

MOBEUS VCTS

OFFERS FOR SUBSCRIPTION TO RAISE UP TO £39 MILLION IN AGGREGATE FOR 2014/15 TAX YEAR

Offers to raise up to:

Mobeus Income & Growth VCT plc (MIG) – £15 million

Mobeus Income & Growth 2 VCT plc (MIG 2) – £8 million

Mobeus Income & Growth 4 VCT plc (MIG 4) – £6 million

The Income & Growth VCT plc (I&G) - £10 million

SECURITIES NOTE AND APPLICATION FORM

Promoted and advised by
Mobeus Equity Partners LLP

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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 INTERMEDIARY AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000 ("FSMA").

THIS DOCUMENT CONSTITUTES A SECURITIES NOTE (THE "SECURITIES NOTE") ISSUED BY MOBEUS INCOME & GROWTH VCT PLC ("MIG"), MOBEUS INCOME & GROWTH 2 VCT PLC ("MIG 2"), MOBEUS INCOME & GROWTH 4 VCT PLC ("MIG 4") AND THE INCOME & GROWTH VCT PLC ("I&G") (TOGETHER, THE "COMPANIES" AND EACH A "COMPANY") DATED 10 DECEMBER 2014.

THIS DOCUMENT HAS BEEN PREPARED IN COMPLIANCE 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 ONE PENNY EACH IN THE CAPITAL OF EACH OF THE COMPANIES 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 CONDUCT AUTHORITY ("FCA") IN ACCORDANCE WITH FSMA.

THIS SECURITIES NOTE, THE REGISTRATION DOCUMENT AND THE SUMMARY TOGETHER COMPRISE A PROSPECTUS ISSUED BY THE COMPANIES DATED 10 DECEMBER 2014 (THE "PROSPECTUS"). THE PROSPECTUS HAS BEEN FILED WITH THE FCA 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 the inside back cover of this document) 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.

Offers for Subscription to raise, in aggregate, up to £39 million through the issue of Offer Shares in each Company

Mobeus Income & Growth VCT plc

Registered in England and Wales
under number 05153931
ISIN: GB00B01WL239
Offer for subscription to raise up to £15 million

Mobeus Income & Growth 2 VCT plc

Registered in England and Wales
under number 03946235
ISIN: GB00B0LKLZ05
Offer for subscription to raise up to £8 million

Mobeus Income & Growth 4 VCT plc

Registered in England and Wales
under number 03707697
ISIN: GB00B1FMDH51
Offer for subscription to raise up to £6 million

The Income & Growth VCT plc

Registered in England and Wales
under number 04069483
ISIN: GB00B29BN198
Offer for subscription to raise up to £10 million

In connection with the Offers, Howard Kennedy Corporate Services LLP, the sponsor to the Offers, and Mobeus Equity Partners LLP ("Mobeus"), the promoter to the Offers, are 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 Howard Kennedy Corporate Services LLP and Mobeus (subject to the responsibilities and liabilities imposed by FSMA and the regulatory regime established thereunder) in providing advice in relation to the Offer. Howard Kennedy Corporate Services LLP and Mobeus are authorised and regulated in the United Kingdom by the FCA.

SGH Martineau LLP, which is regulated in the United Kingdom by the Solicitors Regulation Authority, is acting as legal adviser to the Companies and no one else and will not be responsible to anyone other than the Companies for providing advice in connection with any matters referred to herein.

None of the Offer Shares has been, nor will be, registered in the United States under the United States Securities Act of 1933, as amended, (the Securities Act) or under the securities laws of Canada, Australia, Japan or South Africa (each a Restricted Territory) and they may not be offered or sold directly or indirectly within the United States or any of the Restricted Territories or to, or for the account or benefit of US Persons (as defined in Regulation S made under the Securities Act) or any national, citizen or resident of the United States or any of the Restricted Territories. The Offers are not being made, directly or indirectly, in or into the United States or any of the Restricted Territories or in any other jurisdiction where to do so would be unlawful. In particular, prospective investors who are resident in the United States or any Restricted Territory should note that this document is being sent for information purposes only. The distribution of this document in jurisdictions other than the UK may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any of these restrictions. Any failure to comply with any of those restrictions may constitute a violation of the securities law of any such jurisdiction. An Application Form is not being and must not be forwarded to or transmitted in or into the United States or a Restricted Territory.

Application has been made to the UKLA for the Offer Shares to be admitted to the premium segment of 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 within 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 issued by the Companies) are available free of charge from the National Storage Mechanism (www.morningstar.co.uk/uk/NSM) and the promoter of the Offers:

Mobeus Equity Partners LLP
30 Haymarket
London SW1Y 4EX

telephone: 020 7024 7600
download: www.mobeusequity.co.uk/investor-area
email: info@mobeusequity.co.uk

The procedure for, and the terms and conditions of, application under the Offers are set out at the end of this document, together with an Application Form. Completed Application Forms must be posted or delivered by hand to the receiving agent, Mobeus VCTs Offers, The City Partnership (UK) Limited, Thistle House, 21 Thistle Street, Edinburgh EH2 1DF. Each Offer opens on 10 December 2014 and will close on 2 April 2015 (or, if earlier, as soon as that Offer is fully subscribed or otherwise at the relevant Company's Board's discretion).

YOUR ATTENTION IS DRAWN TO THE RISK FACTORS ON PAGE 2.

Risk Factors

The following are those risk factors which are material to each Company's Offer Shares and of which each Company's respective Directors are aware. Material risk factors relating to the Companies are contained in the Registration Document. Additional risks which are not presently known to the Directors, or that the Directors currently deem immaterial, may also have an effect on the market risk attaching to their respective Company's Offer Shares. The value of the Shares in a Company could decline due to any of these risk factors described below, and investors could lose part or all of their investment in that Company. Investors should consider consulting an independent financial intermediary authorised under FSMA. The attention of prospective investors is drawn to the following risks.

The value of Shares, and the income derived from them, can fluctuate and investors may not get back the full amount they invested. In addition, there is no certainty that the market price of Shares will fully reflect their underlying net asset value nor is there any guarantee that dividends will be paid, nor that any dividend target stated will be met.

Although the existing Shares are (and it is anticipated that the Offer Shares will be) admitted to the premium segment of the Official List of the UKLA and to trading on the London Stock Exchange's main market for listed securities, the secondary market for VCT shares is generally illiquid, which may be partly attributable to the fact that the initial tax reliefs are not available for VCT shares generally bought in the secondary market. Moreover, VCT shares usually trade at a discount to NAV. Therefore, investors may find it difficult to realise their investment in a Company at close to the NAV of a Share of that Company (albeit that each Company currently operates a buyback policy with the objective of maintaining the discount to NAV at which its Shares trade at approximately 10%). Investment in a Company should, therefore, be seen as a long term investment.

Without a Company undertaking share buybacks, trading in its Shares is unlikely to be active, so the bid price (the price which sellers are likely to receive in the market) is likely to reflect the price at which that Company may decide to buy back its Shares for cancellation. Share buybacks will be subject to a Company's available liquid resources and available distributable reserves. Investors should not rely upon any share buyback policy to offer any certainty of selling Shares at prices that reflect their underlying NAV.

The past performance of the Companies and Mobeus is not an indication of future performance. The return received by investors will be dependent on the performance of the underlying investments in the Company in which they invest. The value of such investments, and interest income and dividends therefrom, may rise or fall.

The Articles of each Company provide the opportunity for Shareholders of a Company to vote on the continuation of that Company at the annual general meeting falling after the fifth anniversary of the earlier of the last allotment of shares or the last continuation vote held. The allotment of Offer Shares in a Company pursuant to its Offer will, therefore, defer (in accordance with the Articles) the opportunity for Shareholders of the relevant 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, if no trading in the market is possible.

The number of Offer Shares to be issued in a Company will be calculated by a formula linked to the latest published NAV of a Share in the relevant Company which will determine the Offer Price. The most recently published unaudited NAVs for MIG, MIG 2 and MIG 4 are as at 30 September 2014 and the most recently published NAV for I&G is as at 30 June 2014. Prospective investors should be aware that each Company publishes NAVs quarterly and may publish additional NAVs more frequently for the purposes of its Offer. If revised NAVs are published during the course of an Offer, investors may receive a different number of Offer Shares in the relevant Company from that anticipated.

MIG, MIG 2, MIG 4 and I&G currently have the authority to issue 33,042,500 MIG Shares, 16,099,400 MIG 2 Shares, 35,898,745 MIG 4 Shares and 10,736,280 I&G Shares respectively. Allotment authorities expire at each Company's next annual general meeting where replacement authorities will be sought. If at any time a Company has insufficient authority to allot Offer Shares, its Offer will be closed.

The tax rules, or their interpretation, in relation to an investment in a Company and/or the rates of any tax, may change during the life of that Company and may apply retrospectively. The value of the tax reliefs depends on the personal circumstances of the investors, who should consult their own tax advisers before making any investment.

The disposal of Offer Shares within five years of subscription will result in any income tax relief claimed thereon becoming repayable. In addition, loss of VCT status by a Company will result in Qualifying Investors losing tax reliefs available for VCT shares, resulting in adverse tax consequences, including any income tax relief claimed on Offer Shares issued by the relevant Company if the Offer Shares have not been held for five years as at the date of VCT status being regarded as lost. Further, the disposal of existing Shares within six months either side of the acquisition of Offer Shares in the same Company will result in the amount of the investment in Offer Shares to which VCT tax reliefs are available being reduced by an amount equal to the proceeds received on the disposal.

Timetable and Statistics

Expected Timetable

Offers open	10 December 2014
Early Investment Incentive expiry date	6 February 2015
First allotment	By 14 January 2015
Offers close	12.00 noon 2 April 2015
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

Note:

Each Board will close its respective Company's Offer earlier than the date stated above if it is fully subscribed by an earlier date or at its discretion. Each Board further reserves the right to accept Application Forms and to allot and arrange for the listing of Offer Shares in its Company in respect of Subscriptions received for its Company's Offer on or prior to the closing date of such Offer as the relevant Board sees fit.

Offer Statistics

Investor's minimum aggregate investment across all Offers	£6,000*
Investor's minimum investment per Offer	£1,500*

(*thereafter in multiples of £500)

VCT Offer	Net assets**	Maximum amount to be raised under the Offer
Mobeus Income & Growth VCT plc	£58.1 million	£15.0 million
Mobeus Income & Growth 2 VCT plc	£39.1 million	£8.0 million
Mobeus Income & Growth 4 VCT plc	£48.5 million	£6.0 million
The Income & Growth VCT plc	£72.0 million	£10.0 million
Costs of each Offer		3.25% of the amount raised

**Unaudited net assets as at 30 September 2014, in respect of MIG, MIG 2 and MIG 4 and as at 30 June 2014 in respect of I&G. Further principal changes to these net assets since these dates are described on pages 34 and 35.

Allocation, pricing and costs

Details on Offer selection, allocation of your Application, the Allotment Formula (how the number of Offer Shares will be calculated and **the resulting pricing of those Offer Shares**), together with details of 'execution only' intermediary commission and facilitation of financial adviser charges, are set out on pages 29 to 33 in Part Eight of this document.

Early Investment Incentive

Applications which are accepted up to the earlier of **the first £15 million**, in aggregate, being raised across the Companies or **6 February 2015** will be eligible to receive an **early investment incentive discount equal to 1%** of the amount they subscribe for under the Offers. The Early Investment Incentive will be applied through the Allotment Formula. It will reduce the Mobeus charge in respect of those Applications, thereby resulting in an increased number of Offer Shares being allotted to the investor (as explained on page 32 of this document). Mobeus reserves the right to increase the aggregate amount to which the Early Investment Incentive will apply.

Letter from the Chairmen of the Companies

10 December 2014

Dear Investor

We are pleased to invite you to subscribe for new Offer Shares in the four Mobeus VCTs, all advised by Mobeus.

This year the Offers allow investors to select which of the Mobeus VCTs they wish to invest in. Investors may choose either to:

- invest equally in all of the Companies;
- or**
- invest different amounts in one or more of the Companies.

This is subject to a Company's Offer not having closed prior to an investor's Application being processed. Further details relating to selection options and the terms of the Offers are set out in Part Eight of this document.

Last year's Mobeus VCTs' fundraising proved to be very popular with investors. The Companies raised £34 million in aggregate. This year's Offers have similar attractions to the Companies' previous offers and these are set out below.

Track Record

We believe that the Mobeus VCTs rank amongst the leading generalist VCTs. The Mobeus track record has been recognised within the industry and the Mobeus team has won numerous investment industry awards.

The Mobeus VCTs are ranked 1st (I&G), 2nd (MIG), 3rd (MIG 2) and 19th (MIG 4) out of 45 generalist (including planned exit) VCTs, based on unaudited NAV cumulative total return over the five years to 31 October 2014 (source: Association of Investment Companies – monthly statistics as at 31 October 2014 showing five year NAV cumulative total return on £100 invested).

Further details on the Companies' performance track record for cumulative annual returns and dividends paid are set out more fully on page 6.

Continuation of successful investment strategy

The track record of the Companies reflects the success of their investment strategy whereby Mobeus primarily focuses on financing management buyouts ("MBOs") of established, profitable businesses, using a combination of loan stock and equity. This strategy is designed to generate attractive dividends for Shareholders derived from a regular stream of income to the Companies, as well as from capital growth, which can be distributed by way of additional dividends when profitable investments are realised. Further details highlighting the main factors that have contributed to the successful execution of this strategy are set out in Part One of this document.

New rules were introduced in 2012 that restrict new funds raised after 5 April 2012 from being used to finance certain types of MBOs. Each of the Companies, however, has retained significant liquidity from earlier fundraisings, which enables each of them to continue to pursue an MBO strategy. One of the reasons for this fundraising is to help preserve this advantageous position. Monies raised will be used to fund other types of investment opportunities, as well as being used to fund dividends, buybacks and normal running costs. This should maximise the ability to invest funds raised prior to 6 April 2012 in less restricted types of investments. As a result, the Companies all expect to be in a position to continue investing in MBO transactions for the foreseeable future.

Based upon past performance and the continuation of this existing investment strategy, we believe there is potential for attractive returns to be generated for existing Shareholders and new investors alike.

Timing

We believe that high quality, smaller, private companies with proven business models, good management and sound financing are able to prosper across all stages of the UK economic cycle. Mobeus is currently seeing the opportunity to invest more capital in such businesses. From these opportunities, the Companies have completed approximately £61.8 million in aggregate of investment transactions in twelve businesses in 2013 and in 2014 to date. This rise in activity partly reflects the improvement in the UK economic outlook over this period and the continued perception that the UK banking industry is reluctant to lend to smaller businesses.

In addition, each Company's existing portfolio contains a number of investments in companies which are progressing well, and are capable of producing further growth in profits. The realisation of such potential should provide exit opportunities and returns over the medium term for Shareholders. A new investor in a Company gains immediate exposure to this potential in its portfolio.

Taxation

VCTs continue to be attractive to investors seeking to minimise the effect of higher income and capital gains tax rates.

VCTs offer Qualifying Investors, subject to annual investment limits, up to 30% upfront income tax relief on the amount subscribed for VCT shares (subject to the shares being held for five years). Dividends are tax-free, including capital distributions of realised gains on investments, whilst any gains arising on the disposal of the VCTs' shares are free of capital gains tax.

Alignment of interests

Including their further intended subscriptions of £0.5 million pursuant to the Offers, the Boards and the partners of Mobeus will have invested, in aggregate, in excess of £1.7 million in the Companies. This reinforces the alignment of interests with other Shareholders and reflects confidence in the investment strategy.

We very much hope that existing Shareholders will add to their holdings and look forward to welcoming new investors to the Mobeus VCTs.

Yours faithfully

Keith Niven
Chairman of MIG

Nigel Melville
Chairman of MIG 2

Christopher Moore
Chairman of MIG 4

Colin Hook
Chairman of I&G

What to do next

Please complete the Application Form at the end of this document. The Offers are currently planned to be open until 2 April 2015 (unless closed earlier if fully subscribed or at the relevant Board's discretion). Completed Application Forms should be delivered to:

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

Cheques should be made payable to "**City Partnership – Mobeus Offers**"

If you have any queries about the Offers please contact Mobeus on 020 7024 7600 or at info@mobeusequity.co.uk.

It should be noted that Mobeus will only be able to deal with the practicalities of application and is not permitted to provide any investment, financial or tax advice in connection with any investment in the Companies under the Offers.

Part One – Why Invest in these Offers?

The Boards believe it continues to be an advantageous time to be making venture capital investments. The Offers are designed to appeal to qualifying investors who wish to hold their Offer Shares over the long term, whilst receiving tax-free dividends from surplus income and capital realisations.

The Companies invest in an illiquid asset class, where a medium term investment view has to be taken. The Companies already have established and diversified portfolios and are advised by Mobeus, one of the VCT industry's leading investment advisers, with a strong performance track record. The Companies have assets of approximately £207 million in aggregate. New investors under the Offers will join over 9,000 existing investors in the Companies and gain immediate exposure to these assets.

The Boards believe that the three key reasons why investors should give strong consideration to the Offers are track record, continuation of successful investment strategy and timing.

Track record

The financial performance of the Companies for their **last five financial years and their current period** up to 30 September 2014 (30 June 2014 in respect of I&G) is summarised below.

Mobeus Income & Growth VCT plc Period ended	30 Sep 2014	31 Dec 2013	31 Dec 2012	31 Dec 2011	31 Dec 2010	31 Dec 2009
Dividends paid in respect of the period	17.0p ¹	7.2p	7.0p	6.8p	5.0p	5.0p
Cumulative dividends paid ²	64.3p	47.3p	40.1p	33.1p	26.3p	21.3p
NAV Cumulative Total Return ²	159.7p	146.2p	132.3p	122.4p	118.0p	99.6p

Mobeus Income & Growth 2 VCT plc Period ended	30 Sep 2014	31 Mar ³ 2014	30 Apr 2013	30 Apr 2012	30 Apr 2011	30 Apr 2010
Dividends paid in respect of the period	14.0p ¹	4.9p	4.1p	4.0p	4.0p	1.0p
Cumulative dividends paid ²	37.0p	23.0p	18.1p	14.0p	10.0p	6.0p
NAV Cumulative Total Return ²	153.5p	143.7p	124.8p	112.7p	106.2p	92.5p

Mobeus Income & Growth 4 VCT plc Period ended	30 Sep 2014	31 Dec 2013	31 Dec ³ 2012	31 Jan 2012	31 Jan 2011	31 Jan 2010
Dividends paid in respect of the period	14.0p ¹	6.0p	5.5p	5.0p	4.0p	3.0p
Cumulative dividends paid ²	52.2p	38.2p	32.2p	26.7p	21.7p	17.7p
NAV Cumulative Total Return ^{2,4}	165.7p	154.1p	144.0p	138.4p	131.6p	122.0p

The Income & Growth VCT plc Period ended	30 Jun 2014	30 Sep 2013	30 Sep 2012	30 Sep 2011	30 Sep 2010	30 Sep 2009
Dividends paid in respect of the period	14.0p ^{1,5}	10.0p	26.0p ⁶	4.0p	4.0p	0.5p
Cumulative dividends paid ²	58.5p	44.5p	34.5p	8.5p	4.5p	0.5p
NAV Cumulative Total Return ²	164.3p	154.4p	138.1p	125.3p	99.5p	93.2p

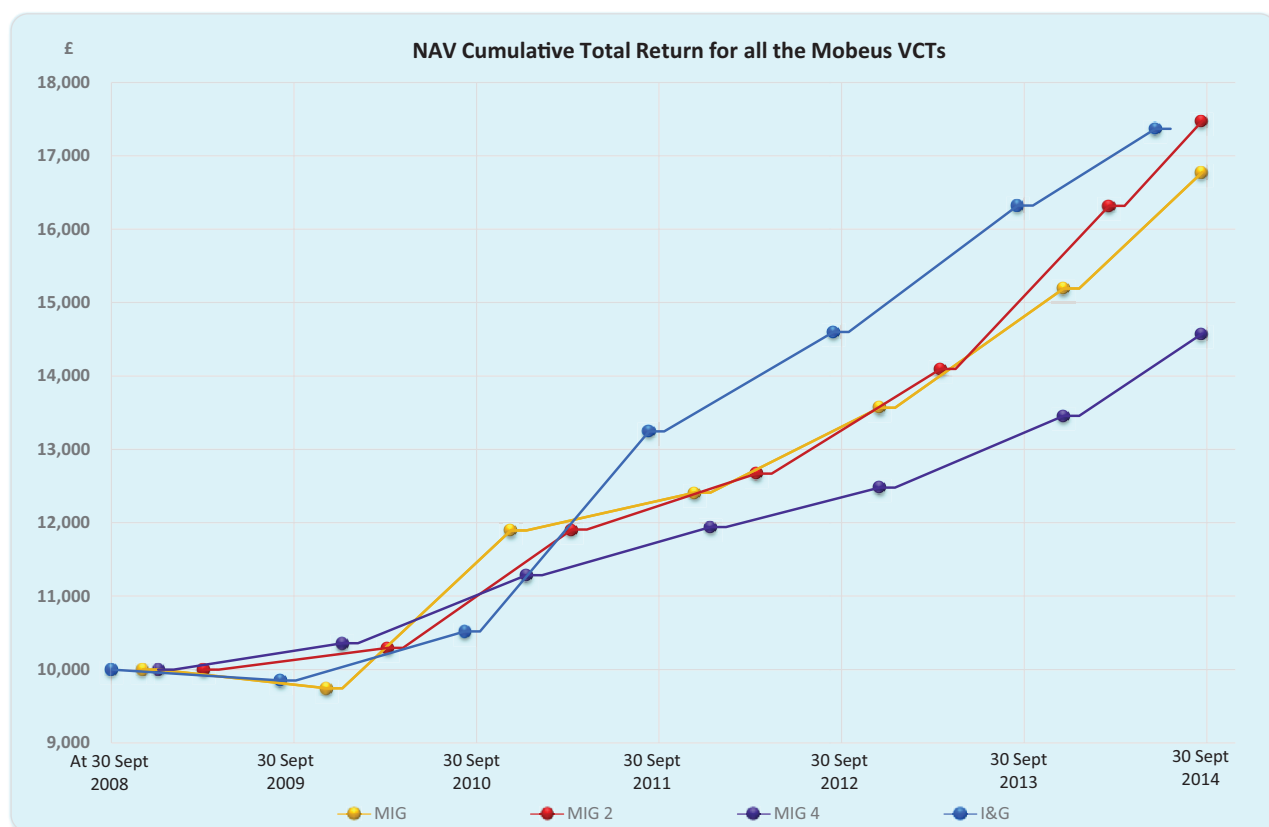
The tables should be read in conjunction with the information stated in the 'Notes to the Track Record' at the top of the next page.

Notes to the Track Record

- 1 These dividends have been paid following a number of profitable realisations that have occurred up to 31 July 2014 in the current periods for each VCT. It is unlikely that dividends will continue at this high level. Details of the 2014 realisations are set out on page 10. Further current year dividend payments, if any, will be announced within each Company's normal financial reporting cycle as set out on page 23.
- 2 Audited/unaudited NAV as at the relevant period end, plus cumulative dividends paid in respect of the periods since launch of the current share class, to date. Where dividends were paid in respect of a financial period, but after the end of that period, the dividends paid have been adjusted upwards and the closing NAV has been adjusted downwards. The NAV cumulative total return for each Company, as at the start dates of the period of performance covered by the table on the previous page and by the chart below, is MIG: 101.8p (as at 1 January 2009), MIG 2: 90.0p (as at 1 May 2009), MIG 4: 118.3p (as at 1 February 2009) and I&G: 94.6p (as at 1 October 2008).
- 3 MIG 2 changed its year end to 31 March in 2014 and MIG 4 changed its year end to 31 December in 2012. These two particular financial periods were, therefore, 11 month periods.
- 4 MIG 4 completed a 2:1 share consolidation in 2006 at the time Mobeus was awarded the investment mandate as the sole investment adviser. This means the effective subscription price for original investors in 2000 has become 200p per share. This was prior to the period of financial performance shown.
- 5 Of this 14p, 8p was declared on 17 September 2014 in respect of the year ended 30 September 2014 and paid on 30 October 2014.
- 6 The payment of this dividend arose from an exceptionally profitable realisation and it is unlikely that dividends will continue at this high level.

Track record illustration

The chart below shows the NAV cumulative total return for all four Companies, **based on an investment of £10,000** in each Company at its NAV per share at its start date in respect of the period for which the performance is shown. The start date for each Company differs slightly, reflecting the different financial period-ends each Company has had. The data cover the same periods as shown in the tables above and have been prepared on the same basis (save that cumulative dividends paid in respect of periods before the start date have been ignored, as such an investor would not have received those dividends). For the avoidance of doubt, the NAVs used are audited/unaudited as at the relevant period end. If dividends were paid after the financial period to which they relate, the NAV used has been adjusted downwards for that dividend. This makes the opening NAV data consistent with the basis of the NAV data used in the preceding tables.



Investors should note that individual Company performances have been affected by differing levels of liquidity, by differing rates of fund size expansion and by historic portfolio composition.

The data shown in the 'Track record' on page 6 differ from that shown by the AIC data referred to in the Chairman's Letter on page 4. This is because the AIC data re-invests dividends received at the NAV prevailing when the dividend was originally paid, whereas the track record data do not. The chart above also excludes any benefit that arises from reinvesting dividends.

Finally, the data above does not reflect the benefit of income tax relief available on initial investment or dividends being tax-free for qualifying investors.

Continuation of successful investment strategy

Minimising the risk of loss

The investment strategy of each Company aims to minimise the risk of loss to investors, while still providing the prospect of attractive returns. Risk is managed in a number of ways. Before Qualifying Investments are identified, cash has been placed in liquid, low risk Money Market Funds and, more recently, also held in bank deposits. The Mobeus strategy is then to deploy that cash in a wide spread of companies identified as profitable and generating positive cash flow so that they are capable of supporting an investment structure that includes income yielding loan stock, as well as dividend payments to the Companies. In the event of the value of an investee company falling, the loan stock, which ranks ahead of the ordinary shares (equity), holds its investment value longer than the equity, thus providing some downside protection.

Mobeus has found that enabling motivated management teams to buy out the businesses in which they work, and investing alongside them, has proved to be a profitable strategy. Of the Companies' ten largest venture capital investments, nine are MBO transactions. Based upon past performance, the continuation of this existing investment strategy for the majority of the funds held by the Companies should generate attractive returns for existing and new Shareholders alike.

Features of the investment strategy are explained in more detail below:

Focus upon larger businesses

Mobeus advises four VCTs with combined assets of £207 million. This significant asset base provides Mobeus with the capacity to make more substantial investments in businesses that are typically larger and more mature, and consequently less risky, than those invested in by some other VCTs. The Companies' ten largest investments represent 65.2% of all venture capital investments made by the Companies. The average annual turnover of these businesses is £22.2 million.

VCTs are permitted to invest up to £5 million in one business as long as the gross assets are less than £16 million immediately after investment, and as long as that business has not received funds from any state-aided risk capital schemes in the 12 months prior to the date of investment (increased from £2 million in 2012). These rules will enable the Companies to continue to invest in larger businesses.

Focus upon established profitable businesses

The Companies aim to invest in businesses that are established, profitable (at the earnings, before interest, tax and amortisation (EBITA) level) and cash generative at the point of investment. All of the Companies' ten largest venture capital investments are profitable businesses (based on EBITA) as shown in Part Four of this document.

Such businesses generally represent less risky investments than early stage or unprofitable companies. The Companies principally invest in private rather than quoted businesses. Investments in AIM-quoted companies currently represent less than 1.5% by value of the aggregate net assets of the Companies. Three of the four AIM quoted investments were originally made by former investment advisers to the Companies.

Investing in profitable businesses enables the Companies to structure their investments in loan stock and equity. The loan stock portion reduces the risk of investing in unquoted businesses, as it generates a regular income and also ranks ahead of all shareholders in entitlement to income and capital receipts. Of the Companies' ten largest venture capital investments, the loan stock element of the investments expressed as a percentage of the total investment cost was 83.7% at the time of original investment.

Focus upon MBO transactions

In respect of funds raised prior to 6 April 2012, the Companies predominantly invest in MBO deals that align their interests with those of the incumbent management team running the target business. MBOs can be considered as attractive and lower risk for two reasons:

- The Companies may be able to buy these businesses alongside management teams that have a unique and informed understanding of the financial opportunities and risks within their businesses.
- The incumbent management team is highly incentivised to buy the business on attractive terms for themselves and for the Companies. Management teams are prepared to put at risk significant personal capital to purchase shares at the same time as the Companies. Both parties are seeking to buy the business together on the most attractive terms with the mutual objective of realising maximum value through selling the business in the medium term.

Rules introduced in 2012 restrict investments made from funds raised on or after 6 April 2012 from being qualifying holdings, if used by an investee company to fund the purchase of existing shares in another company. This restricts such funds being used to finance MBOs structured as share purchases. This is not expected to be materially restrictive in respect of any of the Companies for the reasons set out under 'Continuation of successful investment strategy' on page 4 of this document.

Timing

We believe that high quality smaller companies, with proven business models, good management and sound financing are able to prosper across all stages of the UK economic cycle.

Mobeus is currently seeing the opportunity to invest more capital in such businesses and believes that this is due to the higher level of business confidence and the continued perception that the UK banking industry is reluctant to lend to smaller businesses. From these opportunities, the Companies have completed £61.8 million in aggregate of investment transactions in 2013 and in 2014 to date. These transactions included companies previously funded by the Companies which completed acquisition opportunities. The amounts invested in aggregate by the Companies are shown below:

Investments in 2013 and in 2014 to date

Company/Activity		Date of investment	Type of transaction	Total investment (£ million)
Leap New Co Limited trading as Ward Thomas Group Specialist logistics, storage and removals business		December 2014	Corporate restructuring	5.0
Aussie Man & Van Limited Domestic removals and storage		December 2014	Corporate restructuring	2.2
ASL Technology Holdings Limited Printer and photocopier services		December 2014	Acquisition/bank refinancing	3.4 ¹
Tharstern Group Limited Software based management information systems provider		July 2014	MBO	5.0
CGI Creative Graphics International Limited Provider of adhesive decorative graphics for vehicles		June 2014	Buy in/MBO	6.3
Entanet Holdings Limited Wholesale provider of internet connectivity solutions		February 2014	MBO	6.0
Bourn Bioscience Limited² In vitro fertilisation clinics		January 2014	Expansion capital	3.5
Virgin Wines Holding Company Limited Online wine retailer		November 2013	MBO	8.7
Veritek Global Holdings Limited Technical support and maintenance of imaging equipment		July 2013	MBO	6.9
Turner Topco Limited trading as ATG Media Publisher and online auction platform operator		April 2013	Acquisition finance provided to existing portfolio company	4.5 ¹
Gro Group Holdings Limited Baby sleep products		March 2013	MBO	7.1
Fullfield Limited trading as Motorclean Vehicle cleaning and valet services		February 2013	Acquisition finance provided to existing portfolio company	3.2 ¹
Total investments in 2013 and in 2014 to date (£ million):				61.8

¹ These are further investments in existing portfolio companies. The aggregated amount invested is shown in Part Four.








² MIG did not invest in this company.

VCT realisations

The Mobeus team has a strong record of realising profitable VCT investments. **Significant realisations from the Companies' investments achieved by the Mobeus team in 2013 and 2014 to date, realising cumulative cash gains of £63.8 million, are set out below.** Opportunities to realise investments are often unpredictable and can depend, inter alia, on the economic cycle. Investors should note that the number and value of the investment realisations during 2014 to date are exceptional and are unlikely to continue at this level.

Investments were originally made by all of the Companies. All of the financial data shown is unaudited.

Significant Realisations in 2013 and in 2014 to date

Business/Realisation date		Money Multiple ¹	Cash gain ² (£ million)
Ingleby (1879) Limited (trading as EMaC) December 2014		2.8X	10.8
EMaC is the UK's leading outsourced provider and administrator of service plans to the motor trade. It was sold to Innovation Group plc, a global provider of business process services and software solutions to the insurance, fleet, motor and property industries. The investment of £6 million has returned £16.8 million in cash to date.			
Youngman Group Limited October 2014		2.4X	5.0
Youngman is a leading provider of ladders and access towers. It was sold to the world's largest ladder manufacturer, WernerCo. The Companies originally invested £3.5 million, and the investment has returned £8.5 million in cash over its life.			
Focus Pharma Holdings Limited October 2014		3.7X	8.8
Focus is a licensor and distributor of generic pharmaceuticals. It was sold to Cinven-backed Amdipharm Mercury Group. The Companies originally invested £3.2 million to support a management buyout in 2007 and the investment has so far returned £12.0 million in cash over its life.			
DiGiCo Global Limited July 2014		5.5X	20.7
DiGiCo manufactures digital sound mixing consoles. It was sold to a new professional audio group backed by Electra Partners. The Companies originally invested £4.6 million to support the management buyout of DiGiCo in 2007 and the investment has returned £25.3 million in cash over its life.			
Monsal Holdings Limited June 2014		1.9X	3.2
Monsal supplies engineering services to the water and waste sectors. It was sold to the US conglomerate General Electric. The Companies originally invested to support the management buyout of Monsal in 2007 and supported further funding rounds in 2009 and 2011. The investment of £3.6 million has returned £6.8 million in cash over its life.			
ATG Media Holdings Limited (partial realisation) June 2014		1.9X	7.9
ATG Media is a publisher and online action platform operator. It was partially sold as part of a secondary MBO led by ECI Partners. The Companies originally invested to support the management buyout of ATG Media in 2008 and provided further acquisition finance in 2013. The investment of £9.0 million has returned £16.9 million in cash to date and the Companies retain a significant loan stock and equity stake.			
MachineWorks Software Limited April 2014		4.1X	4.5
MachineWorks' core software products are used by manufacturers of machine tools and machine tool controllers to simulate real life manufacturing situations. Machineworks was de-merged from the Companies' original investment in VSI in March 2011 and was sold to Westec Holding Company Limited. The investment of £1.5 million has returned £6.0 million in cash over its life.			
Newquay Helicopters (2013) Limited (previously British International Holdings Limited) (partial realisations) May 2013, April 2014		1.6X	2.9
Newquay was a leading provider of helicopter services to civilian and military markets. In 2013, Newquay's major operating subsidiary was sold to Patriot Aerospace Group and subsequently a number of other assets have been sold. The Companies originally invested to support the management buyout in 2006 and supported a number of further funding rounds. The investment of £4.7 million has returned £7.6 million in cash over its life.			
Cumulative cash gains from investments realised in 2013 and 2014 to date (£ million):			63.8

¹ Money multiple means the total of net proceeds, dividends and interest received **in cash** from the date of investment to date, divided by the original cost of investment. In the case of a partial sale, the calculation excludes the current valuation of the remaining investment, so the multiple is that achieved to date.

² Cash gain is the surplus of the total received in cash as described in note 1 above, over the original cost of investment.

Part Two – The Investment Adviser: Mobeus

The Boards believe that Mobeus is an investment adviser with a proven record of investing capital profitably and generating good levels of income for the Companies.

Mobeus

Mobeus is a UK limited liability partnership. Its origins date back to 1998 when its four founder partners began working together. Since 30 June 2012, Mobeus has been wholly owned by its executive partners.

The Mobeus team has now grown to 23 people, including seven partners. The Mobeus team focuses on advising and administering the four Mobeus-advised VCTs.

The Mobeus team

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

- *VCT performance track record* – the team has a strong and consistent record of delivering profitable cash realisations from VCT investments.
- *Experience* – the investment team of ten private equity investment managers includes six partners who each have greater than ten 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 16 years.
- *Commitment* – as owners of their fund management business and with their entire focus on VCTs, the team has a clear and aligned interest with Shareholders in making the Mobeus VCTs a success.

Senior management team

Mark Wignall

Mark is the managing partner of Mobeus and a founder partner. He entered the UK venture capital industry in 1987 on joining GLE Development Capital and became managing director in 1994. In 2004 he led the management team that acquired GLE Development Capital to form Matrix Private Equity Partners. In 2012, he led the partner group that bought itself out of the Matrix Group to form Mobeus. Mark is a member of the AIC VCT Forum and has over 25 years' experience in private equity investment.

Clive Austin

Clive is an investment management specialist whose experience covers a wide variety of sectors and stages of company development. He has been working with Mobeus since 2013, focusing on the portfolio. Clive represents Mobeus as a non-executive director on the boards of a number of investments across the Midlands and the North of England. Before working with Mobeus, he worked at NVM Private Equity.

Richard Babington

Richard joined Mobeus in 2014 as an investment director. He invests across all sectors but has a particular interest and successful track record in transacting in the food and specialist manufacturing areas. Before joining Mobeus, he worked at NBGI Private Equity.

Guy Blackburn

Guy acts as a non-executive director on a number of Mobeus investee companies providing support with business planning and growth.

Rob Brittain

Rob is a partner of Mobeus and heads up its VCT services, responsible for providing company secretarial and accounting services for the Companies. Rob is a chartered accountant and sits on the VCT Technical Committee of the AIC.

Ashley Broomberg

Ashley is a partner of Mobeus, which 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 has over ten years' experience in private equity investment.

Jonathan Gregory

Jonathan is a founder partner of Mobeus. He qualified as a chartered accountant with Baker Tilly and joined the Mobeus team in 1995 as a director, responsible for new investment. He has over 20 years' experience working with unquoted companies including 18 years' experience in private equity investment. Jonathan heads up Mobeus's new investment team.

Bob Henry

Bob is a founder partner of Mobeus. 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 Mobeus in 1998. He has over 30 years' experience in private equity investment. Bob leads Mobeus's new investment activity in South West England.

Chris Price

Chris is an investment director at Mobeus. 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 leads Mobeus's new investment activity in London and the South East.

Eric Tung

Eric is a partner of Mobeus. He qualified as a chartered accountant with KPMG and joined Enterprise Ventures in 1990, becoming head of investment, leaving to join Mobeus in 2000. He has over 20 years' experience in private equity investment.

Mike Walker

Mike is a founder partner of Mobeus. 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 Mobeus in 1998 and is a non-executive director of several companies in Mobeus's portfolio. He has over 30 years' experience in private equity investment.

Mobeus awards

The Mobeus team has won numerous private equity investment industry awards, including:

Award	Winner
unquote" British Private Equity Awards: <i>VCT Manager of the Year</i>	2008, 2012, 2013, 2014
Insider Dealmakers: <i>South West Private Equity House of the Year</i>	2013
<i>South East Private Equity House of the Year</i>	2011, 2013
<i>Central & East Private Equity House of the Year</i>	2014
Investor Allstars awards: <i>VCT of the Year</i>	2012
<i>VCT Manager of the Year</i>	2005, 2006

Part Three – The Boards

As required by the Listing Rules, the Board of each Company is independent of Mobeus. All Directors are non-executive and, except for Helen Sinclair, independent of Mobeus. Helen is a director of both I&G and MIG 4 and, as both are advised by Mobeus, is deemed not to be an independent director under the Listing Rules.

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 Mobeus. Each Board also retains responsibility for approving both the valuations of its portfolio and the net assets of its Company (on the advice of Mobeus).

Mobeus Income & Growth VCT plc

Keith Niven (independent chairman)

Keith has over 40 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 one other investment trust, Schroder Income Growth Fund plc. Keith is also an investment adviser to the Rolls-Royce Pension Fund and a member of the University of Glasgow Investment Advisory Committee. Keith was chairman of MIG 3 which was merged with MIG in May 2010.

Bridget Guérin (independent director)

Bridget has nearly 30 years' experience in the financial services industry. She was managing director of Matrix Money Management Limited between June 1999 and March 2011 and sat on the Matrix Group board between 2000 and 2009. Prior to joining Matrix, Bridget gained 14 years of retail investment fund experience at Schroder Unit Trusts Limited, Ivory & Sime and County NatWest. Bridget is currently a non-executive director of CCP Quantitative Fund and CCP Core Macro Fund, both of which are Cayman CTA funds, Schroder Income Growth Fund plc, a London listed investment trust and Charles Stanley Group plc. She is a member of the York Racecourse Committee and is a trustee of the York Racecourse Pension Fund. Bridget was a director of MIG 3 which merged with MIG in May 2010.

Tom Sooke (independent director)

Tom is an experienced venture capitalist and is chairman of Travel à la Carte Limited and The Greek Property Agency 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, 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 investment bankers, 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. Tom was a director of MIG 3 which merged with MIG in May 2010.

Catherine Wall (independent director)

Catherine has 30 years' experience in the private equity industry, having worked for Barclays Private Equity (now called Equistone Partners Europe) from 1984 to 1989 and also from 1994 to 2013, and for 3i plc from 1989 to 1993. As a director of Barclays Private Equity she led and managed numerous investments in management buy-outs. She later became UK portfolio director, supervising the management of all the firm's UK investments. She held over 20 roles as non-executive director, non-executive chairman or shareholder representative on the boards of investee companies in which Barclays Private Equity/Equistone Partners Europe were invested; additionally, she was a non-executive director of Indigo Holdings Limited from August 2010 to December 2012 and served on the investment committee of the British Red Cross from 2004 to July 2014. She is currently also a non-executive director of BRE Group Limited, a testing and certification business.

Mobeus Income & Growth 2 VCT plc

Nigel Melville (independent chairman)

Nigel was chairman of Emtelle Holdings Limited, the UK's leading supplier of fibre-optic ducting systems, until August 2008. He has been a director of a number of other public and private companies. Between 1972 and 1995, he was an investment banker, latterly as a director of Barings, responsible for international corporate finance. In 1995 he established Melville Partners to provide strategic consultancy to a range of international companies.

Adam Kingdon (independent director)

Adam has over 20 years' experience as a turnaround specialist and of restoring companies to profitability. He led a management buyout of Robinson Electronics, a supplier of test equipment for electricity supply utilities. He then went on to turn around more than ten loss-making engineering and technology companies in the UK, France, Germany, Holland and Belgium. He is also the founder and CEO of i2O Water Limited.

Sally Duckworth (independent director)

Sally has worked in the financial services sector since 1990 and in the private equity industry since 2000. An active angel investor, she sits on the board of several early stage companies. She is a qualified accountant, former investment banker and venture capitalist. From 2000 to 2004 she worked for Quester Capital Management Limited as part of the investment team for their VCTs.

Ken Vere Nicoll (independent director)

Ken has over 40 years' corporate finance experience and retired from Matrix Corporate Capital LLP, which provided corporate finance advice and stockbroking services, on 30 June 2009. He was a non-executive director of Unicorn AIM VCT II plc until March 2010, when it merged with Unicorn AIM VCT plc.

Mobius Income & Growth 4 VCT plc

Christopher Moore (independent chairman)

Christopher has considerable experience of the venture capital industry. After completing a law degree and qualifying as a chartered 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 turnaround of a public industrial group. Until May 2010, he was a director of MIG and until September 2010 he was a director of I&G. He was also a director of MIG 3 until it merged with MIG in 2010.

Andrew Robson (independent director)

Andrew qualified as a chartered accountant. He was a director at Robert Fleming & Co Limited, working in corporate finance and was later a director in the M&A department of Société Générale. He also has finance director experience at the National Gallery and the eFinancial group. He now works as a business adviser to small companies. Andrew has over 15 years' experience as a non-executive director. He is currently a non-executive director of British Empire Securities and General Trust plc, Shires Income plc, JP Morgan Smaller Companies Investment Trust plc and Witan Pacific Investment Trust plc. Andrew was previously a non-executive director of Edinburgh UK Smaller Companies Tracker Trust plc, Gate Gourmet Group Holding LLC and M&G Equity Investment Trust plc.

Helen Sinclair (non-independent director)

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 helped raise Mobius Income & Growth 2 VCT plc (formerly Matrix e-Ventures VCT plc). After leaving Matrix in 2005 she has become a non-executive director of Downing ONE VCT plc (following the merger with Downing Income VCT 4 plc), Spark Ventures plc, and is chairman of British Smaller Companies VCT plc. Helen is also a director of OFT 2 Limited and chairs the investment committees of the Third Sector Loan Fund and the Community Investment Fund which are part of Social and Sustainable Capital LLP.

The Income & Growth VCT plc

Colin Hook (independent chairman)

Colin has extensive financial and commercial experience. He has worked in the City for more than 30 years. During this time, he has himself successfully founded two fund management companies and directed fund management operations for more than ten years. His City involvement includes mergers and acquisitions. From 1994 to 1997 he was chief executive of Ivory and Sime plc. Until February 2013, he was chief executive of Pole Star Space Applications Limited, a company which he helped to found in 1998 and which is today the world's leading provider of real-time tracking information for the maritime industry. He remains a director on this board. Until September 2010, he was also chairman of MIG 4.

Jonathan Cartwright (independent director)

Jonathan is a qualified 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 is currently a trustee of the Caledonia Pension Scheme. Prior to this he was group financial controller at Hanson plc from 1984 to 1989. He was also previously a non-executive director of Bristow Group Inc. and of Serica Energy plc. He is non-executive chairman of BlackRock Income & Growth Investment Trust plc and also of Aberforth Geared Income Trust plc. He is also a non-executive director of Tennants Consolidated Limited. Jonathan has served on the Self-Managed Investment Trust Committee of the Association of Investment Companies (to December 2009).

Helen Sinclair (non-independent director)

Please see above for MIG 4.

Part Four – Largest Investments of the Companies

Venture capital investments

The venture capital investments set out below represent the Companies' ten largest investments (excluding liquidity funds and cash deposits). These comprise approximately 33.5% of the aggregate investment portfolios of the Companies, as at the date of this document and represent all investments other than bank balances and liquidity funds, (disclosed below under 'Other Investments'), which represent 5% or more of the gross assets of one of the Companies as at the date of this document.

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

ASL Technology Holdings Limited Original MBO investment in December 2010



	MIG	MIG 2	MIG 4	I&G	Year ended 30 September 2013 ² (£ million)
Current cost¹ (£ million)	2.9	2.1	1.9	2.7	Sales 14.5
Valuation (£ million)	3.1	2.2	2.0	2.8	EBITA 1.3
Valuation methodology	Earnings multiple (for all Companies)				Profit/(loss) before tax (1.4)
Equity/ voting rights	14.4%	10.2%	9.5%	13.4%	Retained profit/(loss) for the year (1.4)
Percentage of investment portfolio by value	5.3%	7.0%	4.2%	4.2%	Net assets/ (liabilities) at 30/09/13 (1.2)

Activity: Printer and photocopier services.
Location: Cambridge.

Virgin Wines Holding Company Limited Original MBO investment in November 2013



	MIG	MIG 2	MIG 4	I&G	Period ended 28 June 2013 ^{2*} (£ million)
Current cost¹ (£ million)	2.4	1.3	1.9	2.7	Sales 34.5
Valuation (£ million)	2.4	1.3	1.9	2.7	EBITA 2.0
Valuation methodology	Cost (for all Companies)				Profit/(loss) before tax 1.7
Equity/ voting rights	12.2%	6.4%	9.7%	13.7%	Retained profit/(loss) for the year (2.3)
Percentage of investment portfolio by value	4.1%	4.1%	4.0%	4.1%	Net assets/ (liabilities) at 28/06/13 5.0

* These figures are for Virgin Wine Online Limited, the principal operating subsidiary. No accounts have as yet been produced by Virgin Wines Holding Company Limited.

Activity: Importing and distribution of wines.
Location: Norwich, Norfolk.

Fullfield Limited (trading as Motorclean)

Original MBO investment in July 2011



	MIG	MIG 2	MIG 4	I&G	Year ended 31 March 2014 ² (£ million)
Current cost¹ (£ million)	2.2	1.4	1.5	2.1	Sales 38.2
Valuation (£ million)	2.3	1.4	1.6	2.3	EBITA 2.6
Valuation methodology	Earnings multiple (for all Companies)				Profit/(loss) before tax 0.1
Equity/ voting rights	14.1%	8.9%	9.8%	13.2%	Retained profit/(loss) for the year Nil
Percentage of investment portfolio by value	3.8%	4.5%	3.2%	3.3%	Net assets/ (liabilities) at 31/03/14 2.6

Activity: Vehicle cleaning and valet services.

Location: Laindon, Essex.

Turner Topco Limited (trading as ATG Media)

Original MBO investment in October 2008



	MIG	MIG 2	MIG 4	I&G	Year ended 30 September 2013 ^{2*} (£ million)
Current cost¹ (£ million)	2.5	1.3	1.5	1.5	Sales 13.8
Valuation (£ million)	2.6	1.3	1.6	1.6	EBITA 3.2
Valuation methodology	Cost (for all Companies)				Profit/(loss) before tax 2.4
Equity/ voting rights	6.2%	3.3%	3.8%	3.8%	Retained profit/(loss) for the year 2.0
Percentage of investment portfolio by value	4.3%	4.3%	3.2%	2.3%	Net assets/ (liabilities) at 30/09/13 5.8

* These figures are for ATG Media Holdings Limited, which was acquired by Turner Topco Limited in June 2014. The Companies have received equity and loan stock investments in Turner Topco Limited as part consideration for the sale of their investment in ATG Media Holdings Limited. No accounts have as yet been produced by Turner Topco Limited.

Activity: Publisher and on-line-auction platform operator.

Location: London.

¹ For MIG, the current cost is the original investment cost made by both MIG and MIG 3 (the latter up until its merger with MIG on 19 May 2010), less capital repayments to the date of this document.

² The information on investee companies' sales, profits and losses and net assets shown in the tables above has been sourced from the latest financial year end accounts published (unless stated otherwise) by those investee companies ("Third Party Information"). 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.

Tessella Holdings Limited
Original MBO investment in July 2012



	MIG	MIG 2	MIG 4	I&G	Year ended 31 March 2014 ² (£ million)
Current cost¹ (£ million)	1.5	0.8	1.1	1.5	Sales 23.1
Valuation (£ million)	2.0	1.1	1.5	2.2	EBITA 3.7
Valuation methodology	Earnings multiple (for all Companies)				Profit/(loss) before tax 1.1
Equity/ voting rights	7.2%	3.9%	5.4%	7.5%	Retained profit/(loss) for the year 0.6
Percentage of investment portfolio by value	3.5%	3.5%	3.2%	3.3%	Net assets/ (liabilities) at 31/03/14 4.2

Activity: Specialist scientific and technical consultancy.
Location: Abingdon, Oxfordshire.



Gro Group Holdings Limited
Original MBO investment in March 2013

	MIG	MIG 2	MIG 4	I&G	Year ended 30 June 2013 ^{2*} (£ million)
Current cost¹ (£ million)	2.0	1.1	1.6	2.4	Sales 11.4
Valuation (£ million)	1.9	1.1	1.5	2.2	EBITA 0.8
Valuation methodology	Earnings multiple (for all Companies)				Profit/(loss) before tax 0.4
Equity/ voting rights	10.5%	6.0%	8.4%	12.8%	Retained profit/(loss) for the year 0.3
Percentage of investment portfolio by value	3.3%	3.4%	3.1%	3.2%	Net assets/ (liabilities) at 30/06/13 1.2

* These figures are for Gro Group International Limited, the principal operating subsidiary. No accounts have as yet been produced by Gro Group Holdings Limited.

Activity: Baby sleep products.
Location: Ashburton, Devon.

Veritek Global Holdings Limited
Original MBO investment in July 2013



	MIG	MIG 2	MIG 4	I&G
Current cost¹ (£ million)	2.0	1.0	1.6	2.3
Valuation (£ million)	1.8	0.9	1.4	2.1
Valuation methodology	Earnings multiple (for all Companies)			
Equity/ voting rights	13.0%	6.2%	10.3%	14.6%
Percentage of investment portfolio by value	3.1%	2.7%	3.0%	3.1%

Year ended 31 March 2014 ² (£ million)	
Sales	14.4
EBITA	0.2
Profit/(loss) before tax	(0.8)
Retained profit/(loss) for the year	(0.8)
Net assets/ (liabilities) at 31/03/14	(0.8)

Activity: Provider of installation, maintenance and support services for imaging equipment.
Location: Eastbourne, East Sussex.

Entanet Holdings Limited
Original MBO investment in February 2014



	MIG	MIG 2	MIG 4	I&G
Current cost¹ (£ million)	1.7	0.9	1.4	2.0
Valuation (£ million)	1.7	0.9	1.4	2.0
Valuation methodology	Cost (for all Companies)			
Equity/ voting rights	12.0%	6.4%	9.6%	14.0%
Percentage of investment portfolio by value	2.9%	2.9%	2.8%	3.0%

Year ended 31 December 2013 ^{2*} (£ million)	
Sales	29.4
EBITA	2.8
Profit/(loss) before tax	2.9
Retained profit/(loss) for the year	2.1
Net assets/ (liabilities) at 31/12/13	2.3

* These figures are for Entanet International Limited, the principal operating subsidiary. No accounts have as yet been produced by Entanet Holdings Limited.
Activity: Wholesale communications provider.
Location: Telford, Shropshire.

¹ For MIG, the current cost is the original investment cost made by both MIG and MIG 3 (the latter up until its merger with MIG on 19 May 2010), less capital repayments to the date of this document.

² The information on investee companies' sales, profits and losses and net assets shown in the tables above has been sourced from the latest financial year end accounts published (unless stated otherwise) by those investee companies ("Third Party Information"). 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.

Blaze Signs Holdings Limited
Original MBO investment in April 2006



	MIG	MIG 2	MIG 4	I&G	Year ended 31 March 2014 ² (£ million)
Current cost¹ (£ million)	0.6	0.4	0.2	0.4	Sales 31.3
Valuation (£ million)	1.9	1.3	0.5	1.7	EBITA 5.1
Valuation methodology	Earnings multiple (for all Companies)				Profit/(loss) before tax 3.5
Equity/ voting rights	20.8%	13.5%	5.7%	12.5%	Retained profit/(loss) for the year 2.3
Percentage of investment portfolio by value	3.3%	4.0%	1.1%	2.5%	Net assets/ (liabilities) at 31/03/14 5.6

Activity: Manufacturer and installer of signs.
Location: Broadstairs, Kent.

Leap New Co Limited
(trading as Ward Thomas Removals)
Original corporate restructuring investment in December 2014



	MIG	MIG 2	MIG 4	I&G	Year ended 30 September 2013 (£ million)
Current cost¹ (£ million)	1.4	0.8	1.2	1.6	Sales 12.2
Valuation (£ million)	1.4	0.8	1.2	1.6	EBITA 2.0
Valuation methodology	Cost (for all Companies)				Profit/(loss) before tax 1.7
Equity/ voting rights	5.2%	3.1%	4.4%	5.8%	Retained profit/(loss) for the year 1.2
Percentage of investment portfolio by value	2.4%	2.7%	2.4%	2.3%	Net assets/ (liabilities) at 30/09/13 7.6

Activity: Specialist logistics, storage and removals business.
Location: London.

¹ For MIG, the current cost is the original investment cost made by both MIG and MIG 3 (the latter up until its merger with MIG on 19 May 2010), less capital repayments to the date of this document.

² The information on investee companies' sales, profits and losses and net assets shown in the tables above has been sourced from the latest financial year end accounts published (unless stated otherwise) by those investee companies ("Third Party Information"). 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.

Other investments

The following liquidity fund and bank balances also represent more than 5% of the gross assets of at least one of the Companies. In all cases, the amount invested is the same as their valuation, on a fair value basis. No equity or voting rights apply to such investments.

NatWest Bank plc (monies in interest-bearing account)	MIG	MIG 2	MIG 4	I&G
Amount invested and at valuation (£ million)	5.9	2.0	8.2	9.9
Percentage of investment portfolio (%)	10.0	6.3	16.8	14.7
Barclays Bank plc (monies in interest-bearing account)	MIG	MIG 2	MIG 4	I&G
Amount invested and at valuation (£ million)	3.5	7.1	-	-
Percentage of investment portfolio (%)	6.0	22.6	-	-
SWIP Global Liquidity Fund plc (liquidity fund) (managed by Aberdeen Asset Management plc)	MIG	MIG 2	MIG 4	I&G
Amount invested and at valuation (£ million)	0.2	1.7	2.8	3.5
Percentage of investment portfolio (%)	0.3	5.4	5.7	5.1
Close Brothers Limited (notice accounts)	MIG	MIG 2	MIG 4	I&G
Amount invested and at valuation (£ million)	-	-	2.5	3.1
Percentage of investment portfolio (%)	-	-	5.2	4.6
HSBC Bank plc (money market call account)	MIG	MIG 2	MIG 4	I&G
Amount invested and at valuation (£ million)	3.5	-	2.5	-
Percentage of investment portfolio (%)	6.0	-	5.1	-
Lloyds Bank plc (money market call account)	MIG	MIG 2	MIG 4	I&G
Amount invested and at valuation (£ million)	3.5	-	-	-
Percentage of investment portfolio (%)	6.0	-	-	-
Santander UK plc (deposit accounts)	MIG	MIG 2	MIG 4	I&G
Amount invested and at valuation (£ million)	3.5	-	2.0	3.0
Percentage of investment portfolio (%)	6.0	-	4.2	4.5
Nationwide Building Society (deposit account)	MIG	MIG 2	MIG 4	I&G
Amount invested and at valuation (£ million)	3.5	-	2.3	-
Percentage of investment portfolio (%)	6.0	-	4.6	-

Notes

The above venture capital investments, liquidity fund and bank balances have an aggregate value of greater than 50% of the gross assets of each Company as at the date of this document.

Investment and portfolio information contained in the tables above has been extracted from the Companies' accounting records (taken from the unaudited management accounts to 30 September 2014 in respect of MIG, MIG 2 and MIG 4 and from the unaudited management accounts to 30 June 2014 for I&G), save for the following adjustments:

- (i) The following movements have occurred since 1 October 2014 across all four VCTs:
 - a) The realisation of the investment in Ingleby (1879) Limited (trading as EMaC) for cash proceeds of £14.0 million in December*;
 - b) The realisation of the investment in Focus Pharma Holdings for cash proceeds of £6.3 million*;
 - c) The realisation of the investment in Youngman Group Holdings for cash proceeds of £5.7 million*;
 - d) An investment of £5.0 million in Leap New Co Limited (trading as Ward Thomas Removals) in December;
 - e) A further investment of £3.4 million in ASL Technology Holdings Limited in December;
 - f) An investment of £2.2 million in Aussie Man & Van Limited in December;
 - g) A loan repayment from Fullfield Limited (trading as Motorclean) of £0.2 million;
 - h) A further loan to Gro-Group Holdings Limited of £0.17 million; and
 - i) A sale of shares in Tharstern Group Limited for £0.04 million.

*The net cash proceeds received from the sale of EMaC reflect an increase over the valuations within the reported NAV figures at 30 September 2014 of £1.0m for MIG VCT, £0.6m for MIG 2 VCT and £0.7m for MIG 4 VCT, and of £1.6m for I&G VCT at 30 June 2014. These figures exclude deferred consideration on this sale of up to £0.5m, £0.2m, £0.4m and £0.6m respectively across the four VCTs, due later this month. The net cash proceeds received from Focus Pharma Holdings Limited were reflected in the valuation of the investment at 30 September 2014 for MIG VCT, MIG 2 VCT and MIG 4 VCT, but reflected an increase of £0.2m over the valuation for I&G at 30 June 2014. The net cash proceeds received from Youngman Group reflect an increase over the valuations of Youngman within the reported NAV figures at 30 September 2014 of £0.5m for MIG VCT, £0.5m for MIG 2 VCT and £0.3m for MIG 4 VCT, and of £0.5m for I&G VCT at 30 June 2014.

- (ii) In respect of I&G, an investment in Tharstern Group Limited of £1.5 million, a sale of DiGiCo Global Limited realising cash proceeds of £1.1 million and loan repayments from Virgin Wines Holding Company Limited of £0.1 million, from Westway Group Holdings Limited of £0.1 million and from Tessella Holdings Limited of £0.03 million. These transactions occurred in the three months ended 30 September 2014.
- (iii) Balances in cash and liquidity funds are as at 30 November 2014 for all four Companies, as adjusted for the transactions in December above.

As at the date of this document, save as set out above, there has been no material change in the valuations of investments set out in this Part Four since 30 September 2014 in respect of MIG, MIG 2 and MIG 4 and 30 June 2014 in respect of I&G and 30 November 2014 in respect of cash and liquidity funds.

Part Five – Objectives and Policies

The objectives and investment policies for the Companies are similar in all material respects. A summary of the Companies' objectives and investment policies is set out below. The full objectives and investment policies for each Company are set out in the Registration Document.

Summary of the Companies' objectives

The objective of MIG, MIG 2 & MIG 4 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.

The objective of I&G is to provide investors with an attractive return by maximising the stream of tax-free dividend distributions from the income and capital gains generated by a diverse and carefully selected portfolio of investments.

Summary of the investment policies

The Companies' investment policies are similar in all material respects, being to invest primarily in a diversified portfolio of UK unquoted companies. Investments are structured as part loan and part equity in order to receive regular income for the Companies, to generate capital gains from trade and other sales of investee companies and to reduce the risk of investing in smaller, unquoted businesses.

Investments are made selectively across a number of sectors, primarily in MBO transactions i.e. to support incumbent management teams in acquiring the business they manage but do not yet own. Investments are principally 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 just over 4.0% and 0.6% of the value of the investment portfolio assets of I&G and MIG 4 respectively.

In respect of all four Companies, uninvested funds are held in bank deposits (some of which are on notice or for fixed terms) and low risk Money Market Funds. Cash and liquid resources of MIG 2 and I&G, 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.

VCT regulation

The investment policies are designed to ensure that the Companies continue to qualify and remain 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 in VCT qualifying holdings, of which a minimum overall of 30% by value (70% for funds raised from 6 April 2011) 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 hold their liquid funds in a portfolio of readily realisable, interest bearing investments and deposits. The investment portfolio of qualifying investments has been built up over time with the aim of investing and maintaining at least 80% (in respect of MIG, MIG 2 and MIG 4) and 70% (in respect of I&G) of net funds raised in qualifying investments.

UK companies

The companies in which investments are made must have no more than £15 million of gross assets at the time of investment and £16 million immediately following the investment to be classed as a VCT qualifying holding.

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.

Borrowing

Each Company's articles of association permit borrowings of amounts up to 10% of the adjusted capital and reserves (as defined therein). However, none of the Companies has borrowed and the Boards have no current plans to undertake any borrowing.

Liquid investments

Each Company's liquid investments are held in Money Market Funds (although, to comply with new VCT rules, no new funds will be placed in these) and bank deposits, 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 for existing funds held in Money Market Funds and funds held in bank deposits, now and in the future, will be the protection of capital. Priority is, and will be, given to the credit rating of the funds or banks used rather than the rates of interest offered, which are currently at historically low levels.

Valuation policies

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

Dividend policies

The Companies normally pay income dividends each year. Subject to fulfilling certain regulatory requirements, the Companies also seek to pay capital dividends following portfolio realisations.

Due to the number and size of recent realisations of investments in 2014, the Companies have recently paid substantial dividends in respect of their current financial periods. MIG has paid an interim dividend of 17p (2p income and 15p capital) in September, MIG 2 has paid an interim capital dividend of 14p in October, MIG 4 has paid an interim 14p dividend (2p income and 12p capital) in September, while I&G has paid two interim dividends totalling 14p per share in July and October. It is unlikely that dividends will continue at this high level.

MIG and MIG 4 have a minimum annual target dividend of at least **4p per share**. **I&G** has recently amended its annual target dividend to be **6p per share**, while **MIG 2** has amended its annual target dividend to be no less than **5p per share**. 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 continue to be paid by the Companies or that the dividend targets stated will be met.

Further current year dividend payments, if any, will be announced within the period of each Company's normal financial reporting cycle and made by the dates shown below. Each Company may pay dividends by an earlier date, should the relevant Board think fit and subject to the performance of that Company.

Company	In respect of year to	Dividend payment date
MIG	31 December 2014	by May 2015
MIG 2	31 March 2015	by March 2015*
MIG 4	31 December 2014	by May 2015
I&G	30 September 2014	by March 2015

** MIG 2 has, in recent years, paid all dividends in respect of a financial period prior to the end of that financial period.*

Dividend investment schemes

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. Under the terms of both schemes, the dividends are re-invested at the higher of firstly, 70% of the last published NAV per Share in the relevant Company prior to allotment and the average of the middle market price for Shares in the relevant Company from the London Stock Exchange Daily Official List for the five business days immediately preceding the payment date of the dividend. In practice to date, **Shares under each Company's scheme have been allotted on the latter basis, which has resulted in Shares being allotted approximately at a 10% discount to the latest announced NAV**. The terms of the schemes are available on the Mobeus website:

For MIG 4 - <http://www.mobeusequity.co.uk/investor-area/mobeus-income-and-growth-4-vct/dividends>

For I&G - <http://www.mobeusequity.co.uk/investor-area/the-income-and-growth-vct/dividends>

If you would like your dividends from MIG 4 and/or I&G to be re-invested, please complete and sign the relevant mandate form(s), set out on the two pages immediately after the Application Form at the end of this document. Please return this/these with your Application Form.

Buyback policies

The Boards are aware that it is usually 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 buyback policy with the objective of maintaining the discount to NAV at which the Shares trade at approximately 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 of approximately 10%.

The target discount will generally be against the Company's latest published NAV, adjusted for the right to any dividends. However, if a Board, in consultation with Mobeus, 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 buybacks 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 buybacks 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, at times, greater than 10%.

Co-investment policy

The Companies aim to invest in larger, more mature unquoted companies through investing alongside each other compared to what would otherwise be the case individually. This enables the Companies to participate in combined investments advised by Mobeus of up to £5 million, in aggregate, as long as that business has not received funds from any state-aided risk capital schemes in the 12 months prior to the date of investment.

Where more than one of the Companies wishes to participate in an investment opportunity, allocations will generally be made in proportion to the latest published net asset value (adjusted for any subsequent dividends, buybacks and share allotments) of each Company at the date each investment proposal is forwarded to each Board. The general exception to this is where investments are proposed to be made in an investee company where a Company 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 VCT requirement to achieve or maintain a minimum of 70% of a particular Company's portfolio in Qualifying Companies.

Any variation from this co-investment policy insofar as it affects a Company may only be made with the prior approval of the relevant Board.

Part Six – History of the Companies

The history of each Company is summarised below.

Mobeus Income & Growth VCT plc

MIG was launched in July 2004 and has been advised solely by Mobeus since launch.

In May 2010, MIG completed a merger with MIG 3 which was also solely advised by Mobeus 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. £26.6 million of net funds has been raised by MIG pursuant to the last four years' offers.

MIG was awarded 'VCT of the Year' at the 2013 Investment Week Company Awards.

As at 30 September 2014, MIG had (unaudited) net assets of £58.1 million, £37.6 million of which was invested in 29 companies (which includes two companies to which investment has been provided and which are seeking acquisition opportunities), with the balance of approximately £20.5 million substantially invested in Money Market Funds and held in bank deposits and cash.

Mobeus Income & Growth 2 VCT plc

MIG 2 was launched in May 2000. In September 2005, MIG 2 changed its investment strategy and launched a new C ordinary share fund. The ordinary shares and C ordinary shares were merged in September 2010 on a relative net asset basis creating one enlarged share class. £28.3 million of net funds has been raised in aggregate in the share offers launched in 2000, 2005 and 2008. £8.2 million of net funds was raised by MIG 2 pursuant to last year's offer.

As at 30 September 2014, MIG 2 had (unaudited) net assets of £39.1 million, £21.5 million of which was invested in 28 companies (which includes two companies to which investment has been provided and which are seeking acquisition opportunities), with the balance of approximately £17.6 million substantially invested in Money Market Funds and held in bank deposits and cash.

Mobeus Income & Growth 4 VCT plc

MIG 4 was launched as TriVen VCT plc in January 1999 (raising net funds of £18.8 million) and was originally advised by three VCT investment advisers, Mobeus (originally GLE Development Capital Limited), Elderstreet Private Equity Limited and LICA Development Capital (whose portfolio was subsequently assumed by Nova Capital Management Limited).

The investment mandates for Elderstreet and Nova were terminated in 2006 and Mobeus was awarded the investment mandate as sole investment adviser. At the time, a 2 for 1 share consolidation occurred so that the subscription price for original investors became 200p per share. In 2007, £14.9 million of net funds was raised under an offer and £1.6 million was raised under a top-up offer in 2010. Since then, a further £26.6 million of net funds has been raised by MIG 4 pursuant to the last four years' offers.

As at 30 September 2014, MIG 4 had (unaudited) net assets of £48.5 million, £26.8 million of which was invested in 35 companies (which includes two companies to which investment has been provided and which are seeking acquisition opportunities) with the balance of approximately £21.7 million substantially invested in Money Market Funds and held in banks deposits and cash.

The Income & Growth VCT plc

I&G launched as TriVest VCT plc in October 2000 and was advised in respect of the original ordinary share fund by three VCT advisers, Mobeus (originally GLE Development Capital Limited), Foresight Group LLP and LICA Development Capital (whose portfolio was subsequently assumed by Nova Capital Management Limited).

In 2007, I&G launched an S ordinary share fund raising £11.2 million, for which Mobeus was the sole investment adviser.

The investment mandates for Nova and Foresight were terminated (in 2007 and 2009 respectively) and Mobeus was awarded the investment mandate as sole investment adviser in respect of the original ordinary share fund.

In March 2010, the S ordinary shares and the original ordinary shares were merged on a relative NAV basis, creating an enlarged share class. £26.6 million of net funds has been raised by I&G pursuant to the last four years' offers.

As at 30 June 2014, I&G had (unaudited) net assets of £72.0 million, £39.6 million of which was invested in 40 companies (which includes two companies to which investment has been provided and which are seeking acquisition opportunities), with the balance of approximately £34.3 million substantially invested in Money Market Funds and held in cash, less other net current liabilities, of £1.9 million.

Part Seven – Management Expenses and Administration

Management fees

Mobeus acts as the investment adviser, promoter, 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 equal to 2% per annum of MIG's net assets, plus an annual fixed fee (which is subject to annual RPI increases*) of £120,000 (currently £134,168).
- **MIG 2**
An amount equal to 2% per annum of MIG 2's net assets, plus an annual fixed fee (which is subject to annual RPI increases*) of £104,432 (currently £113,589).
- **MIG 4**
An amount equal to 2% per annum of MIG 4's net assets plus an annual fixed fee (which is subject to annual RPI increases*) of £107,827 (currently £115,400).
- **I&G**
An amount equal to 2.4% per annum of I&G's net assets, 0.4% of such fee being subject to an annual minimum and maximum payment of £150,000 and £170,000 respectively.

*Where the above fees are subject to annual RPI increases, Mobeus agreed in 2013 to waive such further increases until otherwise agreed with the relevant Board.

Performance incentive fees

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

- **MIG**
Under the current performance incentive agreement, Mobeus is entitled to receive performance incentive fees of an amount equal to 20% of subsequent cash distributions made to MIG Shareholders in each financial year (whether by dividend or otherwise from 20 May 2010) over and above a target return of dividends declared and paid in a financial year of 6.95p per MIG Share per annum (subject to annual RPI increases), subject to the maintenance of a NAV per MIG Share of 98.44p. The performance incentive fee is payable annually and any cumulative shortfalls against the annual target return have to be made up before any entitlement arises. The current cumulative dividend shortfall (ignoring the RPI increase for the current year) is 1.69p. No performance incentive fee has been paid to date.

Given the relatively small shortfall against the target return of dividends as at 30 September 2014 and the possibility of a final dividend for the financial year ending 31 December 2014, the MIG Board, together with MIG's current legal adviser, and Mobeus recently began to focus on the implications of the current performance incentive agreement. The parties believe that the existing agreement, the basis of which dates back to the original launch of MIG, has a number of shortcomings. Mobeus believes the target return for dividends was intended to refer to dividends paid in respect of a financial year and not dividends declared and paid in a financial year. Additionally, the MIG Board believes that the definition of the NAV hurdle is also ambiguous. No specific allowance is made for excluding dividends subsequently paid out of net assets in the calculation of NAVs and reference is made to the average net asset value in the financial year without defining how this is to be calculated.

Depending on how the performance incentive agreement is interpreted, and also taking into account performance based on dividends paid in respect of a year rather than dividends declared and paid in a year, a performance incentive fee payment might be due to Mobeus for the current year ranging between nothing and around £1 million. The latter figure is an example only and assumes a final dividend being paid in respect of the current financial year in the region of 10p per MIG Share and that the NAV hurdle was satisfied. The final dividend example should not be taken to be a forecast or a guarantee as to the level of any further dividends, or that any further dividends will be paid, in respect of the current year.

In light of the above, and giving consideration to the absolute and relative performance of the Company in terms of total returns driven by a strong level of profitable realisations over the last 18 months, the MIG Board proposes to:

- make a bonus payment to Mobeus of £250,000 (inclusive of VAT, if any), subject to the approval of MIG Shareholders and the requirements of the Listing Rules of the Financial Conduct Authority; and
- consider implementing a revised performance incentive agreement with Mobeus, such agreement to be similar to that currently in place, reflective of total return performance and effective from 1 January 2015, such revised agreement to be proposed to MIG Shareholders for approval and subject to the requirements of the Listing Rules of the Financial Conduct Authority.

In consideration of the above, Mobeus has agreed that, in respect of the current arrangements, no performance incentive fee will be payable in respect of the current financial year ending on 31 December 2014.

The MIG Board has agreed to convene the general meeting referred to above within three months of the close of the MIG Offer (but intends that such meeting will be after the last allotment of shares pursuant to the MIG Offer to ensure investors under the MIG Offer are eligible to vote at the meeting).

- **MIG 2**

Mobeus is entitled to receive a performance incentive fee of an amount equal to 20% of excess annual dividends declared in an accounting period to the holders of MIG 2 Shares in excess of an annual dividend target return of 7.2p (subject to annual RPI increases) per MIG 2 Share, subject to the maintenance of a NAV per MIG 2 Share of 100p. The performance incentive fee is payable annually and any cumulative shortfalls against the annual dividend target return have to be made up before any entitlement arises. The current cumulative dividend shortfall (ignoring the RPI increase for the current year) is 18.31p.

The agreement allows for MIG 2 and Mobeus (subject to the opinion of the auditors) to adjust the conditions to, and calculation of, the fee in relation to changes to the share capital of MIG 2 which affect the basis of the conditions and calculations. At the time of the merger of the MIG 2 ordinary shares and C ordinary shares it was agreed that any amount payable be reduced to the proportion which the net assets attributable to the MIG 2 C ordinary shares at the time of merger represented of the net assets of MIG 2 as a whole (this being 65.1%), which continues to be the arrangement currently in place.

No performance incentive fee has been paid to date and nor is one likely to be paid for the current year.

- **MIG 4**

Mobeus is entitled to receive a performance incentive fee of an amount equal to 20% of excess annual dividends declared and paid in an accounting period to the holders of MIG 4 Shares in excess of an annual dividend target return of 8.31p (subject to annual RPI increases) per MIG 4 Share, subject to the maintenance of a NAV per MIG 4 Share at an NAV base. The NAV base is 114.86p. The performance incentive fee is payable annually and any cumulative shortfalls against the annual dividend target return have to be made up before any entitlement arises. The current cumulative dividend shortfall (ignoring the RPI increase for the current year) is 20.51p.

The agreement allows for MIG 4 and Mobeus (subject to the opinion of the auditors) to adjust the conditions to, and calculation of, the fee in relation to changes to the share capital of MIG 4 which affect the basis of the conditions and calculations.

No performance incentive fee has been paid to date and nor is one likely to be paid for the current year.

- **I&G**

Until 30 September 2013, Mobeus was entitled to receive a performance related incentive payment (payable in cash or shares) based on realised gains from the investment portfolio which it advises. The performance payment represented an amount equal to 20% of any excess (over the investment growth hurdle detailed below) of realised gains over realised losses from these investments during each accounting period provided that in respect of the portfolio:

- at any calculation date, the value of the investment portfolio, based on the Company's normal accounting policies, adjusted for net realised gains and losses and total surplus income since 20 June 2007 was equal to or greater than the embedded value of the portfolio, as adjusted by new investments and the value of the Nova Capital Management portfolio (as at 30 June 2007); and
- such excess was subject to an investment growth hurdle of 6% per annum calculated from 1 July 2007.

Fees of £422,733 for the year ended 30 September 2008, £1,584,811 for the year ended 30 September 2012 and £28,156 for the year ended 30 September 2013 have been paid to Mobeus from I&G. Foresight Group LLP, in connection with their previous appointment as an investment adviser of I&G, has an ongoing entitlement to performance fees in respect of the portfolio of the original I&G ordinary share 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 in paragraph 5.2 in Part IV in the Registration Document. Fees of £1,957,234 for the year ended 30 September 2012 and £31,517 for the year ended 30 September 2013 have been paid to Foresight Group LLP. The estimated incentive fee payable to Foresight Group LLP for the year ended 30 September 2014 is £122,000.

The basis of calculation of the payment to Mobeus has been amended, and is now covered by a separate agreement, with effect from 1 October 2013. The previous agreement remains in force, but only with the former adviser, Foresight Group LLP, from that date. That agreement is due to expire on 10 March 2019.

The payment to Mobeus will now be 15% of net realised gains for each year, payable in cash. It is payable only if Cumulative Net Asset Value (NAV) total return per share (being the closing NAV at a year-end plus cumulative dividends paid to that year end, since 1 October 2013) exceeds a Target Return. The Target Return is the greater of either:

- i) compound growth of 6% per annum (but 5% per annum for the year ended 30 September 2014 only), before deducting any incentive fee payable for the year of calculation only, under both this amended agreement and the existing incentive agreement with Foresight Group LLP, in Cumulative NAV total return per share; or
- ii) the cumulative percentage change in the Consumer Prices Index since 1 October 2013 to the relevant financial year end, the resultant figure then being multiplied by $(100+A)/100$, where A is the number of full 12 month periods (or part thereof) that have passed between 1 October 2013 and the relevant financial year end (the result of this is that the cumulative increase in inflation is further uplifted to include a 1% above inflation increase per annum in the Target Return).

Both measures of Target Return are applied to the same opening base, being NAV per share as at 30 September 2013 of 113.90 pence. The objective of this Target Return is to enable shareholders to benefit from a cumulative NAV return of at least 6% per annum (5% in the financial year ended 30 September 2014), before any incentive fee is payable. Once a payment has been made, cumulative NAV total return is calculated after deducting past years' incentive fees paid and payable.

Under this amended agreement, any fee payments to Mobeus are subject to an annual cap of an amount equal to 2% of the net assets of I&G as at the immediately preceding year end. This cap will include any fee payable to Foresight Group LLP under the old agreement, although any such payment to Foresight Group LLP is not capped. Any excess over the 2% remains payable to Mobeus in the following year(s), subject to the 2% annual cap in such subsequent year(s) and after any payment due in respect of such subsequent year(s). The estimated incentive fee payable to Mobeus for the year ended 30 September 2014, and accounted for in the NAV that will be reported as at that date, is £1,279,000. This sum includes an amount of £191,000 that is subject to the 2% annual cap on payments. Any such amount will be payable in a subsequent year, as explained earlier in this paragraph.

VAT

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

VCT status monitoring

PricewaterhouseCoopers LLP receives an annual fee of £10,000 (plus VAT) from each Company for providing 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. SGH Martineau LLP has advised the Companies in relation to the VCT tax implications of the Offers.

Annual expenses cap

The normal annual expenses of the Companies are the running costs of each Company. This includes, for example, directors' fees, registrar's fees, audit fees and fees to professional advisers (which includes the management fees above). They are capped, based on the closing net asset value of each Company, as follows:

Company	Annual expenses cap*	Expenses excluded from the annual expenses cap	Ongoing charges ratio**
MIG	3.60%	irrecoverable VAT, exceptional items and performance incentive fees	2.7%
MIG 2	3.60%	irrecoverable VAT, exceptional items and performance incentive fees	3.1%
MIG 4	3.40%	irrecoverable VAT, exceptional items and performance incentive fees	2.9%
I&G	3.25%	annual trail commission, exceptional items and performance incentive fees	2.8%

* Any excess over these caps will be rebated by Mobeus.

** As disclosed in the last audited accounts for each Company. The ongoing charges ratio has been calculated using the AIC recommended methodology. This figure shows shareholders the annual percentage reduction in shareholder returns as a result of recurring operational expenses including VAT, assuming markets remain static and the portfolio is not traded. Although the ongoing charges figure is based upon historical information, it provides shareholders with an indication of the likely level of costs that will be incurred in managing the fund in the future. It includes normal annual recurring expenses including VAT, but excludes performance incentive fees, annual trail commission and, for the avoidance of doubt, exceptional or non-recurring items. The calculation of the ongoing charges ratio therefore differs slightly from the calculation of the annual expenses cap.

The ongoing charges ratio indicates to investors that current running costs are at lower levels than those implied by the annual expenses cap.

Part Eight – The Offers

The Offers

The Companies are seeking to raise, in aggregate, up to £39 million through the issue of Offer Shares pursuant to the Offers. The amount each Company is seeking to raise, and the maximum number of Offer Shares it will issue, is set out below.

Company:	MIG	MIG 2	MIG 4	I&G
Maximum amount to be raised:	£15 million	£8 million	£6 million	£10 million
Maximum number of Offer Shares to be issued	22 million	10 million	8 million	13 million

Each Offer opens on 10 December 2014 and will close (unless fully subscribed earlier or otherwise at the discretion of the relevant Board) on 2 April 2015.

There are no minimum aggregate subscription levels on which any of the Offers are conditional and the Offers are not underwritten.

Applications under an Offer will normally be accepted on a first come, first served basis, subject always to the discretion of the relevant Board. Applicants are encouraged to submit their Application Form early in order to be confident that their Application will be successful and their selection of Offers satisfied.

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

Application Selection Procedures

An Applicant may apply to invest equally in each of the Offers or apply to invest specific amounts under one or more of the Offers, subject to the Offers being open at the time his or her Application Form is processed (and subject to the minimum subscription levels referred to below). If an Offer is able to accommodate an Applicant's amount in part before reaching full subscription, that partial sum will be utilised before that Applicant's next option is processed. **Please note that there is one combined Application Form for the Offers and Applicants should complete this as set out in the Application Procedures.**

An Applicant must apply for a minimum, in aggregate, of £6,000 in one or more of the Offers (thereafter in multiples of £500), irrespective of how many Offers are applied for. In addition to the requirement to apply for a minimum aggregate amount of £6,000 across the Offers, an Applicant must also apply for a minimum of £1,500 per Offer applied for (thereafter in multiples of £500 per Offer).

Where an Applicant has chosen to apply equally to each of the Offers, as far as practically possible, the following will apply at the time his or her Application Form is processed:

- If all of the Offers remain open, the Application will be allocated equally to each of the Offers.
- If one or more, but not all, of the Offers have closed, the Application will be allocated equally to each of the other Offers which remain open.
- If all of the Offers have closed, the total amount will be returned.

Where an Applicant has chosen to apply for specific amounts under one or more of the Offers, as far as practically possible, the following will apply at the time his or her Application Form is processed:

- If all of the chosen Offers remain open, the Application will be allocated as indicated on the Application Form.
- If one or more, but not all, of the chosen Offers has/have closed, an Applicant may elect to have his or her Application, **in respect of the closed Offer(s)**, either:
 - (1) re-allocated equally to the **other Offers that he or she has applied for** that remain open; or
 - (2) re-allocated equally **to the other Offers that remain open**, irrespective of whether or not he or she had originally applied for them; or
 - (3) returned to the Applicant.
- If all of the chosen Offers have closed, the total amount will be returned.

The Terms and Conditions of Application for the Offer Shares under each Offer are set out on pages 49 to 53 of this Securities Note. By signing the Application Form, an Applicant will be declaring that he has read the Terms and Conditions of Applications and agrees to be bound by them.

Applicants are advised to read the notes within Application Procedures on pages 54 to 58 of this document, in particular in respect of how to make elections as to investing in all or specific Offers and the consequences of one or more of the Offers already being fully subscribed or deemed to have closed by the time the Application Form is processed.

Maximum initial charges

The alternative methods by which an investor can subscribe for Offer Shares are set out below. **Except where an investor has agreed to pay a financial adviser a charge for advice regarding the suitability of the investment**, the maximum initial charge an investor will pay will be 3.25% of the Investment Amount. An investor may bear less than this, depending on the terms offered by the financial adviser, intermediary and/or Mobeus.

The Allotment Formula

The Allotment Formula determines the number of Offer Shares to be allotted in each Company. It is used for two reasons. First, it creates a structure which enables Qualifying Investors to receive up front VCT income tax relief on the Investment Amount. Second, it means that each investor pays his/her own specific costs which results in his/her own bespoke Offer Price per Offer Share in each Company. This bespoke price is derived from the number of Offer Shares in the relevant Company allotted to the investor. The Boards believe that this results in a fair outcome for all investors and Shareholders.

The Allotment Formula to determine the number of Offer Shares in each Company to be allotted to an investor is as follows:

Number of Offer Shares	$= \left(\frac{\text{(i) Investment Amount in the relevant Company, less: (ii) Offer Costs and (iii) any initial adviser charge to be facilitated}}{\text{(iv) Most recently published NAV per share in that Company on the day of allotment}} \right) \div$
<p>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).</p> <p>Further information in relation to the constituent parts of the Allotment Formula is outlined below and, in more detail, in the sections entitled 'Offer Costs' and 'Financial Adviser Charges and Intermediary Commissions' on pages 31 to 33.</p>	
(i) Investment Amount	
<p>The Investment Amount is the monetary amount of the investor's Application accepted in respect of a Company.</p>	
(ii) Offer Costs	
<p>Mobeus, as promoter to the Offer, will receive a fee equal to 3.25% of the Investment Amount in respect of each Application accepted. Mobeus has agreed to reduce its fee by an amount equal to:</p> <ul style="list-style-type: none">• any Early Investment Incentive discount of 1% applicable in respect of the Application; and• any 'execution only' initial commission offered by Mobeus but waived by the 'execution only' intermediary. <p>Mobeus may also agree to reduce its fees further (in whole or part) in respect of any specific investors or group of investors.</p> <p>The net fee payable to Mobeus after these reductions will be the relevant amount of Offer Costs applied through the Allotment Formula in determining the number of Offer Shares to be allotted. Mobeus will not offer any 'execution only' initial commission and/or further reduce its fee to the extent that the aggregate reduction would be more than 3.25% of the Investment Amount of any Application.</p> <p>Further details on the Offer Costs and Early Investment Incentive are set out on pages 31 and 32. Details relating to 'execution only' intermediary commission are set out on page 33.</p>	
(iii) Facilitation of initial financial adviser charges	
<p>Investors who agree to pay an initial financial adviser charge for advice in respect of an investment under the Offer can have this charge 'facilitated' as explained in part (a) of the section entitled 'Financial Adviser Charges and Intermediary Commissions' on page 32.</p> <p>Any amount agreed to be facilitated (to be no more than 4.5% of the Investment Amount) will be applied through the Allotment Formula in determining the number of Offer Shares to be allotted.</p>	
(iv) NAV per Share	
<p>The Companies publish NAVs on a quarterly basis. These NAVs will be used to calculate the number of Offer Shares to be allotted to an investor through the Allotment Formula. Should there be a movement in the NAV between the normal quarterly dates that a Board of a Company believe to be significant, the relevant Company will publish an updated unaudited NAV, which will be used to calculate the number of Offer Shares.</p> <p>Calculating the number of Offer Shares to be issued in each Company by reference to the then existing NAV per Share, plus costs, avoids dilution of the NAV of the existing Shares (ignoring the dilution caused by any permissible annual trail commission payments by each Company, which is not expected to be material).</p>	
Offer Price	
<p>The Offer Price is determined by dividing the Investment Amount in the relevant Company by the number of Offer Shares issued by that Company to that investor.</p>	

Examples of the Allotment Formula

Below are **examples** of how the Allotment Formula works for each of an advised investor, an 'execution only' investor and a direct investor. They are all based on an **illustrative** Investment Amount of £10,000 for a Company and a NAV of £1.05 per share, and also assume that the Early Investment Incentive discount of 1% (£100) applies to each example.

In respect of the advised investor, example 1 assumes that a financial adviser charge equal to 1% (£100) of the Investment Amount is to be facilitated.

In respect of the 'execution only' investor, example 2 assumes that a commission equal to 0.75% (£75) of the Investment amount has been offered by Mobeus to the 'execution only' intermediary, but that the commission is waived by such intermediary (which reduces the Offer Costs).

In respect of the direct investor, example 3 has no adviser charge or 'execution only' intermediary commission.

Example	Investment Amount (A) (£)	Offer Costs (3.25% less reductions*) (B) (£)	Adviser charge to be facilitated (C) (£)	Amount remaining (A-B-C = D) (£)	Illustrative NAV (E) (£)	Number of Offer Shares Allotted (D/E) (No.)
1 Advised investor (1% adviser charge to be facilitated)	10,000	(225)	(100)	9,675	1.05	9,214
2 'Execution only' investor (0.75% initial commission waived)	10,000	(150)	-	9,850	1.05	9,380
3 Direct investor (no financial adviser charge or commission)	10,000	(225)	-	9,775	1.05	9,309

Further information on adviser charges, 'execution only' intermediary commissions and direct investor charges is provided on pages 32 and 33.

Offer Costs

Each Company will pay Mobeus, as promoter to its Offer, a fee equal to 3.25% of the Investment Amount in respect of successful Applications. In consideration, Mobeus will meet all the costs and expenses of each Offer, including:

- permissible initial commissions to 'execution only' intermediaries (see part (b) of the section 'Financial Adviser Charges and Intermediary Commissions' on the next page)

but not the following:

- any amounts due from a Company to the investor in connection with the facilitation of initial adviser charges (see part (a) of the section 'Financial Adviser Charges and Intermediary Commissions' below) – such amounts being paid by the Company but borne by the relevant investor through the Allotment Formula; and
- permissible annual trail commission (see part (b) of the section 'Financial Adviser Charges and Intermediary Commissions' below) – such commission being paid by the relevant Company.

*Reductions in Offer costs:

Mobeus has agreed to reduce its fee in respect of a successful Application by an amount equal to:

- any Early Investment Incentive discount applicable; and
- any 'execution only' initial commission offered by Mobeus but waived by the 'execution only' intermediary.

Mobeus may also agree (at its discretion) to reduce its fee further (in whole or part) in respect of any specific investor or group of investors for the benefit of such investors.

The benefit of these reductions will be applied through the Allotment Formula by reducing the Offer Costs for those investors, thereby increasing the number of Offer Shares to such investors.

Mobeus will not offer any further reduction in its fee which, together with any Early Investment Incentive discount and any 'execution only' initial commission offered, would result, in aggregate, in a reduction to its fee of more than 3.25% of the Investment Amount of any Application.

Assuming that the Offers are fully subscribed, the maximum Offer costs payable by each Company and the minimum net proceeds (assuming full subscription and excluding any annual trail commission) will be:

Company	Offer Costs	Net Proceeds
MIG	£487,500	£14,512,500
MIG 2	£260,000	£7,740,000
MIG 4	£195,000	£5,805,000
I&G	£325,000	£9,675,000

Early Investment Incentive

Investors who successfully apply for Offer Shares pursuant to the Offers up to the earlier of the first £15 million being raised or 6 February 2015, will be eligible to receive an early investment incentive discount of an amount equal to 1% of the Investment Amount. The Mobeus fee in respect of such Applications is reduced by an equivalent amount.

The Early Investment Incentive will thus be applied through the Allotment Formula as a reduction in the amount of Offer Costs and will, therefore, increase the number of Offer Shares to be allotted to the investor. Mobeus reserves the right to increase the amount of cash subscriptions to which the Early Investment Incentive will apply.

Financial Adviser Charges and Intermediary Commissions

The FCA has introduced regulations in respect of charges and commissions payable to financial advisers in consideration of advice being provided to their clients. These regulations took effect on 31 December 2012. This section details how financial adviser charges and intermediary commissions affect investors who invest through one of the three methods below:

(a) *Investors who receive advice from their financial adviser*

In accordance with the regulations, initial commission and trail commission are not permitted to be paid to financial advisers that have provided advice after 30 December 2012. However, an investor can agree to pay an initial charge to their financial adviser for advice received in relation to an investment in the Companies.

An initial adviser charge:

- Can be paid directly by the investor to the financial adviser.

OR

- Can, at the request of the investor, be facilitated by the Companies in whole or part (the amount which the Companies may agree to facilitate will be no more than 4.5% of the Investment Amount). If the initial adviser charge agreed with the financial adviser is greater than this maximum amount, the investor will need to make additional payments direct to the financial adviser.

It should be noted that the maximum amount of initial charges which may be facilitated on behalf of advised investors as outlined above should not be considered as a recommendation as to the appropriate levels of a financial adviser charge. This is for the investor and the financial adviser to agree depending on the advice and service being provided.

If the investor requests that an initial adviser charge be facilitated, this will be paid on behalf of the investor from an equivalent amount due to the investor from the Companies. The amount of any adviser charge facilitated will be taken into account in the Allotment Formula and the investor will receive fewer Offer Shares (equivalent to the value of the initial adviser charge). This will not, however, affect the availability of up front VCT income tax relief on the Investment Amount.

(b) *Investors who do not receive advice and submit their Application through an 'execution only' intermediary*

Intermediaries who provide 'execution only' services, to the extent permitted under legislation and regulations:

May be offered an initial commission* by Mobeus at a rate (to be agreed with Mobeus) determined by reference to their client's Investment Amount under the Offers (save that Mobeus will not offer any 'execution only' initial commission which, together with any Early Investment Incentive discount and any further reduction to its fee, would result, in aggregate, in a reduction to its fee of more than 3.25% of the Investment Amount of any Application).

AND

- Will be paid annual trail commission of 0.375% of the net asset value at the end of each financial year of the Offer Shares issued to their client under the Offers. This is subject to a cumulative trail commission cap of 2.25% of the Offer Price, their client continuing to hold their Offer Shares and the client not subsequently receiving advice from the intermediary. This trail commission is paid by each Company. As trail commission only applies to Applications through 'execution-only' intermediaries, and is capped at an amount equal to 2.25% of the Offer Price, the dilution from these payments across a Company's total funds is considered to be small.

*'Execution only' intermediaries may agree to waive all or part of any initial commission offered by Mobeus in respect of their client's Application. Mobeus has agreed to reduce its fee by an amount equal to any initial commission waived, resulting in a lower amount of Offer Costs being applied through the Allotment Formula as set out above.

(c) *Investors who do not receive advice and submit their Application directly*

Investors who have not invested their money through a financial adviser or intermediary and have submitted their Applications directly will bear the Offer Costs of an amount equal to 3.25% (2.25% if the investor qualifies for the Early Investment Incentive) of their Investment Amount (through the Allotment Formula above).

Use of funds

It is intended that the proceeds of each Offer will be used by the relevant Company in accordance with its investment policy, a summary of which is set out in Part Five of this document. In particular, monies raised will be used to fund investment opportunities, as well as being used to fund dividends, buybacks and normal annual running costs.

Results of the Offers

The following will be announced through RIS Announcements:

- after each allotment, the results of each allotment (including details of the Offer Shares allotted and issued and the range of Offer Prices); and
- following the close of an Offer, the final results of that Offer.

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 their Company (or, if later, the last continuation vote) 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.

Share certificates and CREST

The Offer Shares will be available to be issued in either registered form (i.e. certificated) or electronic form (i.e. via CREST). Investors who wish to have their Offer Shares issued direct to their nominee's CREST account should accordingly complete Box 5 of the Application Form.

Investor profile

A typical investor will be a retail investor who is a UK taxpayer, aged 18 or over and who already has a portfolio of VCT and non-VCT investments (such as unit trusts, OEICs, investment trusts and direct shareholdings in listed and non-listed companies). The investor should be comfortable with the risk factors set out at the beginning of this document and be willing to retain the investment for at least five years.

Capitalisation and indebtedness

MIG

As at 9 December 2014 (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 2014, extracted without material adjustment from the MIG Half-Yearly Report, is set out opposite. Save for a 17p per MIG Share dividend paid on 17 September 2014, reducing net assets by £10,344,505, there has been no material change in the capitalisation of MIG between 30 June 2014, the date to which the MIG Half-Yearly Report was made up to, and 9 December 2014, the latest practicable date prior to publication of this document.

Shareholders' Equity	£
Called-up share capital	608,500
Capital redemption reserve	4,367
Share premium account	4,938,202
Revaluation reserve	9,800,394
Special distributable reserve	43,181,014
Profit & loss account	9,346,191
Total	67,878,668

MIG 2

As at 9 December 2014 (the latest practicable date prior to publication of this document), MIG 2 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 2 as at 30 September 2014, extracted without material adjustment from the MIG 2 Half-Yearly Report, is set out opposite. Save for a 14p per MIG 2 Share dividend paid on 20 October 2014, reducing net assets by £4,215,829, there has been no material change in the capitalisation of MIG 2 between 30 September 2014, the date to which MIG 2's Half-Yearly Report was made up to, and 9 December 2014, the latest practicable date prior to publication of this document.

Shareholders' Equity	£
Called-up share capital	299,963
Capital redemption reserve	78,421
Share premium account	8,122,178
Revaluation reserve	2,972,764
Special distributable reserve	10,782,998
Profit & loss account	16,893,367
Total	39,149,691

MIG 4

As at 9 December 2014 (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 30 June 2014, extracted without material adjustment from the MIG 4 Half-Yearly Report, is set out opposite. Save for a 14p dividend paid per MIG 4 Share on 12 September 2014, reducing net assets by £5,862,108 and increasing the share premium account by £822,081 pursuant to the allotment of 817,991 MIG 4 Shares under the dividend investment scheme, there has been no material change in the capitalisation of MIG 4 between 30 June 2014, the date to which the MIG 4 Half-Yearly Report was made up to, and 9 December 2014, the latest practicable date prior to publication of this document.

Shareholders' Equity	£
Called-up share capital	418,722
Capital redemption reserve	3,675
Share premium account	5,162,961
Revaluation reserve	4,691,442
Special distributable reserve	34,218,500
Profit & loss account	8,383,246
Total	52,878,546

I&G

As at 9 December 2014 (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 31 March 2014, extracted without material adjustment from the I&G Half-Yearly Report, is set out opposite. Save for the issue of 1,800,016 shares raising net funds of £1,994,140 and a dividend of 6p per I&G Share paid on 3 July 2014 and 8p per I&G Share paid on 30 October 2014, reducing net assets by £8,439,509, and increasing the share premium account by £1,062,164 pursuant to the allotment of 1,102,548 I&G Shares under the dividend investment scheme, there has been no material change in the capitalisation of I&G between 31 March 2014, the date to which the I&G Half-Yearly Report was made up to, and 9 December 2014, the latest practicable date prior to publication of this document.

Shareholders' Equity	£
Called-up share capital	579,281
Capital redemption reserve	2,455,455
Share premium account	290,192
Revaluation reserve	10,114,522
Special distributable reserve	30,928,203
Profit & loss account	23,418,294
Total	67,785,947

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 2 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

There has been no significant change in the financial or trading position of MIG since 30 June 2014, the date to which the MIG Half-Yearly Report was made up to.

There has been no significant change in the financial or trading position of MIG 2 since 30 September 2014, the date to which the MIG 2 Half-Yearly Report was made up to.

There has been no significant change in the financial or trading position of MIG 4 since 30 June 2014, the date to which the MIG 4 Half-Yearly Report was made up to.

There has been no significant change in the financial or trading position of I&G since 31 March 2014, the date to which the I&G Half-Yearly Report was made up to.

Shareholder authorities

MIG

The following resolutions of MIG were passed at the general meeting of MIG held on 8 October 2014:

- (a) That, 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 £330,425, provided that this authority shall expire (unless renewed, revoked, or varied by MIG in a general meeting) on the date falling fifteen months after the passing of the resolution, or, if earlier, at the conclusion of the annual general meeting of MIG to be held in 2015, but so that this authority shall allow MIG to make, before such expiry, offers or agreements which would or might require MIG Shares to be allotted or rights to be granted after such expiry and the MIG Directors are entitled to allot MIG Shares or grant rights pursuant to such offers or agreements as if the authority conferred had not expired.
- (b) That, in substitution for any existing authorities, the MIG Directors were empowered in accordance with sections 570 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 either 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 any such sale or allotment, provided that the power conferred shall be limited to:
 - (i) the allotment of equity securities with an aggregate nominal value of up to but not exceeding £300,000 in connection with offer(s) for subscription; and
 - (ii) the allotment, otherwise than pursuant to sub-paragraph (i) above, of equity securities with an aggregate nominal value of up to, but not exceeding, 5% of the issued MIG Share capital from time to time

in each case where the proceeds of the allotment may be used in whole or in part to purchase MIG Shares in the market and provided that this authority shall expire (unless renewed, revoked or varied by MIG in general meeting), on the date falling fifteen months after the passing of the resolution, or, if earlier, at the conclusion of the annual general meeting of MIG to be held in 2015, 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 offers or agreements as if the power conferred thereby had not expired.

The following resolution of MIG was passed at the annual general meeting of MIG held on 7 May 2014:

- (a) That, 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 9,042,290 or, if lower, such number of MIG Shares (rounded down to the nearest whole share) as shall equal 14.99% of the shares in issue at the date of the passing of the resolution;
 - (ii) the minimum price which may be paid for a MIG Share is one penny (the nominal value thereof);
 - (iii) the maximum price which may be paid for a MIG Share (excluding expenses) shall be the higher of (a) an amount equal to 5% above the average of the middle market quotations for a MIG Share taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which that MIG Share is contracted to be purchased and (b) the price stipulated by Article 5(1) of the Buy-back and Stabilisation Regulations 2003 (EC 2273/2003);
 - (iv) the authority conferred shall (unless renewed, varied or revoked by MIG in a general meeting) expire on the date falling fifteen months after the passing of the resolution, or, if earlier, at the conclusion of the annual general meeting of MIG to be held in 2015; and
 - (v) MIG may make a contract or contracts to purchase its own MIG Shares under this 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 MIG Shares in pursuance of any such contract.

MIG 2

The following resolutions of MIG 2 were passed at the annual general meeting of MIG 2 held on 11 September 2014:

- (a) That, in substitution for any existing authorities, the MIG 2 Directors were generally and unconditionally authorised pursuant to section 551 of CA 2006, to exercise all the powers of MIG 2 to allot MIG 2 Shares and to grant rights to subscribe for, or to convert, any security into MIG 2 Shares up to an aggregate nominal value of £160,994, provided that this authority shall expire (unless renewed, revoked or varied by MIG 2 in a general meeting) on the date falling fifteen months after the passing of this resolution or, if earlier, at the conclusion of the annual general meeting of MIG 2 to be held in 2015 but so that this authority shall allow MIG 2 to make before the expiry of this authority offers or agreements which would or might require Shares to be allotted or rights to be granted after such expiry and the MIG 2 Directors shall be entitled to allot Shares or grant rights pursuant to any such offer or agreements as if the authority had not expired.
- (b) That, in substitution for any existing authorities, the MIG 2 Directors were empowered in accordance with sections 570 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, either pursuant to the authority conferred upon them 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 any such sale or allotment, provided that the power conferred by this resolution shall be limited to:
 - (i) the allotment and issue of equity securities up to an aggregate nominal value representing £100,000 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 2 Share capital from time to time pursuant to any dividend investment scheme operated by MIG 2; and
 - (iii) the allotment, otherwise than pursuant to subparagraphs (i) and (ii) above, of equity securities with an aggregate nominal value of up to, but not exceeding 10% of the issued MIG 2 Share capital from time to time;

in each case where the proceeds may be used, in whole or in part, to purchase MIG 2 Shares in the market and provided that this authority shall expire (unless renewed, varied or revoked by MIG 2 in a general meeting) on the date falling fifteen months after the passing of this resolution or, if earlier, on the conclusion of the annual general meeting of MIG 2 to be held in 2015, except that MIG 2 may, before the expiry of this authority, make offers or agreements before the expiry of such authority make offers or agreements which would or might require equity securities to be allotted after such expiry and the MIG 2 Directors may allot equity securities in pursuance of such offers or agreements as if the authority conferred by this resolution had not expired.

- (c) That, in substitution for any existing authorities, MIG 2 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 2 Shares provided that:
 - (i) the aggregate number of MIG 2 Shares which may be purchased shall not exceed 4,571,516 or, if lower, such number of MIG 2 Shares (rounded to the nearest whole MIG 2 Share) as represents 14.99% of the issued MIG 2 share capital at that time;
 - (ii) the minimum price which may be paid for a MIG 2 Share is one penny (the nominal value thereof);
 - (iii) the maximum price which may be paid for a MIG 2 Share (excluding expenses) shall be the higher of (a) an amount equal to 5% above the average of the middle market quotations for a MIG 2 Share taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the MIG 2 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 conferred by this resolution shall (unless renewed, varied or revoked by MIG 2 in general meeting) expire on the date falling fifteen months after the passing of this resolution or, if earlier, on the conclusion of the annual general meeting of MIG 2 to be held in 2015; and
 - (v) MIG 2 may make a contract or contracts to purchase its own MIG 2 Shares under the above authority hereby 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 2 Shares in pursuance of any such contract.

MIG 4

The following resolutions of MIG 4 were passed at the annual general meeting of MIG 4 held on 9 May 2014:

- (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 £375,766 provided that the authority conferred by this resolution shall expire (unless renewed, varied, or revoked by MIG 4 in a general meeting) on the date falling fifteen months after the passing of this resolution or, if earlier, at the conclusion of the annual general meeting of MIG 4 to be held in 2015, but so that this authority shall allow MIG 4 to, make before the expiry of this authority offers or agreements which would or might require MIG 4 Shares to be allotted or rights to be granted after such expiry and the MIG 4 Directors be entitled to allot MIG 4 Shares or grant rights pursuant to any such offers or agreements as if the authority conferred by this resolution had not expired.
- (b) That, in substitution for any existing authorities, the MIG 4 Directors were empowered in accordance with sections 570 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 conferred upon them by the resolution in paragraph (a) above 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 shall be limited to:
 - (i) the allotment and issue of equity securities with an aggregate nominal value of up to, but not exceeding, £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 pursuant to any dividend investment scheme operated by MIG 4; and
 - (iii) the allotment, otherwise than pursuant to sub-paragraphs (i) and (ii) 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

in each case where the proceeds may be used, in whole or in part, to purchase MIG 4 Shares in the market and provided that such authority shall expire (unless renewed, varied or revoked by MIG 4 in general meeting), on the date falling fifteen months after the passing of this resolution or, if earlier on the conclusion of the annual general meeting of MIG 4 to be held in 2015, except that MIG 4 may, before the expiry of this authority make offers or agreements which would or might require equity securities to be allotted after such expiry and the MIG 4 Directors may allot equity securities in pursuance of such offers or agreements as if the authority conferred had not expired.

- (b) That, in substitution for any existing authorities, MIG 4 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 4 Shares provided that:
 - (i) the aggregate number of MIG 4 Shares which may be purchased shall not exceed 5,265,569 or, if lower, such number of MIG 4 Shares (rounded down to the nearest whole Share) as shall equal 14.99% of the MIG 4 Shares in issue at the date of passing this resolution;
 - (ii) the minimum price which may be paid for a MIG 4 Share is 1 penny (the nominal value thereof);
 - (iii) the maximum price which may be paid for a MIG 4 Share (excluding expenses) shall be the higher of (a) 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 on which 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 conferred by this resolution shall expire (unless renewed, varied or revoked by MIG 4 in general meeting) on the date falling fifteen months after the passing of this resolution or, if earlier on the conclusion of the annual general meeting of MIG 4 to be held in 2015; and
 - (v) MIG 4 may make a contract or contracts to purchase its own MIG 4 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 MIG 4 Shares in pursuance of any such contract.

I&G

The following resolutions of I&G were passed at the annual general meeting of I&G held on 12 February 2014:

- (a) That, 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 convert, any security into I&G Shares up to an aggregate nominal value of £159,250, provided that the authority conferred by this resolution shall expire (unless renewed, revoked or varied by I&G in a general meeting) on the date falling fifteen months after the passing of this resolution, or, if earlier, at the conclusion of the annual general meeting of I&G to be held in 2015 but so that this authority shall allow I&G to make before the expiry of this authority offers or agreements which would or might require I&G Shares to be allotted or rights to be granted after such expiry and the I&G Directors shall be entitled to allot I&G Shares or grant rights pursuant to any such offers or agreements as if the authority conferred by this resolution had not expired.
- (b) That, in substitution for any existing authorities, the I&G Directors were empowered in accordance with sections 570 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 conferred upon them by the resolution set out in paragraph (a) above, 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 is limited to:
 - (i) the allotment and issue of equity securities up to an aggregate nominal value representing £106,162 in connection with offer(s) for subscription;
 - (ii) the allotment of equity securities with an aggregate nominal value of up to, but not exceeding, 5% of the issued I&G Share capital from time to time pursuant to any dividend investment scheme operated by I&G at a subscription price per I&G Share which is less than the net asset value per I&G Share; and
 - (iii) the allotment, otherwise than pursuant to sub-paragraphs (i) and (ii) above, of equity securities with an aggregate nominal value of up to, but not exceeding, 5%, of the issued I&G Share capital from time to timein each case where the proceeds of the allotment may be used in whole or in part to purchase I&G Shares in the market and provided that this authority shall expire (unless renewed, varied or revoked by I&G in general meeting), on the date falling fifteen months after the passing of this resolution, or, if earlier, at the conclusion of the annual general meeting of I&G to be held in 2015, except that I&G may, before the expiry of this authority, make offers or agreements which would or might require equity securities to be allotted after such expiry and the I&G Directors may allot equity securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired.
- (c) That, in substitution for any existing authorities, I&G 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 its own I&G Shares provided that:
 - (i) the aggregate number of I&G Shares which may be purchased shall not exceed 7,950,000 or, if lower, such number of I&G Shares (rounded down to the nearest whole share) as shall equal 14.99% of I&G Shares in issue at the date of the passing of the resolution;
 - (ii) the minimum price which may be paid for an I&G Share is one penny (the nominal amount thereof);
 - (iii) the maximum price which may be paid for an I&G Share shall be the higher of: (a) an amount equal to 5% above the average of the middle market quotations for an I&G Share taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the I&G Share is contracted to be purchased; and (b) the price stipulated by article 5(1) of the Buy Back and Stabilisation Regulations 2003 (EC2273/2003);
 - (iv) the authority conferred by this resolution shall by I&G in general meeting expire (unless previously renewed, varied or revoked by I&G in general meeting) on the date falling fifteen months after the passing of this resolution, or, if earlier, at the conclusion of the annual general meeting of I&G to be held in 2015; and
 - (v) I&G may make a contract or contracts to purchase its own I&G Shares under this 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 I&G Shares pursuant to any such contract.

Share rights

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

Votes of members

Subject to the provisions of CA 2006 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 CA 2006, 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 below, 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.

The Board may, in its absolute discretion, refuse to register a share transfer unless:

- it is in respect of a share which is fully paid up;
- it is in respect of one class of share;
- it is in favour of a single transferee or not more than four joint transferees;
- it is duly executed by the transferor;
- it is duly stamped (if so required); and
- it is delivered for registration at the registered office of the Company, accompanied by the relevant share certificate and such other evidence as the Board may reasonably require to prove the title of the transferor

Dividends

Subject to the provisions of CA 2006 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 60,850,032 MIG Shares. If the full 22 million MIG Shares are allotted pursuant to the MIG Offer, the existing 60,850,032 MIG Shares would represent 73.4% of the enlarged issued MIG share capital.

The issued share capital of MIG 2 as at the date of this document is 29,996,317 MIG 2 Shares. If the full 10 million MIG 2 Shares are allotted pursuant to the MIG 2 Offer, the existing 29,996,317 MIG 2 Shares would represent 75.0% of the enlarged issued MIG 2 share capital.

The issued share capital of MIG 4 as at the date of this document is 42,543,360 MIG 4 Shares. If the full 8 million MIG 4 Shares are allotted pursuant to the MIG 4 Offer, the existing 42,543,360 MIG 4 Shares would represent 84.2% of the enlarged issued MIG 4 share capital.

The issued share capital of I&G as at the date of this document is 61,129,351 I&G Shares. If the full 13 million I&G Shares are allotted pursuant to the I&G Offer, the existing 61,129,351 I&G Shares would represent 82.5% of the enlarged issued I&G share capital.

Annual trail commission payments are capped at a cumulative 2.25% of the relevant Offer Price, and only apply to Applications through 'execution only' intermediaries. As a result, the dilution from annual trail commission across each Company's total funds is considered to be small.

The principal legislation under which the Companies operate, and under which the Offer Shares will be created, is CA 2006 and regulations made thereunder. Each Company 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. Mobeus also produces a bi-annual newsletter for 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. Mobeus will also publish information on new investments and the progress of companies within the Companies' portfolio on its website www.mobeusequity.co.uk. In addition, a shareholder workshop is held annually.

	Year end	Announcement and publication of annual report	Announcement and publication of half-yearly report
MIG	31 December	March	August
MIG 2	31 March	June	November
MIG 4	31 December	March	August
I&G	30 September	December	May

Use of the Prospectus

The Companies and the Boards consent to the use of the Prospectus, and accept responsibility for the content of the Prospectus, with respect to the subsequent resale or final placement of securities by financial advisers and intermediaries, from the date of the Prospectus until the close of the Offers. Each Offer is expected to close on 2 April 2015, unless previously extended by the Board of the relevant Company. There are no conditions attaching to this consent. Financial advisers and intermediaries may use the Prospectus in the UK.

Information on the terms and conditions of the Offers will be given to investors by financial advisers and intermediaries at the time that the offer is introduced to investors. Any financial adviser or intermediary using the Prospectus must state on its website that it is using the Prospectus in accordance with the consent set out in the above paragraph.

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 Mobeus, 30 Haymarket, London SW1Y 4EX whilst the Offers are open:

- the Memoranda and Articles of each of the Companies;
- the material contracts referred to in paragraphs 5 of Parts I, II, III and IV of the Registration Document;
- the audited financial statements for MIG for the years ended 31 December 2011, 2012 and 2013, the unaudited half yearly accounts for MIG for the period ended 30 June 2013 and the MIG Half-Yearly Report;

- the audited financial statements for MIG 2 for the years ended 30 April 2012, 2013, the 11 month period ended 31 March 2014, the unaudited half yearly accounts for MIG 2 for the period ended 30 June 2013 and the MIG 2 Half-Yearly Report;
- the audited financial statements for MIG 4 for the years ended 31 January 2011, 2012, the 11 month period ended 31 December 2012, year ended 31 December 2013, the unaudited half yearly accounts for MIG 4 for the period ended 30 June 2013 and the MIG 4 Half-Yearly Report;
- the audited financial statements for I&G for the years ended 30 September 2011, 2012 and 2013, the unaudited half yearly accounts for I&G for the period ended 31 March 2013 and the I&G Half-Yearly Report;
- the Registration Document;
- this Securities Note; and
- the Summary

10 December 2014

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 and does not constitute legal advice. Potential investors are recommended to consult a duly authorised independent financial intermediary as to the taxation consequences of an investment in a VCT. The tax rules or their interpretation in relation to an investment in the 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 their own behalf although the Offer Shares may be issued to a nominee on request or subsequently be transferred to a nominee.

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

(ii) *Dividend relief*

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

(iii) *Purchases in the market*

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

(iv) *Withdrawal of relief*

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

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

(ii) *Purchases in the market*

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

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

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

(d) Loss of VCT approval

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

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 gains can substantially improve the net returns of an investment in a VCT. For example, assuming costs of 3.25% an investment of £10,000 would show an immediate return of 38% 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.

4. Investors not resident in the UK

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

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:

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

The term 'eligible shares' means shares which do not carry any rights to be redeemed or a preferential right to assets on a winding-up or dividends (in respect of the latter, where the right to the dividend is cumulative or, where the amount or dates of payment of the dividend may be varied by the company, a shareholder or any other person).

2. Venture capital investments

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

The conditions are detailed, but include that the company must be a Qualifying Company, have gross assets not exceeding £15 million immediately before and £16 million immediately after the investment, apply the money raised for the purposes of a qualifying trade within certain time periods, cannot be controlled by another company, have fewer than 250 full-time (equivalent) employees and at the time of investment does not obtain more than £5 million of investment from state aided risk capital measures in any rolling 12 month period. In certain circumstances, an investment in a company by a VCT can be split into a part which is a qualifying holding and a part which is a non-qualifying holding.

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

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

3. Qualifying companies

A Qualifying Company must be unquoted (for VCT purposes this includes companies whose shares are traded on ISDX and AIM) and must carry on a qualifying trade. For this purpose certain activities are excluded (such as dealing in land or shares or providing financial services). The qualifying trade must either be carried on by, or be intended to be carried on by, the Qualifying Company or by a qualifying subsidiary at the time of the issue of shares or securities to the VCT (and at all times thereafter).

The company must have a permanent establishment in the UK, but the company need not be UK resident. A company intending to carry on a qualifying trade must begin to trade within two years of the issue of shares or securities to the VCT and continue it thereafter.

A Qualifying Company may have no subsidiaries other than qualifying subsidiaries which must, in most cases, be at least 51% owned.

4. Approval as a VCT

A VCT must be approved at all times by HMRC. Approval has effect from the time specified in the approval.

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

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

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

5. Withdrawal of approval

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

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

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

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 an Offer are listed on the premium segment of 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
"Allotment Formula"	the formula to calculate the number of Offer Shares to be issued by each Company to each investor as set out in this Securities Note on page 30
"Applicant"	an applicant under the Offer
"Application"	a valid application by an Applicant for Offer Shares pursuant to one or more of the Offers
"Application Form"	the application form for the Offer at the end of this document or any revised or additional application form that is published or made available in connection with the Offers
"Articles"	the articles of association of I&G and/or MIG and/or MIG 2 and/or MIG 4, as the context permits
"Boards"	the board of directors of I&G, MIG, MIG 2 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)
"Closing Date"	the closing date of an Offer, expected to be 12.00 noon on 2 April 2015, unless fully subscribed earlier or otherwise as so resolved by the relevant Board
"Companies" or the "Mobeus VCTs"	I&G, MIG, MIG 2 and MIG 4 (and each "a Company")
"Companies Acts"	CA 1985 and CA 2006
"CREST"	the computerised settlement system to facilitate the transfer of title to securities in uncertified form operated by Euroclear UK & Ireland Limited
"Directors"	the directors of I&G and/or MIG and/or MIG 2 and/or MIG 4, as the context permits
"Early Investment Incentive"	an amount equal to 1.00% of the Investment Amount on Applications which are received and accepted up to the earlier of the first £15 million in aggregate being raised or to 6 February 2015, payable by Mobeus and which will be used to purchase additional Offer Shares in the Companies (as applicable) as set out in Part Eight of this document
"EBITA"	a company's earnings before the deduction of interest, tax and amortisation
"FCA"	the Financial Conduct 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 Half-Yearly Report"	the half-yearly report for I&G for the six month period ended 31 March 2014
"I&G Shares"	ordinary shares of 1p each in the capital of I&G
"Investment Amount"	the monetary amount of an Application accepted
"IPEVC Valuation Guidelines"	the International Private Equity and Venture Capital Valuation Guidelines
"ISDX"	the ICAP Securities & Derivatives Exchange, a prescribed market for the purposes of section 118 of Financial Services and Markets Act 2000
"Listing Rules"	the Listing Rules of the UK Listing Authority

"London Stock Exchange"	London Stock Exchange plc
"MBO"	management buy out
"Memorandum"	the memorandum of association of I&G and/or MIG and/or MIG 2 and/or MIG 4, as the context permits (and together "the Memoranda")
"MIG"	Mobeus Income & Growth VCT plc
"MIG Half-Yearly Report"	the half-yearly report for MIG for the six month period ended 30 June 2014
"MIG Shares"	ordinary shares of 1p each in the capital of MIG
"MIG 2"	Mobeus Income & Growth 2 VCT plc
"MIG 2 Annual Report"	the annual report for MIG 2 for the year ended 31 March 2014
"MIG 2 Half-Yearly Report"	the half-yearly report for MIG 2 for the six month period ended 30 September 2014
"MIG 2 Shares"	ordinary shares of 1p each in the capital of MIG 2
"MIG 3"	Matrix Income & Growth 3 VCT plc
"MIG 4"	Mobeus Income & Growth 4 VCT plc
"MIG 4 Half-Yearly Report"	the half-yearly report for MIG 4 for the six month period ended 30 June 2014
"MIG 4 Shares"	ordinary shares of 1p each in the capital of MIG 4
"Mobeus"	Mobeus Equity Partners LLP, the investment adviser, administrator, company secretary and promoter to the Companies, which is authorised and regulated by the FCA
"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 or, as the case may be, share, calculated in accordance with that company's normal accounting policies
"Offer Costs"	the costs relating to an Offer to be applied pursuant to the Allotment Formula as set on page 30
"Offers"	the offers for subscription of Offer Shares in the Companies as described in the Prospectus (and each an "Offer")
"Offer Price"	the price at which the Offer Shares will be allotted in each Company, as determined by dividing the Investment Amount in a Company by the number of Ordinary Shares to be issued by that Company (in accordance with the Allotment Formula)
"Offer Shares"	the MIG Shares, MIG 2 Shares, MIG 4 Shares and I&G Shares (as the context permits), being offered for subscription pursuant to the Offers (and each an "Offer Share")
"Official List"	the official list of the UK Listing Authority
"Prospectus"	together, the Registration Document, this 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 Chapter 4 of Part 6 of the Tax Act
"Qualifying Investment"	an investment in a Qualifying Company satisfying the requirements of Chapter 4 of Part 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 Asset Services (a trading name of Capita Registrars Limited) or Computershare Investor Services plc, as the context permits (together "the Registrars")
"Registration Document"	the registration document issued by the Companies dated 10 December 2014 in connection with the Offers

"RIS Announcements"	regulatory announcements through one of the newswire services designated as a Regulatory Information Service by the FCA for the purposes of Appendix 3 of the Listing Rules (and each a "RIS Announcement")
"Regulations"	the Uncertificated Securities Regulations 2001
"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 2 Shares and/or MIG 4 Shares and/or I&G Shares (and each a "Share"), 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 10 December 2014 in connection with the Offer
"the Tax Act"	the Income Tax Act 2007 (as amended)
"UKLA" or "UK Listing Authority"	the FCA 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 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

The following terms and conditions apply to all of the Offers (or each Offer as the context permits).

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

The section headed "Application Procedures" and the Application Form (including any revised or additional Application Form(s) made available by the Companies in connection with the Offers) form part of these terms and conditions of Application.

- (a) The maximum number of Offer Shares to be issued by each Company in connection with its Offer is 22 million MIG Offer Shares, 10 million MIG 2 Offer Shares, 8 million MIG 4 Offer Shares and 13 million I&G Offer Shares. An Offer will close at 12.00 noon on 2 April 2015 (or, if earlier, as soon as the Offer is fully subscribed or otherwise at the relevant Board's discretion).
- (b) The contract created by the acceptance of an Application in respect of an Offer will (unless the Board of the relevant Company resolves 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. If any Application in respect of an Offer is not accepted in full or if any contract created by acceptance does not become unconditional, the Application monies or, as the case may be, the balance thereof (save where the amount is less than £1 in respect of a Company, in which case you authorise such amount to be paid to that Company and used for its own purpose) will be returned (without interest) at the risk of the person(s) entitled thereto by (i) returning each relevant Applicant's cheque or banker's draft or by crossed cheque in favour of the Applicant, through the post or (ii) by bank transfer to the same account from which the monies were received as identified on the Application Form. In the meantime, Application monies will be retained by the Receiving Agent in a separate account).
- (c) The right is reserved by each Company to present all cheques and banker's drafts for payment on receipt and to retain share certificates (as applicable), pending clearance of successful Applicants' cheques and banker's drafts (including the minimum aggregate level of application per Offer and the aggregate minimum level of Application across all Offers). A Company may treat Applications as valid and binding even if not made in all respects in accordance with the prescribed instructions and a Company may, at its discretion, accept an Application in respect of which payment is not received by the Company prior to the Closing Date. Each Board reserves the right to accept Applications and issue Offer Shares in respect of Applications accepted, prior to the 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 discretion of the relevant Board.
- (d) By completing and delivering an Application Form, you (as the Applicant), in respect of each Offer:
 - (i) irrevocably offer to subscribe for such number of Offer Shares as is determined by applying the Allotment Formula to the Investment Amount specified in your Application Form in respect of the relevant Company's Offer (or such lesser amount for which your Application is accepted) and further, subject to these terms and conditions, Memorandum and Articles of the relevant Company and any supplementary prospectus issued by the Companies and filed with the FCA, which you are deemed to have received and read (whether or not so read);
 - (ii) agree that, in consideration of the relevant Company agreeing to process your Application, your Application will not be revoked until its Offer is closed and that this paragraph shall constitute a collateral contract between you and that Company which will become binding upon dispatch by post to, or (in the case of delivery by hand) on receipt by, the Receiving Agent of your duly completed 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 certificates in respect of the Offer Shares or to enjoy or receive any rights or distributions in respect of such Offer Shares (nor shall your financial adviser be entitled to any facilitation of any initial adviser charges), unless and until you make payment in cleared funds for such Offer Shares and such payment is accepted by a Company in its absolute discretion (which acceptance shall be on the basis that you indemnify it 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 that any documents of title and any monies returnable to you or payable to your financial adviser may be retained pending clearance and that such monies will not bear interest) and you agree that, at any time prior to the unconditional acceptance by the relevant Company of such late payment, that Company may (without prejudice to its other rights) avoid the agreement to subscribe for such Offer Shares, avoid the facilitation of any initial adviser charges and may issue or allot 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 (or as may be made by bank transfer), 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 relevant Company 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 any subscription monies, together with other monies received from other Applicants, may be held on trust by the Receiving Agent, as may be applicable, for the purposes of either (a) the payment of the Offer Price in respect of Offer Shares you have subscribed for or (b) the return to you (without interest earned in respect of such monies) in circumstances where such payment(s) as referred to in (a) are not made. In circumstances where (b) applies, you acknowledge that interest earned on such monies will be paid to the Company;
- (vi) agree that any monies refundable to you may be retained by the Receiving Agent, as may be applicable, 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), if relevant, in respect of the number of Offer Shares for which your Application is accepted and the Receiving Agent, as may be applicable, 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 (or, where Section 5 of the Application Form is completed, the name of your CREST nominee inserted in Section 5) is placed on the register of members of each of the Companies in respect of such Offer Shares;
- (viii) agree that all Applications and instructions to facilitate any initial adviser charges 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 and instructions to facilitate any adviser charges, acceptances of Applications 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 FCA, 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 agree that no person responsible solely or jointly for the Prospectus (or supplementary 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 Registrar and/or the relevant Company 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 (or, where Section 5 of the Application Form is completed, the name of your CREST nominee inserted in Section 5) and authorise any representative of the Receiving Agent, the Registrar or of the relevant Company to execute any document required therefor;
- (xi) confirm and warrant that the information provided on the Application Form is true and accurate and that any instructions thereon in relation to the facilitation of initial adviser charges are confirmed and that you irrevocably authorise the relevant Company (as required) to make such payments from your investor entitlement;
- (xii) 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 (e) and (f) below and warrant compliance therewith;
- (xiii) warrant that you are an individual aged 18 or over;
- (xiv) agree that all documents in connection with an Offer and any returned monies will be sent by post at your risk;
- (xv) agree, on request by the relevant Company or the Receiving Agent on behalf of that Company, to disclose promptly in writing to the relevant Company any information which the Company 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;
- (xvi) undertake that you will notify the relevant Company 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 Tax Act or beneficially entitled to the Offer Shares;
- (xvii) 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 or arrangement, the main purpose of which, or one of the main purposes of which, is the avoidance of tax;

- (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 Mobeus are acting solely for the Companies and/or Mobeus 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 (or, where Section 5 of the Application Form is completed, your CREST nominee) as its customer; and
 - (xx) consent to the information provided on the Application Form being provided to the Receiving Agent, Mobeus (as the promoter to the Offers) and the Registrars to process shareholding details and send notifications to you (or, where Box 5 of the Application Form is completed, your CREST nominee).
- (e) Each Company reserves the absolute right to inspect (either itself or through the Receiving Agent or other agents) all Application Forms, and may consider void and reject any Application Form that does not in the sole judgment of the relevant Company satisfy the terms and conditions of its Offer. If an Application Form is not completed or in the Company's determination (in its absolute discretion) has not been validly completed, provided that the Application Form is otherwise in order and is accompanied by the appropriate Application monies, the Application may be accepted as a valid Application in whole or in part at the Company's discretion.
 - (f) No action has been, or will be, taken in any jurisdiction by, or on behalf of, the Companies or Mobeus 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 FCA) 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.
 - (g) 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. Mobeus 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.
 - (h) Multiple Applications under the Offers are permitted. 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. Each Board in its absolute discretion may decide to close, suspend or extend its Offer. Allotments of Offer Shares will also be subject to the relevant Company having the requisite authorities from its Shareholders from time to time. An Offer shall be suspended if the issue of such Offer Shares would result in the breach of the Prospectus Rules and/or the Listing Rules of the FCA or any other statutory provision or regulation applicable to the relevant Company. Dealings prior to the issue of certificates, if applicable, 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.
 - (i) An Offer cannot be withdrawn after dealings in the Offer Shares have commenced. In the event of any requirement for the Companies to publish a supplementary prospectus, subscribers (or, where Section 5 of the Application Form is completed, their CREST nominee) who have yet to be entered into the relevant Company's register of members will be given two days to withdraw from their subscriptions. Investors should note, however, that in respect of Offer Shares which have been unconditionally allotted, such withdrawal rights are a matter of law which is yet to be tested in the courts of England and Wales.
 - (j) Successful Applicants, whose Applications are accepted and which are received up to the earlier of the first £15 million being raised or to 6 February 2015, will be eligible to receive an early investment incentive discount of an amount equal to 1% of their Investment Amount. If this is the case then the Early Investment Incentive will be allocated proportionately to each Offer for which an Application is accepted. Mobeus has agreed to reduce its fee in respect of such Applications by an amount equal to the Early Investment Incentive which will be applied through the Allotment Formula as a reduction in the amount of Offer Costs and will, therefore, increase the number of Offer Shares to be allotted to the

investor, Mobeus reserves the right to increase the amount of, and/or extend the deadline for, the Early Investment Incentive. For the avoidance of doubt, initial income tax relief is only available on the Investment Amount and no further relief is available on any additional Offer Shares issued pursuant to the Early Investment Incentive.

- (k) Initial and annual trail commission will only be paid to 'execution only' intermediaries by each Company. 'Execution only' intermediaries may, to the extent permitted under legislation and regulations, be offered an initial commission by Mobeus at a rate determined by reference to their client's Investment Amount under the Offers. Mobeus will not offer any 'execution only' initial commission which, together with any Early Investment Incentive discount and any further reduction in its fee offered, would result, in aggregate, in a reduction to its fee of more than 3.25% of the Investment Amount of any Application. In addition, 'execution only' intermediaries will, to the extent permitted under legislation and regulations, normally also be entitled to annual trail commission of 0.375% of the net asset base value for each such Offer Share (subject to a cumulative trail commission cap of 2.25% of the Offer Price and their client continues to hold such Offer Shares). Confirmation that no advice has been given must be provided on the Application Form. For the avoidance of doubt, initial and annual trail commission will not be payable where financial advisers have provided advice, though initial financial adviser charges may be facilitated as referred to below, or if the client disposes of his Offer Shares.

Investors and intermediaries should note that trail commission is not payable if the intermediary subsequently then gives advice in respect of a holding. The relevant Company should be immediately notified that trail commission payments should cease. It is the responsibility of the investor and the intermediary to notify the relevant Company if advice is given and payments for this (or for any other) reason should cease (though each Company also reserves the right to cease payments if it believes advice may have been given or for any other reason in its absolute discretion).

Any initial commissions will be paid out of the Offer Costs. Trail commission will be paid by the Companies. Annual trail commission in respect of each Company will be paid shortly after the later of the relevant Company's annual general meeting or, where applicable, the date of payment of the final dividend in each year. The administration of annual trail commission will be managed on behalf of the Companies by Mobeus which will maintain a register of 'execution only' intermediaries entitled to trail commission.

'Execution only' 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 'execution only' intermediaries' stamps or full address details and calculate any initial commission payable which will be paid following allotment of Offer Shares to such intermediary's client.

'Execution only' intermediaries may agree to waive all or part of any initial commission offered by Mobeus in respect of their clients' Application. If this is the case then the amount waived will be allocated proportionately to each Offer for which an Application is accepted. Mobeus has agreed to reduce its fee by an amount equal to any initial commission waived, which will be applied through the Allotment Formula as a reduction in the amount of Offer Costs and will, therefore, increase the number of Offer Shares to be allotted to the investor.

- (l) The Companies will, through the Receiving Agent, provide facilitation services in respect of any initial financial adviser charges agreed between an investor and their financial adviser. The maximum amount to be facilitated will be 4.5% of the Investment Amount (to be allocated proportionately against each Offer for which an Application is accepted unless special instructions are stated on the Application Form).

Such investors will be due an entitlement from each relevant Company in which Offer Shares are allotted up to an amount equal to the amount to be facilitated from which such adviser charge will be paid on behalf of the investor. The investor entitlement may not be taken by the investor as a cash payment. If the adviser charge agreed between the investor and the financial adviser is greater than the maximum amount agreed to be facilitated by the Companies, then the investor will need to make such additional payment direct to their financial adviser. The charging of VAT on an initial financial adviser charge is the sole responsibility of the financial adviser. Should any facilitated initial charge undertaken by the Receiving Agent exclude the payment of any such VAT, the investor will, at all times, remain solely responsible to make up such VAT deficit (if any) to the adviser.

If the investor and financial adviser agree that an initial charge is to be facilitated by the Receiving Agent, the Application Form must be countersigned by the financial adviser to confirm (i) that the facilitation amount has been agreed and (ii) that the financial adviser has read and agrees to be bound by the terms and conditions of the relevant Offers.

Adviser charges will only be facilitated if, and to the extent, they are permitted under legislation and regulations.

Further details of facilitation services and confirmation of instructions are set out in the Application Form at the end of this document. Initial income tax relief should be available on the total Investment Amount in the Companies for Qualifying Investors.

- (m) The maximum aggregate amount of commission which will be paid by each Company is an amount representing no more than 10% of the respective Offer Price per Offer Share allotted by that Company.
- (n) Mobeus may (at its discretion) agree to reduce its fee (in whole or part) in respect of any specific investor or group of investors for the benefit of such investors. Any reduction will be applied through the Allotment Formula as a reduction in the amount of Offer Costs and will, therefore, increase the number of Offer Shares to be allotted to the investor. Mobeus will not offer any further reduction in its fee which, together with any Early Investment Incentive discount and any 'execution only' initial commission offered, would result, in aggregate, in a reduction to its fee of more than 3.25% of the Investment Amount of any Application.
- (o) One or more of the Companies may convene their annual general meeting in 2015 during the period in which the Offer is open. As part of these annual general meetings, the relevant Company will be seeking Shareholder approval to continue to allot Offer Shares (such previous authorities expiring following the applicable annual general meeting of the relevant Company being held in 2015). In the unlikely event Shareholder approval is not obtained at the 2015 annual general meeting of a Company and the Offer remains open at that time, that Company will endeavour to accept (at its absolute discretion) such number of Application Forms (in whole or part, including by way of scaling back Applications as required) as may be permissible under existing shareholder authorities, following which the Offer will close.
- (p) The Companies reserve the right to publish revised Application Forms from time to time. Applicants and their advisers/intermediaries should, therefore, check when completing an Application Form that no subsequent version has been published or made available by the Companies (which will be downloadable from www.mobeusequity.co.uk/investor-area).
- (q) The Companies reserve the right to make the Offers available via one or more platforms (subject to information being received in respect of any Applicant and the intended underlying beneficial holder of Offer Shares as may be requested by or on behalf of the Companies).

Application Procedures

The Offers are open to all existing Shareholders and new investors.

The Application Form for use in connection with the Offers is attached at the end of this document. Additional copies of the Application Form can be obtained from www.mobeusequity.co.uk or by contacting Mobeus on 020 7024 7600 between the hours of 9.00 am and 6.00 pm on any Business Day. The Companies reserve the right to published revised and/or additional Application Forms from time to time.

To apply to participate in the Offers, please complete and return the Application Form to The City Partnership (UK) Limited, Thistle House, 21 Thistle Street, Edinburgh EH2 1DF by post or hand delivered (during normal business hours only) by 12.00 noon on 2 April 2015.

Please complete all parts of the Application Form in accordance with the following instructions. The Applicant should complete Sections 1 to 9 (as applicable), while the Applicant's financial adviser or intermediary, if any, should complete Sections 10 to 13 (as applicable on pages 4 and 5 of the Application Form).

If you wish to apply to participate in the dividend investment scheme operated by MIG 4 or I&G, please also complete the relevant Dividend Mandate Form(s), set out on the two pages immediately after the Application Form at the end of this document. Please return this/these with your Application Form.

Application Form Instructions:

To be completed by the Applicant

1. Your personal details

Insert (using block capitals) in Section 1 your full name, full address, work and home telephone numbers, e-mail address, National Insurance number and date of birth. Please tick the box provided if you are an existing Shareholder. **If you are already an existing investor, please take care that your name and title exactly match those shown on your existing share certificate(s). This should help prevent your new shareholding being opened in a separate, duplicate account on the register of members.**

2. Application details

Depending on the application option you choose, please complete EITHER Section 2a OR 2b.

If both sections have been completed, the Application will be dealt with in the manner which the Boards consider appropriate depending on the information included or otherwise rejected.

2a Applications to invest equally under all of the Offers which are open at the time the Application Form is processed.

Insert (in figures) the total aggregate value of the investment you wish to make pursuant to the Offers. This amount will be invested, as far as practically possible, equally in all of the Offers that are open at the time your Application Form is processed. This may mean that you invest in only one Offer if all of the other Offers have closed, or deemed closed, by the time your Application Form is processed. Your Subscription must be for a minimum aggregate amount of £6,000 (thereafter in multiples of £500).

If all of the Offers have closed, or are deemed closed, by the time your Application Form is processed then the total amount of your Application will be returned to you.

Please note that if you subscribe by completing Section 2a of the Application Form you should not complete Section 3, which deals with re-allocation / return of Subscription. This is because amounts subscribed under Section 2a will be automatically allocated equally, as far as practically possible, among all the Offers that are open at the time your Application is processed.

2b Applications to one or more of the Offers or for different amounts.

Insert (in figures) the value of the investment you wish to make pursuant to each Company's individual Offer. Your total Application must be for a minimum aggregate amount of £6,000 and the amount you subscribe to each Company's individual Offer must be for a minimum of £1,500 (thereafter in multiples of £500 per Offer).

If you choose to complete Section 2b you should also complete Section 3 to indicate whether you want your Application either re-allocated or returned in the event that one or more, but not all, of the Offers under which you have applied has/have, or is/are deemed, closed by the time your Application Form is processed. If you do not complete Section 3, your Application will be dealt with as if you have ticked Box 3 in that section as set out below.

3. Re-allocation/return instructions

You should complete this section if you have chosen to invest in the Offers through Section 2b of the Application Form.

In the event that one or more, but not all, of the Offer(s) for which you have applied has/have, or is/are deemed, closed by the time your Application Form is processed please tick the relevant box **(one only)** to denote your instructions on how you want your Application to that/those Offer(s) re-allocated or whether you want your Application to that/those Offer(s) returned as follows:

- Box 1 Re-allocated, so far as is practicably possible, equally in **the remaining Offers for which you have applied** and which are open. This may mean that your entire Application is allocated to just one Offer if all of the other Offers have, or are deemed, closed by the time your Application Form is processed.
- Box 2 Re-allocated, so far as is practicably possible, equally in **all the remaining Offers** which are open. This may mean that your entire Application is allocated to just one Offer if all of the other Offers have, or are deemed, closed by the time of your Application Form is processed and that all or part of your Application is allocated to an Offer which was not originally selected by you for your investment.
- Box 3 returned to you (your Application for the other Offers will continue).

If all of the Offers to which you have applied have, or are deemed, closed by the time your Application Form is processed, the total amount of your Application will be returned to you.

In the event that you choose to have your Application re-allocated by ticking Boxes 1 or 2 as described above, the Receiving Agent will inform you of the allocation of your Application as a result of the re-allocation, following the allotment of your Offer Shares.

If you have requested that your Application in respect of a closed Offer be returned to you, monies will be returned to you by cheque or bank transfer (in the same manner in which monies were remitted with your original Application) as soon as practicably possible.

4. Payment details

You can provide your Application monies either by cheque/banker's draft or via a bank transfer. Please tick the relevant box in Section 4.

(i) Payments by cheque/banker's draft

Pin your cheque or banker's draft, which must be made payable to "**City Partnership - Mobeus Offers**" and crossed "A/C Payee only", to the Application Form. Your payment must relate solely to this Application.

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. 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.

Cheques may be presented for payment on receipt. Applications under the Offers will normally be accepted on a first come, first served basis, save that 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**, subject always to the discretion of the Boards. **This may mean that your application is not allocated to an Offer that closes in the meantime.** If using a post-dated cheque, please print "POST-DATED" alongside the amount inserted in Section 2.

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.

(ii) Payments via bank transfer

Payments via bank transfer should be made to the following account:

Bank of Scotland plc
Account number: 12894264
Sort Code: 80-22-60
Account name: City Partnership - Mobeus Offers

If you wish to pay by bank transfer, payments must be made by BACS, CHAPS or Faster Payment in sterling. Details of the bank being instructed to make such bank transfer must be entered in Section 4 of the Application Form.

Payments in electronic form must come from a UK bank account and from a personal account in the name of the individual investor where they have sole or joint title to the funds.

The account name must be the same as that shown in Section 4 of the Application Form. Payments must relate solely to your Application. Please also reference bank transfers with your initials and post code and also complete these details in Section 4. No receipt in respect of electronic payments will be issued.

Money Laundering Notice – Important Procedures for Applications of the Sterling equivalent of €15,000 (£12,000 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 one or more of the Companies and have previously provided the Receiving Agent 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 a financial adviser or duly authorised 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 a financial adviser or 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 certified copy of a recent (no more than three months old) original bank or building society statement, or utility bill, or recent tax bill, in your name.

Copies should be certified as true copies by a solicitor or bank. Original documents will be returned by post at your risk.

Alternatively, if you have a financial adviser or are using an execution-only intermediary, he or she can confirm that this has been carried out by ticking the relevant box at the end of Section 10 and nothing further should, save as set out below, be required (though the Company(ies) and the Receiving Agent reserve the right to request further information at their discretion). Where a bank transfer is being made for £50,000 or more, the investor must in all cases provide a certified copy of their passport and a recent (no older than three months) bank statement whether or not a financial adviser or an execution-only intermediary has ticked the relevant box at the end of Section 10.

5. Nominee details

If you would like your Offer Shares to be issued directly in the name of your nominee through CREST, please complete your nominee's details in Section 5.

6. Data protection

Tick the box at Section 6 if you do not wish for your personal details to be used by Mobeus and/or the Receiving Agent to send you information on other products or services they offer.

7. Electronic communications

The Companies provides Shareholders with the opportunity to receive documents by electronic communication. Should you wish to receive notification of when documents are published on the Mobeus website for the Companies, please tick the box at Section 7. Your email address must also be provided in Section 1 to help process your election.

8. Dividend payment mandate

Dividends will be paid by cheque and sent to a Shareholder's registered address. Alternatively, dividends paid in cash may be paid directly into bank or building society accounts. In order to help facilitate this, please complete Section 8.

*If you are an existing Shareholder who has already completed the mandate referred to in Section 8 in the past, please do so again for this new investment.

9. Applicant's signature and Date

Please sign and date in the appropriate spaces in Section 9.

The rest of the Application Form should be completed by your financial adviser or intermediary (if any) but investors who are using a financial adviser or intermediary should be aware of its contents and the comments below.

10. Financial Adviser/'Execution Only' Intermediary details

Financial advisers/'Execution only' intermediaries should complete Section 10 giving their contact name and address and their FCA Number.

The Receiving Agent will pay initial commission and facilitated adviser charges by bank transfer. In order to help facilitate this, please complete the payment details in Section 10.

Please tick the relevant boxes as to whether this is an advised or 'execution only' client.

If an adviser has already carried out the identity verification requirements of the Money Laundering Regulations within the guidance of the UK Capital Financial Sector issued by the Joint Money Laundering Steering Group, please tick the relevant box at the end of Section 10. If this box is not ticked, the Applicant will need to comply with the confirmation of identity information set out under the Money Laundering Notice on page 56 of the Securities Note.

11. Financial advisers that provide advice

Financial advisers who have provided advice to their clients should complete Section 11.

If you have agreed to pay your financial adviser a fee directly, your financial adviser should tick option A within Section 11, confirming that they have provided financial advice to you but that no facilitation service is required pursuant to this Application.

If you have agreed with your financial adviser that the payment of an initial adviser charge should be facilitated by the Receiving Agent out of the investor entitlement from the Companies to you, your financial adviser should:

- confirm that they have provided financial advice to you by ticking either box in Section 11;
- insert the amount of the initial adviser charge (both in £ and as a percentage) to be facilitated to the financial adviser (the maximum amount to be facilitated will be 4.5% of the aggregate amount inserted in Section 2a or, as applicable, Section 2b).

Adviser charges will be allocated proportionately against each Offer for which an Application is accepted, subject always to the maximum amount to be facilitated of 4.5%. Any amount of adviser charge (including any applicable VAT thereon) in excess of this maximum amount will be the responsibility of the Applicant.

Adviser charges will only be facilitated if, and to the extent, they are permitted under legislation and regulations. If Section 11 is not completed, then the Companies will assume that no facilitation of an initial adviser charge is required.

Financial advisers should take particular notice of the notes to Section 11 and advise their client accordingly. In particular, if the amount inserted in Section 11b represents an amount which is less than the initial adviser charge agreed to be paid by you to the financial adviser then you as the investor will, at all times, remain solely responsible to make up such deficit to the financial adviser.

Please note the financial advisers' obligation to advise their clients of the Risk Factors found on page 2 of this document and pages 3 and 4 of the Registration Document.

12. 'Execution only' intermediaries

Intermediaries who are acting on an 'execution only' basis (i.e. who are not providing advice) should complete Section 12.

'Execution only' intermediaries should confirm that they have not provided financial advice to the Applicant by ticking the box in Section 12 and select (if an initial commission is offered by Mobeus) their elected initial commission option. Annual trail commission will, however, be available to all 'execution only' intermediaries.

Availability of initial commission and initial commission options are set out on page 33 of this document. The amount of any initial commission agreed should be indicated in Section 12 accordingly. Commissions will only be paid if, and to the extent, they are permitted under legislation and regulations and the 'execution-only' intermediary's client continues to hold their Offer Shares.

'Execution only' Intermediaries can waive some or all of any initial commission offered for the benefit of their clients. If the initial commission is to be waived this should be indicated by completing Section 12 accordingly.

13. Financial Adviser/Intermediary signature and date

The financial adviser/intermediary should sign and date in the appropriate spaces in Section 13 and by doing so confirm that they agree to be bound to the terms and conditions of the Offers, whether or not advice has been given and, if relevant, the amount of the financial adviser charge has been agreed with you

FREQUENTLY ASKED QUESTIONS

Q: How do I know how many Offer Shares I will receive?

A: The number of Offer Shares to be issued to investors will be determined by the Allotment Formula set out on page 30 of this document. As the Offer Price is variable, you should check for the most recently published NAVs of the Shares per Company and seek independent financial advice as to when it would be most appropriate for you to invest.

Q: To whom should I make the cheque payable?

A: Cheques should be made payable to "City Partnership - Mobeus Offers". Please ensure that all identification requirements are sent to the Receiving Agent with your Application Form

Q: Can I send Application monies by bank transfer?

A: Yes, monies can be sent by bank transfer to The City Partnership (UK) Limited re Mobeus Offers (Bank of Scotland plc, Account number: 12894264 and Sort Code: 80-22-60). Please ensure that all identification requirements are sent to the Receiving Agent with your Application Form.

Q: Where should I send my Application?

A: Your Application Form and cheque (unless a bank transfer is being made) should be sent to Mobeus Offers, The City Partnership (UK) Limited, Thistle House, 21 Thistle Street, Edinburgh EH2 1DF.

Q: What happens after I send in my Application?

A: The Receiving Agent will send you confirmation that it has received your Application Form by return post or by email (as selected in Section 1). The confirmation will indicate by when the next allotment(s) of Shares under the relevant Offer(s) is/are planned, but investors should note that the Board(s) have discretion as to when such allotments will actually take place. 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: How do I know whether my Application for one or more of the Offers, if such Offer(s) is/are closed or deemed closed, is to be re-allocated or returned?

A: If you have applied for your Application to be split equally across all Offers, if an Offer is closed at the time your Application Form is processed, your Application will be reallocated equally across those Offers which remain open.

If you have applied for specific amounts under one or more of the Offers and an Offer is closed at the time your Application Form is processed, your Application in respect of the closed Offer will be re-allocated in accordance with your instructions on the Application Form.

In each case, you will be notified of any re-allocation and the number of Offer Shares allotted in each Company following your Application being accepted and Offer Shares being allotted (either when your share certificate(s) is/are dispatched to you or separately if you have requested that your Offer Shares be issued directly into CREST).

If you have requested that your Application in respect of a closed Offer be returned to you, monies will be returned to you by cheque or bank transfer (in the same manner in which monies were remitted with your original Application) as soon as practicably possible. Your Application for any Offers which remain open will continue.

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

A: The Receiving Agent will send share and tax certificates approximately ten Business Days after the allotment of Offer Shares. As noted above, allotments take place at the discretion of the Boards. However, allotments of Offer Shares will take place no later than 2 April 2015. Allotments that have taken place will be announced through a Regulatory Information Service.

Q: What do I do if I wish to hold my Offer Shares through a nominee?

A: Please complete Section 5 of the Application Form.

Q: What do I do if I have any queries on how to complete an Application Form?

A: Please contact the Receiving Agent on 0131 243 7210 or Mobeus on 020 7024 7600 or at info@mobeusequity.co.uk. It should be noted that the Receiving Agent and Mobeus will only be able to deal with the practicalities of application and are not permitted to provide any investment, financial or tax advice in connection with any investment in the Companies under the Offers.

Q: Am I able to re-invest my dividends in further shares?

A: I&G and MIG 4 operate a dividend investment facility. If you would like to join the scheme(s), please complete the relevant dividend investment scheme mandate form(s) and send them with your Application Form to The City Partnership (UK) Limited. Please note that you must read the terms and conditions of the schemes on each Companies' website (www.mig4vct.co.uk and www.incomeandgrowthvct.co.uk).

MOBEUS INCOME & GROWTH VCT PLC
MOBEUS INCOME & GROWTH 2 VCT PLC
MOBEUS INCOME & GROWTH 4 VCT PLC
THE INCOME & GROWTH VCT PLC

Definitions used in the Securities Note published by the Companies dated 10 December 2014 ("Securities Note") (copies of which can be downloaded from www.mobeusequity.co.uk/investor-area/fundraising) 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.

The Offers open on 10 December 2014 and will close at 12.00 noon on 2 April 2015. Each Board will close its respective Company's Offer earlier if it is fully subscribed by an earlier date or otherwise at its discretion. Please send the completed Application Form with your cheque or banker's draft (or, if making a bank transfer, ensuring Section 4 has been completed) and, if necessary, proof of identity to **Mobeus Offers, The City Partnership (UK) Limited, Thistle House, 21 Thistle Street, Edinburgh EH2 1DF**. Cheques should be made payable to **"City Partnership - Mobeus Offers"**.

If you wish to apply to participate in the dividend investment scheme operated by MIG 4 or I&G, please also complete the relevant Dividend Mandate Forms in the Securities Note and return this with your Application Form.

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

Please complete in BLOCK CAPITALS.

To be completed by the Applicant

1

Personal Details

Title: Mr/Mrs/Miss/Ms/Dr/Other

Forenames:

Surname(s):

Address:

Post Code:

Email Address:

Telephone (work):

Telephone (home):

Date of Birth: DD MM YYYY

National Insurance Number:

If you are an existing investor in any of the Companies, please tick this box: ☐

Please confirm below how you would like the Receiving Agent to acknowledge receipt of your application:

Post:

☐

Email:

☐

If you are an existing shareholder in a Company in which you would like to invest, please ensure that the details provided in this section exactly match those shown on your existing share certificate(s), to avoid duplicate shareholder accounts being created.



2

Application Details**Please complete EITHER Section 2a OR Section 2b (but not both)**

I wish to apply under the Offer(s) for the amount(s) set out below, or such lesser amount(s) for which this subscription will be accepted, on the terms and conditions set out on pages 49 to 53 of the Securities Note.

2a Application to invest equally under all of the Offers

I wish to apply for the following amount to be invested equally in all of the Offers:

£

Please note that Applications must be for a minimum of £6,000 (thereafter in multiples of £500).

2b Applications to one or more of the Offers or for different amounts

I wish to apply to one or more of the Offer(s) for the following amount(s) (as may be re-allocated in accordance with the instructions set out in Section 3 or otherwise in the Securities Note) as set out below:

Please note that Applications must be for a minimum of £6,000 in aggregate and a minimum of £1,500 per Company (thereafter in multiples of £500 per Offer).

Mobeus Income & Growth VCT plc (minimum £1,500)

£

Mobeus Income & Growth 2 VCT plc (minimum £1,500)

£

Mobeus Income & Growth 4 VCT plc (minimum £1,500)

£

The Income & Growth VCT plc (minimum £1,500)

£

TOTAL (to equal a minimum of £6,000)

£

3

Re-allocation/return Instructions (complete ONLY if you have completed Section 2b)

Please tick **one box only**. In the event that one or more, but not all, of the Offers for which I have subscribed has/have, or is/are deemed, closed at the time my Application Form is processed, then I hereby request the following:

(1) the amount in respect of the closed Offer(s) be re-allocated so that it is invested equally in the remaining Offer(s) for which I have applied and which are open.

☐

(2) the amount in respect of the closed Offer(s) be re-allocated so that it is invested equally in all of the remaining Offers which are open.

☐

(3) the amount in respect of the closed Offer(s) be returned to me.

☐

4

Payment Details

Please tick one box only:

(i) I enclose a cheque or banker's draft made payable to "City Partnership - Mobeus Offers".

☐

(ii) I confirm that I have made a bank transfer to:

☐

Bank of Scotland plc

Account number: 12894264

Sort Code: 80-22-60

Account name: City Partnership - Mobeus Offers

Please complete the following information for the account from which any bank transfer is being made (please only make one bank transfer in respect of your Application):

Name of Bank:

Account Name:

Account Number:

Sort Code: : :

Reference (initials and post code):

5

Nominee/CREST Details

I request that any Offer Shares for which my subscription is accepted are issued to my nominee through CREST.

CREST Participant ID:

CREST Member Account ID:

Participant Name:

Participant Address:

Post Code:

Contact name:

Telephone:

Reference (optional):

Fax:

6

Data Protection Act

Mobeus Equity Partners LLP and the Receiving Agent will use the information you give for administration, research and statistical purposes. Information provided by you will be held in confidence by Mobeus Equity Partners LLP and the Receiving Agent and will not be passed on to any other product or service companies. Your details may be used by Mobeus Equity Partners LLP and the Receiving Agent to send you information on other products and services they offer. If you would prefer not to receive such information, please tick this box.

☐

7

Electronic Communications

Each of the Companies provides its Shareholders with the opportunity to receive documents by electronic communication. Should you wish to receive notification of when documents are published on the Mobeus website for each of the Companies, please tick this box. Your email address must also be provided in Section 1.

☐

8

Dividend 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 register(s) of members of any of the Companies to:

a. Name of Bank of Building Society:

b. Account Number:

c. Sort Code:

 : :

d. Account Name (BLOCK capitals, please):

e. If different to Section 8d, please add Applicant's name

f. Postcode of Applicant

(BLOCK capitals please):

* All dividends on any Shares held in any of the Companies may be paid directly into bank and building society accounts. In order to help process this, please complete the above mandate instruction section.

Please complete this section even if you are an existing investor in a Company and have previously provided a dividend mandate instruction.

If you wish to apply to participate in the dividend investment scheme operated by MIG 4 or I&G, please also complete the relevant dividend mandate form(s), set out on the two pages immediately after the Application Form at the end of the Securities Note. Please return this/these with your Application Form.

9

Applicant's Signature and Date

By signing this form I HEREBY DECLARE THAT I have read the terms and conditions of the Offers set out on pages 49 to 53 of the Securities Note (and as further contained herein) and agree to be bound by them. I understand this is a long term investment and have read the Risk Factors set out on page 2 of the Securities Note and pages 3 and 4 of the Registration Document, as well as the Prospectus as a whole.

Signature:

Date:



10

Financial Adviser/'Execution Only' Intermediary Details

Firm Name:

FCA Number:

Contact Name:

IFA Administrator Contact:

Email(s):

Address:

Post Code:

Telephone:

Fax:

Please confirm below how you would like the Receiving Agent to acknowledge receipt of your client's Application:

Post:

☐

Email:

☐

Payment Details (to be used if your 'execution only' commission/financial adviser charge is to be paid to a network or other third party).

Name:

Contact:

Address:

Post Code:

Email:

Telephone:

Payment Instruction

The intention is to pay 'execution only' commission(s) or financial adviser charges by direct transfer. To facilitate this, please complete the following payment instruction details.

Please forward, until further notice, all monies that may become due as a result of my client's investment in any of the Companies to:

Name of Bank of Building Society:

Account Name:

Account Number:

Sort Code: : :

What type of investment is this? (tick one box only):

This is an advised investment – please go to Section 11.

☐

This is a non-advised investment ('execution only') – please go to Section 12.

☐

I confirm that I have identified and verified the identity of the Application to the standard required by the Money Laundering Regulations 2007 within the guidance for the UK Capital Financial Sector issued by the Joint Money Laundering Steering Group.

☐

(Please note that if this box is not completed, the Applicant must provide the confirmation of identity information set out on page 56 of the Securities Note if the Application amount is for the sterling equivalent of €15,000 (£12,000 approx) or more).

☐

11

Financial Advisers

Please tick one of the following boxes to confirm that financial advice has been provided by you to your client in respect of this Application and whether or not an initial adviser charge is required to be facilitated.

- a. My client has agreed to pay my adviser charge in respect of this Application directly and there is no requirement for any charge to be facilitated. ☐
- b. My client has agreed to have such amount as is set out below facilitated to me as an initial adviser charge*. ☐

Specified amount:

£

% of the total amount inserted in Section 2a or Section 2b (maximum 4.5%):

%

*The maximum amount which may be facilitated to a financial adviser will be 4.5% of the total amount in Section 2a or Section 2b. If the amount agreed to be facilitated represents an amount which is less than the initial financial adviser charge agreed to be paid to the financial adviser then the investor will, at all times, remain solely responsible to make up such deficit to the financial adviser.

The charging of VAT on an initial adviser charge is the sole responsibility of the financial adviser. Should any charge facilitated by the Companies not include the payment of any such VAT, the investor will, at all times, remain solely responsible to make up such VAT deficit (if any) to the financial adviser.

VCT tax reliefs should be available in respect of the total amount inserted in Section 2a or Section 2b.

12

'Execution Only' Intermediaries

Please tick this box to confirm that no financial advice has been provided by you to your client in respect of this Application. ☐

Amount of initial commission offered by Mobeus:
(% of the total amount inserted in Section 2a or Section 2b)

%

a. Amount of initial commission to be paid to 'execution only' intermediary:

%

b. Amount of initial commission to be re-invested for client:

%

c. Total (a+b):

%

(this should equal the amount offered by Mobeus and inserted above.)

13

Financial Adviser/'Execution Only' Intermediary Signature and Date

By signing this form I HEREBY DECLARE THAT I have read the terms and conditions of the Offers set out on pages 49 to 53 of the Securities Note (and as further contained in the Prospectus and herein) and agree to be bound by them. I also confirm that the amount inserted in Section 11b above (if applicable) has been agreed with my client.

Signature:

Date:



MIG 4 DIVIDEND INVESTMENT SCHEME MANDATE FORM

Name and address	Investor code (if you are an existing shareholder in Mobeus Income & Growth 4 VCT plc)*
Daytime Telephone Number	
Email address	

If you wish to participate in Mobeus Income & Growth 4 VCT plc dividend investment scheme, please complete, sign and return this mandate form with the Application Form for the Offers to City Partnership (UK) Limited. Please note that your completed mandate form will be passed on to Capita Asset Services (the "Scheme Administrator") as soon reasonably practicable following the allotment of MIG 4 Offer Shares pursuant to the MIG 4 Offer and will only effective in respect of a dividend payment with a record date falling 15 days after the receipt of the mandate form by the Scheme Administrator.

* Your investor code is shown on your existing share certificates. If you are an existing shareholder of Mobeus Income & Growth 4 VCT plc and already a participant in the dividend investment scheme, any MIG 4 Offer Shares allotted to you will automatically be mandated to the scheme. Please, however, complete the mandate form in case the information provided on the Application Form in respect of the MIG 4 Offer is not consistent with your existing account held in respect of Mobeus Income & Growth 4 VCT plc.

To: the Scheme Administrator

1. I/we, the undersigned, being the registered holder(s) of ordinary shares in Mobeus Income & Growth 4 VCT plc elect to participate in the Mobeus Income & Growth 4 VCT plc dividend investment scheme for dividends paid on all of my/our holding of ordinary shares in Mobeus Income & Growth 4 VCT plc from time to time (evergreen instruction).
2. I/We have read and agree to the terms and conditions of the Mobeus Income & Growth 4 VCT plc dividend investment scheme dated 21 January 2013 ("Scheme Terms and Conditions") which are available on Mobeus Income & Growth 4 VCT plc's website: www.mig4vct.co.uk. I/We acknowledge that this mandate form together with the Scheme Terms and Conditions form a legally binding agreement between the Scheme Administrator and me/us.
3. **I/we agree that share certificates will be sent at my/our risk by post.**
4. This mandate will remain in force until written notice is received by the Scheme Administrator in accordance with the Scheme Terms and Conditions.

Signature 1	Signature 3
Signature 2	Signature 4
Date	



All joint holders of ordinary shares must sign this mandate form. In the case of a company this mandate form must be executed under its common seal or be signed by a duly authorised officer, whose capacity should be stated.

If this mandate form is not completed to the satisfaction of the Scheme Administrator it will not be processed and will be returned to you for completion.

If you have any questions please contact the Scheme Administrator by telephone on **0871 664 0324 (calls cost 10p per minute plus network charges). Lines are open Monday – Friday, 9.00 am to 5.30 pm or if calling from overseas +(44) 208 639 3399 or by e-mail to vcsts@capita.co.uk.**

I&G DIVIDEND INVESTMENT SCHEME MANDATE FORM

Name and address	Investor code (if you are an existing shareholder in The Income & Growth VCT plc)*
Daytime Telephone Number	
Email address	

If you wish to participate in The Income & Growth VCT plc dividend investment scheme, please complete, sign and return this mandate form with the Application Form for the Offers to City Partnership (UK) Limited. Please note that your completed mandate form will be passed on to Capita Asset Services (the "Scheme Administrator") as soon as reasonably practicable following the allotment of I&G Offer Shares pursuant to the I&G Offer and will only be effective in respect of a dividend payment with the record date falling 15 days after the receipt of the mandate form by the Scheme Administrator.

* Your investor code is shown on your existing share certificates. If you are an existing shareholder of The Income & Growth VCT plc and already a participant in the dividend investment scheme, any I&G Offer Shares allotted to you will automatically be mandated to the scheme. Please, however, complete the mandate form in case the information provided on the Application Form in respect of the I&G Offer is not consistent with your existing account held in respect of The Income & Growth VCT plc.

To: the Scheme Administrator

1. I/we, the undersigned, being the registered holder(s) of ordinary shares in The Income & Growth VCT plc elect to participate in The Income & Growth VCT plc dividend investment scheme for dividends paid on all of my/our holding of ordinary shares in The Income & Growth VCT plc from time to time (evergreen instruction).
2. I/We have read and agree to the terms and conditions of The Income & Growth VCT plc dividend investment scheme dated 21 January 2013 ("Scheme Terms and Conditions") which are available on The Income & Growth VCT plc's website: www.incomeandgrowthvct.co.uk. I/We acknowledge that this mandate form together with the Scheme Terms and Conditions form a legally binding agreement between the Scheme Administrator and me/us.
3. **I/we agree that share certificates will be sent at my/our risk by post.**
4. This mandate will remain in force until written notice is received by the Scheme Administrator in accordance with the Scheme Terms and Conditions.

Signature 1	Signature 3
Signature 2	Signature 4
Date	



All joint holders of ordinary shares must sign this mandate form. In the case of a company this mandate form must be executed under its common seal or be signed by a duly authorised officer, whose capacity should be stated.

If this mandate form is not completed to the satisfaction of the Scheme Administrator it will not be processed and will be returned to you for completion.

If you have any questions please contact the Scheme Administrator by telephone on **0871 664 0324 (calls cost 10p per minute plus network charges)**. Lines are open Monday – Friday, 9.00 am to 5.30pm or if calling from overseas +(44) 208 639 3399 or by e-mail to vcsts@capita.co.uk.

Corporate Information

Directors (Non-executive)

MIG

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

MIG 2

Nigel Edward Melville (Chairman)
Adam Fletcher Downs Kingdon
Sally Duckworth
Kenneth Charles Vere Nicoll

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

Mobeus Equity Partners LLP
30 Haymarket
London SW1Y 4EX

Stockbroker

Panmure Gordon (UK) Limited
One New Change
London EC4M 9AF

Receiving Agent

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

Sponsor

Howard Kennedy Corporate Services LLP
1 London Bridge
London SE1 9BG

Registrars for MIG 2, MIG 4 and I&G

Capita Asset Services
34 Beckenham Road
Beckenham
Kent BR3 4TU
Telephone Number: 0871 664 0324*

Registered Office

30 Haymarket
London
SW1Y 4EX

Company Registration Numbers

MIG	05153931
MIG 2	03946235
MIG 4	03707697
I&G	04069483

Websites

www.migvct.co.uk
www.mig4vct.co.uk
www.mig2vct.co.uk
www.incomeandgrowthvct.co.uk

Telephone Number

020 7024 7600

Solicitors

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

Also at:

One America Square
Crosswall
London EC3N 2SG

Auditors

BDO LLP
55 Baker Street
London W1U 7EU

VCT Status Adviser

PricewaterhouseCoopers LLP
1 Embankment Place
London WC2N 6RH

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.capitashareportal.com and www.investorcentre.co.uk.

*Capita Asset Services 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 3170 0187. Calls to Capita Asset Services 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.

**Computershare's telephone number is open between 8.30 am and 5.30 pm (GMT) Monday to Friday (except UK public holidays). Calls to Computershare 0870 number are often free if included in your plan, if not included, calls will be charged at no more than dialling a STD code (about 2p per minute usually depending on your supplier). Calls to the helpline from outside of the UK will be charged at applicable international rates.

Mobeus Equity Partners LLP
30 Haymarket
London SW1Y 4EX
020 7024 7600
www.mobeusequity.co.uk



THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, solicitor, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000.

Mobeus Income & Growth VCT plc

Registered in England & Wales
under number 05153931

ISIN: GB00B01WL239

Mobeus Income & Growth 2 VCT plc

Registered in England & Wales
under number 03946235

ISIN: GB00B0LKLZ05

Mobeus Income & Growth 4 VCT plc

Registered in England & Wales
under number 03707697

ISIN: GB00B1FMDH51

The Income & Growth VCT plc

Registered in England & Wales
under number 04069483

ISIN: GB00B29BN198

Supplementary Prospectus

Offers for Subscription to raise, in aggregate, up to £39 million through the issue of Offer Shares in each Company

Important Notice

This document constitutes a supplementary prospectus prepared in accordance with the Prospectus Rules and approved by the Financial Conduct Authority ("FCA") ("Supplementary Prospectus"). This Supplementary Prospectus is supplemental to, and should be read in conjunction with, the prospectus, dated 10 December 2014 ("the Prospectus") issued by Mobeus Income & Growth VCT plc ("MIG"), Mobeus Income & Growth 2 VCT plc ("MIG 2"), Mobeus Income & Growth 4 VCT plc ("MIG 4") and The Income & Growth VCT plc ("I&G") (together "the Companies" and each "a Company"), such Prospectus containing offers for subscription to raise, in aggregate, up to £39 million through the issue of ordinary shares of 1p each in the capital of each Company ("the Offers"). Except as expressly stated herein, or unless the context otherwise requires, the definitions used or referred to in the Prospectus also apply in this Supplementary Prospectus.

Persons receiving this document should note that Howard Kennedy Corporate Services LLP (the sponsor to the Offers) and Mobeus Equity Partners LLP (the promoter to the Offers) are 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 Howard Kennedy Corporate Services LLP and Mobeus Equity Partners LLP (subject to the responsibilities and liabilities imposed by the Financial Services and Markets Act 2000 and the regulatory regime established thereunder) in providing advice in relation to the Offers. Howard Kennedy Corporate Services LLP and Mobeus Equity Partners LLP are authorised and regulated in the United Kingdom by the FCA.

Responsibility

The Companies and the Directors of the Companies accept responsibility for the information contained in the Prospectus and this Supplementary Prospectus. To the best of the knowledge and belief 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 and this Supplementary Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

Events arising since publishing the Prospectus

I&G audited statutory accounts for the year ended 30 September 2014 (the "2014 I&G Accounts")

On 18 December 2014, I&G published the 2014 I&G Accounts, which are being incorporated by reference and can be accessed at the following website, www.incomeandgrowthvct.co.uk. The 2014 I&G Accounts contain a description of I&G's financial condition, changes in financial condition and results of operation for the financial year ended 30 September 2014. I&G's auditors, BDO LLP, Registered Auditor, 55 Baker Street London W1U 7EU have reported on the 2014 I&G Accounts without qualification and without statements under sections 495 to 497 of CA 2006. The 2014 I&G Accounts were prepared in accordance with UK generally accepted accounting practice (GAAP), the fair value rules of CA 2006 and the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts'.

1 Historical Financial Information	2014 I&G Accounts
<i>Nature of Information</i>	<i>Page No.</i>
Income statement	45
Balance sheet	46
Reconciliation of movements in shareholders' funds	47
Cash flow statement	48
Accounting policies	49 – 51
Notes to the financial statements	49 – 69
Independent auditor's report	43 – 44

2 Selected Financial Information

The key figures that summarise the financial condition of I&G, which have been extracted without material adjustment from the historical financial information referred to in Section 1 above, are set out in the following table:

<i>Capital</i>	£
Total fixed assets (investments)	39,825,198
Total gross assets	71,456,726
Net assets	69,306,405
Net asset value per share	114.60p
<i>Earnings per share (p)</i>	
Earnings (i.e. revenue return)	3.55p
Capital return	7.58p
Total return	11.13p
<i>Dividends paid per share (p)</i>	10.00p

A second interim dividend of 8p per share was paid on 30 October 2014. The Directors are proposing a final dividend of 4p for the year ended 30 September 2014.

3 Operating and Financial Review

The operating and financial review of I&G, for the year ended 30 September 2014, is included in the 2014 Accounts as set out below:

<i>Nature of Information</i>	2014 I&G Accounts
	<i>Page No.</i>
Chairman's statement	3 – 5
Investment adviser's review	12 – 19
Investment portfolio summary	20 – 25
Strategic report	6 – 28
Directors' report	30 – 32

Supplements to the Summary

As a result of the publication of the 2014 I&G Accounts, the summary section of the Prospectus is hereby supplemented as follows:

B7	Selected financial information and statement of any significant changes	Certain selected historical information of I&G is set out below:	
			Year ended 30 September 2014 (audited)
		Investment income	£3,198,619
		Profit/loss on ordinary activities before taxation	£6,347,215
		Earnings per I&G Share	11.13p
		Dividends per I&G Share	10.0p
		Total assets	£71,456,726
		NAV per I&G Share	114.60p

		<p>I&G's net asset value per I&G Share has decreased from 120.8p as at 30 September 2011 to 114.60p as at 30 September 2014 while dividends of 46p in aggregate have been paid per I&G Share between financial years 1 October 2011 and 30 September 2014.</p> <p>There has been no significant change in the financial condition or operating results of I&G since 30 September 2014 (being the end of the last financial period for which financial information has been published).</p>												
B10	Qualifications in the audit report	Not applicable. There was no qualification in the audit report for I&G in the years ended 30 September 2012, 2013 and 2014.												
B45	Investment portfolio	<p>The Companies invest 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. A summary of I&G's portfolio is set out below:</p> <table><tr><td>Net assets* (£m)</td><td>NAV per share* (p)</td><td>Cumulative Dividends paid* (p)</td><td>Total return* (p)</td><td>Number of venture capital investments*</td><td>Carry value of the venture capital investments (£m)*</td></tr><tr><td>69.31</td><td>114.60</td><td>50.50</td><td>165.10</td><td>40</td><td>39.83</td></tr></table> <p>* as at 30 September 2014</p>	Net assets* (£m)	NAV per share* (p)	Cumulative Dividends paid* (p)	Total return* (p)	Number of venture capital investments*	Carry value of the venture capital investments (£m)*	69.31	114.60	50.50	165.10	40	39.83
Net assets* (£m)	NAV per share* (p)	Cumulative Dividends paid* (p)	Total return* (p)	Number of venture capital investments*	Carry value of the venture capital investments (£m)*									
69.31	114.60	50.50	165.10	40	39.83									
B46	Most recent NAV per Share	As at 30 September 2014, the audited NAV per I&G Share was 114.60p.												

The Offers are being made on the terms and subject to the conditions of the Prospectus. The publication of this Supplementary Prospectus triggers the right for investors to withdraw their applications made in respect of the Offers under section 87Q of the Financial Services and Markets Act 2000. The Companies will accept withdrawals of applications by telephone or by post until 5.00 p.m. on 23 December 2014. Investors who wish to withdraw their applications should contact Mobeus on 020 7024 7600 or info@mobeusequity.co.uk (no investment, financial or tax advice can be given) or by writing to the receiving agent Mobeus Offers, The City Partnership (UK) Limited, Thistle House, 21 Thistle Street, Edinburgh EH2 1DF.

Availability of Supplementary Prospectus and Prospectus

Copies of the Prospectus and this document are available free of charge from the national storage mechanism (www.morningstar.co.uk/uk/NSM) and the promoter of the Offers:

Mobeus Equity Partners LLP
30 Haymarket
London SW1Y 4EX

telephone: 020 7024 7600
download: www.mobeusequity.co.uk/investor-area
email: info@mobeusequity.co.uk

19 December 2014