ASSET MANAGEMENT

MATRIX INCOME & GROWTH VCT PLC
MATRIX INCOME & GROWTH 4 VCT PLC
THE INCOME & GROWTH VCT PLC

LINKED OFFER FOR SUBSCRIPTION TO RAISE UP TO £21 MILLION

SECURITIES NOTE AND APPLICATION FORM

PROMOTED AND MANAGED BY MATRIX

MATRIX

CONTENTS

		Page
Risk Factors		2
Offer Timetable, Statistics & Costs		4
Letter from the Chairmen of the Companies		5
Part One	Why Invest in this Offer?	7
Part Two	The Linked Offer	12
Part Three	The Manager: Matrix	15
Part Four	The Boards	18
Part Five	Investment Objectives and Policies	20
Part Six	Largest Investments of the Companies	22
Part Seven	History of the Companies	28
Part Eight	Offer Costs, Management Expenses and Administration	30
Part Nine	Other Information	33
Part Ten	Tax	39
Part Eleven	Definitions	42
Application for Offer Shares		44
Application form		after page 50

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

THIS DOCUMENT CONSTITUTES A SECURITIES NOTE ("THE SECURITIES NOTE") ISSUED BY MATRIX INCOME & GROWTH VCT PLC ("MIG"), MATRIX INCOME & GROWTH 4 VCT PLC ("MIG 4") AND THE INCOME & GROWTH VCT PLC ("I&G") (TOGETHER "THE COMPANIES" AND EACH A "COMPANY") DATED 20 JANUARY 2012.

THIS DOCUMENT HAS BEEN PREPARED FOR THE PURPOSE OF COMPLYING WITH THE PROSPECTUS DIRECTIVE, ENGLISH LAW AND THE RULES OF THE UK LISTING AUTHORITY ("UKLA") AND THE INFORMATION DISCLOSED MAY NOT BE THE SAME AS THAT WHICH WOULD BE DISCLOSED IF THIS DOCUMENT HAD BEEN PREPARED IN ACCORDANCE WITH THE LAWS OF A JURISDICTION OUTSIDE ENGLAND. ADDITIONAL INFORMATION RELATING TO THE COMPANIES IS CONTAINED IN A REGISTRATION DOCUMENT ISSUED BY THE COMPANIES ("THE REGISTRATION DOCUMENT"). A BRIEF SUMMARY WRITTEN IN NON-TECHNICAL LANGUAGE CONVEYING THE ESSENTIAL CHARACTERISTICS OF AND RISKS ASSOCIATED WITH THE COMPANIES AND ORDINARY SHARES OF 1 PENCE EACH IN THE CAPITAL OF MIG ("MIG ORDINARY SHARES"), ORDINARY SHARES OF 1 PENCE EACH IN THE CAPITAL OF MIG 4 ("MIG 4 ORDINARY SHARES") AND THE ORDINARY SHARES OF 1 PENCE EACH IN THE CAPITAL OF I&G ("I&G ORDINARY SHARES") (TOGETHER "SHARES") WHICH ARE BEING OFFERED FOR SUBSCRIPTION ("OFFER SHARES") ("THE OFFER") IS CONTAINED IN A SUMMARY ISSUED BY THE COMPANIES ("THE SUMMARY"). THE SECURITIES NOTE, REGISTRATION DOCUMENT AND SUMMARY HAVE BEEN PREPARED IN ACCORDANCE WITH THE PROSPECTUS RULES MADE UNDER FSMA AND HAVE BEEN APPROVED BY THE FINANCIAL SERVICES AUTHORITY ("FSA") IN ACCORDANCE WITH FSMA.

THIS SECURITIES NOTE, THE REGISTRATION DOCUMENT AND THE SUMMARY TOGETHER COMPRISE A PROSPECTUS ISSUED BY THE COMPANIES DATED 20 JANUARY 2012 ("THE PROSPECTUS"). THE PROSPECTUS HAS BEEN FILED WITH THE FSA IN ACCORDANCE WITH THE PROSPECTUS RULES AND YOU ARE ADVISED TO READ THE PROSPECTUS IN FULL.

The Companies and the Directors of the Companies (whose names are set out on page 53) accept responsibility for the information contained in the Prospectus. To the best of the knowledge of the Companies and the Directors of the Companies (who have taken all reasonable care to ensure that such is the case) the information contained in the Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

Linked Offer for Subscription to raise, in aggregate, up to £21,000,000 by way of an issue of Offer Shares

Matrix Income & Growth VCT plc	Matrix Income & Growth 4 VCT plc	The Income & Growth VCT plc
Registered in England and Wales under number 05153931	Registered in England and Wales under number 03707697	Registered in England and Wales under number 04069483
ISIN: GB00B01WL239	ISIN: GB00B1FMDH51	ISIN: GB00B29BN198

In connection with the Offer, Matrix Corporate Capital LLP, the sponsor to the Offer, is acting for the Companies and no one else and will not be responsible to anyone other than the Companies for providing the protections afforded to customers of Matrix Corporate Capital LLP (subject to the responsibilities and liabilities imposed by FSMA and the regulatory regime established thereunder) in providing advice in relation to the Offer. Matrix Corporate Capital LLP is authorised and regulated in the United Kingdom by the FSA.

In connection with the Offer, Matrix Private Equity Partners LLP ("Matrix"), the promoter of the Offer, is acting for the Companies and no one else and will not be responsible to anyone other than the Companies for providing the protections afforded to customers of Matrix in providing advice in relation to the Offer. Matrix is authorised and regulated in the United Kingdom by the FSA.

The Offer Shares will not be registered under the United States Securities Act 1933 or the United States Investment Company Act 1990, and no action has been, or will be, taken in any jurisdiction by, or on behalf of, the Companies or Matrix which would permit a public offer of the Offer Shares in any jurisdiction other than the United Kingdom, nor has any such action been taken with respect to the possession or distribution of this document other than in the UK.

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

Copies of this Securities Note, the Registration Document and the Summary (and any supplementary prospectus published by the Companies) are available free of charge from the promoter of the Offer:

Matrix Private Equity Partners LLP	telephone: 020 3206 7276
One Vine Street	download: www.matrixvcts.co.uk
London W1J 0AH	email: vctfundraising@matrixgroup.co.uk

The procedure for, and the terms and conditions of, application under this Offer are set out at the end of this document together with an Application Form. Completed Application Forms must be posted or delivered by hand to the receiving agent, Matrix VCTs Linked Offer, The City Partnership (UK) Limited, Thistle House, 21 Thistle Street, Edinburgh EH2 1DF. The Offer opens on 20 January 2012 and will close not later than 30 April 2012 or as soon as the Offer is fully subscribed or otherwise at the Boards' discretion (acting jointly). The Boards (acting jointly) in their absolute discretion may decide to extend or increase the Offer (such increase being subject to the issue of a supplementary prospectus).

YOUR ATTENTION IS DRAWN TO THE RISK FACTORS ON PAGES 2 AND 3.

RISK FACTORS

Existing and prospective investors should consider carefully the following risk factors in addition to the other information presented in this document and the Prospectus as a whole. If any of the risks described below were to occur, it could have a material effect on the Companies' businesses, financial conditions or results of operations. The risks and uncertainties described below are not the only ones the Companies, the Boards or investors in the Shares will face. Additional risks not currently known to the Companies or the Boards, or that the Companies or the Boards currently believe are not material, may also adversely affect the Companies' businesses, financial condition and results of operations. The value of the Shares could decline due to any of these risk factors described below, and investors could lose part or all of their investment. Investors should consult an independent financial adviser authorised under FSMA. The attention of prospective investors is drawn to the following risks.

The value of Shares, and the income from them, can fluctuate and investors may not get back the amount they invested. In addition, there is no certainty that the market price of the Shares will fully reflect the underlying net asset value, nor should investors rely upon any Share buy-back policy to offer any certainty of selling their Shares at prices that reflect the underlying NAV. In addition, there is no guarantee that dividends will be paid or that any dividend objective stated will be met.

Although the existing Shares issued by the Companies have been (and it is anticipated that the Offer Shares in the Companies to be issued pursuant to the Offer will be) admitted to the Official List of the UKLA and to trading on the London Stock Exchange's market for listed securities, the secondary market for VCT shares is generally illiquid and, therefore, there may not be a liquid market (which may be partly attributable to the fact that initial tax reliefs are not available for VCT shares generally bought in the secondary market and because VCT shares usually trade at a discount to NAV) and investors may find it difficult to realise their investment. Investment in the Companies should be seen as a long term investment.

The past performance of the Companies, other funds managed by Matrix, the investment manager to the Companies, and Matrix itself is no indication of future performance. The return received by investors will be dependent on the performance of the underlying investments. The value of such investments, and interest income and dividends therefrom, may rise or fall.

The articles of association of each Company provide the opportunity for Shareholders of a Company to vote on the continuation of that Company on the fifth anniversary of the last allotment of shares. The allotment of Offer Shares pursuant to the Offer will, therefore, defer (in accordance with the Articles) the opportunity for Shareholders of a Company to vote on the continuation of that Company for at least five years and, as a result, both new and existing Shareholders may have to wait longer to realise their holding in the relevant Company.

Although a Company may receive customary venture capital rights in connection with its investments, as a minority investor it may not be in a position to protect its interests fully.

A Company's 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 a Company.

It can take a period 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.

Investment in unquoted companies (including AIM-traded and PLUS market-traded companies), by its nature, involves a higher degree of risk than investment in companies listed on the Official List. In particular, small companies often have limited product lines, markets or financial resources and may be dependent for their management on a small number of key individuals and may be more susceptible to political, exchange rate, taxation, economic and other regulatory changes and conditions. In addition, the market for securities in smaller companies may be less regulated and is usually less liquid than that for securities in larger companies, bringing with it potential difficulties in acquiring, valuing and disposing of such securities. Proper information for determining their value or the risks to which they are exposed may also not be available. Investment returns will, therefore, be uncertain and involve a higher degree of risk than investment in a company listed on the Official List.

To the extent that investee companies are unable to pay the interest on loan stock instruments, a Company's income return will be adversely affected. Investee companies may also have debt, such as bank loans, which rank ahead of the loan stock issued to a Company.

Where more than one of the funds managed or advised by Matrix wishes to participate in an investment opportunity, allocations will generally be made in proportion to the net asset value of each fund. When one of the funds managed or advised by Matrix is in its fund raising period, its net funds raised, for the purpose of allocation, will be assumed to be the value of shares allotted at the time the allocation calculation is made. Implementation of this policy will be subject to the availability of funds to make the investment and other portfolio considerations such as sector exposure and the requirement to achieve or maintain a minimum of 70% of a particular VCT's portfolio in VCT qualifying holdings. This may mean that a Company may receive a greater or lesser allocation than would otherwise be the case under the normal co-investment policy.

VCTs are subject to investment restrictions, a summary of which are set out in Part Ten of this document, which may have an impact on the investments the Companies can make and the returns achievable.

Although Matrix has seen a strong dealflow of opportunities, there can be no guarantee that suitable investment opportunities will be identified in order to meet each Company's objectives.

Whilst it is the intention of each Board that their Company will continue to be managed so as to qualify as a VCT, there can be no guarantee that a Company's status will be maintained. Failure to continue to meet the qualifying requirements could result in Qualifying Investors losing the tax reliefs available for VCT shares, resulting in adverse tax consequences including, if the holding has not been held for the relevant holding period, a requirement to repay the tax reliefs obtained. Furthermore, should a Company lose its VCT status, dividends and gains arising on the disposal of Shares would become subject to tax and the relevant Company would also lose its exemption from corporation tax on its capital gains.

If a Qualifying Investor disposes of his or her Shares within five years of issue, (three years if such Shares were issued on or between 6 April 2000 and 5 April 2006), he or she will be subject to clawback by HMRC of any income tax reliefs originally claimed.

If at any time VCT status is lost for a Company, dealings in its Shares will normally be suspended until such time as proposals to continue or to be wound-up have been announced.

The tax rules, or their interpretation, in relation to an investment in the Companies and/or the rates of any tax may change during the life of the Companies and may apply retrospectively.

Changes in legislation concerning VCTs (whether pursuant to the draft 2012 Finance Bill or otherwise), 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 the Companies not being able to meet its objectives. Investors should note that the draft legislation proposed for the 2012 Finance Bill restricts funds raised after 5 April 2012 from being used by an investee company for the acquisition of shares in another company which may reduce the number of investment opportunities for such funds.

Many commentators believe that the UK economy will continue to face testing circumstances in the short to medium term that will hinder economic growth, with some warning that the UK economy could return to recession. Such conditions could adversely affect the ability of small companies to perform adequately, which could in turn reduce the returns earned by VCT investors.

The UK economy, and its related stock markets, currently face some unusually challenging conditions. Stock market and currency movements may cause the value of the Companies' investments and the income from them to fall as well as rise and investors may not get back the amount they originally invested.

Any change of governmental, economic, fiscal, monetary or political policy, in particular current government spending reviews and cuts, could materially affect, directly or indirectly, the operation of the Companies and/or the performance of the Companies and the value of and returns from Shares and/or their ability to achieve or maintain VCT status.

OFFER TIMETABLE, STATISTICS & COSTS

Indicative Offer timetable

Offer opens	20 January 2012
Early Investment Incentive* expiry date	29 February 2012
Closing date for 2011/2012 tax year	12.00 pm 5 April 2012
Offer closes (for 2012/2013 tax year)	12.00 pm 30 April 2012
First allotment	by 8 March 2012
Effective date for the listing of Offer Shares and commencement of dealings	within three Business Days following allotment
Share certificates and tax certificates to be dispatched	within ten Business Days of allotment

The Boards (acting jointly) reserve the right to extend the closing date of the Offer or increase the size of the Offer (such increase being subject to the issue of a supplementary prospectus) at their discretion. The Offer will close earlier than the date stated above if it is fully subscribed or otherwise at the Boards' discretion (acting jointly). Allotments of Offer Shares may be made before 8 March 2012 and/or may be delayed at the discretion of the Boards (acting jointly).

** An early investment incentive of 1.25% will apply to the first £4 million of applications. Matrix reserves the right to extend the early investment incentive period and/or increase the early investment incentive cap of £4 million.*

Offer statistics

Maximum amount to be raised for each Company	£7,000,000
Investor's minimum investment	£5,000
Estimated Offer Price per MIG Share based on the latest unaudited NAV per MIG Share of 87.9p (as at 30 September 2011)**	93.1p
Estimated Offer Price per MIG 4 Share based on the latest unaudited NAV per MIG 4 Share of 112.0p (as at 31 October 2011)**	118.6p
Estimated Offer Price per I&G Share based on the latest audited NAV per I&G Share of 120.8p (as at 30 September 2011)**	127.9p
Maximum estimated number of Offer Shares to be issued by MIG***	7,518,796
Maximum estimated number of Offer Shares to be issued by MIG 4***	5,902,192
Maximum estimated number of Offer Shares to be issued by I&G***	5,473,025

*** These are the latest published NAVs at the date of this document. They are indicative only of the NAVs from which the Offer Price will be calculated, being subject to change on at least a quarterly basis. See further information on page 13 and the known significant changes since these dates on page 34.*

**** Assuming full subscription at the estimated Offer Price for the Offer Shares set out above and ignoring Offer Shares issued pursuant to the Early Investment Incentive and Offer Shares issued pursuant to waived initial commission.*

Costs and commissions relating to the Offer

Offer costs as a percentage of the gross proceeds****	5.5%
Early Investment Incentive (relevant amount of gross proceeds to be reinvested by subscribing for additional Offer Shares) (until 29 February 2012, unless Matrix agrees to extend this date, and included in the 5.5% Offer Costs)	1.25%
Normal initial commission to intermediaries*****	2.25%
Trail commission to intermediaries (subject to receiving a maximum cumulative trail commission payment per Share of 2.25% of the average Offer Price)******	one off 0.5% of Offer Price or 0.375% annual

**** *excluding trail commission which is payable by the Companies*

***** *included in the 5.5% Offer costs*

****** *payable by the Companies*

LETTER FROM THE CHAIRMEN OF THE COMPANIES

20 January 2012

Dear Investor

The first Matrix VCT linked offer last year proved to be popular with investors who subscribed, in aggregate, £16.2 million.

We are pleased to invite you to subscribe for new Offer Shares in this second Matrix VCT linked offer, which has similar attractions and features to the first. These are set out below.

Attractions

Timing

New investment activity for Matrix has never been stronger. This has resulted in the Companies completing approximately £25 million in aggregate of new investments in seven businesses over the past 14 months.

The existing portfolios contain a number of investments made relatively recently and several investments in companies that are trading successfully. This should provide the potential for growth in value over the medium term.

Track record

We believe that the Matrix VCTs rank amongst the leading generalist VCTs. The performance record for each Company relating to funds raised solely with Matrix as the manager from the outset (as set out in the tables on page 7) shows returns in excess of 8% per annum. This takes account of performance from the date of launch and includes the initial tax relief that was available at the time of the relevant launch.

Matrix can demonstrate that its investment strategy has produced a number of realisations in recent years, which have achieved returns ranging from 2.6 to 4.4 times original investment cost, including Original Additions and DiGiCo Europe Limited in June and December 2011 respectively, as shown on page 8. Of course, past performance of the Companies and Matrix itself is no indication of future performance.

Features

Lower risk investment strategy

Historically, the Companies have deployed a strategy which aims to minimise the risk of loss to their investors. Before qualifying investments are identified, cash is held in liquid, low risk Money Market Funds. Matrix has focused on deploying that cash in management buyout transactions of companies identified to be profitable and generating positive cash flow. Such businesses are then capable of supporting an investment structure that includes income yielding loan stocks. The loan stock should hold its value, being a prior ranking instrument over the equity portion, thus providing some "downside" protection in the event of the value of an investment falling.

Dividends

The payment of dividends (which are tax-free to Qualifying Investors) is a key feature and attraction of investing in VCTs. Each Company has a minimum annual target dividend of 4p per Share. However, the ability of each Company to pay dividends in the future cannot be guaranteed and no forecast or projection is to be implied or inferred.

In respect of their last financial years, MIG and MIG 4 paid dividends of 5p and 4p per share respectively. In respect of its last financial year, I&G has declared a final dividend of 4p per share, subject to the approval of I&G shareholders at the forthcoming I&G annual general meeting.

In respect of the current financial year to 30 September 2012, I&G has declared a special interim dividend of 20p per share payable on 27 January 2012 to shareholders on the I&G register on 30 December 2011.

Liquidity

The Boards are aware that it is difficult for investors to sell VCT shares in the market at or close to net asset value. To counter this, each Board's current intention is to continue with its existing buy-back policy, with the objective of maintaining the discount to NAV at which the Shares trade at 10% or less. The Shares in each of the Companies are currently trading, on a mid-market basis, at discounts to the latest published NAV ranging between approximately 8.9% and 10.4%.

Diversification

This linked Offer enables investors to access the established portfolios of all three Companies, which represent a significant combined asset base of approximately £125 million. Under the Offer, an investor's subscription will be split into three equal amounts and used to purchase Offer Shares in each Company at a price linked to NAV plus Offer costs.

Taxation

VCTs have become increasingly attractive to investors seeking to minimise the effect of higher income and capital gains tax rates, particularly in light of the less advantageous tax reliefs on pensions.

VCTs can offer Qualifying Investors, subject to annual investment limits, up to 30% upfront income tax rebate on their investment (subject to the shares being retained for five years) and tax-free dividends, including capital distributions of realised gains on investments, whilst any gains arising on the disposal of the VCT shares are capital gains tax free.

By way of an illustration this means that an investment of £1 costs, net of tax relief, 70p but has an initial value, taking into consideration Offer costs, of 94.5p (an uplift of 24.5p or 35% upon the 70p net cost).

Early Investment Incentive

Successful Applicants who apply for the first £4 million of Offer Shares by 29 February 2012, will be eligible to receive additional Offer Shares equivalent to 1.25% of the amount they subscribe for under the Offer. The Early Investment Incentive will be financed by Matrix as promoter to the Offer and is in addition to commission paid to authorised financial intermediaries. Matrix reserves the right to increase the £4 million threshold to which the Early Investment Incentive will apply and/or extend the period to which it will apply.

Matrix

On 12 January 2012, the executive partners of Matrix and Matrix Group Limited agreed for the executive partners of Matrix, to acquire Matrix Group Limited's interest in Matrix. This will result in the executive partners acquiring control of Matrix to create a fully independent firm. The acquisition is subject to approval from the FSA of the change of control in Matrix and is expected to be completed on or around 30 June 2012.

The Companies' arrangements with Matrix, in particular its investment approach and services, are not expected to change. The Boards look forward to this new phase with their manager whilst reserving their respective rights under the investment management agreements.

What to do next

You will find an Application Form in respect of the Offer at the end of this document. Completed Application Forms should be posted (including cheques) to Matrix VCTs Linked Offer, The City Partnership (UK) Limited, Thistle House, 21 Thistle Street, Edinburgh EH2 1DF. The Offer is open until 30 April 2012. Investors have the opportunity to invest in both the 2011/2012 and 2012/2013 tax years.

If you have any queries about the Offer please contact Matrix:

Tel: 020 3206 7276
Email: vctfundraising@matrixgroup.co.uk

It should be noted that Matrix will only be able to deal with the practicalities of subscription and is not permitted to provide investment advice in connection with any investment in the Companies.

Including further investments pursuant to the Offer, the Boards, as well as the partners and employees of Matrix, will have invested in excess of £820,000 in aggregate in the Companies.

We very much hope that existing Shareholders will be adding to their holding and we look forward to welcoming new investors to the Matrix VCTs.

Yours faithfully

Keith Niven
Chairman of MIG

Christopher Moore
Chairman of MIG 4

Colin Hook
Chairman of I&G

PART ONE – WHY INVEST IN THIS OFFER?

The Boards believe the two key reasons why investors should give strong consideration to this Offer are:

- **timing;**
- **track record.**

Timing

There may be advantages of investing now in this Offer.

Despite an uncertain economic outlook, higher quality smaller companies with proven business models, good management and sound financing continue to prosper. There are currently opportunities to invest in such businesses at attractive valuations.

Matrix has seen an increase in both the number and the quality of management buy-out opportunities. This is because: (i) more business owners are coming forward who are prepared to sell their business at a realistic valuation; and (ii) there is reduced availability of bank finance to assist a management team who wish to buy their business. The effect is to increase the number and quality of MBO opportunities for investors, including VCTs and Matrix.

Matrix has invested approximately £25 million in seven such opportunities over the last 14 months on behalf of the Companies.

Track record

The Companies raised net funds of £15.7 million in the first Matrix VCT linked offer that launched on 12 November 2010. In the period from that date up to the date of launch of this linked Offer, the Companies have used these funds, alongside funds already held, to finance new investments, the payment of dividends and to support share buyback policies. They have also retained sufficient liquidity to fund further investment opportunities.

The Companies have previously launched six separate fundraisings with Matrix as the sole investment manager of the funds raised. Tax Efficient Review, an independent commentator, has assessed four of these fundraisings to be "sufficiently mature as to have meaningful performance". The subsequent performance for each of these four offers has delivered a total NAV shareholder return to subscribers greater than the initial subscription price.

These four offers have also each provided positive annual returns for investors from inception in excess of 8.8% per annum, taking into account the relevant initial tax reliefs. This is set out in the table below.

Track Record Performance by Fundraising Date

Tax Year of Fundraising Launch	VCT[1]	Effective Net Issue Price[2] (p)	Latest NAV[3] (p)	Dividends Paid (p)	Total Return[4] (p)	Increase Over Effective Net Issue Price	Tax-free Annual Return[5]
2004/05	MIG[6]	60.0	87.9	26.8	114.7	+92%	10.8%
2005/06	MIG 3[7]	60.0	93.6	15.4	109.0	+82%	10.8%
2006/07	MIG 4[6]	84.7	112.0	11.0	123.0	+45%	8.9%
2007/08	I&G[6,8]	70.0	120.8	4.5[9]	125.3	+79%	16.9%

[1] Matrix has been sole manager of MIG and MIG 3 (until MIG 3 merged with MIG) from inception. For MIG 4 and I&G the data shown is for those funds raised solely for Matrix to manage.

[2] Subscription price less income tax relief where applicable.

[3] Latest NAVs are as at 30 September 2011 for MIG (unaudited) and I&G (audited) and 31 October 2011 for MIG 4 (unaudited).

[4] Latest NAVs plus dividends paid, ignoring tax relief.

[5] This column has been extracted from Tax Efficient Review (www.taxefficientreview.com) as at 19 January 2012, which has been accurately reproduced and, as far as the Companies are aware and are able to ascertain from information sourced from Tax Efficient Review, no facts have been omitted which would render the reproduced information inaccurate or misleading. The methodology by which the annual return of the companies has been calculated is to list firstly the initial cash outflow (being the Effective Net Issue Price above) assumed to be at the date of launch of each fundraising. To this is added the date of subsequent inflows for each dividend received plus the latest NAV (as above), treated as a cash inflow for this purpose. A spreadsheet function then calculates the annual return earned on that initial cash outflow, (being the rate that equates the time value of that cash outflow and the cash inflows to be zero, up to the date of the latest NAV as above).

[6] The funds raised pursuant to the 2010/2011 linked offer and the £1.6 million raised by MIG 4 pursuant to a top up offer that closed in April 2010, are considered by Tax Efficient Review to be too recent for performance to be meaningful and are not, therefore, included.

[7] Shown for an original MIG 3 shareholder. MIG 3 merged into MIG in May 2010.

[8] Shown for an original I&G S ordinary shareholder. I&G S ordinary shares merged with the former I&G ordinary shares to form a single share class in March 2010.

[9] Since 30 September 2011, I&G has declared a final dividend of 4p per share in respect of its financial year to 30 September 2011 (subject to the approval of I&G shareholders at the forthcoming I&G annual general meeting) and has declared a special interim dividend of 20p per share in respect of the current financial year to 30 September 2012, payable on 27 January 2012 to shareholders on the I&G register on 30 December 2011. The figure of 4.5p per share above excludes these dividends, but does not change total return.

Fuller details showing performance for the funds raised by each VCT (including funds managed by Matrix and by former managers) are shown in Part Seven of this document.

The Boards believe the key features of this offer are:

- **lower risk investment strategy;**
- **a proven, successful VCT management team;**
- **dividends;**
- **liquidity;**
- **diversification; and**
- **taxation.**

Lower risk investment strategy

Historically, the Companies have deployed a conservative investment strategy, to minimise the risk of loss to their investors. Before qualifying investments are identified, cash is held in liquid, low risk Money Market Funds. Matrix has focused on deploying that cash in management buy-out transactions of companies identified to be established, profitable and that generate positive cash flow. Such businesses are then capable of supporting an investment structure that includes income yielding loan stocks. The loan stock should hold its value, being a prior ranking instrument over the equity portion, thus providing some "downside" protection in the event of the value of an investment falling. Often, these loan stocks are repaid early and with a significant repayment premium. This reduces the Companies' exposure to that investment, whilst retaining an equity interest that could grow over time and provide attractive positive returns.

The investment strategy also seeks to reduce risk through focus on:

Larger target businesses

Matrix advises four VCTs. This has enabled Matrix to invest up to £6 million in businesses that are typically larger than those invested in by other VCTs. Of the Companies' 15 largest investments (that represent 84.2% of all Venture Capital Investments, excluding acquisition companies, made by the Companies) the average annual turnover of these businesses is £22 million as analysed on pages 22 to 27 of Part Six of this document.

Established profitable target businesses

The Companies aim to invest in businesses that are established and profitable (at the EBITA level) at the point of investment. Of the Companies' 15 largest Venture Capital Investments (excluding acquisition vehicles), all are profitable businesses (based on EBITA) as shown on pages 22 to 27.

MBO transactions

The Companies predominantly invest in MBO deals that align their interests with those of the incumbent management team running the target business. Of the Companies' 15 largest Venture Capital Investments (excluding acquisition companies), 12 are MBO transactions.

Use of loan stock

Investing in profitable target businesses enables the Companies to structure their investments in loan stock and equity. The Companies' loan stock ranks ahead of all shareholders in entitlement to income and capital receipts from the target businesses, whilst the Companies' shareholding offers the opportunity of a share in the capital gains upon the sale of the target business. Of the Companies' 15 largest Venture Capital Investments (excluding acquisition companies), the loan stock element of the investments expressed as a percentage of the total investment cost was 74.3% at the point of original investment.

A proven, successful VCT management team

The track record of performance above is, in the Boards' view, partly due to key attributes of the Matrix team, which are:

Size, experience and stability

Matrix has an investment team of 9 private equity executives with over 150 years collective investment experience. The four original partners have worked together for 13 years. CVs for the Matrix investment team are set out on pages 16 and 17.

Commitment to the Companies

As owners of their fund management business and with their entire focus on VCTs, the Matrix team has a clear, vested and aligned interest with investors in making VCT investments a success.

Realisation record

The team has a strong and consistent record of delivering profitable VCT investment cash on cash realisations, primarily from trade sales. Examples of full investment exits achieved by the Matrix team are set out below:

Year	Business	Money multiple	Cash gain (£ million)
2011	DiGiCo Europe	4.4 X[1]	7.2
	App-DNA	32.0 X[2]	14.4
	Original Additions	4.2 X[3]	2.7
2009	PastaKing	3.3 X	3.0
	Tottel Publishing	4.0 X	2.3
2008	HWA	3.5 X	3.6
	BBI	3.1 X	1.9
2007	Secure Mail Services	4.2 X	4.2
	Ministry of Cake	2.6 X	3.2

1 Money multiple for DiGiCo includes 1.3 X in the value of retained equity and loan stock investment

2 Money multiple for App-DNA includes 3.1 X for deferred consideration

3 Money multiple for Original Additions includes 0.5 X in a residual loan stock investment

DiGiCo Europe Limited ("DiGiCo")

A fast growing technology-led business that designs market-leading digital sound-mixing consoles used by the live music market, theatres, houses of worship and corporate users. In 2007, it received investment funding by the Matrix VCTs following a management buy-out led by the incumbent management team. Since that transaction, the business invested heavily in R&D, creating highly acclaimed ranges of consoles, and turnover has grown from £8 million in 2007 to £22 million in 2011.

DiGiCo's export success was recognised during 2011 when it was awarded a Queen's Award for International Trade.

The Matrix VCTs have sold the majority of their interest to ISIS Equity Partners LLP, but retain an equity and loan stock investment in the business.

App-DNA Group Limited

A software company whose products enable customers around the world to save time and money when changing IT operating systems or enabling employees to access IT application systems remotely. This company was de-merged from Camwood Limited in November 2010. Originally, I&G VCT had invested £1.03 million in Camwood Limited, in September 2003 (prior to Matrix managing the portfolio). Upon de-merger, half of this cost was allocated to App-DNA Limited, which was sold in October this year to a US company, Citrix Systems Inc, realising proceeds of up to £16.4 million (including £1.8 million of deferred consideration), achieving a return of 32 times original investment.

Amaldis (2008) Limited – (Original Additions)

A leading beauty accessories business, which has a presence in over 30 international markets. I&G originally supported the MBO of Original Additions in 2004, when management acquired the business from private ownership, and has this year sold most of its interest to a larger private equity buyer, retaining a small loan stock investment.

Pasta King Holdings Limited

This company was founded in 1995 to offer businesses and, in particular, the education sector, healthy pasta meals and to profit from the growing Italian cuisine market. In 2006, Pasta King received investment funding by the Matrix VCTs following a management buy-out led by two of Pasta King's board directors. This company enjoyed rapid growth and by the date of sale, employed 71 staff and had an annual turnover of £12 million. Pasta King is a multi-award winning business and won six awards in 2008, including the award for 'Small to Medium sized UK Business of the Year' at the National Business Awards.

Tottel Publishing Limited

Two of the Companies originally invested in the acquisition of Tottel, a publisher of high quality books on law and tax and information services for lawyers, accountants and business professionals, with its management in October 2004, from LexisNexis, a subsidiary of Reed Elsevier. The business, based in Haywards Heath, Sussex, employed 27 staff, and achieved a growth of 80% in annual turnover to just over £6 million while held, and was sold to Bloomsbury Publishing plc, the publishers of the Harry Potter novels.

HWA Limited – (Holloway White Allom)

I&G invested £1 million to back the management buyout of Holloway White Allom, in November 2004. It was a leading provider of specialist services to the high-end residential and commercial market covering construction (refurbishment and new build) and maintenance. The disposal disclosed was a refinancing that generated the returns shown in the table on page 8.

BBI Holdings plc

The Matrix VCTs first invested in BBI, a healthcare business that focuses on diagnostics and diabetes, backing a management buy-out in November 2000. The business grew significantly, floated on the AIM market and had extended its portfolio via the acquisition of a number of synergistic companies. The organisation is recognised as a key player within the diagnostic industry, and was taken over by an American group, Inverness Medical Innovations, in 2008.

Secure Mail Services Limited

In 2002, Matrix led the management buy-out of Secure Mail Services on behalf of I&G and another Matrix advised institutional fund. It is a Northampton-based provider of solutions for valuable mail and small parcels to businesses. This company was sold to Candover in 2007 and was combined with newly delisted DX Services to form a larger mail group.

Ministry of Cake (Holdings) Limited

Matrix VCTs invested in Ministry of Cake, a leading manufacturer of desserts and cakes for the food service industry, in September 2005, before being sold to the Greencore Group in 2007. It had a turnover of £16 million at sale, being 14% growth year-on-year, while owned for 26 months. The investment generated an internal rate of return of 58% per annum.

In addition to the exits above, several partial investment exits have been achieved through the performance and the redemption of loan stocks that have returned more than or close to the original cost of the investment. Examples of partial investment exits achieved by the Matrix team are set out below:

Year	Business	Money multiple	Cash gain (£ million)
2011	Iglu.com	1.2 X	4.3
2011	Vectair	1.2 X	1.0
2008 & 2011	VSI	1.2 X	2.0

In each of the above investments the original equity shareholding is still held.

The track record above is that of the Matrix team and as such includes information on the Companies and other funds managed by Matrix. Past performance of the Companies, other funds managed by Matrix and Matrix itself is no indication of future performance. Further, not all investments undertaken by the Companies have been successful nor have all produced positive returns.

Dividends

The payment of dividends (which are tax-free to Qualifying Investors) is a key feature and attraction of investing in VCTs. Each Company has a minimum annual target dividend of 4p per Share. However, the ability of each Company to pay dividends in the future cannot be guaranteed and no forecast or projection is to be implied or inferred.

In respect of their last financial years, MIG and MIG 4 paid dividends of 5p and 4p per share respectively. In respect of its last financial year, I&G has declared a final dividend of 4p per share, subject to the approval of I&G shareholders at the forthcoming I&G annual general meeting.

In respect of the current financial year to 30 September 2012, I&G has declared a special interim dividend of 20p per share payable on 27 January 2012 to shareholders on the I&G register on 30 December 2011.

Liquidity

The Boards are aware that it is difficult for investors to sell VCT shares in the market at or close to net asset value. To counter this, each Board's current intention is to continue with its existing buy-back policy, with the objective of maintaining the discount to NAV at which the Shares trade at 10% or less. The Shares in each of the Companies are currently trading, on a mid-market basis, at discounts to the latest published NAV ranging between approximately 8.9% and 10.4%.

The target discount will generally use the Company's latest published NAV. However, if any Board, in consultation with Matrix, considers that there has been a material movement in the Company's NAV from the latest announced figure, that Board will apply this target discount to its best estimate of the current NAV, and announce this NAV before such buy-backs are undertaken.

The Boards are aware of the importance to some Shareholders of a means of exit from these VCTs and believe such a policy addresses this. Share buy-backs will, however, be subject to:

(i) the relevant Company having available reserves, liquidity and Shareholder authorities; and

(ii) legislation and regulation applicable from time to time.

Diversification

This linked Offer enables investors to access the established portfolios of all three Companies with combined assets of approximately £125 million. Whilst the Companies do co-invest and, as a result have overlapping portfolios, by investing in all three Companies the investment risk is spread across a more diverse portfolio of unquoted companies across a number of sectors, whilst also accessing funds which can be invested under the more flexible pre-2007 investment rules. Under the Offer, an investor's subscription will be split into three equal amounts and used to purchase Offer Shares in each Company at a price linked to NAV plus Offer costs.

Taxation

Income tax relief of up to 30% is available to Qualifying Investors on the amount subscribed (subject to a maximum investment in VCTs of £200,000 in any one tax year and a Qualifying Investor's income tax liability only being reduced to nil), provided the Shares are held for at least five years and the VCT status of the Companies is maintained;

Tax free dividends to Qualifying Investors (subject to the annual investment limits); and

Capital gains tax exemption on any gains arising on the disposal of the Shares.

Examples of the effect of the initial 30% income tax relief*

Cost of investment	**Per Share**
Gross subscription by Investor	100p
30% income tax relief	(30p)
Effective net issue price	**70p**
Initial value of Investment	
Gross subscription by Investor	100p
Issue costs	(5.5p)
Initial Net Asset Value	**94.5p**
Initial uplift*	**+24.5p**
Initial uplift upon 70p**	**+35%**

* assuming an Offer Price per Offer Share of £1 and subject to an investor being a Qualifying Investor who holds the shares for at least five years in order to retain the income tax relief (subject to a maximum investment in VCTs of £200,000 in any one tax year and a Qualifying Investor's income tax liability only being reduced to nil). As such, this initial uplift cannot be immediately realised.

** this example uplift does not take into account the price at which Shares will trade, which is likely to be at a discount to NAV.

PART TWO – THE LINKED OFFER

Matrix Income & Growth VCT plc, Matrix Income & Growth 4 VCT plc and The Income & Growth VCT plc are all companies advised by Matrix. The Companies intend to raise, in aggregate, up to £21 million (before expenses) by offering Offer Shares to raise £7 million (before expenses) for each Company through the Offer. The Boards believe it continues to be an advantageous time in the economic cycle to be making venture capital investments. The Offer is designed to appeal to Qualifying Investors who wish to hold their Shares in the long-term, whilst receiving tax-free dividends from surplus income and capital realisations. The three Companies invest in an illiquid asset class, where a medium term view and investment commitment has to be taken. Subscribers to the Offer will benefit from being able to invest in three VCTs which already have established and diversified portfolios and are advised by one of the VCT industry's leading managers with a strong performance track record.

The VCT industry

VCTs were launched in 1995. The objective was to offer attractive tax reliefs to encourage individuals to invest into a vehicle which in turn invests into smaller companies that require funding to grow. The UK government continues to recognise this as an extremely important sector of the economy as these smaller businesses can become the growth companies of the future. The VCT industry today has approximately £2.5 billion of funds under management in 121 VCTs.

Matrix

Matrix has been advising VCTs for over a decade and has a focus on investing to assist management teams in buying their businesses from their owners. These management buy-out (MBO) transactions can be viewed as lower risk for several reasons, including:

- The businesses invested in are profitable (based on EBITA) and cash generative.
- Matrix is able to buy these businesses alongside management teams that fully understand their own businesses.
- The incumbent management is highly incentivised to buy the business on attractive terms for themselves and for the VCTs Matrix advise.

Further details about Matrix are set out in Part Three of this document.

The Matrix VCTs

The three Companies intend to raise a total of £21 million which will be split equally among the three Companies. Investors will access the established portfolios of these three VCTs with assets totalling in excess of £125 million and join approximately 6,100 existing investors in these VCTs. The additional funds raised under the Offer will be invested in accordance with the Companies' investment policies, a summary of which is in Part Five of this document.

The Companies raised a significant portion of their VCT funds prior to 5 April 2006 and so can continue to invest in VCT Qualifying Companies with gross assets of up to £15 million prior to investment (post 5 April 2006 it became £7 million). As a result, the Offer should also enhance each Company's ability to invest in Qualifying Companies which qualify for VCT investment under these less restrictive rules.

In addition, the Government announced in March 2011 that, subject to EU State Aid approval being received, legislation will be introduced in forthcoming tax years to increase the above mentioned limits. The gross assets test referred to above would be increased to £15 million immediately before and £16 million immediately after the investment, the number of permitted employees for an investee company would be increased from 50 to 250 and the amount of investment obtained by companies from VCTs or under the Enterprise Investment Scheme would be increased to £10 million in any rolling 12 month period. The recently published draft legislation to be included in the 2012 Financial Bill provides for these changes and will result in providing additional flexibility in the investment of new funds raised.

The Government also announced in its Autumn Statement (and as provided for in the recently published draft legislation to be included in the 2012 Financial Bill) that it will tighten the focus of the venture capital schemes by introducing a new test to exclude companies set up for the purposes of accessing relief and exclude acquisition of shares in another company. The latter restriction is expected (as provided for in the draft legislation) to be applicable only to funds raised after 5 April 2012. The Companies in turn expect, therefore, to be able to continue with their current investment strategies in respect of existing funds raised and funds raised pursuant to the Offer without being materially affected by this change in the short to medium term. The Boards and Matrix will keep the amount of funds raised under the Offer post 5 April 2012 under review and will close the Offer if further amounts raised to which the restriction would apply would not be in the best interests of the Companies.

In addition to these changes the Government also confirmed it will remove the £1 million investment limit per company for VCTs to reduce the administrative burdens of the scheme.

Terms of the Offer

The Companies intend to raise, in aggregate, up to £21 million (before expenses and unless increased by the Boards) by offering a maximum of 10,000,000 Offer Shares in each Company.

An investor's subscription amount will be divided equally between each of the Companies. The number of Offer Shares to be allotted in the relevant Company will then be determined by dividing the investment amount by the Offer Price per Offer Share in each Company calculated on the basis of the following Pricing Formula:

Latest published NAV of the Shares in the relevant Company on the day of allotment divided by 0.945 (to allow for issue costs of up to 5.5%), rounded up to the nearest 0.1 pence per Share.

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

The Offer Price is determined by the Pricing Formula to avoid dilution to the NAV of existing Shares when the Offer Shares are issued (ignoring the impact of annual trail commission payments by each Company, which are capped at 2.25% of the Offer price and is, therefore, considered to be small). The application of the Pricing Formula also avoids the need to announce the Offer Price of the Offer Shares repeatedly during the Offer Period (though the Offer Price will be announced on or before the date of each allotment) and makes explicit the basis on which the price of the Offer Shares will be determined.

The Companies publish NAVs on a quarterly basis, from which the Offer Price will be calculated. Should there be a material movement in the NAV of a Company between each Company's quarter, the relevant Company will publish an updated unaudited NAV from which the updated Offer Price will be calculated. Examples of circumstances that could cause such an updated NAV include (i) an event at an investee company that causes that investment's previous valuation to require a revision to the NAV previously announced or (ii) where a dividend is paid or is to be paid before the date of allotment of shares under the Offer or (iii) where excessive market volatility causes some of the variables (used to produce valuations that supported the previous NAV), to require alteration, resulting in an updated, estimated NAV.

An illustration of the application of the Pricing Formula is set out below (based on the most recently published NAVs for each of the Companies).

	MIG	MIG 4	I&G
Latest published NAV	87.9p* (unaudited as at 30 September 2011)	112.0P* (unaudited as at 31 October 2011)	120.8p* (audited as at 30 September 2011)
Offer Price per Offer Share**	93.1p	118.6p	127.9p

** As the first allotment of Offer Shares is not planned to be before 29 February 2012, it is probable that Offer Shares will be allotted at a price that reflects more recent NAVs than those shown above and on page 4 of this document.*

***(NAV ÷ 0.945, rounded up to the nearest 0.1 pence per share).*

Consequently, an investor who invests £15,000 under the Offer would receive (ignoring reinvested adviser commission as detailed in Part Eight of this document and the Early Investment Incentive):

	MIG	MIG 4	I&G
Amount to be invested	£5,000	£5,000	£5,000
Offer Price	93.1p	118.6p	127.9p
Number of Offer Shares*	5,370	4,215	3,909

** (£5,000.00 ÷ Offer Price, rounded down to nearest whole share)*

Investors should note that the above are examples only of the application of the Pricing Formula and that the Offer Price in relation to an allotment may be different from those shown above. In addition, the most recently published NAV from which the Offer Price will be calculated may be different at the time of allotment from that prevailing at the time an investor makes an application. The Offer Price is likely to change during the Offer period, as the underlying net asset values change.

There is no minimum subscription level for the Offer to proceed and the Offer is not underwritten.

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

Early Investment Incentive

Investors who by 29 February 2012 successfully apply for Offer Shares pursuant to the Offer will be given an early investment incentive of 1.25% of their subscription monies to purchase additional Offer Shares in the Companies at the same Offer Price in each Company (rounded down to the nearest whole number of Offer Shares).

Matrix reserves the right to increase the £4 million threshold to which the Early Investment Incentive will apply and/or extend the period to which it will apply.

For illustration, using the example above:

An investor who successfully applies for £15,000 of Offer Shares prior to 29 February 2012 would receive the following additional Offer Shares:

MIG:
£62.50 (1.25% of £5,000) ÷ 93.1p = 67 MIG Offer Shares

MIG 4:
£62.50 (1.25% of £5,000) ÷ 118.6p = 52 MIG 4 Offer Shares

I&G:
£62.50 (1.25% of £5,000) ÷ 127.9p = 48 I&G Offer Shares

PART THREE – THE MANAGER: MATRIX

The Boards believe that Matrix is a manager with a proven record of investing capital profitably and generating good levels of income.

Matrix is a UK limited liability partnership. Its origins date back to 1998 when its four founder executive partners commenced working together. Since April 2004, Matrix has been owned jointly by its executive partners and Matrix Group Limited.

Matrix has now grown to six partners and ten staff with over 150 years' investing experience between them. This team is wholly dedicated to the management and administration of VCTs.

On 12 January 2012, the executive partners of Matrix and Matrix Group Limited agreed for the executive partners of Matrix, to acquire Matrix Group Limited's interest in Matrix. This will result in the executive partners acquiring control of Matrix to create a fully independent firm. The acquisition is subject to approval from the FSA of the change of control in Matrix and is expected to be completed on or around 30 June 2012.

The Companies' arrangements with Matrix, in particular its investment approach and services, are not expected to change. The Boards look forward to this new phase with their manager whilst reserving their respective rights under the investment management agreements.

Subject to the acquisition being completed and following close of the Offer, it is currently intended that Matrix will leave its offices at One Vine Street and that both it and the names of the VCTs under its management (including, where relevant, the Companies) will be changed to remove references to "Matrix".

Of the 32 VCT managers in the UK, Matrix is the seventh largest with funds under management, as at 30 November 2011, of approximately £140 million and the VCTs advised by Matrix have over 7,200 existing investors.

Matrix entered the VCT industry advising two multi-manager VCTs as one of three managers each looking after a share of the assets. These VCTs, TriVen VCT plc and TriVest VCT plc, were launched in 1999 and 2000 respectively. Between 2004 and 2009, it became clear to the independent boards of each VCT that Matrix was achieving the best performance of the managers and that Matrix should be appointed sole manager. The VCTs have subsequently been re-named Matrix Income & Growth 4 VCT plc and The Income & Growth VCT plc and these are two of the Companies in this linked Offer. In 2004, Matrix Income & Growth VCT was launched with Matrix as sole manager. In 2005, Matrix Income & Growth 3 VCT plc was launched with Matrix as the sole manager. In 2010, Matrix Income & Growth VCT plc completed a merger with Matrix Income & Growth 3 VCT plc and this is the third Company in this linked Offer.

Lower risk investment approach

The Matrix investment approach involves a conservative strategy designed to reduce the risks of investing in smaller companies, whilst still offering the opportunity for attractive upside returns. This is achieved through:

- ***Size of the company***

  As one of the larger VCT managers advising several VCTs, Matrix is able to co-invest VCT capital, making investments of up to £6 million. This enables Matrix to invest in lower risk larger transactions and larger more mature companies than many other VCTs.

- ***Type of company***

  All target companies should be established, profitable (at the EBITA level) and cash generative at the point of investment. These target companies generally represent less risky investments than early stage or unprofitable companies. The focus is on privately owned businesses. Investments in AIM-Listed companies currently represent less than 2.6% by value of the total assets of the Companies, of which five of the six quoted investments were originally made by former managers of the Companies.

- ***Type of transaction***

  Matrix has a particular focus on and expertise in backing MBO transactions that are considered lower risk because of the Companies' alignment of interest with target company MBO teams who:

  - have a unique and privileged understanding of the financial opportunities and risks within their businesses;
  - are prepared to put at risk significant personal capital to purchase shares at the same time as the Companies; and
  - are seeking to buy their business alongside the Companies on the most attractive terms with the mutual objective of realising maximum value through selling the business in the medium term.

- ***Structure of the transaction***

  Investing in MBOs of profitable companies enables Matrix to structure investments to reduce the level of risk through downside protection. This is achieved by each VCT investment being structured to maximise the amount which may be invested as loan stock which has income and capital rights in priority over all equity and also generates an income yield. Furthermore, upside return potential is also secured by an equity shareholding that holds the potential for being profitably realised through an eventual trade sale of the target company.

The Matrix Team

Matrix has one of the largest and most experienced teams focused on VCT investment. The Boards believe that there are four key features that make Matrix one of the leading UK VCT investment teams:

- Experience – the investment team of nine private equity investment managers includes six partners who each have greater than 10 years experience in both UK private equity and VCT investment;
- Stability – the four partners who originally formed the team have worked and invested together for 13 years;
- Commitment – as owners of their fund management business and with their entire focus on VCTs, the team has a clear, vested and aligned interest with Shareholders in making VCT investment a success; and
- VCT realisations track record – the team has a strong and consistent record of delivering profitable VCT cash on cash realisations, primarily from trade sales.

The Matrix team and businesses in the Companies' portfolios have also won numerous investment industry awards, including:

- 2011 – Insider Dealmakers – South East Private Equity House of the Year
- 2010 – BVCA Portfolio Company Management Awards – Winner of International Impact Management Team of the Year for DiGiCo Europe Limited
- 2010 – M&A awards – Small Deal of the Year for Tottel Publishing
- 2009 – BVCA awards – Woman CEO of the Year for PastaKing
- 2008 – Unquote awards – VCT Manager of the Year
- 2006 – Investor Allstars awards – VCT Manager of the Year
- 2005 – Investor Allstars awards – VCT Manager of the Year

Senior Management Team

Mark Wignall

Mark is the managing partner of Matrix. He trained as an economist before joining MAI Plc. He entered the UK venture capital industry in 1987 on joining GLE Development Capital and became managing director in 1994. He brought together Matrix's current senior management team and in 2004, he led that team in acquiring GLE Development Capital and establishing the joint venture to form Matrix. Mark is a member of the AIC VCT forum and has over 20 years' experience of private equity investment.

Guy Blackburn

Guy is a manager at Matrix. He joined in 2007 having worked for 4 years in real estate for the Grosvenor Group. Guy led I&G's highly profitable realisation of App-DNA Group Limited and was a non-executive director of App-DNA until the time of its sale in 2011.

John Brandon

John is a director at Matrix. He entered the venture capital industry in 1991 joining Midland Montagu Ventures. From 1992 to 2003 he was at HSBC Ventures, becoming Managing Director in 1999 following Bob Henry's departure to join Matrix. John subsequently left HSBC to join Matrix in 2004. He has over 20 years' of private equity investment experience.

Rob Brittain

Rob heads up VCT services at Matrix and is responsible for providing company secretarial and accounting services for the Companies. Rob is a chartered accountant who sits on the VCT technical committee of the AIC.

Ashley Broomberg

Ashley is a partner of Matrix. He joined in 2001. He is a chartered accountant with a background in corporate finance and strategy, having previously worked with Arthur D. Little and Arthur Andersen. He is a non-executive director of a number of Matrix's investee companies and has 10 years' experience of private equity investment.

Jonathan Gregory

Jonathan is a founder partner of Matrix. He qualified as a chartered accountant with Baker Tilly and joined the Matrix team in 1995 as a director, responsible for new investment. He has over 20 years' experience working with unquoted companies and 16 years' experience of private equity investment. Jonathan heads up Matrix's new investment team and was named the Insider Dealmakers South East Venture Capitalist of the Year in 2008 and 2009.

Bob Henry

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

Chris Price

Chris is a manager at Matrix. He joined in 2010 from Foresight Group LLP, a VCT manager which he joined in 2007, having previously worked at Icon Corporate Finance, an adviser to smaller companies. Chris was named Insider Dealmakers South East Venture Capitalist of the Year in 2010.

Eric Tung

Eric is a partner of Matrix. He qualified as a chartered accountant with KPMG and joined Enterprise Ventures in 1990, becoming Head of Investment, leaving to join Matrix in 2000. He has 21 years' experience of private equity investment.

Mike Walker

Mike is a founder partner of Matrix. He originally trained at 3i Plc and was a director of Gresham Trust Plc for seven years, becoming head of its Portfolio Management Unit. He joined the Matrix team as a director in 1998 and is a non-executive director of several companies in Matrix's portfolio. He has over 30 years' experience of private equity investment.

PART FOUR – THE BOARDS

As required by the new provisions of the Listing Rules for VCTs, each of the Companies' Boards is independent of Matrix. All Directors are independent of Matrix save for Bridget Guérin and Helen Sinclair as set out below.

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

Independent Chairmen

Keith Niven (63) – MIG

Keith has over 30 years' experience in the financial services industry, most of which was spent at Schroder Investment Management Limited, the fund management arm of Schroders plc, where he was appointed joint vice-chairman in 2000. He held a number of other senior positions within Schroders including managing director of its UK institutional fund management business between 1986 and 1992 and chairman of its retail business, Schroder Unit Trusts Limited, from 1992 to 2001. He retired from Schroders in October 2001. Keith is a non-executive director of three other trusts, Schroder UK Growth Fund plc, Schroder Income Growth Fund plc and Impax Environmental Markets plc. Keith is also an investment adviser to the Rolls-Royce Pension Fund and a director of the Trossachs Community Trust. Until May 2010, he was chairman of Matrix Income & Growth 3 VCT plc (and continued to be a director of Matrix Income & Growth 3 VCT plc until its dissolution in October 2011).

Christopher Moore (67) – MIG 4

Christopher has considerable experience of the venture capital industry. After a law degree and qualifying as an accountant with Price Waterhouse he worked for Robert Fleming Inc., Lazards, Jardine Fleming and then Robert Fleming, latterly as a main board director from 1986 to 1995. During this period he was involved in various unquoted and venture capital investments and remained chairman of Fleming Ventures Limited, an international venture capital fund, until the fund's final distribution in 2003. His roles have included acting as senior adviser to the chairman of Lloyds and chairing the successful turn-around of a public industrial group. Until May 2010, he was a director of Matrix Income & Growth VCT plc, until September 2010 he was a director of The Income & Growth VCT plc and until its dissolution in October 2011 he was a director of Matrix Income & Growth 3 VCT plc.

Colin Hook (69) – I&G

Colin has wide financial and commercial experience. He has worked in the City for more than 30 years. During this time, he directed fund management operations for more than ten years. His City involvement includes mergers and acquisitions, and flotations. From 1994 to 1997 he was chief executive of Ivory and Sime plc. He is currently the chief executive officer of Pole Star Space Applications Limited, a leading provider of real-time tracking information for maritime applications via a global web-based satellite enabled solution. Until September 2010, he was chairman and a director of Matrix Income & Growth 4 VCT plc.

Independent Directors

Tom Sooke (67) – MIG

Tom is an experienced venture capitalist and is chairman of Travel á la Carte Limited. In recent years he has been chairman and non-executive director of a number of quoted and unquoted private equity funds and other companies. Previously, up until 1991, he was a partner in Deloitte LLP, co-managing the firm's corporate advisory group in London. Prior to that he was a main board director at Granville Holdings plc, where he also established and ran its main private equity fund activities from 1980 to 1987. In 1983, whilst with Granville, Tom was one of the co-founding members of the British Venture Capital Association. Until January 2011 he was a director of Braxxon Consulting Limited and until its dissolution in October 2011 he was also a director of Matrix Income & Growth 3 VCT plc .

Andrew Robson (52) – MIG 4

Andrew qualified as a Chartered Accountant in 1984. From 1984 to 1997, he worked in Corporate Finance at Robert Fleming & Co Limited, becoming a director. Following a four year term in charge of the finances of the National Gallery, he joined Société Générale as a director in the London M&A department. He subsequently became finance director of the eFinancial group, a group specialising in financial publishing and online recruitment. He now works as a business adviser to small companies.

Andrew has over 12 years of experience as a non-executive director, including with investment companies. He is currently a non-executive director of British Empire Securities and General Trust plc (from August 2008), Shires Income plc (from May 2008) and JP Morgan Smaller Companies Investment Trust plc (from 2007). Andrew was a non-executive director of Edinburgh UK Smaller Companies Tracker Trust plc from 1998 to 2006 and a non-executive director of Gate Gourmet Group Holding LLC from 2006 to 2007 and a non-executive director of M&G Equity Investment Trust plc from 2007 to 2011.

Jonathan Cartwright (58) – I&G

Jonathan qualified as a Chartered Accountant. He has significant experience of the investment trust sector and of serving on the boards of both public and private companies in executive and non-executive roles. Jonathan joined Caledonia Investments plc in 1989, serving as Finance Director from 1991 to December 2009 and Group Financial Controller at Hanson plc from 1984 to 1989. He was a non-executive director of Bristow Group Inc. (from 1996 to 2009) and has been a non-executive director of Serica Energy plc (from 2008), British Portfolio Trust plc (from September 2010) and Aberforth Geared Income Trust plc (from March 2010). Jonathan has served on the Self-Managed Investment Trust Committee of the Association of Investment Companies (to December 2009).

Non-Independent Directors

Bridget Guérin (50) – MIG

Bridget is a former director of and current shareholder (0.3%) in Matrix Group Limited which owns 100% of the equity in Matrix Private Equity Limited which, in turn, currently holds a 50% interest in Matrix. Bridget was managing director of Matrix Money Management Limited from June 1999 to March 2011, a wholly owned subsidiary of Matrix Group Limited which is a specialist financial services company. Whilst at Matrix, Bridget was also a director of the Matrix Alternative Investment Strategies Fund Limited, an open ended fund of hedge funds, Matrix Structured Products Limited, a closed ended fund based in Bermuda and Matrix UCITS Fund plc, a fund which has a number of UCITS sub funds. Bridget ceased to be a director and employee of companies within the Matrix group and the connected funds on 31 March 2011. Prior to joining Matrix, Bridget accumulated 16 years' of retail investment fund experience at Schroder Unit Trusts Limited, Ivory & Sime and County NatWest. Bridget is currently a non-executive director of the CCP Quantitative Fund and York Racecourse and is a trustee of the York Racecourse Pension Fund. Under the Listing Rules, Bridget is considered to be independent; however, the MIG Board considers that Bridget is not independent under the UK Code of Corporate Governance due to her recent links with the Matrix group and the connected funds.

Helen Sinclair (45) – I&G and MIG 4

Helen has extensive experience of investing in a wide range of small and medium sized businesses. She graduated in economics from Cambridge University and began her career in banking. After an MBA at INSEAD business school, Helen worked from 1991 to 1998 at 3i plc based in their London office. She was a founding director of Matrix Private Equity Limited when it was established in early 2000 and raised two funds, Matrix Income & Growth 2 VCT plc and Matrix Enterprise Fund. After leaving Matrix in 2005 she was a non-executive director of Hotbed Fund Managers Limited from 2006 to 2008. She is chairman of British Smaller Companies VCT plc, a non-executive director of Framlington AIM VCT plc, Octopus Eclipse VCT 3 plc and Spark Ventures plc. Helen is a director of both I&G and MIG 4 and, as both are managed by Matrix, is not deemed to be an independent director pursuant to the Listing Rules.

PART FIVE – INVESTMENT OBJECTIVES AND POLICIES

The investment objectives and investment policies for the Companies are materially the same. A summary of the investment objectives and investment policies is set out below. The full investment objectives and investment policies for each Company are set out in the Registration Document.

Summary of the investment objectives

The objective of the Companies is to provide investors with a regular income stream, by way of tax-free dividends, and to generate capital growth through portfolio realisations, which can be distributed by way of additional tax-free dividends.

Summary of the investment policies

The Companies' investment policies are materially the same, being to invest primarily in a diverse portfolio of UK unquoted companies. Investments are structured as part loan and part equity in order to generate regular income for the Companies and to generate capital gains from trade sales and flotations of investee companies.

Investments are made selectively across a number of sectors, primarily in management buyout transactions (MBOs) i.e. to support incumbent management teams in acquiring the business they manage but do not yet own. Investments are primarily made in companies that are established and profitable. Both I&G and MIG 4 have a legacy portfolio of investments in early stage and technology companies from the periods when they were multi-managed VCTs. These represent less than 3.5% of the value of the aggregate combined net assets of the three Companies.

In respect of MIG and MIG 4, uninvested funds are held in cash and low risk money market funds. I&G's cash and liquid resources, however, may be invested in a range of instruments of varying maturities, subject to the overriding criterion that risk of loss of capital be minimised.

UK companies

The companies in which investments are made must have no more than £7 million of gross assets at the time of investment (or £15 million, depending on when the funds being invested were raised) to be classed as a VCT qualifying holding.

VCT regulation

The investment policies are designed to ensure that the Companies continue to qualify and be approved as VCTs by HMRC. Amongst other conditions, each Company may not invest more than 15% of its investments in a single company and must have at least 70% by value of its investments throughout the year in shares or securities comprised in VCT qualifying holdings, of which a minimum overall of 30% by value (70% for funds raised from an effective date to be specified) must be in ordinary shares which carry no preferential rights (save as may be permitted under VCT rules). In addition, although each Company can invest less than 30% (70% for funds raised from 6 April 2011) of an investment in a specific company in ordinary shares it must have at least 10% by value of its total investments in each VCT qualifying company in ordinary shares which carry no preferential rights (save as may be permitted under VCT rules).

Asset mix

The Companies initially hold their funds in a portfolio of readily realisable interest bearing investments and deposits. The investment portfolio of qualifying investments is built up over a three year period with the aim of investing and maintaining at least 80% of net funds raised in qualifying investments.

Risk diversification and maximum exposures

Risk is spread by investing in a number of different businesses across different industry sectors. To reduce the risk of high exposure to equities, each qualifying investment is structured to maximise the amount which may be invested in loan stock. Initial investments in VCT qualifying companies are then subject to formal approval by the relevant Board.

Liquid investments

Each Company's liquid investments will primarily be maintained in Money Market Funds with the objective of generating income whilst maintaining that Company's capital pending investment in UK unquoted companies. Money Market Funds invest their assets in money market instruments (i.e. cash and near cash, such as bank deposits, very short term fixed interest securities or floating rate notes). The main objective will be the protection of capital so that priority will be given to the credit rating of the funds used rather than the rate of interest offered, which is currently at historically low levels.

Valuation policy

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

Buy-back policy

The Boards are aware that it is sometimes difficult for investors to sell VCT shares in the market at or close to net asset value. Each Board aims to provide shareholders who wish to sell their shares with an opportunity to do so by operating an active policy of buying back shares, thereby seeking, inter alia, to manage the level of discount to net asset value at which Shares may trade in the market. Each Company is currently operating its buy-back policy with the objective of maintaining the discount to NAV at which the Shares trade at 10% or less. The Shares in each of the Companies are currently trading, on a mid-market basis, at discounts to the latest published NAV ranging between approximately 8.9% and 10.4%.

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

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

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

Co-investment policy

Each Company aims to invest in larger, more mature unquoted companies through investing alongside the other VCTs advised by Matrix with a similar investment policy. This enables the Companies to participate in combined investments advised by Matrix of up to £5 million.

Where more than one of the funds managed or advised by Matrix wishes to participate in an investment opportunity, allocations will generally be made in proportion to the latest published net asset value of each fund at the date each investment proposal is forwarded to each Board, other than where investments are proposed to be made in a company where a fund has a pre-existing investment. Implementation of this policy will be subject to the availability of monies to make the investment and other portfolio considerations such as sector exposure and the requirement to achieve or maintain a minimum of 70% of a particular VCT's portfolio in Qualifying Companies.

Any variation from this co-investment policy insofar as it affects any Company may only be made with the prior approval of the Directors of that Company who are independent of Matrix.

PART SIX – LARGEST INVESTMENTS OF THE COMPANIES

Set out below are the largest investments held by each Company (which includes investments with a value of greater than 5% of their respective gross assets and which have an aggregate value of greater than 50%), as at the date of this document.

The Venture Capital Investments set out below represent the Companies' 15 largest investments (excluding acquisition companies and liquidity funds). These comprise approximately 44.7% of the aggregate investment portfolios of the Companies, as at the date of this document.

All of the companies below, as at the date of their last published accounts, are profitable based on EBITA. Matrix believes that EBITA is a more meaningful measure of an investee company's underlying profitability to VCT investors. This is because earnings are calculated before deducting loan stock interest (which is part of the return to VCT investors earned by the Matrix structure of investment) and other interest.

For MIG, the current cost is the original investment cost made by both MIG and Matrix Income & Growth 3 VCT plc, less capital repayments to 30 September 2011.

Investment and portfolio information in this Part Six has been extracted from the Companies' accounting records (taken from the unaudited management accounts to 30 September 2011 in respect of MIG, the audited financial statements to 30 September 2011 for I&G and the unaudited management accounts to 31 October 2011 in respect of MIG 4), save for (i) the information on the remaining investment in DiGiCo Europe Limited following the partial realisation of the original investments by the Companies in December 2011, (ii) information on EOTH Limited and EMaC Limited, in which investments were made by the Companies in October 2011 and November 2011 respectively and (iii) balances in cash and liquidity funds as at 31 December 2011.

The information on investee companies' sales, profits and losses and net assets in this Part Six, has been sourced from the latest financial year end accounts published (unless stated otherwise) by those investee companies (''Third Party Information'').

As at the date of this document, there has been no material change in the valuations of investments set out in this Part Six since 30 September 2011 in respect of MIG and I&G and 31 October 2011 in respect of MIG 4 (or, in respect of DiGiCo Europe Limited, EOTH Limited, EMaC Limited and liquidity funds, the more recent valuations as explained above). The Third Party Information has been accurately reproduced and, as far as the Companies are aware and are able to ascertain from information published by the investee companies, no facts have been omitted which would render the reproduced information inaccurate or misleading.

ATG Media Holdings Limited
Original investment October 2008

	MIG	MIG 4	I&G	Year ended 30 September 2010 (£'000)	
Current cost	£1,454,419	£888,993	£888,993	*Sales*	*7,215*
Valuation	£2,740,996	£1,767,225	£1,675,368	*EBITA*	*1,261*
Valuation methodology	Earnings multiple (for all Companies)			*Profit/(loss) before tax*	*632*
Equity/voting rights	14.0%	8.5%	8.5%	*Retained profit/(loss)*	*565*
Percentage of investment portfolio	6.6%	5.9%	3.1%	*Net assets*	*2,506*

Activity: Publisher of the leading newspaper serving the UK antiques trade and online auction platform operator. Location: London.

EMaC Limited
Original investment November 2011

	MIG	MIG 4	I&G	Year ended 31 December 2010* (£'000)	
Current cost	£1,762,336	£1,263,817	£1,878,124	*Sales*	*4,042*
Valuation	£1,762,336	£1,263,817	£1,878,124	*EBITA*	*1,596*
Valuation methodology	Cost (for all Companies)			*Profit/(loss) before tax*	*1,657*
Equity/voting rights	8.8%	6.3%	9.4%	*Retained profit/(loss)*	*2,712*
Percentage of investment portfolio	4.2%	4.2%	3.5%	*Net assets*	*2,712*

Activity: Provider of service plans to motor dealerships
Location: Crewe, Cheshire
**These figures are for EMaC Limited (acquired in November 2011).*

Fullfield Limited (Motorclean Group Limited)
Original investment July 2011

	MIG	MIG 4	I&G	Year ended 31 March 2011* (£'000)	
Current cost	£1,840,384	£1,280,880	£1,718,189	*Sales*	*22,400*
Valuation	£1,840,384	£1,280,880	£1,718,189	*EBITA*	*1,631*
Valuation methodology	Cost (for all Companies)			*Profit/(loss) before tax*	*641*
Equity/voting rights	12.6%	8.8%	11.7%	*Retained profit/(loss)*	*1,939*
Percentage of investment portfolio	4.4%	4.3%	3.2%	*Net assets*	*2,344*

Activity: Vehicle cleaning and valet services.
Location: Laindon, Essex.
**These figures are for Motorclean Group Limited (acquired by Fullfield Limited in July 2011).*

DiGiCo Europe Limited
Original investment July 2007. The majority of the holding was sold in December 2011 for cash proceeds totalling £7.7 million, plus retaining an 8.6% equity interest and loan stock valued at £4.8 million, across the three VCTs.

	MIG	MIG 4	I&G	Year ended 31 December 2010 (£'000)	
Current cost	£370,063	£190,449	£125,107	*Sales*	*18,576*
Valuation	£2,592,668	£1,334,293	£876,496	*EBITA*	*5,501*
Valuation methodology	Earnings multiple (for all Companies)			*Profit/(loss) before tax*	*5,435*
Equity/voting rights	4.6%	2.4%	1.6%	*Retained profit/(loss)*	*6,535*
Percentage of investment portfolio	6.2%	4.4%	1.6%	*Net assets*	*8,909*

Activity: Manufacture of digital sound mixing consoles.
Location: Chessington, Surrey.

ASL Technology Holdings Limited (Authorised Systems Group Limited)
Original investment December 2010

	MIG	MIG 4	I&G	Year ended 30 September 2010* (£'000)	
Current cost	£1,912,945	£1,257,133	£1,769,790	*Sales*	*9,675*
Valuation	£1,810,123	£1,181,765	£1,674,630	*EBITA*	*772*
Valuation methodology	Earnings multiple (for all Companies)			*Profit/(loss) before tax*	*753*
Equity/voting rights	10.3%	6.8%	9.6%	*Retained profit/(loss)*	*1,086*
Percentage of investment portfolio	4.4%	3.9%	3.1%	*Net assets*	*1,170*

Activity: Printer and photocopier services.
Location: Cambridge.
**These figures are for Automated Systems Group Limited (acquired in December 2010).*

CB Imports Group Limited
Original investment December 2009

	MIG	MIG 4	I&G	Year ended 31 December 2010 (£'000)	
Current cost	£2,000,000	£1,000,000	£1,000,000	*Sales*	*21,197*
Valuation	£2,050,934	£972,105	£1,025,448	*EBITA*	*767*
Valuation methodology	Earnings multiple (for all Companies)			*Profit/(loss) before tax*	*213*
Equity/voting rights	12.0%	6.0%	6.0%	*Retained profit/(loss)*	*(729)*
Percentage of investment portfolio	4.9%	3.2%	1.9%	*Net assets*	*4,259*

Activity: Importer and distributor of artificial flowers, floral sundries and home décor products.
Location: East Ardsley, West Yorkshire.

Blaze Signs Holdings Limited
Original investment April 2006

	MIG	MIG 4	I&G	Year ended 31 March 2011 (£'000)	
Current cost	£1,952,986	£610,016	£1,338,500	*Sales*	*20,127*
Valuation	£2,003,817	£645,910	£1,354,238	*EBITA*	*1,889*
Valuation methodology	Earnings multiple (for all Companies)			*Profit/(loss) before tax*	*507*
Equity/voting rights	20.8%	5.7%	12.5%	*Retained profit/(loss)*	*647*
Percentage of investment portfolio	4.8%	2.1%	2.5%	*Net assets*	*2,937*

Activity: Manufacturing and installation of signs.
Location: Broadstairs, Kent.

RDL Corporation Limited (RDL Recruitment Limited)
Original investment October 2010

	MIG	MIG 4	I&G	Year ended 31 December 2010* (£'000)	
Current cost	£1,558,334	£1,000,000	£1,441,667	*Sales*	*19,999*
Valuation	£1,495,775	£924,454	£1,383,792	*EBITA*	*1,315*
Valuation methodology	Earnings multiple (for all Companies)			*Profit/(loss) before tax*	*1,111*
Equity/voting rights	14.1%	9.1%	13.0%	*Retained profit/(loss)*	*2,129*
Percentage of investment portfolio	3.6%	3.1%	2.6%	*Net assets*	*2,130*

Activity: Recruitment consultants for the pharmaceutical, business intelligence, and IT industries
Location: Woking, Surrey
**These figures are for RDL Recruitment Limited (acquired in October 2011).*

EOTH Limited (Equip Outdoor Technologies Limited)
Original investment October 2011

	MIG	MIG 4	I&G	Year ended 28 February 2011* (£'000)	
Current cost	£1,298,031	£951,471	£1,383,314	*Sales*	*13,457*
Valuation	£1,298,031	£951,471	£1,383,314	*EBITA*	*2,355*
Valuation methodology	Cost (for all Companies)			*Profit/(loss) before tax*	*2,223*
Equity/voting rights	3.2%	1.7%	1.7%	*Retained profit/(loss)*	*4,497*
Percentage of investment portfolio	3.1%	3.2%	2.6%	*Net assets*	*4,706*

Activity: Distributor of high quality, branded outdoor equipment.
Location: Alfreton, Derbyshire
**These figures are for Equip Outdoor Technologies Limited (acquired in October 2011).*

British International Holdings Limited
Original investment May 2006

	MIG	MIG 4	I&G	Year ended 31 December 2010 (£'000)	
Current cost	£2,068,182	£295,455	£590,909	*Sales*	*19,350*
Valuation	£2,263,514	£329,818	£646,718	*EBITA*	*3,315*
Valuation methodology	Earnings multiple (for all Companies)			*Profit/(loss) before tax*	*1,518*
Equity/voting rights	17.5%	2.5%	5.0%	*Retained profit/(loss)*	*2,735*
Percentage of investment portfolio	5.4%	1.1%	1.2%	*Net assets*	*4,017*

Activity: Helicopter service operator.
Location: Sherbourne, Dorset.

Focus Pharma Holdings Limited
Original investment October 2007

	MIG	MIG 4	I&G	Year ended 31 December 2010 (£'000)	
Current cost	£1,250,410	£772,451	£516,900	*Sales*	*24,429*
Valuation	£1,520,874	£929,419	£628,706	*EBITA*	*1,510*
Valuation methodology	Earnings multiple (for all Companies)			*Profit/(loss) before tax*	*739*
Equity/voting rights	5.1%	3.1%	2.1%	*Retained profit/(loss)*	*380*
Percentage of investment portfolio	3.7%	3.1%	1.2%	*Net assets*	*3,342*

Activity: Licensing and distribution of generic pharmaceuticals.
Location: Burton upon Trent, Staffordshire.

Iglu.com Holidays Limited
Original investment December 2009

	MIG	MIG 4	I&G	Year ended 31 May 2011* (£'000)	
Current cost	£216,569	£133,779	£152,326	*Sales*	*72,924**
Valuation	£1,261,129	£817,620	£888,657	*EBITA*	*1,447*
Valuation methodology	Earnings multiple (for all Companies)			*Profit/(loss) before tax*	*535*
Equity/voting rights	11.6%	7.2%	8.1%	*Retained profit/(loss)*	*531*
Percentage of investment portfolio	3.0%	2.7%	1.6%	*Net assets*	*1,213*

Activity: Online ski and cruise travel agent.
Location: Wimbledon, London.
**underlying retail value of sales*

Westway Services Holdings (2010) Limited
Original investment June 2009

	MIG	MIG 4	I&G	Year ended 28 February 2011 (£'000)	
Current cost	£382,201	£236,096	£353,589	*Sales*	*27,521*
Valuation	£1,003,721	£675,303	£928,577	*EBITA*	*3,942*
Valuation methodology	Earnings multiple (for all Companies)			*Profit/(loss) before tax*	*2,451*
Equity/voting rights	5.1%	3.2%	4.7%	*Retained profit/(loss)*	*2,696*
Percentage of investment portfolio	2.4%	2.2%	1.7%	*Net assets*	*3,769*

Activity: Installation, service and maintenance of air conditioning systems.
Location: Greenford, Middlesex.

Idox plc Original investment December 2000					
	MIG	**MIG 4**	**I&G**	Year ended 31 October 2010 (£'000)	
Current cost	£0	£0	£872,625	*Sales*	*31,628*
Valuation	£0	£0	£1,796,667	*EBITA*	*7,504*
Valuation methodology	–	–	Bid Price	*Profit/(loss) before tax*	*4,943*
Equity/voting rights	–	–	2.4%	*Retained profit/(loss)*	*15,179*
Percentage of investment portfolio	–	–	3.3%	*Net assets*	*31,012*
Activity: Information and knowledge management software *Location: London*					

Youngman Group Limited Original investment October 2005					
	MIG	**MIG 4**	**I&G**	Year ended 30 June 2011 (£'000)	
Current cost	£1,000,052	£500,026	£1,000,052	*Sales*	*34,544*
Valuation	£682,203	£294,560	£682,203	*EBITA*	*810*
Valuation methodology		Earnings multiple		*Profit/(loss) before tax*	*99*
Equity/voting rights	8.5%	4.2%	8.5%	*Retained profit/(loss)*	*2,919*
Percentage of investment portfolio	1.6%	1.0%	1.3%	*Net assets*	*3,699*
Activity: Manufacturer of metal products *Location: Malden, Essex*					

In addition, the following liquidity funds also represent more than 5% of at least one of the Companies:

SWIP Global Liquidity Fund plc (managed by Scottish Widows Investment Partnership Limited)			
	MIG	**MIG 4**	**I&G**
Amount invested	£2,465,603	£1,764,732	£6,437,807
Valuation	£2,465,603	£1,764,732	£6,437,807
Valuation methodology		Market valuation (for all Companies)	
Equity/voting rights		n/a (for all Companies)	
Percentage of investment portfolio	5.9%	5.9%	11.9%

Global Treasury Funds plc (managed by RBS Asset Management (Dublin) Limited)			
	MIG	**MIG 4**	**I&G**
Amount invested	£1,898,267	£2,108,022	£6,136,851
Valuation	£1,898,267	£2,108,022	£6,136,851
Valuation methodology		Market valuation (for all Companies)	
Equity/voting rights		n/a (for all Companies)	
Percentage of investment portfolio	4.6%	7.0%	11.4%

Fidelity Institutional Cash Fund plc (managed by FIL Fund Management (Ireland) Limited)			
	MIG	**MIG 4**	**I&G**
Amount invested	£2,207,028	£1,599,122	£5,704,574
Valuation	£2,207,028	£1,599,122	£5,704,574
Valuation methodology	Market valuation (for all Companies)		
Equity/voting rights	n/a (for all Companies)		
Percentage of investment portfolio	5.3%	5.3%	10.6%

Institutional Cash Series plc (managed by Blackrock Asset Management Ireland Limited)			
	MIG	**MIG 4**	**I&G**
Amount invested	£2,347,939	£1,468,320	£5,211,491
Valuation	£2,347,939	£1,468,320	£5,211,491
Valuation methodology	Market valuation (for all Companies)		
Equity/voting rights	n/a (for all Companies)		
Percentage of investment portfolio	5.6%	4.9%	–

GS Funds plc (managed by Goldman Sachs International)			
	MIG	**MIG 4**	**I&G**
Amount invested	£1,930,382	£1,548,737	£0
Valuation	£1,930,382	£1,548,737	£0
Valuation methodology	Market valuation	Market valuation	–
Equity/voting rights	n/a	n/a	–
Percentage of investment portfolio	4.6%	5.1%	–

PART SEVEN – HISTORY OF THE COMPANIES

The history of each Company is summarised below.

Matrix Income & Growth VCT plc (MIG)

MIG was launched in July 2004 and has been managed solely by Matrix since launch.

In May 2010, MIG completed a merger with Matrix Income & Growth 3 VCT plc ("MIG 3") which was also solely managed by Matrix since launch. The merger was completed by the transfer of assets and liabilities of MIG 3 to MIG in consideration of MIG Shares being issued to the Shareholders of MIG 3. £5.2 million was raised by MIG pursuant to last year's offer.

As at 30 September 2011, MIG had net assets of over £37 million, £27 million of which was invested in 24 companies with the balance of approximately £10 million substantially invested in Money Market Funds.

A detailed performance summary of MIG is set out further in the table overleaf.

Matrix Income & Growth VCT 4 plc (MIG 4)

MIG 4 was formerly known as TriVen VCT plc and was originally advised by three VCT managers, Matrix (which acquired GLE Development Capital Limited), Elderstreet Private Equity Limited and Nova Capital Management Limited (which acquired LICA Development Capital Limited).

Elderstreet and Nova stood down in 2006 and Matrix was awarded the investment mandate as sole manager in respect of the original ordinary share fund.

In the 2006/2007 tax year, MIG 4 raised £15.4 million (net of expenses) of new money and in the 2009/2010 tax year a small top up offer raised a further £1.6 million (net of expenses). £5.2 million was raised by MIG 4 pursuant to last year's offer.

As at 31 October 2011, MIG 4 had net assets of over £28 million, £20 million of which was invested in 31 companies with the balance of approximately £8 million substantially invested in Money Market Funds.

A detailed performance summary of MIG 4 is set out further in the table overleaf.

The Income & Growth VCT plc (I&G)

I&G was formerly known as TriVest VCT plc and was originally advised in respect of the original ordinary share fund, by three VCT managers, Matrix (which acquired GLE Development Capital Limited), Foresight Group LLP and Nova Capital Management Limited (which acquired LICA Development Capital Limited).

In the 2007/2008 tax year Matrix raised £11.8 million of new money through a new S ordinary share offer for which it was the sole manager.

Foresight and Nova stood down in 2009 and Matrix was awarded the investment mandate as sole manager in respect of the original ordinary share fund (although it had assumed responsibility for all of the original ordinary share fund in 2008).

In March 2010 the S ordinary shares and the original ordinary shares were merged on a relative NAV basis creating one enlarged share class.

£5.2 million was raised by I&G pursuant to last year's offer.

As at 30 September 2011, I&G had net assets of over £49 million, £37 million of which was invested in 45 companies with the balance of approximately £12 million substantially invested in Money Market Funds.

A detailed performance summary of I&G is set out further in the table overleaf.

Performance of Matrix VCTs by Fundraising

The data below is to 31 October 2011 (the latest available data at the date of publication). Updated information will be available to investors on each of the Company's website and/or on RNS announcements made to the London Stock Exchange.

VCT and fundraising	Fund-raising year	Effective net issue price	Cumulative dividends paid per share[1]	Net asset value per share[1]	Total Return (latest NAV plus cumulative dividends paid)	Annual % return after income tax[4]	Dividends for last financial year
MATRIX INCOME & GROWTH VCT PLC							5 pence
(net assets: £37.8m)							
MIG Shares	2004/05	60.0p	26.8p	87.9p	114.7p	10.8%	
Formerly MIG 3[2]	2005/06	60.0p	15.4p	93.6p	109.0p	10.8%	
MIG Shares (linked fundraising)	2010/11	68.6p	5.5p	87.9p	93.4p	43.0%	
MATRIX INCOME & GROWTH 4 VCT PLC							4 pence
(net assets: £28.3m)							
MIG 4 Shares[3]	1998/99	160.0p	21.7p	112.0p	133.7p	-1.5%[5]	
MIG 4 Shares	2006/07	84.7p	11.0p	112.0p	123.0p	8.9%	
MIG 4 Shares (2009/2010 top-up offer)	2010	112.4p	6.0p	112.0p	118.0p	30.2%	
MIG 4 Shares (linked fundraising)	2010/11	85.3p	3.0p	112.0p	115.0p	36.7%	
THE INCOME & GROWTH VCT PLC							4 pence
(net assets: £49.2m)							
I&G Shares [2 & 3] (former ordinary shares)	2000/01	80.0p	40.6p	76.4p	117.0p	3.9%[5]	
I&G Shares (former S ordinary shares)	2007/08	70.0p	24.5p	100.8p	125.3p	16.9%	
I&G Shares (linked fundraising)	2010/11	73.4p	24.0p	100.8p	124.8p	85.4%	

[1] All net asset value and largest qualifying investment data is based upon the latest announced figures for each Company (this being 30 September 2011 in respect of MIG and I&G and 31 October 2011 in respect of MIG 4). Where dividends have been paid or declared since the latest announcement of net assets, the data has been adjusted.

[2] In the case of these fundraisings, the shares originally issued have since been exchanged for shares in the current share class of the VCT concerned at the time of the merger. However, the performance data shown is stated so as to be comparable with the original issue price of that investment.

[3] These fundraisings had originally allocated capital to be managed by three separate managers, one of which was Matrix, who has since become sole manager.

[4] This is the annual growth rate that equates the outgoing original cost (being the issue price less initial income tax relief) with the net present value, at the date of the original investment, of subsequent dividends and the latest Net Asset Value. The initial income tax relief was 20% up to 5 April 2004, 40% from 6 April to 5 April 2006 and 30% thereafter.

[5] Investors in these two fundraisings will have effectively enhanced these returns if they also deferred capital gains tax liabilities.

PART EIGHT – OFFER COSTS, MANAGEMENT EXPENSES AND ADMINISTRATION

Offer

Promoter and Offer Costs

Matrix will act as promoter to the Offer and will receive a fee of 5.5% of funds raised, which (assuming full subscription and ignoring the Early Investment Incentive and the potential impact of intermediary commission waiver) would amount to approximately £1,155,000 (£385,000 for each Company). Matrix will be liable for all the costs and expenses arising from the Offer (save for trail commission, which the Companies will be responsible for).

The net proceeds of this Offer will, therefore, (assuming full subscription and ignoring the Early Investment Incentive and the potential impact of intermediary commission waiver) amount to approximately £19,845,000 (£6,615,000 for each Company).

Adviser Commission

Authorised financial intermediaries will normally be paid an initial commission of 2.25% of the value of the relevant investment in Offer Shares on successful applications under the Offer.

In addition, provided that they continue to act for their client and the client continues to hold his or her Offer Shares, financial advisers will normally be paid an annual trail commission of 0.375% of the net asset base value for each such Share (subject to a cumulative trail commission cap of 2.25% of the average Offer Price as set out below). For this purpose, 'net asset base value' means the net assets attributable to such Share as determined from the audited annual accounts of the Company as at the end of the preceding financial year.

Intermediaries who do not wish to receive ongoing annual trail commission of 0.375% (subject to the cap of 2.25% of the average Offer Price) may elect to receive a one off trail commission payment of 0.5% which will be paid at the same time as the initial commission.

No further initial fees or commission will be due in respect of Offer Shares issued pursuant to the Early Investment Incentive.

The annual trail commission of 0.375% will be paid shortly after the later of the annual general meeting of the relevant Company and, where applicable, the date of payment of the final dividend in each year.

The Companies shall be entitled to rely on a notification from a Shareholder that he or she has changed his or her adviser. No payment of trail commission shall be made to the extent that the cumulative trail commission would exceed 2.25% of the average Offer Price of the Offer Share in question.

Management Expenses and Administration

Management Fees

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

MIG

An amount equivalent to 2% per annum of MIG's net assets, plus an annual fixed fee of £126,225 subject to annual RPI uplift.

MIG 4

An amount equivalent to 2% per annum of MIG 4's net assets plus an annual fixed fee of £107,827 subject to annual RPI uplift.

I&G

An amount equivalent to 2.4% per annum of I&G's net assets, 0.4% of such fees being subject to an annual minimum and maximum payment of £150,000 and £170,000.

VAT

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

Performance Incentive Fees

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

MIG

Matrix is entitled to receive performance incentive fees of 20% of subsequent cash distributions made to MIG Shareholders (whether by dividend or otherwise from 20 May 2010) over and above a target return of dividends of 6.53p per MIG Share per annum (index linked) subject to the maintenance of a NAV per MIG Share of 96.91p. The performance incentive fee is payable annually and any cumulative shortfalls against the annual target return have to be made up in later years before any entitlement arises. The shortfall at 30 September 2011 was 18.47p. No performance incentive fee has been paid to date.

MIG 4

Matrix and Matrix Group Limited are entitled to receive performance incentive fees for accounting periods following 31 January 2009 of 20% of the annual dividends paid to MIG 4 Shareholders over and above an annual target return of dividends equivalent to 6% of the net assets per MIG 4 Share of 114.51p, being 7.78p (after uplift for RPI indexation). The performance incentive fee is payable annually and any cumulative shortfalls (being an estimated 24.9p per MIG 4 Share as at 31 October 2011) have to be made up in later years before any entitlement arises. The entitlement is split 75/25 between Matrix and Matrix Group Limited and this entitlement will continue irrespective of the change of ownership of Matrix as agreed between the executive partners of Matrix and Matrix Group Limited. No performance incentive fee has been paid to date.

I&G

Matrix is entitled to 20% of any excess (over the investment growth hurdle detailed below) of realised Gains over realised Losses from its own portfolio during each relevant Calculation Period, provided that:

- at any Calculation Date, the Embedded Value is less than the value of the portfolio of assets managed by Matrix contained in the audited accounts adjusted for net realised Gains and Losses and total Surplus Income since 30 June 2007;
- at any Calculation Date, such excess is calculated after carrying forward all realised Losses not previously off set in respect of any prior Calculation Period after 30 June 2007; and
- such excess is subject to an investment growth hurdle of 6% per annum calculated from 1 July 2007.

Where:

"Calculation Period" means the relevant accounting period of I&G.

"Calculation Date" means the last day of the relevant accounting period of I&G.

"Embedded Value" means the value of the I&G portfolio managed by Matrix as at 30 June 2007 plus (i) the value as at 31 August 2007 of Nova Capital Management Limited's investments which Matrix agreed to provide investment services for; (ii) at cost, any further investments made in respect of the I&G ordinary shares fund up to the date of the merger; (iii) the losses of £811,430 in the S ordinary share fund as at 31 December 2009 and (iv) 70% of all new investments made by I&G since the merger of the I&G ordinary share and I&G S share funds.

"Gains" means the realised excess over an individual investment's valuation comprised in the Embedded Value, received in cash and/or pre-completion dividend strips and/or bank-guaranteed loan notes during the relevant Calculation Period.

"Losses" means the realised deficit below an individual investment's valuation comprised in the Embedded Value, received in cash and/or pre-completion dividend strips and/or bank-guaranteed loan notes during the relevant Calculation Period.

"Surplus Income" means the income received from investments less pro rata share of the annual expenses of I&G (including trail commission but excluding performance incentive payments) but after the deduction of any taxation liabilities thereon.

Such performance incentive payment due will be payable, in such form (in cash or in the form of an I&G Share issue subscribed at nominal value calculated as the number of I&G Shares represented by dividing the amount of the payment due by the NAV of an I&G Share as at the date of payment) as agreed between Matrix and I&G, annually by 31 January following the relevant Calculation Date. If a Calculation Period is longer or shorter than 12 months the investment growth hurdle will be pro rated accordingly. A fee of £422,733 was paid to Matrix for the year ended 30 September 2008. This is the only financial year for which a fee has been paid to date.

Foresight Group, in connection with their previous appointment as an investment manager of I&G, has an ongoing entitlement to performance fees in respect of the portfolio of the original I&G ordinary shares fund (similar to the above but disregarding the terms relating to the merger of the original I&G ordinary shares and I&G S ordinary shares) as more particularly set out at paragraph 5.2 in Part III in the Registration Document. No performance fee has been paid to Foresight Group to date.

The disposal of App-DNA Group Limited by I&G in October 2011 may (depending on the final results for the current year) give rise to a performance incentive fee of up to £2.8 million in respect of the year ending 30 September 2012, to be shared between Matrix and Foresight Group LLP.

VCT Status Monitoring

PricewaterhouseCoopers LLP receive an annual fee of £10,000 (plus VAT) from each Company for providing legal advice and assistance in relation to the maintenance of the VCT status of that Company and receives usual hourly rates in connection with all other VCT tax advice and assistance. The appointment to each Company can be terminated at any time.

Costs Cap

The annual expenses of the Companies are capped, based on the closing net asset value of each Company, as follows:

Company	**Annual expenses cap**	**Expenses excluded**
MIG	3.60%	irrecoverable VAT, exceptional items and performance incentive fees
MIG 4	3.40%	irrecoverable VAT, exceptional items and performance incentive fees
I&G	3.25%	annual trail commission, exceptional items and performance incentive fees

Any excess over these caps will be borne by Matrix.

Dividend Policy

The Companies seek to pay income dividends annually. Subject to fulfilling certain regulatory requirements, the Companies also seek to pay capital dividends at the year-end following portfolio realisations.

Each Board intends to continue with a policy of maximising the stream of dividend distributions to Shareholders, from the income and capital gains generated by their respective portfolios, or from other distributable reserves. There is, however, no guarantee that dividends will be paid by the Companies or that the dividend objective stated will be met.

Dividend Reinvestment Scheme

Both MIG 4 and I&G operate a dividend investment scheme whereby Shareholders can elect to have their dividends reinvested in further Shares in the relevant Company. If you would like further information and the mandate form to join the scheme, please tick Box 6 on the Application Form.

PART NINE – OTHER INFORMATION

Life of the Companies

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

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

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

CREST

The Offer Shares will be in registered form and will be eligible for electronic settlement. Each Company has its Shares admitted to the CREST system so that, should they wish to, investors will be able to hold their Shares in uncertificated form.

Capitalisation and Indebtedness

(A) MIG

As at 19 January 2012 (the latest practicable date prior to publication of this document), MIG has no indebtedness, whether guaranteed, unguaranteed, secured, unsecured, direct and/or contingent and there is no current intention of incurring any such indebtedness for at least the twelve month period from the date of this document.

The capitalisation of MIG as at 30 June 2011, extracted without material adjustment from MIG's unaudited half-yearly financial statements to 30 June 2011, is set out below. Save for the sale of DiGiCo Europe Limited, which increases the net asset value per share as at 30 June 2011 by an estimated 4.1p per share, there has been no material change in the capitalisation of MIG between 30 June 2011, the date of MIG's last unaudited published financial statements, and 19 January 2012, the latest practicable date before the date of publication of this document.

Shareholders' Equity	£'000
Called-up Share Capital	435
Capital Redemption Reserve	46
Share Premium Account	21,881
Revaluation Reserve	3,329
Special Distributable Reserve	12,620
Profit & Loss Account	1,183
Total	39,494

(B) MIG 4

As at 19 January 2012 (the latest practicable date prior to publication of this document), MIG 4 has no indebtedness, whether guaranteed, unguaranteed, secured, unsecured, direct and/or contingent and there is no current intention of incurring any such indebtedness for at least the twelve month period from the date of this document.

The capitalisation of MIG 4 as at 31 July 2011, extracted without material adjustment from MIG 4's unaudited half-yearly financial statements to 31 July 2011, is set out below. Save for the sale of DiGiCo Europe Limited, which increases the net asset value per share as at 31 July 2011 by an estimated 3.7p per share, there has been no material change in the capitalisation of MIG 4 between 31 July 2011, the date of MIG 4's last unaudited published financial statements, and 19 January 2012, the latest practicable date before the date of publication of this document.

Shareholders' Equity	£'000
Called-up Share Capital	253
Capital Redemption Reserve	893
Share Premium Account	6,848
Revaluation Reserve	1,274
Special Distributable Reserve	14,861
Profit & Loss Account	4,194
Total	28,323

(C) I&G

As at 19 January 2012 (the latest practicable date prior to publication of this document), I&G has no indebtedness, whether guaranteed, unguaranteed, secured, unsecured, direct and/or contingent and there is no current intention of incurring any such indebtedness for at least the twelve month period from the date of this document.

The capitalisation of I&G as at 30 September 2011, extracted without material adjustment from I&G's audited financial statements to 30 September 2011, is set out below. Save for the sale of DiGiCo Europe Limited, which increases the net asset value per share as at 30 September 2011 by an estimated 2.5p per share and the declaration of a special interim capital dividend of 20p per share, totalling £8.2 million, payable on 27 January 2012, there has been no material change in the capitalisation of I&G between 30 September 2011, the date of I&G's last audited published financial statements, and 19 January 2012, the latest practicable date before the date of publication of this document.

Shareholders' Equity	£'000
Called-up Share Capital	407
Capital Redemption Reserve	187
Share Premium Account	5,669
Revaluation Reserve	12,352
Special Distributable Reserve	17,139
Profit & Loss Account	13,399
Total	49,153

Working Capital Statements

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

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

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

Significant Change Statements

Save for (i) the movement of the unaudited NAV of 90.8p as at 30 June 2011 to 87.9p as at 30 September 2011, (ii) the further investment of £2.9 million in further qualifying investments and (iii) the sale of DiGiCo Europe Limited, which increases net asset value per share as at 30 September 2011 by an estimated 7.0p per share, there has been no significant change in the financial or trading position of MIG since 30 June 2011, the date to which the last unaudited half-yearly financial statements for MIG have been published.

Save for (i) the movement of the unaudited NAV of 111.9p as at 31 July 2011 to 112.0p as at 31 October 2011, (ii) the further investment of £1.2 million in further qualifying investments and (iii) the sale of DiGiCo Europe Limited, which increases net asset value per share as at 31 July 2011 by an estimated 3.7p per share, there has been no significant change in the financial or trading position of MIG 4 since 31 July 2011, the date to which the last unaudited half-yearly financial statements for MIG 4 have been published.

Save for (i) the realisation of the investment in App-DNA Group Limited for a further £2.9 million over the valuation at 30 September 2011, and the provision for a potential liability to pay up to an estimated £2.8 million in incentive fees relating to this sale for the current financial year, (being an increase and decrease respectively of approximately 7p in the net asset value per share), (ii) the further investment of £4.8 million in further qualifying investments, (iii) the sale of DiGiCo Europe Limited, which increases net asset value per share as at 30 September 2011 by an estimated 2.5p and (iv) the declaration of a special interim capital dividend of 20p per share, totalling £8.2 million, payable on 27 January 2012, there has been no significant change in the financial or trading position of I&G since 30 September 2011, the date to which the last audited annual financial statements for I&G were published. In addition, since 30 September 2011, I&G, one of its investee companies Image Source Group Limited ("Image Source") and another shareholder in Image Source have reached agreement to settle an action brought by a former director and shareholder of Image Source. To facilitate the settlement, I&G has lent approximately £1.5 million to Image Source on commercial terms and repayable in five years. This loan has been reflected in the financial records of I&G since 30 September 2011 with a full provision against the carrying value. The financial statements for the year ended 30 September 2011 did make a provision of £1,337,456 (this being the £1.5 million total liability less costs) as the settlement described above had not been reached by that date.

Shareholder Authorities

(A) MIG

The following special resolutions of MIG were passed at the annual general meeting of MIG held on 4 May 2011:

(a) in substitution for any existing authorities, the MIG Directors were generally and unconditionally authorised pursuant to Section 551 of CA 2006, to exercise all the powers of MIG to allot MIG Shares and to grant rights to subscribe for or to convert any security into MIG Shares up to an aggregate nominal amount of £130,000 provided that the authority shall expire on the conclusion of the annual general meeting of MIG to be held in 2012, unless previously renewed, revoked, or varied by MIG in a general meeting (except that MIG may before the expiry of this authority, make offers or agreements which would or might require shares to be allotted or rights to be granted after such expiry and notwithstanding such expiry the MIG Directors may allot shares or grant rights in pursuance of such offers or agreements);

(b) in substitution for any existing authorities the Directors were empowered in accordance with Sections 570(1) and 573 of CA 2006 to allot or make offers or agreements to allot or make offers or agreements to allot equity securities (as defined in Section 560(1) of CA 2006) for cash pursuant to the authority conferred upon them by resolutions passed at the annual general meeting or by way of a sale of treasury shares as if Section 561(1) of CA 2006 did not apply to any such allotment, provided that the power conferred by this resolution shall be limited to:

  (i) the allotment of equity securities with an aggregate nominal value of up to but not exceeding £108,000 in connection with offer(s) for subscription; and

  (ii) the allotment and/or sale of equity securities (otherwise than pursuant to sub-paragraph (i) above) up to an aggregate nominal amount of 5% of the issued MIG Share capital from time to time where the proceeds of the allotment may be used in whole or in part to purchase the MIG Shares in the market

and shall expire on the conclusion of the annual general meeting of MIG to be held in 2012 (unless previously renewed, varied or revoked by MIG in general meeting), except that MIG may, before such expiry, make offers or agreements which would or might require equity securities to be allotted after such expiry and the MIG Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred thereby had not expired.

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

(i) the maximum aggregate number of MIG Shares authorised to be purchased shall not exceed 6,482,411;

(ii) the minimum price which may be paid for a MIG Share is 1 penny per share, the nominal value thereof;

(iii) the maximum price which may be paid for a MIG Share (excluding expenses) shall be the higher of (i) 5% above the average of the middle market quotations for MIG Shares as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which that MIG Share is purchased and (ii) the amount stipulated by Article 5(1) of the Buy-back and Stabilisation Regulations 2003 (EC 2273/2003);

(iv) this authority shall expire on conclusion of the annual general meeting of MIG to be held in 2012; and

(v) MIG may make a contract or contracts to purchase its own MIG Shares under the above authority prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority, and may make a purchase of its own shares in pursuance of any such contract.

(B) MIG 4

The following special resolutions of MIG 4 were passed at the annual general meeting of MIG 4 held on 20 June 2011:

(a) That in substitution for any existing authorities, the MIG 4 Directors were generally and unconditionally authorised pursuant to Section 551 of CA 2006 to exercise all the powers of MIG 4 to allot MIG 4 Shares and to grant rights to subscribe for or convert any security into MIG 4 Shares up to an aggregate nominal value of £350,560, provided that the authority thereby conferred shall expire (unless renewed, varied, or revoked by MIG 4 in general meeting) on the conclusion of the annual general meeting of MIG 4 to be held in 2012, but so that MIG 4 may, before such expiry, make offers or agreements which would or might require MIG 4 Shares to be allotted or rights to be granted after such expiry.

(b) That in substitution for any existing authorities the MIG 4 Directors were empowered pursuant to Sections 570(1) and 573 of CA 2006 to allot or make offers or agreements to allot equity securities (which expression shall have the meaning ascribed to it in Section 560 (1) of CA 2006) for cash, pursuant to the above authority or by way of a sale of treasury shares as if Section 561(1) of CA 2006 did not apply to any such sale or allotment, provided that the power conferred by this resolution shall expire (unless renewed, varied or revoked by MIG 4 in a general meeting), on the conclusion of the annual general meeting of MIG 4 to be held in 2012 and provided further that this power shall be limited to:

(i) the allotment and issue of equity securities up to an aggregate nominal value representing £300,000 in connection with offer(s) for subscription;

(ii) the allotment of equity securities with an aggregate nominal value of up to but not exceeding 10% of the issued MIG 4 Share capital from time to time in connection with any dividend investment scheme operated by MIG 4; and

(iii) the allotment otherwise than pursuant to sub-paragraphs (a) and (b) above, of equity securities with an aggregate nominal value of up to but not exceeding 10% of the issued MIG 4 Share capital from time to time.

(c) That in substitution for any existing authorities MIG 4 was empowered to make one or more market purchases (within the meaning of Section 693(4) of CA 2006) of MIG 4 Shares on such terms and in such manner as the MIG 4 Directors may determine (either for cancellation or for the retention as treasury shares for future re-issue or transfer) provided that:

(i) the aggregate number of MIG 4 Shares which may be purchased shall not exceed 3,789,474;

(ii) the minimum price which may be paid for a MIG 4 Share is 1 penny (the nominal value thereof);

(ii) the maximum price which may be paid for a MIG 4 Share is an amount equal to the higher of (i) an amount equal to 5% above the average of the middle market quotations for a MIG 4 Share taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the day the MIG 4 Share is contracted to be purchased and (b) the price stipulated by Article 5(1) of the Buy-back and Stabilisation Regulation (EC 2273/2003);

(iv) the authority thereby conferred shall (unless previously renewed or revoked in general meeting) expire on the conclusion of the next annual general meeting of MIG 4 to be held in 2012; and

(v) MIG 4 may make a contract or contracts to purchase its own MIG 4 Shares under the authority thereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority, and may make a purchase of its own MIG 4 Shares in pursuance of any such contract.

(C) I&G

The following authorities were provided by the passing of special resolutions of I&G at the annual general meeting of I&G held on 16 February 2011:

(a) in substitution for any existing authorities, the I&G Directors were generally and unconditionally authorised pursuant to Section 551 of CA 2006 to exercise all the powers of I&G to allot I&G Shares and to grant rights to subscribe for or to convert any security into I&G Shares up to an aggregate nominal value of £393,000 provided that this authority shall expire on the fifth anniversary of the date of the passing of this resolution unless renewed, revoked or varied by I&G in a general meeting (except that I&G may, before such expiry, make offers or agreements which would or might require I&G Shares to be allotted or rights to be granted after such expiry and notwithstanding such expiry, the I&G Directors may allot I&G Shares or grant rights in pursuance of such offers or agreements);

(b) in substitution for any existing authorities, the I&G Directors were empowered in accordance with Sections 570(1) and 573 of CA 2006 to allot or make offers or agreements to allot equity securities (as defined in Section 560(1) of CA 2006) for cash pursuant to the authority given in accordance with Section 551 of CA 2006 by paragraph (a) above or by way of a sale of treasury shares, as if Section 561(1) of CA 2006 did not apply to the allotment or sale, provided that the power conferred shall expire on the conclusion of the annual general meeting of I&G to be held in 2012 and provided further that this power shall be limited to:

(i) the allotment of equity securities with an aggregate nominal value of £300,000 in connection with offer(s) for subscription;

(ii) the allotment of equity securities with an aggregate nominal value of up to but not exceeding 10% of the issued I&G Share capital from time to time pursuant to any dividend investment scheme operated by I&G;

(iii) the allotment, otherwise than pursuant to paragraphs (i) and (ii) above, of equity securities with an aggregate nominal value of up to but not exceeding 10% of the issued I&G Share capital from time to time; and

(iv) the allotment, otherwise than pursuant to paragraphs (i), (ii) and (iii) above, of equity securities from time to time with an aggregate nominal value of up to but not exceeding 5% of the issued I&G Share capital from time to time

where the proceeds of the allotment may be used in whole or in part to purchase I&G Shares in the market.

(c) in substitution for any, existing authorities I&G was authorised pursuant to Section 701 of CA 2006 to make market purchases (as defined in Section 693(4) of CA 2006) of its own I&G Shares provided that:

(i) the aggregate number of I&G Shares to be purchased shall not exceed 5,541,937;

(ii) the minimum price which may be paid for I&G Shares is 1 penny per share;

(iii) the maximum price (exclusive of expenses) which may be paid for an I&G Share shall be the higher of: (i) 5% above the average of the middle market price for I&G Shares taken from the daily official list of the London Stock Exchange for the five business days immediately preceding the day on which the purchase is made; and (ii) the amount stipulated by article 5(1) of the Buyback Regulations 2003;

(iv) the authority conferred shall (unless previously renewed or revoked) expire on the conclusion of the annual general meeting of I&G to be held in 2012; and

(v) I&G may make a contract or contracts to purchase its own I&G Shares under the authority conferred by this resolution prior to the expiry of such authority which will or may be executed wholly or partly after the expiration of such authority and may make a purchase of its own I&G Shares pursuant to such contract.

Share Rights

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

Votes of Members

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

Variation of Class Rights

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

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

Transfer of Shares

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

Dividends

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

(a) Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up (otherwise than in advance of calls) on the shares on which the dividend is paid. Subject as aforesaid, all dividends shall be apportioned and paid pro rata according to the amounts paid up or credited as paid up on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividend as from a particular date or be entitled to dividends declared after a particular date it shall rank for or be entitled to dividends accordingly.

(b) All dividends and interest shall be paid (subject to any lien of the Company) to those members whose names shall be on the register at the date at which such dividend shall be declared or at the date at which such interest shall be payable respectively, or at such other date as the Company by ordinary resolution or the Board may determine, notwithstanding any subsequent transfer or transmission of shares.

(c) The Board may pay the dividends or interest payable on shares in respect of which any person is by transmission entitled to be registered as holder to such person upon production of such certificate and evidence as would be required if such person desired to be registered as a member in respect of such shares.

Issued Share Capital and Dilution

The issued share capital of MIG as at the date of this document is 42,606,052 MIG Shares. If the Offer is fully subscribed (assuming an Offer Price of 93.1p per MIG Share), the existing 42,606,052 MIG Shares would represent 85.0% of the enlarged issued MIG share capital.

The issued share capital of MIG 4 as at the date of this document is 25,219,688 MIG 4 Shares. If the Offer is fully subscribed (assuming an Offer Price of 118.6p per MIG 4 Share), the existing 25,219,688 MIG 4 Shares would represent 81.0% of the enlarged issued MIG 4 share capital.

The issued share capital of I&G as at the date of this document is 40,692,048 I&G Shares. If the Offer is fully subscribed (assuming an Offer Price of 120.8p per I&G Share), the existing 40,692,048 I&G Shares would represent 88.1% of the enlarged issued I&G share capital.

The Companies and its Shareholders are subject to the provisions of the City Code on Takeovers and Mergers and CA 2006 which require shares to be acquired/transferred in certain circumstances.

Investor Communications

The Boards recognise the importance of maintaining regular communications with Shareholders. In addition to the announcement and publication of the annual report and accounts and the half-yearly report for the Companies as detailed below, the Companies also publish quarterly statements of net asset value. Matrix produces a twice yearly newsletter for its VCT shareholders. The newsletter provides details of the latest NAVs for each Company, a performance table, the ten largest investments across the portfolios and an update on investment activities. Matrix will also publish information on new investments and the progress of companies within the Companies' portfolio on their website www.matrixgroup.co.uk.

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

Documents Available for Inspection

Copies of the following documents will be available for inspection during usual business hours on weekdays, weekends and public holidays excepted, at the offices of Matrix, One Vine Street, London W1J 0AH whilst the Offer is open:

- the Memoranda and Articles of each of the Companies;
- the material contracts referred to in paragraphs 5 of Parts I, II and III of the Registration Document;
- the audited financial statements for MIG for the years ended 31 December 2008, 2009 and 2010;
- the unaudited half-yearly financial statements for MIG for the six month period ended 30 June 2011;
- the audited financial statements for MIG 4 for the years ended 31 January 2009, 2010 and 2011;
- the unaudited half-yearly financial statements for MIG 4 for the six month period ended 31 July 2011;
- the audited statements for I&G for the years ended 30 September 2009, 2010 and 2011;
- the Registration Document;
- this Securities Note; and
- the Summary.

PART TEN – TAX

TAX POSITION OF INVESTORS

1. Tax reliefs

The following is only a summary of the current law concerning the tax position of individual Qualifying Investors in VCTs. Potential investors are recommended to consult a duly authorised independent financial adviser as to the taxation consequences of an investment in a VCT. The tax rules or their interpretation in relation to an investment in the Companies and/or rates of tax may change during the life of the Companies and can be retrospective.

The tax reliefs set out below are those currently available to individuals aged 18 or over who subscribe for Offer 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 Offer Shares will be entitled to claim income tax relief on amounts subscribed up to a maximum of £200,000 invested in VCTs in any tax year.

To obtain relief a Qualifying Investor must subscribe on his own behalf although the Offer Shares may subsequently be transferred to a nominee.

The relief is given at the rate of 30% on the amount subscribed regardless of whether the Qualifying Investor is a higher rate, 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 having a value of up to a maximum of £200,000, will not be liable to income tax on dividends paid on those shares and there is no withholding tax thereon.

(iii) Purchases in the market

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

(iv) Withdrawal of relief

Relief from income tax on a subscription for VCT shares (including Offer 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 Shares

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

(ii) Purchases in the market

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

(c) Loss of VCT approval

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

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

2. Illustration of effect of tax relief for Qualifying Investors

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

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

The combined effect of the initial income tax relief, tax free dividends and tax-free capital growth can substantially improve the net returns of an investment in a VCT. For example, after launch costs of 5.5% an investment of £10,000 would show an immediate return of 35% over the base cost of £7,000 after income tax relief. 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 Companies will provide to each Qualifying Investor a certificate which the Qualifying Investor may use to claim income tax relief, either by obtaining from HMRC 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.

TAX POSITION OF THE COMPANIES

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

1. Qualification as a VCT

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

(a) not be a close company;

(b) have each class of its ordinary share capital listed on a regulated market;

(c) derive its income wholly or mainly from shares or securities;

(d) have at least 70% by VCT Value of its investments in shares or securities in Qualifying Investments, of which 30% 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); and

(g) not retain more than 15% of its income derived from shares and securities in any accounting period.

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

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

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

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

The Government announced in March 2011 that, subject to EU State Aid approval being received, legislation will be introduced, effective from 6 April 2012, to increase the above mentioned limits. The gross assets test referred to above is proposed to be increased back to £15 million immediately before and £16 million immediately after the investment. In addition, the number of permitted employees for an investee company is proposed to be increased from 50 to 250 and the amount of investment obtained by companies from VCTs or under the Enterprise Investment Scheme is proposed to be increased to £10 million in any rolling 12 month period.

3. Qualifying Companies

A Qualifying Company must be unquoted (for VCT purposes this includes companies whose shares are traded on PLUS Markets 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. Draft 2012 Finance Bill

The draft legislation to be included in the Finance Bill 2012 published on 6 December 2011 contains measures to increase some of the size limits applying to investee companies (as detailed at 2 above), subject to EU State Aid approval. The draft legislation also contains proposals to remove the annual £1 million limit VCTs can invest in qualifying investments, for certain trades from which feed-in tariffs are derived to be excluded from being qualifying trades, and a disqualifying purpose test designed to exclude companies set up for the purpose of accessing the tax reliefs. It is proposed that these changes should take effect for investments made after 5 April 2012. This follows a consultation document issued in July 2011 which contained proposals to ensure that VCT investments remain appropriately targeted. In addition, for VCT funds raised after 5 April 2012 it is proposed that such funds should be excluded from being used for the acquisition of shares in another company.

5. 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.

Each of the three Companies has received approval as a VCT from HMRC.

6. Withdrawal of approval

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

Withdrawal of approval generally has effect from the time when notice is given to the VCT but, in relation to capital gains of the VCT only, can be backdated to not earlier than the first day of the accounting period commencing immediately after the last accounting period of the VCT in which all of the tests were satisfied.

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

PART ELEVEN – DEFINITIONS

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

"Admission"	the date on which Offer Shares allotted pursuant to the Offer are listed on the Official List of the UK Listing Authority and admitted to trading on the London Stock Exchange's market for listed securities
"AIC"	Association of Investment Companies
"AIM"	the Alternative Investment Market
"Applicant"	an applicant under the Offer
"Application"	the offer by an investor by completing an Application Form and posting (or delivering) it to the Receiving Agent or as otherwise indicated on the Application Form
"Application Form"	the application form for the Offer at the end of this document
"Articles"	the articles of association of I&G and/or MIG and/or MIG 4, as the context permits
"Boards"	the board of directors of I&G, MIG and MIG 4 (and each "a Board")
"Business Days"	any day (other than a Saturday) on which clearing banks are open for normal banking business in sterling
"CA 1985"	Companies Act 1985 (as amended)
"CA 2006"	Companies Act 2006 (as amended)
"Capita Registrars"	a trading name of Capita Registrars Limited
"Closing Date"	the closing date of the Offer which is expected to be 12.00 pm 30 April 2012, but the Boards reserve the right to extend the closing date of the Offer or will close earlier if it is fully subscribed or otherwise at the Boards' discretion
"Companies"	I&G, MIG and MIG 4 (and each "a Company")
"Companies Acts"	CA 1985 and CA 2006
"Directors"	the directors of I&G and/or MIG and/or MIG 4 from time to time, as the context permits
"Early Investment Incentive"	the commission of 1.25% to be paid on successful applications from investors under the Offer to 29 February 2012 to be used to purchase additional Offer Shares in the Companies as set in Part One of this document
"EBITA"	a company's earnings before the deduction of interest, tax and amortisation
"FSA"	the Financial Services Authority
"FSMA"	The Financial Services and Markets Act 2000 (as amended)
"HMRC"	Her Majesty's Revenue & Customs
"I&G"	The Income & Growth VCT plc
"I&G Shares"	ordinary shares of 1p each in the capital of I&G
"IPEVC Valuation Guidelines"	the International Private Equity and Venture Capital Valuation Guidelines
"Listing Rules"	the Listing Rules of the UK Listing Authority
"London Stock Exchange"	London Stock Exchange plc
"Matrix VCTs"	the Companies (and each a "Matrix VCT")
"Matrix" or "manager"	Matrix Private Equity Partners LLP, the investment adviser, administrator, company secretary and promoter to the Companies which is authorised and regulated by the FSA
"MBO"	management buy out
"Memorandum"	the memorandum of association of I&G and/or MIG and/or MIG 4, as the context permits (and together "the Memoranda")
"MIG"	Matrix Income & Growth VCT plc
"MIG Shares"	ordinary shares of 1p each in the capital of MIG
"MIG 2"	Matrix Income & Growth 2 VCT plc
"MIG 3"	Matrix Income & Growth 3 VCT plc
"MIG 4"	Matrix Income & Growth 4 VCT plc
"MIG 4 Shares"	ordinary shares of 1p each in the capital of MIG 4

"Money Market Funds"	money market funds, government securities or other low risk liquid assets
"NAV" or "net asset value"	the net asset value of a company calculated in accordance with that company's normal accounting policies
"Offer"	the offer for subscription of Offer Shares as described in the Prospectus
"Offer Price"	the price at which the Offer Shares will be allotted in each Company pursuant to the Offer
"Offer Shares"	MIG Shares, MIG 4 Shares and I&G Shares, being offered for subscription pursuant to the Offer
"Official List"	the official list of the UK Listing Authority
"PLUS Markets"	'PLUS quoted', a prescribed market for the purposes of Section 118 of Financial Services and Markets Act 2000 operated by PLUS Markets Group plc
"Pricing Formula"	the formula to calculate the Offer Price of the Offer Shares as set out in this Securities Note
"Prospectus"	together the Registration Document, the Securities Note and the Summary
"Prospectus Rules"	the prospectus rules of the UK Listing Authority
"Qualifying Company"	an unquoted (including an AIM-listed) company which satisfies the requirements of Part 4 of Chapter 6 of the Tax Act
"Qualifying Investor"	an individual aged 18 or over who is resident in the United Kingdom and who invests in the Companies
"Receiving Agent"	The City Partnership (UK) Limited
"Registrar"	Capita Registrars or Computershare Investor Services plc, as the context permits (together "the Registrars")
"Registration Document"	the registration document issued by the Companies dated 20 January 2012 in connection with the Offer
"Regulations"	the Uncertificated Securities Regulations 1995
"Securities Note"	this document
"Shareholder"	a holder of Shares in one or more of the Companies (as the context permits)
"Shares"	MIG Shares and/or MIG 4 Shares and/or I&G Shares (as the context permits)
"Sterling"	the official name for the standard monetary unit of the United Kingdom
"Summary"	the summary issued by the Companies dated 20 January 2012 in connection with the Offer
"The Tax Act"	the Income Tax Act 2007 (as amended)
"Total Return"	the aggregate value of an investment or collection of investments comprising net asset value, valued where appropriate in accordance with IPEVC Valuation Guidelines, plus the aggregate amount of all distributions (both revenue and capital) made
"UKLA" or "UK Listing Authority"	the FSA in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000
"United Kingdom" or "UK"	the United Kingdom of Great Britain and Northern Ireland
"United States" or "US"	the United States of America, its states, territories and possessions (including the District of Columbia)
"VCT Value"	the value of an investment calculated in accordance with Section 278 of the Tax Act
"Venture Capital Investments"	shares in, or securities of, a Qualifying Company held by a venture capital trust which meets the requirements described in Parts 3 and 4 of Chapter 6 to the Tax Act
"Venture Capital Trust" or "VCT"	a venture capital trust as defined in Section 259 of the Tax Act

APPLICATION FOR OFFER SHARES

TERMS AND CONDITIONS OF APPLICATION

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

The section headed "Notes on how to complete the Application Form" forms part of these terms and conditions of Application.

(a) The contract created by the acceptance of an Application under the Offer will (unless the Boards resolve otherwise) be conditional on admission to the Official List and to trading on the London Stock Exchange's market for listed securities in respect of the relevant Offer Shares becoming effective.

(b) The right is reserved by the Companies to present all cheques and banker's drafts for payment on receipt and to retain share certificates, pending clearance of successful Applicants' cheques and banker's drafts. The Companies may treat Applications as valid and binding even if not made in all respects in accordance with the prescribed instructions and the Companies may, at their discretion, accept an Application in respect of which payment is not received by the Companies prior to the Closing Date. If any Application is not accepted in full or if any contract created by acceptance does not become unconditional, the subscription monies or, as the case may be, the balance thereof (save where the amount is less than £1 per Company, in which case you authorise such amount to be paid to the relevant Company and used for its own purpose) 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, subscription monies will be retained by I&G (on behalf of the Companies) in a separate account. The Boards (acting jointly) reserve the right to accept Applications and issue Offer Shares in respect of Applications accepted, prior to the relevant Closing Date. Applications which are not accompanied by cheques available for immediate presentation or by other valid payment means will be dealt with at the Boards' discretion. If any dispute arises as to the date or time on which an Application is received, the Boards' (acting jointly) determination shall be final and binding.

(c) By completing and delivering an Application Form, you (as the Applicant):

(i) offer to subscribe for such number of Offer Shares as is determined by dividing the amount specified in your Application Form (or such lesser amount for which your Application is accepted) equally between the Companies and then further divided by the applicable Offer Price of the respective Offer Shares in each Company resulting from the application of the Pricing Formula, subject to these terms and conditions, and subject to the Articles of each of the relevant Company;

(ii) agree that, in consideration of the Companies agreeing to process your Application, your Application will not be revoked until the Offer is closed 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 Agent of your Application Form;

(iii) agree and warrant that your cheque or banker's draft may be presented for payment on receipt and will be honoured on first presentation and agree that if it is not so honoured you will not be entitled to receive a certificate in respect of the Offer Shares until you make payment in cleared funds for such Offer Shares and such payment (and that any documents of title and any monies returnable to you may be retained pending clearance and that such monies will not bear interest) is accepted by the Companies in their absolute discretion, acting jointly, (which acceptance shall be on the basis that you indemnify them and the Receiving Agent against all costs, damages, losses, expenses and liabilities arising out of or in connection with the failure of your remittance to be honoured on first presentation) and you agree that, at any time prior to the unconditional acceptance by the Companies of such late payment, the Companies (acting jointly) may (without prejudice to their other rights) avoid the agreement to subscribe such Offer Shares and may issue or allot such Offer Shares to some other person, in which case you will not be entitled to any payment in respect of such Offer Shares, other than the refund to you, at your risk, of the proceeds (if any) of the cheque or banker's draft accompanying your Application Form, without interest;

(iv) agree that, in respect of those Offer Shares for which your Application has been received and is not rejected, your Application may be accepted at the election of the Companies (acting jointly) either by notification to the London Stock Exchange of the basis of allocation or by notification of acceptance thereof to the Receiving Agent;

(v) agree that I&G will hold (on behalf of the Companies) any monies in respect of your

Application together with other monies received in respect of all Applications on trust for the payment of the Offer Prices in respect of Offer Shares you have subscribed for or failing such payment to be returned to you without interest earned in respect of such monies which interest will be paid to the Companies;

(vi) agree that any monies refundable to you may be retained by I&G (on behalf of the Companies) pending clearance of your remittance and any verification of identity which is, or which the Companies or the Receiving Agent may consider to be, required for the purposes of the Money Laundering Regulations 2007 and that such monies will be paid without interest;

(vii) authorise the Registrars to send share certificate(s) in respect of the number of Offer Shares for which your Application is accepted and I&G (on behalf of the Companies) to send a crossed cheque for any monies returnable, by post, at your own risk, without interest, to your address set out in the Application Form and to procure that your name is placed on the register of members of each of the Companies in respect of such Offer Shares;

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

(ix) agree and acknowledge that you are making your Application on the basis of the information and statements concerning the Companies and the Offer Shares contained in the Prospectus (and any supplementary prospectus filed with the FSA, which you are deemed to have received and read (whether or not so read) and the latest publicly available financial information of the Companies and that no person responsible solely or jointly for the Prospectus or any part thereof or involved in the preparation thereof shall have any liability for any other information or representation relating to the Companies or the Offer Shares or for any change in the law or regulations affecting venture capital trusts;

(x) irrevocably authorise the Receiving Agent and/or the Companies or any person authorised by any of them, as your agent, to do all things necessary to effect registration of any Offer Shares subscribed by or issued to you into your name and authorise any representative of the Receiving Agent or of the Companies to execute any document required therefor;

(xi) confirm that you are not a US person as defined under the United States Securities Act of 1933, as amended, or a resident of Canada and that you are not applying for any Offer Shares with a view to their offer, sale, delivery to or for the benefit of any US person or a resident of Canada, and that you have reviewed the restrictions contained in paragraphs (d) and (e) below and warrant compliance therewith;

(xii) warrant that you are an individual aged 18 or over;

(xiii) agree that all documents in connection with the Offer and any returned monies will be sent by post at your risk;

(xiv) agree, on request by the Companies or the Receiving Agent on behalf of the Companies, to disclose promptly in writing to the Companies any information which the Companies or the Receiving Agent may reasonably request in connection with your Application including, without limitation, satisfactory evidence of identity to ensure compliance with the Money Laundering Regulations 2007 and authorise the Companies and the Receiving Agent to disclose any information relating to your Application as it considers appropriate;

(xv) undertake that you will notify the Companies if you are not or cease to be either an individual subscribing for the Offer Shares within the limit set out in section 262 of the Income Tax Act 2007 or beneficially entitled to the Offer Shares;

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

(xvii) declare that the Application Form has been completed to the best of your knowledge;

(xviii) warrant that, if you sign the Application Form on behalf of somebody else, you have due authority to do so on behalf of that other person, and such person will also be bound accordingly and will be deemed also to have given the confirmations, warranties, undertakings and authority contained herein and undertake to enclose your power of attorney or a copy thereof duly certified by a solicitor or bank with the Application Form;

(xix) acknowledge that the Receiving Agent and Matrix are acting solely for the Companies and/or Matrix and no-one else and will not be responsible to anyone other than the Companies for providing any advice in relation to the subject of this document and will not treat you as its customer; and

(xx) consent to the information provided on the Application Form being provided to the Receiving Agent and the Companies' Registrars to process shareholding details and send notifications to you.

(d) No action has been, or will be, taken in any jurisdiction by, or on behalf of, the Companies or Matrix which would permit a public offer of the Offer Shares in any jurisdiction other than the United Kingdom, nor has any such action been taken with respect to the possession or distribution of this document other than in the UK. No person receiving a copy of this document (the Securities Note), the Registration Document, the Summary (including any supplementary prospectus issued by the Companies and filed with the FSA) or an Application Form in any territory other than the UK may treat the same as constituting an invitation or offer to him, nor should he in any event use such Application Form unless, in the relevant territory, such an invitation or offer could lawfully be made to him or such Application Form could lawfully be used without contravention of any regulation or other legal requirements. It is the responsibility of any person outside the UK wishing to make an Application to satisfy himself as to full observance of the laws of any relevant territory in connection therewith, including obtaining any requisite governmental or other consents, observing any other formalities requiring to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory.

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

(f) Applications will be accepted on a 'first come, first served' basis (subject always to the discretion of the Boards). The right is reserved to reject in whole or in part and scale down and/or ballot any Application or any part thereof including, without limitation, Applications in respect of which any verification of identity which the Companies or the Receiving Agent consider may be required for the purposes of the Money Laundering Regulations 2007 has not been satisfactorily supplied. The Boards in their absolute discretion may decide to close, suspend or extend the Offer. The Offer shall be suspended if the issue of such Offer Shares would result in the breach of the Listing Rules of the FSA or any other statutory provision or regulation applicable to the Companies. Dealings prior to the issue of certificates for Offer Shares will be at the risk of investors. A person so dealing must recognise the risk that an Application may not have been accepted to the extent anticipated or at all.

(g) Successful Applicants who apply for the first £4 million of Offer Shares by 29 February 2012 will receive an Early Investment Incentive commission of 1.25% of the amount subscribed, which will be applied to purchase additional Offer Shares in each Company at the same Offer Price (rounded down to the nearest whole Offer Share). Matrix reserves the right to increase the £4 million threshold to which the Early Investment Incentive will apply and/or extend the period to which it will apply. Successful applicants receiving the Early Investment Incentive commission accordingly instruct the Companies to retain such commission payable and apply it to purchase such additional Offer Shares on this basis. No further commissions or fees will be payable in respect of the Offer Shares issued pursuant to the Early Investment Incentive. The Early Investment Incentive commission may not be taken as a cash payment. For the avoidance of doubt, initial income tax relief is only available on the original Application amount and no further relief is available on the Offer Shares issued pursuant to the Early Investment Incentive.

(h) Authorised financial intermediaries who, acting on behalf of their clients, return valid Application Forms bearing their stamp or full address details and FSA number will normally be paid 2.25 per cent. commission on the amount payable by the applicant in respect of the Offer Shares allocated for each such Application Form. In addition, financial intermediaries can either elect to receive trail commission at an annual rate of 0.375% of the net asset base value for each such Offer Share (provided they continue to act for their client and the client continues to hold such Offer Shares on the funds invested) or a one off payment of 0.5% on the funds invested. For this purpose, 'net asset base value' means the net assets attributable to such Share as determined from the audited annual accounts of the relevant Company as at the end of the preceding financial year. The first payment will be for the year ended 31 December 2012 in respect of Offer Shares held in MIG, 31 January 2013 in respect of Offer Shares held in MIG 4 and 30 September 2012 in respect of Offer Shares held in I&G. No payment of commission by a Company shall be made to the extent that the cumulative annual trail commission per Offer Share would exceed 2.25 per cent. of the average Offer Price for each such Share held by the applicant.

No further initial fees or commission will be due in respect of Offer Shares issued pursuant to the Early Investment Incentive.

Initial commissions will be paid out of the Offer Costs. Trail commission will be paid by the Companies.

It is expected that annual trail commission will be paid approximately 5 months after the respective year-end of the Companies. The administration of annual trail commission will be managed on behalf of the Companies by Matrix which will maintain a register of intermediaries entitled to trail commission. Each Company shall be entitled to rely on a notification from a client that he has changed his adviser, in which case, the trail commission will cease to be payable to the original adviser and will be payable to the new adviser.

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

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

Authorised financial intermediaries may agree to waive all or part of their initial commission in respect of your application. If this is the case then the amount of an investor's application will be increased by an amount equivalent to the amount of commission waived and additional Offer Shares (split equally across each of the Companies) allotted at the same Offer Prices under the Offer (which, for the avoidance of doubt, will not be subject to any additional fees or initial commission). For the avoidance of doubt, initial income tax relief is only available on the original Application amount and no further relief is available on the Offer Shares issued pursuant to waived financial intermediary commission.

NOTES ON HOW TO COMPLETE THE APPLICATION FORM

Please complete all relevant parts of the Application Form in accordance with the instructions in these notes. The Applicant should complete Boxes 1 to 7 (as applicable), while the Applicant's intermediary should complete Boxes 8 to 11 (as applicable).

1 Insert (using block capitals) in Box 1 your full name, full address, work and home telephone numbers, e-mail address, National Insurance number and date of birth.

2 Insert (in figures) in Box 2 the value of the investment you wish to make. Your Application can be for any amount subject to being a multiple of £100 and subject to a minimum of £5,000 and can be for one or both of the 2011/2012 and 2012/2013 tax years.

Pin a cheque or banker's draft to the Application Form for the exact amount shown in Box 2. Your cheque or banker's draft must be made payable to "Matrix VCTs Linked Offer" and crossed "A/C Payee only". Your payment must relate solely to this Application. Cheques may be presented for payment on receipt.

Applications under the Offer will be processed upon receipt. Applications accompanied by a post-dated cheque will not be processed until the cheque can be presented and will not be treated as being received by the Receiving Agent until that date.

Your cheque or banker's draft must be drawn in Sterling on an account with a United Kingdom or European Union regulated credit institution, and which is in the sole or joint name of the investor and must bear the appropriate sort code in the top right-hand corner. Should you wish to make a telegraphic transfer please contact The City Partnership (UK) Limited on 0131 243 7210.

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

Money Laundering Notice – Important Procedures for Applications of the Sterling equivalent of €15,000 (£13,000 approx) or more. The verification requirements of the Money Laundering Regulations 2007 will apply and verification of the identity of the applicant may be required. Failure to provide the necessary evidence of identity may result in your application being treated as invalid or in a delay of confirmation. If you are an existing Shareholder of the Companies and have previously provided The City Partnership (UK) Limited with the appropriate money laundering documents, you will not need to provide the documents again.

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

A Verification of the investor's identity may be provided by means of a "Letter of Introduction", from an intermediary or other regulated person (such as a solicitor or accountant) who is a member of a regulatory authority and is required to comply with the Money Laundering Regulations 2007 or a UK or EC financial institution (such as a bank). The City Partnership (UK) Limited will supply specimen wording on request;

or

B If an application is made direct (not through an intermediary), you must ensure that the following documents are enclosed with the Application Form:

1. either a certified copy of your passport or driving licence; and

2. a recent (no more than 3 months old) original bank or building society statement, or utility bill, or recent tax bill, in your name.

Copies should be certified by a solicitor or bank. Original documents will be returned by post at your risk. If a cheque is drawn by a third party, the above will also be required from that third party.

3 Sign and date in the appropriate spaces.

4 Tick Box 4 if you do not wish for your personal details to be used by Matrix Private Equity Partners LLP and The City Partnership (UK) Limited to send you information on other products or services they offer.

5 Dividends will be paid by cheque sent to the Shareholder's registered address. Alternatively, dividends paid in cash may be paid directly into bank or building society accounts. In order to facilitate this, please complete the mandate form. Please note that if you join the Dividend Investment Schemes (as explained in paragraph 7 below), only dividends from MIG will be paid into your nominated bank account.

6 Shareholders may expressly notify the Companies that they wish to receive the full annual report and accounts and/or the summary financial statements for MIG 4 and I&G only. Please tick the relevant box in Box 6 to make your election.

7 Tick Box 7 if you would like to receive the mandate form and terms and conditions for any dividend investment scheme, which MIG 4 and I&G may adopt from time to time.

8 & 9 Intermediaries who are entitled to receive commission should complete Boxes 8 & 9, giving their contact name and address and their FSA Number. Please note the intermediaries' obligation to advise their clients of the Risk Factors found on pages 2 and 3 of this document.

10 Initial commission will normally be paid to authorised financial intermediaries at a rate of 2.25 per cent. on the funds invested. Financial intermediaries can then either elect to receive trail commission at an annual rate of 0.375% of the net asset base value for each such Share (up to a cumulative maximum of 2.25 per cent. of the average Offer Price) or a one off payment of 0.5% on the funds invested.

Authorised financial intermediaries can waive some or all of the initial commission and have it invested in additional Offer Shares for their clients. If the commission is to be waived such intermediary should complete Box 10.

If there is no indication in Box 10 of how commission is to be treated, initial commission of 2.25 per cent. and a one-off payment of 0.5 per cent. trail commission will be paid to the intermediary identified in Boxes 8 and 9 by direct transfer to the account information provided in Box 11.

FREQUENTLY ASKED QUESTIONS

Q: ***To whom should I make the cheque payable?***

A: Cheques should be made payable to "Matrix VCTs Linked Offer".

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

A: Your application form and cheque should be sent to Matrix VCTs Linked Offer, The City Partnership (UK) Limited, Thistle House, 21 Thistle Street, Edinburgh EH2 1DF.

Q: ***What happens after I invest?***

A: The Receiving Agent (The City Partnership (UK) Limited) will send you confirmation that it has received your Application Form by return post. If the Receiving Agent has any questions about your Application they will contact you by telephone or email in the first instance so it is important that you provide your contact information on the Application Form. Applications will be accepted at the discretion of the Boards, though the Boards intend to meet applications on a 'first come, first served' basis.

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

A: The Companies' applicable Registrar, will send share and tax certificates approximately ten business days after the allotment of Shares. Allotments can take place at the discretion of the Boards. However, allotments of Shares will take place no later than 5 April 2012, if subscriptions are for the 2011/2012 tax year, and if completed Application Forms are received by 12.00 pm on 5 April 2012. Allotments will be announced via a Regulatory Information Service.

Q: ***What do I do if I wish to hold my shares as a nominee?***

A: Please contact the Receiving Agent on 0131 243 2710

[THIS PAGE IS INTENTIONALLY LEFT BLANK]

APPLICATION FORM

MATRIX INCOME & GROWTH VCT PLC
MATRIX INCOME & GROWTH 4 VCT PLC
THE INCOME & GROWTH VCT PLC ("the Companies")

Definitions used in the Securities Note (as defined below) apply herein.

Before completing this Application Form you should read the Terms and Conditions of Application and Notes on how to Complete the Application Form. Please send the completed Application Form with your cheque or banker's draft and, if necessary, proof of identity to:

Matrix VCTs Linked Offer, The City Partnership (UK) Limited, Thistle House, 21 Thistle Street, Edinburgh EH2 1DF.

Cheques should be made payable to "Matrix VCTs Linked Offer".

The Offer opens on 20 January 2012 and will close at 12.00 pm on 30 April 2012. The Offer may close earlier if fully subscribed or may be extended by the Boards in their absolute discretion. If tax relief is to be applied for in respect of the subscription monies, in the tax year 2011/2012, the closing date shall be 12.00 pm on 5 April 2012.

Please complete in BLOCK CAPITALS.

1

Title: Mr/Mrs/Miss/Dr/Other

Forenames:

Surname(s):

Address:

Post Code:

Email:

Telephone (work): Telephone (home):

Date of Birth: DD MM YYYY National Insurance Number:

I wish to subscribe the amount in the Companies, divided between tax years 2011/2012 and 2012/2013 as set out in Box 2 below or such lesser amount for which this subscription will be accepted, on the terms and conditions set out on pages 44 and 47 of the securities note relating to the Offer dated 20 January 2012 ("Securities Note").

2

Total **(to equal at least £5,000)**	Tax year 2011/2012	Tax year 2012/2013
£	£	£

I enclose a cheque or banker's draft drawn on a UK clearing bank made payable to "Matrix VCTs Linked Offer"

3

By signing this form I HEREBY DECLARE THAT I have read the terms and conditions of the Offer set out on pages 44 to 47 of the Securities Note 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 2 and 3 of the Securities Note and the Prospectus (as defined in the Securities Note) as a whole.

Signature .... Date..

4

Data Protection Act
Matrix Private Equity Partners LLP and The City Partnership (UK) Limited will use the information you give for administration, research and statistical purposes. Information provided by you will be held in confidence by Matrix Private Equity Partners LLP and The City Partnership (UK) Limited and will not be passed on to any other product or service companies. Your details may be used by Matrix Private Equity Partners LLP and The City Partnership (UK) Limited to send you information on other products and services they offer. If you would prefer not to receive such information, please tick this box. ☐

All dividends on any Shares held in the Companies may be paid directly into bank and building society accounts. In order to facilitate this, please complete the mandate instruction form in Box 5 overleaf.

Dividends paid directly into your account will be paid in cleared funds on the dividend payment date. Your bank or building society statement will identify details of the dividends as well as the dates and amounts paid.

The Companies and The City Partnership (UK) Limited cannot accept responsibility if any details provided by you are incorrect.

5

Direct Mandate
Please forward, until further notice, all dividends that may from time to time become due to any shares now standing or which may hereafter stand, in my name in the registered of members of the Companies to:

Name of Bank or Building Society

Sort Code ☐☐ ☐☐ ☐☐ Account Number ☐☐☐☐ ☐☐☐☐

Account Name (BLOCK capitals please)

Signature Date

Applicant's Name (BLOCK capitals please)

6

Annual Report & Accounts
Please tick the relevant box if you would like to receive a copy of the full Annual Report and Accounts for each Company when published or to receive the Summary Annual Financial Statements for I&G and MIG 4

	MIG	MIG 4	I&G
Annual Report & Accounts	☐	☐	☐
Summary Annual Financial Statements		☐	☐

7

Dividend Investment Scheme
MIG 4 and I&G operate a dividend investment scheme. Tick this box if you would like to receive the mandate form and terms and conditions so that any dividend you may receive from each of MIG 4 and I&G is re-invested in new Shares issued by the relevant Company.

MIG 4	I&G
☐	☐

8

Intermediary Contact Details
Firm Name FSA Number

Adviser Contact IFA Administrator Contact

E-mail(s)

Address

Post Code

Telephone Fax

9

Commission Payment Details (to be used if commission is to be paid to a Network or other third party)
Name

Contact

Address

Post Code

E-mail Telephone

10

Commission Options

Amount of initial commission to be paid to intermediary ☐ %

Amount of initial commission to be re-invested for client ☐ %

Trail commission payable to intermediary option (please tick)

annual trail of 0.375% ☐ OR one off payment of 0.5% ☐

11

The Companies' intention is to pay all trail commission by direct transfer; therefore, please supply bank details in the space below.
Please forward, until further notice, all dividends that may from time to time become due to any shares now standing or which may hereafter stand, in my name in the registered of members of the Companies to:

Name of Bank or Building Society

Name of Intermediary

Account Name (BLOCK capitals please)

Sort Code ☐☐ ☐☐ ☐☐ Account Number ☐☐☐☐ ☐☐☐☐

The Companies and The City Partnership (UK) Limited cannot accept responsibility if any details provided by you are incorrect.

CORPORATE INFORMATION FOR THE COMPANIES

Directors (Non-executive)

MIG

Keith Melville Niven (Chairman)
Bridget Elisabeth Guérin
Thomas Peter Sooke

MIG 4

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

I&G

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

Investment Adviser, Administrator, Company Secretary and Promoter

Matrix Private Equity Partners LLP
One Vine Street
London W1J 0AH

Solicitors

SGH Martineau LLP
No. 1 Colmore Square
Birmingham B4 6AA

Sponsor and Broker

Matrix Corporate Capital LLP
One Vine Street
London W1J 0AH

Auditors

PKF (UK) LLP
Farringdon Place
20 Farringdon Road
London WC2N 6RH

Registrars for I&G and MIG 4

Capita Registrars
34 Beckenham Road
Beckenham
Kent BR3 4TU

Telephone Number: 0871 664 0300*

Registered Office and Head Office

One Vine Street
London
W1J 0AH

Company Registration Numbers

MIG 05153931
MIG 4 03707697
I&G 04069483

Websites

www.migvct.co.uk
www.mig4vct.co.uk
www.incomeandgrowthvct.co.uk

Telephone Number: 020 3206 7276

Receiving Agent

The City Partnership (UK) Limited
Thistle House
21 Thistle Street
Edinburgh EH2 1DF

VCT Tax Adviser

PricewaterhouseCoopers LLP
1 Embankment Place
London WC2N 6RH

Bankers

National Westminster Bank plc
Financial Institutions Team
First Floor
Mayfair Commercial Banking Centre
Piccadilly 65
London W1A 2PP

Registrars for MIG

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS99 6ZZ

Telephone Number: 0870 707 1155

Further details on the costs of calls, opening hours and how to contact the Companies' registrars from abroad are detailed on their websites www.capitaregistrars.com/shareholders and www.investorcentre.co.uk

*Capita Registrars telephone number is open between 8.30 a.m. and 5.30 p.m. (GMT) Monday to Friday (except UK public holidays). If telephoning from outside of the UK dial +44 20 8639 3399. Calls to Capita Registrars' helpline are charged at 10p per minute (including VAT) plus your service providers' network extras. Calls from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones.

Perivan Financial Print 223934