

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

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

If you have sold or otherwise transferred all of your shares in Maven Income and Growth VCT 4 PLC (the Company), please send this document and accompanying documents, as soon as possible, to the purchaser or transferee or to the stockbroker, independent financial adviser or other person through whom the sale or transfer was effected for delivery to the purchaser or transferee.

This document, which comprises a prospectus relating to the Company dated 1 March 2013, has been prepared in accordance with the prospectus rules made under Part VI of FSMA.

The Company, the Directors and the Proposed Director, whose names appear on pages 30 to 32 of this document, accept responsibility for the information contained herein. To the best of the knowledge and belief of the Company, the Directors and the Proposed Director (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Howard Kennedy Corporate Services LLP (Howard Kennedy), which is authorised and regulated in the United Kingdom by the FSA, is acting as sponsor for the Company and no-one else and will not be responsible to any other person for providing the protections afforded to customers of Howard Kennedy (subject to the responsibilities and liabilities imposed by FSMA and the regulatory regime established thereunder) in providing advice or in relation to any matters referred to in this document.

SGH Martineau LLP, which is regulated in the United Kingdom by the Solicitors Regulation Authority, is acting as legal adviser to the Company and Ortus VCT PLC and no-one else and will not be responsible to any other person for providing advice in connection with any matters referred to in this document.

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# **MAVEN INCOME AND GROWTH VCT 4 PLC**

*(Registered in Scotland with registered number SC272568)*

## **Prospectus**

**relating to:**

- **the issue of up to 9 million New Ordinary Shares and up to 6 million New C Shares in connection with the acquisition of the assets and liabilities of Ortus VCT PLC; and**
- **the issue of up to 6 million New Ordinary Shares in connection with an offer for subscription to raise up to £5 million**

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The existing Shares issued by the Company are listed on the premium segment of the Official List of the UKLA and traded on the London Stock Exchange's main market for listed securities. Application has also been made to the UKLA for the New Ordinary Shares and the New C Shares to be listed on the premium segment of the Official List and will be made to the London Stock Exchange for such New Ordinary Shares and New C Shares to be admitted to trading on its main market for listed securities. It is expected that such admission will become effective and that trading in the New Ordinary Shares and the New C Shares will commence within three days of the relevant allotment of such New Shares. The New Shares will rank *pari passu* with the existing issued Shares from the date of issue (save for any class rights).

The attention of Shareholders and new investors of the Company who are resident in, or citizens of, territories outside the United Kingdom is drawn to the information under the heading "Overseas Shareholders" in paragraph 5 of Part X of this document. In particular, the New Shares to be issued have not and will not be registered under the United States Securities Act 1933 or the United States Investment Company Act 1940.

**Persons receiving this document should carefully consider the risk factors on pages 13 to 15 of this document.**

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## SUMMARY

Summaries are made up of disclosure requirements known as 'Elements'. These Elements are numbered in Sections A to E.

This summary contains all of the Elements required to be included in a summary for the type of shares being issued pursuant to this Prospectus and the Company being a closed-ended investment fund. Some of the Elements are not required to be addressed and, as a result, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in this summary, it is possible that no relevant information can be given regarding that Element. In these instances, a short description of the Element is included, together with an appropriate 'Not applicable' statement.

<b>A</b>		<b>Introduction and Warnings</b>
A1	Warning	This summary should be read as an introduction to this Prospectus. Any decision to invest in the securities of the Company should be based on consideration of the Prospectus as a whole by the investor. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under the national legislation of Member States, have to bear the costs of translating this Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled this summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.
A2	Use of Prospectus by financial intermediaries for subsequent resale or final placement	<p>The Company, the Directors and the Proposed Director consent to the use of the Prospectus, and accept responsibility for the content of the Prospectus, with respect to subsequent resale or final placement of securities by financial intermediaries, from the date of the Prospectus until the closing date of the Offer which is expected to take place on 30 April 2013 (subject to extension by the Board). There are no conditions attaching to this consent.</p> <p><b>Financial intermediaries must give investors information on the terms and conditions of the offer being made by the financial intermediaries at the time they introduce such offer to investors.</b></p>

<b>B</b>		<b>Issuer</b>
B1	Legal and commercial name	Maven Income and Growth VCT 4 PLC ("the Company").
B2	Domicile / Legal form / Legislation / Country of incorporation	The Company is a public limited liability company which is registered in Scotland with registered number SC272568. The principal legislation under which the Company operates is Companies Act 2006 ("CA 2006") (and regulations made thereunder).
B5	Group description	Not applicable. The Company is not part of a group.
B6	Material Shareholders / Differing voting rights / Control	<p>Save in respect of certain class rights, the Company's shareholders do not have differing voting rights.</p> <p>As at 28 February 2013 (this being the latest practicable date prior to the publication of this document), the following shareholders held the following number of ordinary shares of 10p each in the capital of the Company ("Ordinary Shares") and the following number of S ordinary shares of 10p each in the capital of the Company ("S Shares") which, in aggregate, represent 3% or more of the total issued share capital of the Company:</p>

		<ul style="list-style-type: none"> <li>Hargreaves Lansdown (Nominees) Limited - 588,859 Ordinary Shares and 220,812 S Shares (5.61% of the total issued share capital).</li> </ul> <p>As at 28 February 2013 (this being the latest practicable date prior to the publication of this document) and based on the Company's share consolidation illustrations, it is expected that the following shareholders will hold the following number of Ordinary Shares in the Company, which will represent 3% or more of the enlarged issued Ordinary Share capital of the Company following completion of the share consolidation:</p>																																																																																				
		<ul style="list-style-type: none"> <li>Hargreaves Lansdown (Nominees) Limited - 843,101 Ordinary Shares (5.54% of the total expected issued share capital following the share consolidation).</li> </ul> <p>As at 28 February 2013 (this being the latest practicable date prior to the publication of this document) and based on the Scheme illustrations, it is expected that the following shareholders will hold the following number of Ordinary Shares in the Company and C ordinary shares of 10p each in the capital of the Company ("C Shares"), which will represent 3% or more of the enlarged issued share capital of the Company following completion of the Scheme:</p>																																																																																				
		<ul style="list-style-type: none"> <li>Hargreaves Lansdown (Nominees) Limited - 866,324 Ordinary Shares and 16,854 C Shares (3.33% of the total issued share capital).</li> </ul> <p>Save as set out above, the Company is not aware of any person who, directly or indirectly, has or will have an interest in the capital of the Company or voting rights which is notifiable under UK law (under which, pursuant to CA 2006 and the Listing Rules and Disclosure and Transparency Rules of the FSA, a holding of 3% or more will be notified to the Company).</p>																																																																																				
B7	Selected financial information	<p>Certain selected historical financial information on the Company is set out below:</p> <table border="1"> <thead> <tr> <th></th> <th colspan="3">Audited year ended 31 December (£'000)</th> <th>Unaudited half-year ended 30 June (£'000)</th> <th>Unaudited half-year ended 30 June (£'000)</th> </tr> <tr> <th></th> <th>2011</th> <th>2010</th> <th>2009</th> <th>2011</th> <th>2012</th> </tr> </thead> <tbody> <tr> <td>Investment income and deposit interest</td> <td>634</td> <td>350</td> <td>561</td> <td>306</td> <td>382</td> </tr> <tr> <td>Net return on ordinary activities before taxation</td> <td>910</td> <td>964</td> <td>661</td> <td>436</td> <td>807</td> </tr> <tr> <td>Earnings per share (pence)</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td><i>Ordinary Shares</i></td> <td>5.8</td> <td>9.2</td> <td>7.0</td> <td>3.8p</td> <td>3.8p</td> </tr> <tr> <td><i>S Shares</i></td> <td>8.4</td> <td>4.2</td> <td>1.6</td> <td>2.2p</td> <td>9.2p</td> </tr> <tr> <td>Dividends paid per share (pence)</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td><i>Ordinary Shares</i></td> <td>4.0p</td> <td>3.5p</td> <td>2.3p</td> <td>2.5p</td> <td>2.5p</td> </tr> <tr> <td><i>S Shares</i></td> <td>2.0p</td> <td>1.5p</td> <td>2.8p</td> <td>0.5p</td> <td>1.3p</td> </tr> <tr> <td>Net assets</td> <td>13,289</td> <td>12,765</td> <td>11,689</td> <td>13,206</td> <td>14,951</td> </tr> <tr> <td>NAV per share (pence)</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td><i>Ordinary Shares</i></td> <td>98.2p</td> <td>95.7p</td> <td>89.7p</td> <td>97.0p</td> <td>99.2p</td> </tr> <tr> <td><i>S Shares</i></td> <td>104.1p</td> <td>97.3p</td> <td>94.4p</td> <td>99.1p</td> <td>111.5p</td> </tr> </tbody> </table>		Audited year ended 31 December (£'000)			Unaudited half-year ended 30 June (£'000)	Unaudited half-year ended 30 June (£'000)		2011	2010	2009	2011	2012	Investment income and deposit interest	634	350	561	306	382	Net return on ordinary activities before taxation	910	964	661	436	807	Earnings per share (pence)						<i>Ordinary Shares</i>	5.8	9.2	7.0	3.8p	3.8p	<i>S Shares</i>	8.4	4.2	1.6	2.2p	9.2p	Dividends paid per share (pence)						<i>Ordinary Shares</i>	4.0p	3.5p	2.3p	2.5p	2.5p	<i>S Shares</i>	2.0p	1.5p	2.8p	0.5p	1.3p	Net assets	13,289	12,765	11,689	13,206	14,951	NAV per share (pence)						<i>Ordinary Shares</i>	98.2p	95.7p	89.7p	97.0p	99.2p	<i>S Shares</i>	104.1p	97.3p	94.4p	99.1p	111.5p
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		There has been no significant change in the financial or trading position of the Company since 30 June 2012, the date to which the half-yearly financial statements of the Company was made up to, to the date of this document.
B8	Key pro forma financial information	<p>The enlarged company is expected to have net assets of over £30 million (assuming the merger is completed based on the NAV of the Company as at 30 June 2012 and the NAV of Ortus VCT PLC (“Ortus”) as at 31 August 2012 and taking into account the anticipated costs of the merger and the Company’s share class consolidation, adjusting for the proposed Ortus special dividend if the merger is effected and assuming the £5 million offer for subscription is fully subscribed).</p> <p>This pro forma financial information has been sourced from the Prospectus on which Scott-Moncrieff have reported on and has been prepared for illustrative purposes only to show the impact of the merger on the Company’s NAV as at 30 June 2012 on the basis that the merger completed on that date and, because of its nature, addresses a hypothetical situation and, therefore, does not represent the Company’s actual financial position or results. It has been prepared on a basis consistent with the accounting policies adopted by the Company in the most recent audited financial statements.</p>
B9	Profit forecast	Not applicable. There are no outstanding profit forecasts.
B10	Qualifications in the audit report	Not applicable. There were no qualifications in the audit reports for the Company in years ended 31 December 2009, 2010 and 2011.
B11	Insufficient working capital	Not applicable. The Company 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.
B34	Investment objective and policy	<p>The Company’s investment objective is to achieve long term capital appreciation and generate maintainable levels of income for its shareholders.</p> <p>The Company intends to achieve this objective by:</p> <ul style="list-style-type: none"> <li>• investing the majority of its funds in a diversified portfolio of shares and securities of smaller, unquoted UK companies and in AIM companies which meet the criteria for VCT qualifying investments with strong growth potential</li> <li>• investing in line with VCT regulations, no more than £5 million in any one company on one year and no more than 15% of the total investments by cost in one company at the time of investment</li> <li>• maintaining a qualifying investment level of at least 70% according to VCT regulations</li> <li>• borrowing up to 15% of net asset value on a selective basis in pursuit of the investment strategy</li> <li>• retaining the services of a manager who can provide the breadth and depth of resources to achieve the investment objective.</li> </ul>
B35	Borrowings	The Articles restrict borrowings to the amount equal to the adjusted capital and reserves as defined therein; the current policy however is that the Company may borrow up to 15% of net asset value on a selective basis in pursuit of the investment strategy.

B36	Regulatory status	The Company is not authorised and/or regulated by the FSA or an equivalent overseas regulator. The Company is, however, subject to the provisions of CA 2006 and UK law generally, its Shares are listed on the premium segment of the Official List and, as a qualifying VCT, it is subject to regulation by HMRC in order to retain such a status.
B37	Typical investor	A typical investor will be a UK taxpayer who is 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 risks associated with an investment in a VCT and be willing to retain the investment for at least five years.
B38	Investments of 20% or more of a single company	Not applicable. The Company does not have any investments which represent more than 20% of its gross assets in a single company or group.
B39	Investments of 40% or more of a single company	Not applicable. The Company does not have any investments which represent more than 40% of its gross assets in a single company or group.
B40	Service providers	<p>Maven Capital Partners UK LLP (“Maven”) is the investment manager of the Company and of Ortus and also provides administration services to both Companies.</p> <p>In respect of the Company, Maven receives an annual investment management fee of an amount equal to 2.5% of the gross assets of the Company (less adjusted liabilities from the previous quarter end). Maven also receives an annual secretarial fee (which amounted to £91,000 (including VAT) for the year ended 31 December 2012), which is subject to upward movements only in the UK Consumer Prices Index.</p> <p>The normal annual running costs of the Company (excluding transaction costs and expenses relating to the acquisition and disposal of investments), are capped at 3.5% of the net asset value at the end of the relevant financial period (calculated before the deduction of management and administration expenses in respect of that year or any exceptional items, for example merger costs and performance incentive fees) with any excess being paid by Maven or refunded by a reduction in Maven’s management and administration fees. Maven’s appointment is terminable on 24 months’ notice, in respect of investment management services, and 12 months’ notice, in respect of administration services.</p> <p>Subject to certain criteria being met, Maven is entitled to a performance incentive fee in respect of the Ordinary Shares pool for each six month period ended 30 June and 31 December of an amount equal to 20% of any increase in the total return (before applying any performance incentive fee) as at the end of the relevant six month period to the total return (after accruing for the performance incentive fee payable for that period) as at the end of the last six month period on which a performance incentive fee was paid. Total return for these purposes means net asset value, adjusting for dividends and buybacks since the period in which the last performance incentive fee was paid. There is no performance incentive fee on the S Shares pool.</p>

		With regard to the C Shares pool, the Board and Maven propose that a new performance incentive fee arrangement be introduced so as to incentivise Maven to realise the maximum value on behalf of the C Shareholders in respect of the Legacy Assets. Pursuant to the proposed arrangement, Maven will be entitled to an amount equal to 2.5% of all realised cash proceeds from the venture capital investments in the C Shares pool (save in respect of new investments made and realised during the life of the C Shares pool), subject to a maximum amount being paid in aggregate of £50,000.
B41	Regulatory status of Maven	JPMorgan Chase Bank, National Association act as the custodian to the Company's quoted assets and are entitled to a fee on each transaction as opposed to an annual fee. In respect of the year ended 31 December 2012, this fee was approximately £50. Maven Capital Partners UK LLP is registered in England and Wales as a limited liability partnership with registered number OC339387. Maven is authorised and regulated by the FSA to provide investment management services with registered number 495929.
B42	Calculation of net asset value	The Company's net asset value is calculated every quarter and published on an appropriate regulatory information service. If for any reason valuations are suspended, Shareholders will be notified in a similar manner.
B43	Umbrella collective investment scheme	Not applicable. The Company is not part of an umbrella collective investment scheme.
B44	Absence of financial statements	Not applicable. The Company has commenced operations and published financial statements.
B45	Investment portfolio	The Company's portfolio comprises of predominantly UK securities in companies split across a number of sectors including industrials, oil and gas, consumer goods, financial and telecommunications. As at the date of this document, the Company has a portfolio of 49 venture capital investments (13 of which are quoted investments and 36 of which are unquoted investments), with an aggregate carrying value of £11.2 million.
B46	Most recent NAV per share	As at 31 December 2012, the unaudited NAV of an Ordinary Share was 98.17p and the unaudited NAV of an S Share was 111.64p.

<b>C</b>		<b>Securities</b>
C1	Description and class of securities.	The securities being offered pursuant to the Scheme are ordinary shares of 10p each ("New Ordinary Shares") (ISIN: GB00B043QW84) and C ordinary shares of 10p each ("New C Ordinary Shares") (ISIN: GB00B97F2L56) (together the "New Shares" and each a "New Share") and in respect of the Offer, New Ordinary Shares.
C2	Currency	The Company's share capital comprises ordinary shares of 10p each ("Ordinary Shares") and S ordinary shares of 10p each ("S Shares") (together the "Shares" and each a "Share"). Pursuant to the Scheme, the Company will create and issue C ordinary shares of 10p each ("C Shares").
C3	Shares in issue	As at the date of this document, 9,157,406 Ordinary Shares and 5,264,446 S Shares are in issue (all fully paid up at par). The maximum number of New Ordinary Shares to be issued pursuant to the Scheme is 9,000,000 and the maximum number of New C Shares to be issued pursuant to the Scheme is 6,000,000. The maximum number of New Ordinary Shares to be issued pursuant to the Offer is 6,000,000.
C4	Description of rights attaching to the securities	The New Shares will rank equally in all respects with each other and the existing share capital of the Company (save for any class rights).

C5	Restrictions on transfer	The New Ordinary Shares and the New C Shares issued pursuant to the merger and the Offer will be listed on the premium segment of the Official List and, as a result, the New Ordinary Shares and the New C Shares will be freely transferable.
C6	Admission	An application has been made to the UKLA for the New Ordinary Shares and the New C Shares to be issued pursuant to the Scheme and the Offer to be listed on the premium segment of the Official List and will be made to the London Stock Exchange for such New Ordinary Shares and New C Shares to be admitted to trading on its market for listed securities.
C7	Dividend policy	The dividend policy is to maximise the level of dividends generated either from income or capital profits realised on the sale of investments. Dividend payments will be subject to available cash, portfolio requirements, distributable reserves and applicable law at the relevant time.

<b>D</b>		<b>Risks</b>
D2	Key information on the risks specific to the Company	<ul style="list-style-type: none"> <li>● Investment in unquoted companies, by its nature, involves a higher degree of risk than investment in companies listed on the Official List which could result in the value of such investment, and interest income and dividends therefrom, reducing.</li> <li>● Whilst it is the intention of the Board that the Company will continue to be managed so as to qualify as a VCT, there can be no guarantee that such status will be maintained. Failure to continue to meet the qualifying requirements could result in Shareholders losing the tax reliefs available for VCT shares, resulting in adverse tax consequences.</li> <li>● The tax rules, or their interpretation, in relation to an investment in the Company and/or the rates of tax may change during the life of the Company and may apply retrospectively which may affect tax reliefs obtained by Shareholders and the VCT status of the Company.</li> <li>● Shareholders may be adversely affected by the performance of the investments, whether acquired from Ortus or made by the Company, which may restrict the ability of the Company following the merger to distribute any capital gains and revenue received on the investments transferred from Ortus to the Company (as well as the investments of the Company).</li> <li>● Shareholders may be adversely affected by a change in the VCT status of the Company if a number of the investments acquired from Ortus, or the investments of the Company, are or become unable to meet VCT requirements.</li> <li>● Completion of the Scheme will result in the Company having both Ordinary Shares and C Shares in issue. Although each of these share classes will be managed separately and benefit from fixed costs being spread across a larger asset base, they will continue, however, to be subject to the overall financial position and performance of the Company as a number of accounting, company law and VCT tests are applied at company level and one share class may adversely affect the other share class resulting in the other share class being restricted in the ability to make distributions and/or the VCT status not being maintained.</li> </ul>

D3	Key information on the risks specific to the securities	<ul style="list-style-type: none"> <li>• the Offer is conditional on the approval of resolution 4 to be proposed at the Company's general meeting convened for Tuesday 26 March 2013.</li> <li>• The value of Shares, and the income from them, can fluctuate and Shareholders may not get back the amount they invested.</li> <li>• Although the existing Shares have been (and it is anticipated that the New Ordinary Shares and the New C Shares to be issued pursuant to the Scheme and the Offer will be) admitted to the premium segment of the Official List and are (or will be) traded on the London Stock Exchange's market for listed securities, the secondary market for VCT shares is generally illiquid and Shareholders may find it difficult to realise their investment. An investment in the Company should, therefore, be considered as a long-term investment.</li> <li>• If a Shareholder disposes of his or her Shares within five years of issue, he or she will be subject to clawback by HMRC of any income tax reliefs originally claimed. Any realised losses on the disposal of Shares cannot be used to create an allowable loss for capital gains tax purposes.</li> <li>• If a Shareholder disposes of his or her Shares, he or she will be liable to pay any capital gains tax for which such Shareholder obtained deferral relief on subscription.</li> <li>• The articles of association of the Enlarged Company provide for a resolution to be proposed for the continuation of the Enlarged Company as a VCT at the annual general meeting of the Company in 2014, and at five-yearly intervals thereafter. Should such a resolution not be approved by Shareholders, the Board will be required to propose a resolution for the voluntary winding-up of the Enlarged Company. Should that resolution be approved by Shareholders, the benefits of the merger may not be totally fulfilled, the Enlarged Company's investments will need to be realised and capital returned to Shareholders and, where Shareholders have not held their Shares for five years, initial income tax reliefs will need to be repaid.</li> </ul>
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<b>E</b>		<b>Offer</b>
E1	Net proceeds	<p>The merger will not result in any proceeds being raised by the Company. The aggregate anticipated costs of undertaking the merger are approximately £281,000.</p> <p>The Company will pay the costs of the Offer up to 3.5% of the actual amount subscribed for New Ordinary Shares (including permissible financial intermediary commission, but ignoring any amount to be paid as an adviser fee). Such costs will be borne by successful Applicants through the Subscription Price. Maven has agreed to indemnify the Company against any Offer costs in excess of this amount. If fully subscribed, the Offer will result in £4,825,000 net proceeds being raised by the Company and the maximum amount of costs payable by the Company will be £175,000.</p>





E7	Expenses charged to the investor by the issuer or the offeror	<p>The aggregate anticipated cost of undertaking the merger is approximately £281,000, including VAT, legal and professional fees, stamp duty and the costs of winding up Ortus. The costs of the merger will be split proportionately between the Company and Ortus by reference to their respective merger net assets (ignoring merger costs). Ortus will split its proportion of the merger costs proportionately between the Legacy Pool and the New Portfolio Pool (ignoring merger costs).</p> <p>For all successful Applicants under the Offer, the costs of the Offer will be 3.5% of the value of their Application Amount.</p> <p>If a successful Applicant returns their Application Form through an execution only financial intermediary, up to 1% of the Application Amount will be paid to the financial intermediary as initial commission out of the 3.5% costs of the Offer, unless the financial intermediary elects that such commission is re-invested for the benefit of the Applicant. Annual trail commission of up to 0.4% for five years will also be payable to the execution only financial intermediary out of the 3.5% costs of the Offer.</p> <p>If a successful Applicant returns their Application Form through a financial intermediary who provides advice in respect of the Offer, no commission will be paid to the financial intermediary, however, at the request of the Applicant, Capita Registrars Limited will facilitate an adviser fee as has been agreed between the Applicant and the financial intermediary, which is in addition to the 3.5% costs of the Offer and which will be paid out of the total amount received from the Applicant, the balance of which (the Application Amount) will be used by way of subscription monies.</p> <p>Maven has agreed to indemnify the Company against any Offer costs in excess of 3.5% of the actual amount subscribed for New Ordinary Shares.</p>
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## RISK FACTORS

Shareholders and prospective Shareholders should consider carefully the following risk factors in addition to the other information presented in this document. If any of the risks described below were to occur, it could have a material effect on the Company's business, financial condition or results of operations. The risks and uncertainties described below (such as changes in legal, regulatory or tax requirements) are not the only ones the Company or Shareholders will face. Additional risks not currently known to the Company or the Board, or that the Company or the Board currently believe are not material, may also adversely affect the Company's business, financial condition or results of operations. The value of the Shares could decline due to any of the risk factors described below and Shareholders could lose part or all of their investment. Shareholders and prospective Shareholders should consult an independent financial adviser authorised under FSMA. References to the Company should be taken as including the Enlarged Company.

### Scheme related risk factors

Completion of the Scheme is dependent upon a number of conditions precedent being fulfilled, including the approval of Shareholders and the Share Consolidation having taken effect. Whilst the Board has identified a number of potential benefits for the Enlarged Company, there is no certainty that these benefits will lead to improved prospects for the Enlarged Company.

If the merger is not approved and/or effected, the benefits of the merger will not be realised and the Company will be exposed to the costs of the Proposals.

Shareholders may be adversely affected by the performance of the investments, whether acquired from Ortus or made by the Company. The performance of the investments acquired from Ortus, as well as the investments of the Company, may restrict the ability of the Company following the merger to distribute any capital gains and revenue received on the investments transferred from Ortus to the Company (as well as the investments of the Company). Any gains (or losses) made on the investments of the Company will, following the Scheme, be shared amongst all Shareholders of the relevant class of Shares *pro rata* to the number of Shares of that class then in issue.

Shareholders may be adversely affected by a change in the VCT status of the Company if a number of the investments acquired from Ortus, or the investments of the Company, are, or become, unable to meet VCT requirements.

Completion of the Scheme will result in the Company having both Ordinary Shares and C Shares in issue. Although each of these share classes will be managed separately and benefit from fixed costs being spread across a larger asset base, they will continue, however, to be subject to the overall financial position and performance of the Company as a number of accounting, company law and VCT tests are applied at company level and one share class may adversely affect the other share class resulting in the other share class being restricted in the ability to make distributions and/or the VCT status not being maintained. In addition, if, on liquidation, in the unlikely event there is a deficit in relation to one share class, such deficit will be borne by the other share class of the Company.

### Offer related risk factors

The Offer is conditional on the approval by Shareholders of Resolution 4 to be proposed at the General Meeting. If this Resolution is not approved, the Offer will be withdrawn. The Offer is not conditional on the Share Consolidation or the Scheme.

### Enlarged Company risk factors

The value of Shares in the Enlarged Company, and the income from them, can fluctuate and Shareholders in the Enlarged Company may not get back the amount they invested. In addition, there is no certainty that the market price of Shares in the Enlarged Company will fully reflect their underlying NAV nor that any dividends will be paid. Shareholders in the Enlarged Company should not rely upon any share buyback policy to offer any certainty of selling their Shares in the Enlarged Company at prices that reflect the underlying NAV.

Although the existing Shares have been (and it is anticipated that the New Shares in the Enlarged Company to be issued pursuant to the Scheme, the Share Consolidation and the Offer and the Offer will be) admitted to the premium segment of the Official List and are (or will be) traded on the London Stock

Exchange's market for listed securities, the secondary market for VCT shares is generally illiquid (which may be partly attributable to the fact that initial tax reliefs are not available for VCT shares generally bought in the secondary market and because VCT shares usually trade at a discount to NAV) and Shareholders in the Enlarged Company may find it difficult to realise their investment. An investment in the Enlarged Company should, therefore, be considered as a long-term investment.

There is no guarantee that the Enlarged Company will meet its objectives. The past performance of the Company, Ortus and/or Maven is no indication of future performance of the Enlarged Company. The return received by Shareholders in the Enlarged Company will be dependent on the performance of the underlying investments. The value of such investments, and the interest income and dividends therefrom, may rise or fall and Shareholders in the Enlarged Company may not get back the full amount invested when sold.

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

The Company's investments are, and the Enlarged Company's investments will generally be, in companies whose securities are not publicly traded or freely marketed and may, therefore, be difficult, and take time, to realise. There may also be constraints imposed on the realisation of investments in order to maintain the VCT tax status of the Enlarged Company.

It can take a period of years for the underlying value or quality of the businesses of smaller companies, such as those in which the Enlarged Company invests, to be fully reflected in their market values and their market values are often also materially affected by general market sentiment, which can be negative for prolonged periods.

Investment in unquoted companies, by its nature, involves a higher degree of risk than investment in companies listed on the Official List which could result in the value of such investment, and interest income and dividends therefrom, reducing. In particular, small companies often have limited financial resources and may be dependent for their management on a small number of key individuals and may not produce the hoped-for returns. In addition, the market in smaller companies is usually less liquid than that for securities in larger companies, bringing with it potential difficulties in acquiring, valuing and disposing of such companies. Investment returns will, therefore, be uncertain and involve a higher degree of risk than investment in a company listed on the Official List.

The success of some investments may be based on the ability of investee companies to establish, protect and enforce intellectual property rights, those rights being broad enough to protect proprietary interests and the rights not infringing third party patents.

A charge given to the Enlarged Company over an asset will not always provide full capital protection for an investment. The Enlarged Company may not, therefore, recover the full amount invested in any one investee company.

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

The current investment policy of the Enlarged Company restricts investments to no more than £1 million in any company in any one year (this being an old VCT limit which was increased from 6 April 2012 to £5 million). Pursuant to Resolution 3 to be proposed at the General Meeting the Board proposes to seek Shareholder approval to amend the investment policy such that investments in the future can be made up to the VCT limit (currently £5 million) in any company in one year without the need to seek further Shareholder approval. The amendment being sought is drafted so that should the investment limits be further revised, further Shareholder approval will not be required. Should Resolution 3 not be approved by Shareholders, the Enlarged Company may not be able to take advantage of larger investment opportunities, which may restrict the Enlarged Company's ability to maximise returns for Shareholders.

The articles of association of the Enlarged Company provide for a resolution to be proposed for the continuation of the Enlarged Company as a VCT at the annual general meeting of the Company in 2014, and at five-yearly intervals thereafter. Should such a resolution not be approved by Shareholders, the

Board will be required to propose a resolution for the voluntary winding-up of the Enlarged Company. Should that subsequent resolution be approved by Shareholders, the benefits of the merger may not be fully realised, the Enlarged Company's investments would need to be realised and capital returned to Shareholders and, where Shareholders have not held their Shares for five years, initial income tax reliefs will need to be repaid.

Any change of governmental, economic, fiscal, monetary or political policy could materially affect directly or indirectly, the operation of the Enlarged Company and/or the performance of the Enlarged Company and the value of and returns from Shares and/or their ability to achieve or maintain VCT status.

If a Shareholder in the Enlarged Company disposes of his or her Shares in the Enlarged Company within five years of issue, he or she will be subject to clawback by HMRC of any income tax reliefs originally claimed. For these purposes, the date of issue of the New Shares in the Enlarged Company issued pursuant to the Scheme will be the original date of issue of the Ortus Shares in respect of which such New Shares in the Enlarged Company are issued. Any realised losses on the disposal of VCT qualifying Shares in the Enlarged Company cannot be used to create an allowable loss for capital gains tax purposes.

If a Shareholder disposes of his or her Shares (or New Shares as the case may be), he or she will be liable to pay any capital gains tax for which such Shareholder obtained deferral relief on subscription.

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

The tax rules, or their interpretation, in relation to an investment in the Enlarged Company and/or the rates of tax may change during the life of the Enlarged Company and may apply retrospectively which may affect tax reliefs obtained by Shareholders in the Enlarged Company and the VCT status of the Enlarged Company.

## EXPECTED TIMETABLES

### EXPECTED TIMETABLE FOR THE COMPANY

#### **Meetings**

Latest time for receipt of forms of proxy for the General Meeting	11.00 a.m. on 24 March 2013
Latest time for receipt of forms of proxy for the Ordinary Shares Class Meeting	11.30 a.m. on 24 March 2013
Latest time for receipt of forms of proxy for the S Shares Class Meeting	11.35 a.m. on 24 March 2013
General Meeting	11.00 a.m. on 26 March 2013
Ordinary Shares Class Meeting	11.30 a.m. on 26 March 2013
S Shares Class Meeting	11.35 a.m. on 26 March 2013

#### **Share Consolidation**

Ordinary Shares and S Shares CREST accounts suspended	close of business on 25 March 2013
Share Consolidation Record Date and Share Consolidation Calculation Date	close of business on 25 March 2013
Issue of additional S Shares	26 March 2013
Redesignation of S Shares into Ordinary Shares and the Share Consolidation Effective Date*	27 March 2013
Announcement of the results	27 March 2013
Admission of, and dealings in, New Ordinary Shares to commence and cancellation of the S Shares listing	28 March 2013
CREST accounts updated and re-credited	28 March 2013
Replacement certificates dispatched to S Shareholders	10 April 2013

(\*This will, therefore, be the expected final date of trading of the existing S Shares.)

#### **Scheme**

Scheme Calculation Date	after 5.00 p.m. on 2 April 2013
Scheme Effective Date for the transfer of the assets and liabilities of Ortus to the Company and the issue of New Ordinary Shares and New C Shares*	3 April 2013
Announcement of the results	3 April 2013
Admission of, and dealings in, New Ordinary Shares and New C Shares issued to commence	4 April 2013
CREST accounts credited	4 April 2013
Certificates for New Shares dispatched to Ortus Shareholders	17 April 2013

(\* The Scheme is conditional on completion of the Share Consolidation.)

**Offer**

Offer opens	1 March 2013
Allotment of New Ordinary Shares	2012/2013 tax year – 5 April 2013 2013/2014 tax year – 30 April 2013
Admission of, and dealings in, New Ordinary Shares issued to commence	3 business days following allotment
Certificates for New Ordinary Shares dispatched	10 business days following allotment
Offer closes*	30 April 2013

(\* The Offer is conditional on Shareholder approval at the General Meeting. The Offer will close earlier than the date stated if it is fully subscribed before then. The Directors further reserve the right to close the Offer or extend the Offer and to accept applications and allot and arrange for the listing of New Ordinary Shares as they see fit.)

**EXPECTED TIMETABLE FOR ORTUS**

Date from which it is advised that dealings in Ortus Shares should only be for cash settlement and immediate delivery of documents of title	19 March 2013
Latest time for receipt of forms of proxy for the Ortus First General Meeting	10.00 a.m. on 24 March 2013
Ortus First General Meeting	10.00 a.m. on 26 March 2013
Latest time for receipt of forms of proxy for the Ortus Second General Meeting	11.00 a.m. on 1 April 2013
Ortus Register of Members closed	2 April 2013
Scheme Record Date for Ortus Shareholders' entitlements under the Scheme	5.00 p.m. on 2 April 2013
Ortus Special Dividend record date	2 April 2013
Scheme Calculation Date	after 5.00 p.m. on 2 April 2013
Dealings in Ortus Shares suspended	7.30 a.m. on 3 April 2013
Ortus Second General Meeting	11.00 a.m. on 3 April 2013
Scheme Effective Date for the transfer of the assets and liabilities of Ortus to the Company and the issue of New Shares *	3 April 2013
Announcement of the results	3 April 2013
Ortus Special Dividend payment date**	17 April 2013
Cancellation of the Ortus Shares' listing	8.00 a.m. on 30 April 2013

(\*The final expected date of trading of the Ortus Shares will be 2 April 2013. See the timetable for the Company with regard to admission, CREST accounts being credited and certificates being dispatched in respect of the New Shares)

(\*\* The payment of the Ortus Special Dividend is conditional on the merger taking effect and will be paid by MIG 4 to all Ortus shareholders on the Ortus Special Dividend record date.)

## PART I

### MERGER OF THE COMPANY AND ORTUS

#### **Introduction**

The Board considers that the interests of the shareholders of the Company and Ortus will be better served by a single, larger VCT. The most cost-effective way to achieve this is for the Company to complete a merger with Ortus by placing Ortus into members' voluntary liquidation and for all of its assets and liabilities to be transferred to the Company in exchange for the issue of New Shares to holders of Ortus Shares. The New Shares to be issued pursuant to the Scheme are not being offered to the existing Shareholders of the Company or the public save as may be the case in connection with the Scheme.

#### **Background**

VCTs are required to be traded on a European Union/European Economic Area regulated market. The Companies are listed on the premium segment of the Official List, which involves a significant level of listing costs, as well as related fees to ensure they comply with all relevant legislation. A larger VCT should be better placed to spread such running costs across a larger asset base and facilitate better liquidity management and, as a result, may be able to maximise investment opportunities and sustain a higher level of dividends to all shareholders over its life.

In September 2004, the Merger Regulations were introduced allowing VCTs to be acquired by, or merge with, each other without prejudicing the VCT tax reliefs obtained by their shareholders. A number of VCTs, including Ortus, have taken advantage of these regulations to create larger VCTs.

In addition, the changes announced to the VCT investment limits and size test, in particular the removal of the £1 million per annum investment limit per VCT in an investee company, will reduce the need for sister VCTs to co-invest in order to participate in larger investments (effective for investments made on or after 6 April 2012).

With the above in mind, the Board entered into discussions with the Ortus Board and Maven to consider a merger of the Company and Ortus to create a single, larger VCT. The aim of the Board is to expand the size of the Company and improve Shareholder value. As a result, the Board expects to achieve, among other things, strategic and scale benefits through the creation of an enlarged VCT.

#### **Merger with Ortus**

The Board considers that the proposals will bring a number of benefits to both groups of shareholders through:

- the amalgamation of the Company's portfolio and the New Portfolio Assets, all of which are commonly held, for efficient management and administration;
- the creation of a single VCT of a more economically efficient size with a greater capital base over which to spread administration, regulatory and management costs;
- efficiencies in annual running costs for the Enlarged Company compared to the separate Companies;
- enhancing the ability of the Enlarged Company to raise new funds, as well as pay dividends and support buy backs; and
- the potential for greater liquidity in the secondary market.

#### **Share Consolidation**

Although the Ordinary Shares and S Shares have, to date, been managed as separate pools, they pursue the same investment strategy and have now broadly completed their initial investment phases. In light of the merger with Ortus, and to create administrative efficiencies, the Board believes it would be in the best interests of Shareholders to consolidate the two share classes into one share class.

The Share Consolidation will be completed by merging the S Shares pool into the Ordinary Shares pool (the Ordinary Shares pool being the larger and more established pool) on a relative net asset value basis, (taking into account the anticipated Share Consolidation costs and the irrecoverable costs of the merger).

As the NAV of a S Share is currently higher than that of an Ordinary Share, the mechanism by which the Share Consolidation will be effected for each S Shareholder is as follows:

- a number of new S Shares (this number being calculated by multiplying the number of S Shares held by the relevant Shareholder by the net asset value of a S Share divided by the net asset value of an Ordinary Share, less the number of S Shares already held (rounded down to the nearest whole share)) will be issued, to be paid up in full through the capitalisation of available profits and/or reserves attributable to the S Shares; and
- each of the S Shares then held by the relevant Shareholder will be redesignated as an Ordinary Share.

The anticipated cost of undertaking the Share Consolidation is £57,000, including VAT, professional fees and listing fees. The costs will be split proportionately between the two share classes by reference to their NAVs (ignoring such costs) as at the Share Consolidation Calculation Date. The costs of the Share Consolidation would be materially higher if it were to be completed as a standalone procedure and not as part of the merger process.

Using the unaudited NAVs of the Ordinary Shares and the S Shares as at 31 December 2012, but adjusted for the Interim Dividends declared by the Company, had the Share Consolidation been completed on that date and taking into account the anticipated costs of undertaking the Share Consolidation and the irrecoverable costs of the merger, the conversion ratio of S Shares into Ordinary Shares would have been as follows:

	Ordinary Share	S Share
NAV per share (p)	95.42	109.87
Share Consolidation NAV per share (p)	94.37	108.66
Conversion ratio	–	1.1514

Shareholders who hold their existing S Shares in certificated form will receive replacement certificates in respect of the New Ordinary Shares arising from the Share Consolidation and their existing share certificates in respect of S Shares will no longer be valid. Shareholders who hold their S Shares in CREST will have their revised holding of New Ordinary Shares credited to their CREST accounts.

### Scheme

The mechanism by which the merger with Ortus will be completed is as follows:

- Ortus will be placed into members' voluntary liquidation pursuant to a scheme of reconstruction under Section 110 IA 1986; and
- all of the assets and liabilities of Ortus will be transferred to the Company in consideration for the issue of New Shares (to be issued directly to Ortus Shareholders) as follows:
  - New C Shares in respect of the Ortus Legacy Pool (this being the Legacy Assets and a proportionate amount of the other assets and liabilities of Ortus); and
  - New Ordinary Shares in respect of the Ortus New Portfolio Pool (this being the Ortus New Portfolio Assets and a proportionate amount of the other assets and liabilities of Ortus).

The Scheme will be completed on a relative net asset value basis, adjusted for the anticipated costs of the Scheme and taking into account the Ortus Special Dividend, rolling into the New Ordinary Shares at the merger NAV per share and the New C Shares at an NAV of £1 per share.

The C Shares pool will subsequently merge into the Ordinary Shares pool in approximately two year's time (or earlier, if, at the absolute discretion of the Board, the separate management of the C Shares pool becomes impracticable) as further detailed below.

The Scheme is conditional upon the approval by the shareholders of the Company and of Ortus of resolutions to be proposed at the General Meeting, Class Meetings and the Ortus Meetings, as well as the other conditions set out below.

As both Companies have materially the same investment objective and policy, the same investment manager and other common advisers, the proposed merger should be achievable without major additional cost or disruption to the Companies and their combined portfolio of investments.

The aggregate anticipated cost of undertaking the merger is approximately £281,000, including VAT, legal and professional fees, stamp duty and the costs of winding up Ortus. The costs of the merger will be split proportionately between the Company and Ortus by reference to their respective merger net assets (ignoring merger costs). Ortus will split its proportion of the merger costs proportionately between the Legacy Pool and the New Portfolio Pool also by reference to their respective merger net assets (ignoring merger costs).

Following the transfer of the assets and liabilities by Ortus to the Company, the listing of the Ortus Shares will be cancelled and Ortus will be wound up.

The Scheme is conditional upon:

- the Share Consolidation having been completed;
- the passing of Resolution 2 to be proposed at the Meetings;
- notice of dissent not having been received from Ortus Shareholders holding more than 10% in nominal value of Ortus' entire issued share capital under Section 111 of IA 1986; and
- the passing of the resolutions to be proposed at the Ortus Meetings.

Subject to the above, the Scheme shall become effective immediately after the passing of the special resolution for the winding up of Ortus to be proposed at the Ortus Second General Meeting. If it becomes effective, the Scheme shall be binding on all Shareholders (including dissenting Ortus Shareholders) and all persons claiming through or under them.

**Terms of the Scheme**

On or immediately prior to the Scheme Effective Date, Maven (on the instruction of the Liquidators) shall calculate the Company Merger Value and the Ortus Roll-Over Values in accordance with the formulae set out below.

On the Scheme Effective Date, the Liquidators shall receive all the cash, undertakings and other assets and liabilities of Ortus and shall deliver to the Company:

- particulars of all of the assets and liabilities of Ortus (including a breakdown between the Legacy Pool and the New Portfolio Pool);
- a list certified by the registrars of the names and addresses of, and the number of Ortus Shares held by, each of the Ortus Shareholders on the register at 5.00 p.m. on the Scheme Record Date;
- an estimate of the winding-up costs of Ortus; and
- the amount estimated to be required to purchase the holdings of any dissenting Ortus Shareholders.

On the Scheme Effective Date, the Company and the Liquidators (on behalf of Ortus) will enter into the Transfer Agreement (subject to such modifications as may be agreed between the parties thereto) pursuant to which the Liquidators will procure the transfer of all of the assets and liabilities of Ortus to the Company in exchange for the issue of New Shares (fully paid) to the Ortus Shareholders on the basis set out below.

In further consideration of such transfer of assets and liabilities of Ortus to the Company, the Company will, pursuant to the Transfer Agreement, undertake to pay all liabilities incurred by the Liquidators including, but not limited to, the implementation of the Scheme, the winding up of Ortus and the purchase for cash of any holdings of dissenting Ortus Shareholders.

Except as otherwise provided for in the Scheme terms, for the purposes of calculating the Company's Merger Value, the Ortus Roll-Over Values, and the number of New Shares to be issued, the following provisions will apply:

**Ortus New Portfolio Pool Calculations**

***New Portfolio Pool Roll-Over Value***

The New Portfolio Pool Roll-Over Value will be calculated as:

$$\frac{A - (B + C)}{D}$$

where:

- A = the unaudited value of the New Portfolio Pool as at the Scheme Calculation Date (taken from the Ortus unaudited management accounts to that date), plus any adjustment that both the Board and the Ortus Board consider appropriate to reflect any other actual or contingent benefit or liability of Ortus allocated between the New Portfolio Pool and the Legacy Pool in the same proportion as the general assets and liabilities of Ortus;
- B = the New Portfolio Pool's *pro rata* proportion (by reference to the New Portfolio Pool Roll-Over Value, the Legacy Pool Roll-Over Value and the Merger Value, but ignoring merger costs) of the estimated costs of the Scheme, plus £5,000 (representing an amount of contingency to cover any unforeseen additional costs attributable to the New Portfolio Pool incurred by the Company, which will indemnify the Liquidators in respect of all costs of the New Portfolio Pool following the transfer on the Scheme Effective Date);
- C = the Ortus New Portfolio Pool's *pro rata* proportion (by reference to the Ortus New Portfolio Pool Roll-Over Value and the Legacy Pool Roll-Over Value) of the amount estimated to be required to purchase the holdings of Ortus Shares from dissenting Ortus Shareholders; and
- D = the number of Ortus Shares in issue as at close of business on the Scheme Record Date (save for any Ortus Shares held by dissenting Ortus Shareholders).

### **Company Merger Value**

The Company Merger Value will be calculated as:

$$\frac{E - F}{G}$$

where:

- E = the unaudited net assets of the Company as at the Scheme Calculation Date (taken from the Company's unaudited management accounts to that date), plus any adjustment that both the Board and the Ortus Board consider appropriate to reflect any other actual or contingent benefit or liability of the Company;
- F = the Company's *pro rata* proportion (by reference to the Legacy Pool Roll-Over Value, the New Portfolio Pool Roll-Over Value and the Merger Value, but ignoring merger costs) of the costs of the Scheme; and
- G = the number of Ordinary Shares in issue as at close of business on the Scheme Record Date.

### **New Ordinary Shares to be issued to Ortus Shareholders**

The number of New Ordinary Shares to be issued to Ortus Shareholders (save for any dissenting Ortus Shareholders) will be calculated as follows:

$$\left(\frac{H}{I}\right) \times J$$

where:

- H = the Ortus New Portfolio Pool Roll-Over Value;
- I = the Company Merger Value; and
- J = the number of Ortus Shares in issue as at close of business on the Scheme Record Date (save for any Ortus Shares held by dissenting Ortus Shareholders).

### **Ortus Legacy Pool Calculations**

#### **Legacy Pool Roll-Over Value**

The Legacy Pool Roll-Over Value will be calculated as:

$$\frac{K - (L + M)}{N}$$

where:

K = the unaudited value of the Legacy Pool as at the Scheme Calculation Date (taken from the Ortus unaudited management accounts to that date and taking into account the Ortus Special Dividend), plus any adjustment that both the Board and the Ortus Board consider appropriate to reflect any other actual or contingent benefit or liability of Ortus allocated between the Legacy Pool and the New Portfolio Pool in the same proportion as the general assets and liabilities of Ortus;

L = the Legacy Pool's *pro rata* proportion (by reference to the Legacy Pool Roll-Over Value, the New Portfolio Pool Roll-Over Value and the Merger Value, but ignoring merger costs) of the estimated costs of the Scheme, plus £5,000 (representing an amount of contingency to cover any unforeseen additional costs attributable to the Legacy Pool incurred by the Company, which will indemnify the Liquidators in respect of all costs of the Legacy Pool following the transfer on the Scheme Effective Date);

M = the Ortus Legacy Pool's *pro rata* proportion (by reference to the Legacy Pool Roll-Over Value and the New Portfolio Pool Roll-Over Value) of the amount estimated to be required to purchase the holdings of Ortus Shares from dissenting Ortus Shareholders; and

N = the number of Ortus Shares in issue as at close of business on the Scheme Record Date (save for any Ortus Shares held by dissenting Ortus Shareholders).

#### ***New C Shares to be issued to Ortus Shareholders***

The number of New C Shares to be issued to Ortus Shareholders (save for any dissenting Ortus Shareholders) will be calculated as follows:

$$\left(\frac{O}{1}\right) \times P$$

where:

O = the Legacy Pool Roll-Over Value

P = the number of Ortus Shares in issue as at close of business on the Scheme Record Date (save for any Ortus Shares held by dissenting Ortus Shareholders).

The Company will not issue the New Shares pursuant to the Scheme until it has been confirmed that the valuation report prepared by Scott Moncrieff under CA 2006 in respect of the Scheme has been provided to the Company and posted to Ortus Shareholders.

The New Ordinary Shares and the New C Shares will be issued directly to Ortus Shareholders (disregarding Ortus Shares held by dissenting Ortus Shareholders), in each case *pro rata* to their existing holdings in Ortus on the instruction of the Liquidators.

The merger ratios used to allocate the New Shares to each Ortus Shareholder will be rounded down to six decimal places and entitlements will be rounded down to the nearest whole number and any fractional entitlements per Ortus Shareholder (which will not exceed £2) will be aggregated and sold, with the proceeds retained for the benefit of the Enlarged Company.

## Scheme Illustration

Based on the formulae above, the following number of New Shares would have been issued to Ortus Shareholders for every Ortus Share (assuming no Ortus dissenting Shareholders) held had the merger been completed on 31 December 2012:

	Unaudited value/NAV*	Merger values**	New Shares per Ortus Share
Company (p)	94.37	93.99*** (Merger Value)	–
Legacy Pool (p)	15.36	13.20**** (Legacy Pool Roll Over Value)	0.132001 New C Shares
New Portfolio Pool (p)	17.30	17.09**** (New Portfolio Pool Roll Over Value)	0.181889 New Ordinary Shares

\* Based on the unaudited NAVs of the Companies as at 31 December 2012, but adjusted for the Interim Dividends, the associated costs of the Share Consolidation and the irrecoverable costs of the merger.

\*\* Based on the issued share capital of the Companies as at 28 February 2013 (this being the latest practicable date prior to the publication of this document)

\*\*\* After anticipated merger costs and taking into account the Share Consolidation and related anticipated costs.

\*\*\*\* These being the proportion of the Ortus NAV attributable to each pool, adjusted for the Ortus Special Dividend in respect of the Legacy Pool Roll-Over Value and after anticipated merger costs.

The number of New Shares that would have been issued in aggregate would have been 6,568,219 New Ordinary Shares and 4,766,687 New C Shares on the basis.

## Share Certificates, Mandates and Listing

Where Ortus Shareholders hold their Ortus Shares in certificated form, they will receive two new certificates for the New Shares issued (i.e. one for the New Ordinary Shares and one for the New C Shares). Where Ortus Shareholders hold their Ortus Shares in uncertificated form, their CREST accounts will be credited with the holding in New Shares.

Dividend payment mandates provided for Ortus Shares will, unless an Ortus Shareholder advises otherwise in writing to Capita Registrars, be transferred to the New Shares.

An application has been made to the UKLA for the New Shares to be issued pursuant to the Ortus Scheme to be listed on the premium segment of the Official List and will be made to the London Stock Exchange for such New Shares to be admitted to trading on its market for listed securities. From the date of issue, the New Shares issued pursuant to the Ortus Scheme will rank *pari passu* with the existing issued Shares (save for any class rights).

Further information is set out in Part VI of this document on the financial position of the Enlarged Company had the merger by way of the Scheme been implemented as at 30 June 2012.

## C Shares Pool

Assuming the Scheme completes, the C Shares pool will be managed as a separate pool from the Ordinary Shares pool until the Conversion of the C Shares into Ordinary Shares ten business days following the publication of the audited results for the year to 31 December 2014 (or earlier, if, in the absolute discretion of the Board, the separate management of the C Shares pool becomes impracticable). The Board intends to exercise this discretion only if the C Shares pool investments are materially realised and held in cash and/or invested alongside the Ordinary Shares pool.

The Conversion will be completed on the following relative net asset basis:

- if the net asset value of an Ordinary Share is greater than the net asset value of a C Share, a proportion of the C Shares held by a C Shareholder will be redesignated as Ordinary Shares (this number being calculated by multiplying the number of C Shares held by the relevant shareholder by the net asset value of a C Share divided by the net asset value of an Ordinary Share (rounded down to the nearest whole share)), with the balance of such holding being redesignated as Deferred Shares and bought back by the Company for an aggregate amount of 1p (the Deferred Shares will not be listed and are merely a mechanism to equalise the differing net asset values of the two share classes); and

- if the net asset value of an Ordinary Share is less than the net asset value of a C Share, a number of C Shares (this number being calculated by multiplying the number of C Shares held by the relevant shareholder by the net asset value of a C Share divided by the net asset value of an Ordinary Share, less the number of C Shares already held (rounded down to the nearest whole share)) will be issued, to be paid up in full through the capitalisation of profits and/or reserves attributable to the C Shares and then all of the C Shares held by a C Shareholder will be redesignated as Ordinary Shares.

The C Shares will rank *pari passu* with the existing Ordinary Shares, save that each share class will be entitled to dividends and a return of capital paid out of, respectively, the net income and the assets attributable to the relevant pool.

The segregation of the Company's assets into two pools will mean that, until Conversion the Ordinary Shares will be exclusively entitled to receive the net returns flowing from the investments in the Ordinary Shares pool (i.e. all of the existing investments of the Company (both the Ordinary Shares pool and the S Shares pool), the New Portfolio Assets and any new investments made from the Ordinary Shares pool), and the C Shares will be exclusively entitled to receive the net returns flowing from the investments in the C Shares pool (i.e. the Legacy Assets and any new investments made from that pool).

Until Conversion, each pool will bear its *pro rata* share (based on net assets) of the running costs of the Company, unless expenses can be attributed to a relevant share class. All Shareholders will share the benefit of spreading the Company's administration costs over a wider asset base. Each pool will, however, be subject to the overall financial position and performance of the Company as a number of accounting, company law and HMRC provisions are applied at Company level.

### **Ortus Special Dividend**

The Ortus Board has declared a special dividend of 2p per Ortus Share, conditional on Scheme becoming effective, payable to all Ortus Shareholders on the Ortus register on the Scheme Record Date. The Ortus Special Dividend will become a liability of the Company pursuant to the merger, however, Ortus' net assets will be adjusted through the merger calculations to take into account this liability. The Ortus Special Dividend will, therefore, be paid solely from the cash transferred from Ortus to the C Share Pool.

### **Taxation**

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

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

### **The Company and its Shareholders**

The Share Consolidation and the associated issue of additional shares and redesignation will not constitute a disposal of the existing S Shares held for the purposes of UK taxation. Instead, the resulting New Ordinary Shares will be treated as having been acquired at the same cost and at the same date as the S Shares from which they derive (but allocated *pro rata* between such resulting New Ordinary Shares). Any upfront income tax relief and/or capital gains tax deferral obtained on subscription will not, therefore, be subject to clawback or crystallised for payment respectively, but instead will attach to the New Ordinary Shares (allocated *pro rata* between such resulting New Ordinary Shares).

The implementation of the Scheme should not affect the VCT reliefs obtained by Shareholders on subscription for existing Shares. The implementation of the Share Consolidation and the Scheme should not affect the status of the Company as a VCT. It is the intention of the Board to continue to comply with the requirements of ITA 2007 so as to continue to qualify as a VCT.

### **Ortus Shareholders**

The receipt by Ortus Shareholders of New Shares should not constitute a disposal of their Ortus Shares for UK tax purposes. Ortus Shareholders should, for UK tax purposes, effectively be able to treat the New Shares received pursuant to the Scheme as if they had been acquired at the same cost and at the

same date as the original Ortus Shares from which they derive (but allocated proportionately between such resulting New Shares). Any upfront income tax relief obtained and/or capital gains tax deferral attaching to the original Ortus Shares will not, therefore, be subject to clawback or crystallised for payment respectively, but instead will then attach to the New Shares (allocated proportionately between the New Ordinary Shares and New C Shares based on the value apportioned to such classes on the merger (and within each class allocated *pro rata* across the relevant number of shares)). As the Company is also a VCT, the usual VCT tax reliefs should continue to apply. As a result, qualifying shareholders should continue to receive tax-free dividends and should not be subject to UK taxation on any capital gains on the disposal of Shares.

For Ortus Shareholders holding (together with their associates) more than 5% of the Ortus Shares in issue, clearance has been obtained from HMRC in terms of Section 138 of TCGA 1992 that the tax treatment described above for persons who (together with their associates) own less than 5% of the Ortus Shares should also apply to them.

Ortus Shareholders who do not vote in favour of the resolution to be proposed at the Ortus First General Meeting are entitled to dissent and have their shareholding purchased by the Liquidators at the break value price of an Ortus Share. The break value price is expected to be at a significant reduction to the net asset value of an Ortus Share. The calculation of the break value will not segregate the Ortus portfolio into the Ortus Legacy Investments and the Ortus Non-Legacy Investments, as this is only being undertaken to effect the Scheme. In addition, Shareholders should note that a purchase of Ortus Shares by the Liquidators will be regarded as a disposal of such shares for tax purposes, thereby triggering the payment of any capital gains tax deferral received on the original subscription and any income tax rebate on Ortus Shares subscribed for in the five years prior to purchase. The break value received may not be sufficient to cover the amount of payment due.

Although the Company will be required to pay UK stamp duty or stamp duty reserve tax on the transfer to it of the assets and liabilities of Ortus (which form part of the merger costs), no UK stamp duty will be payable directly by Shareholders as a result of the implementation of the Scheme. No UK stamp duty will be payable as a result of the Share Consolidation.

Clearance has been obtained from HMRC in respect of the Scheme under Section 701 ITA 2007 and Section 138 TCGA 1992. With regard to the former, the receipt of New Shares should, except in the case of dealers, be regarded as an income receipt for the purposes of UK taxation.

Clearance has also been obtained from HMRC that the Scheme meets the requirements of the Merger Regulations and as such the receipt by Shareholders of New Shares should not prejudice tax reliefs obtained by Shareholders on existing Shares in the Company and should not be regarded as a disposal.

### **Conversion**

The Conversion and the purchase by the Company of any deferred shares arising pursuant to the Conversion will not constitute a disposal of the then holding of C Shares for the purposes of UK taxation. Instead, the Ordinary Shares arising on Conversion will be treated as having been acquired at the same cost and at the same date (*pro rata* across the relevant Ordinary Shares) as the C Shares from which they derive (or, in the case of Ortus Shareholders who continue to hold New C Shares issued pursuant to the Scheme at the time of Conversion, from the original shares in Ortus from which they derive). As a result, any upfront income tax relief and/or capital gains tax deferral attaching to the C Shares (as transferred from the Ortus shares through the merger) will not, therefore, be subject to clawback or crystallised for payment respectively, but will be further transferred *pro rata* to the resulting Ordinary Shares.

No UK stamp duty will be payable by Shareholders or the Company as a result of the Conversion.

## PART II

### THE OFFER

If a Shareholder does not wish to participate or is not eligible to participate in the Offer no further action is required.

The Offer will open on 1 March 2013 and is subject to Shareholder approval at the General Meeting to allot the New Ordinary Shares to be issued thereunder. The Offer will proceed irrespective of whether the Share Consolidation or the Scheme are approved and become effective.

#### **Background**

The Board proposes to raise up to £5 million through an offer for subscription of up to 6 million New Ordinary Shares.

This Offer will provide Shareholders with the opportunity to add to their current shareholdings, while benefiting from the tax reliefs available on an issue of new VCT shares for both the 2012/2013 and/or 2013/2014 tax year(s). New investors will also be able to participate in the Offer and access a mature portfolio of investee companies in the Company with the potential for receiving regular dividend payments.

The proceeds of the Offer will provide additional liquidity to the Company to make later-stage private company investments, at a time when limited availability of bank debt is forcing many successful private companies to seek to raise capital from other sources. The increased funds will also enable the Company to further spread its costs over a larger asset base to the benefit of all Shareholders. The proceeds may also be used to meet annual running costs, fund the payment of dividends and fund market purchases of shares.

Income tax relief of up to 30% will be available to a Qualifying Investor on the amount subscribed, subject to a maximum investment in VCTs of £200,000 per tax year (save that a Qualifying Investor's income tax liability may only be reduced to nil), provided the VCT shares are held for at least five years and provided the Company's VCT status is maintained. Dividends and gains received from VCTs by a Qualifying Investor (subject to the annual investment limits) are tax free, including capital gains tax.

#### **Reasons to Invest**

The Board believes that there are a number of compelling reasons for investors to consider this Offer:

- access to a mature portfolio of investee companies with the potential for receiving regular dividend payments (further details on the portfolio of the Company and the potential portfolio of the Enlarged Company are set out in Part VII of this document);
- exposure to a broad range of later-stage businesses, with both geographical and sectoral diversification;
- an investment strategy focused on generating consistent income streams and capital gains (as further detailed below);
- mitigation of risk through rigorous asset selection and investment in profitable and income generating companies;
- an award winning investment and portfolio team, with significant experience and a proven track record of investing in profitable UK private companies (further details of which are set out in Part IV of this document); and
- a manager with access to high quality private equity deal flow across the UK, and a history of profitable exits.

Prospective investors' attention is also drawn to the risk factors set out pages 13 to 15 of this document.

#### **Investment Strategy**

The Company aims to provide a stable tax-free income stream and an overall return significantly greater than could be achieved by investing in quoted companies. The strategy is to invest at conservative multiples in profitable income generating businesses, each with a proven management team, a defensible market position and a robust business model capable of supporting sustained growth.

Each investment is structured to pay an attractive yield from the outset, with the aim of achieving a successful exit and realising proceeds which can be used to pay tax-free dividends and make additional private company investments.

The success of this strategy is reflected in the dividend track record for the Ordinary Shares pool. Since launch the Ordinary Shares pool has paid dividends of 24.55p, resulting in an unaudited NAV total return (without initial tax relief) of 122.75p (unaudited NAV as at 31 December 2012, plus dividends paid). The Company also declared on 28 February 2013 an interim dividend of 2.75p per Ordinary Share payable to holders of Ordinary Shares on the register on 8 March 2013. This dividend relates to the financial performance of the Ordinary Shares pool in respect of the year ended 31 December 2012.

This level of dividends would, for an investment in this Offer, result in the annual net yields shown below:

Year end 31 December	Dividends paid and declared	'Net yield' (after 30% tax relief) (%)*
2012	4.5	6.6
2011	4.0	5.9
2010	3.5	5.1
2009	3.5	5.1

\*Based on a Subscription Price of 97.4p and initial income tax relief of 30%, giving a net cost of investment of 68.18p, but ignoring the fact that VCT dividends are tax free for Qualifying Investors.

For a higher rate (40%) tax payer, and compared to an investment in taxable UK equities, a dividend of 4.5p per annum (based on a Subscription Price of 97.4p) would result in a gross annual yield of 8.8%.

New rules were introduced in the Finance Act 2012 which restrict new VCT funds raised after 6 April 2012 from being used to finance MBO transactions. As a result, the Board intend to use the funds raised pursuant to the Offer to fund other kinds of investment, as well as to pay expenses, dividends and share buybacks reserving the significant amount of 'old' funds so as to continue with its current strategy and to invest in MBOs where appropriate.

### Terms of the Offer

The number of New Ordinary Shares to be issued pursuant to the Offer is subject to the lower of the maximum amount being raised under the Offer of £5 million and a maximum of 6 million New Ordinary Shares being issued, in aggregate, pursuant to the Offer.

The Offer will open on 1 March 2013 and is subject to Resolution 4 to be proposed at the General Meeting being approved by Shareholders. If this Resolution is not approved, the Offer will be withdrawn. The Offer will, however, proceed irrespective of whether the Share Consolidation or the Scheme are approved and become effective.

The Offer will close on 30 April 2013 (unless fully subscribed before this date or otherwise extended by the Board). There is no minimum subscription level for the Offer to proceed and the Offer is not underwritten.

An investment will be divided by the Subscription Price of a New Ordinary Share calculated as follows:

**Latest published NAV of an Ordinary Share at the time of allotment, divided by 0.965  
(to allow for issue costs of up to 3.5%) and rounded up to the nearest 0.1p per share**

Fractions of New Ordinary Shares will not be issued and holdings will be rounded down to the nearest whole number of New Ordinary Shares.

Based on the unaudited NAV of the Company as at 31 December 2012 and adjusted for the Interim Dividends declared by the Company, the Subscription Price for a New Ordinary Share would be 98.9p. Based on the illustrative Merger Value (i.e. adjusted to reflect for both the Share Consolidation and the Scheme) of 93.99p as set out in Part I of this document, the Subscription Price for a New Ordinary Share would be 97.4p,

Applications will be accepted (in whole or part) at the Directors' discretion, but the Directors intend to meet applications on a 'first come, first served' basis. The minimum investment per applicant is £5,000. There is no maximum investment, however, potential investors should be aware that tax relief is only available on a maximum £200,000 investment in VCTs in each tax year.

Application has been made to the UK Listing Authority for the New Ordinary Shares issued pursuant to the Offer to be listed on the premium segment of the Official List and will be made to the London Stock Exchange for such shares to be admitted to trading on its main market for listed securities. The New Ordinary Shares will rank equally in all respects to the issued Ordinary Shares of the Company from the date of issue (allotments will be after the payment of the Interim Dividends). It is anticipated that dealings in the New Ordinary Shares will commence within three business days following allotment.

The results of the Offer, including the Subscription Price, will be announced to the London Stock Exchange through a Regulatory Information Service provider authorised by the FSA.

Unless otherwise agreed with the Company, the New Ordinary Shares will be issued in certificated form (though such New Ordinary Shares can subsequently be admitted to CREST).

### **Use of Proceeds**

The proceeds of the Offer will be used by the Company in accordance with its published investment policy.

### **Costs**

The Company will pay the costs of the Offer up to 3.5% of the actual amount subscribed for New Ordinary Shares (including permissible financial intermediary commission, but ignoring any amount to be paid as an adviser fee). Such costs will be borne by successful Applicants through the Subscription Price. Maven has agreed to indemnify the Company against any Offer costs in excess of this amount. The net proceeds of the Offer will, assuming full subscription (and ignoring reinvested commission), therefore, amount to £4,825,000 and the maximum amount of costs payable by the Company will be £175,000.

### **Financial Intermediaries**

The Financial Services Authority (FSA) has recently introduced new regulations (the Retail Distribution Review or RDR) which affect the payment of commission and adviser fees. As a result, the treatment of valid Applications and the amount of commission and/or adviser fees due thereunder are dependent on whether the Applicant has received financial advice or not and whether their intermediary is an execution only broker.

#### ***Investing through an execution only broker (i.e. no financial advice provided)***

If an Applicant returns the WHITE Application Form with the details of an execution only broker inserted in Section 5 (and the execution only broker has inserted their relevant FSA number), the execution only broker will usually be entitled to receive:

- initial commission of an amount equal to 1% of the Application Amount; and
- annual trail commission of an amount equal to 0.4% of the Application Amount for five years.

The execution only broker may agree to waive all or part of their initial commission. If this is the case the Applicant's Application Amount will be increased by an amount equivalent to the amount of commission waived and additional New Ordinary Shares will be allotted at the same Subscription Price. Please note that tax relief is not available on the New Ordinary Shares issued pursuant to the waived and reinvested initial commission. The execution only broker should complete Section 6 of the WHITE Application Form to indicate the element of initial commission being waived.

Trail commission will be paid over a five year period in five annual instalments. These amounts are expected to be payable in 31 December 2014, 2015, 2016, 2017 and 2018. The receipt of annual trail commission by the execution only broker is conditional on the execution only broker continuing to act for the Applicant and the Applicant continuing to hold such New Ordinary Shares issued pursuant to the Offer. Annual trail commission will also cease if the execution only broker subsequently gives advice in respect of a holding. In such case, the Company should be immediately notified that trail commission should cease, although the Company reserves the right to cease payments if it believes, in its absolute discretion, that advice may have been given.

#### ***Investing through a financial intermediary who provides advice***

The new regulations implemented by the FSA do not allow either initial or trail commission to be paid to financial intermediaries that have provided advice after 30 December 2012. The Applicant and the

financial intermediary may, however, agree that a fee be paid to the intermediary for the advice and service provided. Payment of this adviser fee can be:

- made directly by the Applicant to the financial intermediary; or
- facilitated by Capita Registrars to the intermediary from the monies received from the Applicant.

If the Applicant and the financial intermediary agree that the payment of an adviser fee is to be facilitated by Capita Registrars (such amount to be in whole pounds only), option B in Section 6 of the BLUE Application Form should be completed and signed by both the Applicant and the financial intermediary. The Applicant can then instruct that an amount in addition to the Application Amount be paid to the financial intermediary. Upfront income tax relief is available only on the Application Amount (i.e. not on the adviser fee). The charging of VAT on any adviser fee is the sole responsibility of the financial intermediary. Should any adviser fee not include the payment of any such VAT, the Applicant will, at all times, remain solely responsible to make up such VAT deficit (if any) to the financial intermediary.

### **Jurisdiction**

No action has been or will be taken in any jurisdiction by, or on behalf of, the Company which would permit a public offer of New Ordinary Shares in any jurisdiction other than the UK.

### **Application Procedure**

The application procedures and terms and conditions of the Offer are set out in Part XIII of this Document.

The Offer Application Forms can be found at the end of this Prospectus. A completed Offer Application Form should be posted (together with a cheque made payable to “Capita Registrars Limited re: MIG 4”) to Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU.

If investors have any questions regarding an investment in the Company they should contact their independent financial adviser. For questions relating to the application procedure please contact Capita Registrars’ helpline on 0871 664 0324 between the hours of 9.00 a.m. and 5.30 p.m. on any Business Day. Please note that no financial, legal, tax or investment advice can be given.

**PART III**  
**INFORMATION ON THE COMPANY**

**Constitution and Status**

The Company was incorporated and registered in Scotland under CA 1985 as a public company with limited liability on 26 August 2004 with registered number SC272568 and the name Aberdeen Growth Opportunities VCT 2 PLC. The Company changed its name to Maven Income and Growth VCT 4 PLC on 21 December 2009.

The Company was issued with a trading certificate under Section 117 of CA 1985 (now Section 761 of CA 2006) on 2 September 2004.

The Company operates under CA 2006 and the regulations made thereunder.

VCTs are unregulated, but are required to manage their affairs to obtain and maintain approval as a VCT under the provisions of chapter 3 of Part 6 of ITA 2007. HMRC has granted approval of the Company as a VCT under Section 259 of ITA 2007. The business of the Company has been, and it is intended will be, carried on so as to continue to comply with that section to maintain full approval.

The Company is not authorised and/or regulated by the FSA or an equivalent overseas regulator. The Company's Shares are listed on the premium segment of the Official List.

**Share Capital**

The share capital of the Company comprises ordinary shares of 10p each of which 9,157,406 are currently in issue (as at 28 February 2013) and S ordinary shares of 10p each of which 5,264,446 are currently in issue (as at 28 February 2013). The Company does not hold any Shares in the treasury.

The Company is proposing to undertake the Share Consolidation, whereby the S Shares will be merged into the Ordinary Share based on their relative NAVs. As an illustration only, had the Share Consolidation been completed on 31 December 2012, every S Share in issue would effectively have been exchanged for 1.1514 Ordinary Shares. The actual Share Consolidation will be based on the NAVs on 25 March 2013 and will complete, subject to Shareholder approval, on 27 March 2013.

**Selected Financial Information**

Certain selected financial information is set out below:

	Audited year ended 31 December			Unaudited half-yearly report to 30 June	Unaudited half-yearly report to 30 June
	2011	2010 (£'000)	2009	2011 (£'000)	2012
Investment income and deposit interest	634	350	561	306	382
Net return on ordinary activities before taxation	910	964	661	436	807
Earnings per share (pence)					
<i>Ordinary Shares</i>	5.8p	9.2p	7.0p	3.8p	3.8p
<i>S Shares</i>	8.4p	4.2p	1.6p	2.2p	9.2p
Dividends paid per share (pence)					
<i>Ordinary Shares</i>	4.0p	3.5p	2.3p	2.5p	2.5p
<i>S Shares</i>	2.0p	1.5p	2.8p	0.5p	1.3p
Net assets	13,289	12,765	11,689	13,206	14,951
NAV per share (pence)					
<i>Ordinary Shares</i>	98.2p	95.7p	89.7p	97.0p	99.2p
<i>S Shares</i>	104.1p	97.3p	94.4p	99.1p	111.5p

## **The Board of Directors**

The Board has five non-executive directors; Ian Cormack (Chairman), Malcolm Graham-Wood, Andrew Lapping, Steven Scott and Bill Nixon.

The Board and the Ortus Board have considered what the size and future composition of the Enlarged Company's board should be following the merger and it has been agreed that, in light of the intended management of the Ortus Legacy Investments in a separate C Shares pool, David Potter (chairman of Ortus) will be appointed as a director of the Company until Conversion. This will result in reducing the aggregate number of directors from nine across both Companies to initially six for the Enlarged Company resulting, in aggregate, in an annual cost saving of £41,000, and to five following Conversion.

## **The Directors**

### **Ian Cormack, independent non-executive Director and Chairman**

Ian was appointed as a Director and Chairman in September 2004. He spent 30 years at Citigroup (formerly Citibank), occupying many senior positions in the bank including Country Head (CCO) for Citicorp in the UK, Chairman of Citibank International and most recently occupying the position of Co-head of Global Financial Institutions. Following his career at Citigroup, he spent two years at AIG Inc where he was Chief Executive of insurance, financial services and asset management businesses in Europe. He currently holds a number of other directorships.

### **Malcolm Graham-Wood, independent non-executive Director**

Malcolm was appointed a Director in September 2004. He began his career with Wood Mackenzie in Edinburgh 1979. He 1983 he joined James Capel and Co and became a partner in the equity department in 1986. He was involved primarily in the energy and utility sectors and advised British Gas and other utilities on flotation and subsequently Enterprise Oil. He was appointed Head of Equities at Williams De Broe in 1995 before joining Teather and Greenwood in 2000. He is now a director of MGW Consulting Limited which he founded in 2002 and specialises in advisory work for smaller companies and a number of financial institutions in the UK and abroad. He has spent the past 25 years working in the City as an analyst.

### **Andrew Lapping, independent non-executive Director**

Andrew was appointed a Director in September 2004. He worked for PricewaterhouseCoopers for twelve years, specialising in corporate finance and tax planning. In 1999 he established a private equity company, The Hamilton Portfolio Limited, of which he is managing director. He has managed a number of private equity and AiM investments. He is a Fellow of The Chartered Institute of Taxation and is a non-executive director of a number of private companies.

### **Steven Scott, independent non-executive Director**

Steven was appointed a Director in September 2004. He is a qualified chartered accountant. He worked in the Bank of Scotland Structured Finance Group before becoming a director of Royal Bank Development Capital, the private equity division of The Royal Bank of Scotland plc. In 1999, he founded Penta Capital, an independent UK private equity manager with around £400 million under management. Penta specialises in buy and build investments and opportunities presented by the credit crunch and liquidity issues in the UK today.

### **Bill Nixon, non-executive Director**

Bill was appointed an alternative Director in November 2005 and has been a Director in his own right since 2008. He is Managing Partner of Maven and has 30 years experience of banking and private equity. In the mid-1990's he was Head of the UK private equity business at National Australia Bank and joined Aberdeen Asset Management PLC in 1999. In 2004 he was appointed as principal fund manager for all Aberdeen-managed VCTs, responsible for the UK investment team. In 2009 Bill and his senior colleagues led a buy-out from Aberdeen Asset Management PLC and formed Maven. He is a Fellow of the Chartered Institute of Bankers in Scotland and obtained an MBA from Strathclyde University in 1996.

Bill is also non-executive director of Maven Income and Growth VCT 2 PLC, Maven Income and Growth VCT 3 PLC, Ortus and Talisman First Venture Capital Trust PLC.

## **Proposed Director**

### ***David Potter***

David, in his executive career in the City worked for CSFB, Samuel Montagu, Midland Bank (now HSBC) and finally was CEO of the Guinness Mahon Group prior to its acquisition by Investec where he was Deputy Chairman of Investec (UK). For the last 12 years he has been chairman, non-executive director or trustee of numerous enterprises and is currently chairman of Quercus Publishing, Spark Ventures and Ortus VCT. He is a non executive director of Illustrated London News. Amongst his other activities he is a member of The Centre for the Study of Financial Innovation (CSFI), chairman of The National Film and TV School Foundation and a trustee of Nelson Mandela Fund (UK) and WorldWide Voluntering.

## **Corporate Governance**

The Financial Services Authority requires all listed companies to disclose how they have applied the principles and complied with the provisions of the UK Corporate Governance Code (“the Code”) issued by the Financial Reporting Council (“FRC”) in May 2010.

The Board has also considered the principles and recommendations of the AIC Code of Corporate Governance (“AIC Code”) by reference to the AIC Corporate Governance Guide for Investment Companies (“AIC Guide”). The AIC Code, as explained by the AIC Guide, addresses all the principles set out in section 1 of the Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to the Company.

For the year ended 31 December 2011 and as at the date of this document, the Company has complied with the recommendations of the Code, except where noted below. There are certain areas of the Code that the AIC does not consider relevant to venture capital trusts and with which the Company does not specifically comply, for which the AIC Code provides dispensation. The areas and reasons for non-compliance are set out below:

- a senior independent director has not been appointed and whilst Shareholders are invited to contact the chairman or the secretary of the Company in the first instance, if they have concerns they may contact any Director; and
- the chairman of the Company is also chairman of the audit, management engagement and remuneration and nomination committees.

Further details on the Company’s corporate governance including the constitution of the various committees and other internal controls are set out in paragraph 7 of Part X of this document.

## **Investment Manager**

The Company’s investment manager is Maven Capital Partners UK LLP. Maven (telephone 0141 306 7400), was incorporated and registered in England and Wales on 14 August 2008 as a limited liability partnership with registered number OC339387. Maven’s registered office and principal place of business is at Queens Chambers, 5 John Dalton Street, Manchester M2 6ET. Maven is authorised and regulated by the FSA to provide investment management services under number 495929. The principal legislation under which Maven operates is the provisions of the Limited Liability Partnership Act 2000 and CA 2006 (and regulations made thereunder).

## **Investment Objective and Policy**

The Company’s investment objective and policy is essentially the same as Ortus’. Whilst Ortus does have a portfolio of Legacy Assets made up of the venture capital investments made before Aberdeen was appointed as its investment manager in December 2006, followed by Maven in 2009, such Legacy Assets are within the investment policies of both Companies.

The Company’s investment objective is to achieve long term capital appreciation and generate maintainable levels of income for its shareholders.

The Company’s current investment policy is set out in full below. The Company will seek Shareholder approval to change its investment policy at the General Meeting. The proposed change will allow future investments by the Company to be in line with the VCT investment limit in any company in any one year (having previously been restricted to £1 million) and avoid the need to seek further Shareholder approval should the relevant investment limits be further revised. This proposed change to the investment policy is not expected to adversely impact on the risk profile of the Company and/or its investments. For ease,

the words which are underlined and emboldened in the investment policy below are those which are intended to be deleted by the passing of Resolution 3 to be proposed at the General Meeting.

The Company's intends to achieve its investment objective by:

- investing the majority of its funds in a diversified portfolio of shares and securities of smaller, unquoted UK companies and in AIM companies which meet the criteria for VCT qualifying investments with strong growth potential
- investing in line with VCT regulations, **no more than £1 million in any company in one year** and no more than 15% of the total investments by cost in one company at the time of investment
- maintaining a qualifying investment level of at least 70% according to VCT regulations
- borrowing up to 15% of net asset value on a selective basis in pursuit of the investment strategy
- retaining the services of a manager who can provide the breadth and depth of resources to achieve the investment objective.

The Company manages and minimises investment risk by:

- diversifying across a large number of companies
- diversifying across a range of economic sectors
- actively and closely monitoring the progress of investee companies
- seeking to appoint a non-executive director to the board of each private investee company, provided from Maven's investment management team or from its pool of experienced independent directors
- co-investing with other funds run by Maven in larger deals which tend to carry less risk
- not investing in hostile public to private transactions
- retaining the services of a manager who can provide the breadth and depth of resources required to meet the criteria stated above.

### **Co-investment policy and Co-investment Scheme**

The Company intends to continue to co-invest alongside other Maven managed funds whenever appropriate. The decision as to which funds co-invest will be taken on a case by case basis and the suitability of the assets to a particular fund will be taken into account in particular taking account of the VCT qualifying tests. Any co-investment will be made at the same time and on the same terms for all Maven managed funds, and will be fairly allocated by Maven between the funds. The allocation policy will take into account whether the Company or any other Maven managed fund has insufficient available funds to invest and whether a particular investment would result in the Company or any other Maven managed fund having (i) over exposure to any investment sector; or (ii) a requirement for follow-on finance which the relevant fund would be unable to meet for any reason.

If one share class pool invests in a company, the other share class pool will also normally invest an amount *pro rata* to the respective NAVs of the two pools as at the date the NAV was last published, unless the level of liquidity of one pool is less than 10% of net assets, excluding capital gains or revenue dividends expected to be declared or distributed, in which case Maven may determine that the relevant share class pool has insufficient liquidity to make the relevant investment and always bearing in mind the VCT qualifying tests. Where any variation from this co-investment policy is proposed, the Chairman will be consulted and their consent obtained prior to the investment as part of the investment approval process or where such an investment is made other than at the same time and on the same terms, the investment must be approved by those Directors who are independent of the Manager.

The Company has agreed a co-investment arrangement with Maven, whereby Maven employees are able to invest alongside the Company and other Maven managed VCTs. Maven procure that those of its employees participating in the co-invest scheme invest a total of 5% of the amount invested in ordinary shares by the Company and other Maven managed VCTs in each investment made (other than investments in companies quoted on AIM or investments which are structured entirely as ordinary shares in which case the co-investment percentage is 1.5%). The shares held by Maven employees are held through a nominee company controlled by Maven, will be acquired and realised at the same time and on the same terms (in relation to the relevant securities) as shares held by the Company and other

Maven managed VCTs, and all voting and other rights attributable to those shares will be exercised by Maven in parallel with the shares held by the Company and other Maven managed VCTs. The co-investment scheme will continue to operate in respect of the Enlarged Company.

### Net Asset Values and Investment Portfolios

The latest published unaudited NAVs of the Company as at 31 December 2012, were 98.17p per Ordinary Share and 111.64p per S Share. The latest published unaudited NAV of Ortus as at 31 December 2012 was 32.67p per Ortus Share. The table below sets out the unaudited NAVs of both Companies as at 31 December 2012 (adjusted for the Interim Dividends) and provides further detail on the venture capital investments in their portfolios as at that date.

	Class/pool	Net assets (unaudited) (£)	NAV per share (unaudited) (p)	Number of venture capital investments	Carrying value of the venture capital investments (£)
Company	Total	14,522,000	100.69	49	11,250,958
	Ordinary Share	8,738,000	95.42	49	7,027,396
	S Share	5,784,000	109.87	36	4,223,562
Ortus	Total	11,796,000*	32.67*	40	7,787,000
	Legacy Assets	–	–	12	3,662,000
	New Portfolio Assets	–	–	28	4,125,000

\* ignoring the Ortus Special Dividend, which is conditional on the Scheme becoming effective, as referred to above.

Further information relating to the portfolios of the Companies is set out in Part VII of this document.

Both the Company and Ortus have essentially the same overall investment objective and policy of achieving long term capital appreciation and generating maintainable levels of income by building a diversified portfolio of companies across a range of sectors and industries. Although Ortus has a number of Legacy Assets, approximately 53% of its portfolio (as at 31 December 2012) consists of New Portfolio Assets, all of which (as at 31 December 2012) were common with the Ordinary Share pool or the S Share pool.

### Dividend Policy

The dividend policy is to maximise the level of dividends generated either from income or capital profits realised on the sale of investments. In pursuance of this policy, the Board has, in respect of the past three financial years, paid two dividends in respect of each financial year and the Board intends to continue with this policy in respect of the enlarged Ordinary Shares fund following both the proposed Share Consolidation and the merger.

Subject to the performance of the underlying Legacy Assets and the available cash, the Board hopes to continue with the policy of paying two dividends in respect of each financial year in respect of the C Shares pool.

Since launch, the Ordinary Shares fund has paid and/or declared total dividends of 27.30p, whilst the S Ordinary Shares fund has paid and/or declared total dividends of 13.35p.

Dividend payments will also be subject to available cash, portfolio requirements, distributable reserves and applicable law at the relevant time.

### Share Buy-backs

The Board's policy is to purchase shares to help provide liquidity in its shares and to enhance the net asset value for the remaining shareholders. The current discount to which the Ordinary Shares trade in the secondary market is in the region of 10% and the Board intend to continue to monitor and, if possible, retain this discount to net asset value following both the Share Consolidation and merger, so far as market conditions and liquidity permit.

The Board intend to apply the above policy to the C Shares.

### **Enhanced Buyback Facility**

The Company intends to offer its Shareholders the opportunity to participate in an enhanced buyback facility in 2013. An enhanced buyback facility is a loyalty scheme whereby shareholders can sell existing shares and reinvest the proceeds for new shares in the same VCT, on which upfront tax relief may then be available. No new monies are required to participate.

Should such an enhanced buyback facility be offered, participation may not be suitable for some Shareholders, particularly where existing Shares have not been held for the requisite five year holding period to maintain any upfront income tax relief obtained on original subscription or if capital gains tax deferral was obtained on original subscription. Any proposals will be subject to Shareholder approval and compliance with VCT regulations at the time.

### **Investment Management and Administration Arrangements**

Maven is the investment manager of the Company and of Ortus and also provides administration services to both Companies.

In respect of the Company, Maven receives an annual investment management fee of an amount equal to 2.5% of the gross assets of the Company (less adjusted liabilities from the previous quarter end). Maven also receives an annual secretarial fee (which amounted to £91,000 (including VAT) for the year ended 31 December 2012), which is subject to upward movements only in the UK Consumer Prices Index.

The normal annual running costs of the Company (excluding transaction costs and expenses relating to the acquisition and disposal of investments), are capped at 3.5% of the net asset value at the end of the relevant financial period (calculated before the deduction of management and administration expenses in respect of that year or any exceptional items, for example merger costs and performance incentive fees) with any excess being paid by Maven or refunded by a reduction in Maven's management and administration fees.

Maven's appointment is terminable on 24 months' notice, in respect of investment management services, and 12 months' notice, in respect of administration services.

These above arrangements are at Company level and will not be affected by the Share Consolidation. These arrangements will also continue to apply in respect of the Enlarged Company following the merger with Ortus and the issue of New Ordinary Shares pursuant to the Offer.

Subject to certain criteria being met, Maven is entitled to a performance incentive fee in respect of the Ordinary Shares pool for each six month period ended 30 June and 31 December of an amount equal to 20% of any increase in the total return (before applying any performance incentive fee) as at the end of the relevant six month period to the total return (after accruing for the performance incentive fee payable for that period) as at the end of the last six month period on which a performance incentive fee was paid. Total return for these purposes means net asset value, adjusting for dividends and buybacks since the period in which the last performance incentive fee was paid.

There is no performance incentive fee on the S Shares pool. If the Share Consolidation takes effect, the current arrangements over the Ordinary Shares pool will automatically cover the enlarged Ordinary Shares pool. If the Share Consolidation is not approved by Shareholders, the Board intends to recommend the introduction of a performance incentive arrangement in respect of the S Shares pool so that Maven is incentivised in relation to both pools equally.

In respect of the merger with Ortus, the current investment management and administration arrangements over the Ordinary Shares pool will automatically cover the Enlarged Company (i.e. both the Ordinary Shares pool and the C Shares pool). The existing performance incentive fee arrangement over the Ordinary Shares pool will also continue to apply to the enlarged Ordinary Shares pool post-merger. The current arrangements will also automatically cover the New Ordinary Shares issued pursuant to the Offer.

With regard to the C Shares pool, the Board and Maven propose that a new performance incentive fee arrangement be introduced so as to incentivise Maven to realise the maximum value on behalf of the C Shareholders in respect of the Legacy Assets. Pursuant to the proposed arrangement, Maven will be entitled to an amount equal to 2.5% of all realised cash proceeds from the venture capital investments in the C Shares pool (save in respect of new investments made and realised during the life of the C Shares pool), subject to a maximum amount being paid in aggregate of £50,000. The Board believes that this proposed incentive fee arrangement reasonably reflects the improvement Maven has achieved in

relation to the Ortus portfolio (including its Legacy Assets) since its appointment as the investment manager of the fund. Thereafter, the C Shares pool will merge into the Ordinary Shares pool (pursuant to Conversion) and will, therefore, form part of the existing Ordinary Share performance fee arrangement.

### **Annual Running Costs**

The normal annual running costs of the Enlarged Company will continue to be capped at an amount equal to 3.5% of the net asset value at the end of the relevant financial period with any excess being paid by Maven or refunded by a reduction in Maven's management and administration fees. Normal running costs means the annual expenses incurred in the ordinary course of business including investment management and administration fees, directors' remuneration, listing fees and normal fees payable to service providers. It does not include expenses relating to transaction costs and expenses relating to the acquisition and disposal of investments or exceptional items, for example merger costs and performance incentive fees.

### **Custodian**

Investments in unquoted portfolio companies, comprising shares and loan stock, are held by Maven as custodian in the name of the Company. JPMorgan Chase Bank, National Association, London Branch sub-custodian of JPMorgan Chase Bank Association (incorporated and registered in England and Wales on 11 April 1960 with registered number FC004891 and authorised and regulated by the FSA) act as the custodian to the Company's quoted assets and, in that capacity, is responsible for ensuring safe custody and dealing and settlement arrangements.

### **VCT Status Monitoring**

Maven is the Company's VCT status adviser. It carries out reviews of the Company's investment portfolio to ensure compliance and reviews prospective investments to ensure that they are VCT qualifying investments.

The VCT tax implications of the Share Consolidation and the merger have been advised upon by SGH Martineau LLP.

### **Duration of the Company**

The Articles provide for a resolution to be proposed for the continuation of the Company as a VCT at the annual general meeting of the Company in 2014, and at five-yearly intervals thereafter.

### **Investor Communications**

The Board places a great deal of importance on communications with its Shareholders and supports open communication with Shareholders. In addition to the announcement and publication of the annual report and accounts and the half-yearly financial report, the Company also publishes interim management statements as required by the Disclosure and Transparency Rules. Maven also publishes newsletters to Shareholders.

### **Reporting Dates**

Year End	31 December
Announcement and publication of annual report and accounts to Shareholders	March/April
Announcement and publication of half-yearly results	September

### **Valuation Policy**

The Company's unquoted investments are valued at fair value through profit or loss in accordance with the International Private Equity and Venture Capital Valuation Guidelines. These guidelines set out recommendations, intended to represent current best practice on the valuation of venture capital investments. These investments are valued on the basis of forward looking estimates and judgments about the business itself, its market and the environment in which it operates, together with the state of the mergers and acquisitions market, stock market conditions and other factors. In making these judgments the valuation, which is undertaken by Maven, takes into account all known material facts up to the date of approval of the financial statements by the Board.

Investments in quoted or traded on a recognised stock exchange, including AIM, are valued at their bid prices.

The Company's net asset value is calculated at every quarter and published on an appropriate regulatory information service. If for any reason valuations are suspended, Shareholders will be notified in a similar manner.

## PART IV

### THE INVESTMENT MANAGER

Maven Capital Partners UK LLP is authorised and regulated by the Financial Services Authority (495929) and was formed in June 2009 when the senior members of the Private Equity division of Aberdeen Asset Management bought out that business. That team had been solely responsible for VCT activities at Aberdeen since October 2004. The key staff and services provided were unchanged on transfer to Maven, maintaining one of the best resourced teams in the VCT industry, with a wide range of industry and sector knowledge.

In addition to the Company and Ortus, Maven manages a further five venture capital trusts with approximately £280 million under management.

#### **Successful Strategy**

Maven has a proven approach to managing the risk associated with private company investment, while maximising the potential for sustained shareholder returns. Maven employs a number of key strategies aimed at ensuring the highest possible standard of asset selection and aftercare, including:

- a rigorous and structured investment selection process;
- a policy of investing only in mature businesses with substantial revenues and profits;
- the use of private company investment structures which employ a substantial element of secured high-yielding loan notes; and
- active and constant strategy involvement in investee companies post-investment, including a board position.

#### **Award Winning Team**

Maven is a highly respected and award winning private equity manager, with a UK-wide investment and portfolio team offering a broad range of commercial and industry expertise. The ability to generate regular deal flow and select high quality private equity assets is fundamental to Maven's ability to generate enhanced VCT returns for shareholders, and has been recognised with a range of recent awards and nominations including:

- UK Small Buyout House of the Year – ACQ Global Awards 2012
- VCT Exit of the Year – the unquote British Private Equity Awards 2012
- Three regional winners - BVCA Management Team Awards 2012
- Venture Capital Team and Technology Deal of the Year - North West Insider Awards 2012
- Nomination for VCT of the Year – Investor Allstars Awards 2012
- Two nominations for VCT of the Year – Investment Company of the Year Awards 2012
- Shortlisted for VCT House of the Year – the unquote British Private Equity Awards 2012

#### **Proven Track Record**

Maven is one of the most active private equity managers in the UK having completed over 30 private company transactions in the past six years. Maven has also established one of the strongest and most consistent records for profitable exits amongst the leading VCT managers, achieving 15 exits across its range of client funds since 2006 where the sale multiple has been between 1.5x and 4.1x return on cost.

In 2012, the Maven investment team made five successful realisations for VCT shareholders, through trade sales to US, German and South African buyers as well as secondary market sales to other private equity houses. This is a testament to Maven's ability to source, execute and manage private equity investments which will ultimately be of interest to a wide range of acquirers in the UK and overseas markets.

Past performance of Maven is no indication of future performance and the value of investments (and returns achieved) can go up as well as down.

## **Nationwide Coverage**

Maven has one of the best resourced private equity teams in the UK, with 18 investment and portfolio executives managing investments from offices in Aberdeen, Birmingham, Edinburgh, Glasgow, London and Manchester. The regional deal teams are introduced to a large number of potential investments every year, via an extensive network of corporate finance contacts, and are ideally placed to identify and develop profitable disposal opportunities from both trade and secondary private equity buyers.

A good example of Maven's multi-sector expertise and national infrastructure is in the energy services sector, where it enjoys a strong presence in North East Scotland. This buoyant sector continues to attract many entrepreneurial companies and Maven is consistently able to source high quality investments ahead of other private equity fund managers. The Aberdeen-based Maven team had lead 10 energy services related transactions since 2009, and achieved four profitable realisations for client funds which have generated sale multiples ranging from 1.7x to 3.3x cost.

## **Management Team**

Maven has a team of around 35 experienced professionals working on behalf of VCT investors. Maven's investment and portfolio executives are responsible for sourcing, executing and managing a wide range of high quality private company investments from a network of regional offices, supported by a Glasgow based operation providing company secretarial and fund administration services.

The following are specifically responsible for the management and administration of the VCTs managed by Maven, including the Company:

### **Bill Nixon, Managing Partner**

Bill is based in Maven's Glasgow and London offices. At Aberdeen he was Head of Growth Capital and principal fund manager of all Aberdeen-managed VCTs, responsible for the UK investment team. Formerly head of the private equity team at National Australia Bank, and Head of Private Equity at Clydesdale Bank PLC, Bill has almost 30 years in the finance sector and is one of the most experienced smaller company private equity practitioners in the UK.

Bill is a Fellow of the Chartered Institute of Bankers in Scotland, and has an MBA from Strathclyde University.

### **Andrew Craig, Partner**

Andrew is responsible for new investments in central Scotland and the north of England. He joined Aberdeen in 2004, having previously been with Bank of Scotland Corporate Banking in Edinburgh where he was an Associate Director of Integrated Finance working primarily on UK mid-market buy-outs. Prior to joining Bank of Scotland in 1999 he worked in Business and Corporate Banking at Clydesdale Bank for 10 years.

Andrew is a Member of the Chartered Institute of Bankers in Scotland.

### **Jock Gardiner, Partner**

Jock is based in Aberdeen and leads the team responsible for Maven's investments in the North and East of Scotland, as well as energy sector investments across the UK. He joined Aberdeen in 1996, before moving into the Private Equity division in 1998. Previously, Jock was a manager in the Audit and Corporate Finance departments of KPMG whom he joined in 1988.

Jock has BSc (Hons) from Aberdeen University, and qualified as a Chartered Accountant while with KPMG.

### **Stella Panu, Partner**

Stella is based in London and is responsible for new unlisted investments as well as Maven's AiM portfolio. She joined Aberdeen in 2005, following three years as a corporate finance executive at London broker Seymour Pierce, where she advised companies listing on AiM and managed a VCT. She has also worked for PricewaterhouseCoopers, the World Bank and the Raiffeisen Investment Fund.

Stella has a degree in Economics and an MA in Applied Economics, and is a Fellow of the Securities Institute.

**Andrew Ferguson, Partner**

Andrew is based in Maven's Birmingham and London offices and is responsible for new investments in the Midlands and Southern England. He joined Aberdeen in 2003, having previously had co-responsibility for the European operations of Freedom International Inc, a Canadian investment company. Prior to that, Andrew worked for CIBC in their Investment Bank, structuring debt and derivative packages to fund their European investment portfolio.

Andrew has an MBA, which focused on corporate recovery strategies.

**Bill Kennedy, Partner**

Bill is Head of Finance at Maven, and has responsibility for the fund administration, accounting and company secretariat functions. He joined Aberdeen in 2004 from State Street Bank & Trust Company, where as Head of Collective Fund Services he provided outsourced fund administration, tax and accounting services to a range of clients and funds. Prior to this, he was responsible for fund administration and accounting at Murray Johnstone.

Bill has a BA in Accountancy, and qualified as a Chartered Accountant whilst with Arram Berlyn Gardner in London.

## PART V

### FINANCIAL INFORMATION ON THE COMPANY AND ORTUS

Audited financial information on the Company is published in the annual reports for the three years ended 31 December 2009, 2010 and 2011 and the half-yearly reports for the six month periods ended 30 June 2011 and 2012.

Audited financial information on Ortus is published in the annual reports for the three years ended 28 February 2010 and 2011 and 29 February 2012 and the half-yearly reports for the six month periods ended 31 August 2011 and 2012.

The annual reports for the Company for the years ended 31 December 2009, 2010 and 2011 were audited by Deloitte LLP of 9 George Square, Glasgow G2 1QQ (a member of the Institute of Chartered Accountants) and were reported on without qualification and contained no statements under Section 495 to Section 497A of CA 2006.

The annual reports for Ortus for the years ended 28 February 2010 and 2011 and 29 February 2012 were audited by Deloitte LLP of 9 George Square, Glasgow G2 1QQ (a member of the Institute of Chartered Accountants) and were reported on without qualification and contained no statements under Section 495 to Section 497A of CA 2006.

All of the annual reports referred to above were prepared in accordance with UK generally accepted accounting practice (GAAP), the requirements of CA 2006 and the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts'.

It should be noted that the Company is not proposing to acquire Ortus itself, rather, all of the assets and liabilities of Ortus will be transferred to the Company once Ortus has been placed in members' voluntary liquidation.

The annual reports and half-yearly reports contain a description of the relevant company's financial condition, changes in financial condition and results of operation for each relevant financial year. The annual reports are incorporated by reference (which contain the information as detailed below) and can be accessed at the following website:

[www.mavencp.com/venture-capital-trusts.aspx](http://www.mavencp.com/venture-capital-trusts.aspx)

and are also available for inspection through the national storage mechanism, which can be accessed at the following website:

[www.morningstar.co.uk/uk/NSM](http://www.morningstar.co.uk/uk/NSM)

Where these annual reports and half-yearly reports make reference to other documents, such other documents are not incorporated into and do not form part of this Prospectus. Those parts of the annual reports and half-yearly reports which are not being incorporated into this document by reference are either not relevant for investors or are covered elsewhere in this Prospectus.

#### The Company

<i>Description</i>	<i>2009 Annual Report</i>	<i>2010 Annual Report</i>	<i>2011 Annual Report</i>	<i>2011 Half-Yearly Report</i>	<i>2012 Half-Yearly Report</i>
Balance Sheet	Page 38	Page 37	Page 38	Page 19	Page 18
Income Statement (or equivalent)	Page 36	Page 35	Page 36	Page 17	Page 16
Statement showing all changes in equity (or equivalent note)	Page 12	Page 13	Page 14	Page 12	Page 12
Cash Flow Statement	Page 39	Page 38	Page 39	Page 20	Page 19
Accounting Policies and Notes	Pages 40 to 54	Pages 39 to 53	Pages 40 to 54	Pages 21 to 22	Pages 20 to 21
Auditor's Report	Page 34	Page 33	Page 34	Page n/a	Page n/a

This information has been prepared in a form consistent with that which will be adopted in the Company's next published annual financial statements having regard to accounting standards and policies and legislation applicable to those financial statements.

The annual and half-yearly reports also include operating/financial reviews as follows:

<b>Description</b>	<b>2009 Annual Report</b>	<b>2010 Annual Report</b>	<b>2011 Annual Report</b>	<b>2011 Half-Yearly Report</b>	<b>2012 Half-Yearly Report</b>
Objectives	Page 19	Pages 20 to 21	Pages 21 to 22	Page n/a	Page n/a
Financial Highlights	Pages 3 to 4	Pages 3 to 4			
Chairman's Statement	Pages 5 to 6	Pages 5 to 6	Pages 5 to 7	Page n/a	Page n/a
Manager's Report	Pages 9 to 11	Pages 9 to 12	Pages 10 to 13	Pages 5 to 9	Pages 5 to 8
Portfolio Summary	Pages 13 to 14	Pages 14 to 15	Pages 13 to 16	Pages 14 to 15	Pages 13 to 14
Investment Policy	Page 19	Pages 20 to 21	Pages 21 to 22	Page n/a	Page n/a
Valuation Policy	Pages 40 to 41	Pages 39 to 40	Pages 40 to 41	Page n/a	Page n/a

#### **Ortus**

<b>Description</b>	<b>2010 Annual Report</b>	<b>2011 Annual Report</b>	<b>2012 Annual Report</b>	<b>2011 Half-Yearly Report</b>	<b>2012 Half-Yearly Report</b>
Balance Sheet	Page 33	Page 34	Page 34	Page 14	Page 16
Income Statement (or equivalent)	Page 32	Page 33	Page 33	Page 12	Page 14
Statement showing all changes in equity (or equivalent note)	Page 10	Page 12	Page 11	Page 8	Page 10
Cash Flow Statement	Page 34	Page 35	Page 35	Page 15	Page 17
Accounting Policies and Notes	Pages 35 to 45	Pages 36 to 45	Pages 36 to 46	Page 16	Page 18
Auditor's Report	Page 30	Page 31	Page 31	Page n/a	Page n/a

This information in the annual reports has been prepared in a form consistent with that which will be adopted in Ortus next published annual financial statements (if the merger is not effected) having regard to accounting standards and policies and legislation applicable to those financial statements.

The annual and half-yearly reports also include operating/financial reviews as follows:

<b>Description</b>	<b>2010 Annual Report</b>	<b>2011 Annual Report</b>	<b>2012 Annual Report</b>	<b>2011 Half-Yearly Report</b>	<b>2012 Half-Yearly Report</b>
Objectives	Page 17	Page 19	Page 19	Page n/a	Page n/a
Financial Highlights	Page 3	Page 3	Page 3	Page 2	Page 2
Chairman's Statement	Pages 4 to 5	Pages 4 to 6	Pages 4 to 5	Page n/a	Page 3
Manager's Report	Pages 7 to 8	Pages 8 to 11	Pages 7 to 10	Pages 4 to 7	Pages 4 to 7
Portfolio Summary	Pages 11 to 12	Pages 13 to 14	Pages 13 to 14	Pages 9 to 10	Pages 11 to 12
Investment Policy	Page 17	Page 19	Page 19	Page n/a	Page n/a
Valuation Policy	Pages 35 to 36	Pages 36 to 37	Pages 36 to 37	Page n/a	Page n/a

## PART VI

### PRO FORMA FINANCIAL INFORMATION

#### ACCOUNTANT'S REPORT ON THE PRO FORMA FINANCIAL INFORMATION

The Directors and Proposed Director  
Maven Income and Growth VCT 4 PLC  
Kintyre House  
205 West George Street  
Glasgow  
G2 2LW

1 March 2013

Dear Sirs

#### **Maven Income and Growth VCT 4 PLC (“the Company”)**

We report on the pro forma financial information (“the pro forma financial information”) set out in Part VI of the prospectus dated 1 March 2013 (“Prospectus”), which has been prepared on the basis described, for illustrative purposes only, to provide information about how the Scheme and the Offer (each as defined in the Prospectus) might have affected the financial information presented on the basis of the accounting policies adopted by the Company in preparing the financial statements for the six month period ended 30 June 2012. This report is required by paragraph 20.2 of Annex I of the Commission Regulation (EC) 809/2004 and is given for the purpose of complying with that item and for no other purpose.

Save for any responsibility arising under Prospectus Rule 5.5.3R(2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with paragraph 23.1 of Annex I to the Commission Regulation (EC) 809/2004, consenting to its inclusion in the Prospectus.

#### **Responsibilities**

It is the responsibility of the directors of the Company to prepare the pro forma financial information in accordance with item 20.2 of Annex I of the Commission Regulation (EC) 809/2004.

It is our responsibility to form an opinion, as required by item 7 of Annex II of the Prospectus Directive Regulation, as to the proper compilation of the pro forma financial information and to report that opinion to you.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the pro forma financial information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

#### **Basis of opinion**

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the pro forma financial information with the directors of the Company.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the pro forma financial information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

**Opinion**

In our opinion:

- the pro forma financial information has been properly compiled on the basis stated; and
- such basis is consistent with the accounting policies of the Company.

**Declaration**

For the purposes of Prospectus Rule 5.5.3R(2)(f) we are responsible for this report as part of the Prospectus and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with paragraph 1.2 of Annex I of the Commission Regulation (EC) 809/2004.

Yours faithfully

**Scott-Moncrieff**

## PRO FORMA FINANCIAL INFORMATION

The following pro forma financial information of the Company has been prepared for illustrative purposes only, to show the impact of the Scheme and the Offer on the Company's unaudited net assets as at 30 June 2012 on the basis that the Scheme and the acquisition of the investment portfolio and all of the other assets and liabilities of Ortus by the Company, as well as the Offer, had been completed on that date. This pro forma financial information has been prepared in a manner consistent with the accounting policies of the Company and Ortus as adopted in their last published accounts.

The pro forma financial information has been prepared for illustrative purposes only and, because of its nature, addresses a hypothetical situation and, therefore, does not represent the Company's actual financial position or results:

	Adjustments					
Company (£'000) (Note 1)	Acquisition of the assets and liabilities of Ortus (£'000) (Note 2)	Expenses of the MIG 4 Share Consolidation, the Scheme, the Interim Dividends and the Ortus Special Dividend (£'000) (Note 3)	Offer (£,000) (Note 4)	Enlarged Company pro forma (£'000) (Note 5)		
Investments (at fair value)	13,049	11,087			24,136	
Debtors	400	725		1,125		
Other current assets	–	–		–		
Cash at bank and in hand	1,639	334		5,000	6,973	
Creditors: amounts falling due within one year	(137)	(87)	(1,406)	(175)	(1,805)	
Net current assets	1,902	972	(1,406)	4,825	6,293	
Net assets	14,951	12,059	(1,406)	4,825	30,429	

### Notes:

1. The financial information on the Company has been extracted without material adjustment from the Company's unaudited Half-Yearly Report for the six month period ended 30 June 2012 as incorporated into this Prospectus in Part V of this document.
2. The acquired assets and liabilities of Ortus are the assets and liabilities of Ortus as extracted without material adjustment from the Ortus Half-Yearly Report for six month period ended 31 August 2012 as incorporated into this Prospectus in Part V of this document.
3. The merger is conditional on MIG 4 having first undertaken its Share Consolidation. The total costs of the Share Consolidation are approximately £57,000 and will be borne solely by MIG 4. Total costs of approximately £281,000 (inclusive of VAT) are expected to be incurred in relation to the Scheme and will be split proportionately between the Company and Ortus by reference to their respective merger net assets (ignoring merger costs). Ortus will split its proportion of the merger costs proportionately between the Ortus Legacy Pool and Ortus Non-Legacy Pool (ignoring merger costs). The Board have declared the Interim Dividends of 2.75p per Ordinary Share and 1.75p per S Share, which will equate to £252,000 and £93,000 respectively based on the issued share capital as at 28 February 2013 (the latest practicable date prior to the publication of this document). If the merger is completed, the Company will pay, from the cash received from Ortus as part of the merger, the Ortus Special Dividend of 2p per Ortus Share, which will equate to £723,000 in aggregate based on the issued share capital of Ortus as at 28 February 2013 (the latest practicable date prior to the publication of this document).
4. The gross proceeds (assuming full subscription) expected to be raised under the Offer is £5 million. On the same basis, the costs of the Offer are expected to be a maximum of £175,000, with the net proceeds being £4,825,000.
5. Save in respect of the Share Consolidation, the Interim Dividends, the Ortus Special Dividend and the costs associated with the Scheme, the pro forma statement of net assets of the Company does not take account of any transactions of the Company or Ortus or other changes in the value of the assets and liabilities of the Company and Ortus since 30 June 2012 and 31 August 2012, respectively.
6. The Scheme and the Offer are expected to have an earning enhancing impact on the earnings of the Company had they occurred on 1 July 2012.

## PART VII

### INVESTMENT PORTFOLIOS AND THE PRINCIPAL INVESTMENTS OF THE COMPANY AND ORTUS

The following information represents all the investments of the Company and Ortus as at the date of this document.

The unaudited valuations set out in this Part VII are as at 31 December 2012, this being the most recent valuations by the Companies.

In respect of the information on investee companies' sales, profits and losses and net assets, these have been taken from the financial year end accounts published by those investee companies as referred to in this Part VII. The information on the investee companies is, for the purpose of this paragraph, "Third Party Information". The Third Party Information has been accurately reproduced and, as far as the Company is aware and is able to ascertain from information published by those third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Investments	Company's		Ortus'	
	Value (£'000s)	%	Value (£'000s)	%
<b>Unquoted investments</b>				
Espresso Group Limited	–	–	1,500	12.7
Torridon Capital Limited	1,098	7.3	502	4.3
Higher Nature Limited	–	–	1,000	8.5
Maven Co-invest Exodus Limited Partnership (trading as 6° Group)	801	5.4	282	2.3
Lawrence Recycling & Waste Management Limited	514	3.4	208	1.8
Westway Services Holdings (2010) Limited	520	3.5	173	1.5
Venmar Limited (trading as XPD8 Solutions Limited)	400	2.7	250	2.1
Vodat International Holdings Limited	443	3.0	149	1.3
Homelux Nenplas Limited	627	4.2	–	–
Lemac No. 1 Limited (trading as John McGavigan Limited)	368	2.5	164	1.4
TC Communications Holdings Limited	216	1.4	298	2.5
Networks by Wireless Limited	–	–	450	3.8
Attraction World Holdings Limited	371	2.5	159	1.3
Camwatch Limited	555	3.7	–	–
Cat Tech International Limited	348	2.3	149	1.3
Flexlife Group Limited	333	2.2	149	1.3
Intercede (Scotland) 1 Limited	287	1.9	169	1.4
Airth Capital Limited	300	2.0	150	1.3
Burray Capital Limited	300	2.0	150	1.3
CHS Engineering Services Limited	313	2.1	134	1.1
LCL Hose Limited	248	1.7	149	1.3
Grangeford (FC100) Limited	200	1.3	200	1.7
Tosca Penta Investments Limited Partnership (trading as esure)	247	1.7	141	1.2
Glacier Energy Services Holdings Limited	271	1.8	123	1.0
Atlantic Foods Group Limited	330	2.2	72	0.6
Adler & Allan Holdings Limited	390	2.6	–	–
Lab M Holdings Limited	–	–	292	2.5
Moriond Limited	210	1.4	79	0.7
Steminic Limited	321	2.1	–	–
Trojan Capital Limited	320	2.1	–	–
Training for Travel Group Limited	130	0.9	81	0.7
Claven Holdings Limited	102	0.7	48	0.4
Martel Instruments Holdings Limited	190	1.3	–	–
Space Student Living Limited	54	0.4	19	0.2

Investments	Company's		Ortus'	
	Value (£'000s)	%	Value (£'000s)	%
<b>Unquoted investments</b>				
Enpure Holdings Limited	49	0.3	–	–
Box Holdco	3	0.1	2	0.0
Dalglen (No. 1148) Limited	0	0.0	0	0.0
ID Support Services Group Limited	0	0.0	–	–
Buildstore Limited	0	0.0	–	–
Riverdale Publishing Limited	0	0.0	–	–
Churchyard Limited	–	–	0	0.0
New Concept	–	–	0	0.0
Serrastone	–	–	0	0.0
Steribottle Global Limited	–	–	0	0.0
<b>Quoted investments</b>				
Vectura Group PLC	–	–	263	2.2
Chime Communications PLC	123	0.8	122	1.0
Plastics Capital PLC	166	1.1	–	–
OMG PLC	–	–	75	0.6
Deltex Medical Group PLC	–	–	52	0.4
Angle PLC	–	–	30	0.3
Datong PLC	44	0.3	–	–
Hasgrove PLC	22	0.1	–	–
Brookwell Limited	14	0.1	–	–
Work Group PLC	11	0.1	–	–
Marwyn Management Partners PLC	6	0.0	3	0.0
Conduco Ronaldsway Private Equity	5	0.0	–	–
Software Radio Technology PLC	2	0.0	–	–
AMZ Holdings PLC	0	0.0	–	–
Managed Support Services PLC	0	0.0	–	–
Hambledon PLC	0	0.0	–	–
Axeon PLC	0	0.0	–	–
<b>Other</b>				
Treasury Bills	1,998	13.4	3,397	28.8
<b>Total fixed asset investments</b>				
Current assets	365	2.5	110	0.9
Cash at bank	1,332	8.9	502	4.3
<b>Gross assets</b>	<b>14,947</b>	<b>100</b>	<b>11,796</b>	<b>100</b>

## Largest investments of the Company and Ortus

Set out below are further details of the largest fixed asset investments of the Company and Ortus representing more than 50% of the gross assets of each of the Company and Ortus (including investments representing 5% of each of the gross assets of the Company and Ortus) as at the date of this document.

					<b>Accounts for the year ended 31 July 2012* £'000</b>
<b>Espresso Group Limited</b>					
Espresso develops and delivers educational resources to English primary schools via broadband. The company is based in Hammersmith, London, but also operates in Sweden and the United States of America.					
Loss before tax					(638)
Retained loss					(1,347)
Net assets					5,008
		<b>Equity percentage (%)</b>	<b>Accounting cost (£'000)</b>	<b>Valuation (£'000)</b>	<b>Percentage of gross assets (%)</b>
<b>Holding</b>					
Company	Equity	–	–	–	–
	Loan stock	–	–	–	–
Ortus	Equity	7.2	461	1,500	12.7
	Loan stock	–	–	–	–

\* These are taken from the consolidated accounts of Espresso Group Limited, Espresso Education Limited, Education Media Delivery Limited and Espresso Education Inc.

					<b>Accounts for the year ended 31 March 2011 £'000</b>
<b>Torridon Capital Limited</b>					
Torridon is a national supplier of financial and legal insurance products and litigation services. The company is based in Grantham, Lincolnshire.					
Profit before tax					2,939
Retained profit					2,072
Net assets					4,559
		<b>Equity percentage (%)</b>	<b>Accounting cost (£'000)</b>	<b>Valuation (£'000)</b>	<b>Percentage of gross assets (%)</b>
<b>Holding</b>					
Company	Equity	2.5	–	712	4.7
	Loan stock	–	351	386	2.6
Ortus	Equity	1.2	–	325	2.8
	Loan stock	–	161	177	1.5

					<b>Accounts for the year ended 31 March 2012 £'000</b>
<b>Higher Nature Limited</b>					
Higher Nature Limited develops and markets a range of natural health foods and homeopathic medicines by mail order and ecommerce. The company is based in East Sussex.					
Loss before tax					(77)
Retained loss					(73)
Net assets					4,116
		<b>Equity percentage (%)</b>	<b>Accounting cost (£'000)</b>	<b>Valuation (£'000)</b>	<b>Percentage of gross assets (%)</b>
<b>Holding</b>					
Company	Equity	–	–	–	–
	Loan stock	–	–	–	–
Ortus	Equity	11.2	500	1,000	8.5
	Loan stock	–	–	–	–

**Maven Co-invest Exodus Limited Partnership** (trading as 6° Group)

Maven Co-invest Exodus Limited Partnership is a syndicate which is funding a buy & build in the B2B communications and data hosting sectors. The company is located in Glasgow.

Profit before tax	Maven Co-invest Exodus Limited
Retained profit	Partnership has not filed
Net assets	accounts since incorporation

	<b>Holding</b>	<b>Equity percentage (%)</b>	<b>Accounting cost (£'000)</b>	<b>Valuation (£'000)</b>	<b>Percentage of gross assets (%)</b>
Company	Equity	–	614	801	5.4
	Loan stock	–	–	–	–
Ortus	Equity	–	164	282	2.3
	Loan stock	–	–	–	–

**Lawrence Recycling and Waste Management Limited**

Lawrence Recycling & Waste Management operates a waste recycling facility and commercial waste collection services. The company is based in Worcestershire.

**Accounts for the year ended 31 December 2011**

	<b>£'000</b>
Profit before tax*	–
Retained profit*	–
Net assets	450

	<b>Holding</b>	<b>Equity percentage (%)</b>	<b>Accounting cost (£'000)</b>	<b>Valuation (£'000)</b>	<b>Percentage of gross assets (%)</b>
Company	Equity	6.0	49	49	0.3
	Loan stock	–	465	465	3.1
Ortus	Equity	2.4	20	20	0.2
	Loan stock	–	188	188	1.6

\* the company only produces abridged accounts as permitted by CA 2006

**Westway Services Limited**

Westway provides design, installation and maintenance services on air-conditioning and associated building services plant. The company is based in Middlesex.

**Accounts for the year ended 28 February 2011**  
**£'000**

Profit before tax	4,224
Retained profit	3,129
Net assets	7,724

	<b>Holding</b>	<b>Equity percentage (%)</b>	<b>Accounting cost (£'000)</b>	<b>Valuation (£'000)</b>	<b>Percentage of gross assets (%)</b>
Company	Equity	2.5	30	227	1.5
	Loan stock	–	195	293	2.0
Ortus	Equity	0.8	10	76	0.7
	Loan stock	–	65	97	0.8

<b>Venmar Limited</b> (trading as XPD8 Solutions Limited)				<b>Accounts for the year ended 31 December 2011* £'000</b>	
Venmar Limited is the holding company for energy service business, XPD8 Solutions Limited. XPD8 provides asset management maintenance solutions using bespoke software and skilled engineers to the Oil & Gas and Shipping industries. The company is headquartered in Aberdeen although operates globally.					
Loss before tax				(859)	
Retained loss				(856)	
Net liabilities				(379)	
		<b>Equity percentage (%)</b>	<b>Accounting cost (£'000)</b>	<b>Valuation (£'000)</b>	<b>Percentage of gross assets (%)</b>
<b>Holding</b>					
Company	Equity	3.6	43	43	0.3
	Loan stock	–	357	357	2.4
Ortus	Equity	2.4	27	27	0.2
	Loan stock	–	223	223	1.9

\* These are taken from the consolidated accounts of Venmar Limited and Subvenmar Limited, a wholly owned subsidiary of Venmar Limited

<b>Vodat International Holdings Limited</b>				<b>Accounts for the year ended 31 March 2012 £'000</b>	
Vodat provides managed network and communications solutions to business customers, with a particular focus on the UK retail sector in which it has a leading market presence. The company is based in Cheshire.					
Profit before tax				149	
Retained profit				227	
Net assets				594	
		<b>Equity percentage (%)</b>	<b>Accounting cost (£'000)</b>	<b>Valuation (£'000)</b>	<b>Percentage of gross assets (%)</b>
<b>Holding</b>					
Company	Equity	5.1	132	132	0.9
	Loan stock	–	311	311	2.1
Ortus	Equity	1.7	44	44	0.4
	Loan stock	–	105	105	0.9

<b>Homelux Nenplas Limited</b>				<b>Accounts for the year ended 31 May 2011 £'000</b>	
Homelux Nenplas Limited is a manufacturer of render beading, tile trims and other wet room furnishing accessories. Its products are distributed through major DIY retail outlets and trade product distributors. The company is based in Ashbourne, Derbyshire.					
Profit before tax				1,881	
Retained profit				1,556	
Net assets				5,061	
		<b>Equity percentage (%)</b>	<b>Accounting cost (£'000)</b>	<b>Valuation (£'000)</b>	<b>Percentage of gross assets (%)</b>
<b>Holding</b>					
Company	Equity	3.0	20	473	3.2
	Loan stock	–	129	154	1.0
Ortus	Equity	–	–	–	–
	Loan stock	–	–	–	–

<b>Lemac No. 1 Limited</b> (trading as John McGavigan Limited ("JML"))				<b>Accounts for the year ended 31 December 2011* £'000</b>	
Lemac No. 1 Limited is the holding company of JML. JML is the trading entity of the group which designs, manufactures and supplies automotive appliques and decorative assemblies for Tier 1 automotive manufacturers. Products include printed dials, heater controls, radio panels and switch assemblies. JML is based in Bishopton, Glasgow.					
Loss before tax				(492)	
Retained loss				(476)	
Net assets				684	
	<b>Holding</b>	<b>Equity percentage (%)</b>	<b>Accounting cost (£'000)</b>	<b>Valuation (£'000)</b>	<b>Percentage of gross assets (%)</b>
Company	Equity	6.3	47	47	0.3
	Loan stock	–	321	321	2.2
Ortus	Equity	2.8	21	21	0.2
	Loan stock	–	143	143	1.2

\* These are taken from the consolidated accounts of Lemac No. 1 Limited

<b>TC Communications Holdings Limited</b>				<b>Accounts for the year ended 31 December 2011 £'000</b>	
TC Communications is a marketing and communications services agency. The company is based in Ascot, Berkshire.					
Loss before tax				(1,444)	
Retained loss				(1,449)	
Net liabilities				(1,265)	
	<b>Holding</b>	<b>Equity percentage (%)</b>	<b>Accounting cost (£'000)</b>	<b>Valuation (£'000)</b>	<b>Percentage of gross assets (%)</b>
Company	Equity	4.56	43	0	0.0
	Loan stock	–	388	216	1.4
Ortus	Equity	3.51	33	0	0.0
	Loan stock	–	298	298	2.5

<b>Networks by Wireless Limited</b>				<b>Accounts for the year ended 30 June 2011 £'000</b>	
Networks by Wireless Ltd specialises in the design, installation and maintenance of fixed and mobile wireless network infrastructure. The company is based in Sheffield.					
Loss before tax				(650)	
Retained loss				(640)	
Net assets				580	
	<b>Holding</b>	<b>Equity percentage (%)</b>	<b>Accounting cost (£'000)</b>	<b>Valuation (£'000)</b>	<b>Percentage of gross assets (%)</b>
Company	Equity	–	–	–	–
	Loan stock	–	–	–	–
Ortus	Equity	28.3	4	4	0.00
	Loan stock	–	596	446	3.8

**Attraction World Holdings Limited**

Attraction World is a provider of theme park tickets to the travel industry via an IT infrastructure that seamlessly connects the tour operators booking system with that of the major theme parks around the world. The company is based in Birmingham.

**Accounts for  
the year ended  
31 October 2011  
£'000**

Profit before tax	333
Retained profit	322
Net assets	952

	<b>Holding</b>	<b>Equity percentage (%)</b>	<b>Accounting cost (£'000)</b>	<b>Valuation (£'000)</b>	<b>Percentage of gross assets (%)</b>
Company	Equity	4.3	35	216	1.5
	Loan stock	–	130	155	1.0
Ortus	Equity	1.9	15	92	0.7
	Loan stock	–	55	67	0.6

**Camwatch Limited**

Camwatch provides CCTV installation and remote security monitoring services to a variety of businesses with a particular focus on the utilities construction and high net worth residential markets. The company is based in Oldham.

**Accounts for  
the year Ended  
31 March 2011  
£'000**

Loss before tax	(1,058)
Retained loss	(1,140)
Net liabilities	(1,958)

	<b>Holding</b>	<b>Equity percentage (%)</b>	<b>Accounting cost (£'000)</b>	<b>Valuation (£'000)</b>	<b>Percentage of gross assets (%)</b>
Company	Equity	4.6	92	0.00	0.0
	Loan stock	–	777	555	3.7
Ortus	Equity	–	–	–	–
	Loan stock	–	–	–	–

**Cat Tech International Limited**

Cat Tech International Limited is a specialist industrial services business focusing on the extraction and replacement of catalysts at oil refineries and petro-chemical plants. The company is based in Scunthorpe.

Profit before tax	Cat Tech International Limited
Retained profit	has not filed accounts
Net assets	since incorporation

	<b>Holding</b>	<b>Equity percentage (%)</b>	<b>Accounting cost (£'000)</b>	<b>Valuation (£'000)</b>	<b>Percentage of gross assets (%)</b>
Company	Equity	3.33	103	103	0.7
	Loan stock	–	245	245	1.6
Ortus	Equity	1.43	44	44	0.4
	Loan stock	–	105	105	0.9

<b>Flexlife Group Limited</b>				<b>Accounts for the year ended 31 March 2012</b>	
Flexlife provides subsea flexible pipe project management and integrity management solutions to the oil & gas industry. The company is based in Aberdeen.				<b>£'000</b>	
Loss before tax				(1,860)	
Retained loss				(1,836)	
Net assets				5,546	
	<b>Holding</b>	<b>Equity percentage (%)</b>	<b>Accounting cost (£'000)</b>	<b>Valuation (£'000)</b>	<b>Percentage of gross assets (%)</b>
Company	Equity	1.33	35	35	0.2
	Loan stock	–	298	298	2.0
Ortus	Equity	0.6	16	16	0.2
	Loan stock	–	133	133	1.1

<b>Intercede (Scotland) 1 Limited</b>				<b>Accounts for the year ended 31 March 2012</b>	
Intercede (Scotland) 1 Limited is the holding company for energy service businesses, Electro Flow Controls Limited and Celeris Limited. Electro Flow provides a wide range of control, monitoring and instrumentation systems to the global oil rig markets. Celeris provides mechanical handling solutions to the global oil and gas market. The company is headquartered in Aberdeen although operate globally.				<b>£'000</b>	
Profit before tax				41	
Retained loss				(11)	
Net liabilities				(660)	
	<b>Holding</b>	<b>Equity percentage (%)</b>	<b>Accounting cost (£'000)</b>	<b>Valuation (£'000)</b>	<b>Percentage of gross assets (%)</b>
Company	Equity	1.84	18	80	0.5
	Loan stock	–	151	207	1.4
Ortus	Equity	1.08	10	46	0.4
	Loan stock	–	89	123	1.0

<b>Airth Capital Limited</b>					
Airth Capital Limited is set up to invest in UK food services businesses. The company is based in Glasgow.					
Profit before tax				Airth Capital Limited	
Retained profit				has not filed accounts	
Net assets				since incorporation	
	<b>Holding</b>	<b>Equity percentage (%)</b>	<b>Accounting cost (£'000)</b>	<b>Valuation (£'000)</b>	<b>Percentage of gross assets (%)</b>
Company	Equity	12.2	90	90	0.6
	Loan stock	–	210	210	1.4
Ortus	Equity	6.1	45	45	0.4
	Loan stock	–	105	105	0.9

**Grangeford (FC100) Limited**

Grangeford (FC100) Limited acquires and manages UK grounds rent. The company is based in Edinburgh.

Profit before tax  
Retained profit  
Net assets

Grangeford (FC100) Limited  
has not filed accounts  
since incorporation

	<b>Holding</b>	<b>Equity percentage (%)</b>	<b>Accounting cost (£'000)</b>	<b>Valuation (£'000)</b>	<b>Percentage of gross assets (%)</b>
Company	Equity	–	–	–	–
	Loan stock	–	200	200	1.3
Ortus	Equity	–	–	–	–
	Loan stock	–	200	200	1.7

**Atlantic Foods Group Limited**

Atlantic Foods Group is a value-added supplier of chicken products, sauces etc to the catering sector. The company is based in Egham, Surrey.

Profit before tax  
Retained profit  
Net assets

**Accounts for  
the year ended  
30 September 2011**  
£'000  
1,242  
627  
4,650

	<b>Holding</b>	<b>Equity percentage (%)</b>	<b>Accounting cost (£'000)</b>	<b>Valuation (£'000)</b>	<b>Percentage of gross assets (%)</b>
Company	Equity	1.11	25	80	0.5
	Loan stock	–	230	250	1.7
Ortus	Equity	–	–	–	–
	Loan stock	–	72	72	0.6

**Adler & Allan Holdings Limited**

Adler & Allan is a leading environmental services business, specialising in the handling, transport, clean-up and disposal of oil based waste. The business is particularly noted for its skills in emergency spill response situations, having been heavily involved in the clean-up exercise in the aftermath of the Buncefield explosion in December 2005. The company is based in over 20 locations in the United Kingdom with its head office based in Harrogate, North Yorkshire.

Profit before tax  
Retained loss  
Net liabilities

**Accounts for  
the year ended  
30 September 2011**  
£'000  
175  
(424)  
(3,620)

	<b>Holding</b>	<b>Equity percentage (%)</b>	<b>Accounting cost (£'000)</b>	<b>Valuation (£'000)</b>	<b>Percentage of gross assets (%)</b>
Company	Equity	1.0	10	120	0.8
	Loan stock	–	270	270	1.8
Ortus	Equity	–	–	–	–
	Loan stock	–	–	–	–

<b>Lab M Holdings Limited</b>		<b>Accounts for the year ended 30 April 2012</b>			
Lab M produces dehydrated culture media for the detection of bacteria predominantly for use in the detection of Legionella and in the food production industry. The company is based in Bury, Lancashire.		<b>£'000</b>			
Profit before tax		271			
Retained profit		271			
Net assets		618			
<b>Company</b>	<b>Holding</b>	<b>Equity percentage (%)</b>	<b>Accounting cost (£'000)</b>	<b>Valuation (£'000)</b>	<b>Percentage of gross assets (%)</b>
	Equity	–	–	–	–
	Loan stock	–	–	–	–
Ortus	Equity	17.58	1,000	292	2.5
	Loan stock	–	–	–	–

<b>Stemic Limited</b>		<b>Accounts for the year ended 31 December 2011</b>			
Stemic Limited is a vehicle set up between Maven Capital Partners Clients and Chris Lloyd (an experienced executive in the Oil & Gas Industry) to develop an environmental services group, primarily focused on the oil and gas sector, through a buy and build strategy. The company is based in Aberdeen.		<b>£'000</b>			
Profit before tax		155			
Retained profit		27			
Net assets		413			
<b>Company</b>	<b>Holding</b>	<b>Equity percentage (%)</b>	<b>Accounting cost (£'000)</b>	<b>Valuation (£'000)</b>	<b>Percentage of gross assets (%)</b>
	Equity	4.31	36	36	0.2
	Loan stock	–	285	285	1.9
Ortus	Equity	–	–	–	–
	Loan stock	–	–	–	–

<b>Trojan Capital Limited</b>					
Trojan was set up to invest in UK support services businesses. The company is based in Glasgow.					
Profit before tax		Trojan Capital Limited			
Retained profit		has not filed accounts			
Net assets		since incorporation			
<b>Company</b>	<b>Holding</b>	<b>Equity percentage (%)</b>	<b>Accounting cost (£'000)</b>	<b>Valuation (£'000)</b>	<b>Percentage of gross assets (%)</b>
	Equity	23.62	320	320	2.1
	Loan stock	–	–	–	–
Ortus	Equity	–	–	–	–
	Loan stock	–	–	–	–

**Vectura Group PLC**

Vectura Group plc develops inhaled therapies principally for the treatment of respiratory diseases. The company is based in Chippenham.

**Accounts for  
the year ended  
31 March 2012  
£'000**

Profit before tax	(13,200)
Retained loss	(4,400)
Net assets	139,500

		<b>Equity percentage (%)</b>	<b>Accounting cost (£'000)</b>	<b>Valuation (£'000)</b>	<b>Percentage of gross assets (%)</b>
Company	Equity	—	—	—	—
	Loan stock	—	—	—	—
Ortus	Equity	0.09	257	263	2.2
	Loan stock	—	—	—	—

## PART VIII

### TAX POSITION OF SHAREHOLDERS

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

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

The tax reliefs set out below are available to individuals aged 18 or over.

#### **The Company**

The Company has obtained approval as a VCT under Chapter 3 of Part 6 ITA 2007.

The Board considers that the Company has conducted its affairs and will continue to do so to enable it to qualify as a VCT.

#### **The Share Consolidation and the Scheme**

The Share Consolidation and the associated issue of additional shares and redesignation will not constitute a disposal of the existing S Shares held for the purposes of UK taxation. Instead, the resulting New Ordinary Shares will be treated as having been acquired at the same cost and on the same date as the S Shares from which they derive (but allocated *pro rata* between such resulting New Ordinary Shares). Any upfront income tax relief and/or capital gains tax deferral obtained on subscription will not, therefore, be subject to clawback or crystallised for payment respectively but, instead will attach to the New Ordinary Shares (allocated *pro rata* between such resulting New Ordinary Shares).

The receipt by Ortus Shareholders of New Shares should not constitute a disposal of their Ortus Shares for UK tax purposes. Ortus Shareholders should, for UK tax purposes, effectively be able to treat the New Shares received pursuant to the Scheme as if they had been acquired at the same date and at the same cost as the original Ortus Shares (but allocated *pro rata* between such resulting New Ordinary Shares and New C Shares). Any upfront income tax relief and/or capital gains tax deferral attaching to the original Ortus Shares will not, therefore, be subject to clawback or crystallised for payment respectively, but instead will be transferred to the New Shares (allocated proportionately between the New Ordinary Share and New C Shares based on the value apportioned to such classes on the merger (and within each class allocated *pro rata* across the relevant number of shares)). As the Company is also a VCT, the usual VCT tax reliefs should continue to apply. As a result, qualifying shareholders should continue to receive tax-free dividends and should not be subject to UK taxation on any capital gains on the disposal of Shares.

For Ortus Shareholders holding (together with their associates) more than 5% of the Ortus Shares in issue, clearance has been obtained from HMRC in terms of Section 138 of TCGA 1992 that the tax treatment described above for persons who (together with their associates) own less than 5% of the Ortus Shares should also apply to them.

The implementation of the Scheme should not affect the reliefs obtained by Shareholders on subscription for existing Shares. The implementation of the Share Consolidation and the Scheme should not affect the status of the Company as a VCT.

Although the Company will be required to pay UK stamp duty on the transfer to it of the assets and liabilities of Ortus (which form part of the merger costs), no UK stamp duty will be payable directly by Shareholders as a result of the implementation of the Scheme. No UK stamp duty will be payable as a result of the Share Consolidation.

#### **Conversion**

The Conversion and the purchase by the Company of any deferred shares arising pursuant to the Conversion will not constitute a disposal of the then holding of C Shares for the purposes of UK taxation. Instead, the Ordinary Shares arising on Conversion will be treated as having been acquired at the same cost and at the same date (*pro rata* across the relevant Ordinary Shares) as the C Shares from which

they derive (or, in the case of Ortus Shareholders who continue to hold New C Shares issued pursuant to the Scheme at the time of Conversion, from the original shares in Ortus from which they derive). As a result, any upfront income tax relief and/or capital gains tax deferral attaching to the C Shares (as transferred from the Ortus shares through the merger) will not, therefore, be subject to clawback or crystallised for payment respectively, but will be further transferred *pro rata* to the resulting Ordinary Shares.

No UK stamp duty will be payable by Shareholders or the Company as a result of the Conversion.

### **Shareholders not resident in the UK**

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

### **HMRC Approvals**

Clearance has been obtained from HMRC in respect of the Scheme under Section 701 ITA 2007 and Section 138 TCGA 1992. With regard to the former, the receipt of New Shares should, except in the case of dealers, be regarded as an income receipt for the purposes of UK taxation.

Clearance has also been obtained from HMRC that the Scheme meets the requirements of the Merger Regulations and as such the receipt by Shareholders of New Shares should not prejudice tax reliefs obtained by Shareholders on existing Shares in the Company and should not be regarded as a disposal.

In addition, confirmations have been received from HMRC in respect of the Share Consolidation and the Conversion as set out above in respect of VCT provisions.

### **The Offer**

The tax reliefs set out below are those currently available to individuals aged 18 or over who subscribe for New Ordinary Shares under the Offer and will be dependent on personal circumstance. Whilst there is no specific limit on the amount of an individual's acquisition of shares in a VCT, tax reliefs will only be given to the extent that the total of an individual's subscriptions or other acquisitions of shares in VCTs in any tax year do not exceed £200,000. Qualifying Investors who intend to invest more than £200,000 in VCTs in any one tax year should consult their professional advisers.

## **1. General VCT Tax Reliefs**

### **(a) Income tax**

#### *(i) Relief from income tax on investment*

A Qualifying Investor subscribing for New Ordinary Shares will be entitled to claim income tax relief on amounts subscribed up to a maximum of £200,000 invested in VCTs in any tax year.

To obtain relief, a Qualifying Investor must subscribe on their own behalf, although the New Ordinary Shares may subsequently be transferred to a nominee.

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

#### *(ii) Dividend relief*

A Qualifying Investor, who acquires shares in VCTs in any tax year 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.

#### *(iii) Purchases in the market*

A Qualifying Investor who purchases existing 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 the investment (as described in paragraph 1(a)(i) above).

*(iv) Withdrawal of relief*

Relief from income tax on a subscription for VCT shares (including New Ordinary Shares) will be withdrawn if the VCT shares are disposed of (other than between spouses or on death) within five years of issue or if the VCT loses its approval within this period, as detailed below.

Dividend relief ceases to be available once the Qualifying Investor ceases to own VCT shares in respect of which it has been given or if the VCT loses its approval within the five year 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 shares in the market will be entitled to claim relief from capital gains tax on disposal (as described in paragraph 1b(i) above).

**(c) Loss of VCT approval**

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

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

**(d) Overseas investors**

Investors not resident in the UK should seek professional advice as to the consequences of making an investment in a VCT or in the UK generally.

**2. Obtaining Tax Reliefs**

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

**3. Overseas Shareholders**

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

## PART IX

### TAX POSITION OF THE COMPANY

#### 1. Qualification as a VCT

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

- (a) not be a close company;
- (b) have each class of its ordinary share capital admitted to trading on a European Union/European Economic Area regulated market;
- (c) derive its income wholly or mainly from shares or securities;
- (d) have at least 70% by VCT Value of its investments in shares in Qualifying Investments, 30% of which must be eligible shares (70% for funds raised after 5 April 2011);
- (e) have at least 10% by VCT Value of each Qualifying Investment in eligible shares;
- (f) not have more than 15% by VCT Value of its investments in a single company or group (other than a VCT or a company which would, if its shares were listed, qualify as a VCT);
- (g) not retain more than 15% of its income derived from shares and securities in any accounting period; and
- (h) not invest in a single company or group in excess of the annual limit.

The term 'eligible shares' means ordinary 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. Qualifying 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, not be controlled by another company, have fewer than 250 full-time (equivalent) employees and at the time of investment do 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 investment if the investee company has been set up for the purpose of accessing tax reliefs or is in substance a financing business.

VCT funds raised after 5 April 2012 cannot be used by a Qualifying 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.

The Company has obtained approval as a VCT from HMRC.

#### **5. Withdrawal of approval**

Approval of a VCT (full or provisional) 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.

Withdrawal of provisional approval has effect as if provisional approval had never been given (including the requirement to pay corporation tax on prior gains).

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

## PART X

### ADDITIONAL INFORMATION

#### 1. THE COMPANY

- 1.1 The Company was incorporated and registered in Scotland under CA 1985 as a public company with limited liability on 26 August 2004 with registered number SC272568 and the name Aberdeen Growth Opportunities VCT 2 PLC. The Company changed its name to Maven Income and Growth VCT 4 PLC on 21 December 2009. The principal legislation under which the Company operates is CA 2006 (and regulations made thereunder). The legal and commercial name of the Company is Maven Income and Growth VCT 4 PLC. The Company is not regulated by the FSA or an equivalent European Economic Area regulator, but it is subject to regulation by HMRC under the VCT rules in order to qualify as a VCT.
- 1.2 On 2 September 2004, the Registrar of Companies issued the Company with a trading certificate under Section 117 of CA 1985 (now Section 761 of CA 2006) entitling it to commence business.
- 1.3 The Company's registered office is at Kintyre House, 205 West George Street, Glasgow G2 2LW. The Company is domiciled in Scotland. The Company does not have, nor has it had since incorporation, any subsidiaries or employees.
- 1.4 The Company revoked its status as an investment company under Section 266 of CA 1985 (now Section 833 of CA 2006) on 28 September 2006.
- 1.5 The International Securities Identification Number of the Ordinary Shares is GB00B043QW84 and of the S Ordinary Shares is GB00B1FPZ567.

#### 2. SHARE CAPITAL

- 2.1 The authorised share capital of the Company on incorporation was £6,000,000 divided into 59,500,000 ordinary shares of 10p each and 500,000 redeemable preference shares of 10p each, of which two ordinary shares of 10p each were issued fully paid to the subscribers to the memorandum of association of the Company.
- 2.2 On 1 September 2004, the two subscriber Ordinary Shares were transferred to Aberdeen and Aberdeen Asset Management PLC respectively and 500,000 redeemable preference shares of 10p each were issued, fully paid to Aberdeen Asset Managers.
- 2.3 On 10 September 2004, the Company resolved that the share premium account of the Company be cancelled, such cancellation being confirmed by the Court of session on 19 September 2006.
- 2.4 On 16 February 2005, the Company redeemed all 500,000 redeemable preference shares in the capital of the Company.
- 2.5 On 4 October 2006, the authorised share capital was increased from £6,000,000 to £9,000,000 by the creation of 30,000,000 S ordinary shares of 10p each.
- 2.6 On 5 May 2010, the authorised share capital was removed in its entirety by virtue of the adoption of the Articles. Consequently, the Company is no longer restricted by an authorised share capital.
- 2.7 On 1 February 2011 the Company resolved that the share premium account and capital redemption reserve of the Company be cancelled, such cancellation being confirmed by the Court of Session on 13 June 2011.
- 2.8 As at 28 February 2013 (this being the latest practicable date prior to the publication of this document) the Company had 9,157,406 Ordinary Shares and 5,264,446 S Shares in issue (all fully paid up).
- 2.9 There are no other shares or loan capital in the Company under option or agreed, conditionally or unconditionally, to be put under option.
- 2.10 The following resolutions were passed at the annual general meeting of the Company held on 16 May 2012:
  - 2.10.1 that, the Directors be generally and unconditionally authorised under section 551 of CA 2006 to exercise all powers of the Company to allot shares in the Company or grant rights to subscribe for or convert any security into shares in the Company up to an aggregate nominal amount of £88,690 representing 886,900 Ordinary Shares and £51,297 representing 512,970 S Shares provided that,

such authority shall expire at the conclusion of the next annual general meeting of the Company held after the passing of such resolution and so that the Company may, before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such offer or agreement as if the authority had not expired;

2.10.2 that, the Directors be empowered, under section 571 of CA 2006, to allot equity securities (as defined in section 560 of CA 2006) for cash as if section 561(1) of CA 2006 did not apply to the allotment, provided that this power shall be limited to the allotment:

- (a) of equity securities in connection with an offer of such securities by way of rights to holders of Ordinary Shares in proportion (as nearly as practicable) to their respective holdings of such shares but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or any legal or practical problems under the laws of any territory, or the requirements of any regulatory body or stock exchange; and
- (b) (other than under paragraph (a) above) of equity securities up to an aggregate nominal amount not exceeding £88,690 in respect of 886,900 Ordinary Shares and £51,297 in respect of 512,970 S Shares and shall expire at the conclusion of the next annual general meeting of the Company held after the passing of this resolution, and so that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power so conferred had not expired.

2.10.3 that, the Company be generally and unconditionally authorised in accordance with section 701 of CA 2006 to make market purchases (within the meaning of Section 693(4) of CA 2006) of ordinary shares of 10p provided always that:

- (a) the maximum number of ordinary shares hereby authorised to be purchased is 886,900 Ordinary Shares and 512,970 S Shares, representing 10% of the Company's issued ordinary share capital as at 1 March 2011.
- (b) the minimum price that may be paid for an ordinary share shall be 10p per share;
- (c) the maximum price, exclusive of any expenses, which may be paid for an ordinary share is (i) an amount equal to 105% of the average of the closing middle market price for the ordinary share, as derived from the London Stock Exchange Daily Official List, for the five business days immediately preceding the date on which the ordinary share is purchased; and (ii) the amount stipulated by Article 5(1) of the Commission Regulation (EC) No. 273/2003 (Buy-back and Stabilisation Regulation 2003); and
- (d) unless previously renewed, varied or revoked, the authority hereby conferred shall expire at the conclusion of the next annual general meeting of the Company, or, if earlier, fifteen months from the passing of the resolution

save that the Company may before such expiry enter into a contract to purchase ordinary shares which will or may be complete wholly or partly after such expiry.

2.11 The following resolutions of the Company will be proposed at the General Meeting of the Company to be held on 26 March 2013:

2.11.1 that, subject to the passing of resolution 1 to be proposed at each of the separate Class Meetings:

- (a) in addition to existing authorities, the directors of the Company be generally and unconditionally authorised in accordance with Section 551 of CA 2006 to exercise all the powers of the Company to allot to each holder of S Shares, such number of S Shares in the Company as is represented by "Y" in the following formula:

$$Y = \left( S \times \frac{C}{O} \right) - S$$

such additional S Shares to be paid up in full through the capitalisation of profits/reserves (including Share Premium account) attributable to the S Shares.

where:

S = the number of S Shares held by the relevant shareholder as at the close of business on the Share Consolidation Record Date;

C = the unaudited net asset value of a S Share as at the close of business on the Share Consolidation Calculation Date, subject to such adjustments as the Board may consider appropriate; and

O = the unaudited net asset value of an Ordinary Share as at the close of business on the Share Consolidation Calculation Date, subject to such adjustments the Board may consider appropriate

in connection with the Share Consolidation, provided that the authority conferred shall expire on the date falling 18 months from the date of the passing of this resolution (unless renewed, varied or revoked by the Company in general meeting);

- (b) subject to the S Shares issued pursuant to the above authority being listed on the Official List of the UKLA (unless otherwise so resolved by the directors), each S Share be automatically redesignated as an Ordinary Share; and
- (c) subject to the redesignation referred to above, the Articles be amended by the deletion of any and all references to S Shares as a separate class of shares in the Company (including, for the avoidance of doubt, provisions relating to the rights attaching to the S Shares);

2.11.2 that, subject to (i) the passing of resolution 2 to be proposed at each of the Class Meetings and (ii) the Scheme becoming unconditional:

- (a) the acquisition of the assets and liabilities of Ortus VCT PLC on the terms set out in the Circular be approved;
- (b) the Articles (as amended) be amended to provide for the rights attaching to, and the conversion of, C Shares as set out in Part IV of the Circular, a copy of the Articles so amended being tabled at the meeting and initialled by the Chairman for the purposes of identification;
- (c) in addition to existing authorities and the authority conferred, the directors of the Company be generally and unconditionally authorised in accordance with Section 551 of CA 2006 to exercise all the powers of the Company to allot shares in the Company up to an aggregate nominal amount of £1,500,000 in connection with the Scheme, provided that the authority conferred shall expire on the date falling 18 months from the date of the passing of this resolution (unless renewed, varied or revoked by the Company in general meeting); and
- (d) the Company be authorised to enter into a contract to purchase all the issued deferred shares of 10p each arising on the conversion of C Shares into Ordinary Shares for an aggregate amount of 1p (such contract to be in the form produced to the meeting and initialled by the Chairman for the purposes of identification and which, as at the date of the meeting, will have been on display at the Company's registered office and available for inspection by members for not less than 15 days), in accordance with the Articles (as amended), such authority to expire on the fifth anniversary of the passing of this resolution, and such deferred shares so purchased be cancelled.

2.11.3 that the change to the Company's investment policy, as set out in the Circular, be approved.

2.11.4 that, in addition to (i) existing authorities and (ii) the authorities set out in paragraph 2.11.1 and 2.11.2 above:

- (a) the directors of the Company be generally and unconditionally authorised in accordance with Section 551 of CA 2006 to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £950,000, provided that, the authority conferred shall expire on the conclusion of the annual general meeting of the Company to be held in 2014 (unless renewed, varied or revoked by the Company in general meeting) but so that this authority shall allow the Company 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;

- (b) the directors of the Company be and hereby are empowered pursuant to Sections 570 and 573 of CA 2006 to allot or make offers or agreements to allot equity securities (which expression shall have the meaning ascribed to it in Section 560(1) of CA 2006) for cash pursuant to the authority 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 such allotment, provided that the power provided shall expire on the conclusion of the annual general meeting of the Company to be held in 2014 (unless renewed, varied or revoked by the Company in general meeting) and provided further that this power shall be limited to:
- i. the allotment and issue of shares up to an aggregate nominal value of £600,000 pursuant to offer(s) of subscription; and
  - ii. the allotment and issue of shares up to an aggregate nominal value representing 10% of the issued Ordinary Share capital and 10% of the issued C Share capital, in each case from time to time,
- in each case where the proceeds may in whole or part be used to purchase shares in the Company; and
- (c) the Company be empowered to make one or more market purchases within the meaning of Section 693(4) of CA 2006 of its own shares (either for cancellation or for the retention as treasury shares for future re-issue or transfer) provided that:
- i. the aggregate number of shares which may be purchased shall not exceed 3,750,000 Ordinary Shares and 1,125,000 C Shares;
  - ii. the minimum price which may be paid per share is the nominal value thereof;
  - iii. the maximum price which may be paid per share is an amount equal to the higher of (i) 105% of the average of the middle market quotation per share of the relevant class taken from the London Stock Exchange daily official list for the five business days immediately preceding the day on which such share is to be purchased; and (ii) the amount stipulated by Article 5(1) of the Buy Back and Stabilisation Regulation 2003;
  - iv. the authority conferred by this resolution shall expire on the conclusion of the annual general meeting of the Company to be held in 2014 (unless renewed, varied or revoked by the Company in general meeting); and
  - v. the Company may make a contract to purchase shares under the authority conferred by this resolution prior to the expiry of such authority which will or may be executed wholly or partly after the expiration of such authority and may make a purchase of such shares.

2.11.5 that:

- (a) the amount standing to the credit of the share premium account of the Company, at the date an order is made confirming such cancellation by the Court, be cancelled; and
- (b) the amount standing to the credit of the capital redemption reserve of the Company, at the date an order is made confirming such cancellation by the Court, be cancelled.

### **3. MEMORANDUM AND ARTICLES OF ASSOCIATION**

In this paragraph 3:

- reference to 'Directors' means the directors of the Company from time to time,;
- reference to the 'Board' means the board of directors of the Company from time to time
- reference to 'Act' means CA 2006; and
- reference to 'Statutes' means every statute (including any orders, regulations or other subordinate legislation made under it) from time to time in force concerning companies in so far as it applies to the Company

#### **Memorandum**

The Memorandum, which, by virtue of Section 28 of CA 2006, is now treated as being part of the Articles, provides that the Company's principal object and purpose is to carry on the business of a VCT. The objects of the Company are set out in full in clause 4 of the Memorandum.

## Articles

Revised Articles incorporating amendments to reflect, *inter alia*, the Share Consolidation and the creation and issue of the C Share pursuant to the Scheme will be proposed to Shareholders for approval at the Meetings. A summary of the proposed changes are set out in Part I (Letter from the Chairman) and Part IV (C Shares and Conversion) of the Circular, which is being incorporated by reference and can be accessed at the website of Maven ([www.mavencp.com/venture-capital-trusts.aspx](http://www.mavencp.com/venture-capital-trusts.aspx)) and is also available for inspection through the National Storage Mechanism which can be accessed on the website [www.morningstar.co.uk/uk/NSM](http://www.morningstar.co.uk/uk/NSM).

The following is a summary of the current Articles. Statutory references are subject to updates from time to time:

### 3.1 Share capital

3.1.1 Subject to the provisions of the Statutes and the Articles and without prejudice to any rights attached to existing shares, any shares of the Company the Board may offer, allot, grant options over or otherwise deal with or dispose of them to such person, at such times and for such consideration and upon such times as the Board may decide.

3.1.2 Subject to the provisions of the Statutes and to any rights previously conferred on the holders of any class of shares and to any requirements imposed by the UKLA in respect of securities admitted to listing, the Company may purchase all or any of its shares of any class, including any redeemable shares.

#### 3.1.3 S Shares

- (i) notwithstanding any other provision of the Articles, the S Shareholders shall be entitled to receive, in that capacity, any dividends paid out of net proceeds derived from the assets attributable to the S Shares.
- (ii) notwithstanding any other provision of the Articles, any S Share surplus shall, on winding up or a return of capital, be divided amongst the holders of the S Shares *pro rata* according to their holdings of S Shares.
- (iii) the Ordinary Shares and the S Shares shall rank *pari passu* as to rights to attend and vote at any general meeting of the Company.
- (iv) the consent of either or both of (i) the holders of the S Shares as a class and (ii) the holders of Ordinary Shares as a class shall be required to approve any allotment or issue of any share.

### 3.2 General meetings

#### 3.2.1 Convening of general meeting

The Board shall convene and the Company shall hold a general meeting as the annual general meeting in accordance with the requirements of the Statutes. Any meeting of the Company other than an annual general meeting shall be called a general meeting. The provisions of the Articles relating to proceedings of general meetings shall apply equally to annual general meetings. The Board may convene a general meeting whenever it thinks fit.

#### 3.2.2 Notice of general meeting

The annual general meeting and all other general meetings shall be convened by notice in writing or by electronic communication of at least such length as is required in the circumstances by the Statutes. The notice shall specify the place, day and time of the meeting, and the general nature of the business to be transacted. Notice of every general meeting shall be given to all members other than any who, under the provisions of the Articles or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, and also to the Auditors or, if more than one, each of them.

#### 3.2.3 Omission or non-receipt of notice

The accidental omission to give any notice of a meeting or the accidental omission to send any document, including an instrument of proxy, relating to any meeting to, or the non receipt of any such notice or document by, any person entitled to receive the notice or document shall not invalidate the proceedings at that meeting.

### **3.2.4 Quorum at general meetings**

- 3.2.4.1 No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the choice or appointment of a chairman which shall not be treated as part of the business of the meeting. Save as otherwise provided by the Articles, two members present in person or by proxy and entitled to vote shall be a quorum for all purposes.
- 3.2.4.2 If within five minutes (or such longer time not exceeding one hour as the chairman of the meeting may decide to wait) after the time appointed for the commencement of the meeting a quorum is not present, the meeting, if convened by or upon the requisition of members, shall be dissolved. In any other case it shall stand adjourned to such other day (being not less than three nor more than twenty days later) and at such other time or place as may have been specified for the purpose in the notice convening the meeting. Where no such arrangements have been so specified, the meeting shall stand adjourned to such other day (being not less than two nor more than twenty eight days later) and at such time or place as the chairman of the meeting may decide and, in this case, the Company shall not give less than ten clear days' notice in writing (or by electronic communication in accordance with the Acts) of the adjourned meeting. At any adjourned meeting one member present in person or by proxy (whatever the number of shares held by him) shall be a quorum and any notice of an adjourned meeting shall state that one member present in person or by proxy (whatever the number of shares held by him) shall be a quorum.

### **3.2.5 Method of voting**

At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is duly demanded. Subject to the Statutes, a poll may be demanded by:

- (i) the chairman of the meeting;
- (ii) the directors; or
- (iii) at least two members present in person or by proxy entitled to vote on the resolution; or
- (iv) a member or members present in person or by proxy representing in aggregate not less than 10% of the total voting rights of all the members having the right to vote on the resolution;
- (v) any member or members present in person or by proxy and representing in the aggregate not less than one tenth of the total voting rights of all the members having the right to attend to vote on the resolution at the meeting, or
- (vi) any member or members present in person or by proxy and holding shares conferring a right to attend and vote on the resolution at the meeting on which there have been paid up sums in the aggregate equal to not less than one tenth of the total sums paid up on all the shares conferring that right.

### **3.2.6 Voting rights**

Subject to any special rights or restrictions as to voting attached to any shares by or in accordance with the Articles, on a show of hands:

- (i) every member who is present in person has one vote;
- (ii) every proxy present who has been duly appointed by one or more members entitled to vote on the resolution has one vote, except that if the proxy has been duly appointed by more than one member entitled to vote on the resolution and is instructed by one or more of those members to vote for the resolution and by one or more others to vote against it, or is instructed by one or more of those members to vote in one way and is given discretion as to how to vote by one or more others (and wishes to use that discretion to vote in the other way) he has one vote for and one vote against the resolution; and
- (iii) each corporate representative present who has been duly authorised by a corporation has the same voting rights as the corporation would be entitled to.

### **3.3 Variation of rights**

3.3.1 Subject to the provisions of the Statutes, all or any of the rights for the time being attached to any class of shares for the time being issued from time to time (whether or not it is wound up) be varied either with the consent in writing of the holders of not less than three fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of those shares.

3.3.2 All the provisions in the Articles as to general meetings shall *mutatis mutandis*, apply to any such general meeting, but so that the necessary quorum shall be two persons holding or representing by proxy not less than one third in nominal value of the issued shares of the class, in respect of ordinary shares (but so that any adjourned meeting one holder present in person or by proxy (whatever the number of shares held by him) shall be a quorum), that every holder of shares of the class present in person or by proxy shall be entitled on a poll to one vote for every share of the class held by him (subject to any rights or restrictions attached to any class of shares) and that any holder of shares of the class present in person or by proxy may demand a poll.

### **3.4 Transfer of shares**

#### **3.4.1 Right to transfer**

Subject to such restrictions of the Articles:

- (i) any member may transfer all or any of his uncertificated shares by means of a relevant system in such manner provided for, and subject as provided in the Uncertificated Securities Regulations 2001 (SI 2001 No 3755) (“Uncertificated Securities Regulations”) and the rules of any relevant system, and accordingly no provision of the Articles shall apply in respect of an uncertificated share to the extent that it requires or contemplates the effecting of a transfer by an instrument in writing or the production of a certificate for the share to be transferred; and
- (ii) any member may transfer all or any of his certificated shares by an instrument of transfer in any usual form or in any other form which the Board may approve. The instrument of transfer shall be executed by or on behalf of the transferor and (in the case of a partly paid share) by the transferee, and the transferor shall be deemed to remain the holder of the share concerned until the name of the transferee is entered in the Register in respect of it. All instruments of transfer, when registered, may be retained by the Company.

#### **3.4.2 Refusal of registration**

The Board may decline to register any transfer of a certificated share unless:

- (i) the instrument of transfer is left at the registered office from time to time of the Company or such other place as the Board may from time to time determine accompanied (save in the case of a transfer by a person to whom the Company is not required by law to issue a certificate and to whom a certificate has not been issued) by the certificate for the share to which it relates and such other evidence as the Board may reasonably require to show the right of the person executing then instrument of transfer to make the transfer;
- (ii) (if stamp duty is generally chargeable on transfers of certificated shares) the instrument of transfer is duly stamped or adjudged or certified as not chargeable to stamp duty;
- (iii) the instrument of transfer is in respect of only one class of share; and
- (iv) in the case of a transfer to joint holders, the number of joint holders to whom the share is to be transferred does not exceed four.

### **3.5 Dividends and other payments**

#### **3.5.1 Declaration of dividends**

- (i) Subject to the provisions of the Statutes, the Company may by ordinary resolution from time to time declare dividends but no dividend shall exceed the amount recommended by the Board.
- (ii) Subject to the provisions of the Statutes, the Board may pay such interim dividends as appear to the Board to be justified by the financial position of the Company and may also pay any

dividend payable at a fixed rate at intervals settled by the Board whenever the financial position of the Company, in the opinion of the Board, justifies its payment.

### 3.5.2 **Entitlement of dividends**

- (i) Except in so far as the rights attaching to, or the terms of issue of, any share otherwise provide, all dividends shall be declared and paid according to the amounts paid up on the share in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated as paid up on the share.
- (ii) Any dividend unclaimed after a period of twelve years from the date when it was declared or became due for payment shall be forfeited and shall revert to the Company.
- (iii) The board may, if authorised by an ordinary resolution of the Company offer any holders of Ordinary Shares the right in the case of holders of Ordinary Shares to elect to receive Ordinary Shares and in the case of S Shares to elect to receive S Shares, in each case credited as fully paid, instead of cash in respect of the whole (or some part, to be determined by the Board) of any dividend specified by the ordinary resolution.

### 3.6 **Borrowing powers**

3.6.1 Subject to the other provisions of the Articles, the Board may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company and to issue debentures and other securities, whether outright or as collateral security any debt, liability or obligation of the Company or of any third party;

3.6.2 The Board shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings so as to secure (but as regards subsidiary undertakings only in so far as by the exercise of the rights or powers of control the Board can secure) that the aggregate principal amount from time to time outstanding of all borrowings by the Group (exclusive of borrowings owing by one member of the Group to another member of the Group) shall not at any time without the previous sanction of an ordinary resolution of the Company exceed an amount equal to the Adjusted Capital and Reserves (provided that, prior to the publication of the first audited balance sheet of the Company, the aggregate principal amount of such borrowing shall not exceed 90% of the amount paid on the issued share capital of the Company, without the previous sanction of an ordinary resolution of the Company).

3.6.3 The expression “the Adjusted Capital and Reserves” means the aggregate from time to time of

- (i) the amount paid upon the issued share capital of the Company;
- (ii) the amount standing to the credit of the reserves (including any share premium account, capital redemption reserve and special reserve arising through the reduction or cancellation of share premium account) and any credit balance on the revenue account;

all as shown by the then latest audited consolidated balance sheet but after

- (iii) deducting from the aggregate any debit balance on revenue account subsisting at the date of that audited consolidated balance sheet except to the extent that a deduction has already been made on that account; and
- (iv) making such adjustments as may be deemed appropriate by the Auditors to reflect any variation in the amount of the paid up share capital, share premium account, capital redemption reserve or special reserve arising through the reduction or cancellation of share premium account since the date of the audited consolidated balance sheet.

### 3.7 **Directors**

3.7.1 Subject to the provisions of the Articles, and unless otherwise determined by ordinary resolution of the Company, the number of directors (disregarding alternate directors) shall not be less than two nor more than ten.

3.7.2 Without prejudice to the power of the Company in general meeting pursuant to any of the provisions of the Articles to appoint any person to be a director, the Board may appoint any person who is willing to act to be a director, either to fill a vacancy or as an addition to the existing Board,

but so that the total number of directors shall not at any time exceed any maximum number fixed by or in accordance with the Articles.

3.7.3 At each annual general meeting one third of the directors (or, if their number is not three or an integral multiple of three, then the number nearest to but not exceeding one third) shall retire from office.

3.7.4 The fees paid to, and benefits in kind received by, the directors for their services in the office of director shall not exceed in aggregate £150,000 per annum or such higher amount as the Company may from time to time by ordinary resolution determine.

### 3.8 Directors' interests

3.8.1 The directors may (subject to such terms and conditions, if any, as they think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation) authorise, to the fullest extent permitted by law:

- (j) any matter which would otherwise result in a director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or conflict of duties); and
- (ii) a director to accept or continue in any office, employment or position in addition to his office as a director of the Company and without prejudice to the Articles may authorise the manner in which a conflict of interest arising out of such office, employment or position may be dealt with, either before or at the time that such a conflict of interest arises

provided that for this purpose the director in question and any other interested director are not counted in the quorum at any board meeting at which such matter, or such office, employment or position, is approved and it is agreed to without their voting or would have been agreed to if their votes had not been counted.

3.8.2 Where any such matter is authorised by the Board, the director shall not be required to disclose any confidential information relating to such matter, or such office, employment or position, to the Company if to make such a disclosure would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that matter, or that office, employment or position.

3.8.3 Save as otherwise provided by the Articles, a director shall not vote on, or be counted in the quorum in relation to, any resolution of the Board in respect of any contract in which he has an interest which (taken together with any interest or any person connection with him) is to his knowledge a material interest and, if he shall do so, his vote shall not be counted, but this prohibition shall not apply to any resolution where that material interest arises only from one or more of the following matters:

- (i) the giving to him of any guarantee, indemnity or security in respect of money lent or obligations undertaken by him or by any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings;
- (ii) the giving to a third party of any guarantee, indemnity or security in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
- (iii) where the Company or any of its subsidiary undertakings is offering securities in which offer the director is or may be entitled to participate as a holder of securities or in the underwriting or sub underwriting of which the director is to participate;
- (iv) any contract in which he is interested by virtue of his interest in shares or debentures or other securities of the Company or by reason of any other interest in or through the Company;
- (v) any contract concerning any other company in which he is interested directly or indirectly but in which he does not, to his knowledge, hold an interest in shares (as that term is used in Part VI of the Acts) representing one per cent or more of either any class of the equity share capital of, or the voting rights in, such company;
- (vi) any contract concerning the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to directors and employees

of the Company or any of its subsidiary undertakings and does not provide in respect of any director as such any privilege or advantage not accorded to the employees to which the fund or scheme relates;

- (vii) any contract for the benefit of the employees of the Company or of any of its subsidiary undertakings under which he benefits in a similar manner to the employees and which does not accord to any director as such any privilege or advantage not accorded to the employees to whom the contract relates; and
- (viii) any contract for the purchase or maintenance of insurance against any liability for, or for the benefit of, any director or for, or for the benefit of, persons who include directors.

A director shall not be counted in the quorum present at a meeting to a resolution on which he is not entitled to vote.

### 3.9 Untraced members

The Company may sell at the best price reasonably obtainable any certificated shares of a member or any share to which a person is entitled by transmission by if and provided that:

- (a) the shares have been in issue either in certificated or uncertificated form throughout the qualifying period and at least three cash dividends have become payable on the shares during the qualifying period;
- (b) no cash dividend payable on the shares has either been claimed by presentation to the paying bank of the relevant cheque or warrant or been satisfied by the transfer of funds to a bank account designated by the holder of, or person entitled by transmission to, the shares or by the transfer of funds by means of a relevant system at any time during the relevant period;
- (c) so far as any director of the Company at the end of the relevant period is then aware, the Company has not at any time during the relevant period received communication from the holder of, or person entitled by transmission to, the shares;
- (d) the Company has caused two advertisements to be published, one in a newspaper with a national circulation and the other in a newspaper circulating in the area in which the last known address of the holder of, or person entitled by transmission to, the shares or the address at which service of notices may be effected under the Articles is located, giving notice of its intention to sell the shares and a period of three months has elapsed from the date of publication of the advertisements or of the last of the two advertisements to be published if they are published on different dates; and
- (e) the Company has given notice to the UKLA if its intention to make the sale.

### 3.10 Capital reserves

At any time when the Company has given notice in the prescribed form (which has not been revoked) to the Registrar of Companies of its intention to carry on business as an investment company ("a Relevant Period") distribution of the Company's capital profits (as defined in the Acts) shall be prohibited as described below. The Board shall establish a reserve to be called the "capital reserve" and during any Relevant Period shall either, at the discretion of the Board, carry to the credit of such reserve from time to time all capital profits or appreciations arising on the sale, realisation, transposition, repayment or revaluation of any investment (including, for the avoidance of doubt, any increase in the value of any investments in any subsidiary undertaking or amounts that may be paid by way of subscription under any subscription agreement) or other capital asset of the Company in excess of the book value thereof or apply the same in providing for depreciation or contingencies for the avoidance of doubt, accrued but unpaid interest or any sum received in respect of accrued but unpaid interest shall not be treated as capital profits or appreciations arising on the sale, realisation, transposition, repayment or revaluation of any investment (including, for the avoidance of doubt, any diminution in the value of any investments in any subsidiary undertaking or amounts that may be paid by way of subscription under any subscription agreement) or other capital asset. Any losses realised on the sale, realisation, repayment or revaluation of any investment or other capital asset and any other expenses, loss or liability (or provision therefore) considered by the Board to be of a capital nature may be carried to the debit of the capital reserve. Any increase or diminution in the amount of any index linked stock or other index linked obligation of the Company may be carried to the debit or credit of the capital reserve, except so far as the Board decides to make good the same out of or credit the same to other funds

or reserves of the Company. Subject to the Statutes and without prejudice to the foregoing generality, the Board may also debit the capital reserve with the whole or such part of (i) any management fees incurred by the Company and (ii) any finance costs (including, without limitation, any interest payable by the Company in respect of any borrowings of the Company) as may be deemed appropriate by the Board. During a Relevant Period all sums carried and standing to the credit of the capital reserve may be applied for any of the purposes to which sums standing to any reserve under the provisions of Article 127 are applicable, provided that during a Relevant Period no part of the capital reserve or any other moneys in the nature of accretion to capital shall in any event be transferred to the revenue reserves of the Company or be treated or regarded as profits of the Company available for distribution as dividend or any other distribution (within the meaning ascribed thereto by the Acts), otherwise than by way of the redemption or purchase of any of the Company's own shares in accordance with the Acts. In periods other than a Relevant Period, any amount standing to the credit of the capital reserve may be transferred to the revenue reserves of the Company or be regarded or treated as profits of the Company available for distribution (as so defined) or be applied in paying dividends on any shares in the capital of the Company.

### 3.11 Uncertificated shares

Pursuant and subject to the Uncertificated Securities Regulations, the Board may permit title to shares of any class to be evidenced otherwise than by a certificate and title to shares of such a class to be transferred by means of a relevant system and may take arrangements for a class of shares (if all shares of that class are in all respects identical) to become a participating class.

### 3.12 Duration of the Company

The Board shall procure that at the annual general meeting of the Company in 2014, and at every fifth annual general meeting thereafter, an ordinary resolution will be proposed to the effect that the Company shall continue in being as a venture capital trust. If, at any such meeting, such resolution is not passed, the Board shall within nine months of such meeting, convene a general meeting of the Company at which a special resolution shall be proposed for the winding up of the Company.

### 3.13 Indemnity of officers

Subject to the provisions of and to the fullest extent permitted by the Articles, every director, secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and/or discharge of his duties and/or the exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office.

## 4. DIRECTORS AND INTERESTS IN SHARES

4.1 As at 28 February 2013 (this being the latest practicable date prior to the publication of this document), the following Shareholders held the following number of Shares in the Company which (excluding Maven) represent 3% or more of the issued share capital:

	Ordinary Shares	% of issued Ordinary Share capital	S Shares	% of issued S Share capital	Total Shares	% of total issued share capital
Hargreaves Lansdown (Nominees) Limited	588,859	6.43	220,812	4.19	809,671	5.61
Anthony Lowrie	399,750	4.37	–	–	399,750	2.77
David Mayers	11,290	0.12	158,046	3.00	169,336	1.17
Maven	43,150	0.47	21,000	0.40	64,150	0.44

4.2 Based on the Share Consolidation illustrations set out in Part I of this document (and assuming no shares are issued pursuant to the Offer), it is expected that the following Shareholders will hold the following number of Ordinary Shares in the Company and which (excluding Maven) will represent 3% or more of the enlarged issued share capital of the Company following completion of the Share Consolidation.

	Ordinary Shares	% of issued Ordinary Share capital
Hargreaves Lansdown (Nominees) Limited	843,101	5.54
Maven	67,329	0.44

- 4.3 Based on the Scheme illustrations set out in Part I of this document (and assuming no shares are issued pursuant to the Offer), it is expected that the following shareholders (one of which is a material shareholder in Ortus and thus is not disclosed above) will hold the following number of Shares in the Enlarged Company, which (excluding Maven) will represent 3% or more of the enlarged issued share capital of the Company following completion of the Scheme.

	Ordinary Shares	% of issued Ordinary Share capital	C Shares	% of issued C Share capital	Total Shares	% of total issued share capital
Hargreaves Lansdown (Nominees) Limited	866,324	3.98	16,854	0.35	883,178	3.33
Barclayshare Nominees Limited	245,961	1.13	149,136	3.13	395,097	1.49
Maven	67,329	0.31	–	–	67,329	0.25

- 4.4 Save as disclosed in paragraphs 4.1, 4.2 and 4.3 above, the Company is not aware of any person who has, or immediately following the issue of the New Shares pursuant to the Share Consolidation or the Scheme, directly or indirectly will have, an interest in the Company's capital or voting rights which is notifiable under UK law (under which, pursuant to CA 2006 and the Listing Rules and the Disclosure & Transparency Rules of the FSA, a holding of 3% or more must be notified to the Company).

- 4.5 As at 28 February 2013 (this being the latest practicable date prior to the publication of this document), the interests of the Directors (and their immediate families) and the directors of Ortus in the issued share capital of the Company and Ortus were as follows:

	Company				Ortus		
	Ordinary Shares	% of issued Ordinary Share capital	S Shares	% of issued S Share capital	% of total issued share capital	Ortus Shares	% of issued Ortus share capital
Ian Cormack	109,150	1.19	30,000	0.57	0.96	–	–
Malcolm Graham-Wood	10,125	0.11	10,000	0.19	0.14	–	–
Andrew Lapping	25,000	0.27	–	–	0.17	–	–
Steven Scott	18,148	0.20	7,000	0.13	0.17	–	–
Bill Nixon	33,585	0.37	14,819	0.28	0.34	–	–
David Potter	12,226	0.13	–	–	0.08	50,000	0.14
Neil Kennedy	–	–	–	–	–	–	–
Charles Scott	–	–	–	–	–	–	–

- 4.6 As at 28 February 2013 (this being the latest practicable date prior to the publication of this document) save as disclosed above, no Director, his family or any person connected to the Director within the meaning of s.252 CA 2006 has any interest in the share or loan capital of the Company.

- 4.7 Aggregate Directors' emoluments for the current year (assuming the merger does not take place) are expected to be £63,000 (excluding applicable employer's National Insurance Contributions and/or VAT) whilst details of Directors' emoluments for the year ended 31 December 2012 are in the table below.

4.8 Details of the Directors' appointments are as follows:

Director	Date of appointment*	Annual remuneration**	Year ended 31 December 2012 remuneration***
Ian Cormack	1 September 2004	15,000	15,000
Malcolm Graham-Wood	1 September 2004	12,000	12,000
Andrew Lapping	1 September 2004	12,000	12,000
Steven Scott	1 September 2004	12,000	12,000
Bill Nixon	1 November 2005	12,000	12,000

\* The Directors have been appointed pursuant to appointment letters which do not require either party to give any form of notice before termination of the appointment (respectively). None of the Directors have a service contract.

\*\* For the year ended 31 December 2012, no arrangements have been entered into by the Company, entitling the Directors to compensation for loss of office nor have any amounts been set aside to provide pension, retirement or similar benefits.

\*\*\* Exclusive of applicable employers National Insurance Contributions.

Assuming the merger is effected, the Proposed Director will be appointed pursuant to an appointment letter on the same terms as the other Directors, with an annual remuneration of £12,000. There is no intention for the Proposed Director to have a service contract.

- 4.9 Save in respect of Bill Nixon, who is a director of a number of Maven managed VCTs (including Ortus) and a shareholder and chief executive of Maven itself and is, therefore, interested in the contracts referred to in paragraphs 6.1.1, 6.1.2, 6.1.3 and 6.2.3 below, there are no potential conflicts of interest between the duties of any Director and their private interests and/or duties.
- 4.10 No loan or guarantee has been granted or provided to or for the benefit of any of the Directors.
- 4.11 The Company has taken out directors' and officers' liability insurance for the benefit of its Directors, which is renewable on an annual basis.
- 4.12 The Directors and the Proposed Director are currently or have been within the last five years, a member of the administrative, management or supervisory bodies or partners of the companies and partnerships mentioned below:

Director	Current	Past five years
Ian Cormack	Aspen Insurance UK Limited	London Life Limited
	National Angels Limited	National Provident Life Limited
	Maven Income and Growth VCT 4 PLC	NPI Limited
	Phoenix Group Holdings plc	Pearl Group Holdings (No. 2) Limited
	Bloomsbury Publishing plc	Phoenix Life Assurance Limited
	Xchanging plc	Europe Arab Bank plc
	Arria NLG Limited	Entertaining Finance Limited* Carbon Reductions Limited* African Carbon Reductions Limited* Gulf Carbon Reductions Limited* Carbon Efficient Energy Limited*
Malcolm Graham-Wood	Maven Income and Growth VCT 4 PLC	MGW Consulting Limited*
Steven Scott	Penta Capital Partners Limited	Tosca Penta Holdings Limited
	Penta Fund I GP Limited	Pentech Capital Limited
	Penta Capital SP GP Limited	Pentech Fund IA GP Limited

**Director****Current**

Penta ESOP Trustee Limited  
Penta Private Equity Limited  
Junior Golf Plus

Maven Income and Growth  
VCT 4 PLC

Penta Capital  
Investments Limited

BDL Select Hotels Limited  
Penta Co-Invest GP Limited  
Penta GP Holdings Limited

ID Support Services  
Group Limited

Penta GP LP (2009) Limited

Penta TPI Limited

Penta TPI SP Limited

Troon Investments Limited

Thames Tower Lease Limited

Penta 2011 Limited

Penta 2011 SP Limited

BDL Select Operations Limited

Paten & Co Limited

Penta Co-Investment 2011  
GP Limited

Six Degrees Technology  
Group Limited

Penta Partner Limited

Penta 2012 Limited

Penta 2012 SP Limited

Penta Founder Limited

Penta GPCO Limited

ENSCO 948 Limited

Paten Hotels Limited

**Past five years**

Pentech Fund IB GP Limited

Spiritel Limited

Wireless Infrastructure  
Group Limited

Pentech Fund II GP Limited

Euphony Holdings Limited\*

F&T Group Limited\*

Andrew Lapping

The Hamilton Portfolio Limited

Motherwell Football and  
Athletic Club Limited

Exchangelaw (No.229) Limited  
Collingwood Developments  
Limited

Hindley Investments Limited  
BDL Select Hotels Limited

Northern Edge Limited  
Yorkhill Investments Limited  
Space 2001 Limited

Lodge SS Limited  
Waterside (N.M.) Limited  
Waterside Classics  
(Holdings) Limited

B L Developments Limited  
DMWS 570 Limited

Waterside Classics Limited  
Elliot Street  
Developments Limited\*

DMWS 610 Limited

Hamilton Portfolio  
2001 Limited\*

Waterloo Place  
Developments Limited

Breeze Info Limited\*

<b>Director</b>	<b>Current</b>	<b>Past five years</b>
	Maven Income and Growth VCT 4 PLC	Guildway Holdings Limited*
	BDL Operations Limited	Hamilton Ayr Limited*
	Fraser Hamilton (Shrubhill) Limited	DMWS 571 Limited*
	BDL Ventures Limited	DMWS 588 Limited*
	Software Radio Technology plc	Hamilton Bradford Limited*
	B L Developments (Portobello) Limited	DMWS 591 Limited*
	B L Developments (Baileyfield) Limited	SOE Development Limited
	Reston Developments Limited	Davie Street Developments Limited*
	Netplay TV plc	Davidson's Mains Developments Limited*
	Ramcore Development Company Limited	Software Radio Technology (UK) Limited*
	Ramcore Hotels Limited	Musselburgh Developments Limited*
	Ramcore Operations Limited	Blenheim St. Newcastle Limited*
	TAL CPT HUB Company Limited*	B L Developments (Glasgow) Limited*
	Yellowfin Limited	B L Property Limited*
	Bamburgh First Limited	Hindley Enterprises Limited*
	Ramcore Operations (Two) Limited	The Holiday Planner Ltd*
	TAL CPT 2 Limited	Ramcore Operations (Three) Limited*
	TAL CPT Limited	Maxim 2 Limited*
	TAL CPT Management Limited	Maxim 3 Limited*
	HCP General Partner Limited	
	The Hamilton Portfolio (Care Homes) Limited	
	Hamilton Rutherglen Limited	
	Glasgow South Orbital (Hamilton) Limited	
	GSO Hamilton CIP Limited	
	Silver Travel Advisor Limited	
	BDL Select Hotels Limited	
	BDL Select Operations Limited	
	Paten & Co Limited	
	Hindley Manor Court Limited	
Bill Nixon	VC Retail Limited	ADC (Glasgow) Limited*
	Maven Income and Growth VCT 2 PLC	Aberdeen GP Limited
	Maven Income and Growth VCT 3 PLC	PLM Dollar Group Limited

<b>Director</b>	<b>Current</b>	<b>Past five years</b>
	Maven Income and Growth VCT 4 PLC	AMJPEF Founder Partner Limited
	Talisman First Venture Capital Trust PLC	M J Founders Limited
	Dalglen (No. 1030) Limited	AMJPEP GP Limited
	Dalglen (No. 1148) Limited	Murray Johnstone (General Partner) Limited
	CFE A FP General Partner Limited	Torrindon Capital Limited
	CFE A General Partner Limited	Sportscare Management Limited*
	Ortus VCT PLC	Callform Limited*
	Ailsa Craig Capital Limited*	Murray Johnstone (General Partner) II Limited*
	Shiskine Capital Limited*	Gateway VCT PLC
	Maven Co-Invest GP Limited	Armannoch Investments Limited*
	Maven Nominee Limited	Valkyrie Capital Limited*
	Linnfield Capital Management Limited	Aberdeen Income and Growth VCT Limited*
	Linnfield Investment Limited	Maven Income and Growth VCT 5 Limited*
	Blackford Capital Limited	Maven Income and Growth VCT 6 Limited*
	Corinthian Foods Limited	Maven Income and Growth VCT 7 Limited*
	Staffa Capital Limited	Maven VCT 1 Limited*
	SLF GP Limited	Maven VCT 2 Limited*
	Maven SLF FP Limited	Maven VCT 3 Limited*
	Moriond Limited	COIP (GP) Limited
	Airth Capital Limited	
	Kelvinlea Limited	
David Potter	Spark Ventures PLC	Vantis PLC
	Ortus VCT PLC	Vycon Inc
	Quercus Publishing plc	Noble Group Limited
	Illustrated London News Limited	EON Lifestyle Limited
	NFTS Foundation	Solar Integrated Technologies Limited*
	Worldwide Volunteering for Young People	Infocandy.com UK Limited
	Nelson Mandela Children's Fund (UK)	Execution Holdings Limited
		Infocandy Group Limited
		The Godolphin and Latymer School Foundation
		Kings College London (Hon Treasurer)

- 4.13 Neither the Directors nor the Proposed Director have any convictions in relation to fraudulent offences during the previous five years.
- 4.14 Save those companies which have an asterisk next to their name in the table above, which are all companies that have solvently and voluntarily been struck off from the Register of Companies, and the disclosures set out below, there were no bankruptcies, receiverships or liquidations of any companies or partnership where any of the Directors (or the Proposed Director) were acting as (i) a member of the administrative, management or supervisory body, (ii) a partner with unlimited liability, in the case of a limited partnership with a share capital, (iii) a founder where the company had been established for fewer than five years or (iv) a senior manager during the previous five years.
- Andrew Lapping is a director of Collingwood Developments Limited which was placed into administration in June 2004 prior to being placed into creditors' voluntary liquidation in June 2006. As at 7 December 2012, this being the date of the latest filed liquidator's statement, Collingwood Developments Limited had met all liabilities to that date and had reserves amounting to approximately £2.1 million with further distributions intended.
  - Andrew Lapping is also a director of Frasers Hamilton (Shrubhill) Limited which was placed into administration in September 2012. As at the date of the latest filed administrator's proposals report on 1 November 2012, it was estimated that a distribution of approximately £3 million from realisations would be made to secured creditors, resulting in a shortfall of approximately £16.5 million. There was also expected to be a shortfall of approximately £324,000 owing to unsecured creditors.
  - Andrew Lapping is also a director of Yellowfin Limited which was placed into administration in August 2009. As at the date of the latest filed administrator's progress report on 25 February 2010 it was expected that a distribution would be made to the first ranking secured creditor and it was anticipated that £6,650 would be available to distribute to unsecured creditors in respect of prescribed part, however, it was not anticipated that sufficient funds would be available to enable a distribution to the second ranking secured creditors or unsecured creditors other than the prescribed part. Yellowfin Limited was subsequently placed into compulsory liquidation in August 2010.
  - Andrew Lapping was a director of SOE Development Limited which was placed into administration in April 2005 prior to being placed into creditors' voluntary liquidation in April 2006 and being dissolved in August 2010. The final liquidator's statement details that there were no outstanding liabilities at the time of being dissolved.
  - Andrew Lapping is also a director of Tal CPT Limited and TAL CPT 2 Limited which were placed into creditors' voluntary liquidation in May 2011. As at 1 June 2012, this being the date of the latest filed liquidator's progress report, Tal CPT Limited had no secured creditors and had no funds available for distribution to unsecured creditors who were owed approximately £500,000. As at 1 June 2012, this being the date of the latest filed liquidator's progress report, Tal CPT 2 Limited had no secured creditors nor had it received any claims from unsecured creditors.
  - Andrew Lapping is also a director of Reston Developments Limited which was placed into administration in December 2012. As at the date of the latest filed statement of administrator's proposals, the secured creditor was owed approximately £1.75 million. It is estimated that there will be insufficient asset recoveries to settle the secured creditor's debt in full. As at the date of the latest filed notice of statement of affairs, it was estimated that a distribution of approximately £300,000 from realisations would be made to the secured creditor. It was anticipated that no funds would be available to distribute to unsecured creditors, resulting in a shortfall of approximately £41,000.
  - Bill Nixon was a director of Gateway VCT PLC until 9 December 2012, following the company being placed into members' voluntary liquidation in June 2010 pursuant to a merger with Guinness Flight Venture Capital Trust PLC (now Ortus) prior to it being dissolved in December 2012.
  - Bill Nixon is also a director of Corinthian Foods Limited and Staffa Capital Limited which were placed into members voluntary liquidation on 9 November 2012.

- David Potter was a director of Vantis PLC which went into administration in June 2010 and creditors' voluntary liquidation in June 2011. As at 29 June 2012, this being the date of the latest filed liquidator's progress report, Vantis plc had made distributions of £200,000 to secured creditors and it had funds to pay a dividend to preferential creditors and pay a dividend in respect of the prescribed part. It is anticipated that there will be insufficient funds available to enable a distribution to unsecured creditors.
- David Potter was a director of EON Lifestyle Limited which was placed into members' voluntary liquidation in May 2006 prior to being dissolved in March 2009.
- David Potter was a director of Infocandy Group Limited and Infocandy.com UK Limited which were placed into members' voluntary liquidation in June and July 2008 respectively, prior to both being dissolved in August and April 2011 respectively.

4.15 There have been no official public incriminations and/or sanctions of any Director or the Proposed Director by statutory or regulatory authorities (including designated professional bodies) and no Director or the Proposed Director has ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company during the previous five years.

## **5. OVERSEAS SHAREHOLDERS**

5.1 The issue of New Shares to be issued pursuant to the merger and the Offer to persons resident in or citizens of jurisdictions outside the UK may be affected by the laws of the relevant jurisdiction. Such Company shareholders should inform themselves about and observe any legal requirements. In particular:

- (i) none of the New Shares to be issued pursuant to the merger and the Offer have been or will be registered under the United States Securities Act 1933, as amended, or qualify under applicable United States state statute and the relevant clearances have not been, and will not be, obtained from the securities commission of any province of Canada, Australia, Japan, South Africa or New Zealand;
- (ii) the Company is not registered under the United States Investment Company Act of 1940, as amended, and investors are not entitled to the benefits of that Act; and
- (iii) no offer is being made, directly, under the merger and the Offer, in or into or by the use of emails, or by means of instrumentality (including, without limitation, facsimile, transmission, telex or telephone) or interstate or foreign commerce, or of any facility in a national securities exchange, of the United States, Canada, Australia, Japan, South Africa or New Zealand. It is the responsibility of Ortus Shareholders and investors under the Offer with registered addresses outside the UK to satisfy themselves as to the observance of the laws of the relevant jurisdiction in connection with the issue of New Shares pursuant to the Scheme and/or the Offer, including the obtaining of any government or exchange control or other consents which may be required, the compliance with any other necessary formalities which need to be observed and the payment of any issue, transfer or other taxes or duties due in such jurisdiction.

## **6. MATERIAL CONTRACTS**

6.1 Save as disclosed in this paragraph 6.1, the Company has not entered, other than in the ordinary course of business, into any contract which is or may be material to the Company within the two years immediately preceding the publication of this document or into any contract containing provisions under which the Company has any obligation or entitlement which is material to the Company as at the date of this document:

6.1.1 An investment management agreement dated 1 September 2004 between the Company (1) and Aberdeen (2), as supplemented from time to time and novated to Maven by way of a deed of novation dated on or around 9 June 2009 pursuant to which Maven provides investment management services to the Company. Maven is entitled to an investment management fee payable quarterly in arrears of an amount equal to 2.5% per annum of the total assets of the Company (less adjusted liabilities of the Company at the previous quarter end) calculated in accordance with the Company's normal accounting policies.

The normal annual running costs of the Company (including investment management and administration fees due to Maven, directors' remuneration, registrars' fees, stockbrokers' fees, company secretarial fees, auditors' fees and irrecoverable VAT but excluding expenses relating to transaction costs and expenses relating to the acquisition and disposal of investments or exceptional items, for example merger costs and performance incentive fees) are capped at an amount equivalent to 3.5% of net assets of the Company (calculated before deduction of management and administration expenses in respect of that year), with any excess being paid by Maven or refunded by a reduction in Maven's management fee above and administration fee below.

Maven is also entitled to a performance incentive fee in respect of the Ordinary Shares pool for each six month period ended 30 June and 31 December of an amount equal to 20% of any increase in the total return (before applying any performance incentive fee) as at the end of the relevant six month period to the total return (after accruing for the performance incentive fee payable for that period) as at the end of the last six month period on which a performance incentive fee was paid. Total return for these purposes means net asset value, adjusting for dividends and buybacks since the period in which the last performance incentive fee was paid. There are no performance incentive fee arrangements in respect of the S Shares pool, however, if the Share Consolidation is not approved by Shareholders, the Board intend to recommend the introduction of a performance incentive arrangement in respect of the S Shares pool so that Maven is incentivised in relation to both pools equally.

Maven's appointment is terminable on 24 months' notice, subject to earlier termination by the Company if Maven is unable to pay its debts within the meaning of Section 123 of IA 1986 or the Company's assets are no longer managed by a key manager (as defined in the agreement). The appointment will be automatically terminated if, *inter alia*, (i) either party has a receiver, administrator or liquidator appointed, (ii) either party commits a material breach of the agreement (and fails to remedy such breach within 28 days of notice) or (iii) Maven ceases to be authorised by the FSA.

The agreement contains provisions indemnifying Maven against any liability not due to its default, gross negligence, fraud or breach of the FSMA.

Maven will continue to provide investment management services to the Enlarged Company following both the Share Consolidation and the Scheme on the same basis as is currently in place with the Company (i.e. that being 2.5% of the gross assets).

With regards to the performance incentive arrangements, the current arrangements over the Ordinary Shares pool (as set out above) will automatically cover the enlarged assets and New Ordinary Shares issued pursuant to the Share Consolidation, the Scheme and the Offer. With regard to the C Shares pool performance incentive fee, the Company will, subject to the Scheme becoming effective, enter into the agreement as set out in paragraph 6.2.3 below.

- 6.1.2 An administration agreement dated 1 September 2004 between the Company (1) and Aberdeen (2) as novated to Maven pursuant to which Maven provides administration and secretarial services to the Company. Maven is entitled to an annual secretarial fee payable quarterly in arrears (which amounted to £91,000 for the year ended 31 December 2012) increased annually by the UK Consumer Prices Index (including VAT, if any). Maven's appointment is terminable on 12 months' notice, subject to earlier termination by the Company if Maven is unable to pay its debts within the meaning of Section 123 of IA 1986 or the Company's assets are no longer managed by a key manager (as defined in the agreement). The appointment will be automatically terminated if, *inter alia*, (i) either party has a receiver, administrator or liquidator appointed, (ii) either party commits a material breach of the agreement (and fails to remedy such breach within 28 days of notice) or (iii) Maven ceases to be authorised by the FSA. The administration arrangements currently in place with the Company shall also continue unchanged for the Enlarged Company (i.e. that being £91,000 (plus upward movements only in the UK Consumer Prices Index)).
- 6.1.3 A co-investment agreement between the Company (1) and Maven (2) in respect of a co-investment scheme with Maven, whereby Maven employees are able to invest alongside the Company and other Maven managed VCTs. Maven procure that those of its employees participating in the co-invest scheme invest a total of 5% of the amount invested in ordinary shares by the Company and other Maven managed VCTs in each investment made (other than investments in companies quoted on AIM or investments which are structured entirely as ordinary shares in which case the

co-investment percentage is 1.5%). The shares held by Maven employees are held through a nominee company controlled by Maven, will be acquired and realised at the same time and on the same terms (in relation to the relevant securities) as shares held by the Company and other Maven managed VCTs, and all voting and other rights attributable to those shares will be exercised by Maven in parallel with the shares held by the Company and other Maven managed VCTs. The co-investment scheme will continue to operate in respect of the Enlarged Company.

6.1.4 A letter of engagement dated 1 February 2013 between the Company and Howard Kennedy, pursuant to which Howard Kennedy will act as sponsor to the Company for the purposes of the merger and the Offer. The agreement may be terminated if any statement in the Prospectus is untrue, any material omission from the Prospectus arises or any breach of warranty occurs.

6.2 The following contracts will be entered into, subject, *inter alia*, to the approval by Shareholders of Resolution 2 to be proposed at the Meetings and the Scheme becoming effective:

6.2.1 A transfer agreement between the Company and Ortus (acting through the Liquidators) pursuant to which all of the assets and liabilities of Ortus will be transferred to the Company (subject only to the consent required to transfer such assets and liabilities) in consideration for New Shares in accordance with Part I of this document. The Liquidators will further agree under this agreement that all sale proceeds and/or dividends received in respect of the underlying assets and/or other rights of Ortus will be transferred on receipt to the Company as part of the Scheme. This agreement will be entered into as part of the Scheme and is subject to non-material amendments.

6.2.2 An indemnity from the Company to the Liquidators pursuant to which the Company will indemnify the Liquidators for expenses and costs incurred by them in connection with the Scheme. A liquidation fee has been agreed (including an amount representing contingency) and taken into account in the merger calculations. This agreement will be entered into as part of the Scheme and is subject to non-material amendments.

6.2.3 A deed of variation to the investment management agreement (set out in paragraph 6.1.1 above), pursuant to which Maven will be entitled to a performance incentive fee over the C Shares pool of an amount equal to 2.5% of all realised cash proceeds from the venture capital investments in the C Shares pool (save in respect of new investments made and realised during the life of the C Shares pool), subject to a maximum amount being paid in aggregate of £50,000.

## 7. CORPORATE GOVERNANCE

The Board applies the principles and supporting principles set out in the UK Code of Corporate Governance ("Code"), save where the Board has decided that it is in the interests of Shareholders not to follow guidance in the Code.

The exceptions to compliance with Code are as follows:-

- a senior independent director has not been appointed and whilst Shareholders are invited to contact the chairman or the secretary in the first instance if they have concerns, they may contact any Director;
- the Code recommends that the Audit Committee and Management Engagement Committee should comprise independent non-executive directors. For the reasons set out below, Mr Nixon is a member of the Nomination Committee, but not the Audit Committee or Management Engagement Committee as he is not regarded by the Board as independent; and
- the chairman of the Board is the chairman of each of the Board Committees.

### 7.1 **Board of Directors**

The Board currently consists of five non-executive directors. All of the directors with the exception of Mr Nixon, are considered to be independent of Maven. Mr Nixon is the Managing Partner of Maven and, as such, is not considered to be independent.

Mr Cormack was independent of Maven at the time of his appointment as a director and chairman in September 2004 and continues to be so by virtue of his lack of connection with Maven and the absence of cross-directorships with his fellow directors. Mr Cormack is chairman of the Audit Committee because it considers the valuations of the unlisted investments and this is the bulk of the work done at the relevant meetings.

The biographies of the directors are set out in the Board of Directors section in Part III of this document and indicate the range of the directors' investment, commercial and professional experience.

The Board sets the Company's values and objectives and ensures that its obligations to its shareholders are met. It has formally adopted a schedule of matters which are required to be brought to it for decision, thus ensuring that it maintains full and effective control over appropriate strategic, financial, operational and compliance issues.

These matters include:

- the maintenance of clear investment objectives and risk management policies;
- the monitoring of the business activities of the Company;
- Companies Act requirements such as the approval of the interim and annual financial statements and approval and recommendation of the interim and final dividends;
- major changes relating to the Company's structure, including share buybacks and share issues;
- Board appointments and related matters;
- appointment and removal of Maven and the terms and conditions of the management and administration agreements;
- terms of reference and membership of Board Committees; and
- Stock Exchange, UK Listing Authority and Financial Services Authority matters, such as approval of all circulars, listing particulars and releases concerning matters decided by the Board.

As required by CA 2006 and permitted by the Articles, Directors notify the Company of any situation which might give rise to a potential for a conflict of interests, so that the Board may consider and, if appropriate, approve such situations. A register of potential conflicts of interest for directors has been created, which will be reviewed regularly by the Board. Directors notify the Company whenever there is a change in the nature of a registered conflict situation, or whenever a new conflict situation arises.

There is an agreed procedure for directors to take independent professional advice, if necessary, at the Company's expense. The directors have access to the advice and services of the corporate Company Secretary through its appointed representatives, who are responsible to the Board for:

- ensuring that Board procedures are complied with;
- ensuring, under the direction of the chairman, good information flows with the Board and its committees; and
- advising on corporate governance matters.

An induction meeting will be arranged by Maven on the appointment of any new director, covering details about the Company, Maven, legal responsibilities and venture capital trust industry matters. Directors are provided on a regular basis with key information on the Company's policies, regulatory and statutory requirements and internal controls. Changes affecting directors' responsibilities are advised to the Board as they arise.

The chairman of the Company is a non-executive director. A senior non-executive director has not been appointed as the Board considers that each of the directors has different qualities and areas of expertise on which they may lead. The chairman is the chairman of each of the Board Committees as the Board considers he has the skills and experience relevant to those roles.

During the year ended 31 December 2011 the Board held four quarterly board meetings and additional meetings as required to address specific matters. In addition, there were two meetings of the Audit Committee and one each of the Management Engagement Committee and Nomination Committee. Between meetings the Board maintains contact with Maven. The primary focus of quarterly board meetings is a review of investment performance and related matters including asset allocation, peer group information and industry issues.

Directors have attended Board and Committee meetings during the year ended 31 December 2011 as follows:

Director	Board Meetings	Audit Committee	Management Engagement Committee	Nomination Committee
I D Cormack	6	2	1	1
M Graham-Wood	6	2	1	1
A C Lapping	5	1	1	1
W R Nixon*	6	–	–	1
S Scott	6	2	–	1

\*Mr Nixon is not a member of the Audit Committee or the Management Engagement Committee.

To enable the Board to function effectively and allow Directors to discharge their responsibilities, full and timely access is given to all relevant information. In the case of Board Meetings, this consists of a comprehensive set of papers, including the Maven's review of the market and the Company's investment activity and portfolio, and discussion documents regarding specific matters. Directors have made further enquiries where necessary.

The Board and Committees have undertaken an annual performance evaluation, using questionnaires and discussion to ensure that members have devoted sufficient time and contributed adequately to the work of the Board and its Committees.

## 7.2 **External agencies**

The Board has contractually delegated to external agencies including Maven and other service providers, certain services: the management of the investment portfolio; the custodial services, which include the safeguarding of the asset; the registration services; and day to day accounting and company secretarial requirements. Each of these contracts was entered into after full and proper consideration by the Board of the quality and cost of services offered. The Board receives and considers reports from Maven on a regular basis. In addition, ad hoc reports and information are supplied to the Board as requested.

## 7.3 **Nomination Committee**

A Nomination Committee has been established with written terms of reference and comprises the full Board. The chairman of the Nomination Committee is the chairman of the Company.

The Nomination Committee makes recommendations to the Board on the following matters:

- the identification and nomination of candidates to fill Board vacancies as and when they arise for the approval of the Board;
- succession planning;
- the re-appointment of any non-executive Director at the conclusion of their specified term of office;
- the re-election by Shareholders of any Director under the retirement of rotation provisions in the Articles;
- the continuation in office of any Director at any time; and
- the appointment of any Director to another office, such as chairman of the Audit Committee, other than to the position of Chairman.

## 7.4 **Audit Committee**

An Audit Committee has been established with written terms of reference and comprising all of the independent Directors. The chairman of the Company is the chairman of the Audit Committee. The Board is satisfied that the members of the Audit Committee have recent and relevant financial experience. Two meetings were held during the year ended 31 December 2011. The terms of reference of the Committee, which are available on request, are reviewed and re-assessed for their adequacy at each meeting.

The terms of reference of the Audit Committee include:

- the review of the effectiveness of the internal control environment of the Company including by receiving reports from internal and external auditor on a regular basis;
- the review of the half-yearly and annual reports and financial statements;
- the review of the terms of appointment of the auditor together with their remuneration as well as any non-audit services provided by the auditor;
- the review of the scope and results of the audit and the independence and objectivity of the auditors;
- the review of the auditor's management letter and the management response; and
- meetings with representatives of Maven.

At each meeting, the Audit Committee examines the annual or interim report and financial statements, reviews the Company's internal controls and review the scope of the audit and the auditor's management report to the Board.

A review of the auditor's independence is conducted annually. The Company has in place a policy for controlling the provision of non-audit services by the auditors, in order to safeguard their independence and objectivity. Non-audit work which might compromise independence is prohibited.

#### **7.5 Management Engagement Committee**

A Management Engagement Committee has been established comprising all of the independent Directors. The chairman of the Committee is the chairman of the Company. The Management Engagement Committee annually reviews the management contract with Maven, details of which are set out in paragraph 6 of this Part X.

#### **7.6 Remuneration Committee and Directors remuneration**

Where a venture capital trust has only non-executive Directors, the Code principles relating to directors' remuneration do not apply. The full Board therefore carries out the functions of a remuneration committee.

The remuneration of the Directors has been set in order to attract individuals of a calibre appropriate to the future development of the Company. The Board's policy is that the remuneration of the Directors, all of whom are non-executive, should reflect the experience of the Board as a whole, be fair and be comparable to that of other venture capital trusts with a similar capital structure and investment objectives.

The Company's policy is for the Directors to be remunerated in the form of fees, payable quarterly in arrears, to the Director personally or to a third party specified by him. The fees for the Directors are determined within the limits set out in the Articles, which limit the aggregate of the fees payable to the Directors to £150,000 a year. The Company's policy is that fees payable to the Directors should reflect the time spent by them on the Company's affairs and should be sufficient to enable candidates of a high quality to be recruited. Non-executive Directors do not receive bonuses, pension benefits, share options, long-term incentive schemes or other benefits.

#### **7.7 Internal control**

The Board has overall responsibility for the Company's system of internal control and for reviewing its effectiveness. There is an ongoing process for identifying, evaluating and managing the significant risks faced by the Company and this process is regularly reviewed by the Board and accords with the Turnbull guidance.

The Board has reviewed the effectiveness of the system of internal control and, in particular, it has reviewed the process for identifying and evaluating the significant risks affecting the Company and the policies and procedures by which these risks are managed.

The Directors have delegated the investment management of the Company's assets to Maven within overall guidelines and this embraces implementation of the system of internal control, including financial, operational and compliance controls and risk management. Internal control systems are monitored and supported by the internal audit function of Maven which undertakes periodic examination of business processes, including compliance with the terms of the

management agreement, and ensures that recommendations to improve controls are implemented.

Risks are identified and documented through a risk management framework by each function within Maven's activities. Risk is considered in the context of the Turnbull guidance and includes financial, regulatory, market, operational and reputational risk. This enables the internal audit risk assessment model to identify those functions for review. Any weaknesses identified are reported to the Company and timetables are agreed for implementing improvements to systems. The implementation of any remedial action required is monitored and feedback provided to the Board.

The key components designed to provide effective internal control for the period under review and up to the date of this report are:

- Maven prepares forecasts and management accounts which allow the Board to assess the Company's activities and review its investment performance;
- the Board and Maven have agreed clearly defined investment criteria, specified levels of authority and exposure limits. Reports on these issues, including performance statistics and investment valuations, are regularly submitted to the Board. Maven's evaluation procedure and financial analysis of the companies concerned include detailed appraisal and due diligence;
- as a matter of course the compliance department of Maven continually reviews Maven's operations;
- written agreements are in place which specifically define the roles and responsibilities of Maven and other third party service providers; and
- the Board carries out an annual assessment of internal controls by considering reports from Maven including its internal audit and compliance functions and taking account of events since the relevant period end.

In addition, Maven ensures that clearly documented contractual arrangements exist in respect of any activities that have been delegated to external professional organisations.

The internal audit function of Maven reports to the Audit Committee twice a year and has direct access to the Directors at any time.

The internal control systems are designed to meet the Company's particular needs and the risks to which it is exposed. Accordingly, the internal control systems are designed to manage rather than eliminate the risk of failure to achieve business goals and, by their nature, can provide reasonable but not absolute assurance against material misstatement or loss.

## **8. TAXATION**

- 8.1 The following paragraphs, which are intended as a general guide only and are based on current legislation and HMRC practice, summarise advice received by the Board as to the position of the Company's Shareholders who hold Shares other than for trading purposes. Any person who is in any doubt as to his taxation position or may be subject to taxation in any jurisdiction other than the United Kingdom should consult his professional advisers.
- 8.2 Taxation of dividends – under current law, no tax will be withheld by the Company when it pays a dividend.
- 8.3 Stamp duty and stamp duty reserve tax – the Company has been advised that no stamp duty or stamp duty reserve tax will be payable on the issue of the New Shares to be issued pursuant to the merger. The Company has been advised that the transfer of New Shares will, subject to any applicable exemptions, be liable to ad valorem stamp duty at the rate of 0.5% of the consideration paid. An unconditional agreement to transfer such New Shares if not completed by a duly stamped stock transfer will be subject to stamp duty reserve tax generally at the rate of 50p per £100 (or part thereof) of the consideration paid.
- 8.4 Close company – the Board believes that the Company is not, and expects that following completion of the Scheme it will not be, a close company within the meaning of ITA 2007. If the Company was a close company in any accounting period, approval as a VCT for the Company would be withdrawn.

## 9. RELATED PARTY TRANSACTIONS

Save for the fees paid to the Directors (as detailed in paragraph 4.4 above) and the fees paid to Maven in respect of its management and administration arrangements (as detailed in paragraph 6.1.1 and 6.1.2 above) and performance related incentive fees of £nil, £135,855.90, £128,878.05 and £nil in the years ended 31 December 2010, 2011 and 2012 and to the date of this document in the current financial period, there were no related party transactions or fees paid by the Company during the years ended 31 December 2010, 2011 and 2012 or to the date of this document in the current financial year.

## 10. GENERAL

### *Working Capital Statement*

- 10.1 The Company 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.

### *Capitalisation and Indebtedness Statement*

- 10.2 As at 28 February 2013 (the latest practicable date prior to the publication of this document), the Company 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.
- 10.3 The capitalisation of the Company as at 30 June 2012 (extracted from the Half-Yearly Report), is set out below. There has been no material change in the capitalisation of the Company between 30 June 2012, the date of the Half-Yearly Report and 28 February 2013, the latest practicable date before the date of publication of this document.

<b>Shareholders' Equity</b>	£'000
Called-up Share Capital	1,443
Share premium account	1,056
Other reserves	12,452
Total	<u>14,951</u>

### *Other*

- 10.4 There has been no governmental, legal or arbitration proceedings (including any such proceedings which is pending or threatened) at any time in the 12 months preceding the date of this document which may have, or have had, a significant effect on the Company's financial position or profitability.
- 10.5 There has been no significant change in the financial or trading position of the Company since 30 June 2012, the date to which the Half-Yearly Report was made up, to the date of this document.
- 10.6 There has been no significant change in the financial or trading position of Ortus since 31 August 2012, the date to which the Ortus Half-Yearly Report was made up, to the date of this document.
- 10.7 There have been no important events so far as the Company and the Directors (and the Proposed Director) are aware relating to the development of the Company or its business.
- 10.8 There have been no significant factors, whether governmental, economic, fiscal, monetary or political, including unusual or infrequent events or new developments nor any known trends, uncertainties, demands, commitments or events that are reasonably likely to have an effect on the Company's prospects or which have materially affected the Company's income from operations so far as the Company and the Directors (and the Proposed Director) are aware.
- 10.9 There are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Company's prospects for at least the current financial year, so far as the Company, the Directors and the Proposed Director are aware.
- 10.10 Scott-Moncrieff (a member of the Institute of Chartered Accountants) has given and has not withdrawn its written consent to the inclusion in this document of its report set out in Part VI of this document in the form and context in which it is included and has authorised the contents of its report for the purposes of Rule 5.5.3(2)(f) of the Prospectus Rules.

- 10.11 Howard Kennedy and the Liquidators have given and not withdrawn their written consent to the issue of this document and the inclusion of their names and the references to them in this document in the form and context in which they appear.
- 10.12 Shareholders will be informed, by means of the half-yearly and/or annual report or through a Regulatory Information Service announcement if the investment restrictions which apply to the Company as a VCT detailed in this document are breached.
- 10.13 The Company's capital resources are restricted insofar as they may be used only in putting into effect the investment policy as set out in this document. There are no firm commitments in respect of the Company's principal future investments.
- 10.14 All Shareholders have the same voting rights in respect of the share capital of the Company (save for any class rights). The Company is not aware of any person who, directly or indirectly, exercises or could exercise control over the Company, nor of any arrangements the operation of which may at a subsequent date result in a change of control of the Company.
- 10.15 The Company has no employees or subsidiaries.
- 10.16 The typical investor will be a UK taxpayer who is 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 risks associated with an investment in a VCT and be willing to retain the investment for at least five years.
- 10.17 The Company does not have any material shareholders with different voting rights.
- 10.18 The Company is subject to the investment restrictions relating to a venture capital trust in ITA 2007, as more particularly detailed in Part IX of this document, and in the Listing Rules which specify that (i) the Company must, at all times, invest and manage its assets in a way which is consistent with its object of spreading investment risk and in accordance with its published investment policy as set out in pages 32 and 33 of this document; (ii) the Company must not conduct any trading activity which is significant in the context of its group as a whole; and (iii) the Company may not invest more than 10%, in aggregate, of the value of the total assets of the issuer at the time an investment is made in other listed closed-ended investment funds. Any material change to the investment policy of the Company will require the approval of Shareholders pursuant to the Listing Rules. The Company intends to direct its affairs in respect of each of its accounting periods so as to qualify as a venture capital trust and accordingly:
- 10.18.1 the Company's income is intended to be derived wholly or mainly from shares or other securities, as this phrase is interpreted by HMRC; and
- 10.18.2 the Company will not control the companies in which it invests in such a way as to render them subsidiary undertakings.
- 10.19 The 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.
- 10.20 If the Share Consolidation had taken place on 31 December 2012 (using the illustrations set out in Part I of this document), 6,568,219 New Ordinary Shares and 4,766,687 New C Shares are issued to Ortus Shareholders pursuant to the Scheme (using the illustrations set out in Part I of this document) and 6,000,000 New Ordinary Shares are issued pursuant to the Offer, the existing total share capital of the Company as at 28 February 2013 (the latest practicable date prior to the publication of this document) is expected to represent 44.30% of the enlarged issued share capital of the Company.
- 10.21 All third party information in this Prospectus has been identified as such by reference to its source and in each instance has been accurately reproduced and, so far as the Company is aware and is able to ascertain from information published by the relevant party, no facts have been omitted which would render such reproduced information inaccurate or misleading.
- 10.22 The Company, the Directors and the Proposed Director consent to the use of the Prospectus, and accept responsibility for the content of the Prospectus, with respect to subsequent resale or final placement of securities by financial intermediaries, from the date of the Prospectus until the closing date of the Offer which is expected to take place on 30 April 2013 (subject to extension by the Board). There are no conditions attaching to this consent. Financial intermediaries may use the Prospectus in the UK.

**10.23 Financial intermediaries must give investors information on the terms and conditions of the offer being made by the financial intermediaries at the time they introduce such offer to investors. Any financial intermediary using the Prospectus must state on its website that is using the Prospectus in accordance with the consent in paragraph 10.22 above.**

#### **11. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available for inspection during normal business hours on any day (Saturdays, Sundays and public holidays excepted) from the date of this document until the Effective Date at the offices of SGH Martineau LLP, One America Square, Crosswall, London EC3N 2SG and also at the registered office of the Company:

- 11.1 the memorandum and articles of association of the Company;
- 11.2 the audited report and accounts of the Company for the financial years ended 31 December 2009, 2010 and 2011, the unaudited half-yearly report for the six month period ended 30 June 2011 and the Half-Yearly Report;
- 11.3 the audited report and accounts of Ortus for the financial years ended 29 February 2010, 2011 and 2012 and the unaudited half-yearly report of Ortus for the six month period ended 31 August 2011 and the Ortus Half-Yearly Report;
- 11.4 the material contracts referred to in paragraph 6 above (the contracts referred to at paragraph 6.2 being subject to non-material amendment);
- 11.5 the consents referred to at paragraphs 10.10 and 10.11 above;
- 11.6 the Ortus Circular;
- 11.7 the Circular; and
- 11.8 this document.

1 March 2013

**PART XI**  
**DEFINITIONS**

<b>“Aberdeen”</b>	Aberdeen Asset Managers Limited
<b>“Aberdeen Asset Management”</b>	Aberdeen Asset Management PLC
<b>“AIM”</b>	the Alternative Investment Market, a market operated by the London Stock Exchange
<b>“Applicant”</b>	the person applying for New Ordinary Shares pursuant to the Offer using an Application Form
<b>“Application”</b>	an application for New Ordinary Shares pursuant to the Offer
<b>“Application Amount”</b>	the amount for which an Application is accepted pursuant to the Offer (for the avoidance of doubt excluding any adviser fee)
<b>“Application Forms”</b>	the application forms at the back of this document (and each an Application Form)
<b>“Articles”</b>	the articles of association of the Company (as amended from time to time)
<b>“Board”</b>	the board of directors of the Company
<b>“C Shareholders”</b>	holders of C Shares
<b>“C Shares”</b>	C ordinary shares of 10p each in the Company (ISIN: GB00B97F2L56) (and each a “C Share”)
<b>“C Shares pool”</b>	the net assets of the Company attributable to the holders of C Shares
<b>“CA 1985”</b>	the Companies Act 1985, as amended from time to time
<b>“CA 2006”</b>	the Companies Act 2006, as amended from time to time
<b>“Capita Registrars”</b>	a trading division of Capita Registrars Limited
<b>“Circular”</b>	the circular to the Company’s Shareholders dated 1 March 2013
<b>“Class Meetings”</b>	the Ordinary Shares Class Meeting and the S Shares Class Meeting
<b>“Closing Date”</b>	the date by which completed Application Forms and payment must be received by Capita Registrars
<b>“Companies”</b>	the Company and Ortus
<b>“Company”</b>	Maven Income and Growth VCT 4 PLC
<b>“Conversion”</b>	the conversion of the C Shares into Ordinary Shares in accordance with the Articles as will be amended in accordance with the provisions set out in Part IV of the Circular
<b>“Deferred Shares”</b>	the deferred shares of 10p each in the capital of the Company, created following the Conversion
<b>“Directors”</b>	the directors of the Company (and each a “Director”)
<b>“Enlarged Company”</b>	the Company, following implementation of the Scheme
<b>“FSA”</b>	the Financial Services Authority
<b>“FSMA”</b>	the Financial Services and Markets Act 2000, as amended from time to time
<b>“General Meeting”</b>	the general meeting of the Company to be held on 26 March 2013
<b>“Half-Yearly Report”</b>	the unaudited half-yearly report of the Company for the six month period ended 30 June 2012

<b>“HMRC”</b>	Her Majesty’s Revenue & Customs
<b>“Howard Kennedy”</b>	Howard Kennedy Corporate Services LLP
<b>“IA 1986”</b>	the Insolvency Act 1986, as amended
<b>“ISDX”</b>	the ICAP Securities and Derivatives Exchange, a prescribed market for the purposes of section 118 of FSMA
<b>“Interim Dividends”</b>	the interim dividends of 2.75p per Ordinary Share and 1.75p per S Share declared by the Company on 26 February 2013, payable to Shareholders on the register on 8 March 2013, such dividends relating to the financial performance of the Company in respect of the year ended 31 December 2012
<b>“ITA 2007”</b>	the Income Tax Act 2007, as amended from time to time
<b>“Legacy Assets”</b>	the venture capital investments made by Ortus prior to 22 December 2006
<b>“Legacy Pool”</b>	the Legacy Assets and a proportion of all of the other assets and liabilities of Ortus which is the same as the proportion which the Legacy Assets bear to the aggregate of all the Legacy Assets and the New Portfolio Assets
<b>“Legacy Pool Roll-Over Value”</b>	the value of the Legacy Pool divided by the number of Ortus Shares in issue as calculated in accordance with Part I of this document
<b>“Liquidators”</b>	William Duncan and Sarah Louise Burge of RSM Tenon Limited, 2 Wellington Place, Leeds LS1 4AP, being the proposed liquidators for Ortus
<b>“Listing Rules”</b>	the listing rules of the UKLA
<b>“London Stock Exchange”</b>	London Stock Exchange PLC
<b>“Maven”</b>	Maven Capital Partners UK LLP, the investment manager of the Company and Ortus
<b>“Meetings”</b>	the General Meeting and Class Meetings
<b>“Merger Regulations”</b>	Venture Capital Trusts (Winding-up and Mergers) (Tax) Regulations 2004
<b>“Merger Value”</b>	the value of an Ordinary Share calculated in accordance with Part I of this document
<b>“NAV” or “net asset value”</b>	net asset value
<b>“New C Shares”</b>	the new C Shares to be issued by the Company in accordance with the Scheme (and each a “New C Share”)
<b>“New Ordinary Shares”</b>	the new Ordinary Shares arising from the Share Consolidation and/or to be issued in accordance with the Scheme and/or the Offer, as the context permits (and each a “New Ordinary Share”)
<b>“New Portfolio Assets”</b>	the venture capital investments in Ortus, other than the Legacy Assets
<b>“New Portfolio Pool”</b>	the assets and liabilities of Ortus, less the Legacy Pool
<b>“New Portfolio Pool Roll-Over Value”</b>	the value of the New Portfolio Pool divided by the number of Ortus Shares in issue as calculated in accordance with Part I of this document
<b>“New Shares”</b>	New Ordinary Shares and/or New C Shares, as the context permits (and each a “New Share”)
<b>“Offer”</b>	the offer for subscription of New Ordinary Shares contained in this document

<b>“Official List”</b>	the official list of the UKLA
<b>“Ordinary Shareholders”</b>	holders of Ordinary Shares
<b>“Ordinary Shares Class Meeting”</b>	the separate meeting of the holders of Ordinary Shares to be held on 26 March 2013
<b>“Ordinary Shares pool”</b>	the net assets of the Company attributable to the holders of Ordinary Shares
<b>“Ordinary Shares”</b>	the ordinary shares of 10p each in the capital of the Company (ISIN: GB00B043QW84) (and each an “Ordinary Share”)
<b>“Ortus”</b>	Ortus VCT PLC, registered in England and Wales under number 03160586, whose registered office is at Maven Capital Partners UK LLP, 5th Floor 9-13 St Andrew Street, London EC4A 3AF
<b>“Ortus Board”</b>	the board of directors of Ortus
<b>“Ortus Circular”</b>	the circular to Ortus Shareholders dated 1 March 2013
<b>“Ortus First General Meeting”</b>	the general meeting of Ortus to be held on 26 March 2013
<b>“Ortus Half-Yearly Report”</b>	the half-yearly report of Ortus for the six month period ended 31 August 2012
<b>“Ortus Non-Legacy Roll-Over Value”</b>	the value of the New Portfolio Pool divided by the number of Ortus Shares in issue as calculated in accordance with Part I of this document
<b>“Ortus Meetings”</b>	the Ortus First General Meeting and the Ortus Second General Meeting
<b>“Ortus Second General Meeting”</b>	the general meeting of Ortus to be held on 3 April 2013
<b>“Ortus Shareholders”</b>	holders of Ortus Shares (and each an “Ortus Shareholder”)
<b>“Ortus Shares”</b>	ordinary shares of 10p each in the capital of Ortus (and each an “Ortus Share”)
<b>“Ortus Special Dividend”</b>	the special dividend of 2p per Ortus Share declared by the Ortus Board and payable to Ortus Shareholders, subject to the Scheme becoming effective
<b>“Proposals”</b>	the proposals to merge the Ordinary Shares and S Shares pursuant to the Share Consolidation, acquire the assets and liabilities of Ortus pursuant to the Scheme and pass the Resolutions
<b>“Proposed Director”</b>	David Potter
<b>“Prospectus”</b>	this document
<b>“Qualifying Company”</b>	a company satisfying the requirements of Chapter 4 of Part 6 of ITA 2007
<b>“Qualifying Investor”</b>	an individual aged 18 or over who satisfies the conditions of eligibility for VCT tax reliefs
<b>“Receiving Agent”</b>	Capita Registrars
<b>“Resolutions”</b>	the resolutions to be proposed at the Meetings (and each a “Resolution”)
<b>“Roll-Over Values”</b>	the New Portfolio Pool Roll-Over Value and the Legacy Pool Roll-Over Value
<b>“RPI”</b>	Retail Price Index
<b>“S Shareholders”</b>	holders of S Shares

<b>“S Shares Class Meeting”</b>	the separate meeting of the holders of S Shares to be held on 26 March 2013
<b>“S Shares pool”</b>	the net assets of the Company attributable to the holders of S Shares
<b>“S Shares”</b>	S ordinary shares of 10p each in the capital of the Company (ISIN: GB00B1FPZ567) (and each an “S Share”)
<b>“Scheme”</b>	the proposed merger of the Company with Ortus by means of placing Ortus into members’ voluntary liquidation pursuant to Section 110 of IA 1986 and the acquisition by the Company of all of Ortus’ assets and liabilities in consideration for New Shares, further details of which are set out in Part I of this document
<b>“Scheme Calculation Date”</b>	the date on which the Roll-Over Values and the Merger Value will be calculated, anticipated as being after the close of business on 2 April 2013
<b>“Scheme Effective Date”</b>	the date on which the Scheme will be completed, anticipated as being 3 April 2013
<b>“Scheme Record Date”</b>	the record date to which entitlements will be allocated pursuant to the Scheme, anticipated as being 2 April 2013
<b>“Share Consolidation”</b>	the proposed merger of the Ordinary Shares and S Shares as set out in Part I of this document
<b>“Share Consolidation Calculation Date”</b>	the reference date for the NAVs for the Share Consolidation, this being close of business on 25 March 2013
<b>“Share Consolidation Effective Date”</b>	the date on which the Share Consolidation will be completed, this being 27 March 2013
<b>“Share Consolidation Record Date”</b>	the record date to which entitlements will be allocated pursuant to the Share Consolidation, this being 25 March 2013
<b>“Shareholders”</b>	holders of Shares, as the context permits (and each a “Shareholder”)
<b>“Shares”</b>	Ordinary Shares and/or S Shares and/or C Shares, as the context permits (and each a “Share”)
<b>“Subscription Price”</b>	the price per New Ordinary Share to be issued pursuant to the Offer and as calculated in accordance with the pricing formula set out on page 27 of this document
<b>“TCGA 1992”</b>	Taxation of Chargeable Gains Act 1992, as amended from time to time
<b>“Terms and Conditions”</b>	the terms and conditions of the Offer (including, for the avoidance of doubt, the application procedures and the Application forms) set out in Part XIII of this document
<b>“Transfer Agreement”</b>	the agreement between the Company and Ortus (acting through the Liquidators) for the transfer of all of the assets and liabilities of Ortus by the Liquidators to the Company pursuant to the Scheme
<b>“UK”</b>	the United Kingdom
<b>“UKLA” or “UK Listing Authority”</b>	the UK Listing Authority, being the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of FSMA
<b>“VCT” or “venture capital trust”</b>	a company satisfying the requirements of Chapter 3 of Part 6 of ITA 2007 for venture capital trusts
<b>“VCT Value”</b>	the value of an investment calculated in accordance with Section 278 of ITA 2007

## PART XII

### CORPORATE INFORMATION

<b>Directors</b>	Ian Cormack (Chairman) Malcolm Graham-Wood Andrew Lapping Steven Scott William Nixon (all of the registered office)
<b>Proposed Director</b>	David Potter
<b>Registered Office</b>	Kintyre House 205 West George Street Glasgow G2 2LW Telephone: 0141 306 7400 Website: www.mavencp.com
<b>Company Number</b>	SC272568
<b>Investment Manager, Administrator and Company Secretary</b>	Maven Capital Partners UK LLP Kintyre House 205 West George Street Glasgow G2 2LW
<b>Solicitors</b>	SGH Martineau LLP No. 1 Colmore Square Birmingham B4 6AA
<b>Sponsor</b>	Howard Kennedy Corporate Services LLP Harcourt House 19 Cavendish Square London W1A 2AW
<b>Registrars</b>	Capita Registrars Northern House Woodsome Park Fenney Bridge Huddersfield West Yorkshire HR8 0LA
<b>Receiving Agent</b>	Capita Registrars The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
<b>Reporting Accountant</b>	Scott-Moncrieff Exchange Place 3 Semple Street Edinburgh EH3 8BL
<b>Auditor</b>	Deloitte LLP Lomond House 9 George Street Glasgow G2 1QQ

## PART XIII

### OFFER APPLICATION PROCEDURES AND TERMS AND CONDITIONS

The following terms and conditions apply to the Offer.

1. The right is reserved by the Company to reject any Application in whole or in part and/or scale down, or to accept, any Application. The contract created by the acceptance of any Application will be conditional on admission to the premium segment of the Official List and to trading on the London Stock Exchange's market for listed securities of the New Ordinary Shares, unless otherwise so resolved by the Board. If any Application is not accepted, or if any contract created by acceptance does not become unconditional, or if any Application is accepted for fewer New Ordinary Shares than the number applied for, the Application monies or the balance of the amount paid on Application (excluding, in circumstances where the Application is accepted in part, any adviser fee, if applicable) will be returned without interest by post at the risk of the Applicant. Balances of less than £1 per Application may be retained by the Company and used for its own purposes. The Offer is open from 1 March 2013 and will close on the earlier of 30 April 2013 and the Offer being fully subscribed. The Board reserves the right to extend the Offer or close the Offer before 30 April 2013 at its discretion.
2. By completing and delivering an Application Form, you:
  - (a) irrevocably offer to subscribe the monetary amount for New Ordinary Shares as specified in your Application Form ("the Application Amount"), such amount being applied to purchase the New Ordinary Shares in the Company under the Offer on the basis set out in this Part XIII of this Prospectus and subject to the provisions of this Prospectus, these Terms and Conditions and the Articles;
  - (b) direct, or authorise your financial adviser to direct, Capita Registrars to send documents of title for the number of New Ordinary Shares for which your Application is accepted, and/or a crossed cheque for any monies returnable, by post at your risk to your address as set out on your Application Form;
  - (c) in consideration of the Company agreeing that it will not, prior to the Offer closing, offer any New Ordinary Shares for subscription to any persons other than as set out in this Prospectus, agree that your Application may not be revoked and that this paragraph constitutes a separate collateral contract with the Company which will become binding upon receipt of your Application Form, duly completed, by the Company's receiving agent, Capita Registrars;
  - (d) agree and warrant that your remittance will be honoured on first presentation and agree that, if such remittance is not so honoured, you will not be entitled to receive a share certificate for the New Ordinary Shares applied for or to enjoy or receive any rights or distributions in respect of such shares unless and until you make payment in cleared funds for such shares and such payment is accepted by the Company (which acceptance shall be in the Company's absolute discretion and may be on the basis that you indemnify it 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 at any time prior to unconditional acceptance by the Company of such late payment in respect of such shares, the Company may (without prejudice to its other rights) treat the agreement to allot such shares as void and may allot such shares to some other person, in which case you will not be entitled to any refund or payment in respect of such shares (other than return of such late payment);
  - (e) agree that all cheques and bankers' drafts may be presented for payment on the due dates and any definitive document of title and any monies returnable to you may be retained pending clearance of your remittance and the completion of any verification of identity required by the Money Laundering Regulations 2007 ("the Regulations") and that such monies will not bear interest;
  - (f) undertake to provide satisfactory evidence of identity within such reasonable time (in each case to be determined in the absolute discretion of the Company and Maven) to ensure compliance with the Regulations;

- (g) agree that, in respect of those New Ordinary Shares for which your Application has been received and processed and not rejected, acceptance of your Application shall be constituted by the Company instructing Capita Registrars to enter your name on its share register;
- (h) agree that all documents in connection with the Offer and any returned monies will be sent at your risk and may be sent to you at your address as set out in the Application Form;
- (i) agree that, having had the opportunity to read this Prospectus, you are deemed to have had notice of all information and representations concerning the Company, the Offer and the New Ordinary Shares contained herein (whether or not so read and including any subsequently supplementary prospectus published by the Company);
- (j) confirm that (save for advice received from your financial adviser) in making such application you are not relying on any information or representation in relation to the Company (other than those contained in this Prospectus) and you accordingly agree that no person responsible solely or jointly for this Prospectus or involved in the preparation thereof will have any liability for any such information or representation;
- (k) agree that all Applications, acceptances of Applications and contracts resulting therefrom under the Offer shall be governed by and construed in accordance with English Law and that you submit to the jurisdiction of the English Courts and agree that nothing shall limit the right of the Company to bring any action, suit or proceedings arising out of or in connection with any such Applications, acceptances of Applications and contracts in any other manner permitted by law or in any court of competent jurisdiction;
- (l) authorise the Company, Capita Registrars or Maven or any other person authorised by them, as your agent, to do all things necessary to effect registration of any New Ordinary Shares subscribed for by you into your name and authorise any representatives of the Company, Capita Registrars or Maven to execute any document required therefore and to enter your name on the register of members of the Company;
- (m) agree to provide the Company, Capita Registrars or Maven with any information which they may request in connection with your Application and/or in order to comply with the VCT regulations or other relevant legislation (as the same may be amended from time to time);
- (n) warrant that, in connection with your Application, you have observed and complied with the laws of all relevant territories, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with your Application in any territory and that you have not taken any action which will or may result in the Company, Capita Registrars or Maven or any of their respective agents infringing any laws or acting in breach of the regulatory or legal requirements of any territory directly or indirectly in connection with the Offer or in consequence of any acceptance of your Application;
- (o) confirm that you have read and complied with paragraph 3 below and warrant as provided therein;
- (p) confirm that you have reviewed the restrictions contained in paragraph 4 below and warrant as provided therein;
- (q) warrant that you are not under the age of 18 years;
- (r) agree that your Application Form is addressed to Capita Registrars, and forwarded to the address shown on the Application Form;
- (s) warrant that if you sign the Application Form on behalf of somebody else or yourself and another or others jointly or a corporation you have the requisite power to make such investments as well as the authority to do so and such person will also be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained in these Terms and Conditions and undertake (save in the case of signature by an authorised financial adviser on behalf of the investor) to enclose a power of attorney or a copy thereof duly certified by a solicitor with the Application Form;
- (t) warrant that you are not subscribing for the New Ordinary Shares using a loan which would not have been given to you or any associate, or not given to you or any associate on such favourable terms, if you had not been proposing to subscribe for the New Ordinary Shares;

- (u) warrant that the New Ordinary Shares are allotted to you 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;
  - (v) warrant that you are not a US person or resident of Canada and that you are not applying on behalf of or with a view to the offer, sale or delivery, directly or indirectly, to or for the benefit of any US person or resident of Canada;
  - (w) warrant that the information contained in the Application Form is accurate and that the Application Form has been completed to the best of your knowledge;
  - (x) agree that Maven or Capita Registrars will not regard you as its customer by virtue of your having made an application for New Ordinary Shares or by virtue of such application being accepted;
  - (y) agree that allocations of New Ordinary Shares will be rounded down to the nearest whole share and that surplus amounts will not be aggregated to purchase an additional share in the Company, and only refunds in excess of £1 will be issued; and
  - (z) consent to the information provided on the Application Form being provided to Capita Registrars and Maven to process shareholdings details and send notifications to you.
3. No action has been or will be taken in any jurisdiction by, or on behalf of, the Company which would permit a public offer of New Ordinary Shares in any jurisdiction where action for that purpose is required, other than the United Kingdom, nor has any such action been taken with respect to the possession or distribution of this Prospectus other than in the UK. No person receiving a copy of this Prospectus or an Application Form in any territory other than the UK may treat the same as constituting an invitation or offer to him or her, nor should he or she in any event use such Application Form unless, in the relevant territory, such an invitation or offer could lawfully be made to him or her or such Application Form could lawfully be used without contravention of any registration or other legal requirements. It is the responsibility of any person outside the United Kingdom wishing to make an application for New Ordinary Shares to satisfy himself or herself as to the full observance of the laws of any relevant territory in connection therewith, including obtaining any requisite governmental or other consents, observing any of the formalities requiring to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory.
  4. The New Ordinary Shares have not been, and will not be, registered under the United States Securities Act 1933, as amended, or under the securities laws of any state or other political subdivision of the United States of America ("USA"), and may not be offered or sold in the USA, its territories or possessions or other areas subject to its jurisdiction. In addition, the Company has not been, nor will it be, registered under the United States Investment Company Act of 1940, as amended. No Application will be accepted if it bears an address or post mark in the USA.
  5. The rights and remedies of the Company and Maven under these Terms and Conditions are in addition to any rights and remedies which would otherwise be available to either of them, and the exercise or partial exercise of one will not prevent the exercise of others.
  6. Applications will be accepted on a 'first come, first served' basis (subject always to the discretion of the Board). The right is reserved, to reject in whole or in part and scale down and/or ballot any Application, or any part thereof, without limitation, any Applications in respect of any information or evidence which Capita Registrars (pursuant to the Money Laundering Notice set out below) consider may be required for the purposes of the Regulations. The Offer will close on the earlier of full subscription and 30 April 2013 (subject to the discretion of the Board to extend the Offer). The Board may suspend, close or extend the Offer at its discretion. Dealings prior to the issue of certificates for New Ordinary 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.
  7. Initial and annual trail commission will be paid to execution only brokers (i.e. intermediaries who do not provide financial advice to their client in respect of an Application pursuant to the Offer). Initial commission will usually be an amount equal to 1% of the Application Amount (i.e. excluding any adviser fee). Execution only brokers may agree to waive all or part of their initial commission. If this is the case then the amount of their client's Application will be increased by an amount equivalent to the amount of commission waived and additional New Ordinary Shares will be allotted at the

same Subscription Price and will not be subject to any additional fees or commission. For the avoidance of doubt, upfront income tax relief is only available on the Application Amount and no further relief is available on New Ordinary Shares issued pursuant to waived and reinvested initial commission. Execution only brokers who continue to act for their client and whose client continues to hold the New Ordinary Shares issued pursuant to the Offer will be entitled to annual trail commission usually of an amount equal to 0.4% of the Application Amount (i.e. excluding any waived and reinvested initial commission) for up to five years. Trail commission will not be payable if the execution only broker subsequently gives advice in respect of a holding. The Company should be immediately notified that trail commission payments should cease. It is the responsibility of the Applicant and the execution only broker to notify the Company if advice is given and payments for this (or for any other) reason should cease (although the 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). Initial and annual trail commission will be paid out of the 3.5% costs of the Offer and, to the extent that these exceed 3.5%, Maven has agreed to meet these costs.

8. Financial intermediaries who provide advice to their client in respect of an Application pursuant to the Offer are not permitted to receive either initial or annual trail commission. The Applicant and the financial intermediary may, however, agree that a fee be paid to the intermediary for the financial advice and service provided. This adviser fee can either be paid direct by the Applicant to the financial intermediary or the payment to the financial intermediary can be facilitated by Capita Registrars. If the Applicant and the financial intermediary agree that the payment of the fee is to be facilitated by Capita Registrars (such fee to be in whole pounds only), the BLUE Application Form must be counter-signed by the financial intermediary in Section 6 of the Application Form (to confirm that the amount of the adviser fee has been agreed) and the additional amount representing the adviser fee should be provided in addition to the Application Amount. For the avoidance of doubt, only the Application Amount inserted on the Application Form will be used to subscribe for New Ordinary Shares pursuant to the Offer. As a result, upfront income tax relief is only available on the Application Amount (i.e. not on the adviser fee). The charging of VAT on any adviser fee is the sole responsibility of the financial intermediary. Should any fee paid to the intermediary not include the payment of any such VAT, the Applicant will, at all times, remain solely responsible to make up such VAT deficit (if any) to the financial intermediary. If the amount provided on an Applicant's cheque is less than the aggregate amount required to meet both the Application Amount and the adviser fee to be facilitated by Capita Registrars, the Application Amount will be reduced accordingly.
9. The maximum amount to be raised is £5 million. The maximum number of New Ordinary Shares to be issued by the Company is 6 million. The Offer will close once the Company has reached its maximum amount being raised or its aggregate maximum number of New Ordinary Shares which may be issued.
10. The section headed Application Procedure on page 98, and the Application Forms, form part of these Terms and Conditions. Definitions set out in the prospectus issued by the Company on 1 March 2013 ("Prospectus") apply herein.
11. The right is also reserved to treat as valid any Application not complying fully with these Terms and Conditions for the Offer or not in all respects complying with the Application Procedure. In particular, but without limitation, the Company may accept Applications made otherwise than by completion of an Application Form where the Applicant has agreed in some other manner acceptable to the Company to apply in accordance with these Terms and Conditions. Applications which are not accompanied by cheques or bankers' drafts available for immediate presentation or by other valid payment means will be dealt with at the Board's discretion. If any dispute arises as to the date or time on which an Application is received, the Board's determination shall be final and binding.

## Application Procedure

Before making any Application to acquire New Ordinary Shares pursuant to the Offer you are strongly recommended to consult an independent financial adviser authorised under the Financial Services and Markets Act 2000.

If you are applying directly (i.e. not through a financial intermediary) or are applying through a financial intermediary who HAS NOT provided advice in respect of this investment, you should complete the WHITE Application Form and sign in Section 3.

If you are applying through a financial intermediary who HAS provided advice in respect of this investment, you should complete the BLUE Application Form, and sign in Sections 3 and 6.

To fill out the Application Form:

### SECTION 1

Insert your full name and address in BLOCK CAPITALS. Individuals can only apply on their own behalf and in their own name. You must be the beneficial owner of the New Ordinary Shares issued to you pursuant to the Offer. You must not use a nominee name, as this will jeopardise your entitlement to tax reliefs. You must also give your own address, full postcode, date of birth and National Insurance Number, telephone number and preferably an email address. Telephone numbers will only be used in case of a query with regard to your Application.

From time to time Maven issues newsletters and marketing documents in respect of funds and VCTs it manages. If you do not wish to receive this information by email, please tick the box in Section 1.

### SECTION 2

Insert (in figures) the amount you wish to invest under the Offer. The Total (Application Amount) is the aggregate for the two tax years and must be for a minimum of £5,000 and in multiples of £1,000 thereafter.

When using the WHITE Application Form, cheques and bankers' drafts should be for the amount entered in the Total (Application Amount) box.

Where the BLUE Application Form has been used (see note above and on pages 28 and 29), and the Applicant has agreed that the payment of an adviser fee is to be facilitated to the financial intermediary, cheques and bankers' drafts should be for the total payment indicated in the box marked "Cheque Amount". The adviser fee to be paid must be in whole pounds.

Cheques and bankers' drafts should be made payable to "Capita Registrars Limited re: MIG 4" and crossed "A/C Payee"; and pinned or stapled to the Application Form.

Cheques must be honoured on first presentation. A separate cheque must accompany each Application. The cheque or bankers' draft must be drawn in sterling on an account at a bank branch or building society in the United Kingdom or the Channel Islands and bear a bank sort code number in the top right hand corner. Additionally, if you use a building society cheque or bankers' draft, you should ensure that the bank or building society has confirmed the name of the account holder by stamping or endorsing the cheque or draft to that effect. No receipt for your payment will be issued.

Any monies not accepted will be returned by sending back the Applicant's cheque or bankers' draft or by sending a cheque crossed "Account Payee Only" in favour of the Applicant and otherwise in accordance with the Terms and Conditions.

### SECTION 3

Please read the declaration and sign and date the Application Form. If the Application Form is signed on your behalf by an attorney or other agent, that person should state on the form the capacity in which they are signing and the original power(s) of attorney or a copy thereof duly certified by a solicitor must be enclosed for inspection and will be returned in due course.

#### Money Laundering Notice

Under the Money Laundering Regulations 2007, Capita Registrars may be required to check the identity of persons who subscribe for in excess of the sterling equivalent of €15,000 (approximately £13,000) of New Ordinary Shares. Capita Registrars may, therefore, undertake electronic searches for the purposes

of verifying identity. Capita Registrars reserve the right to withhold entitlement (including any refund cheque) until such verification of identity is completed to its satisfaction.

Should a verification of identity be necessary, the identity documents which will be required are:

- either a certified copy of your passport or driving licence; and
- 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 by a solicitor or bank. Original documents will be returned by post at your risk.

If the Application is being made by a financial intermediary on behalf of an investor, the financial intermediary by completing and (as applicable) stamping Section 5 of the Application Form, warrants that the Applicant is known to them and that they have completed all the verification procedures as required by the relevant rules and guidance of the FSA, the Joint Money Laundering Steering Group Guidance Notes and other antimoney laundering laws and regulations as may be considered appropriate. The financial intermediary also confirms that this information can be relied upon by Capita Registrars and will, subject to reasonable notice, be made available to the Company or Capita Registrars for inspection upon request. In the event of delay or failure to produce such information, the Company may refuse to accept an Application under the Offer.

#### **SECTION 4**

Dividends declared by the Company will be paid by cheque and sent to the Shareholder's registered address. Alternatively, if you would like the dividends to be paid directly into a bank or building society account, please complete the mandate form in Section 4.

#### **SECTION 5**

Section 5 must be completed by financial intermediaries, including execution only brokers who are entitled to commission and financial intermediaries who have agreed an adviser fee with their client. The financial intermediary should provide their name, business name, contact details, address and FSA Number.

#### **SECTION 6**

Initial and annual trail commission is only available to execution only brokers (i.e. intermediaries who have not provided financial advice). The execution only broker should complete Section 6 of the WHITE Application Form confirming whether or not they wish to waive and reinvest any element of their initial commission and have it invested in additional New Ordinary Shares for the benefit of their client. The broker should complete Boxes B and C to indicate how much of the initial commission they wish to receive, and how much is to be waived in favour of the applicant named in Section 1. Boxes B and C should add up to the figure shown in Box D.

By completing Section 6, the execution only broker undertakes and warrants that they have not provided financial advice to their client named in Section 1 of the Application Form and further that they have read and understood the Terms and Conditions as set out on pages 94 to 97 of the Prospectus.

If an intermediary has provided financial advice, the BLUE Application Form should be used. If the Applicant has agreed to pay a fee direct to their financial intermediary then Option A should be ticked to confirm that no payment of an adviser fee is to be facilitated to the intermediary from the monies received from the Applicant. If the Applicant has agreed that the payment of an adviser fee is to be facilitated from the Cheque Amount, as indicated in section 2 of the Application Form, then Option B should be completed, including inserting the amount of the adviser fee to be paid and facilitated in whole pounds, and signed. The intermediary must also sign to confirm that the amount of the adviser fee has been agreed and further that they have read and understood the Terms and Conditions as set out on pages 94 to 97 of the Prospectus.

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# Maven Income and Growth VCT 4 Offer – Application Form

For Applications where no advice has been received from a financial adviser

## SECTION 1 PLEASE USE BLOCK CAPITALS

Title		Daytime Phone No.	
Forename(s)		Email Address (to receive communications about your application*)	
Surname			
Address		Date of Birth (dd/mm/yy)	
Postcode		National Insurance No.	

\* Maven will also register you to receive the twice-yearly newsletter by email, as well as news of portfolio investments and information about future VCT offers. If you do not wish to receive information by email, please tick this box.

## SECTION 2

I apply to subscribe the following Application Amount (minimum £5,000) under the Offer:

In 2012/2013 tax year	£
In 2013/2014 tax year	£
<b>Total (Application Amount)</b>	<b>£</b>

or such smaller amounts for which this Application is accepted, on the Terms and Conditions set out in the Prospectus dated 1 March 2013. Definitions used in the Prospectus apply herein.

Cheques and bankers' drafts should be for the amount entered in the section marked **Total (Application Amount)** above. Please make cheques payable to "**Capita Registrars Limited re: MIG 4**", and crossed "**A/C Payee**" and pin or staple these to this Application Form.

## SECTION 3

If the Application Form is completed and signed by the Applicant named in Section 1:

By signing the Application Form I hereby declare that

- (i) I have received and read the Prospectus dated 1 March 2013, including the Terms and Conditions set out on pages 94 to 97 and agree to be bound by them;
- (ii) I understand that the tax relief will only be available on the total Application Amount set out in Section 2 and not on any amount of commission waived and reinvested as entered in Section 6 overleaf;
- (iii) I will be the beneficial owner of the New Ordinary Shares issued to me pursuant to the Offer; and
- (iv) to the best of my knowledge and belief, the particulars I have given on the Application Form are correct.

If the Application Form is completed and signed by an authorised financial intermediary or any person other than the Applicant:

By signing the Application Form on behalf of the individual whose details are shown above, I make a declaration on behalf of such individual on the terms of sub-paragraphs (i) to (iv) above.

HMRC may inspect this declaration. It is a serious offence to make a false declaration.

Signature	Date
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# Maven Income and Growth VCT 4 Offer – Application Form (continued)

For Applications where no advice has been received from a financial adviser

## SECTION 4

### Payment of dividends directly to Bank or Building Society Accounts.

If you wish all future dividend payments by the Company to be paid directly into your bank or building society account, please complete and sign the mandate below. Mandate details will be applied to your account upon allotment of your New Ordinary Shares.

Sort code		Account No. (please quote all digits including zeros)	
Name of Bank or Building Society		Account Name	
Address of Branch		Signature	
Postcode		Date (dd/mmyy)	

If you are applying directly and are not using a financial intermediary, you do not need to complete Sections 5 and 6.

Please send this completed Form directly to Capita Registrars at the address shown below.

If you are applying through a financial intermediary who has not provided advice, such as an execution only broker, the financial intermediary should complete Sections 5 and 6 as indicated, then return this Application Form to Capita Registrars at the address shown below.

## SECTION 5 (to be completed by the financial intermediary)

### Details of Financial Intermediary

Completion of the details below indicates that the financial intermediary is duly authorised to transact investments of this type under the Financial Services and Markets Act 2000 and confirms that the requirements of the Money Laundering Regulations 2007 have been complied with.

By completing these boxes you are deemed to have given the warranty set out on page 99 of the Prospectus in respect of the Money Laundering Regulations.

Stamp or address of financial intermediary	Firm Name	
	Contact Name/ Number	
	Email Address	
FSA Number	Date (dd/mm/yy)	

## SECTION 6 (to be completed by the financial intermediary whose details are shown in Section 5)

### Commission

Commissions may be paid only if the FSA number has been provided in Section 5 above.

Normally initial commission of 1% of the Application Amount is payable, plus annual trail commission of 0.4% of the Application Amount for up to five years. Indicate in Box C the element of the initial commission that you wish to be waived and reinvested for the applicant named in Section 1 of the Application Form (this must be one of 0%, 0.25%, 0.5%, 0.75% or 1% etc). If any element of the initial commission is waived, it will be available for subscription for additional New Ordinary Shares in accordance with the Terms and Conditions.

BOX A Initial Commission	BOX B Pay to Intermediary (%)	BOX C Waive and reinvest (%)	BOX D Total (B + C)	For official use only
1%			1%	

## DELIVERY OF APPLICATION FORM

Send or deliver the completed Application Form, together with a cheque or bankers' draft, to: Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to arrive (in relation to Applications for the 2012/13 tax year) no later than 12 noon on Friday 5 April 2013 or (for the 2013/14 tax year) no later than 12 noon on Tuesday 30 April 2013.

# Maven Income and Growth VCT 4 Offer – Application Form

For Applications where advice has been received from a financial adviser

## SECTION 1 PLEASE USE BLOCK CAPITALS

Title		Daytime Phone No.	
Forename(s)		Email Address (to receive communications about your application*)	
Surname			
Address		Date of Birth (dd/mm/yy)	
Postcode		National Insurance No.	

\* Maven will also register you to receive the twice-yearly newsletter by email, as well as news of portfolio investments and information about future VCT offers. If you do not wish to receive information by email, please tick this box.

## SECTION 2

I apply to subscribe the following Application Amount (minimum £5,000) under the Offer:

In 2012/2013 tax year	£
In 2013/2014 tax year	£
<b>Total (Application Amount)</b>	<b>£</b>

Adviser fee*	£
<b>Cheque Amount</b> (Application Amount plus adviser fee)	<b>£</b>

or such smaller amounts for which this Application is accepted, on the Terms and Conditions set out in the Prospectus dated 1 March 2013. Definitions used in the Prospectus apply herein.

\*See Section 6 overleaf

Cheques and bankers' drafts should be for the amount entered in the section marked **Cheque Amount** above, which includes any adviser fee to be paid. Please make cheques payable to "**Capita Registrars Limited re: MIG 4**", and crossed "**A/C Payee**" and pin or staple these to this Application Form.

## SECTION 3

If the Application Form is completed and signed by the Applicant named in Section 1:

By signing the Application Form I hereby declare that:

- (i) I have received and read the Prospectus dated 1 March 2013, including the Terms and Conditions set out on pages 94 to 97 and agree to be bound by them;
- (ii) I understand that the tax relief will only be available on the total Application Amount set out in Section 2 and not on any amount of adviser fee as entered in Section 6 overleaf;
- (iii) I will be the beneficial owner of the New Ordinary Shares issued to me pursuant to the Offer; and
- (iv) to the best of my knowledge and belief, the particulars I have given on the Application Form are correct.

If the Application Form is completed and signed by an authorised financial intermediary or any person other than the Applicant:

By signing the Application Form on behalf of the individual whose details are shown above, I make a declaration on behalf of such individual on the terms of sub-paragraphs (i) to (iv) above.

HMRC may inspect this declaration. It is a serious offence to make a false declaration.

Signature	Date
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# Maven Income and Growth VCT 4 Offer – Application Form (continued)

For Applications where advice has been received from a financial adviser

## SECTION 4

### Payment of dividends directly to Bank or Building Society Accounts.

If you wish all future dividend payments by the Company to be paid directly into your bank or building society account, please complete and sign the mandate below. Mandate details will be applied to your account upon allotment of your New Ordinary Shares.

Sort code		Account No. (please quote all digits including zeros)	
Name of Bank or Building Society		Account Name	
Address of Branch		Signature	
Postcode		Date (dd/mmyy)	

If you are applying through a financial intermediary who has provided advice in connection with this investment, you and the financial intermediary should complete and sign Sections 5 and 6 as indicated, then return this Application Form to Capita Registrars at the address shown below.

## SECTION 5 (to be completed by the financial intermediary)

### Details of Financial Intermediary

Completion of the details below indicates that the financial intermediary is duly authorised to transact investments of this type under the Financial Services and Markets Act 2000 and confirms that the requirements of the Money Laundering Regulations 2007 have been complied with.

By completing these boxes you are deemed to have given the warranty set out on page 99 of the Prospectus in respect of the Money Laundering Regulations.

Stamp or address of financial intermediary	Firm Name	
	Contact Name/Number	
	Email Address	
FSA Number	Date (dd/mm/yy)	

## SECTION 6 (to be completed by the financial intermediary whose details are shown in Section 5)

### Adviser Fees

Adviser fees may be paid only if the FSA number has been provided in Section 5 above.

**Tick ONE of options A or B below. If Option B is selected, both the Applicant and Intermediary must sign where indicated.**

#### Option A (Tick Box)

I have agreed to pay any adviser fees directly to my adviser for the advice received in respect of my investment to which this Application relates, and do not require the payment of any adviser fee to be facilitated by Capita Registrars Limited.

OR

#### Option B (Tick Box and sign where indicated)

I have agreed to pay the adviser detailed in Section 5 the adviser fee detailed below for the advice in respect of my investment to which this Application relates, and require the payment of this fee to be facilitated by Capita Registrars Limited.

**I understand that tax relief will be available only on the Application Amount shown in Section 2 and not on the adviser fee.**

I understand that I remain solely responsible for the payment of any VAT element which becomes due to my adviser pursuant to this Application, even where arrangements have been made for Capita Registrars Limited to facilitate the payment of the adviser fee below.

Adviser fee £	Signature of Applicant
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By signing this form I hereby declare that I have read the Terms and Conditions and agree to be bound by them. I further confirm that the amount inserted above, payment of which is to be facilitated by Capita Registrars Limited, has been agreed with my client.

Signature of Intermediary
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## DELIVERY OF APPLICATION FORM

Send or deliver the completed Application Form, together with a cheque or bankers' draft, to: Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to arrive (in relation to Applications for the 2012/13 tax year) no later than 12 noon on Friday 5 April 2013 or (for the 2013/14 tax year) no later than 12 noon on Tuesday 30 April 2013.



