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Foresight 4 VCT plc

Offer for subscription of New Ordinary Shares

Available to C Shareholders only by way
of dividend re-investment

The Offer is not being made, directly or indirectly, in or into a Restricted Territory. The distribution of this document into certain jurisdiction is, or may be, restricted by law and, therefore, persons into whose possession this document comes should inform themselves about, and observe such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. This document must not be forwarded to, or transmitted into, Restricted Territory. No person receiving a copy of the Offer Document or an Application Form in any territory other than the UK may treat the same as constituting an invitation or offer to him nor should he in any event use such Application Form unless, in the relevant territory, such an invitation or offer could lawfully be made to him or such Application Form could lawfully be used without contravention of any registration or other legal requirements.

If you have sold or otherwise transferred all your C ordinary shares of 1p each (C Shares) in Foresight 4 VCT plc (Company), please pass this document together with the accompanying documents to the purchaser or transferee, or to the person who arranged the sale or transfer so they can pass this document to the person who now owns the C Shares.

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EXPECTED OFFER TIMETABLE

Offer opens	3 July 2015
Closing date for receipt of Applications	29 July 2015
Allotment date	on or around 11 August 2015
Effective date for admission and commencement of dealings	1 business day after allotment
Share certificates dispatched	10 business days after allotment

FURTHER INFORMATION

For further information, please call Foresight UK on 0203 667 8159 (email: investorrelations@foresightgroup.eu) or City Partnership on 0131 243 7210 (email: claudia@city.uk.com). Neither Foresight UK nor City Partnership can provide advice on the merits of the Offer nor give any financial, investment, legal or tax advice.

IMPORTANT NOTICE

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 (Foresight UK) which is authorised and regulated by the Financial Conduct Authority in the United Kingdom pursuant to the Financial Services and Markets Act 2000. In approving this document Foresight UK is acting solely for the Company and no-one else and will not be responsible to anyone other than the Company for providing the protections afforded to customers of Foresight UK or for providing financial advice in relation to the subject of this document. Foresight UK has given, and not withdrawn, its consent to the inclusion of the references to its name in the form and context in which they are included.

There is no guarantee that the 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 Offer, 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 Company. This document does not constitute a prospectus.

PART 1 - CHAIRMAN'S LETTER

FORESIGHT 4 VCT PLC

(Incorporated in England and Wales with registered number 03506579)

Directors:

Philip Stephens (Chairman)
Peter Dicks
Simon Jamieson

Registered Office:

The Shard
32 London Bridge Street
London
SE1 9SG

3 July 2015

Dear C Shareholder

Offer for subscription to C Shareholders only
in connection with the reinvestment of the C Share Dividend payable to C Shareholders
to raise up to £3.5 million
by way of an issue of up to a maximum of 5.74 million New Ordinary Shares

Background to the Offer

I am pleased to be able to report that, as a result of the recent performance of the C Shares fund and, more specifically, the sale of Defaqto Group Limited on 30 March 2015 for £9.5 million (as announced on 31 March 2015), the Board declared a special dividend of 25.0p per C Share on 2 July 2015. The dividend will be paid on 6 August 2015, will have a record date of 10 July 2015 (C Share Dividend Record Date) and an ex-dividend date of 9 July 2015.

With 18,680,907 C Shares in issue, the 25.0p C Share Dividend represents a payout of approximately £4.7 million, which is all of the profit on the sale of Defaqto (and approximately 50% of the total proceeds of the sale). The Board has decided to provide all C Shareholders with the opportunity to reinvest their dividend proceeds into New Ordinary Shares pursuant to the Offer contained in this document. The investment will provide the ability for qualifying C Shareholders (subject to personal circumstances) to secure up to 30% upfront income tax relief on the amount of any dividend proceeds reinvested.

This C Share Dividend is timely and will be paid just before the conversion of the C Shares into Ordinary Shares (Conversion). Details of the Conversion were set out in the circular(s) you will have received as a shareholder of Foresight 5 VCT plc and/or Acuity 3 VCT plc dated 22 December 2011 when those entities were merged into the Company. The Conversion will occur, in accordance with the Conversion mechanism set out in the Articles, ten business days after the publication of the Company's final results for the year ended 31 March 2015. The Company expects to publish these results on or around 27 July 2015, with the Conversion occurring ten business days later.

Foresight Group is currently seeing an increase in its deal-flow of attractive, traditional private equity deals. These deals are typically profitable, management buy-out opportunities where Foresight Group has had significant success in recent years and, therefore, the Board is offering investors the opportunity to invest in New Ordinary Shares to enhance the Company's ability to participate in these new investments and to enable investors to maintain their exposure to the enlarged portfolio of investments, while at the same time Qualifying Investors can secure up to 30% income tax relief in respect of the amount of C Share Dividend reinvested.

Ordinary Shares fund

Summary investment policy and strategy

The investment policy of the Ordinary Shares fund is the same as the C Shares fund, which is to provide private investors with attractive returns from a portfolio of investments in fast growing companies predominantly in the environmental and management buy-out sectors in the UK and to maximise tax-free income available to investors from a combination of dividends and interest received on investments and capital gains arising from trade sales and flotations.

Trading Update Ordinary Share Portfolio

During the year to 31 March 2015, the net asset value per Ordinary Share decreased by 3.2% to 83.9p (unaudited) from 86.7p (audited) as at 31 March 2014. Many private equity investments performed well, particularly Aerospace Tooling Corporation, Procam Television Holdings, TFC Europe and CoGen, which together generated an increase in net asset value of £3.5 million. Aerospace Tooling Corporation and The Bunker Secure Hosting both successfully completed recapitalisations, returning £2.65 million to the Ordinary Shares fund with unchanged equity shareholdings.

Notwithstanding the above, the overall performance of the Ordinary Shares fund during the year ended 31 March 2015 was disappointing, the impact of the full provision of £3,997,363 made against the investment in Closed Loop Recycling, as explained below, counterbalancing the strong performance of the private equity investments. Subsequent to the year end, Closed Loop Recycling was placed into administration on 30 April 2015, with no prospect of any recovery.

In consequence of the full provision made against the investment in Closed Loop Recycling, the Ordinary Shares portfolio now has effectively no significant direct exposure to environmental investments, the portfolio now comprising traditional private equity investments operating across a range of different sectors. With a strong pipeline of high quality investment opportunities, the focus is on making further private equity investments and achieving increases in net asset value and realisations from the existing investments to facilitate shareholder distributions.

The Board and Foresight Group are positive about the prospects for the enlarged, and ostensibly traditional private equity, portfolio of the Company and its ability to deliver enhanced value to Shareholders.

Company portfolio as at 31 March 2015 (active investments only)

	Ordinary Shares fund		C Shares fund		Company	
	Cost (£)	Valuation as at 31 March 2015 (unaudited) (£)	Cost (£)	Valuation as at 31 March 2015 (unaudited) (£)	Cost (£)	Valuation as at 31 March 2015 (unaudited) (£)
Aerospace Tooling Corporation Limited	60,000	2,218,556	90,000	3,327,834	150,000	5,546,390
AlwaysON Group Limited	680,240	266,815	-	-	680,240	266,815
AtFutsal Limited	755,330	377,665	-	-	755,330	377,665
Autologic Diagnostics Group Limited	2,329,087	2,338,020	-	-	2,329,087	2,338,020
Biofortuna Limited	462,527	462,527	718,525	718,525	1,181,052	1,181,052
Blackstar Amplifications Holdings Limited	-	-	1,000,000	1,386,163	1,000,000	1,386,163
CoGen Limited	390,928	1,923,978	-	-	390,928	1,923,978
Datapath Group Limited	73,250	10,209,100	-	-	73,250	10,209,100
Flowrite Refrigeration Holdings Limited	85,199	227,545	209,801	560,321	295,000	787,866
Ixaris Systems Limited	1,181,432	2,222,007	-	-	1,181,432	2,222,007
O-Gen Acme Trek Limited	4,860,174	753,015	-	-	4,860,174	753,015
Positive Response Communications Limited	-	-	500,000	500,000	500,000	500,000
Procam Television Holdings Limited	319,444	633,859	781,941	1,556,999	1,101,385	8,190,858
Quantel Holdings (2010) Limited	235,762	197,116	-	-	235,762	197,116
Sindicatum Carbon Capital Limited	200,063	393,825	-	-	200,063	393,825
TFC Europe Limited	782,577	3,611,647	-	-	782,577	3,611,647
The Bunker Secure Hosting Limited	584,987	2,203,251	-	-	584,987	2,203,251
Thermotech Solutions Limited	500,000	701,641	500,000	701,641	1,000,000	1,403,282
Trilogy Communications Holdings Limited	776,383	140,872	-	-	776,383	140,872
VectorCommand Limited	1,468,750	301,836	-	-	1,468,750	301,836
Zoo Digital Group Limited	847,021	288,577	-	-	847,021	288,577
TOTAL	16,593,152	29,471,853	3,800,267	8,751,482	20,393,419	38,223,335

Prospects

With currently benign economic conditions, the Board and Foresight Group remain positive about the prospects for the enlarged portfolio following completion of the merger of the Ordinary Share and C Share classes. Many of the companies within the portfolio continue to trade well, which encouragingly include those made relatively recently such as Aerospace Tooling Corporation, Blackstar Amplification, Flowrite Refrigeration Holdings and Procam Television Holdings. The outlook has similarly improved at Trilogy Communications and AtFutsal, both of which have experienced difficult trading conditions in recent years.

In order for the Company to generate funds for dividends, re-investment and share buy-backs for Shareholders, Foresight Group is focussed on generating cash from the portfolio through recapitalisations, realisations, loan repayments and dividend distributions, a number of which are forecast to occur over the short to medium term.

With this in mind and following Conversion, the Company will have significant cash resources with which to make new investments, which should be further strengthened with funds raised through the Offer. Foresight Group is currently seeing a good flow of high quality investment opportunities and a number of new investments are expected to be completed over the coming months, which will broaden the portfolio, create further opportunities for income and capital appreciation and also diversify risk. The Company is also expected to be in a better position to resume Ordinary Share dividend payments.

Management, fees and annual costs

Foresight provides investment management services and administration services to the Company under an agreement dated 30 July 2004 (as novated to Foresight on 19 December 2011 in respect of investment management services and subsequently in respect of administration services). Foresight has, as is permitted, and as approved by the Company, under the agreement, appointed Foresight UK to provide investment advisory services and Foresight Fund Managers Limited, through an onward delegation through Foresight UK, to provide administration services to Foresight for the purposes of fulfilment of the obligations to the Company under the agreement. Foresight Fund Managers Limited is the appointed Company secretary.

Foresight receives an annual management fees, paid quarterly in advance, of 2.25% of net assets per annum (plus applicable VAT). If the annual expenses of the Company exceed 3.5% of the Company's total assets less current liabilities, the Company is entitled to reduce the fees paid to Foresight by the amount of the excess. Foresight also receives fees for administration services of an amount equivalent to 0.3% of funds raised by the Company, subject to a cap of £150,000 adjusted annually in line with the UK Retail Prices Index (plus applicable VAT). The administration fee is currently £157,000 (2014: £155,000).

Foresight Group is responsible for external costs such as legal and accounting fees, incurred on transactions that do not proceed to completion ('abort expenses'). In line with common practice, Foresight Group retains the right to charge arrangement and syndication fees and Directors' or monitoring fees ('deal fees') to companies in which the Company invests.

This agreement may be terminated by either party giving to the other not less than twelve months' notice, at any time after the third anniversary or for cause.

Performance related incentive

Foresight UK is entitled to a payment equal to 15% of dividends paid to Ordinary Shareholders, subject to the net asset value plus cumulative dividends paid per Ordinary Share exceeding 100.0p per Ordinary Share ("High Watermark"), both immediately before and immediately after the performance related incentive fee is paid.

After each distribution is made to Ordinary Shareholders where a performance incentive is paid to Foresight UK, the High Watermark required to be achieved by the Company to trigger a further performance incentive fee increases by a per Ordinary Share amount equivalent to the aggregate amount of the dividend paid less the performance fee paid to Foresight UK.

The performance incentive fee may be satisfied by either a cash payment or the issue of Ordinary Shares (or by a combination of both) ultimately at the Board's discretion. Any new Ordinary Shares to be issued to Foresight UK would be calculated by dividing the performance fee cash equivalent amount by the latest net asset value per Ordinary Share after adding the cumulative dividends to be paid.

Dividend and buyback policies

A proportion of realised gains will normally be retained for reinvestment and to meet future costs. Subject to this, the Company will endeavour to maintain a flow of dividend payments. It is the intention to maximise the Company's tax-free income available to investors from a combination of dividends and interest received on investments and the distribution of capital gains arising from trade sales or flotations.

It is the Company's policy, subject to adequate cash availability, to consider repurchasing shares when they become available in order to help provide liquidity to the market in the Company's shares. During the year to 31 March 2015, the Company repurchased 285,000 (2014: 150,000) Ordinary Shares for cancellation at a cost of £163,000 (2014: £108,000). No shares bought back by the Company are held in treasury. Share buy-backs this year have been completed at an average discount to NAV per Ordinary Share of 33.7% (2014: 17.5%).

Further Information

A copy of the half yearly report to 30 September 2014 is available at www.foresightgroup.eu.

The Offer

Terms of the Offer

C Shareholders are being invited to elect to use some or all the proceeds of the C Share Dividend to subscribe for New Ordinary Shares under the Offer at the Offer Price (this being the same as the Ordinary Share Conversion NAV).

The Company is seeking to raise up to £3.5 million, (this being the sterling equivalent of just under €5 million as at 2 July 2015), through the issue of New Ordinary Shares. The maximum number of New Ordinary Shares to be issued is 5.74 million (this being no more than 10% of the expected issued Ordinary Share capital of the Company following Conversion). The Offer is available to C Shareholders only who are the registered holder of C Shares on the register of members on 10 July 2015 (this being the C Share Dividend Record Date).

If C Shares are held by a nominee, the beneficial holder of such C Shares may apply under the Offer subject to the discretion of the Board and receipt of any additional information, instructions and confirmations from the nominee and beneficial holder requested. Please contact Foresight UK or City Partnership for further information as set out below.

An Applicant can make an application in respect of a percentage of the C Share Dividend due to him/her (Election Amount). The Election Amount percentage is to be 25%, 50%, 75% or 100% of C Share Dividend payable. Please note that the maximum aggregate subscription to VCTs for any qualifying individual in any tax year which will be eligible for the full tax relief is £200,000. For further information on the tax benefits please see Part 3 of this document.

By signing the Application Form, the Company will be authorised to retain the Election Amount of the Applicant's C Share Dividend and apply such monies in connection with the Application for New Ordinary Shares.

The number of New Ordinary Shares to be allotted to an Applicant will be calculated by dividing the Election Amount (to the extent accepted under the Offer) by the Offer Price. There is no minimum aggregate level of subscription under the Offer required for the Offer to proceed. Fractions of New Ordinary Shares will not be issued. Monies not used to acquire New Ordinary Shares shall be paid to the Applicant as soon as reasonably practical after 11 August 2015. Monies which are not sufficient to buy one New Ordinary Share will not be refunded.

The Offer Price of a New Ordinary Share will be the Ordinary Share Conversion NAV. By way of example only, the unaudited net asset value of an Ordinary Share as at 31 March 2015 (taken from the unaudited management accounts to that date) was 83.9p. The Ordinary Share Conversion NAV will be the audited net asset value of an Ordinary Share adjusted to take into account any other adjustments considered appropriate by the Board for the period between 31 March 2015 and the Conversion Date.

The closing date for Applications is noon on 29 July 2015. Applications received thereafter will be rejected as C Share Dividend payments will already be in the process of being made pursuant to bank mandates and by cheques. The basis of allocation will be determined by the Company in its absolute discretion, though it is intended that Applications will be met in full if there is availability or scaled back if over-subscribed in proportion to Applications made. Applications received following full subscription under the Offer will be rejected and C Share Dividend payments will be made instead. The New Ordinary Shares are expected to be allotted on or around 11 August 2015. The results of the Offer, the number of New Ordinary Shares allotted and the Offer Price will be announced on an appropriate Regulatory Information Service Provider.

The full terms and conditions of application are set out in Part 6. An investment in the Company should be considered a long-term investment. Your attention is also drawn to the risk factors set out in Part 2 of this document.

New Ordinary Shares

The New Ordinary Shares being made available under the Offer once issued will rank *pari passu* with the existing Ordinary Shares in all respects. This will include all dividends and other distributions thereafter declared, paid or made on the Ordinary Shares after the date of issue. Following the Conversion there will be only one class of share in the Company in issue, namely Ordinary Shares.

Application has been made to the UK Listing Authority and the London Stock Exchange for the New Ordinary Shares to be admitted to the premium segment Official List and to trading on the London Stock Exchange's main market for listed securities. It is expected that admission will become effective, and that trading in the New Ordinary Shares will commence, one business day following allotment. The Company's existing Ordinary Shares are admitted to the premium segment Official List and traded on the London Stock Exchange's main market for listed securities.

The Offer is not being underwritten. Definitive share certificates are expected to be dispatched by post within ten business days of issue. Temporary documents of title will not be issued in connection with the Offer. The New Ordinary Shares will be issued in certificated form, but are capable of being admitted to CREST should an Ordinary Shareholder wish to dematerialise his/her holding.

Offer costs

The costs of the Offer, expected to be in the region of £20,000 assuming full subscription, are payable by the Company (and, as a result, there will be a non-material dilutive effect on net asset value of existing holdings).

As this Offer relates to an opportunity for C Shareholders to invest the proceeds of the C Share Dividend only, it is not proposed to offer any intermediary commissions or facilitate adviser charges.

Application procedure

An Application Form is attached to this letter together with explanatory notes.

Should you wish to use some or all of the proceeds of your C Share Dividend, you should ensure that your completed Application Form is either sent by post (a pre-paid envelope is enclosed for your use) or **delivered by hand to City Partnership (UK) Limited, Thistle House, 21-23 Thistle Street, Edinburgh EH2 1DF so as to arrive no later than noon on 29 July 2015. No monies need to be sent with your Application.**

Enquiries

General enquiries:

For further information regarding the practicalities of subscription (including application by a beneficiary), please call Foresight UK on 0203 667 8159 (email: investorrelations@foresightgroup.eu) or City Partnership on 0131 243 7210 (email: claudia@city.uk.com). It should be noted that Foresight UK and City Partnership (UK) Limited will not be able to provide advice on the merits of the Offer nor give any financial, investment, legal or tax advice.

Shareholding enquiries:

For further information regarding shareholding and shareholder account details, please contact Computershare Investor Services PLC on 0870 703 6385 if calling from within the UK or on +44 870 703 6385 if calling from outside the UK. Calls to the 0870 number are charged at national rates. Further details will be available from your service provider. Lines are open Monday to Friday (other than bank holidays) 8.30am to 5.30 pm (GMT). It should be noted that Computershare Investor Services PLC will not be able to provide advice on the merits of the Offer nor give any financial, investment, legal or tax advice.

Alternatively, C Shareholders can review details of their holding by registering on-line with Computershare Investor Services PLC at www.investorcentre.co.uk and entering the relevant shareholders' reference number shown on their share certificate.

We very much hope that you will be adding to your existing investment in the Company.

Yours faithfully

Philip Stephens
Chairman

PART 2 - RISK FACTORS

C Shareholders should consider carefully the following risk factors in addition to the other information presented in this document as a whole. If any of the risks described below were to occur, it could have a material effect on the Company's business, financial condition or results of operations. The risks and uncertainties described below are not the only ones the Company, the Board or Shareholders will face. Additional risks not currently known to the Company or the Board, or that the Company or the Board currently believe are not material, may also adversely affect the Company's business, financial condition and results of operations. The value of New Ordinary Shares could decline due to any of these risk factors, and Shareholders could lose part or all of their investment. Shareholders who are in any doubt about what to do should consult their independent financial adviser. The attention of C Shareholders is drawn to the following risks:

The Offer will not proceed, or the allotment of New Ordinary Shares pursuant thereto will be restricted, if the allotment of New Ordinary Shares would be in breach of Shareholder authorities, statute or regulations.

The value of New Ordinary 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 New Ordinary Shares will fully reflect the underlying net asset value or that Shareholders will be able to realise their shareholding or that dividends will be paid. Investment in the Company should be seen as a long-term investment. The past performance of the Company or of other funds managed by Foresight, the investment manager to the Company, is not necessarily an indication of the future performance of the Company.

The net asset value of the New Ordinary Shares will reflect the values and performance of the underlying assets in the Ordinary Share portfolio. The value of the investments and income derived from them can rise and fall. Realisation of investments in unquoted, AIM and ISDX-traded or ISDX-quoted companies can be difficult and may take considerable time. There may also be constraints imposed on the realisation of investments in order to maintain the VCT status of the companies which may restrict the Company's ability to obtain maximum value from its investments or to achieve the intended timing of distributions.

There can be no guarantee that suitable investment opportunities will be identified in order to meet the Company's objectives. The level and timing of distributions to Shareholders is not guaranteed. The level of returns from the New Ordinary Shares may be less than expected if there is a delay in the investment programme, such that the Company's proceeds from the Offer (which would otherwise have been paid out in respect of the C Share Dividend) are held in cash or near cash investments for longer than expected.

Where the Company invests the proceeds of the Offer (which would otherwise have been paid out in respect of the C Share Dividend) in companies in which other funds managed or advised by Foresight have invested or are investing, conflicts of interest may arise and the Board of the relevant fund will exercise its judgement in managing such conflicts.

Full information for determining the value of the Company's underlying investments may not always be available. Confidential or inside information which might have a bearing on the prospects of a particular investment may exist from time to time but may not yet be in the public domain. In such circumstances an individual valuation may have to be based on historic information not incorporating full disclosure which might otherwise have enabled a more precise valuation. Such situations are likely to arise infrequently and only persist for a limited period of time.

Although the Company may receive conventional venture capital rights in connection with its investments, as a minority investor it may not be in a position to fully protect its interests. Investment in smaller and unquoted, AIM and ISDX-traded or ISDX-quoted companies involves a higher degree of risk than investment in larger companies and those traded on the main market of the London Stock Exchange. Smaller companies generally may have limited product lines, markets or financial resources and may be more dependent on their management or key individuals than larger companies. Markets for smaller companies' securities may be less regulated and are often less liquid, and this may cause difficulties in valuing and disposing of equity investments in such companies.

Although the existing Shares issued by the Company have been (and it is anticipated that the New Ordinary Shares will be) admitted to the Official List of the UK Listing Authority and traded on the London Stock Exchange's market for listed securities, it is unlikely that there will be a liquid market as there is a limited secondary market for VCT shares and investors may find it difficult to realise their investments. The market price of the New Ordinary Shares may not fully reflect, and will tend to be at a discount to, their underlying net asset value. Such a discount may be exacerbated by the availability of income tax relief on the issue of new VCT shares. If the Company lacks sufficient cash reserves to purchase its own Shares and during prohibited periods when the Company is unable to purchase its own Shares the market price of Shares may not fully reflect, and will tend to be at a discount to, their underlying net asset value.

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 Company and/or the rates of tax, or other statutory provisions to which the Company is subject, may change during the life of the Company and such changes could be retrospective.

If an investor who subscribes for New Ordinary Shares disposes of those New Ordinary Shares within five years, the investor will be subject to clawback by HM Revenue & Customs of any income tax relief originally obtained on subscription.

Shareholders may be adversely affected by a change in the VCT status of the Company if the investments of the Company, are or become unable to meet VCT requirements. 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 Company and/or the performance of the Company and the value of and returns from Shares and/or its ability to achieve or maintain VCT status. If at any time VCT status is lost for a Company, dealings in its Shares will normally be suspended until such time as proposals for the Company to continue or to be wound up have been announced.

While it is the intention of the Directors that the Company will be managed so as to continue to qualify as a venture capital trust, there can be no guarantee that this status will be maintained. A failure to meet the qualifying requirements could result in the loss of tax reliefs previously obtained, resulting in adverse tax consequences for investors, including, if the holding has not been held for the relevant period, a requirement to repay the income tax relief obtained. Furthermore, should the Company lose its VCT status, dividends and gains arising on the disposal of New Ordinary Shares would become subject to tax and the Company would also lose its exemption from corporation tax on its capital gains.

Changes in legislation concerning VCTs in relation to what constitutes qualifying holdings, qualifying trades and qualifying use of funds, may limit the number of qualifying investment opportunities, reduce the level of returns which would otherwise have been achievable or result in a Company not being able to meet its objectives. It should be noted that funds raised after 5 April 2012 and used by an investee company for the acquisition of shares in another company are restricted from being qualifying holdings for VCT purposes, which may reduce the number of investment opportunities for such funds. It should be further noted that, in respect of investments made after 5 April 2015, there are restrictions in investing monies in companies where the first commercial sale is prior to a specified period and further are subject to a lifetime aggregate risk capital investment limit.

The Finance Act 2014 amends the VCT rules in respect of VCT shares issued on or after 6 April 2014, such that VCT status will be withdrawn if, in respect of shares issued on or after 6 April 2014, a dividend is paid (or other forms of distribution or payments are made to investors) from the capital received by the VCT from that issue within three years of the end of the accounting period in which shares were issued to investors. This may reduce the amount of distributable reserves available to the Company to fund dividends and share buybacks.

PART 3 - TAX BENEFITS FOR VCT INVESTORS

1. Tax Reliefs

The following is only a summary of the current law concerning the tax position of individual Qualifying Investors in VCTs and does not constitute legal advice. Potential investors are recommended to consult a duly authorised independent financial intermediary as to the taxation consequences of an investment in a VCT. The tax rules or their interpretation in relation to an investment in the Company and/or rates of tax may change during the life of the Company and can be retrospective.

The tax reliefs set out below are those currently available to individuals aged 18 or over who subscribe for New Ordinary Shares under the Offer and will be dependent on personal circumstance. Whilst there is no specific limit on the amount of an individual's acquisition of shares in a VCT, tax reliefs will only be given to the extent that the total of an individual's subscriptions or other acquisitions of shares in VCTs in any tax year do not exceed £200,000. Qualifying 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 and 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 New Ordinary 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 a Qualifying Investor must subscribe on their own behalf although the Offer Shares may be issued to a nominee on request or subsequently be transferred to a nominee.

The relief is given at the rate of 30% on the amount subscribed for VCT shares regardless of whether the Qualifying Investor is a higher rate, additional rate or basic rate tax payer, provided that the relief is limited to the amount which reduces the Qualifying Investor's income tax liability to nil. Investments to be used as security for or financed by loans may not qualify for relief, depending on the circumstances.

(ii) Dividend relief

A Qualifying Investor, who acquires shares in VCTs in any tax year costing up to a maximum of £200,000, will not be liable to income tax on dividends paid on those shares and there is no withholding tax thereon, and the Companies assume no responsibility for such withholding.

(iii) Purchases in the market

A Qualifying Investor who purchases existing VCT 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 (including New Ordinary Shares) will be withdrawn if the VCT shares are disposed of (other than between spouses or on death) within five years of issue or if the VCT loses its approval within this period as detailed below.

Dividend relief ceases to be available once the Qualifying Investor ceases to own VCT shares in respect of which it has been given 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 VCT shares

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

(ii) Purchases in the market

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

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

The disposal of existing shares in a VCT within six months either side of the acquisition of new shares in the same VCT (or otherwise where the acquisition and purchase is linked) will result in the amount of the investment in the new shares in the VCT to which VCT tax reliefs are available being reduced by an amount equal to the proceeds received on the disposal. Allotments of new shares under dividend investment schemes are exempt from the new restrictions.

(d) 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 in Part 4.

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 VCT status is treated as taking effect will be exempt, but gains thereafter will be taxable.

2. Illustration of effect of tax relief for Qualifying Investors

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

	Effective cost (£)	Tax relief (£)
Investors unable to claim any tax relief	10,000	Nil
Qualifying Investor able to claim full 30% income tax relief	7,000	3,000

The combined effect of the initial income tax relief, tax-free dividends and tax-free capital gains can substantially improve the net returns of an investment in a VCT. Income tax relief is only available if the shares are held for the minimum holding period of five years. The limit for obtaining income tax relief on investments in VCTs is £200,000 in each tax year.

3. Obtaining tax reliefs

The Company will provide to each Qualifying Investor a certificate which the Qualifying Investor may use to claim income tax relief, either by obtaining from HM Revenue & Customs an adjustment to his tax coding under the PAYE system or by waiting until the end of the tax year and using his tax return to claim relief.

4. Investors not resident in the UK

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

PART 4 - TAX POSITION OF THE COMPANY

The Company has 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 HM Revenue & Customs. To obtain such approval it must:

- (a) not be a close company;
- (b) have each class of its ordinary share capital admitted to trading on a European Union and European Economic Area 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, 30% of which must be in eligible shares (70% for funds raised after 5 April 2011);
- (e) have at least 10% by VCT Value of each Qualifying Investment in eligible shares;
- (f) not have more than 15% by VCT Value of its investments in a single company or group (other than a VCT or a company which would, if its shares were listed, qualify as a VCT);
- (g) not retain more than 15% of its income derived from shares and securities in any accounting period;
- (h) not invest in a single company or group in excess of the annual limit; and
- (i) not, in respect of any share capital created on or after 6 April 2014, and any reserves created from the cancellation thereof, make any payment or distribution out of such share capital and reserves to shareholders within three years from the end of the accounting period in which that share capital was created.

The term 'eligible shares' means 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. Venture capital investments

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

The conditions are detailed, but include 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, cannot be controlled by another company, have fewer than 250 full-time (equivalent) employees and at the time of investment does not obtain more than £5 million of investment from state aided risk capital measures in any rolling 12 month period.

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.

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

With regard to funds raised after 5 April 2012, investments will not be qualifying if the funds are used by an investee company to fund the purchase of existing shares in another company.

With regard to investments made after 5 April 2015, there are restrictions in investing monies in companies where the first commercial sale is prior to a specified period and further are subject to a lifetime aggregate risk capital investment limit.

3. Qualifying companies

A Qualifying Company must be unquoted (for VCT purposes this includes companies whose shares are traded on ISDX 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 HMRC. Approval has effect from the time specified in the approval.

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

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

The Company has received approval as a VCT from HM Revenue & Customs.

5. Withdrawal of Approval as a VCT

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.

PART 5 - DEFINITIONS

“AIM”	the Alternative Investment Market;
“Applicant”	an applicant under the Offer;
“Application Form”	the application form for the Offer at the end of this document or any revised or additional application form that is published or made available in connection with the Offer;
“Applications”	valid applications by an Applicant for New Ordinary Shares pursuant to the Offer (and each an “Application”);
“Articles”	the articles of association of the Company;
“Board” or “Directors”	the board of directors of the Company (and each a “Director”);
“City Partnership” or “Receiving Agent”	City Partnership (UK) Limited;
“Company”	Foresight 4 VCT plc;
“Conversion”	the conversion of C Shares into Ordinary Shares in accordance with the mechanism set out in the Articles;
“Conversion Date”	the date falling ten business days after the publication of the Company’s final results for the year ended 31 March 2015 (expected to be published on or around 27 July 2015);
“C Share Dividend”	the special dividend of 25p per C Share payable on 6 August 2015 to C Shareholders registered on the register of members of the Company on the C Share Record Date;
“C Share Record Date”	10 July 2015;
“C Shareholders”	the holders of C Shares (and each a “C Shareholder”);
“C Shares”	C Ordinary shares of 1p each in the capital of the Company (and each a “C Share”);
“C Shares fund”	the net assets of the Company attributable to the holders of C Shares;
“CREST”	the computerised settlement system to facilitate the transfer of title to securities in uncertified form operated by Euroclear UK & Ireland Limited;
“Election Amount”	the amount of the C Share Dividend that would be payable to an Applicant for which the Applicant chooses to make an Application to subscribe for New Ordinary Shares pursuant to the Offer (this being 25%, 50%, 75% or 100% of the C Share Dividend payable);
“Foresight”	Foresight Group CI Limited, the Company’s investment manager, which is licensed by the Guernsey Financial Services commission, as the context dictates;
“Foresight Group”	Foresight (the investment manager and provider of administration services to the Company) and/or Foresight UK (the investment adviser to Foresight);
“Foresight UK”	Foresight Group LLP, a subsidiary entity of Foresight, which is authorised and regulated by the Financial Conduct Authority;
“ITA 2007”	the Income Tax Act 2007 (as amended);
“NAV” or “net asset value”	the net asset value of a company or its shares (as the context permits) calculated in accordance with that company’s normal accounting policies;
“Offer”	the offer for subscription for New Ordinary Shares contained in this document;
“Offer Document”	this document;
“Offer Price”	the Ordinary Share Conversion NAV;

“Ordinary Share Conversion NAV”	the net asset value of an Ordinary Share to be used for the purposes of the Conversion, this being the audited net asset value of an Ordinary Share as at 31 March 2015, adjusted to take into account any other adjustments considered appropriate by the Board for the period between 31 March 2015 and the Conversion Date;
“Ordinary Shares”	ordinary shares of 1p each in the capital of the Company (and each an “Ordinary Share”);
“Ordinary Shares fund”	the net assets of the Company attributable to the holders of Ordinary Shares;
“New Ordinary Shares”	new Ordinary Shares to be issued pursuant to the Offer (and each a “New Ordinary Share”);
“Qualifying Company”	an unquoted (including an AIM-listed) company which satisfies the requirements of Chapter 4 of Part 6 of ITA 2007;
“Qualifying Investments”	investments in a Qualifying Company satisfying the requirements of Chapter 4 of Part 6 of ITA 2007 (and each a “Qualifying Investment”);
“Qualifying Investor”	an individual aged 18 or over who is resident in the United Kingdom and who invests in the Company;
“Registrars”	Computershare Investor Services PLC;
“Shareholders”	the holders of Shares, including (for the avoidance of doubt) the holders of New Ordinary Shares (and each a “Shareholder”);
“Shares”	Ordinary Shares and/or C Ordinary Shares as the context requires (and each a “Share”);
“VCT” or “Venture Capital Trust”	a venture capital trust as defined in section 259 of ITA 2007; and
“VCT Value”	the value of an investment calculated in accordance with section 278 of ITA 2007.

PART 6 - TERMS AND CONDITIONS OF APPLICATION AND APPLICATION PROCEDURES

Terms and Conditions of Application

Save where the context otherwise requires, words and expressions defined in the Definitions section of this document have the same meanings when used in these terms and conditions, the 'Application Procedures' below and the Application Form. The 'Application Procedures' below and the Application Form form part of these terms and conditions.

1. The maximum proceeds to be raised by the Company pursuant to the Offer is £3.5 million subject to a maximum number of 5.74 million New Ordinary Shares being issued. The number of New Ordinary Shares to be issued to an Applicant will be determined by dividing the Election Amount accepted under the Offer by the Offer Price. The Offer Price per New Ordinary Share will be the Ordinary Share Conversion NAV used for the purposes of Conversion.
2. The Company shall retain the Election Amount accepted under the Offer and use such sum for the purposes of allotting the maximum number of whole New Ordinary Shares which can be allotted. Fractions of New Ordinary Shares will not be allotted and monies which are not sufficient to buy one New Ordinary Share will not be refunded, any such monies being retained by the Company for use by the Company for any purpose. Applicants may not instruct the Registrars to apply the C Share Dividend towards any investments other than investment in New Ordinary Shares as set out in this paragraph 2.
3. 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 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. If any Application is not accepted, or if any contract created by acceptance does not become unconditional, or if any Application is accepted for a lower Election Amount than applied for, monies not used to acquire New Ordinary Shares will be paid to the Applicant as soon as reasonably practical after 12 August 2015 without interest in accordance with the payment method applicable to the Applicant in respect of the C Share Dividend. In the meantime, Application monies will be retained by the Company on the Applicant's behalf.
5. By completing and delivering an Application Form, you (as the Applicant):
 - (a) confirm that you are the registered holder of the C Shares in respect of the Election Amount applied for as at the C Share Record Date and authorise the Company to retain your Election Amount and to use it for the purposes of your Application for New Ordinary Shares under the Offer;
 - (b) irrevocably offer to subscribe for such number of New Ordinary Shares at the Offer Price per share in respect of the Election Amount stated on the Application Form, subject to the provisions of and on the basis of the information and statements concerning the Company and the New Ordinary Shares contained in (i) these terms and conditions, (ii) the Offer Document, (iii) the Memorandum and Articles, (iv) any supplementary documents issued in connection with this document, which you are deemed to have received and read (whether or not so read), (v) any Regulatory Information Service announcements released by the Company and (vi) the latest publicly available financial information of the Company;
 - (c) authorise the Registrar to send definitive documents of title for the number of New Ordinary Shares to be issued to you in respect of the amount of your Application that is accepted and to procure that your name is placed on the register of members of the Company in respect of such shares;
 - (d) in consideration of the Company agreeing that it will not, prior to the closing date of the Offer, offer any New Ordinary Shares to any persons other than by means of the procedures set out or referred to in this document, agree that your Application may not be revoked until the closing date of the Offer, and that this paragraph constitutes a collateral contract between you and the Company which will become binding upon dispatch by post or delivery by hand of your duly completed Application Form to the Receiving Agent;
 - (e) agree that any monies retained by the Company pending the allotment of New Ordinary Shares pursuant to the Offer and/or being returned to you shall not bear interest and any monies which are not sufficient to buy one New Ordinary Share will not be returnable and will be retained by the Company for use by the Company for any purpose;

- (f) agree that all Applications, acceptances of Applications and contracts resulting therefrom will be governed by, and construed in accordance with, English law and that you submit to the jurisdiction of the English courts and agree that nothing shall limit the right of the Company to bring any action, suit or proceeding arising out of or in connection with any such applications, acceptances of Applications and contracts in any other manner permitted by law or in any court of competent jurisdiction;
 - (g) agree that, in respect of those New 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 any returned monies will be sent at your risk in accordance with the payment method applicable to you in respect of the C Share Dividend;
 - (i) agree that, having had the opportunity to read the Offer Document (and any supplementary document thereto), you and, if relevant, your financial adviser or intermediary, shall be deemed to have had notice of all information and representations concerning the Company contained therein (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 Company other than those contained in the Offer Document and any supplementary document thereto, which you are deemed to have received and read (whether or not so read) you accordingly agree that no person responsible solely or jointly for the Offer Document (or supplementary document thereto) 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 paragraph 6 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 Company and the Receiving Agent;
 - (n) agree to provide the Company and/or the Receiving Agent with any information which they may request in connection with your Application and/or in order to comply with VCT or other relevant legislation from time to time;
 - (o) warrant that, in connection with your Application, you have observed the laws of all relevant territories, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with your application in any territory and that you have not taken any action which will or may result in the Company or the Receiving Agent acting in breach of the regulatory or legal requirements of any territory in connection with the Offer or your Application;
 - (p) agree that the Receiving Agent will not regard you as its customer by virtue of you having made an Application for New Ordinary Shares pursuant to the Offer or by virtue of such Application being accepted;
 - (r) consent to information provided on the Application Form being provided to Foresight Group, any group company of Foresight Group, the Registrars and the Receiving Agent) to process Applications and to process shareholding information and notifications (Foresight Group, any group company of Foresight Group and the Receiving Agent may use the information you give for administration, research and statistical purposes, however, the information provided will be held in confidence by such parties and will not be passed to any other product or service company).
6. No action has been or will be taken in any jurisdiction by, or on behalf of, the Company which would permit a public offer of New Ordinary Shares in any jurisdiction where action for that purpose is required, other than the UK, nor has any such action been taken with respect to the possession or distribution of this document other than in the UK. No person receiving a copy of the Offer Document (or supplementary document thereto, if any) or an Application Form in any territory other than the UK may treat the same as constituting an invitation or offer to him nor should he in any event use such Application Form unless, in the relevant territory, such an invitation or offer could lawfully be made to him or such Application Form could lawfully be used without contravention of any registration or other legal requirements. It is the responsibility of any person outside the UK 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. The New Shares have not been nor will be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the

United States of America, its territories or possessions or other areas subject to its jurisdictions (the “US”). In addition, the Company has not been and will not be registered under the United States Investment Advisers Act of 1940, as amended. No Application Form will be accepted if it bears an address or post mark in the US.

7. The basis of allocation will be determined by the Company in its absolute discretion, though it is intended that Applications will be met in full if there is availability or scaled back if over-subscribed in proportion to Applications made. The Offer will close at noon on 29 July 2015 (or as soon as the Offer is fully subscribed or otherwise at the Board’s discretion). The right is reserved, notwithstanding the basis so determined, to reject in whole or in part and/or scale down any Application. The right is further reserved to reject any Application from an Applicant with a registered address outside of the UK. The right is also reserved to treat as valid any Application not complying fully with these Offer Terms and Conditions or not in all respects complying with the Offer ‘Application Procedures’ set out below so as to achieve a fair and/or intended result. In particular, but without limitation, the 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 Offer Terms and Conditions.
8. The Offer will be suspended if at any time the Company is prohibited by statute or other regulations from issuing New Ordinary Shares or has insufficient Shareholder authority to allot New Ordinary Shares.
9. If C Shares are held by a nominee, the beneficial holder of such C Shares may apply under the Offer, subject to the discretion of the Board and receipt of any additional information, instructions and confirmations from the nominee and beneficial holder requested. In respect of such Applications, both the nominee and the beneficial holder shall be treated as the Applicant for the purposes of these terms and conditions.
10. The Company may make alternative Application Forms (or other document for the purposes of a beneficial holder of C Shares applying under the Offer) available and any additional terms and conditions thereon shall be deemed to be included herein as part of these terms and conditions.
11. Unless otherwise agreed by the Company, the New Ordinary Shares will be issued in certificated form (though such New Ordinary Shares can subsequently be admitted to CREST).
12. 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.

Application Procedures

The Offer is open only to C Shareholders who are the registered (or, at the discretion of the Board, the beneficial holder) of C Shares on the register of members on 10 July 2015 and who wish to re-invest all or part of the C Share Dividend payable to them. Overseas C Shareholders should note that the Board reserves the right to reject Applications from an Applicant with a registered address outside of the UK.

The Application Form for use in connection with the Offer is attached at the end of this document. Additional copies of the Application Form can be obtained from www.foresightgroup.eu or by contacting Foresight UK on 0203 667 8159 (email: investorrelations@foresightgroup.eu) or City Partnership on 0131 243 7210 (email: claudia@city.uk.com) between the hours of 9.00am and 5.30pm on any business day. Alternatively the Application Form may be copied.

To apply to participate in the Offer, please complete and return the Application Form to **The City Partnership (UK) Limited, Thistle House, 21-23 Thistle Street, Edinburgh EH2 1DF** by post (a pre-paid envelope is enclosed for your use) or hand delivered (during normal business hours only) by noon on 29 July 2015.

If you have any questions relating to this document, and the completion and return of the Application Form, please contact Foresight Group or City Partnership on the contact details above. Neither Foresight Group nor City Partnership can provide advice on the merits of the Offer nor give any financial, investment, legal or tax advice.

Application Form Explanatory Notes (please complete all parts of the Application Form in accordance with the following instructions):

1. Insert (using block capitals) in Box 1 your full name, full address, contact telephone numbers, e-mail address, National Insurance number, date of birth, shareholder account number of your holding of C Shares.
2. Please tick the relevant box for the percentage of your C Share Dividend which you would like to make an Application for under the Offer. This can be for 25%, 50%, 75% or 100% of your C Share Dividend.
3. Sign and date in the appropriate spaces. 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.

FORESIGHT 4 VCT PLC

OFFER FOR SUBSCRIPTION TO C SHAREHOLDERS ONLY IN CONNECTION WITH THE REINVESTMENT OF THE C SHARE DIVIDEND PAYABLE TO C SHAREHOLDERS

APPLICATION FORM

This Application Form is for use in connection with the top-up offer for subscription ("Offer") set out in the offer document published by Foresight 4 VCT plc dated 3 July 2015 ("Offer Document"). Definitions used in the Offer Document apply herein.

C Shareholders are being invited to elect to use some or all the proceeds of the C Share Dividend to subscribe for New Ordinary Shares under the Offer at the Offer Price (this being the same as the Ordinary Share Conversion NAV). The Offer is available to C Shareholders only who are the registered holder of C Shares on the register of members on 10 July 2015 (this being the C Share Dividend Record Date).

If C Shares are held by a nominee, the beneficial holder of such C Shares may apply under the Offer subject to the discretion of the Board and receipt of any additional information, instructions and confirmations from the nominee and beneficial holder requested. Please contact Foresight Group LLP on 0203 667 8159 (email: investorrelations@foresightgroup.eu) or City Partnership (UK) Limited on 0131 243 7210 (email: claudia@city.uk.com) for further information. Neither Foresight Group LLP nor City Partnership (UK) Limited can provide advice of the merits of the Offer nor give any financial, investment, legal or tax advice.

Definitions used in the Offer Document published by the Company dated 3 July 2015 ("Offer Document") apply herein. Before completing this Application Form you should read the Offer Document, in particular the Risk Factors, the Terms and Conditions of Application and the Application Procedures and Application Form Explanatory Notes.

The Offer opens on 3 July 2015 and will close at noon on 29 July 2015. The Board will close the Offer earlier if it is fully subscribed by an earlier date or otherwise at its discretion. Please send the completed Application Form and, if necessary, proof of identity to **Foresight 4 VCT C Share Offer, The City Partnership (UK) Limited, Thistle House, 21-23 Thistle Street, Edinburgh EH2 1DF.**

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

Please complete in BLOCK CAPITALS.

1	Personal Details
Title: Mr/Mrs/Miss/Ms/Dr/Other	
Forenames:	
Surname(s):	
Address:	
Post Code:	
Email Address:	
Telephone (home):	Telephone (work/mobile):
Date of Birth: <input type="text" value="DD"/> <input type="text" value="MM"/> <input type="text" value="YYYY"/>	National Insurance Number: <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Shareholder account number:	
Please ensure that the details provided in this section match your existing shareholder account to aid identification and avoid rejection of applications. If you have multiple accounts, please copy this form and complete a separate form for each account (as relevant to your election amount)	

2 Application Details

I wish to apply for the following percentage of my C Share Dividend (Election Amount) to be invested under the Offer (or such lesser amount for which this Application is accepted) on the terms and conditions set out on pages 14 to 16 of the Offer Document (please tick the relevant box)

☐

25%

☐

50%

☐

75%

☐

100%

3 Applicant's Signature and Date

By signing this form I HEREBY DECLARE THAT I have read the terms and conditions of the Offer set out on pages 14 to 16 of the Offer Document (and as further contained herein) and agree to be bound by them. I understand this is a long term investment and have read the Risk Factors set out on pages 6 and 7 of the Offer Document, as well as the Offer Document as a whole.

Signature:**Date:**