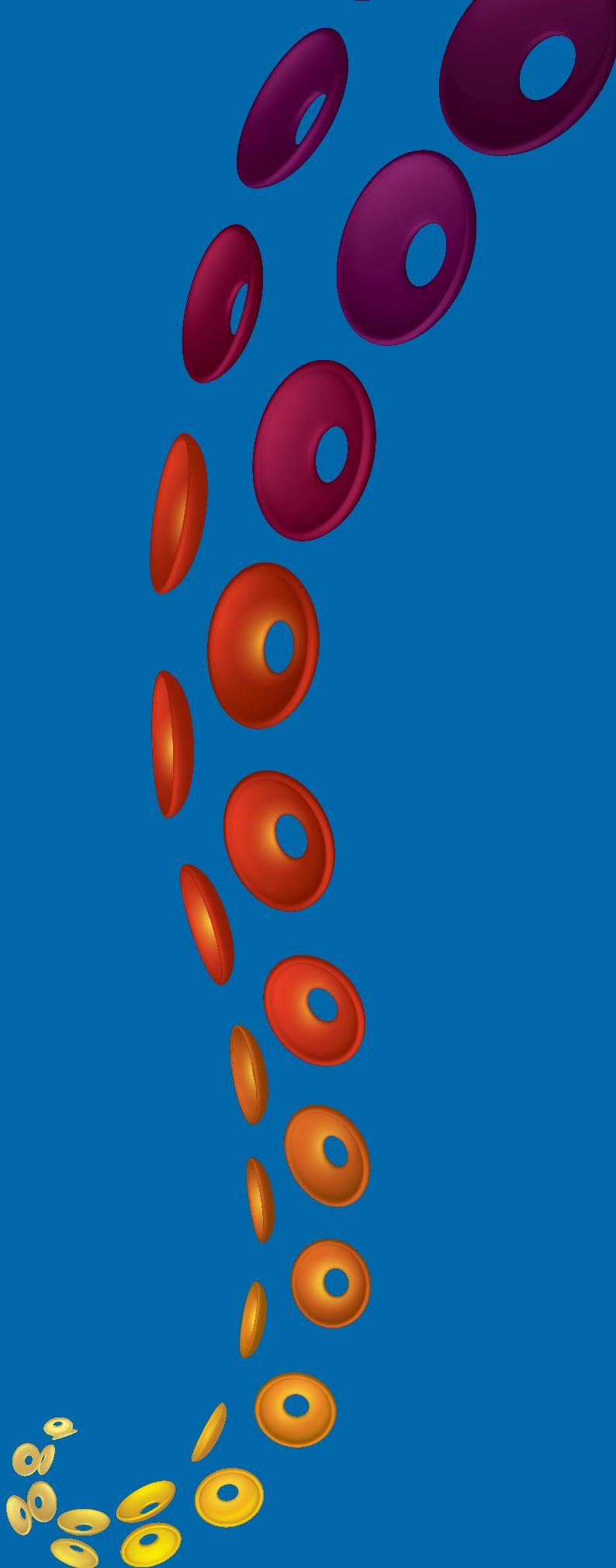

OCTOPUS AIM VCT plc

OCTOPUS AIM VCT 2 plc

COMBINED NEW SHARE
OFFER FOR THE TAX YEARS
2013/2014 AND 2014/2015



Offer Document

3 February 2014

OCTOPUS
INVESTMENTS

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about the action to be taken, you should immediately consult your independent financial adviser authorised pursuant to FSMA 2000.

This document, which constitutes a financial promotion for the purposes of Section 21 of FSMA 2000, has been approved, for the purposes of that Section only, by Octopus Investments Limited ("Octopus"), which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, pursuant to FSMA 2000. In approving this document, Octopus 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 Octopus or for providing financial advice in relation to the subject matter of this document. This document contains details of the Octopus AIM VCTs' Offer in the tax years 2013/2014 and 2014/2015 for New Shares in each or both of the Companies (each an "Offer").

There is no guarantee that either Company's investment objective will be attained. 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, other than Octopus, 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 Companies. This document does not constitute either a prospectus or listing particulars.

Each Company accepts responsibility for the information contained in this document relating to it and the terms of its Offer, but accepts no responsibility for any information contained in this document specifically relating to the other Company or its Offer. The Boards have taken reasonable care to ensure that all applicable facts in this document in respect of its Company are true, fair and not misleading. The attention of prospective investors is drawn to the section of this document entitled Risk Factors.

Applications will be made to the UK Listing Authority for the New Shares issued by each Company to be admitted to the premium segment of the Official List and to the London Stock Exchange for the admission of such New Shares to trading on its main market for listed securities. It is expected that admission will become effective and that dealings in the New Shares will commence within ten business days of their allotment. The Companies' existing issued Shares are traded on the London Stock Exchange's main market for listed securities.

The Offer is not being made, directly or indirectly, in or into the United States, Canada, Australia, Japan or the Republic of South Africa or their respective territories or possessions, and documents should not be distributed, forwarded or transmitted in or into such territories. The New Shares have not been and will not be registered under the United States Securities Act of 1933 (as amended) and may not be offered, sold or delivered, directly or indirectly, in or into the United States, Canada, Australia, Japan or the Republic of South Africa.

AVAILABILITY OF THIS DOCUMENT

Copies of this document, including the Application Form, are available from:

Octopus Investments Limited
20 Old Bailey
London
EC4M 7AN

Tel: 0800 316 2295

www.octopusinvestments.com

A copy of this document will also be available to the public for inspection at the National Storage Mechanism at www.hemscott.com under the reference for each of the Companies.

Completed Application Forms must be posted to: Octopus Investments Limited, PO Box 10847, Chelmsford CM99 2BU.
A pre-printed reply paid envelope is enclosed for this purpose. The Offer will close at 12 noon on 30 May 2014. The Offer will close earlier if it is fully subscribed.

CONTENTS

EXPECTED TIMETABLE	4
STATISTICS	4
RISK FACTORS	5
LETTER FROM THE CHAIRMEN OF BOTH OF THE OCTOPUS AIM VCTs	7
THE OFFER	9
TAXATION	12
DEFINITIONS	15
TERMS AND CONDITIONS OF THE OFFER	16
DIRECTORS AND ADVISERS OF THE COMPANIES	21
APPLICATION FORM	22

EXPECTED TIMETABLE

EXPECTED TIMETABLE

Launch date of the Offer	3 February 2014
First allotment under the Offer	28 March 2014
Subsequent allotments under the Offer	At the Boards' discretion
Closing date of Offer	12 (noon) on 30 May 2014

- Applications for the 2013/2014 tax year must be received by 12 noon on 5 April 2014.
- The Offer will close earlier if fully subscribed. The Boards reserve the right to close the Offer earlier and to accept Applications and issue New Shares at any time prior to the close of the Offer.
- Dealings are expected to commence in New Shares within ten business days of allotment and share and tax certificates will be dispatched within 14 business days of allotments.

STATISTICS

Costs of the Offer*	Up to 5.5% of gross proceeds of the Offer
Initial adviser charge or intermediary commission**	Up to 4.5% of gross proceeds of the Offer, or up to 2.5% of the gross proceeds of the Offer if an annual charge is taken
Ongoing adviser charge or annual ongoing charge***	Up to 0.5% of the Investment Amount's Net Asset Value ("NAV") for up to 9 years

* The costs of the Offer (including intermediary commissions) are capped at 5.5 % of gross proceeds. Octopus has agreed to indemnify each Company against the costs of the Offer in excess of this amount.

** In the case of applications where advice is received and an ongoing charge is not to be paid, an amount equal to 0.5% per annum of the investment amount's NAV will be deducted from Octopus' annual management fee.

*** To be paid by the Company offset through a reduction in the annual management fee.

RISK FACTORS

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 either of the Company's business, financial condition or results of operations. The risks and uncertainties described below are not the only known material risks the Companies or their Shareholders will face. Any decision to invest under the Offer should be based on consideration of this document as a whole.

RISK FACTORS RELATING TO THE COMPANY

- The past performance of the Companies and/or Octopus and/or any other Octopus managed funds is no indication of future performance. The return received by Shareholders will be dependent on the performance of the underlying investments of the Companies. The value of such investments, and interest income and dividends therefrom, may rise or fall.
- The Companies' investments may be difficult, and take time, to realise. There may also be constraints imposed on the realisation of investments in order to maintain the VCT tax status of the Companies.
- It can take a number of years for the underlying value or quality of the businesses of smaller companies, such as those in which the Companies invest, to be fully reflected in their market values and their market values are often also materially affected by general market sentiment, which can be negative for prolonged periods.
- Investments in AIM-traded, ISDX Growth Market traded and unquoted companies, by their nature, involve a higher degree of risk than investment in companies listed on the premium segment of the Official List. In particular, small companies often have limited product lines, markets or financial resources, may be dependent for their management on a small number of key individuals and may be more susceptible to political, exchange rate, taxation and other regulatory changes. In addition, the market for securities in smaller companies is usually less liquid than that for securities in larger companies, bringing with it potential difficulties in acquiring, valuing and disposing of such securities. Investment returns will, therefore, be uncertain and involve a higher degree of risk than investment in a company listed on the Official List.
- Whilst it is the intention of the Boards that the Companies will continue to be managed so as to qualify as VCTs, there can be no guarantee that such status will be maintained. Failure to continue to meet the qualifying requirements could result in the

Shareholders 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 tax reliefs obtained. Furthermore, should the Companies lose their VCT status, dividends and gains arising on the disposal of New Shares in the Companies would become subject to tax and the Companies would also lose their exemption from corporation tax on capital gains.

- If a Shareholder disposes of his or her New Shares within five years of issue, he or she will be subject to clawback by HMRC of any income tax reliefs originally claimed.
- The tax rules, or their interpretation, in relation to an investment in the Companies and/or the rates of tax may change during the life of the Companies and may apply retrospectively.
- Any purchaser of existing Shares in the secondary market will not qualify for the then (if any) available tax reliefs afforded only to subscribers of New Shares on the amount invested.
- The Companies will only pay dividends on Shares to the extent that they have distributable reserves and cash available for that purpose. A reduction in income or capital gains from the Companies' investments may adversely affect the dividends payable to Shareholders. Such a reduction could arise, for example, from lower capital gains, or dividends, or lower rates of interest paid on the Companies' investments than are currently available.
- The Alternative Investment Fund Managers Directive, 2011/61/EU ("AIFMD"), became effective across the European Union on 22 July 2013. The AIFMD regulates managers of alternative investment funds, including the Companies, which are marketed or managed in the EU. By 22 July 2014 the Boards must have either appointed an external authorised alternative investment fund manager or registered the Companies with the FCA as such in their own right. Although it is too early to be definitive as to the impact of the AIFMD, it is possible

that the AIFMD will result in burdens being placed on the Manager and the Companies which may create additional compliance costs for the Companies.

RISK FACTORS RELATING TO THE NEW SHARES

The value of the New Shares may go down as well as up and Shareholders may not receive back the full amount invested.

- The value of the New Shares could decline due to any of the risk factors described above or below and Shareholders could lose part or all of their investment. Prospective investors should consult an independent financial adviser authorised under FSMA 2000.
- The value of New Shares can fluctuate and investors may not get back the amount they invested. In addition, there is no certainty that the market price of Shares will fully reflect their underlying NAV or that any dividends will be paid, nor should Shareholders rely upon any Share buy-back policy to offer any certainty of selling their Shares at prices that reflect their underlying NAV.
- Although the existing Shares have been (and it is anticipated that the New Shares will be) admitted to the premium segment of the Official List and are (or will be) traded on the London Stock Exchange's main market for listed securities, the secondary market for VCT shares is generally illiquid. 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 generally bought in the secondary market and because VCT shares usually trade at a discount to their NAV) and Shareholders may find it difficult to realise their investment. An investment in the Companies should, therefore, be considered as a long-term investment.

- In December 2013, HMRC confirmed that it will be restricting tax relief on subscriptions for shares in a VCT after 5 April 2014 where, within six months (before or after) that subscription, the investor had disposed of shares in the same VCT. Existing investors should be aware that the sale of existing Octopus AIM VCT plc or Octopus AIM VCT 2 plc Shares within these periods could, therefore, put their income tax relief relating to the Offer at risk.

- HMRC has also confirmed it is consulting the VCT industry regarding restrictions on the ability of VCTs to pay tax-free dividends out of converted share premium accounts. As this consultation is now underway, investors should be aware the final outcome could alter the Companies' dividend policy.

LETTER FROM THE CHAIARMEN OF BOTH OF THE OCTOPUS AIM VCTs

20 Old Bailey
London
EC4M 7AN

3 February 2014

Dear Investor,

Shareholders will recall that in February 2013 they received a prospectus with an invitation to participate in two Offers for subscription for Octopus AIM VCT plc and Octopus Second AIM VCT plc and that the Offers closed in December and January respectively. Octopus Second AIM VCT plc subsequently changed its name to Octopus AIM VCT 2 plc. We are delighted to inform you that, due to the Manager's expectations of a continued high level of AIM investment opportunities, the Boards have decided to offer a further chance to invest in the Companies. For the first time, the Boards have decided to link their fundraising in a combined Offer to raise up to £4.1m in each Company in the tax years 2013/2014 and 2014/2015 which will facilitate quarterly dividends for investors who choose to invest in both VCTs. There is no minimum amount of funds subscribed for the Offer to take place.

TAX BENEFITS

All participating investors in the Offer will benefit from the income tax relief available on an issue of new VCT shares for the tax years 2013/2014 and 2014/2015, subject to their personal tax circumstances.

This relief can be up to 30% of the investment, provided the shares are held for at least five years. For example, an investor investing £20,000 would receive £6,000 in income tax relief, provided they had paid that amount in tax. There is a maximum of £60,000 on the relief that can be claimed on VCT investments in any one tax year, which would represent an investment of £200,000. Recent VCT rule changes mean that after 5 April 2014 investors won't qualify for this tax relief if they sell any shares in the Company in the six months before or the six months after they make their investment.

As well as income tax relief, investors do not have to pay income tax on VCT dividends, and there is no capital gains tax to pay if they sell their VCT shares at a profit.

WHY INVEST NOW?

Octopus believes that, with increasing optimism around the state of the UK economy and investors beginning to recognise the significant growth potential available from UK smaller companies, AIM is well positioned for another strong year and potentially for several years of positive growth. An AIM VCT represents a highly tax-efficient means of accessing the potential growth of AIM-listed companies, giving investors exposure to smaller companies in a way where growth is not taxed, and risks are mitigated by the valuable upfront income tax relief the government gives.

The Companies have a long history as investment vehicles in the AIM sector. Each has a spread of more than 55 holdings ranging from established investments in profitable and dividend paying companies to more recent early stage investments which are expected to continue the momentum. If dividends are added back, both Companies have performed well, producing positive growth in their respective NAVs plus dividends over the last three and five year periods. In particular, over the last year, Octopus AIM VCT plc has seen an unaudited total return of 31.6% in the past 12 months to 27 January 2014 and Octopus AIM VCT 2 plc has seen an unaudited total return of 30.3% at the same date. Given the growth potential of many new investments recently added to the portfolios and the outlook for the economic recovery, the Boards believe that the strong performance can continue.

DIVIDEND POLICIES

The Board of Octopus AIM VCT plc intends to pay annual dividends of 5 pence, through a semi-annual 2.5 pence dividend. The Company has achieved this, on average, for the past six years and it remains the intention of the Board to continue this policy, subject to available cash and distributable reserves.

The Board of Octopus AIM VCT 2 plc intends to pay annual dividends amounting to a 5% yield of the Company's average share price, through a semi-annual 2.5% dividend. The Company has achieved this, on average, for the past three years and it remains the intention of the Board to continue this policy, subject to available cash and distributable reserves.

Following the closure of the Offer, it is the intention of both Boards that each Company will continue to pay two dividends per year, approximately six months apart. Since each Company has a different year end, the timing of dividend payments is also different. It is expected that an investor participating in the Offer will therefore receive a dividend approximately every three months.

NEXT STEPS

The Companies are only able to raise up to 10% of their capital or €5 million (whichever is the lesser) through the Offer. The Boards expect the Offer to close before the end of this tax year (5 April 2014) in which case New Shares will be allocated on a first come, first served basis.

The Application Form is set out on page 22 of this document. The Terms and Conditions for the subscription of New Shares are set out on pages 16 to 20. You can subscribe for New Shares in either of the Companies or elect for the New Shares to be split equally between each Company.

Shareholders who subscribe to the Offer after 5 April 2014 where they have disposed of shares in the same VCT in the preceding six months should be aware that the tax relief that they are eligible for will be reduced by the value of the proceeds of the previous disposal. This would also apply to any subscribing shareholder disposing of their existing shares in the subsequent six months from the date of allotment.

If you have any questions, or if you are in any doubt about your position, you should contact your financial adviser or call Octopus on 0800 316 2295. Please note that Octopus is not able to provide you with investment, financial or tax advice.

We very much look forward to welcoming new Shareholders and thank all existing Shareholders for their continued support.

Yours sincerely

Michael Reeve

Chairman

Octopus AIM VCT plc

Keith Mullins

Chairman

Octopus AIM VCT 2 plc

THE OFFER

The Companies are seeking to raise up to £4.1 million each under the Offer, before expenses, in the tax years 2013/2014 and 2014/2015 which is the maximum permitted under the Prospectus Rules without the need to issue a full prospectus and avoids the associated costs.

TERMS OF THE OFFER

The New Shares will be issued at an Offer Price determined by the following formula:

the most recently announced NAV per Share of each Company respectively, divided by 0.945

Where the Share price of a Company has been declared ex-dividend on the London Stock Exchange, the NAV per Share used for determining the Offer Price will be ex-dividend. For the purpose of determining the Offer Price the NAV per Share will be rounded up to one decimal place and the number of New Shares to be issued will be rounded down to the nearest whole number. Fractions of New Shares will not be allotted. Where there is a surplus of application funds, these will be returned to applicants without interest, except where the amount is less than the Offer Price of one New Share, in which case it will be donated to a charity approved by the Boards.

The Offer will remain open until 12 noon on 30 May 2014 unless fully subscribed at an earlier date. The Boards reserve the right to close the Offer earlier and to accept Applications and issue New Shares at any time prior to the close of the Offer following the receipt of valid applications. New Shares issued will rank equally with the existing Shares from the date of issue, except any issued on an ex-dividend basis, which will therefore not qualify for the next dividend.

You may indicate on the Application Form to have any subscription amount not accepted, because one of the Companies is fully subscribed under the offer, automatically allocated to the other Company (if the other Company's Offer is not fully subscribed).

Based on the unaudited NAV per Share as at 27 January 2014 of 116.5p, the Offer Price for Octopus AIM VCT plc would be 123.3p. For Octopus AIM VCT 2 plc, with an unaudited NAV per Share as at 27 January 2014 of 88.5p, the Offer Price would be 93.7p. The Offer Price may vary between allotments based on the announced movement of the Companies' NAVs.

The minimum aggregate investment for investors under the Offer is £5,000.

The full terms and conditions of the Offer are set out on pages 16 to 20.

USE OF FUNDS

Octopus continues to see opportunities to make new investments at attractive valuations. The funds raised under the Offer will be used by each of the Companies to make investments in accordance with its published investment policy and for the payment of normal running costs. Some of the funds raised will be used to invest into new portfolio companies and some may be used to support the Companies' existing portfolios.

INTERMEDIARY COMMISSIONS

As has been widely publicised, with effect from 31 December 2012, the operation of revised FCA regulations known as the Retail Distribution Review ("RDR") have changed the manner in which advisers can be paid for the financial advice that they give their clients. In order to look after Shareholders' interests, your Boards have been working alongside the Manager to cater for this change. Investors will now be required to give explicit authority and direction for transparent methods of such remuneration.

Investors will fall into one of four categories:

1. Investors who have not invested their money through a financial intermediary and have invested directly into the Companies (Direct investors);
2. Investors who have invested their money through a financial intermediary and have received advice for an upfront fee and will pay an ongoing annual charge (Advised investors);
3. Investors who have invested their money through a financial intermediary and have received advice for an upfront fee and will not pay an ongoing annual charge (Advised investors);
4. Investors who have invested their money through a financial intermediary and have not received advice (Non-advised investors)

The category applicable to the investor will determine the options available to them to remunerate their financial intermediary. The Boards encourage investors to read the Application Form carefully and complete the sections that are relevant to their circumstances and choices. If anything is unclear, the investor should speak to a financial adviser or call Octopus on 0800 316 2295.

For all categories of investors, the Offer Price per Share will be determined by a formula reflecting the NAV adjusted for an allowance for the majority of the costs of the Offer. The formula is: the most recently announced NAV per Share at the time of allotment, divided by 0.945.

COSTS OF THE OFFER

In consideration for the promotion, investment management and secretarial services that Octopus provides to the Company, each Company will pay an initial charge of 3.00% of the gross sums invested in the Offer to Octopus. This is payable in the same way on all subscriptions to the Offer. From this sum Octopus will discharge all external costs of advice to the Companies and their own costs in respect of the Offer. In addition, there are then four categories of options, which are determined by the circumstances of each investor and their explicit instructions, in respect of which payments can be made to advisers and other intermediaries. These are as follows:

1) A DIRECT INVESTMENT

Investors who have not invested their money through a financial intermediary/adviser and have invested directly into the Companies.

In consideration for the promotion, investment management and secretarial services that Octopus provides to the Companies, if an application is made directly (not through an intermediary) then the Companies will pay Octopus an additional initial charge of 2.5% of the Investment Amount and an additional annual ongoing charge of 0.5% of the Investment Amount's NAV for up to nine years, provided the investor continues to hold the Shares. The cost of this ongoing charge will be met by Octopus through a reduction in its annual management fee.

2) AN ADVISED INVESTMENT WHERE ADVICE IS RECEIVED FOR AN UPFRONT FEE WITH AN ONGOING ADVISER CHARGE

Investors who have invested in the Offer through a financial intermediary/adviser and have received upfront advice and will receive ongoing advice.

The Companies can facilitate a payment on behalf of an investor to an intermediary/adviser (an 'initial adviser charge') of up to 2.5% of the Investment Amount. If the investor has agreed with his/her intermediary/adviser to pay a lower initial adviser charge, the balance (up to a maximum of 2.5%) will be used for the issue and allotment of New Shares for the investor, issued at the most recently announced NAV per Share, divided by 0.945 as described on page 9.

The Companies can also facilitate annual payments to an intermediary/adviser ('ongoing adviser charges') in respect of ongoing advisory services provided by the intermediary/adviser to the investor of up to 0.5% per annum of the Investment Amount's NAV for up to nine years, provided that the investor continues to be the beneficial owner of the Shares.

If the investor chooses to pay their adviser less than 0.5% annually, the remaining amount will be used for the issue and allotment of additional New Shares for the investor, at the then most recently announced NAV per Share rounded down to the nearest whole share. Any residual amount less than the cost of a New Share will be donated to a charity approved by the relevant Board. The cost of ongoing adviser charges will be met by Octopus through a reduction in its annual management fee.

If the investor terminates their relationship with the intermediary/adviser then the Companies will not make any further payments of ongoing adviser charges to that intermediary/adviser. The Companies will facilitate ongoing adviser charges if an investor changes their adviser and consents to the ongoing adviser charge.

3) AN ADVISED INVESTMENT WHERE ADVICE IS RECEIVED FOR AN UPFRONT FEE WITH NO ONGOING ADVISER CHARGE

Investors who have invested in the Offer through a financial intermediary/adviser and have received upfront advice including investors who are investing through intermediaries/advisers using financial platforms.

Where an investor agreed to an upfront fee only, the Companies can facilitate a payment of an initial adviser charge of up to 4.5% of the Investment Amount. If the investor chooses to pay their intermediary/adviser less than the maximum initial adviser charge, the remaining amount will be used for the issue and allotment of additional New Shares for the investor, issued at the most recently announced NAV per Share, divided by 0.945 as described above. In these circumstances the Companies will not facilitate ongoing annual payments. To ensure that the Companies are not financially disadvantaged by such payment, a notional ongoing advisor charge equivalent to 0.5% per annum of the Investment Amount's NAV will be deemed to have been paid by the Companies for a period of 9 years. The cost of this notional ongoing adviser charge will be met by Octopus through a reduction in its annual management fee.

In both cases (2) or (3) above, should the investor choose to pay the adviser more than 2.5% or 4.5% respectively, the excess amount will have to be settled by the investor directly with the adviser.

4) A NON-ADVISED INVESTMENT USING AN INTERMEDIARY

Investors who have invested their money through a financial intermediary and have not received advice.

An initial charge of 2.5% of the investment will be paid by the Companies to the intermediary. An annual trail commission of 0.5% of the the Investment Amount's NAV will be paid by Octopus to the intermediary for up to nine years provided that the intermediary continues to act for the investor and the investor continues to be the beneficial owner of the Shares.

These charges may, according to the proportion of advised investors where advice is received for an upfront fee only, create some limited reduction of the NAV per Share immediately subsequent to subscriptions in the Offer being made. This effect will be mitigated and is ultimately expected to be more than compensated, for continuing investors, by the expected benefits derived from a larger pool of investable funds and the financial benefit in subsequent periods of the absence of ongoing adviser charges in respect of such investments.

The reinvestment arrangements relating to ongoing adviser charges which are described in section 2 above will only operate for as long as an investor remains the holder of the New Shares. Any subsequent purchaser of those New Shares will not benefit from the reinvestment arrangements set out above irrespective of the adviser charges which they have agreed with their adviser nor will Octopus facilitate any adviser charges. This, therefore, means that any subsequent purchaser of New Shares will not benefit from the issue or allotment of any additional New Shares under the arrangements set out above.

Any additional New Shares which are issued under the arrangements which are described in 2) and 3) above will be issued in full and final satisfaction of any cash sums which would otherwise be due to the investor. The Companies do not hereby accept or assume or undertake any liability or obligation of any nature whatsoever to any adviser as regards the payment of any adviser charges (whether such charges are initial adviser charges or ongoing adviser charges). The role of the Companies is simply to facilitate such payments to the extent permitted by applicable rules and regulations.

TAXATION

TAX BENEFITS AND CONSIDERATIONS FOR INVESTORS

The following paragraphs apply to the Companies and to individuals holding Shares as an investment who are the absolute beneficial owners of such Shares and who are resident in the UK. They may not apply to certain classes of individuals, such as dealers in securities. The following information is based on the Companies' current understanding of UK law and practice, is subject to changes therein, is given by way of general summary and does not constitute legal or tax advice.

If you are in any doubt about your position, or if you may be subject to tax in a jurisdiction other than the UK, you should consult your financial adviser.

The tax reliefs set out below are available to individuals aged 18 or over who receive New Shares under the Offer and where the New Shares acquired are within the investor's annual £200,000 limit.

I. Income Tax

I.1 Initial Income Tax relief

An investor can acquire through the Offer up to £200,000 in each of the 2013/14 and 2014/15 tax years. Each application creates an entitlement to income tax relief of 30% of the amount invested. The relief is subject to an amount which reduces the investor's income tax liability for the tax year to nil. To retain that relief the New Shares have to be held for 5 years.

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 income tax relief available can reduce the effective cost of an investment of £10,000 in a VCT to only £7,000 by a qualifying investor subscribing for VCT shares:

	Effective Cost	Tax relief
Investor unable to claim any tax reliefs	£10,000	Nil
VCT investor able to claim full 30% income tax relief	£7,000	£3,000

I.2 Dividend relief

Dividends paid on ordinary shares in a VCT are free of income tax.

I.3 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) within five years of issue or if the VCT loses its approval within this period.

2. Capital Gains Tax

2.1 Relief from capital gains tax on the disposal of VCT shares

Disposing of a VCT share at a profit does not create a chargeable gain for the purposes of UK Capital Gains Tax. Similarly, disposing at a loss does not create an allowable loss for UK Capital Gains Tax.

3. Withdrawal of Approval

If a company which has been granted approval as a VCT subsequently fails to comply with the conditions for approval as a VCT, approval may be withdrawn or treated as never having been given. In these circumstances, reliefs from income tax on the initial investment are 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 an accounting period ending when VCT status has been lost. 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.

4. Other tax considerations

Obtaining initial tax reliefs

The Companies will provide each investor with a tax certificate which the investor may use to claim income tax relief. To do this, an investor must either obtain a tax coding adjustment from HMRC under the PAYE system, or wait until the end of the tax year and use their self-assessment tax return to claim relief.

Shareholders not resident in the UK

Shareholders not resident in the UK should seek their own professional advice as to the consequences of making and holding an investment in the Companies, as they may be subject to tax in other jurisdictions as well as in the UK.

Tax Position of VCTs

A VCT has to satisfy a number of tests to qualify as a venture capital trust. A summary of these tests is set out below.

Qualification as a VCT

To qualify as a venture capital trust, a company must be approved as such by HMRC. To maintain approval, the conditions summarised below must continue to be satisfied throughout the life of the VCT:

- (i) the VCT's income must have been derived wholly or mainly from shares and securities (in the case of securities issued by a company, meaning loans with a five-year or greater maturity period);
- (ii) no holding in a company (other than a VCT or a company which would, if its shares were listed, qualify as a VCT) by the VCT may represent more than 15%, by value, of the VCT's total investments at the time of investment;
- (iii) the VCT must not have retained more than 15% of the income derived from shares or securities in any accounting period;
- (iv) the VCT must not be a close company. Its ordinary share capital must be listed on a regulated European market by no later than the beginning of the accounting period following that in which the application for approval is made;
- (v) at least 70%, by value, of its investments is represented by shares or securities comprising Qualifying Investments;
- (vi) for funds raised before 6 April 2011, have at least 30%, by value, of its Qualifying Investments represented by holdings of ordinary shares which carry no present or future preferential rights to dividends, return of capital or any redemption rights;
- (vii) for funds raised after 5 April 2011, have at least 70% by value of the VCT's Qualifying Investments in "eligible

shares", that is ordinary shares which carry no preferential rights to assets on a winding up and no rights to be redeemed although they may have certain preferential rights to dividends so long as that right is non-cumulative and is not subject to discretion; and

- (viii) not make an investment in a company which causes that company to receive more than £5 million of State Aid investment in the 12 months ended on the date of the investment.

"Qualifying investments" comprise shares or securities (including loans with a five year or greater maturity period but excluding guaranteed loans and securities) issued by unquoted trading companies which exist wholly or mainly for the purpose of carrying on one or more qualifying trades. The trade must be carried on by, or be intended to be carried on by, the investee company or a qualifying subsidiary at the time of the issue of the shares or securities to the VCT (and by such company or by any other subsidiary in which the investee company has not less than a 90% interest at all times thereafter). 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. The definition of a qualifying trade excludes dealing in property, shares, securities, commodities or futures. It also excludes banking, insurance, receiving royalties or licence fees in certain circumstances, leasing, the provision of legal and accounting services, farming and market gardening, forestry and timber production, property development, shipbuilding, coal and steel production and operating or managing hotels, guest houses, generation of electricity from solar or wind power from which feed-in tariffs are derived, nursing and residential care homes. The funds raised by the investment must be used for the purposes of the qualifying trade within certain time limits.

A qualifying investment can also be made in a company which is a parent company of a trading group where the activities of the group, taken as a whole, consist of carrying on one or more qualifying trades. Investee companies must have a permanent establishment in the UK. The investee company cannot receive more than £5 million from VCTs or other State Aid investment sources during the 12 month period which ends on the date of the VCT's investment.

The investee company's gross assets must not exceed £15 million immediately prior to the investment and £16 million immediately thereafter. The investee company must have fewer than 250 employees. Neither the VCT nor any other company may control the investee company. At least 10% of the VCT's total investment in the investee company must be in eligible shares, as described above.

Companies whose shares are traded on AIM are treated as unquoted companies for the purposes of calculating qualifying investments. Shares in an unquoted company which subsequently becomes listed may still be regarded as a qualifying investment for a further five years following listing, provided all other conditions are met.

Taxation of a VCT

VCTs are exempt from corporation tax on chargeable gains. There is no restriction on the distribution of realised capital gains by a VCT, subject to the requirements of company law. VCTs will be subject to corporation tax on their income (excluding dividends received from UK companies) after deduction of attributable expenses.

DEFINITIONS

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

“AIM”	AIM, the market of that name operated by the London Stock Exchange
“Applicant”	a person applying for New Shares using the Application Form
“Application”	an application for New Shares in either or both Companies under the Offer
“Application Form”	the application form included within this document
“Board”	the board of Directors of the Companies (and each a Board)
“Companies” or the “Octopus AIM VCTs”	Octopus AIM VCT plc and Octopus AIM VCT 2 plc (and each a “Company”)
“Directors”	the directors of the Companies (and each a “Director”)
“FCA”	the Financial Conduct Authority
“FSMA 2000”	the Financial Services and Markets Act 2000, as amended
“HMRC”	HM Revenue and Customs
“Investment Amount’s NAV”	calculated as the NAV on which the subscription price is based x the number of shares issued i.e. the net amount invested.
“London Stock Exchange”	London Stock Exchange Group plc
“NAV”	net asset value
“New Shares”	Shares being offered by the Companies under the Offer (and each a “New Share”)
“Octopus”, the “Manager” or the “Receiving Agents”	Octopus Investments Limited
“Offer”	the Offer for subscription for New Shares contained in this document
“Offer Price”	the price per New Share, as set out on page 9
“Official List”	the official list maintained by the UK Listing Authority
“Prospectus Rules”	the prospectus rules made in accordance with the EU Prospectus Directive 2003/71/EC
“Shareholders”	holders of Shares
“Shares”	ordinary shares of 1p each in the capital of Octopus AIM VCT plc and/or ordinary shares of 0.01p each in the capital of Octopus AIM VCT 2 plc (and each a “Share”)
“Taxes Act”	the Income Tax Act 2007, as amended
“Terms and Conditions”	the terms and conditions of the Offer, contained in this document on pages 16 to 20
“UK Listing Authority”	the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA
“Venture Capital Trust” or “VCT”	a company which is, for the time being, approved as a venture capital trust under Section 259 of the Taxes Act

TERMS AND CONDITIONS OF THE OFFER

The following Terms and Conditions apply to the Offer.

1. The maximum amount to be raised by each Company is £4.1 million. The Offer in respect of either Company will close once that Company has reached their individual aggregate maximum number of New Shares which may be issued.
2. The contract created with the Companies by the acceptance of an Application (or any proportion of it) under the Offer will be conditional on acceptance being given by the Receiving Agents and admission of the New Shares allotted in the Companies under the Offer to the Official List (save as otherwise resolved by the Boards). The Boards reserve the right to extend the closing date of the Offer at their absolute discretion. The Boards reserve the right to close the Offer earlier if fully subscribed or otherwise at their absolute discretion.
3. The right is reserved by the Companies to present all cheques and banker's drafts for payment on receipt and to retain share certificates and Application monies pending clearance of successful Applicants' cheques and bankers' drafts. Each Company may treat Applications as valid and binding even if not made in all respects in accordance with the prescribed instructions and it may, at its absolute discretion, accept an Application in respect of which payment is not received by that Company. If any Application is not accepted in full or if any contract created by acceptance does not become unconditional, the Application monies or, as the case may be, the balance thereof (save where the amount is less than the cost of a New Share, when it will be donated to a charity approved by the Boards of Directors) will be returned (without interest) by returning each relevant Applicant's cheque or banker's draft or by crossed cheque in favour of the Applicant, through the post at the risk of the person(s) entitled thereto. In the meantime, Application monies will be retained by the Receiving Agents in a separate account.
4. By completing and delivering an Application Form, you:
 - 4.1 irrevocably offer to subscribe the monetary amount for New Shares in the Companies under the Offer as specified in your Application Form (or such lesser amount for which your Application is accepted), which shall be used to purchase the New Shares at the Offer Price, determined by dividing the most recently announced NAV per Share at the time of allotment by 0.945 to allow for the majority of the issue costs, on the terms of and subject to this document and subject to the Memorandum and Articles of Association of the Companies. Where the Share price has been declared ex-dividend on the London Stock Exchange, the NAV used for determining the Offer Price will be ex-dividend. For the purpose of determining the Offer Price, the NAV per Share will be rounded up to one decimal place and the number of New Shares to be issued will be rounded down to the nearest whole number (fractions of New Shares will not be allotted);
 - 4.2 agree that your Application may not be revoked and that this paragraph shall constitute a collateral contract between you and the Companies which will become binding upon despatch by post to, or (in the case of delivery by hand) on receipt by, the Receiving Agents of your Application Form;
 - 4.3 agree and warrant that your cheque or banker's draft may be presented for payment on receipt and will be honoured on first presentation and agree that if it is not so honoured you will not be entitled to receive certificates in respect of the New Shares allotted to you until you make payment in cleared funds for such New Shares and such payment is accepted by the Companies in their absolute discretion (which acceptance shall be on the basis that you indemnify the Companies and the Receiving Agents 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 you agree that, at any time prior to the unconditional acceptance by the Companies of such late payment, the Companies may (without prejudice to their other rights) rescind the agreement to subscribe such New Shares and may issue such New Shares to some other person, in which case you will not be entitled to any payment in respect of such New Shares, other than the refund to you, at your risk, of the proceeds (if any) of the cheque or banker's draft accompanying your Application, without interest;

4.4 agree that, in respect of those New Shares for which your Application is received and is not rejected, your Application may be accepted at the election of the Companies either by notification to the London Stock Exchange of the basis of allocation and allotment, or by notification of acceptance thereof to the Receiving Agents;

4.5 agree that any monies refundable to you by the Companies may be retained by the Receiving Agents pending clearance of your remittance and any verification of identity which is, or which the Companies or the Receiving Agents may consider to be, required for the purposes of the Money Laundering Regulations 2007 and that such monies will not bear interest;

4.6 authorise the Receiving Agents to send share certificates in respect of the number of New Shares for which your Application is accepted and/or a crossed cheque for any monies returnable, by post, without interest, to your address set out in the Application Form and to procure that your name is placed on the register of members of the Companies in respect of such New Shares;

4.7 agree that all Applications, acceptances of Applications and contracts resulting there from shall be governed 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 Companies or Octopus 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 any court of competent jurisdiction;

4.8 confirm that, in making such Application, you are not relying on any information or representation in relation to the Companies other than the information contained in this document and accordingly you agree that no person responsible solely or jointly for this document, the cover correspondence or any part thereof or involved in the preparation thereof shall have any liability for such information or representation (save for fraudulent misrepresentation or wilful deceit);

4.9 irrevocably authorise the Receiving Agents to do all things necessary to effect registration of any New Shares subscribed by or issued to you into your name and authorise any representative of the Receiving Agents to execute any document required therefore;

4.10 agree that, having had the opportunity to read this document, you shall be deemed to have had notice of all information and statements concerning the Companies and the Offer contained therein;

4.11 confirm that you have reviewed the restrictions contained in paragraph 6 below and warrant that you are not a "US Person" as defined in the United States Securities Act of 1933 ("Securities Act") (as amended), nor a resident of Canada and that you are not applying for any Shares with a view to their offer, sale or delivery to or for the benefit of any US Person or a resident of Canada;

4.12 declare that you are an individual aged 18 or over;

4.13 agree that all documents and cheques sent by post to, by or on behalf of the Companies or the Receiving Agents, will be sent at the risk of the person entitled there to;

4.14 agree, on request by the Companies or Octopus, to disclose promptly in writing to Octopus, any information which Octopus may reasonably request in connection with your Application including, without limitation, satisfactory evidence of identity to ensure compliance with the Money Laundering Regulations and authorise the Companies or Octopus to disclose any information relating to your Application as the Companies or Octopus consider appropriate;

4.15 agree that Octopus will not treat you as its customer by virtue of your Application being accepted or owe you any duties or responsibilities concerning the price of the New Shares pursuant to the Offer or the suitability for you of an investment in New Shares under the Offer or be responsible to you for providing the protections afforded to its customers;

4.16 where applicable, authorise each Company to make on your behalf any claim to relief from income tax in respect of any dividends paid by each Company;

4.17 declare that the Application Form has been completed to the best of your knowledge;

4.18 undertake that you will notify the Companies if you are not or cease to be either a VCT qualifying subscriber or beneficially entitled to the New Shares;

4.19 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 Shares under the Offer and that such New Shares are being acquired for bona fide commercial purposes and not as part of a scheme or arrangement the main purpose of which is the avoidance of tax; and

4.20 agree that information provided on the Application Form may be provided to the registrars and Receiving Agents to process shareholding details and send notifications to you.

5. No person receiving a copy of this document, covering correspondence or an Application Form in any territory other than the UK, may treat the same as constituting an invitation or offer to him or her, nor should he or she 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 regulations or other legal requirements. It is the responsibility of any person outside the UK wishing to make an Application to satisfy himself or herself as to full observance of the laws of any relevant territory in connection therewith, including obtaining any requisite governmental or other consents, observing any other formalities requiring to be observed in such territory and paying any issue, transfer or other taxes required to be paid by such territory.

6. The New Shares have not been and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States of America, its territories or possessions or other areas subject to its jurisdiction (the "USA"). In addition, the New Shares have not been and will not be registered under the United States Investment Company Act of 1940, as amended. Octopus will not be registered under the United States Investment Advisers Act of 1940, as amended. No Application will be accepted if it bears an address in the USA.

7. The basis of allocation will be determined by each Company (after consultation with Octopus) in its absolute discretion. The right is reserved by the Boards to reject in whole or in part and scale down and/or ballot any Application or any part thereof including, without limitation, Applications in respect

of which any verification of identity which the Companies or Octopus consider may be required for the purposes of the Money Laundering Regulations has not been satisfactorily supplied. Dealings prior to the issue of certificates for New Shares 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.

8. Money Laundering Regulations

Investors should be aware of the following requirements in respect of the above law.

Under the Money Laundering Regulations, Octopus is required to check the identity of clients who invest over £10,000. Octopus may therefore undertake an electronic search for the purposes of verifying your identity. To do so Octopus may check the details you supply against your particulars on any database (public or other) to which Octopus has access. Octopus may also use your details in the future to assist other companies for verification purposes. A record of this search will be retained. If Octopus cannot verify your identity it may ask for a recent, original utility bill and an original HMRC Tax Notification or a copy of your passport certified by a bank, solicitor or accountant from you or a Client Verification Certificate from your IFA.

If within a reasonable period of time following a request for verification of identity, and in any case by no later than 3.00pm on the relevant date of allotment, Octopus has not received evidence satisfactory to it as aforesaid, Octopus, at its absolute discretion, may reject any such Application in which event the remittance submitted in respect of that Application will be returned to the Applicant (without prejudice to the rights of each Company to undertake proceedings to recover any loss suffered by it as a result of the failure to produce satisfactory evidence of identity).

Your cheque or bankers' draft must be drawn in sterling on an account at a branch (which must be in the United Kingdom, the Channel Islands or the Isle of Man) of a bank which is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited, a member of the Scottish Clearing Banks Committee or the Belfast Clearing Committee or which has arranged for its cheques or bankers' drafts to be cleared through facilities provided for by members of any of

those companies or associations and must bear the appropriate sorting code in the top right hand corner. The right is reserved to reject any Application Form in respect of which the cheque or bankers' draft has not been cleared on first presentation.

9. Offer Price

For all investors, the Offer Price per New Share will be determined by a formula reflecting the NAV per Share at the time of allotment adjusted for an allowance for the majority of the costs of the Offers. The formula is: the most recently announced NAV per Share, divided by 0.945. A more detailed explanation is set out on page 9.

10. Costs of the Offer

In consideration for the promotion, investment management and secretarial services that Octopus provides to the Companies, each Company will pay an initial charge of 3% of the gross sums invested in the Offer to Octopus. This is payable in the same way on all subscriptions to the Offer. From this sum Octopus will discharge all external costs of advice to the Companies and their own costs in respect of the Offer. In addition, there are then four categories of options, which are determined by the circumstances of each investor and their explicit instructions, in respect of which payments can be made to advisers and other intermediaries. These are as follows:

1) A DIRECT INVESTMENT

Investors who have not invested their money through a financial intermediary/adviser and have invested directly into the Companies.

In consideration for the promotion, investment management and secretarial services that Octopus provides to the Companies, if an application is made directly (not through an intermediary) then the Companies will pay Octopus an additional initial charge of 2.5% of the investment amount and an additional annual ongoing charge of 0.5% of the Investment Amount's NAV for up to nine years, provided the investor continues to hold the Shares. The cost of this ongoing charge will be met by Octopus through a reduction in its annual management fee.

2) AN ADVISED INVESTMENT WHERE ADVICE IS RECEIVED FOR AN UPFRONT FEE WITH AN ONGOING ADVISER CHARGE

Investors who have invested in the Offer through a financial intermediary/adviser and have received upfront advice and

will receive ongoing advice.

The Companies can facilitate a payment on behalf of an investor to an intermediary/adviser (an 'initial adviser charge') of up to 2.5% of the investment amount. If the investor has agreed with his/her intermediary/adviser to pay a lower initial adviser charge, the balance (up to a maximum of 2.5%) will be used for the issue and allotment of New Shares for the investor, issued at the most recently announced NAV per Share, divided by 0.945 as described on page 9.

The Companies can also facilitate annual payments to an intermediary/adviser ('ongoing adviser charges') in respect of ongoing advisory services provided by the intermediary/adviser to the investor of up to 0.5% per annum of the Investment Amount's NAV for up to nine years, provided the investor continues to be the beneficial owner of the Shares. If the investor chooses to pay their adviser less than 0.5% annually, the remaining amount will be used for the issue and allotment of additional New Shares for the investor, at the then most recently announced NAV per Share rounded down to the nearest whole share. Any residual amount that is less than the cost of a New Share will be donated to a charity approved by the relevant Board. The cost of ongoing adviser charges will be met by Octopus through a reduction in its annual management fee.

If the investor terminates their relationship with the intermediary/adviser then the relevant Companies will not make any further payments of ongoing adviser charges to that intermediary/adviser. The Companies will facilitate ongoing adviser charges if an investor changes their adviser and consents to the ongoing adviser charge.

3) AN ADVISED INVESTMENT WHERE ADVICE IS RECEIVED FOR AN UPFRONT FEE WITH NO ONGOING ADVISER CHARGE

Investors who have invested in the Offer through a financial intermediary/adviser and have received upfront advice including investors who are investing through intermediaries/advisers using financial platforms.

Where an investor agreed to an upfront fee only, the Companies can facilitate a payment of an initial adviser charge of up to 4.5% of the Investment Amount. If the investor chooses to pay their intermediary/adviser less than the maximum initial adviser charge, the remaining amount will be used for the issue and allotment of additional New Shares for the investor, issued at the most recently announced NAV per Share, divided by 0.95 as described above. In these circumstances the Companies

will not facilitate ongoing annual payments. To ensure that the Companies are not financially disadvantaged by such payment, a notional ongoing advisor charge equivalent to 0.5% per annum of the Investment Amount's NAV will be deemed to have been paid by the Companies for a period of 9 years. The cost of this notional ongoing advisor charge will be met by Octopus through a reduction in its annual management fee.

In both cases (2) or (3), should the investor choose to pay the adviser more than 2.5% or 4.5% respectively, the excess amount will have to be settled by the investor directly with the adviser.

4) A NON-ADVISED INVESTMENT USING AN INTERMEDIARY

Investors who have invested their money through a financial intermediary and have not received advice.

An initial charge of 2.5% of the investment will be paid by the Companies to the intermediary. An annual trail commission of 0.5% of the Investment Amount's NAV will be paid by Octopus to the intermediary for up to nine years provided that the intermediary continues to act for the investor and the investor continues to be the beneficial owner of the Shares.

These charges may, according to the proportion of Advised Investors where advice is received for an upfront fee only, create some limited reduction of the NAV per Share immediately subsequent to subscriptions in the Offer being made. This effect will be mitigated and is ultimately expected to be more than compensated, for continuing investors, by the expected benefits derived from a larger pool of investable funds and the financial benefit in subsequent periods of the absence of ongoing adviser charges in respect of such investments.

The reinvestment arrangements relating to ongoing adviser charges which are described above will only operate for so long as an investor remains the holder of the New Shares. Any purchaser of the New Shares will not benefit from the reinvestment arrangements set out above irrespective of the adviser charges which they have

agreed with their adviser. This therefore means that any purchaser of New Shares will not benefit from the issue or allotment of any additional New Shares under the arrangements set out above.

Any additional New Shares which are issued under the arrangements which are described above will be issued in full and final satisfaction of any cash sums which would otherwise be due to the investor. The Company does not hereby accept or assume or undertake any liability or obligation of any nature whatsoever to any adviser as regards the payment of any adviser charges (whether such charges are initial adviser charges or ongoing adviser charges). The role of the Company is simply to facilitate such payments to the extent permitted by applicable rules and regulations.

The above payments are subject to any future changes in the applicable rules and regulations.

DIRECTORS AND ADVISERS

Directors – Michael Reeve (Chairman)

Octopus AIM VCT plc Stephen Hazell-Smith

Marion Sears

Roger Smith

Directors – Keith Mullins (Chairman)

Octopus AIM VCT 2 plc Elizabeth Kennedy

Andy Raynor

Alastair Ritchie

Investment Manager, Octopus Investments Limited

Administrator and 20 Old Bailey

Receiving Agents London

EC4M 7AN

Company Secretary Patricia Standaloft ACIS

Auditor BDO LLP

55 Baker Street

London

W1U 7EU

Solicitor Howard Kennedy FSI LLP

19 Cavendish Square

London

W1A 2AW

Tax adviser PricewaterhouseCoopers LLP

1 Embankment Place

London

WC2N 6RH

Registrars Capita Asset Services

The Registry

34 Beckenham Road

Beckenham

Kent

BR3 4TU

This form allows you to invest in Octopus AIM VCT plc & Octopus AIM VCT 2 plc

The form has 6 sections:

1. Investor details
2. Subscription details
3. Dividend instructions
4. Adviser/intermediary payment
5. Adviser/intermediary details (to be completed by your adviser/intermediary)
6. Investor signature

How to complete the form

- Please read the *Octopus AIM VCT plc & Octopus AIM VCT 2 plc offer document* available from your adviser/intermediary or from our website www.octopusinvestments.com
Please make sure you answer all the questions marked with an **'*'**.
- Tick the boxes that apply, like this:
- Leave boxes blank where they don't apply to you.

What happens next?

- We will send you an acknowledgement that we have received your application, and your funds will be invested at the next allotment, (subject to the Terms and Conditions of the Offer).
- Once your funds have been invested we will send you regular performance updates.

When you have completed the form, tick the following to confirm:

You've read and understood the *Octopus AIM VCT plc & Octopus AIM VCT 2 plc offer document* available from your adviser/intermediary or from the Octopus website.

You've answered all the questions that apply to you.

You've enclosed the necessary verification of identity documentation:
If you are an existing investor, you may have sent this in with your previous applications, so we'll not need it again. Please feel free to call us to check, Contact our team on 0800 316 2295.

- an Identity Verification Certificate, or one each of the following;
- a copy of identification (your passport or driving licence) certified by a bank, solicitor or accountant plus;
- a copy of proof of address (driving licence, bank statement or utility bill (not mobile phone)) certified by a bank, solicitor or accountant.

If you are paying by cheque, you've enclosed your cheque from a personal account in your name, made payable to '**Octopus AIM VCT plc – Applications**'. We do not accept cheques from business accounts. Bankers' drafts or building society cheques must specifically mention the investor's name.

Or, if you are paying via CHAPS/BACS, please send us your completed application form before transferring your investment to the following account, making sure that you **reference the payment with the VCT account name, your surname and initials**:

Account name: Octopus AIM VCT plc – Applications

Sort code: 40-03-28

Account number: 12684632

Bank: HSBC

Branch: Holborn

Payments need to come from your personal account (we do not accept payments from business accounts).

You've signed and dated where indicated in Section 6.



Return your completed form and documents to:

Octopus Investments Limited
PO Box 10847
Chelmsford
CM99 2BU

Got a question?



Please speak to your adviser or call the Octopus team on
0800 316 2295



Email: info@octopusinvestments.com

We can't give investment, tax or financial advice, but we're happy to answer questions about anything else.



Section 1 – Investor details

* Title (Mr/Mrs/Miss/Ms/Other)							
* First name(s)							
* Last name							
* Existing Octopus investor	<input type="checkbox"/> Yes <input type="checkbox"/> No						
* Date of birth (dd/mm/yyyy)	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>						
* National Insurance number	<input type="text"/>						
* Telephone numbers	<table><tr><td>Home:</td><td><input type="text"/></td></tr><tr><td>Mobile:</td><td><input type="text"/></td></tr><tr><td>Work:</td><td><input type="text"/></td></tr></table>	Home:	<input type="text"/>	Mobile:	<input type="text"/>	Work:	<input type="text"/>
Home:	<input type="text"/>						
Mobile:	<input type="text"/>						
Work:	<input type="text"/>						
* Address	<input type="text"/>						
	Postcode <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>						
* Email	<input type="text"/>						
* Do you want to receive paper or electronic investment reports?	<input type="checkbox"/> Paper <input type="checkbox"/> Email						
* Would you like to be updated on future investment opportunities? (Tick one box only)	<input type="checkbox"/> Yes <input type="checkbox"/> No						

Section 2 – Subscription details

* How much are you investing? The minimum investment per applicant is £5,000. There is no maximum investment. However tax relief is only available on a maximum £200,000 in each tax year.

2013/14 £

2014/15 £

Our default allocation will spread your investment across Octopus AIM VCT plc & Octopus AIM VCT 2 plc in a 50/50 ratio.

However, if you wish to allocate all of your investment to just one of the VCTs please tick the relevant box below.

100% invested in Octopus AIM VCT plc

100% invested in Octopus AIM VCT 2 plc

As the VCTs near capacity one may be fully subscribed earlier than the other. In the event of your preferred allocation not being available, please tick here to give Octopus permission to allocate your investment fully into the other VCT in this offer.

* Cheque/bankers' draft, or bank transfer?
(Tick one box only)

Cheque/bankers' draft

Please enclose a cheque from a personal account, made payable to 'Octopus AIMVCT plc – Applications'. We do not accept cheques from business accounts. Bankers' drafts and building society cheques must specifically mention the investor's name.

Bank transfer

Please transfer your investment to the following account after first sending in your completed application form, making sure that you **reference the payment with your surname and initials**:

Account name: Octopus AIMVCT plc – Applications
Sort code: 40-03-28 Bank: HSBC
Account number: 12684632 Branch: Holborn

Payments need to come from your personal account.
We do not accept payments from business accounts.

Section 3– Dividend instructions

* Please give us details of the bank account you would like future dividends to be paid into

Account name

Bank or building society name

Account number

Branch address

Sort code

Postcode

Section 4– Adviser/intermediary payment

The Octopus initial charges are outlined on page 10 of the Offer Document. The Companies can also facilitate payments to your financial adviser/intermediary. Please read the following text and then complete either 4.1 or 4.2. or 4.3 or 4.4. Failure to complete this section correctly could result in delays to your investment. If you have any questions please call us on 0800 316 2295.

- If you are submitting this application yourself with no adviser or intermediary, please complete **section 4.1**.
- If you have received financial advice for this investment and have agreed with your adviser to pay ongoing charges, please complete **section 4.2**.
- If you have received financial advice for this investment and have agreed with your adviser to pay no ongoing charges, please complete **section 4.3**.
- If you have used an intermediary but you have not received financial advice, please complete **section 4.4**. Any commission due will be paid by Octopus, (subject to the Terms and Conditions of the Offer).

*What type of investment is this?
(Complete one section only)

4.1

This is a direct investment

If an application is made directly then the total initial fee paid to Octopus is 5.5% with a total annual fee of 0.5% for up to nine years.

Please proceed to section 6 after completing this section. If you have any questions on this, please call us on 0800 316 2295.

4.2

This is an advised investment with an upfront adviser charge and an ongoing adviser charge

Please indicate the level of initial charges and/or ongoing charges you have agreed with your adviser. If you have agreed that Octopus will facilitate no charges to your adviser then please insert 'nil' in the 'To my adviser' box and insert the full remaining amount in the box titled 'To me as additional shares'.

	To my adviser	+	To me as additional shares	
Initial:		%		% Total must equal 2.5%
Ongoing:		%		% Total must equal 0.5%

4.3 **This is an advised investment with an upfront adviser charge and no ongoing adviser charge**

Please indicate the level of initial adviser charges agreed. If you have agreed that Octopus will facilitate no charges to your adviser then please indicate 'nil' in the 'To my adviser' box and the full remaining amount in the box titled 'To me as additional shares'.

Initial:	%	+	%	Total must equal 4.5%
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4.4 **This is a non-advised investment through an intermediary**

Initial Commission	%	Ongoing Commission	%
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Standard terms will apply if left blank. Commission should not exceed our standard terms (given in the Octopus AIM VCT plc & Octopus AIM VCT 2 plc Offer document), otherwise this form may be rejected.

Section 5 – Adviser/intermediary details (to be completed by your adviser/intermediary)

Company

Title (Mr/Mrs/Miss/Ms/Other)

First name(s)

Last name

Telephone

Address

Postcode

Email

FCA number

Are you part of a network/service provider?

 No Yes – please give us the network/service provider name

Special instructions

Section 6 – Investor signature

* Investor name

* Investor signature

* Date signed
(dd/mm/yyyy)

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