

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

**If you are in any doubt about the action to be taken, you should immediately consult your stockbroker, solicitor, accountant or other independent financial adviser authorised pursuant to the Financial Services and Markets Act 2000.**

If you have sold or otherwise transferred all of your shares in Investec Structured Products Calculus VCT plc (the Company), please send this document and accompanying documents, as soon as possible, to the purchaser or transferee or to the stockbroker, independent financial adviser or other person through whom the sale or transfer was effected for delivery to the purchaser or transferee.

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# **INVESTEC STRUCTURED PRODUCTS CALCULUS VCT PLC**

*(Registered in England and Wales with registered number 07142153)*

## **Recommended Proposals to approve Related Party Transactions and Notice of General Meeting**

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Your attention is drawn to the letter from the Chairman of the Company set out on pages 6 to 9 of this document which contains a recommendation to vote in favour of the Resolution to be proposed at the meeting referred to below.

You will find set out at the end of this document notice of a General Meeting of the Company to be held at 1.30 p.m. on 7 January 2011 at the offices of Investec Structured Products, 2 Gresham Street, London EC2V 7QP to approve the Resolution to effect the Proposals contained herein.

To be valid, the form of proxy attached to this document should be returned not less than 48 hours before the meeting, either by post or by hand (during normal business hours only) to the Company's registrar, Capita Registrars, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU. For further information on the meeting or the completion and return of a form of proxy, please telephone Capita Registrars between 9.00 a.m. and 5.00 p.m. (GMT) Monday to Friday (except UK public holidays) on telephone number 0871 664 0321 or, if telephoning from outside the UK, on +44 20 8639 3399. Calls to Capita Registrars' helpline (0871 664 0321) are charged at 10p per minute (including VAT) plus your service provider's network extras. Calls to Capita Registrars from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. For legal reasons, Capita Registrars will be unable to give advice on the merits of the proposals or provide financial, legal, tax or investment advice.

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## EXPECTED TIMETABLE

### GENERAL MEETING

Latest time for receipt of forms of proxy for the General Meeting	1.30 p.m. on 5 January 2011
General Meeting	1.30 p.m. on 7 January 2011

### C SHARE OFFER

C Share Offer opens	January 2011
Allotment of C Shares	monthly
Admission of and dealings in C Shares	3 Business Days following allotment
Certificates for C Shares dispatched	within 14 Business Days of allotment
C Share Offer closes	end April 2011

## CORPORATE INFORMATION

### Directors

Christopher Paul James Wightman (Chairman)  
Arthur John Glencross  
Steven Guy Meeks  
Michael O'Higgins  
Mark Gary Rayward  
Philip Hilary Swatman  
Ian Robert Wohlman

(all of the registered office)

### Registered Office

Beaufort House  
51 New North Road  
Exeter  
EX4 4EP

Telephone: 01392 477 500

### Company Number

07142153

### Structured Products Investment Manager and Promoter

Investec Structured Products  
2 Gresham Street  
London  
EC2V 7QP  
Telephone: 0207 597 4065  
Website: [www.investecstructuredproducts.com](http://www.investecstructuredproducts.com)

### Solicitors and VCT Status Adviser

Martineau  
No. 1 Colmore Square  
Birmingham  
B4 6AA

### Venture Capital Investments Manager

Calculus Capital Limited  
104 Park Street  
London  
W1K 6NF  
Telephone: 0207 493 4940  
Website: [www.calculuscapital.com](http://www.calculuscapital.com)

### Sponsor and Broker

Singer Capital Markets Limited  
One Hanover Street  
London  
W1S 1YZ

### Fund Administrator and Company Secretary

Capita Sinclair Henderson Limited  
Beaufort House  
51 New North Road  
Exeter  
EX4 4EP

### Registrars

Capita Registrars  
Northern House  
Woodsome Park  
Huddersfield  
West Yorkshire  
HD8 0GA

### Auditors

Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YU

## DEFINITIONS

“Articles”	the articles of association of the Company, as amended from time to time
“August Circular”	the circular to Shareholders dated 11 August 2010
“Board” or “Directors”	the board of directors of the Company
“Business Days”	a day on which the clearing banks and foreign exchange markets settle payments and are open for general business in London
“C Shareholder”	a holder of C Shares
“C Shareholder Proceeds”	amounts paid by way of dividends or other distributions, share buy backs and any other proceeds or value received, or deemed to be received or offered, by C Shareholders, excluding any income tax relief on subscription
“C Shares”	C ordinary shares of 1p each in the capital of the Company (and each a “C Share”)
“C Shares Fund”	the net assets of the Company attributable to the C Shares (including, for the avoidance of doubt, any income and/or revenue arising from or relating to such assets)
“C Share Offer”	the offer for subscription of C Shares to raise up to £25 million
“CA 2006”	Companies Act 2006, as amended
“Calculus Capital”	Calculus Capital Limited
“Capita Registrars”	a trading name for Capita Registrars Limited
“Company”	Investec Structured Products Calculus VCT plc
“General Meeting”	the general meeting of the Company to be held at 1.30 p.m. on 7 January 2011
“Interested Directors”	Ian Wohlman (a director of Investec Bank plc, of which Investec Structured Products is a trading name of), Steve Meeks (previously a consultant to Investec Structured Products) and John Glencross (a director of Calculus Capital)
“Investec Structured Products”	the Investec Structured Products team within Investec Bank plc and a trading name of Investec Bank plc
“Listing Rules”	the listing rules of the UKLA
“Managers”	Investec Structured Products and Calculus Capital (and each a “Manager”)
“NAV” or “net asset value”	the net asset value of a company calculated in accordance with that company’s normal accounting policies
“Ordinary Shareholder”	a holder of Ordinary Shares
“Ordinary Shares”	ordinary shares of 1p each in the capital of the Company (and each an “Ordinary Share”)
“Ordinary Shares Fund”	the net assets of the Company attributable to the Ordinary Shares (including, for the avoidance of doubt, any income and/or revenue arising from or relating to such assets)
“Proposals”	the proposals set out in this document in connection with the Related Party Transactions and the Resolution to be proposed at the General Meeting

“Related Party Transactions”	the management and performance incentive agreements the Company proposes to enter into with Investec Structured Products and Calculus Capital as set out on page 8 regarded as related party transactions under the Listing Rules
“Resolution”	the resolution being proposed at the General Meeting to approve the Related Party Transactions
“September General Meeting”	the general meeting of the Company held on 6 September 2010
“Shareholder”	a holder of Shares
“Shares”	Ordinary Shares and/or C Shares, as the context permits (and each a “Share”)
“Singer Capital Markets”	Singer Capital Markets Limited
“Structured Products”	notes and/or deposits and/or securities whose cash flow characteristics reflect the performance of an index or indices (which may or may not be linked to a market)
“UKLA”	the UK Listing Authority, being the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Market Act 2000
“Venture Capital Investments”	shares in, or securities of, VCT qualifying companies held by a venture capital trust which meets the requirements described in Parts 6, Chapters 3 and 4 to the Tax Act
“VCT” or “venture capital trust”	a company satisfying the requirements of Chapter 3 of Part 6 of ITA 2007 for venture capital trusts

## LETTER FROM THE CHAIRMAN

# INVESTEC STRUCTURED PRODUCTS CALCULUS VCT PLC

*(Registered in England and Wales with registered number 07142153)*

### **Directors:**

Christopher Paul James Wightman (Chairman)  
Arthur John Glencross  
Steven Guy Meeks  
Michael O'Higgins  
Mark Gary Rayward  
Philip Hilary Swatman  
Ian Robert Wohlman

### **Registered Office:**

Beaufort House  
51 New North Road  
Exeter  
EX4 4EP

15 December 2010

Dear Shareholder

### **Recommended proposals to approve the Related Party Transactions**

The Company was launched as a VCT in March 2010 and raised £3.8 million (before expenses) and the Board were encouraged by the level of investor demand for the original offer particularly given its late launch before the end of the 2009/2010 tax year.

However, as I wrote in my letter contained in the August Circular, the Board felt that the size of the Company should be increased in order to spread the costs base over a larger pool of assets and to allow a greater number and size of investments to be made to create a more diverse portfolio. In relation to this, Shareholder authorities were sought and obtained at the September General Meeting to raise further funds firstly through a top-up offer of Ordinary Shares and subsequently through an issue of C Shares.

Pursuant to these Shareholder approvals, the Company issued the top-up Ordinary Share offer in September 2010 which has raised a further £0.9 million (before expenses). The Board, together with the Managers, are now preparing for the launch of the C Share Offer, the funds raised from which will, as advised in the August Circular, be managed as a separate pool of assets.

The Shareholder authorities obtained at the September General Meeting included approval to enter into management and performance incentive arrangements with the Managers in respect of the C Shares Fund based on the expected return profile for the C Shares Fund. The Board and the Managers have considered the arrangements for the C Shares Fund further and, in order to match the expected return profile for the C Shares Fund, it is proposed to provide for new arrangements with the Managers in respect of the C Shares Fund.

**The new management and performance incentive arrangements do not affect the arrangements in respect of the Ordinary Shares Fund but, under the Listing Rules, require approval from Shareholders which will be sought at the General Meeting.**

### **The C Shares Fund Management and Performance Incentive Arrangements**

At the September General Meeting, Shareholders approved the amendment of the Articles to provide for a new C Share class to be managed and accounted for as a separate fund and the proposed C Shares Fund management and performance incentive arrangements with both Calculus Capital and Investec Structured Products.

The arrangements approved were materially on the same terms as the Ordinary Shares Fund (as set out at paragraph 5.1 on pages 11 and 12 of this document), save that they would lag 12 months behind the Ordinary Shares Fund. As a result, it was intended that the supplemental management agreements with each Manager in respect of the C Shares Fund would be for an initial period up to 14 December 2016, the date by which it was intended to provide the C Shares Fund interim return. In addition, payment of C Shares Fund performance incentive fees would be subject to the C Shares Fund interim return being paid by 14 December 2016. When these arrangements were approved, the intended return profile for the C Shares Fund was still under consideration by the Board and the Managers and the approved arrangements were not entered into (the intention being to enter into such arrangements prior to the launch of the C Share Fund).

Following such consideration, the Board has determined it appropriate to set the intended interim return date by which 70p per C Share has been paid or offered to 14 March 2017 (rather than 14 December 2016 as previously approved). The C Shares Fund will also seek to pay or offer a further return of 45p per C Share on or before 14 March 2019 (i.e. achieving a total return of 115p per C Share). The movement of the interim return date from 14 December 2016 to 14 March 2017 is considered necessary to reflect falling interest rates since the launch of the Company resulting in different terms being available for the Structured Products element of the C Shares Fund portfolio compared to the Ordinary Shares Fund.

**As a result of the change to the intended C Shares Fund interim return date from 14 December 2016 to 14 March 2017, the Board and the Managers have agreed, subject to Shareholder approval, to provide for new management and performance incentive arrangements as follows:**

#### *Supplemental Management Agreements*

It is proposed that each management agreement with Investec Structured Products and Calculus Capital will now be for an initial period to 14 March 2017 (ie the revised proposed C Shares Fund interim return date), subject to either party serving 12 months' notice to expire on or after this date.

The terms of these agreements will otherwise be materially the same as those for the arrangements for the Ordinary Shares Fund described in paragraphs 5.1.1 and 5.1.2 on pages 11 and 12 of this document.

No annual management fee is payable to Investec Structured Products under its supplemental management agreement (which is described in paragraph 5.2.1 on page 13 of this document). An annual fee of 1 per cent. of the net assets of the C Shares Fund is payable to Calculus Capital under its supplemental management agreement (which is described in paragraph 5.2.2 on page 13 of this document).

As the previous Shareholder approval was in respect of arrangements for both Managers for a fixed term to 14 December 2016 rather than 14 March 2017 (and such arrangements were not entered into as explained above), Shareholder approval of these new arrangements with the Managers is required as set out below.

#### *Performance Incentive Fee Arrangements*

It is proposed that the Managers will each receive a performance incentive fee in respect of the C Shares Fund payable in cash of an amount equal to:

- 10 per cent. of C Shareholder Proceeds between 105.0p and 115.0p per C Share, such amount to be paid within ten business days of the date of payment of the relevant dividend or distribution pursuant to which a return of 115.0p per C Share is satisfied; and
- thereafter, 10 per cent. of C Shareholder Proceeds, such amounts to be paid within ten business days of the date of payment of the relevant dividend or distribution

provided in each case that C Shareholders have received or been offered a C Shares Fund interim return of at least 70.0p per C Share on or before 14 March 2017 and at a least a further 45.0p per C Share having been received or offered for payment on or before 14 March 2019. In addition, performance incentive fees in respect of the C Shares Fund will only be payable in respect of dividends and distributions paid or offered on or before 14 March 2019.

The terms of this agreement will otherwise be materially the same as those for the arrangements for the Ordinary Shares Fund, as described in paragraph 5.1.3 on page 12 of this document.

As the previous Shareholder approval was in respect of performance incentive fee arrangements linked to a C Shares Fund interim return date of 14 December 2016 rather than 14 March 2017 (and such arrangements were not entered into as explained above), Shareholder approval of this new arrangement with the Managers is required as set out below.

## **Related Party Transactions**

Investec Structured Products and Calculus Capital are regarded as 'related parties' of the Company under the Listing Rules, being investment managers of a closed-ended investment fund.

The supplemental management agreements with each Manager and the performance incentive fee agreement with both Managers in respect of the C Shares Fund (as these are different to what was approved at the September General Meeting and not entered into) as set out above, are related party transactions (Related Party Transactions) requiring the approval of Shareholders pursuant to the Listing Rules. The Resolution to be proposed at the General Meeting seeks such approval.

It should be noted that the Proposals are in respect of the C Shares Fund alone and do not impact on the Ordinary Shares Fund. Approval from existing Shareholders is, however, required under the Listing Rules.

## **C Share Offer**

The Board intends to launch the C Share Offer as soon as possible after the approval of the Related Party Transactions have been approved at the General Meeting in January 2011.

If the Resolution is not passed, the Board, together with the Managers, will consider further the investment and return profile, as well as the management and performance incentive arrangements for the C Shares Fund, and decide whether or not a C Shares Offer should be launched.

## **General Meeting**

Notice of the General Meeting, to be held at 1.30 p.m. on 7 January 2011 at the offices of Investec Structured Products, 2 Gresham Street, London EC2V 7QP, is set out at the end of this document.

The Resolution to be proposed will approve the Related Party Transactions with Investec Structured Products and Calculus Capital. The Resolution will be proposed as an ordinary resolution requiring the approval of at least 50 per cent. of the votes cast at the General Meeting.

## **Action to be taken**

**Before taking any action, you are recommended to read the further information set out in this document. Should a Shareholder have any doubt as to what action to take you are recommended to consult an independent financial adviser.**

Shareholders will find attached at the end of this document the form of proxy for use at the General Meeting. Whether or not you propose to attend the General Meeting, you are requested to complete and return the form of proxy attached so as to be received by Capita Registrars not less than 48 hours before the time appointed for holding of the General Meeting. Completion and return of a form of proxy will not prevent you from attending and voting in person at the General Meeting, should you wish to do so.

## **Recommendation**

The Board, which has been so advised by Singer Capital Markets, considers the Related Party Transactions with Investec Structured Products and Calculus Capital to be fair and reasonable so far as the Shareholders of the Company are concerned. In providing its advice, Singer Capital Markets has taken into account the Board's commercial assessment of the Related Party Transactions.

Ian Wohlman is a director of Investec Bank plc (of which Investec Structured Products is a trading name), Steve Meeks is a former consultant to Investec Structured Products and John Glencross is a director of Calculus Capital (Interested Directors). The Interested Directors have not participated in the Board's consideration of the Related Party Transactions. The Interested Directors have agreed not to vote on the Resolution and have undertaken to take all reasonable steps to ensure that each of their associates will also not vote on the Resolution to be proposed at the General Meeting to approve the Related Party Transactions.

Investec Structured Products and Calculus Capital do not hold any Shares in the Company and will not, therefore, be entitled to vote on the Resolution to be proposed at the General Meeting to approve the Related Party Transactions. Investec Structured Products and Calculus Capital have undertaken to take all reasonable steps to ensure that its associates will also not vote on the Resolution to be proposed at the General Meeting to approve the Related Party Transactions.

**The Board considers that the Proposals and the Resolution to be proposed at the General Meeting are in the best interests of the Company and its Shareholders as a whole.**

**The Board recommends that you vote in favour of the Resolution to be proposed at the General Meeting. The Board (other than the Interested Directors) intend to vote in favour of the Resolution in respect of their own holdings of 276,650 Shares (representing approximately 5.84 per cent. of the issued share capital of the Company), the Interested Directors having agreed to refrain from voting as set out above.**

Yours faithfully

**Christopher Wightman**

*Chairman*

## ADDITIONAL INFORMATION

### 1. Responsibility

The Company and the Directors, whose names appear in paragraph 3 below, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

### 2. Share Capital

2.1 As at 14 December 2010 (this being the latest practicable date prior to the publication of this document), the issued share capital of the Company was as follows:

	<i><b>Issued and fully paid No. of Shares</b></i>	<b>£</b>
<b>Ordinary Shares (1p each)</b>	4,738,463	47,384.63

2.2 As at 14 December 2010 (this being the latest practicable date prior to the publication of this document), no share or loan capital of the Company was under option or had been agreed, conditionally or unconditionally, to be put under option, nor did the Company hold any share capital in treasury.

### 3. Directors and their Interests

3.1 The names and business addresses of the Directors, all of whom are non-executive, are as follows:

- Christopher Paul James Wightman (Chairman)
- Arthur John Glencross
- Steven Guy Meeks
- Michael O'Higgins
- Mark Gary Rayward
- Philip Hilary Swatman
- Ian Robert Wohlman

all of Beaufort House, 51 New North Road, Exeter EX4 4EP (the registered office and principal place of business of the Company).

3.2 As at 14 December 2010 (this being the latest practicable date prior to publication of this document), the interests of the Directors and the employees of the Managers (in each case, and their immediate families) in the issued share capital of the Company were as follows:

	<i><b>Shares held</b></i>	<i><b>% of issued share capital</b></i>
<i><b>Director</b></i>		
Chris Wightman	10,000	0.21
John Glencross	25,000	0.53
Steven Meeks	20,550	0.43
Michael O'Higgins	205,500	4.34
Mark Rayward	50,875	1.07
Philip Swatman	10,275	0.22
Ian Wohlman	30,000	0.63
Employees of Investec Structured Products and Calculus Capital*	801,640	16.92

(\* including Investec Bank plc but excluding Directors.)

- 3.3 The Directors were appointed under letters of appointment dated 22 February 2010. The appointments are subject to an initial period expiring immediately following the first annual general meeting, and (subject to re-election at the first annual general meeting) thereafter the appointments may be terminated on 3 months' notice. No arrangements have been entered into by the Company entitling the Directors to compensation for loss of office, nor have any amounts been set aside to provide pension, retirement or similar benefits. The total annual remuneration receivable by Chris Wightman as Chairman is £20,000 (plus applicable employers' National Insurance Contributions). The total annual remuneration receivable by Michael O'Higgins, Mark Rayward, Philip Swatman and Steve Meeks is £15,000 each (plus applicable employers' National Insurance Contributions). Ian Wohlman and John Glencross do not receive any remuneration from the Company in respect of their appointments. Aggregate Directors' emoluments for the year ending 28 February 2011 is expected to be £80,000 (plus applicable employers' National Insurance Contributions).
- 3.4 The Directors, other than Ian Wohlman, Steve Meeks and John Glencross (for the reasons set out in paragraph 3.5), act and will continue to act independently of Investec Structured Products and Calculus Capital. No majority of the Directors will be directors or employees of, or former directors or employees of, or professional advisers to Investec Structured Products or Calculus Capital or any other company in the same group as Investec Bank plc or Calculus Capital.
- 3.5 Ian Wohlman is a director of Investec Bank plc. Steve Meeks is a former consultant to Investec Structured Products. John Glencross is Chief Executive of Calculus Capital. Save for the management arrangements, performance incentive arrangements and promoters arrangement set out in paragraph 5 below under which Investec Structured Products and Calculus Capital are both entitled to fees and pursuant to which Investec Structured Products is appointed to make investments on behalf of the Company in Structured Products which may include Structured Products issued by Investec Bank plc. As at 14 December 2010 (this being the latest practicable date prior to publication of this document) there were no other potential conflicts of interest between the duties of any Director and their private interests and/or duties.
- 3.6 Other than disclosed in this paragraph 3, no Director is or has been interested in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company and which was effected by the Company in the current financial year and remains in any respect outstanding or unperformed.

#### 4. Substantial Shareholders

Save as set out below, as at 14 December 2010 (this being the latest practicable date prior to publication of this document), the Company is not aware of any person who, directly or indirectly, has an interest in the Company's capital or voting rights which is notifiable under UK law (under which, pursuant to CA 2006 and the Listing Rules and the Disclosure & Transparency Rules of the FSA, a holding of 3 per cent. or more must be notified to the Company).

	<b>Shares held</b>	<b>% of issued share capital</b>
Michael O'Higgins	205,500	4.34

#### 5. Material Contracts

- 5.1 Save as disclosed in this paragraph 5.1, the Company has not entered, other than in the ordinary course of business, into any contract which is or may be material to the Company since incorporation or into any contract containing provisions under which the Company has any obligation or entitlement which is material to the Company as at the date of this document:
- 5.1.1 An investment management agreement dated 2 March 2010, between the Company (1) and Investec Structured Products (2) pursuant to which Investec Structured Products has agreed to act as discretionary investment manager to the Company in respect of the Structured Products portfolio. The agreement is for an initial period up to 14 December 2015 and the appointment may be terminated on 12 months' notice expiring on 14 December 2015 or at any time thereafter. The appointment of Investec Structured Products will automatically terminate on the date that the Company no longer has investments in Structured Products in the Ordinary Shares Fund. This appointment may

also be terminated (*inter alia*) in circumstances of material breach by either party. Investec Structured Products has agreed not to receive a fee in relation to its appointment under this agreement. Investec Structured Products shall receive a commission of 0.75 per cent. of the amount invested in each Structured Product payable by the issuer of the relevant Structured Product (save for Structured Products issued by Investec Bank plc). Investec Structured Products has agreed under this agreement to meet the annual expenses of the Company in excess of 3.0 per cent. of the gross amount raised pursuant to the original offer. The agreement contains normal provisions indemnifying Investec Structured Products in respect of loss and/or liability incurred in the provision of services pursuant to the agreement (save in circumstances of its wilful default, negligence or fraud).

5.1.2 An investment management agreement dated 2 March 2010, between the Company (1) and Calculus Capital (2) pursuant to which Calculus Capital has agreed to act as discretionary investment manager to the Company in respect of the Venture Capital Investments portfolio and to advise in respect of the Company's investments in near cash assets. The agreement is for an initial period up to 14 December 2015 and the appointment may be terminated on 12 months' notice expiring on 14 December 2015 or at any time thereafter. This appointment may also be terminated (*inter alia*) in circumstances of material breach by either party. Calculus Capital will receive an annual management fee of 1 per cent. of the net assets of the Company, calculated and payable quarterly in advance, together with any applicable VAT thereon. Calculus Capital may retain the right to charge arrangement and syndication fees to the private companies in which the Company invests and may also receive ongoing directors' fees and monitoring fees from such investee companies. The agreement contains normal provisions indemnifying Investec Structured Products in respect of loss and/or liability incurred in the provision of services pursuant to the agreement (save in circumstances of its wilful default, negligence or fraud).

5.1.3 A performance incentive agreement between the Company (1), Investec Structured Products (2) and Calculus Capital (3) dated 2 March 2010 pursuant to which Investec Structured Products and Calculus Capital will each be entitled to 10 per cent. of dividends paid to Ordinary Shareholders provided that the performance conditions set out below are achieved.

Investec Structured Products and Calculus Capital will each receive a performance incentive fee payable in cash of an amount equal to 10 per cent. of dividends and distributions paid to Ordinary Shareholders following the payment of such dividends and distributions provided that Ordinary Shareholders have received or been offered an interim return of at least 70p per Ordinary Share on or before 14 December 2015 and aggregate distributions of at least 105p per Ordinary Share have been paid (including the relevant distribution being offered). Such performance incentive fees will be paid within ten business days of the payment of the relevant dividend or distribution.

If the appointment of either of the Managers as investment manager to the Company is terminated by the Company as a result of a material breach by the Manager concerned of the provisions of the investment management agreement between it and the Company, no further performance incentive will be payable to the Manager concerned.

If the appointment of Investec Structured Products is terminated for any other reason, it will continue to be entitled to the performance incentive.

If the appointment of Calculus Capital is terminated for any other reason, it will be entitled to a performance incentive in respect of distributions paid during the period of five years after the date of termination, but the amount payable to it shall reduce pro rata during that period and no performance incentive will be payable in respect of distributions made thereafter.

5.1.4 A sponsorship and promoter's agreement dated 2 March 2010 between the Company (1), the Directors (2), Singer Capital Markets (3), Investec Structured Products (4) and Calculus Capital (5) whereby Investec Structured Products agreed to act as promoter in connection with the original offer for subscription of Ordinary Shares and Singer Capital Markets agreed to act as sponsor. The agreement contained warranties given by the

Company, the Directors and the Managers to Singer Capital Markets and Investec Structured Products (as the promoter). The Company paid to Investec Structured Products a commission of 5.0 per cent. of the gross amount subscribed under the original offer for subscription of Ordinary Shares out of which all costs, charges and expenses of or incidental to the original offer for subscription of Ordinary Shares were paid (including the fees of Singer Capital Markets but excluding annual trail commission which is borne by the Company).

5.1.5 A sponsorship and promoter's agreement dated 20 September 2010 between the Company (1), the Directors (2), Singer Capital Markets (3), Investec Structured Products (4) and Calculus Capital (5) whereby Investec Structured Products agreed to act as promoter in connection with the further offer for subscription of Ordinary Shares and Singer Capital Markets agreed to act as sponsor. The agreement contained warranties given by the Company, the Directors and the Managers to Singer Capital Markets and Investec Structured Products (as the promoter). The Company paid to Investec Structured Products a commission of 5.0 per cent. of the gross amount subscribed under the further offer for subscription of Ordinary Shares out of which all costs, charges and expenses of or incidental to further offer for subscription of Ordinary Shares were paid (including the fees of Singer Capital Markets but excluding annual trail commission which is borne by the Company).

5.2 The following contracts will be entered into subject, *inter alia*, to the approval by Shareholders of the Resolution and non-material amendment:

5.2.1 A supplemental investment management agreement between the Company (1) and Investec Structured Products (2) pursuant to which Investec Structured Products has agreed to act as discretionary investment manager to the C Shares Fund of the Company in respect of the Structured Products portfolio. The agreement is for an initial period up to the 14 March 2017, and the appointment may be terminated on 12 months' notice expiring on or after that date. The appointment of Investec Structured Products will automatically terminate on the date that the Company no longer has investments in Structured Products in the C Shares Fund. This appointment may also be terminated (*inter alia*) in circumstances of material breach by either party. Pursuant to this agreement the terms of the Ordinary Share Fund agreement set out at paragraph 5.1.1 above will apply, *mutatis mutandis*, to the C Shares Fund.

5.2.2 A supplemental investment management agreement between the Company (1) and Calculus Capital (2) pursuant to which Calculus Capital has agreed to act as discretionary investment manager to the C Shares Fund of the Company in respect of the Venture Capital Investments portfolio and to advise in respect of the C Share Funds' investments in near cash assets. The agreement is for an initial period up to the 14 March 2017, and the appointment may be terminated on 12 months' notice expiring on or after that date. This appointment may also be terminated (*inter alia*) in circumstances of material breach by either party. Pursuant to this agreement the terms of the Ordinary Share Fund agreement set out at paragraph 5.1.2 above will apply, *mutatis mutandis*, to the C Shares Fund (pursuant to which, for the avoidance of doubt, Calculus Capital's entitlement to receive an annual management fee of 1 per cent. of the net assets of the Company is in respect of investment management services provided across both the Ordinary Shares Fund and the C Shares Fund).

5.2.3 A performance incentive agreement between the Company (1), Investec Structured Products (2) and Calculus Capital (3) pursuant to which Investec Structured Products and Calculus Capital will each be entitled to performance incentive fees as set out below.

- 10 per cent. of C Shareholder Proceeds in excess of 105.0p and up to and including 115.0p per C Share, such amount to be paid within ten business days of the date of payment of the relevant dividend or distribution pursuant to which a return of 115.0p per C Share is satisfied; and
- thereafter, 10 per cent. of C Shareholder Proceeds, such amounts to be paid within ten business days of the date of payment of the relevant dividend or distribution

provided in each case that C Shareholders have received or been offered a C Shares Fund interim return of at least 70.0p per C Share on or before 14 March 2017 and at a least a further 45.0p per C Share having been received or offered for payment on or before 14 March 2019. In addition, performance incentive fees in respect of the C Shares Fund will only be payable in respect of dividends and distributions paid or offered on or before 14 March 2019.

The terms of this agreement will otherwise be materially the same as those for the arrangements for the Ordinary Shares Fund and as is more particularly described in paragraph 5.1.3 above.

## **6. The Managers**

### **6.1 *Calculus Capital***

Calculus Capital was established in 1999 and is authorised and regulated by the FSA. Its core investment team of Susan McDonald and John Glencross has been making tax efficient investments in unquoted companies since 1997. Calculus Capital has extensive experience of investing in energy, energy services, energy technology, leisure and catering, transportation and healthcare and these sectors are likely to be the target of investments by the Company. At the same time, Calculus Capital will also take advantage of value opportunities in other sectors as they arise.

### **6.2 *Investec Structured Products***

The Structured Products are managed by the team at Investec Structured Products, a team within Investec Bank plc, which is part of the Investec group of companies. The Investec group is an international specialist banking organisation that provides a diverse range of financial products and services to a niche client base in three principal markets, the UK, South Africa and Australia, as well as certain other countries. Investec Structured Products has been recognised as a leading provider of Structured Products being awarded the Professional Adviser Best Structured Products Provider Award 2009 and 2010.

## **7. General**

- 7.1 The Company was incorporated and registered in England and Wales under CA 2006 as a public company with limited liability on 1 February 2010 with registered number 07142153. The principal legislation under which the Company operates is CA 2006 (and regulations made thereunder). The Company is an investment company under section 833 of CA 2006. The legal and commercial name of the Company is Investec Structured Products Calculus VCT plc. The Company is domiciled in England.
- 7.2 The Company has not produced any statutory accounts since incorporation nor does the Company have any employees or subsidiaries.
- 7.3 Save for the fees paid to the Managers, under the arrangements set out in paragraphs 5.1.1 to 5.1.3 above, and the fees paid to the Directors as detailed in paragraph 3.3 above, there were no related party transactions or fees paid by the Company since incorporation of the Company to the date of this document in the current financial year.
- 7.4 The existing investment management agreement for the Ordinary Shares Fund set out at paragraph 5.1.1 above, as well as the proposed agreement for the C Shares Fund set out at paragraph 5.2.1 above, provides that investments may be made by the Company in Structured Products issued by Investec Bank plc. These investments may be regarded as related party transactions, will need to be assessed under the Listing Rules and, if required, Shareholder approval obtained before any such investment is made.
- 7.5 Save for the funds raised by the Company (approximately £0.9 million before expenses) from the top-up Ordinary Share offer which opened in September 2010 and closed on 10 December 2010, there has been no significant change in the financial or trading position of the Company since 31 August 2010, the date to which the half-yearly report for the six-month period to 31 August 2010 has been published, to the date of this document.
- 7.6 The Company is not and has not at any time in the 12 months immediately preceding the date of this document been involved in any governmental, legal or arbitration proceedings (and the Company is not aware of any such proceedings being pending or threatened) which may have, or have had, a significant effect on the Company's financial position or profitability.

7.7 Singer Capital Markets has given and not withdrawn its written consent to the issue of this document and the inclusion of its name and the references to it in this document in the form and context in which they appear.

**8. Documents Available for Inspection**

Copies of the following documents will be available at the offices of Martineau, 35 New Bridge Street, London EC4V 6BW for inspection during normal business hours on any day (Saturdays, Sundays and public holidays excepted) from the date of this document until the date of the General Meeting and also at the registered office of the Company:

- 8.1 the memorandum and articles of association of the Company (existing and as proposed to be amended at the General Meeting);
- 8.2 the material contracts referred to in paragraph 5 above;
- 8.3 the consent referred to at paragraph 7.7 above; and
- 8.4 this document.

15 December 2010

## **INVESTEC STRUCTURED PRODUCTS CALCULUS VCT PLC**

*(Registered in England and Wales with registered number 07142153)*

### **NOTICE OF GENERAL MEETING**

Notice is hereby given that a general meeting of Investec Structured Products Calculus VCT plc ("the Company") will be held at 1.30 p.m. on 7 January 2011 at the offices of Investec Structured Products, 2 Gresham Street, London EC2V 7QP for the purposes of considering and, if thought fit, passing the following resolution which will be proposed as an ordinary resolution:

That the Related Party Transactions (as defined in the circular to shareholders of the Company dated 15 December 2010 ("Circular")) with Investec Structured Products (a team within Investec Bank plc) and Calculus Capital Limited be and hereby are approved.

Dated 15 December 2010

**By order of the Board**

Capita Sinclair Henderson Limited  
*Secretary*

**Registered Office:**

Beaufort House  
51 New North Road  
Exeter  
EX4 4EP

Notes:

1. Each director has an appointment letter with the Company, a copy of which will be available for inspection at the meeting.
2. To be entitled to attend and vote at the meeting (and for the purposes of the determination by the Company of the votes they may cast in accordance with Regulation 41 of the Uncertified Securities Regulation 2001), members must be registered in the register of members of the Company at 5.00 p.m. on 5 January 2011 (or, in the event of any adjournment, 5.00 p.m. on the date which is two days before the date of the adjourned meeting). Changes to the register of members of the Company after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
3. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend, speak and vote on his or her behalf. A proxy need not also be a member but must attend the meeting to represent the member. Details of how to appoint the chairman of the meeting or another person as a proxy using the form of proxy are set out in the notes on the form of proxy. If a member wishes a proxy to speak on the member's behalf at the meeting the member will need to appoint their own choice of proxy (not the chairman) and give their instructions directly to them.
4. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. A member may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, (an) additional form(s) of proxy should be obtained by contacting the Company's registrar, Capita Registrars, between 9.00 a.m. and 5.00 p.m. (GMT) Monday to Friday on telephone number 0871 664 0321 or, if telephoning from outside the UK, on +44 20 8639 3399. Calls to Capita Registrars helpline (0871 664 0321) are charged at 10p per minute (including VAT) plus your service provider's network extras. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. For legal reasons, Capita Registrars will be unable to give advice on the merits of the proposals or provide financial, legal, tax or investment advice. A member should indicate in the box next to the proxy holder's name the number of shares in relation to which the proxy is authorised to act as the member's proxy. A member should also indicate by ticking the box provided if the proxy instruction is one of multiple instructions being given.
5. A form of proxy is attached to this document. To be valid, it should be lodged with the Company's registrar, Capita Registrars Limited, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU or the proxy appointment must be registered electronically by fax to Investec Structured Products so as to be received not later than 1.30 p.m. on 5 January 2011 or 48 hours before the time appointed for any adjourned meeting or, in the case of a poll taken subsequent to the date of the meeting or adjourned meeting, so as to be received no later than 24 hours before the time appointed for taking the poll. A member may return a proxy form in their own envelope with the address FREEPOST RSBH-UXKS-LRBC, PXS, 34 Beckenham Road, Beckenham BR3 4TU.
6. As at 14 December 2010 (being the last business day prior to the publication of this notice), the Company's issued voting share capital was 4,738,463 shares, each carrying one vote each. Therefore, the total voting rights in the Company as at 14 December 2010 was 4,738,463.
7. In accordance with section 325 of the Companies Act 2006, the right to appoint proxies (as detailed in paragraphs 3 to 5 above) does not apply to persons nominated to receive information rights under section 146 of the Companies Act 2006. The rights described in these paragraphs can only be exercised by members of the Company.
8. As an alternative to returning the hard-copy proxy form by post, you can appoint a proxy by sending the proxy form by fax to Investec Structured Products FAO: Mike Newman/Pascale Ferreira on 020 7597 4950. For the proxy appointment to be valid, your appointment must be received by 5 January 2011 in such time as it can be transmitted to the registrars of the Company so as to be received no later than 48 hours before the time appointed for the meeting or any adjourned meeting, or in the case of a poll taken subsequent to the date of the meeting or adjourned meeting, so as to be received no later than 24 hours before the time appointed for taking the poll. Capita Registrars will not be liable for any proxy forms rendered illegible by means of fax transmission.
9. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, in accordance with section 149(2) of the Companies Act 2006 and under an agreement between him/her and the member by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
10. If a corporate shareholder has appointed a corporate representative, the corporate representative will have the same powers as the corporation could exercise if it were an individual member of the Company. If more than one corporate representative has been appointed, on a vote on a show of hands on a resolution, each representative will have the same voting rights as the corporation would be entitled to. If more than one authorised person seeks to exercise a power in respect of the same shares, if they purport to exercise the power in the same way, the power is treated as exercised; if they do not purport to exercise the power in the same way, the power is treated as not exercised.
11. Appointment of a proxy will not preclude a member from subsequently attending and voting at the meeting should the member subsequently decide to do so. A member can only appoint a proxy using the procedures set out in these notes and the notes to the form of proxy. The termination of the authority of a person to act as proxy must be notified to the Company in writing. Amended instructions must be received by Capita Registrars Limited by the deadline for receipt of proxies.
12. Information regarding the meeting is also available on the website of Calculus Capital, [www.calculuscapital.com](http://www.calculuscapital.com)



# INVESTEC STRUCTURED PRODUCTS CALCULUS VCT PLC

## FORM OF PROXY

I/We (BLOCK CAPITALS PLEASE).....

of .....

being a shareholder(s) of the above-named Company, appoint the Chairman of the General Meeting or

.....  
for the following number of ordinary shares

.....  
to act as my/our proxy to vote for me/us and on my/our behalf at the General Meeting of the Company to be held at offices of Investec Structured Products, 2 Gresham Street, London EC2V 7QP at 1.30 p.m. on 7 January 2011 (see note 1 below) and at every adjournment thereof and to vote for me/us on my/our behalf as directed below.

Please indicate with an 'X' if this is one of multiple proxy instructions being given ☐

The proxy is directed to vote as follows:

Ordinary Resolution		For	Against	Vote Withheld
	To approve the Related Party Transactions.			

Signature..... Dated .....

### Notes:

1. The notice of the General Meeting is set out in the circular to shareholders of the Company dated 15 December 2010.
2. If any other proxy is preferred, strike out the words "Chairman of the General Meeting" and add the name and address of the proxy you wish to appoint. The proxy need not be a member.
3. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. A member may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, (an) additional form(s) of proxy should be obtained by contacting the Company's registrar, Capita Registrars between 9.00 a.m. and 5.00 p.m. (GMT) Monday to Friday on telephone number 0871 664 0321 or, if telephoning from outside the UK, on +44 20 8639 3399. Calls to Capita Registrars helpline (0871 664 0321) are charged at 10p per minute (including VAT) plus your service provider's network extras. Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. For legal reasons, Capita Registrars will be unable to give advice on the merits of the proposals or provide financial, legal, tax or investment advice.

Please also indicate by ticking the box provided if the proxy instruction is one of multiple instructions being given.

4. Any alterations to the form should be initialled.
5. If the appointer is a corporation, this form must be completed under its common seal or under the hand of an officer or attorney duly authorised in writing.
6. The signature of any one of joint holders will be sufficient, but the names of all the joint holders should be stated.
7. To be valid, this form and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power must reach the registrars of the Company at Capita Registrars Limited, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU not less than 48 hours before the time appointed for holding the General Meeting or adjournment as the case may be.
8. As an alternative to returning this hard-copy proxy form by post, you can appoint a proxy by sending this proxy form by fax to Investec Structured Products FAO: Mike Newman/Pascale Ferreira on 020 7597 4950. For the proxy appointment to be valid, your appointment must be received by 5 January 2011 in such time as it can be transmitted to the registrars of the Company so as to be received no later than 48 hours before the time appointed for the meeting or any adjourned meeting, or in the case of a poll taken subsequent to the date of the meeting or adjourned meeting, so as to be received no later than 24 hours before the time appointed for taking the poll. Capita Registrars will not be liable for any proxy forms rendered illegible by means of fax transmission
9. The completion of this form will not preclude a member from attending the General Meeting and voting in person.



