated Systems, which, although this did not have an impact on the net asset value, improved the cash position of the Fund. Other than as disclosed above, there has been no significant changes to Foresight 2's trading or financial position since 30 June 2012, the date to which the latest interim management statement was prepared.

The prospects for the current portfolio and pipeline of potential new investment opportunities give both the Board and Foresight Group confidence about the ability of Foresight 2 to achieve its investment objective of providing investors with attractive returns and maximising tax-free distributions.

Merger of Foresight 2 Ordinary and 'C' Shares

The Board of Foresight 2 VCT plc is currently considering the possibility of merging the Company's Ordinary and 'C' Shares given the significant overlap in the two portfolios and the cost savings both sets of Shareholders would benefit from if such a merger was to occur. Should the Board conclude that such a merger would be in Shareholders' best interests, it will send details of their proposal in a circular to Shareholders to vote on in due course.

FORESIGHT 3

Copies of Foresight 3's annual report and financial statements for the year ended 31 March 2012 and its interim report for the six months to 30 September 2012 are available at www.foresightgroup.eu

The performance of the Foresight 3 Ordinary Shares portfolio overall during the period from 31 March 2012 to 30 September 2012 has been stable despite recent setbacks, notwithstanding the generally weak UK macroeconomic environment and the recent recession. A number of investee companies continued to trade well and enjoyed good growth, most notably Autologic Diagnostics, Datapath Group, TFC Europe, Alaric, The Bunker Secure Hosting, Closed Loop Recycling and Evance Wind Turbines, with exporters trading appreciably better than those companies largely serving domestic markets. Unsurprisingly, others have been affected to varying degrees by recession induced factors, including i-plas, Silvigen and most recently Global Immersion, which has struggled in the current economic climate selling its equipment into planetariums and immersive theatres like Imax. As a result of these issues Global Immersion appointed administrators in late 2012.

These mixed trading conditions are likely to prevail well beyond 2012, putting greater emphasis on robust business models and quality of management and it is these qualities that Foresight Group is looking for in its current deal flow of opportunities.

The above represents a summary of the recent highlights of the portfolio as at 30 September 2012, at which time the NAV per Foresight 3 Ordinary Share was 77.8p. Other than as disclosed above, there has been no significant changes to Foresight 3's trading or financial position since 30 September 2012, the date to which the latest interim accounts were prepared.

The prospects for the current portfolio and pipeline of potential new investment opportunities give both the Board and Foresight Group confidence about the ability of Foresight 3 to achieve its investment objective of providing investors with attractive returns and maximising tax-free distributions.

FORESIGHT 4

Copies of Foresight 4's annual report and financial statements for the year ended 31 March 2012 and its interim report for the six months to 30 September 2012 are available at www.foresightgroup.eu

The performance of the Foresight 4 Ordinary Shares portfolio overall during the period has been encouraging, notwithstanding the generally weak UK macroeconomic environment and the recent recession. A number of investee companies continued to trade well and enjoyed good growth, most notably Autologic Diagnostics, Datapath Group, TFC Europe, The Bunker Secure Hosting, Closed Loop Recycling and Evance Wind Turbines, with exporters trading appreciably better than those companies largely serving domestic markets. Unsurprisingly, others have been affected to varying degrees by recession induced factors, including i-plas, Crumb Rubber, Vertal and Silvigen.

These mixed trading conditions are likely to prevail well beyond 2012, putting greater emphasis on robust business models and quality of management and it is these qualities that Foresight Group is looking for in its current deal flow of opportunities.

The above represents a summary of the performance of the portfolio as at 30 September 2012, the date to which the latest interim accounts were prepared, at which time the NAV per Foresight 4 Ordinary Share was 95.1p. Other than as disclosed above, there has been no significant changes to Foresight 4's trading or financial position since 30 September 2012.

The prospects for the current portfolio and pipeline of potential new investment opportunities give both the Board and Foresight Group confidence about the ability of Foresight 4 to achieve its investment objective of providing investors with attractive returns and maximising tax-free distributions.

Use of Proceeds

The proceeds of each Offer will be pooled with the existing cash resources of the relevant Company and utilised by that Company as follows:

- To take advantage of future new and follow-on investment opportunities; and
- To fund annual running costs and market purchases of that Company's own Shares.

Investments made from the proceeds of the Offers will need to satisfy the VCT investment rules post-5 April 2012.

Costs

The fixed cost of the Offers is the Promoter's Fee of 2.5% of the NAV per Share. For subscriptions received before 30 December 2012 or thereafter in respect of Execution-only and

non-MiFID Professional Client Investors, a further 3.0% initial commission and 0.375% annual trail commission (subject to a maximum cumulative payment of 2.25%) are payable to independent financial advisers, such commission (including cumulative trail commission) after 30 December 2012 being reflected in the Offer price of the New Ordinary Shares under the Pricing Formula for each Offer. Applications received after 30 December 2012 in respect of Retail Client Investors will incur the Promoter's Fee of 2.5% but will not incur initial commission or trail commission. Applicants can specify the amount of any Adviser Charge (up front and/or continuing) that the investor has agreed with their financial intermediary and request that the Companies make facilitation payment(s) of the agreed Adviser Charge.

All costs of the Offers, excluding the Promoter's Fee, commission and Adviser Charges, will be borne by the Companies pro rata to the amount of funds raised by each of them.

Timetable

Each Offer will remain open until 5.00 pm on 30 April 2013 or until fully subscribed, whichever is the earlier ("the Closing Date"). Investors should note that any applications which request the allotment of some or all of the New Ordinary Shares applied for in tax year 2012/13 must be received by 5 April 2013. The Directors of each Company reserve the right to close that Company's Offer earlier or to extend such Offer period and to accept applications and issue New Ordinary Shares at any time prior to the Closing Date.

For the avoidance of doubt, all Shares allotted under the Offers will pertain to the 2012/13 and 2013/14 tax years. It is intended that allotments will take place on a monthly basis, or as appropriate. When Shares are allotted and issued, investors can expect the following timetable:

New Ordinary Shares allotted	Day 1
Hearing of application for admission to listing	Day 2
Dealings commence	Day 3
Share and tax certificates dispatched	Day 10

None of the Offers are underwritten. There is no overall minimum subscription to any of the Offers so investors can be sure that each of the Offers will proceed.

Application procedure

The Directors of each Company will, in their absolute discretion, determine the basis of allocation of the New Ordinary Shares (but consideration will be given to allocating New Ordinary Shares on a first-come, first-served basis). The Receiving Agent will acknowledge receipt of applications. Fractions of New Ordinary Shares will not be issued.

An Application Form is attached at the end of this document together with explanatory notes. The terms and conditions of subscription for the New Ordinary Shares under each Offer is set out on pages 16 to 20.

The costs of the Offers and administration have been based on a default application of an investor wishing to split an application evenly between the Companies i.e. on the assumption that an application for £20,000 would be invested £5,000 into each of Foresight 1, Foresight 2, Foresight 3 and Foresight 4.

As a result, the minimum investment if you wish your subscription monies to be invested evenly across the Companies, (i.e. the default option) is £4,000 (i.e. £1,000 into each of the Companies).

If you wish you may invest in any one or more of the Companies individually but, as a result of the increased administration, the minimum investment which you may make into any one specific VCT is £4,000. Please state on the application form if your application is for one or more specific Companies only.

Provided that applications are for the minimum amounts noted above, applications can be for any amount. VCT tax benefits, under existing legislation, are available in respect of aggregate investments in VCTs of up to £200,000 in each of the tax years 2012/13 and 2013/14. Application Forms should be sent or delivered, together with a remittance for the full amount payable in respect of the application, by post or by hand to the Receiving Agent. All payments must be made in pounds sterling by cheque or banker's draft drawn on an account with a UK 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. Cheques and banker's drafts should be made payable to "The City Partnership (UK) Limited re Foresight" and crossed "AC Payee Only". Your attention is drawn to the statements concerning the Money Laundering Regulations in the terms and conditions of application.

Applications will be made to the UK Listing Authority for the New Ordinary Shares in each of the Companies to be issued pursuant to the Offer made by it to be admitted to the Official List of the London Stock Exchange.

ENQUIRIES

If you have any queries about the Offers please contact Foresight Group, the investment manager of the Companies:

Tel: 01732 471800

email: info@foresightgroup.eu

We very much look forward to welcoming you as a Shareholder.

Yours sincerely,

John Gregory Foresight VCT
Jocelin Harris Foresight 2 VCT
Graham Ross Russell Foresight 3 VCT
Philip Stephens Foresight 4 VCT
Chairmen

3 December 2012

Registered in England

Foresight 1's Company Number 03421340

Foresight 2's Company Number 05200494

Foresight 3's Company Number 03121772

Foresight 4's Company Number 03506579

TAX POSITION

1. TAX RELIEFS

The following is only a summary of the law concerning the tax position of individual qualifying investors in VCTs. Potential Investors are recommended to consult a duly authorised independent financial adviser as to the taxation consequences of an investment in a VCT.

The tax reliefs set out below are those currently available to individuals aged 18 or over who subscribe for Shares under the Offers. 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. Investors who intend to invest more than £200,000 in VCTs in any one tax year should consult their professional advisers.

A qualifying investor is an individual aged 18 or over who satisfies the conditions of eligibility for tax relief available to investors in a VCT.

(a) Income tax

(i) Relief from income tax on investment

A qualifying investor subscribing for 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.

To obtain relief, qualifying investors must subscribe on their own behalf although the Shares may subsequently be transferred to a nominee.

The relief is given at the rate of 30% on the amount subscribed regardless of whether the qualifying investor is a higher rate or basic rate tax payer, although 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, in any tax year, VCT shares having a value of 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 Ordinary 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.

(b) Capital gains tax

(i) Relief from capital gains tax on the disposal of Shares

A disposal by a qualifying investor of 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.

(ii) Purchases in the market

An individual purchaser of existing Shares in the market will be entitled to claim relief from capital gains tax on disposal (as described in paragraph 1.b(i) above).

(c) Loss of VCT approval

For a company to be fully approved as a VCT it must meet the various requirements for full approval 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. 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.

VENTURE CAPITAL TRUSTS

The Companies each have to satisfy a number of tests to qualify as a VCT. A summary of these tests is set out below.

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 or securities in Qualifying Investments, of which 70% by VCT Value for funds raised after 5 April 2011 must be in eligible shares;
- (e) have at least 10% by VCT Value of each Qualifying Investment in eligible shares;
- (f) at the time of the relevant investment, not have more than 15% by VCT Value of its investments 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; and
- (h) not invest in a single company or group in excess of annual limits.

The term 'eligible shares' means shares which carry no preferential rights to voting, dividends and assets on a winding-up and no rights to be redeemed or, for funds raised after 5 April 2011, shares which do not carry any rights to be redeemed or a preferential right to assets on a winding-up or dividends (in respect of the latter, where the right to the dividend is cumulative or, where the amount or dates of payment of the dividend may be varied by the company, a shareholder or any other person).

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 and for which not more than £1 million was subscribed in any one tax year (nor more than £1 million in any period of six months straddling two tax years).

The conditions are detailed, but include that the company must be a Qualifying Company, have gross assets not exceeding £15 million immediately before and £16 million immediately after the investment, apply the money raised for the purposes of a qualifying trade within certain time periods, have fewer than 250 full-time equivalent employees and not be controlled by another company. In certain circumstances, an investment in a company by a VCT can be split into a part which is a qualifying holding and a part which is a non-qualifying holding.

For funds raised after 5 April 2006, the gross assets test was amended to £7 million immediately before and £8 million immediately after investment. In addition, for funds raised after 5 April 2007, to be qualifying holdings, investments must be in companies which have fewer than 50 full-time (equivalent) employees and do not obtain more than £2 million of investment from VCTs (where funds were raised after 5 April 2007) and individuals claiming relief under the Enterprise Investment Scheme in any rolling 12 month period.

Since 6 April 2012 a VCT may not make investments pursuant to what are termed 'disqualifying arrangements' where a main purpose of the investment may be to secure that the investment will be a qualifying holding or that person(s) may secure tax relief in respect of the investment and additionally, a party to the arrangements will benefit from the majority of the amount raised by the investee company or it is reasonable to expect that the component activities of the investee company's business would have been carried on by a third party in any event even if the investment were not made. Additionally, provided an investee company is not in a partnership or joint venture, in which case, the old investment restriction of £1m remains, a VCT may now invest up to £5m in an investee company in any rolling period of 12 months, but no longer can an investee company deploy funds raised after 6 April 2012 on the acquisition of the shares of other companies.

For periods after 5 April 2012 the gross assets test referred to above was increased to £15 million immediately before and £16 million immediately after the investment and the number of permitted employees for an investee company was increased from 50 to 250.

3. Qualifying Companies

A Qualifying Company must be unquoted (for VCT purposes this includes companies whose shares are traded on ISDX Growth Market and AIM) 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 HM Revenue and Customs. 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.

All of the Companies have received approval as a VCT from HMRC.

5. Withdrawal of approval

Approval of a VCT 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.

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

APPLICATION FOR SHARES

TERMS & CONDITIONS OF APPLICATION

- 1.** These terms and conditions of application ("Terms and Conditions"), and the Application Form itself, apply, as if the name of each relevant Company were set out in turn on each occasion that there is a reference to "the relevant Company" and on the basis that each reference to "the relevant Offer" shall be read and construed as a reference to the relevant Offer to be made by the relevant Company concerned and that each reference to "the Directors" shall be read and construed as a reference to the relevant Directors of the Company concerned and this shall be the case, whether an applicant makes an application for Shares in one, some or all of the Companies. The contract created by the acceptance of applications in the manner herein set out will be conditional on the admission of the New Ordinary Shares of the relevant Company being issued to the Official List of the UK Listing Authority and to trading on the London Stock Exchange's main market for listed securities unless otherwise so resolved by the Board of the relevant Company. If any application is not accepted, or if any contract created by acceptance does not become unconditional, or if any application is accepted for fewer Shares than the number applied for, or if there is a surplus of funds from the application amount, the application monies or the balance of the amount paid on application will be returned without interest by post at the risk of the applicant. In the meantime, application monies will be retained by the relevant Company, in a separate account.
- 2.** The relevant Company reserves the right to present all cheques and banker's drafts for payment on receipt and to retain documents of title and surplus application monies pending clearance of the successful applicants' cheques and banker's drafts.
- 3.** By completing and delivering an Application Form, you (as the applicant):
 - (a)** irrevocably offer to subscribe for Shares in the relevant Company for the amount of money specified in your Application Form which will be applied to purchase New Ordinary Shares, subject to the provisions of (i) these Terms and Conditions and (ii) the Memorandum and Articles of the relevant Company (and that, if you do not specify that you wish to invest in one or more specific Companies (and not all of them), the subscription amount is to be divided equally between each of the Companies after allowing for allotments of Shares made pursuant to Company-specific applications);
 - (b)** authorise the relevant Company's Registrar to send definitive documents of title for the number of New Ordinary Shares for which your application is accepted and to procure that your name is placed on the register of members of the relevant Company in respect of such New Ordinary Shares and authorise the Receiving Agent to send you a crossed cheque for any monies returnable, by post to your address as set out in your Application Form;
 - (c)** in consideration of the relevant Company agreeing that it will not, prior to the closing date of the Offer, offer any Shares to any persons other than by means of the

procedures set out or referred to in this document, agree that your application may not be revoked until the closing date of the relevant Offer, and that this paragraph constitutes a collateral contract between you and the relevant Company which will become binding upon despatch by post or delivery by hand of your Application Form duly completed to the relevant Company's receiving agent, The City Partnership (UK) Limited;

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

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

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

(g) agree that, in respect of those New Ordinary Shares for which your application has been received and processed and not refused, acceptance of your application shall be constituted by notice of acceptance thereof by the Receiving Agent;

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

(i) agree that, having had the opportunity to read this document, you shall be deemed to have had notice of all information and representations concerning the relevant Company contained herein (whether or not so read);

- (j)** confirm that in making such application you are not relying on any information or representation in relation to the relevant Company other than those contained in this document and you accordingly agree that no person responsible solely or jointly for this document or any part thereof or involved in the preparation thereof shall have any liability for any such information or representation;
- (k)** confirm that you have reviewed the restrictions contained in this paragraph 3 and paragraph 4 below and warrant as provided therein;
- (l)** warrant that you are not under the age of 18 years;
- (m)** agree that such Application Form is addressed to the relevant Company and the Receiving Agent;
- (n)** agree to provide the relevant Company and/or the Receiving Agent with any information which it may request in connection with your application and/or in order to comply with the venture capital trust or other relevant legislation and/or the Money Laundering Regulations (as the same may be amended from time to time);
- (o)** warrant that, in connection with your application, you have observed the laws of all relevant territories, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with your application in any territory and that you have not taken any action which will or may result in the relevant Company, the Receiving Agent or Foresight Group acting in breach of the regulatory or legal requirements of any territory in connection with the Offers or your application;
- (p)** agree that Foresight Group will not regard you as its customer by virtue of you having made an application for New Ordinary Shares or by virtue of such application being accepted; and
- (q)** declare that a loan has not been made to you or any associate, which would not have been made or not have been made on the same terms, but for you offering to subscribe for, or acquiring New Ordinary Shares and that the New Ordinary Shares are being acquired for bona fide commercial purposes and not as part of a scheme or arrangement the main purpose of which, or one of the main purposes of which, is the avoidance of tax.
- 4.** No action has been or will be taken in any jurisdiction by, or on behalf of, the relevant Company which would permit a public offer of New Ordinary Shares in any jurisdiction where action for that purpose is required, other than the United Kingdom, nor has any such action been taken with respect to the possession or distribution of this document other than in the United Kingdom. No person receiving a copy of this document or an Application Form in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to him nor should he in any event use such Application Form unless, in the relevant territory, such an invitation or offer could lawfully be made to him or such Application Form could lawfully be used without contravention of any registration or other legal requirements. It is the responsibility of any person outside the United Kingdom wishing to make an application for New Ordinary Shares to satisfy himself as to full observance of the laws of any relevant territory in connection therewith, including obtaining any requisite governmental or other consents, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory.
- 5.** The basis of allocation will be determined by the relevant Company in its absolute discretion. It is intended that applications will be accepted in the order in which they are received. The relevant Offers will be closed at 5pm on 30 April 2013 or as soon as full subscription is reached (unless extended by the relevant Directors or closed earlier at their discretion). The right is reserved, notwithstanding the basis so determined, to reject in whole or in part and/or scale down any application, in particular multiple and suspected multiple applications which may otherwise be accepted. Application monies not accepted or if the relevant Offer is withdrawn will be returned to the applicant in full by means of a cheque, posted at the applicant's risk. The right is also reserved to treat as valid any application not complying fully with these Terms and Conditions or not in all respects complying with the Application Procedures set out on pages 19-20. In particular, but without limitation, the relevant Company may accept applications made otherwise than by completion of an Application Form where the applicant has agreed in some other manner to apply in accordance with these Terms and Conditions. The relevant Offer is not underwritten. The relevant Offer will be suspended if at any time the relevant Company is prohibited by statute or other regulations from issuing New Ordinary Shares.
- 6.** Save where the context requires otherwise, terms defined in this document bear the same meaning when used in these Terms and Conditions and in the Application Form.
- 7.** Authorised financial intermediaries who, acting on behalf of their clients, return valid Application Forms (on or before 30 December 2012 or thereafter in respect of Execution-only transactions and non-MiFID Professional Client Investors) bearing their stamp and FSA number will normally be paid 3.0% commission on the amount payable in respect of the New Ordinary Shares allocated for each such Application Form.
- 8.** In addition, provided they continue to act for their client and the client continues to hold such New Ordinary Shares, such intermediaries will be paid an annual trail commission of 0.375% of the net asset base value (as determined from the audited annual accounts of the relevant Company) for each such New Ordinary Share. For this purpose, "net asset base value" means the net assets attributable to the New Ordinary Share in question as determined from the audited annual accounts of the relevant Company as at the end of the preceding financial year.
- 9.** Commission and trail commission in respect of applications received after 30 December 2012 in respect of Execution-only transactions and non-MiFID Professional Client Investors will be taken into account when calculating the Pricing Formula and will reduce the number of New Ordinary Shares which are issued to you on the basis of the formula set out on page 8.

10. The Receiving Agent will collate the Application Forms bearing the financial intermediaries' stamps and calculate the initial commission payable which will be paid within 14 days of each allotment.
11. It is expected that annual trail commission will be paid 5 months after the year end of the relevant Company in each year. The administration of annual trail commission will be managed on behalf of the relevant Company by Foresight Group LLP which will maintain a register of intermediaries entitled to trail commission. The relevant Company shall be entitled to rely on a notification from a client that he has changed his adviser, in which case, the trail commission will cease to be payable to the original adviser and will be payable to the new adviser. No payment of trail commission by the relevant Company shall be made to the extent that the cumulative trail commission would exceed 2.25% of the amount subscribed for each such New Ordinary Share. Financial intermediaries should keep a record of Application Forms submitted bearing their stamp to substantiate any claim for selling commission.
12. Financial intermediaries who are entitled to receive initial commission may agree to waive it in respect of your application. If this is the case then the amount of your application will be increased by an amount equivalent to the amount of commission waived.
13. Where Application Forms are returned after 30 December 2012 by you or on your behalf by an authorised financial intermediary who has given you a personal recommendation in respect of your application having first categorised you as a Retail Client, the Companies will facilitate the payment of any Adviser Charge agreed between you and your intermediary, as validated by your completion of Box 3 on the Application Form. The amount of the agreed Adviser Charge will be facilitated by the relevant Company making (a) payment(s) equal to the Agreed Charge direct to the intermediary which will be taken into account when calculating the Pricing Formula, and will reduce, the number of New Ordinary Shares which are issued to you on the basis of the formula set out on page 8.
14. If you have agreed to pay on-going charges to an intermediary who has categorised you as a Retail Client in respect of services related to your investment, for example, for conducting associated administrative tasks or managing your relationship with the relevant Company, then the amount of the agreed on-going charges can also be facilitated through the relevant Company on a similar basis. The aggregate amount of your agreed on-going payments (which may not exceed the limitation specified in section 553 Companies Act 2006 less the Promoter's Fee) will be paid by the relevant Company into a cash account in your name and held to your order (through the agency of the relevant Company) by Woodside Corporate Services Limited ("Woodside"). You have the right to cancel this arrangement and have the funds returned to you at any time. The relevant Company will act as your agent in remitting instructions to Woodside and instructions cannot be given directly by

you to Woodside. Unless otherwise instructed by you, you shall be deemed to have authorised the payment to your intermediary (from the monies held to your order in the cash account) of your agreed on-going charge approximately 5 months after each year-end of the relevant Company. The administration of on-going facilitation payments will be managed on your behalf by the relevant Company acting as your agent which will maintain a register of intermediaries entitled to on-going charges. The relevant Company shall be entitled to rely on a notification from you that you have changed your adviser, in which case, on-going facilitation payments will cease to be payable to the original adviser and will be payable to you or to your new adviser as you may direct. No payment of on-going charges shall be made to the extent that they exceed the balance from time to time standing to your credit in the cash account. All interest earned on your cash account will accrue to the benefit of Woodside and, in addition, an upfront fee of 1% of any on-going Adviser Charge (multiplied by the number of years for which they are payable) will be levied by Woodside and added to the amount of your Adviser Charge for the purposes of calculating the number of New Ordinary Shares which are issued to you on the basis of the formula set out on page 8.

Lodging of Application Forms and Dealing Arrangements

Completed Application Forms with the appropriate remittance must be posted or delivered by hand to The City Partnership (UK) Limited, Thistle House, 21 Thistle Street, Edinburgh EH2 1DF. The Offers open on 3 December 2012 and will close on 5 April 2012 (where applications specify that New Ordinary Shares be allotted in the 2012/2013 tax year) and 30 April 2013 (or earlier if fully subscribed or at the discretion of the Directors). The Directors of the relevant Company in their absolute discretion may also decide to extend their Offer. If you post your Application Form, you are recommended to use first class post and to allow at least two business days for delivery.

Applications will be made for the New Ordinary Shares to be admitted to the Official List of the UK Listing Authority and to trading on the London Stock Exchange's main market for listed securities.

Temporary documents of title will not be issued. Dealings prior to receipt of share certificates will be at the risk of applicants. A person so dealing must recognise the risk that an application may not have been accepted to the extent anticipated or at all. To the extent that any application is not accepted, any excess payment will be returned without interest by returning the applicant's cheque or banker's draft or by sending a crossed cheque in favour of the applicant through the post, at the risk of the person entitled thereto.

It is expected that dealings in the New Ordinary Shares will commence within three Business Days following allotment and that share certificates will be despatched within ten Business Days of allotment of the New Ordinary Shares. Allotments will be announced on an appropriate Regulatory Information Service.

APPLICATION PROCEDURES

Before making any application to subscribe for New Ordinary Shares you are strongly recommended to consult an independent financial adviser authorised under the Financial Services and Markets Act 2000. To fill out the Application Form:

BOX 1

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

BOX 2

If you wish to subscribe equally for New Ordinary Shares in each Company (i.e. the default option) please complete Part A. Insert (in figures) the total amount you wish to invest in aggregate in the Companies and the amount split per tax year. Your application must be for a minimum of £4,000 in aggregate.

If you wish to invest specifically in one or more of the Companies (but not all of them) please complete Part B. Insert (in figures) the total amount you wish to invest in each of the Companies concerned and the amount split per tax year. Your application must be for a minimum of £4,000 per Company in which you wish to invest.

If you are paying by cheque please make it payable to "The City Partnership (UK) Limited re Foresight".

Cheques must be honoured on first presentation. A separate cheque must accompany each application. No receipt for your payment will be issued. The cheque or banker's draft must be drawn in sterling on an account at a bank branch or building society in the United Kingdom or the Channel Islands and bear a bank sort code number in the top right hand corner. Additionally, if you use a building society cheque or banker's draft, you should write the name, address and date of birth of the person named in Box 1 of the Application Form on the back of the cheque or banker's draft. Any monies not accepted will be returned by the applicant's cheque or banker's draft or by sending a cheque crossed "Account Payee Only" in favour of the applicant.

BOX 3

Applications received before 30 December 2012

Authorised financial intermediaries who return valid Application Forms bearing their address and FSA number will be paid 3% initial commission and 0.375% annual trail commission for 6 years on the amount payable in respect of the New Ordinary Shares allocated for each such Application Form.

Applications received after 30 December 2012

"RETAIL CLIENT" INVESTORS

If you have an authorised financial intermediary, such as an IFA, who has made a personal recommendation in relation to your application having classified you as a Retail Client, and you would like the payment of your agreed adviser's fee with your intermediary to be facilitated through your subscription for New Ordinary Shares, please specify:

- in Box 3A the amount of the initial adviser fee agreed between you in relation to this product; and
- in Box 3B any on-going payments you have agreed with your intermediary (if any) which you would like facilitated through the Companies, including the yearly amount and the number of years for which it is to be paid. The aggregate amount of your agreed on-going payments (which, may not exceed the limitation specified in section 553 Companies Act 2006 less the Promoter's Fee) will be paid by the Company into a cash account in your name and held to your order (through the agency of the Company) by Woodside Corporate Services Limited ("Woodside"). You have the right to cancel this arrangement and have the funds returned to you at any time. All instructions relating to the moneys in the cash account must be given to the Company which will act as your agent in remitting these instructions to Woodside. Instructions cannot be given directly to Woodside.

Charges may be described in pounds or as a percentage of funds invested, as agreed between the investor and their adviser.

"EXECUTION ONLY TRANSACTIONS" and "PROFESSIONAL CLIENT" INVESTORS

Authorised financial intermediaries who:

- provide execution-only services in relation to your application, whether they categorise you as a Retail Client or as a Professional Client or who, alternatively,
- having first classified you as a Professional Client in the course of non-MiFID business, provide a personal recommendation in relation to your application,

will be paid 3% initial commission and 0.375% annual trail commission for 6 years on the amount payable in respect of the New Ordinary Shares issued pursuant to your valid Application Form bearing their address and FSA number.

If you have agreed an initial Adviser Charge with your authorised financial intermediary for the provision of advice relating to an investment in the Companies and you wish to have the payment of this charge facilitated by the Companies, please insert the agreed amount in Box 3A.

If you have also agreed an on-going charge for your intermediary's provision of on-going services, and wish to have these payments facilitated by the Companies, please insert the yearly amount and the number of years in Box 3B. Please note that you are entitled to cancel this on-going payment at any time and have the monies returned to you.

BOX 4

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

Money Laundering Notice - Important Procedures for Applications of the Sterling equivalent of €15,000 (£13,000 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 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 an 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 Receiving Agent will supply specimen wording on request;

or

B If an application is made direct (not through an 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 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 by an accountant, a solicitor or bank. Original documents will be returned by post at your risk. If a cheque is drawn by a third party, the above will also be required from that third party.

TOP UP OFFER APPLICATION FORM

FORESIGHT VCTs 1, 2, 3 & 4

("THE COMPANIES")



In order to be accepted, the Application Form must be received by 12.00 pm on 5 April 2013 for allotments in the 2012/13 tax year and 30 April 2013 for all other applications (unless the Closing Date for the Offer is extended prior to that date) by post or by hand addressed to: Foresight VCTs' Offer, The City Partnership (UK) Limited, Thistle House, Thistle Street, Edinburgh EH2 1DF.

IMPORTANT: BEFORE COMPLETING THIS APPLICATION FORM PLEASE READ IN FULL THE ACCOMPANYING NOTES, THE TERMS AND CONDITIONS AND APPLICATION PROCEDURE.

BOX 1

Title:	Forename:	Surname:
<hr/>		
Address:		
<hr/>		
Postcode:	Email:	
<hr/>	<hr/>	
DOB:	National Insurance No:	
<hr/>	<hr/>	
Tel (day):	Tel (evening):	
<hr/>	<hr/>	

Your details may be used by Foresight Group 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. ☐

I hereby irrevocably offer to invest the following amount in the following Companies on the Terms and Conditions of Application as set out in the Offer Document issued by the Companies dated 3 December 2012 and subject to the Memoranda and Articles of Association of the relevant Companies.

BOX 2

PART A: Application to be split equally between the Offers for each of the Companies - DEFAULT OPTION

Please insert the amount you wish to invest in the "Total" box below, subject to a minimum investment of £4,000. You can invest in any ratio you wish or simply write "ALL" in the box for one tax year if that is your preference.

	Tax Year 2012/13*	Tax Year 2013/14	TOTAL
VCTs 1, 2, 3 & 4	£	£	£

PART B: Applications specific to the Offer(s) of one or more of the Companies (but not all of the Companies)

Please specify the amounts of investment per Company you wish to invest under specific Offers, subject to a minimum investment of £4,000 per Company in which you wish to invest. If appropriate, please state how such investment(s) should be split between tax years 2012/13 and 2013/14, or simply write "ALL" in the box for one tax year if that is your preference.

	Tax Year 2012/13*	Tax Year 2013/14	TOTAL
Foresight 1	£	£	£
Foresight 2	£	£	£
Foresight 3	£	£	£
Foresight 4	£	£	£

*Applications specifying the allotment of shares in tax year 2012/13 must be received before 5 April 2013 to be effective.

Authorised financial intermediaries should ensure that they confirm in BOX 5 whether they have classified the applicant investor as a Retail Client or a Professional Client for the purposes of the FSA Rules.

BOX 3

TO BE COMPLETED BY RETAIL CLIENT INVESTORS WHO WISH TO HAVE THEIR AGREED ADVISER FEES FACILITATED THROUGH THEIR SUBSCRIPTION

3A Amount of agreed initial adviser fee

3B Amount of agreed ongoing payments

No. of years payable

.....

MONEY LAUNDERING NOTICE: If your 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) you will need to ensure that verification of your identity is included with your Application – see page 20 of the Offer Document for details.

PLEASE TICK ONE OF THE FOLLOWING TWO OPTIONS:

☐ I SHALL TRANSFER WITHIN 2 BUSINESS DAYS OF SUBMITTING THIS APPLICATION THE TOTAL FUNDS NOTED IN BOX 2 ABOVE. (Please call Foresight on 01732 471812 for further transfer details)

☐ I ENCLOSE A CHEQUE OR BANKER'S DRAFT, DRAWN ON A UK CLEARING BANK OR BUILDING SOCIETY, FOR THE TOTAL AMOUNT, MADE PAYABLE TO "THE CITY PARTNERSHIP (UK) LIMITED RE FORESIGHT".

(Write your name, Address, DOB on rear of cheque or Bankers Draft - see page 19)

If subscribing by cheque then sufficient time must be allowed for the cheques to clear. In practice this means that the cheque must be in The City Partnership (UK) Limited's possession no later than 5 Business Days before the relevant Closing Date.

BOX 4

Signature of Investor:

Please print name:

Date:

.....

BY SIGNING THIS APPLICATION FORM I HEREBY IRREVOCABLY DECLARE THAT:

- (i) I have read and understood the procedure for application contained herein and on pages 19-20 of the Offer Document and agree to be bound by the Terms and Conditions of subscriptions contained on pages 16-18 of the Offer Document;
- (ii) if I have completed Box 3, I am declaring and validating to Foresight Group and the Receiving Agent the amount of the facilitation charge(s) specified therein and am agreeing to the making, by the relevant Company, of one or more facilitation payments in those amounts;
- (iii) if my authorised financial intermediary has classified me as an elective Professional Client for the purposes of this application, I am aware of the risks involved in such classification and of the rights I am giving up which are set out on pages 3-5 of the Offer Document and I wish to be treated as a Professional Client in respect of my application; and
- (iv) to the best of my knowledge and belief, the particulars I have given are correct.

BOX 5 - TO BE COMPLETED BY AN INVESTOR'S INDEPENDENT FINANCIAL ADVISER

The Investor on behalf of whom this application form is submitted is classified as a

Professional Client ☐

Retail Client ☐

by the IFA detailed below for the purposes of the FSA rules.

We have provided execution only services in relation to this application ☐

IF WE HAVE CLASSIFIED THE INVESTOR AS A PROFESSIONAL CLIENT BY SIGNING BELOW, WE CONFIRM THAT WE ARE AN ARTICLE 3 MIFID EXEMPT FIRM

We have applied customer due diligence measures on a risk-sensitive basis in respect of the Investor to the standard required by The Money Laundering Regulations 2007 and we certify that we have:

1. identified and verified the identity of the Investor on the basis of documents, data and information obtained from a reliable and independent source;
2. identified, where there is a beneficial owner who is not the Investor, the beneficial owner and have taken adequate measures, on the basis of documents, data and information obtained from a reliable and independent source, to verify his identity so that we know who the beneficial owner is, including, in the case of a legal person, trust or similar arrangement, measures to understand the ownership and control structure of the person, trust or arrangement and the identity of the beneficial owner and details of the ownership and control structure are set out in Box 6 below; and
3. obtained information on the purpose and intended nature of the Investor's proposed Investment in the relevant Company, as the case may be, which information is set out in Box 6 below; and we consent to the relevant Company relying on this certificate.

Name:

Date:

Firm Name:

Nature of the business:

Address

Postcode:

Tel:

Email:

Signature:

FSA Registration No. & Co. Stamp:

If you are electing to waive an amount of initial commission in favour of extra New Ordinary Shares, please state in this box what percentage is to be waived up to a maximum of 3%

BOX 6 - TO BE COMPLETED BY AN INVESTOR'S INDEPENDENT FINANCIAL ADVISER WHERE THE BENEFICIAL OWNER IS NOT THE INVESTOR

We certify that we have identified that the beneficial owner is:

and (in the case of a legal person, trust or similar arrangement), the ownership and control structure of the person, trust or arrangement is:

The purpose of the investment is:

CORPORATE INFORMATION

DIRECTORS (NON-EXECUTIVE) OF ALL THE COMPANIES

Peter Dicks (Director of the Companies)

FORESIGHT 1

John Gregory (Chairman)
Gordon Humphries

FORESIGHT 2

Jocelin Harris (Chairman)
David Quysner

FORESIGHT 3

Graham Ross Russell (Chairman)
Thomas Maxwell

FORESIGHT 4

Philip Stephens (Chairman)
Roger Brooke
Raymond Abbott

COMPANY SECRETARY

Foresight Fund Managers Limited

ECA Court
South Park
Sevenoaks
Kent TN13 1DU

INVESTMENT MANAGER

Foresight Group CI Limited

La Plaiderie House
La Plaiderie
St Peter Port
Guernsey GY1 1WF

SOLICITORS

RW Blears LLP

125 Old Broad Street
London EC2N 1AR

REGISTERED OFFICE AND HEAD OFFICE

ECA Court
South Park
Sevenoaks
Kent TN13 1DU

COMPANY REGISTRATION NUMBERS

Foresight 1 - 03421340
Foresight 2 - 05200494
Foresight 3 - 03121772
Foresight 4 - 03506579

WEBSITE

www.foresightgroup.eu

TELEPHONE NUMBER

01732 471 800

REGISTRARS

Computershare Investor Services PLC

P.O. Box 859
The Pavilions
Bridgwater Road
Bristol BS99 7NH

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