



Ventus VCT plc Ventus 2 VCT plc

Joint Offer for Subscription
of up to, in aggregate,
20,000,000 D Shares of 25p each

Securities Note
including Application Form

19 November 2013

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

This document constitutes a Securities Note issued by Ventus VCT plc and Ventus 2 VCT plc. Additional information relating to the Companies is contained in a Registration Document issued by the Companies. This Securities Note, the Registration Document and a Summary have been prepared in accordance with the Prospectus Rules made under FSMA, and have been approved by the Financial Conduct Authority in accordance with FSMA and constitute a Prospectus issued by the Companies dated 19 November 2013. The Prospectus has been filed with the FCA in accordance with the Prospectus Rules and you are advised to read the Prospectus in full.

The Companies and their Directors (whose names are set out on page 9) accept responsibility for the information contained in the Prospectus. To the best of the knowledge and belief of each Company and its Directors (who have taken all reasonable care to ensure that such is the case) the information contained in the Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

VENTUS VCT PLC

(Incorporated in England and Wales under the Companies Act 1985 with registered number 05205442)

VENTUS 2 VCT PLC

(Incorporated in England and Wales under the Companies Act 1985 with registered number 05667210)

Joint Offer for Subscription of up to, in aggregate, 20,000,000 D Shares of 25p each at a price of 100p per D Share payable in full in cash on application

Howard Kennedy Corporate Services LLP, which is authorised and regulated in the United Kingdom for the conduct of investment business by the Financial Conduct Authority, is acting exclusively for the Companies as sponsor and for no one else in connection with the Offer, and, subject to the responsibilities and liabilities imposed by FSMA or the regulatory regime established thereunder, will not be responsible to any person other than the Companies for providing the protections afforded to customers of Howard Kennedy or for providing advice to them in relation to the Offer or any other matter referred to in this document. Howard Kennedy is not making any representation or warranty, express or implied, as to the contents of this document.

Each Company's existing Shares are listed on the premium segment of the Official List of the UK Listing Authority and traded on the London Stock Exchange's main market for listed securities. Applications will be made to the UK Listing Authority for the D Shares to be admitted to the premium segment of the Official List and to the London Stock Exchange for such D Shares to be admitted to trading on its main market for listed securities. It is expected that admission to the Official List will become effective and that dealings in the D Shares will commence within ten Business Days following allotment.

Copies of this Securities Note, the Registration Document and the Summary (and any supplementary prospectus published by the relevant Company or Companies) are available free of charge from the offices of the Companies' investment manager, Temporis Capital LLP, Berger House, 36-38 Berkeley Square, London, W1J 5AE, at <http://www.ventusvct.com> and from the National Storage Mechanism (<http://www.morningstar.co.uk/uk/NSM>).

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

The Application Form and the terms and conditions of application under the Offer are set out at the end of this Securities Note. Completed Application Forms must be posted or delivered by hand to the Receiving Agent, The City Partnership (UK) Limited, Thistle House, 21-23 Thistle Street, Edinburgh, EH2 1DF. The Offer opens on 19 November 2013 and will close on 30 May 2014 or such earlier or later date as determined by the Directors at their discretion (but no later than 18 November 2014).

Your attention is drawn to the risk factors on page 3. An investment in the Companies is only suitable for investors who are capable of evaluating the risks and merits of such an investment and have sufficient resources to bear any loss that may arise.

CONTENTS

	Page
Risk factors	3
Forward-looking statements	4
Definitions	5
Expected timetable	8
Offer statistics	8
Directors, Manager and advisers	9
Part I Letter from the Chairmen	10
Part II The Offer	12
Part III The Companies	15
Part IV Taxation considerations for investors	27
Part V Conditions to be met by venture capital trusts	29
Part VI Additional information	31
Part VII Terms and conditions	37
Guide to the Application Form	40
Application Form	43

RISK FACTORS

The Companies and the Directors consider the following risks to be material to each Company's Shares. They are not set out in any order of priority. Material risks relating to the Companies are set out in the Registration Document. Additional risks and uncertainties currently unknown to the Companies and the Directors (such as changes in legal, regulatory or tax requirements), or which the Companies and the Directors currently believe are immaterial to each Company's Shares, may also have a materially adverse effect on the trading price of Shares.

- Each Company intends to manage its affairs in respect of each accounting period so as to obtain and thereafter maintain approval as a VCT. However, there can be no guarantee that a Company will be able to maintain VCT status. A failure of a Company to meet and maintain the qualifying requirements for a VCT may cause HMRC to withdraw the Company's status as a VCT, which could result in:
 - investors being required to repay the 30% income tax relief received on subscription for D Shares;
 - loss of income tax relief on dividends paid (or subsequently payable) by the Companies;
 - loss of tax relief previously obtained in relation to corporation tax on capital gains made by the Companies;
 - a liability to capital gains tax on the disposal of D Shares; and
 - the loss of the Companies' listings on the Official List.
- The levels and bases of relief from taxation may change and such changes may be retrospective. The tax reliefs referred to in this document are those currently available for the 2013-2014 tax year and their values depend on the individual circumstances of investors. **Investors should seek their own tax advice appropriate to their individual circumstances.**
- Although the D Shares will be listed on the premium segment of the Official List and admitted to trading on the London Stock Exchange, shares in VCTs are inherently illiquid and there may be a limited market in the shares primarily because the initial tax relief is only available to those subscribing for newly-issued shares and investors may, therefore, have difficulty in selling them.
- The value of Shares in each Company depends on the performance of its underlying assets. However, the market price of the D Shares may not fully reflect their underlying net asset value and will be determined, among other things, by the interaction of supply and demand for D Shares in the market, as well as the net asset value per Share. There is no guarantee that either Company will buy back its Shares in the future. The price at which the D Shares are traded may not reflect the Net Asset Value of the Companies as shares in VCTs often trade at below their NAV due, in part, to low share trading volumes and wide bid-offer spreads.
- Any realised losses on the disposal of D Shares cannot be used to create an allowable loss for capital gains tax purposes.
- Investments in the Companies should be regarded as long-term in nature, as any sale of D Shares within five years of subscription will result in the 30% income tax relief available upon investment becoming repayable.
- In July 2013, HMRC issued a consultation paper titled "Venture Capital Trusts share buy-backs". The consultation paper proposes restricting tax relief on subscription for shares in a VCT after 5 April 2014 where, within 6 months of subscription, the investor had disposed of shares in that VCT or a VCT with the same or similar investment manager. If introduced, such proposals may lead to a restriction on income tax relief available to an investor in D Shares if, within 6 months of subscription, the investor had disposed of Shares in either of the Companies. There may also be restrictions on the ability of VCTs to pay dividends.
- The Alternative Investment Fund Managers Directive, 2011/61/EU, became effective across the European Union on 22 July 2013. The AIFMD regulates managers of alternative investment funds, such as the Companies, which are marketed or managed in the EU. By 22 July 2014 the Boards must have either appointed an external authorised alternative investment fund manager or registered the Companies with the FCA as such in their own right. Although it is too early to be definitive as to the impact of the AIFMD, it is possible that the AIFMD will result in burdens being placed on the Manager and the Companies which may create additional compliance costs for the Companies.

FORWARD-LOOKING STATEMENTS

Potential investors should not place undue reliance on forward-looking statements. This Securities Note includes statements that are (or may be deemed to be) “forward-looking statements”, which can be identified by the use of forward-looking terminology including terms such as “believes”, “continues”, “expects”, “intends”, “may”, “will”, “would”, “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not historical facts. Forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements contained in this Securities Note, based on past trends or activities, should not be taken as a representation that such trends or activities will continue in the future. These statements will be updated as and when required by the Prospectus Rules, the Listing Rules and the DTRs, as appropriate.

DEFINITIONS

Act	the Companies Act 2006 (as amended from time to time)
Admission	the admission of the D Shares issued, and to be issued, pursuant to the Offer to the Official List and to trading on the London Stock Exchange becoming effective
AIFMD	the Alternative Investment Fund Managers Directive, 2011/61/EU
AIM	the AIM Market operated by the London Stock Exchange
Application Form	the form of application for D Shares under the Offer set out at the end of this document
Articles	the articles of association of each Company (as amended from time to time)
Business Day	any day (other than a Saturday) on which clearing banks are open for normal banking business in sterling
Companies	Ventus and Ventus 2, and Company means either one of them as the context requires
CREST	the relevant system (as defined in the Regulations) operated by Euroclear
C Shares	Ventus C Shares of 25p each or Ventus 2 C Shares of 25p each, as applicable
C Shareholder	a holder of Ventus C Shares or Ventus 2 C Shares, as applicable
D Shares	Ventus D Shares of 25p each or Ventus 2 D Shares of 25p each, as applicable
D Shareholder	a holder of Ventus D Shares or Ventus 2 D Shares, as applicable
Directors or the Board	the directors of each Company
EMR	Electricity Market Reform
Euroclear	Euroclear UK & Ireland Limited
Execution-only Transaction	transaction executed by an FCA authorised firm upon the specific instructions of a client where the firm does not give advice or make a personal recommendation
FCA	the Financial Conduct Authority
Force Majeure Circumstances	any political and/or economic and/or market circumstances and/or actual or anticipated changes in fiscal or other legislation which, in the reasonable opinion of the directors, renders it necessary to bring the conversion date and/or the calculation date in respect of the conversion of the D Shares into Ordinary Shares forward
FSMA	Financial Services and Markets Act 2000
General Meetings	the general meetings of the Companies convened for 18 December 2013 (or any adjournment(s) thereof) and General Meeting means either one of them as the context requires
HMRC	HM Revenue & Customs
ITA	Income Tax Act 2007, as amended
Listing Rules	the rules relating to admission to the Official List
London Stock Exchange	London Stock Exchange plc

Management Agreements	the agreement dated 26 August 2011 between Ventus and the Manager governing the investment management of Ventus (effective 12 September 2011) and the agreement dated 26 August 2011 between Ventus 2 and the Manager governing the investment management of Ventus 2 (effective 12 September 2011)
Minimum Net Proceeds	the minimum net proceeds of the Offer to be raised by each Company in order for that Company to issue D Shares under the Offer, being £1,000,000
Net Asset Value or NAV	the value of each Company's assets, less its liabilities (divided by the appropriate number of Shares in issue when referred to on a per-Share basis)
Notice	notice of the General Meetings
Offer	the joint offer for subscription to raise a maximum amount of £20,000,000 (before expenses) by the issue of up to 20,000,000 D Shares at 100p each as described in the Securities Note
Offer Agreement	the offer for subscription agreement referred to in paragraph 9 of Part VI of the Registration Document
Offer Price	for each Company, 100p per D Share
Official List	the Official List of the UK Listing Authority
Ordinary Shareholder	a holder of Ventus Ordinary Shares or Ventus 2 Ordinary Shares, as applicable
Ordinary Shares	Ventus Ordinary Shares of 25p each or Ventus 2 Ordinary Shares of 25p each, as applicable
Prospectus	the Securities Note, the Registration Document and the Summary, each dated 19 November 2013
Prospectus Rules	the prospectus rules made in accordance with the EU Prospectus Directive 2003/71/EC
Qualifying Investment or Qualifying Holding	an investment made by a VCT in a trading company which comprises a qualifying holding under Chapter 4 of Part 6 ITA
Receiving Agents	The City Partnership (UK) Limited
Registrars	Capita Asset Services
Registration Document	the registration document, issued by the Companies dated 19 November 2013 in connection with the Offer
Regulations	the Uncertificated Securities Regulations 2001 (S.I. 2001/3755)
Renewables Obligation	the obligation of licensed electricity suppliers to supply a specified and growing proportion of their electricity sales from renewable sources, as set out in The Renewables Obligation Order 2002 (S.I. 914/2002) in respect of England and Wales and The Renewables Obligation (Scotland) Order 2002 (Scottish S.I. 163/2002) in respect of Scotland (both as amended)
Resolutions	the resolutions to be proposed at the General Meetings
Return	growth in Net Asset Value plus payment of dividends for the purpose of computing the performance-related incentive fee as set out on page 24

Securities Note	this document, issued by the Companies dated 19 November 2013
Shares	Ordinary Shares, C Shares or D Shares, as applicable
Shareholder	an Ordinary Shareholder, a C Shareholder or a D Shareholder, as applicable
Sponsor or Howard Kennedy	Howard Kennedy Corporate Services LLP, which is authorised and regulated by the FCA and is a member of the London Stock Exchange
Summary	the summary issued by the Companies dated 19 November 2013 in connection with the Offer
Temporis or the Manager	Temporis Capital LLP, which is authorised and regulated by the FCA
Total Return	Net Asset Value plus cumulative dividends paid
UK Listing Authority or UKLA	The Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000
VCT	venture capital trust as defined by section 259 ITA
VCT Rules	Part 6 ITA and every other statute (including any orders, regulations or other subordinate legislation made under them) for the time being in force concerning VCTs
Ventus	Ventus VCT plc
Ventus 2	Ventus 2 VCT plc

EXPECTED TIMETABLE

Offer opens	19 November 2013
Deadline for receipt of applications qualifying for 1% additional D Shares	3.00pm on 17 January 2014
Deadline for receipt of applications for the 2013-2014 tax year	3.00pm on 4 April 2014
Deadline for receipt of applications for the 2014-2015 tax year	3.00pm on 30 May 2014
First allotment	On or before 5 April 2014
First admission and dealings expected to commence	Within ten Business Days of any allotment

The deadline for receipt of applications is subject to the Offer not being fully subscribed by an earlier date or extended prior to that date. The Directors reserve the right to extend the closing date of the Offer (such that any extension is no more than 12 months from the date of the Prospectus). The Offer will close earlier than the date stated above if it is fully subscribed or otherwise at the Directors' discretion. Definitive share and tax certificates will be despatched and CREST accounts credited as soon as practicable following allotment of D Shares. The Offer is not underwritten.

OFFER STATISTICS

	Ventus	Ventus 2
Offer Price per D Share	100p	100p
Maximum Net Proceeds of the Offer	£9,700,000	£9,700,000
Minimum Net Proceeds of the Offer	£1,000,000	£1,000,000
Maximum number of D Shares in issue following the Offer	10,000,000	10,000,000
Initial Net Asset Value per D Share	97p*	97p*

* Based on the 100p subscription price less expenses of the Offer of 3p per D Share.

Additional D Shares for investors who apply by 3.00pm on 17 January 2014:

As described in the section entitled "Applications for D Shares" on page 13 of this Securities Note, investors will receive 1% additional D Shares for Application Forms received by 3.00pm on 17 January 2014. The cost of the 1% additional D Shares for such early applications will be borne by the Manager and will not reduce the net proceeds received by the Companies under the Offer.

Trail commission available to execution-only intermediaries:

Trail commission may be payable where there is an Execution-only Transaction and no advice has been provided by the intermediary to the investor. Provided that the intermediary continues to act for the investor and the investor continues to be the beneficial owner of the D Shares, and subject to applicable laws and regulations, the intermediary will be entitled to annual trail commission for five years at the rate of 0.4% per annum of the subscription amount of successful applications submitted through the intermediary. The trail commission will be calculated by reference to the number of D Shares held by the investor on 31 March of each year from 2015 until 2019. The trail commission will cease to be payable if the appointment of Temporis as investment manager is terminated.

Trail commission will be paid by the Manager. The cost of trail commission will not be borne by the Companies.

DIRECTORS, MANAGER AND ADVISERS

Directors of Ventus

David Charles Pinckney (Chairman)
Richard David Abbott
David James Williams

all of Berger House
36-38 Berkeley Square
London W1J 5AE

Investment Manager

Temporis Capital LLP
Berger House
36-38 Berkeley Square
London W1J 5AE

Sponsor to the Offer

Howard Kennedy Corporate Services LLP
19 Cavendish Square
London
W1A 2AW

Solicitors

HowardKennedyFsi LLP
19 Cavendish Square
London
W1A 2AW

Principal Bankers

HSBC Bank plc
60 Queen Victoria Street
London
EC4N 4TR

VCT Taxation Advisers

PricewaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH

Directors of Ventus 2

Alan Geoffrey Moore OBE (Chairman)
Paul Scott Thomas
Colin Laing Wood

all of Berger House
36-38 Berkeley Square
London W1J 5AE

Registrars

Capita Asset Services
(PXS)
The Registry
34 Beckenham Road
Beckenham, Kent BR3 4TU

Receiving Agents and Secretary

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

Broker

Panmure Gordon & Co
One New Change
London
EC4M 9AF

Marketing Adviser in Relation to the Offer

RAM Capital Partners LLP
10 Furnival Street,
London EC4A 1HY

Auditors

BDO LLP
55 Baker Street
London
W1U 7EU

PART I – LETTER FROM THE CHAIRMEN

19 November 2013

Dear Investor,

We are pleased to offer existing Shareholders and new investors the opportunity to invest in a joint offer of D Shares in Ventus VCT plc and Ventus 2 VCT plc. The Companies are seeking to raise up to £20 million, in aggregate, before expenses under the Offer.

The existing Ordinary Shares and C Shares of both Companies are now invested. The Companies also have a pipeline of investment opportunities in companies with renewable energy projects having planning permission and grid connection agreements. The Directors believe it is the best interest of the Companies to raise further capital to take advantage of these investment opportunities. The Directors believe it is appropriate to issue a new class of share rather than issue further Ordinary Shares or C Shares, so as not to dilute the yield being paid to the existing Shareholders.

The key points related to the Offer are as follows:

Renewable energy assets: In accordance with the Companies' published investment policy, proceeds from the Offer will be invested in companies that will construct and operate wind farms and hydroelectricity projects. The investee companies will own real physical assets that form part of the UK's electricity generating capacity. Investments will be structured with the intention of generating stable, predictable dividends with opportunity for capital appreciation.

Long-term legislative support: The UK Government has committed to a support mechanism for wind farms which continues for twenty years from the date that the project is constructed. This gives stability of pricing for approximately half of the revenue per unit of production for a wind farm. The wind investments that the Manager has identified as part of the pipeline are expected to qualify for this regime. A similar regime exists for hydroelectricity stations, also for a twenty year period from the date of construction and with even greater stability of pricing than for wind farms. The Manager expects the identified hydroelectricity assets to qualify for this regime.

Attractive tax-free yield: Each Company intends to pay a minimum dividend of 5p per D Share starting in the second year. Taking into account the initial VCT income tax relief of 30%, this equates to an after-tax yield to investors of 7.14% per annum. Each Company has a target dividend range of 6p to 8p per D Share from the fifth year onwards.

Identified investment pipeline: The Companies have a pipeline of investment opportunities within existing investee companies, as well as other investment opportunities under advanced negotiations. The intention is that the D Share funds will be invested within a year, and that the portfolio will be generating income by the second year.

Strong track record: Ventus VCT plc was launched in 2004, and Ventus 2 VCT plc was launched in 2006. The Companies have since raised over £60 million of capital and hold interests in investee companies with over 100 megawatts of renewable energy assets. Since Temporis Capital took over the investment management of the Companies in September 2011, £17.8 million has been invested in companies building out wind and hydro projects, dividend levels have been increased and stabilised and future intended dividends have been communicated to investors. The increases in published NAV and returns to investors (increase in NAV plus dividends paid) have been significant in all four share classes since 31 August 2011, as follows:

	Increase in NAV	Dividends plus increase in NAV as % of starting NAV
Ventus Ordinary Shares	13.5%	21.2%
Ventus 2 Ordinary Shares	20.0%	29.7%
Ventus C Shares	14.8%	20.2%
Ventus 2 C Shares	15.3%	20.7%

Tax benefits: Individual investors may be entitled to various VCT tax reliefs, as set out in Part IV of this Securities Note. These include relief from initial income tax at a rate of up to 30% of the amount subscribed (subject to a five year holding period), tax-free dividends and exemption from capital gains tax.

Further details of the Offer are set out in this Securities Note. The Offer is conditional on the passing of Resolutions 1-5 set out on pages 32 to 34 of this Securities Document which are to be proposed at the General Meetings and on the Minimum Net Proceeds being raised by each Company before 3pm on 4 April 2014. You should note that, if you invest in the Offer, your capital is at risk and you may lose some or all of their investment. You are strongly

advised to get advice from a professional financial adviser before you decide whether or not to invest in the Offer. To invest, please read the Prospectus and complete the Application Form included at the end of this document. Investors who successfully apply for D Shares by 3.00pm on 17 January 2014 will receive 1% additional D Shares, reducing the net price per D Share to approximately 99 pence.

If you have any queries related to the Application Form, please contact The City Partnership (UK) Limited on 0131 243 7210 or your financial adviser. City Partnership (UK) Limited will not be able to give you any investment advice.

Yours faithfully,

David Pinckney

Chairman

Ventus VCT plc

Alan Moore

Chairman

Ventus 2 VCT plc

PART II – THE OFFER

Amount to be raised

The Offer is for up to 20 million D Shares in aggregate comprising up to 10 million D Shares in each of Ventus and Ventus 2. The Offer Price is 100 pence per D Share. Applicants' subscriptions will be divided equally between D Shares in each Company. The maximum amount receivable under the Offer, therefore, is £20 million before expenses.

In the event that applications are received for D Shares in excess of the maximum subscription under the Offer, the Directors reserve the right to exercise their discretion in the allocation of successful applications, although allocation will usually be on a first come first served basis. Applicants are encouraged to submit their Application Forms early in order to be confident that their applications will be successful.

Reasons for the Offer

The Directors have taken the following factors into account in deciding to launch the Offer:

- The Companies have a pipeline of investment opportunities within existing investee companies, as well as other investment opportunities under advanced negotiations. The Manager believes that the D Share funds will be fully invested within a year, and that the portfolio will be generating income by the second year.
- The Companies are currently experiencing a high level of new investment activity, with the Manager having completed the investment of the C Share funds.
- The team at Temporis has a strong track record of investing in companies constructing renewable energy projects. In the first eight months of 2013, investee companies of Ventus and Ventus 2 have financed the construction of 34.8 megawatts of wind energy across four projects.
- Since Temporis took over the investment management of the Companies in September 2011, the capital of Companies has been invested, dividend levels have been increased and stabilised and future intended dividends have been communicated to investors. Published NAV and Total Return (NAV + cumulative dividends paid) have increased significantly in all four share classes since 31 August 2011.
- Recent changes in the VCT legislation relating to the size of qualifying investments mean that the Companies can jointly invest up to £5 million in any one investee company in a 12 month period, creating scope for each of the Companies to invest in excess of the previous qualifying limit of £1 million per VCT.
- An increase in the size of each of the Companies will enable the fixed element of each of the Companies' running costs to be spread over a wider capital base.

Use of proceeds

The money raised from the Offer for D Shares will form a separate pool of capital in each Company. The proceeds of the Offer will be invested in companies that will construct and operate wind farms and hydroelectricity projects. The Manager has identified three investment opportunities, which are already owned by existing investee companies of the Companies. The investment opportunities include a consented 10 megawatt wind farm with a secured grid connection and two consented hydro projects with total generating capacity of 2.8 megawatts. The Manager believes the Companies could invest up to £15 million to finance construction of the assets. In addition to these investment opportunities, the Manager has a strong pipeline of investment opportunities developed from relationships with renewable energy developers, funders, turbine suppliers and other key counterparties.

Terms of the Offer

The Offer is conditional, *inter alia*, on the passing of Resolutions 1-5 being proposed at the General Meetings to be held on 18 December 2013 and on the Minimum Net Proceeds being raised by each Company before 3pm on 4 April 2014.

The minimum subscription per investor is £5,000 in respect of the Offer. Subscriptions may be made for any higher amount in multiples of £1,000. The maximum investment which can be made in order to qualify for the personal tax reliefs available from a VCT is currently £200,000 per person per tax year. The Directors are subject to the same minimum and maximum subscription levels as all other investors. Applicants may make multiple applications under the Offer, provided that the investor guidelines for VCTs are followed. The Offer is not underwritten. Investors should take appropriate independent advice.

Applications for D Shares

Investors who successfully apply for D Shares by 3.00pm on 17 January 2014 will receive 1% additional D Shares, reducing the net price per D Share to approximately 99 pence. The cost of the 1% additional D Shares for such early applications will be borne by the Manager and will not reduce the net proceeds received by the Companies under the Offer. An applicant's additional D Shares will be divided equally between each Company. No D Shares are being reserved for allocation to existing Shareholders, Directors or employees of either Company.

Effect of the Offer

Assuming full subscription under the Offer, the NAV of each of the Companies will be increased by £9,700,000. The Companies' earnings will also be increased as a result of the returns made on the net proceeds as they are invested.

Costs of the Offer

The Companies will pay the Manager a fixed arrangement fee of 3% of funds raised to cover the costs of the Offer. The Manager will pay all of the direct and indirect costs and expenses arising out of the Offer, including the cost of the 1% additional D Shares referred to under the heading "Applications for D Shares" above and the trail commission referred to under the heading "Intermediary commissions" below. The costs of the Offer will be borne solely by the D Share funds.

Intermediary commissions

Commission is generally not permitted to be paid to intermediaries who provide a personal recommendation to UK retail clients on investments in VCTs after 30 December 2012. Instead of commission being paid by the VCT, an advisory fee will usually be agreed between the intermediary and investor for the advice and related services. This fee can either be paid directly by the investor to the intermediary or, if it is an initial one-off fee, the payment of such fee may be facilitated by the Companies out of the investor's funds received by the Receiving Agent. Ongoing fees (i.e., trail commissions) to intermediaries will not be facilitated by the Companies. If the payment of an advisory fee is to be facilitated by the Companies, then the investor is required to specify the amount of the fee in Part A of Section 5 of the Application Form. The advisory fee will be deducted from the subscription, so that the investor will be issued D Shares, and receive tax relief, based on the net subscription after the deduction of the advisory fee. The advisory fee will be inclusive of VAT, where applicable.

Trail commission may be payable where there is an Execution-only Transaction and no advice has been provided by the intermediary to the investor. Provided that the intermediary continues to act for the investor and the investor continues to be the beneficial owner of the D Shares, and subject to applicable laws and regulations, the intermediary will be entitled to annual trail commission for five years at the rate of 0.4% per annum of the subscription amount of successful applications submitted through the intermediary. The trail commission will be calculated by reference to the number of D Shares held by the investor on 31 March of each year from 2015 until 2019. The trail commission will cease to be payable if the appointment of Temporis as investment manager is terminated.

Trail commission will be paid by the Manager. The cost of trail commission will not be borne by investors or by the Companies.

Directors' subscriptions

The Directors will invest at least £65,000 in D Shares, in aggregate, under the Offer.

Conversion of D Shares

The articles of association of the Companies provide that the conversion of D Shares into Ordinary Shares shall be effected at the earliest to occur of (i) two months after the valuation date at which the D Share assets are, in the opinion of the Directors, sufficiently mature and income generating that it is in the interest of all Shareholders to give effect to the conversion and (ii) the date selected by the Directors following a resolution of the Directors that Force Majeure Circumstances have arisen or are imminent. The D Shares will convert into Ordinary Shares at a

rate determined by the relationship between the respective Net Asset Values of these share classes at the applicable valuation date (allowing for adjustment in respect of the Manager's performance incentive fee). Further details on the provisions of the articles of association dealing with the conversion of D Shares are set out in Part VI of the Registration Document.

Allotment of Shares

The Offer will open on 19 November 2013. The first allotment under the Offer will be on or before 5 April 2014. Thereafter, the Directors reserve the right to allot D Shares at any time whilst the Offer remains open. Details of such allotments will be announced through a regulatory information service by no later than the Business Day following the allotment. Dealings in the D Shares are expected to commence within ten Business Days of such allotments. Subject to the Offer not being fully subscribed earlier, the closing date for the Offer in respect of the 2013/2014 tax year will be at 3.00 pm on 4 April 2014 and for the 2014/2015 tax year will be 3.00pm on 30 May 2014. The Offer will not be withdrawn after dealings in the D Shares have commenced. The Directors reserve the right to extend the closing date of the Offer (such that any extension is no more than 12 months from the date of the Prospectus).

The results of the Offer will be announced through a regulatory information service within 3 Business Days of the closing of the Offer.

Listing

Application will be made to the UK Listing Authority and the London Stock Exchange for the D Shares to be admitted to the premium segment of the Official List of the UK Listing Authority and to trading on the London Stock Exchange's main market for listed securities. All D Shares for each Company will be issued in registered form, will be transferable and will rank *pari passu* in all respects with each other. Application will be made for the D Shares to be admitted to the CREST system and it is anticipated that D Shareholders will be able to hold their D Shares in certificated or uncertificated form. In the case of applicants requesting share certificates, it is intended that definitive shares certificates will be despatched within 15 Business Days of allotment. Prior to despatch of definitive share certificates, transfers will be certified against the register. No temporary documents of title will be issued. In the case of applicants requesting D Shares in uncertificated form, it is expected that the D Shares will be issued in uncertificated form within ten Business Days of allotment. The Registrars will instruct Euroclear to credit the appropriate electronic stock accounts of such persons with entitlements to D Shares with effect from those days.

Notwithstanding any other provision of this document, the Companies reserve the right to allot and issue any D Shares in certificated form. In normal circumstances, the right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST), or on the part of the facilities and systems operated by the Registrars in connection with CREST. This right may also be exercised if the correct details (such as Participant ID and Member Account ID details) are not provided as requested on the Application Form.

Category of potential investors

A typical investor for whom the Offer is designed is an individual (a retail investor) who is a UK income taxpayer over 18 years of age with an investment range of between £5,000 and £200,000 per tax year who considers the investment policy as detailed in Part III of the Registration Document to be attractive. Investment in a VCT may not be suitable for all investors and should be considered as a long-term investment. Before deciding whether to apply for D Shares under the terms of the Offer you are recommended to consult an independent adviser authorised under FSMA.

PART III – THE COMPANIES

Introduction

Ventus and Ventus 2 are VCTs that invest in companies that develop, construct and operate UK renewable energy projects with a typical capacity of up to 20 megawatts. The investments of the Companies are structured with the intention of generating stable, predictable dividends with opportunity for capital appreciation. The published investment policy of the Companies is set out in Part III of the Registration Document.

The Companies were established in 2004 and 2006 and were managed by Climate Change Capital Limited until September 2011. The Companies appointed Temporis Capital LLP as Manager in September 2011. Each Company currently has two share funds, the Ordinary Shares and the C Shares. Across all share funds, the Companies have a combined NAV £61,453,000 as at 31 August 2013. The number of investments and NAV of the Companies' share funds as at 31 August 2013 is as follows:

	Number of investments	Net Asset Value
Ventus Ordinary Shares	12	£19,800,000
Ventus 2 Ordinary Shares	12	£17,460,000
Ventus C Shares	9	£12,070,000
Ventus 2 C Shares	9	£12,123,000

The money raised from the Offer will form a separate pool of capital in each Company. The net proceeds of the Offer will be invested in companies developing wind and hydro projects with planning permission and grid connections. The Companies do not intend to invest any of the net proceeds of the Offer with companies or projects in earlier stages of planning. Members of the Temporis team have been investing in renewable energy projects since 2005 and have developed strong relationships with developers, funders, turbine suppliers and other key counterparties. The investment management team has a solid track record of financing and constructing renewable energy projects and has developed a strong pipeline of high quality investment opportunities. In addition to investment opportunities originated by the team, there are a number of suitable investment opportunities to finance within the Companies' existing investments (see the section titled "Investment pipeline" on pages 17 and 18 of this Securities Note for further information).

The D Shares will ultimately convert into Ordinary Shares in each Company (see the section titled "Conversion of D Shares" on pages 13 and 14 of this Securities Note for further information). As set out in that section, the conversion will take place on the basis of the Net Asset Value of the Ordinary Shares and the D Shares at the relevant date, and so the economic interest of existing holders of Ordinary Shares and C Shares in the Companies should not be prejudiced. Note that the Directors believe it is likely that the C Shares will be converted to Ordinary Shares prior to the end of 2014. The Directors believe the D Shares will not convert into Ordinary Shares any earlier than 2017, so when the D Shares convert into Ordinary Shares, the Ordinary Share funds will have already been expanded by virtue of the conversion of the C Shares. It is the intention of the Directors that the target yield of the D Shares (see below) will not be altered by the conversion of the D Shares into Ordinary Shares.

Target dividends

It is the intention of the Directors of both Companies that the D Shares will pay a minimum dividend of 5p per annum per D Share starting in the second year after the first allotment of D Shares (i.e., 5p per D Share for the year ending 28 February 2016) and continuing up until the fifth year after the first allotment of D Shares. During the first year, when the net proceeds of the Offer will be invested, the Directors do not anticipate the payment of D Share dividends. Beyond the fifth year, the Directors have set a target dividend range of 6 to 8 pence per D Share per annum. The Directors believe this is a reasonable objective given the identified pipeline of investment opportunities, the track record of the Manager and the Manager's confidence that the net proceeds of the Offer will be invested within one year.

Your attention is again drawn to the Risk Factors set out in on page 3 of this Securities Note and on pages 3 to 5 of the Registration Document.

Share buy-back policy

The Directors are aware that the secondary market for the shares of VCTs can be illiquid and that the D Shares may trade at a discount to their Net Asset Value following Admission. In order to facilitate the ability of Shareholders

to sell their Shares, the Companies have, subject to liquidity, the rules of the UK Listing Authority, the Act and VCT regulations, a policy of buying their own Shares in the market for cancellation. This should assist in reducing any discount in any Share class and may increase the Net Asset Value per Share of the remaining Shares in the Share class. The Companies will endeavour to facilitate such sales at a price which represents a discount of no more than 10% to the last published NAV of the relevant class of Share. Shares will be purchased utilising the buyback policy at a price which will not exceed 5% above the average mid-market value of a Share for the five Business Days before the purchase is made.

Each Company's policy is to maintain cash reserves of at least 5% of net proceeds from share offers for the purpose of purchasing its Shares. The Directors believe that the Companies should also have cash available on a regular basis from payments by investee companies on amortising mezzanine debt. The C Share funds of the Companies presently hold greater than 5% of net proceeds for the purposes of enacting the share buy-back policy at the 10% level mentioned above. It is the Directors' intention that each Ordinary Share fund will generate the required level of cash reserves for this purpose through portfolio restructuring or realisations within the next year, subject to the completion of a number of initiatives that the Manager is currently progressing.

The Directors also believe that both the C Shares and the D Shares will have been converted to Ordinary Shares prior to five years from the date of issue of the D Shares (before which date there is likely to be little trading in the D Shares – or in Ordinary Shares resulting from converted D Shares – because any investors selling D Shares would lose their 30% up-front income tax relief). The Directors believe that the greater liquidity in the market resulting from the conversion of the C Shares and D Shares into Ordinary Shares will be beneficial in managing the discount to NAV of the Shares. The Manager believes that greater liquidity, dividend stability and market dialogue are important ingredients in stimulating secondary demand for the Shares.

In pursuing the share buy-back policy, the Directors' priority will be to ensure that they are acting in the interests of the Shareholders as a whole. Share buybacks will be transacted entirely at the Directors' discretion and will be subject to the Company having sufficient liquid assets available for such a purpose.

The Act provides that a public company may only purchase its own shares out of distributable profits or out of the proceeds of a fresh issue of shares made for the purpose of the purchase. Therefore, the Company intends to apply to the Court to reduce its share premium account arising from the issue of D Shares pursuant to the Offer and to establish a new special reserve, which may be treated as a distributable profit, out of which purchases of D Shares can be made in the future. The application to the Court is likely to be made shortly after the closing of the Offer.

Although the Directors' intention is that D Shareholders who wish to sell their holding in the Company should be able to do so through the market, D Shareholders should be aware that there is a risk that this may not be possible.

Track record of the Companies

The unaudited returns of the Companies to investors who subscribed at launch are detailed below:

	Tax year of launch	Net cost*	Total Return to date**	Increase over net cost (%)	After-tax internal rate of return***
Ventus Ordinary Shares	2004-05	60p	148.15	147%	12.6%
Ventus 2 Ordinary Shares	2005-06	60p	88.2	47%	5.9%
Ventus C Shares	2008-09	70p	111.5	59%	11.2%
Ventus 2 C Shares	2008-09	70p	112.0	60%	11.3%

* Net cost is the initial offer price of 100p per Share less the income tax relief available to investors in each of the VCTs at the time of launch.

** Total Return is cumulative dividends paid plus unaudited NAV at 31 August 2013, in pence per Share.

*** After-tax internal rates of return are as at 31 August 2013. The after-tax internal rates of return for the Ventus and Ventus 2 Ordinary Shares are computed without consideration of any tax benefits received by Shareholders who participated in the linked tender offer and Ordinary Share offer in 2012. The after-tax internal rates of return for the Ventus and Ventus 2 C Shares are computed assuming investment in April 2009.

The past performance of investments made by the Companies is not a guide to the future performance of the Companies and no projection is implied or should be inferred.

Track Record of Manager

Temporis was appointed as investment manager of the Companies in September 2011. After taking over the investment management of the Companies, the Manager carried out a thorough review of the Companies' assets and implemented further suitable controls and asset management procedures. The Manager has now invested the funds in the Ordinary Share and C Share funds. The following summarises the key achievements of the Companies since September 2011:

- The Companies' portfolios have been re-focused on the core onshore mid-sized UK wind sector.
- The Companies have been managed with the intention of achieving consistent, predictable dividends, along with growth in NAV.
- The Manager has disposed of under-performing assets.
- The Manager has restructured development investments with the objective of unlocking planning value.
- Leverage on the underlying assets has been paid down as the assets have matured.
- The underlying generation capacity in the Companies' portfolio companies (across all share classes) was 54 megawatts in September 2011. The current underlying generation capacity is 68 megawatts (net of disposals of 12 megawatts). Assuming completion of projects currently under construction, underlying generation capacity will reach 103 megawatts by February 2014.
- The Companies' investment in Craig Wind Farm Limited was sold in 2012. This investment, initially made in 2006, generated a cash-on-cash return (dividends + mezzanine interest + sale proceeds) to the Companies of 3.12 times the initial investment. The sale was at a premium to the then-existing NAV of 36%, resulting in an uplift of NAV of 8.0p per Share for the Ventus Ordinary Shares and 1.8p per Share for the Ventus 2 Ordinary Shares.
- Recent investments have, on average, been structured with lighter leverage to improve stability in cash returns, enhancing the predictability of dividends to Shareholders.
- Dividends have been increased and stabilised. The Boards have clearly communicated a future level of intended dividends in the annual reports for the year ended 28 February 2013 in respect of the Ordinary Share funds.
- From 31 August 2011 to 31 August 2013, the performance of the share classes has been as follows:

	Increase in NAV		Dividends plus increase in NAV	
	Pence per share	% of starting NAV	Pence per share	% of starting NAV
Ventus Ordinary Shares	14.4p	13.5%	22.7p	21.2%
Ventus 2 Ordinary Shares	11.9p	20.0%	17.7p	29.7%
Ventus C Shares	13.7p	14.8%	18.7p	20.2%
Ventus 2 C Shares	14.2p	15.3%	19.2p	20.7%

The Manager has developed solid relationships with key lending counterparties and has continued to assist investee companies in sourcing attractive debt finance in a difficult period for obtaining bank finance. In the first eight months of 2013 alone, investee companies of the Companies financed the construction of 34.8 megawatts of wind generation capacity across four projects, deploying £15.4 million of investee company equity in addition to £32.7 million of senior debt financing.

The Manager works with investee companies actively to manage risk through the construction phase of investment, which has historically resulted in an enhancement in value on commencement of operations.

The Manager has also demonstrated its ability to realise investments, as evidenced by the sale of Craig Wind Farm Limited discussed above.

Investment pipeline

Members of the investment management team have been investing in renewable energy projects since 2005 and have developed strong relationships with developers, funders, turbine suppliers and other key counterparties. The team has a solid track record of financing and constructing renewable energy projects, and this has attracted a strong pipeline of high quality investment opportunities.

As well as the investment opportunities that the team has originated, there are a number of suitable investment opportunities to finance within the Companies' existing investments, as follows:

- Holton Airfield is a consented 10 megawatt wind farm and has secured a grid connection. Discussions with potential lenders have commenced, and the project will be ready for construction early in 2014. The rights to invest in the project are held exclusively by Redeven Energy Limited, which is owned 50% by the Ventus Ordinary Share fund and 50% by the Ventus 2 Ordinary Share fund. The land is owned by Bernard Matthews Limited. In August 2013, investee companies of the Company completed the financing of 4 megawatts of wind farms at Weston and Pickenham on land used by Bernard Matthews Limited.
- Derrydarroch and Upper Falloch are consented hydropower schemes with generating capacities of up to 1.9 megawatts and 0.9 megawatts respectively. These projects are owned by Osspower Limited, which is 50% owned by the Ventus 2 Ordinary Share fund. Osspower Limited also owns Allt Fionn, a 2 megawatt operational hydropower project which, like Derrydarroch and Upper Falloch, forms part of the Glenfalloch Estate

The Manager intends to deploy the majority of the net proceeds of the Offer to invest in companies financing the construction of these projects.

In addition to the projects mentioned above the Manager has identified an additional pipeline of investment opportunities in companies with, in aggregate, over 20 megawatts of consented wind farm projects.

Given that there is an identified pipeline of investment opportunities, as outlined above, the Manager expects that it will be able to deploy the net proceeds of the Offer (net of cash retained for working capital and share buy-backs) by within 12 months of the closing of the Offer.

Tax benefits for investors

Investors under the Offer are entitled to the following tax benefits:

- up-front 30% income tax relief, such that an investment of £10,000 will effectively cost an investor £7,000;
- tax-free dividends; and
- gains on disposal of Shares free of capital gains tax.

These reliefs are available for subscriptions in shares of VCTs up to in aggregate £200,000 per tax year.

The following shows the effect of the income tax relief for an individual who subscribes £10,000 in the Offer:

Initial Investment	£10,000
Less income tax relief	£3,000
Effective cost to investor	£7,000

The following table shows what an investor would need to earn on a pre-tax basis from a taxable investment (paying either interest or dividends), acquired without the benefit of any up-front income tax relief or tax-free dividends, in order to earn a net yield equivalent to dividends from a VCT of 5 pence per share per annum. The numbers below **(which are for illustration purposes only)** are presented for (i) an additional rate taxpayer, with a marginal income tax rate on interest income of 45% and an effective marginal income tax rate on dividend income of 30.56% (ii) a higher rate taxpayer, with a marginal income tax rate on interest income of 40% and an effective marginal income tax rate on dividend income of 25%, and (iii) a basic rate taxpayer, with a marginal income tax rate on interest income of 20% and an no income tax on dividend income.

Hypothetical annual dividend per share	5p
Effective investment per share net of 30% up front tax relief	70p
Effective after-tax yield = $\text{dividend} \div \text{effective investment}$	7.1%
<hr/>	
Equivalent pre-tax yield to additional rate tax payer = <i>effective after tax-yield \div (1- effective marginal tax rate):</i>	
Equivalent interest income yield	13.0%
Equivalent dividend income yield	10.3%
<hr/>	
Equivalent pre-tax yield to a higher rate tax payer = <i>effective after tax-yield \div (1-effective marginal tax rate):</i>	
Equivalent interest income yield	11.9%
Equivalent dividend income yield	9.5%
<hr/>	
Equivalent pre-tax yield to a basic rate tax payer = <i>effective after tax-yield \div (1 – effective marginal tax rate):</i>	
Equivalent interest income yield	8.9%
Equivalent dividend income yield	7.1%
<hr/>	

Investors should obtain their own independent financial advice on their eligibility for tax relief. A general guide to the conditions to be met in order for the tax reliefs to be available is given in Part V of this document.

Current investments of the Companies

The Companies have investments in investee companies operating or developing wind and hydro projects across the UK. The map below shows the projects owned by investee companies of the Companies.



Key

- Operational
- Under Construction
- In development

Wind farms

Operational

Achairn	6MW
Allt Dearg	10.2MW
Fenpower	10MW
Greendykeside	4MW
Lochhead	6MW
Greenfield	12.3MW
White Mill	14.35MW

Under construction (projected capacity)

Biggleswade	20MW
Eye Airfield	6.8MW
North Pickenham	4MW
Weston	4MW

In development

Holton	10MW
--------	------

Hydro power schemes

Operational

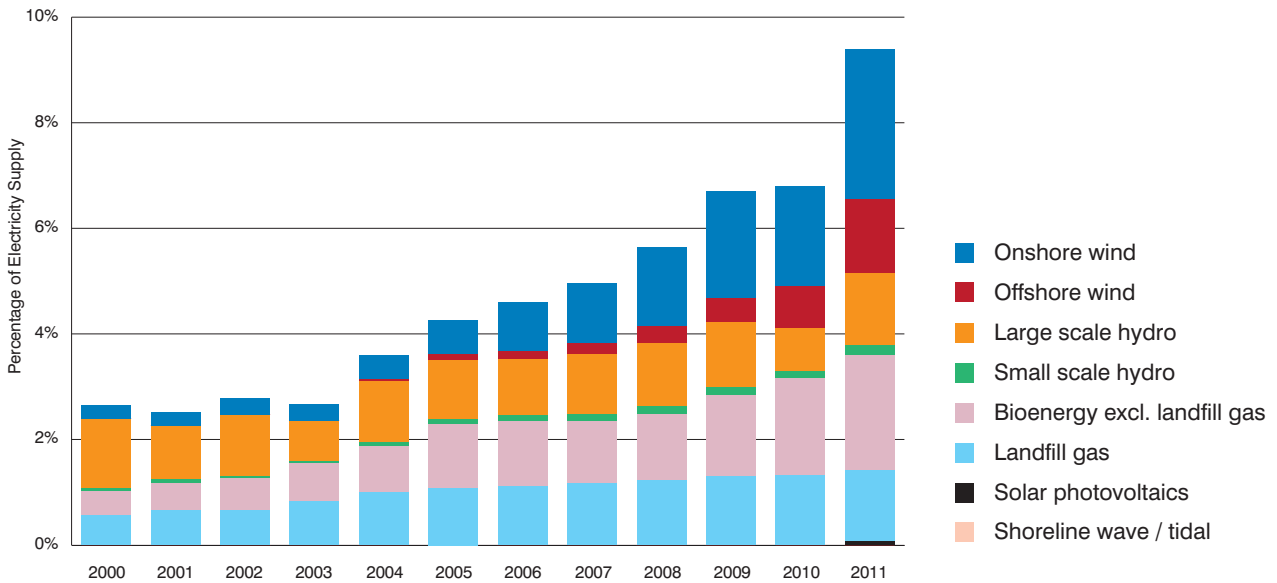
Allt Fionn	1.99MW
------------	--------

In development (projected capacity)

Derrydarroch	1.9MW
Upper Falloch	0.9MW

The UK renewable energy market

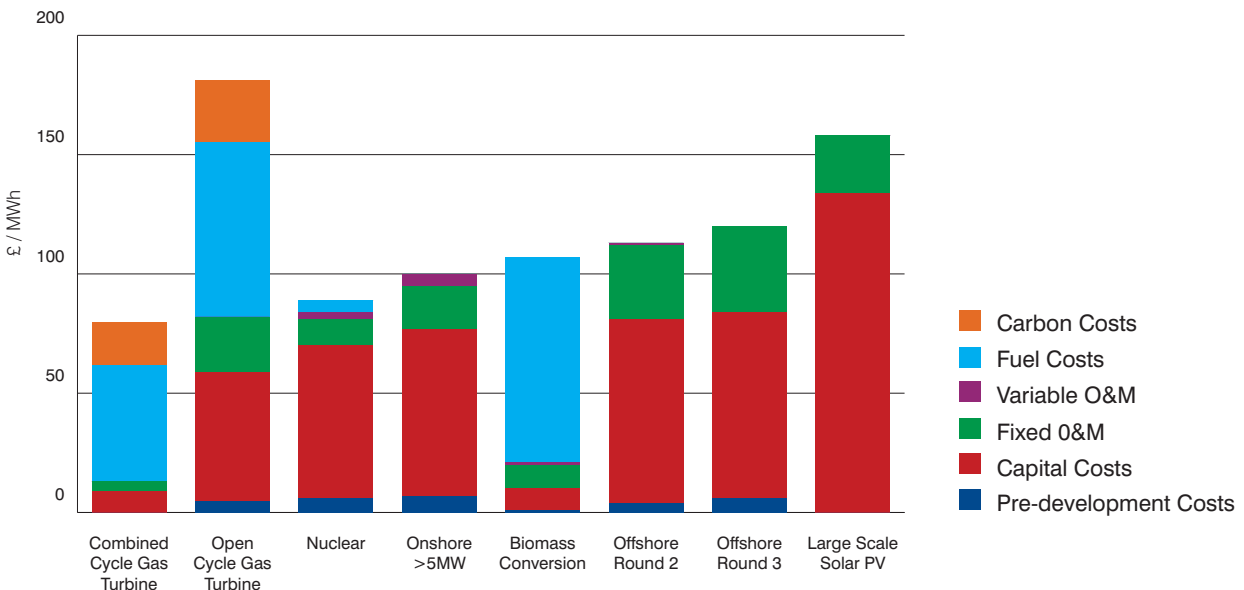
Renewable energy in the UK has become an established asset class in the nine years since the Ventus Ordinary Shares were first offered. Renewable energy deployment has increased in reaction to policy stimulus and is now a significant part of the energy mix. Onshore wind energy is a core component of renewable generating capacity in the UK, as demonstrated by the chart below showing the percentage of UK electricity supply generated from renewable sources from 2000 to 2011.



Source: Department of Energy & Climate Change, Digest of UK Energy Statistics 2012

Levelised cost estimates for projects starting in 2013

As the chart below shows, onshore wind is the most cost effective of the renewable generation technologies in terms of levelised cost (the price at which electricity must be sold to break even over project life).



Source: Department of Energy & Climate Change, Electricity Generation Costs July 2013

The Directors and the Manager believe that deployment of renewable energy will continue to grow. On-shore wind and small hydroelectricity are recognised as cost-effective, scalable technologies and the Directors and the Manager believe that attractive investment opportunities will continue to be available in these sectors.

Under the current regulatory regime in the UK, approximately half of the revenues of a wind farm and more than half of the revenues from a small hydroelectricity plant come from the sale of green benefits (indexing with RPI) underwritten by legislation. The principal green benefits received by the Companies' portfolio companies with operational wind farms are payable for twenty years from commencement of operation. These green benefits are coupled with sale of electricity pursuant to long-term fixed-price power purchase agreements. The Manager intends to continue the use of long-term fixed-price power purchase agreements with the objective of creating long-term, stable dividends for the Companies.

The level of support for wind farms (the Renewables Obligation) has recently been confirmed by the Government for projects commencing by March 2017.

The Boards of Directors

The Boards of each Company comprises three Directors. All three Directors of Ventus are independent of the Manager, and two of the three Directors of Ventus 2 are independent of the Manager. The Directors operate in a non-executive capacity and are responsible for overseeing the investment strategy of the Companies. The Directors have wide experience of investment in both smaller growing companies and larger quoted companies. Details of the Directors of each Company are set out in Part I of the Registration Document.

The Directors of each Company have overall responsibility for that Company's affairs and operate within the guidelines of the UK Corporate Governance Code, including its provisions on board composition and independence, and seek to follow the AIC Code on Corporate Governance as a best practice standard.

Each Board is also responsible for ensuring that its respective Company is managed so that risks are identified and managed appropriately. The Boards have established an ongoing formal process to ensure that risk exposure is reviewed regularly. As part of this regular review, the Boards test market service providers in order to improve both service standards and value for money.

The Directors will invest at least £65,000 in D Shares, in aggregate, under the Offer.

The Manager: Temporis Capital LLP

The Manager of Ventus and Ventus 2 is Temporis Capital LLP. Temporis has been involved in asset management since its formation in 2005 and specialises in facilitating the provision of capital to the sustainable and clean tech sectors and, in particular, providing long-term liquidity to renewable energy projects.

The investment management team is as follows:

Paul Thomas (Chairman of Investment Committee)

Paul Thomas is Managing Director of Private Investor Capital Limited, the London-based independent private equity firm that invests in transactions of up to £5 million in growing, unquoted UK businesses. He has over 25 years of private equity experience, including 19 years with ECI Partners LLP, the London based midmarket buy-out house, where he was Managing Director until retiring in 2003. During his time with ECI, the firm made over 100 equity investments in transactions ranging in size from £500,000 to £25 million, deploying capital of more than £200 million. Previously, he was with Price Waterhouse for 6 years, latterly in corporate finance. He is a physics graduate and a Chartered Accountant. He has been a member of the Ventus 2 Board since January 2006.

David Watson

David Watson is the Chief Executive Officer of Temporis. He is a member of the Ventus funds' Investment Committee. He is a member of the steering group for the UK Government's Capital Markets Climate Initiative. He began his career with Investec working in the market risk team. In 2003 he moved to Dresdner Kleinwort Wasserstein, where he worked in the asset-backed securities team, trading distressed securities. From August 2005 to January 2008, he helped run the asset-backed securities strategy for Peloton Partners LLP. He has a first class honours degree in Chemistry from University College Cork and a PhD in Physical Chemistry from Cambridge University.

Charles Conner

Charles Conner is a Partner of Temporis. He is a member of the Ventus funds' Investment Committee and has overall responsibility for portfolio management and investor relations. He formed the first Ventus fund in 2004 and was the lead investment manager of the Ventus funds from 2004 until 2007. He served as a director of Ventus from July 2010 to August 2011, when he resigned to join Temporis. He has over 20 years of experience in corporate finance, property finance and private equity. He was also an entrepreneur for seven years, during which period he formed, managed and sold two companies in the IT and telecommunication sectors in Europe. He has substantial experience in the financing of various sectors of the energy industry, including exploration and development, pipelines, oilfield equipment, distributed generation and renewable energy. He has also originated and structured energy outsourcing transactions, with a particular emphasis on reduction of energy consumption and emissions. He holds a BS degree from Purdue University and an MBA from the Harvard Business School.

Ian Lawrence

Ian Lawrence is a Partner of Temporis. He has responsibility for originating, structuring and executing investment transactions of the Ventus funds and for portfolio management of the Ventus funds. He joined Climate Change Capital Limited in September 2009, transferring to Temporis in September 2011. He has 25 years banking and finance experience. He created and headed the renewable energy team for Alliance & Leicester where he and his team had responsibility for renewables project financing. His career in banking and finance has covered credit and risk, commercial lending, structured tax products, private finance initiative and project finance with debt advanced or agreed for transaction counterparties based throughout Europe and North America in the renewables, energy, gas, oil storage, ports, transportation and infrastructure markets.

Matt Ridley

Matt Ridley is a Partner of Temporis. He has responsibility for origination, structuring and executing investment transactions of the Ventus funds and for portfolio management of the Ventus funds. He joined Climate Change Capital Limited in February 2008, transferring to Temporis in September 2011. Before joining Climate Change Capital Limited he worked as a tax lawyer in the London office of the leading US firm Debevoise & Plimpton LLP and advised on the formation of private equity funds, management incentive schemes and investment structures. He holds a BSc. (Hons.) degree in Mathematics from the University of Exeter.

Derry Guy

Derry Guy is the Chief Operating Officer of Temporis. He is a member of the Ventus funds' Investment Committee. He was the founder of Riverview International Group Inc, a New Jersey based hedge fund-of-funds which he sold to Gartmore and its parent Nationwide Mutual Insurance of Columbus, Ohio in 2002. Prior to this he has a background in investment banking and structured finance having worked for Samuel Montagu, Babcock & Brown and been a partner at National Leasing & Finance (now Highbridge Properties). He began his career qualifying as a Chartered Accountant with Arthur Andersen. He has a BA in economics from the University of Wales and an MSc in Business Administration from the London Business School.

Ed Robinson

Ed Robinson heads the asset management and accounting functions for the Ventus funds. He joined Climate Change Capital Limited in June 2007, transferring to Temporis in September 2011. At Climate Change Capital Limited he had responsibility for the finance and administration of the Ventus funds as well as for Climate Change Capital Limited's property and private equity funds. He contributed to fund raising initiatives and supported the establishment and maintenance of fund structures. Previously, he was a private equity accountant for the fund of funds manager Pantheon Ventures and for the investment manager GMT Communications Partners. He has worked for the public relations firm, The Communications Group plc, and the publisher, Dorling Kindersley. He holds a BEng in Civil Engineering from the University of Liverpool and an MSc in Urban Renewal from Liverpool John Moores University. He is a qualified accountant.

Michelle Devine

Michelle Devine is an asset manager responsible for investee companies with assets under construction and investee companies with operating assets. She previously worked as an associate for Purple Capital Limited in Johannesburg, South Africa, and prior to that as an analyst for JP Morgan's corporate finance team in Johannesburg. During this time she has been exposed to numerous corporate transactions covering a wide spectrum of industries. She holds a BSc. (Hons.) degree in finance and accounting from the University of Cape Town.

Sebastian Watson

Sebastian Watson is an asset manager responsible for investee companies with assets under construction and investee companies with operating assets. He spent three and a half years at Deloitte in London, working within the Insurance & Investment Management audit practice, focusing on insurance. After qualifying as a chartered accountant in 2009 he joined Ernst & Young in the transaction advisory team, again focusing on insurance, specifically the Lloyd's market, working with both private equity and insurance companies performing financial due diligence, reporting accountant work and market analysis into potential acquisitions for clients. He has a BA in Music & Philosophy and a Masters in Contemporary Music Studies from Goldsmiths University.

Management remuneration and expenses

Management Agreement

Ventus and Ventus 2 are each party to separate Management Agreements with the Manager. Each Management Agreement may be terminated on 12 months' notice after 12 September 2014. Each Management Agreement is subject to earlier termination in the event of certain breaches or upon the insolvency of the relevant Company or the Manager. Under these agreements, the Manager also provides accounting and administrative services to the Companies. The Manager is entitled to an annual fee equal to 2.5% of NAV, paid quarterly in advance. The fee covers the provision by the Manager of investment management services as well as all accounting and administrative services, together with the additional annual trail commission payable to authorised financial intermediaries. The Manager will also be entitled to receive a performance-related incentive fee as outlined below.

Under each Management Agreement, the Manager has agreed, so far as it is able, to ensure that the Companies shall have the opportunity to participate in any investment opportunities identified by Temporis which are within the Companies' investment policy (see Part III of the Registration Document).

The Manager retains the right to charge up-front arrangement and syndication fees to the companies in which Ventus and Ventus 2 invest. Such charges are in line with industry practice and will not exceed 3% of the cost of each investment plus VAT (if applicable). The costs of all transactions that do not proceed to completion will be borne by the Manager and not by the Companies. The Manager may also receive ongoing director's fees and monitoring fees from the investee companies as appropriate and in line with market practice.

Pursuant to deeds of variation dated 19 November 2013, the Management Agreements will, subject to Shareholder approval at the General Meetings, be amended to (i) extend the date after which the Management Agreements may be terminated on 12 months' written notice from 12 September 2014 to 12 September 2016 and (ii) in consideration for the Manager's services under the Offer Agreement, to provide for the payment by each of the Companies to the Manager of a fixed arrangement fee of 3% of funds raised under the Offer, out of which the Manager will pay all of the direct and indirect costs and expenses arising out of the Offer, including trail commissions.

Annual Running Costs

The annual running costs of the Ventus and Ventus 2 D Share funds are estimated in aggregate to be 3.4% and 3.3% of the NAV of the Ventus D Shares and the Ventus 2 D Shares respectively, exclusive of incidental investment costs. These will include the management fees described above (excluding the performance fee), irrecoverable VAT, company secretarial fees, Directors' fees, audit, taxation advice, Sponsor's and registrar's fees and the costs of communicating with D Shareholders.

Total annual running costs are, in aggregate, capped at 3.6% of Net Asset Value of the Ordinary Shares, C Shares and D Shares (excluding the Manager's performance-related incentive fee and any irrecoverable VAT) with any excess being borne by the Manager.

Performance-Related Incentive Fee

The Manager is entitled to receive a performance-related incentive fee, subject to the achievement of certain defined targets. No incentive fee will be payable until a relevant share issue has provided a cumulative return to investors in the form of growth in Net Asset Value plus payment of dividends (the "Return") of 60 pence share (assuming an initial issue price of 100 pence per share). Thereafter, the incentive fee, which is payable in cash, is calculated as 20% of the amount by which the Return in any accounting period exceeds 7p per share. The incentive fee is exclusive of VAT.

In the event that the full payment of the incentive fee in any accounting period would cause the annual dividend payments made by a Company in that accounting period to fall below 6 pence per share for the share class in

question, the incentive fee for that share class for that accounting period will be deferred as necessary so that the payment of the incentive fee does not cause the annual dividend payments made by that Company for that period to fall below 6 pence per share for that share class. Any balance unpaid will be carried forward and paid at the end of the following accounting period or periods. Interest will be added to any deferred payments calculated at the prevailing base lending rate of HSBC Bank plc. The incentive fee will be payable annually. The existing performance fee arrangements will apply to the D Shares.

Investment allocation agreement

Under an investment allocation agreement entered into between the Companies and the Manager, in situations in which a potential Qualifying Investment satisfies the investment criteria of more than one of the Companies' share classes, the gross investment made is allocated between the Companies' share classes in the ratio of the funds available for investment. This is subject, *inter alia*, to neither Company being in danger of not reaching, or falling below, the required 70% level for Qualifying Investments.

Any investment made in a company in which another fund managed by the Manager has invested or intends to invest will be approved by the Directors who are independent of the Manager, unless the investment is made at the same time and on the same terms or in accordance with a specific pre-existing agreement between the Companies and the Manager.

Charging management fee to capital

A maximum of 75% of the Manager's annual fee (plus irrevocable VAT, but excluding any incentive fee) will be chargeable against capital reserves, with the remainder of the Manager's annual fee being chargeable against revenue.

Life of the Companies and annual accounts

It is not intended that the Companies should have a limited life. However, it is considered desirable that Shareholders should have the opportunity to review the future of the Companies at appropriate intervals. Accordingly, the Articles of each Company contain a provision requiring the Directors to propose an ordinary resolution at each Company's annual general meeting in 2018 (to be amended to 2020 by Resolution 5 to be proposed to the Shareholders at general meetings to be held on 18 December 2013) to seek confirmation from Shareholders that it should continue as a VCT. If a resolution to continue is not passed, the Directors will, within the following four months, convene a general meeting at which new proposals for the reorganisation, reconstruction or voluntary winding up of the relevant Company (as is deemed appropriate at that time) will be submitted to Shareholders.

Each Company's annual report and accounts are made up to 28 February in each year and are normally sent to Shareholders in June of each year. Shareholders also receive unaudited half yearly reports which will include an interim review by each of the Company's auditors. It is the current intention of the Directors that the first reports to be sent to Shareholders after the Offer will be the audited annual reports in respect of the year ending 28 February 2014. The Directors reserve the right to change the date to which accounts will be made up to in each year.

Taxation

The Directors intend to continue conducting the affairs of the Companies so that they satisfy the conditions for approval as a VCT laid down in section 274 of ITA. Whilst it is the intention of the Directors that Ventus and Ventus 2 will be continue to be managed so as to qualify as VCTs, there can be no guarantee that they will continue to qualify or that such status will be maintained. A failure to meet the qualifying requirements could result in Ventus and Ventus 2 losing the tax reliefs previously obtained, resulting in adverse tax consequences for investors, including a requirement to repay the 30% income tax relief.

Any potential investors in doubt as to the personal tax reliefs which are available as a result of investing in a VCT, or the taxation consequences of the investment, disposal or holding of shares in a VCT, should consult an appropriately qualified professional adviser.

Further details of the tax position of VCTs are set out in Parts IV and V of this Securities Note.

VCT status and monitoring

The Companies retain PricewaterhouseCoopers LLP to advise on tax matters generally and, in particular, the maintenance of VCT status. HMRC has given approval of Ventus and Ventus 2 as VCTs. PricewaterhouseCoopers LLP assists the Manager in establishing the status of investments as Qualifying Investments and monitoring progress towards achieving full VCT approval, but also reports directly to the Boards. In order to comply with VCT requirements, at least 70% by value of each Company's investments are required to be comprised of Qualifying Investments by the accounting period commencing no later than three years after the date of the issuance of Shares with respect to which the 70% test is calculated.

Non-Qualifying Investments

The Manager intends to structure investments of the D Share funds so that the full amount invested will be treated as Qualifying Investments. However, the Manager may sometimes structure an investment in a portfolio company so that only part of the investment is treated as a Qualifying Investment, with the remaining part not qualifying for such treatment. The Manager will make such structuring decisions having regard to the requirement that at least 70% by value of the assets of Ventus and Ventus 2 must be comprised of Qualifying Investments by the accounting period commencing no later than three years after the date of provisional approval as a VCT (the D Share funds are ignored for these purposes until the accounting period beginning three years after the date of the issue of the D Shares).

Management of uninvested funds

The Companies' funds will be put on deposit or invested in short-term fixed income securities until suitable investment opportunities are found.

PART IV – TAXATION CONSIDERATIONS FOR INVESTORS

The following is only a summary of the law concerning the tax position of individual investors in VCTs. Potential investors who are in any doubt about the taxation consequences of investing in a VCT are recommended to consult a professional adviser.

Tax reliefs

The tax reliefs set out below are available to individuals aged 18 or over who subscribe for D Shares under the Offer. 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. Investors who intend to invest more than £200,000 in VCTs in any one tax year should seek professional advice.

(a) *Income tax*

(i) *Relief from income tax on investment*

Income tax relief at the rate of 30% will be available on subscriptions for D Shares up to a maximum of £200,000 in any tax year. This relief is limited to the amount which reduces the investor's income tax liability to nil.

The effect of this relief for an investor subscribing £10,000 for D Shares is shown below:

	No VCT tax relief	30% income tax relief
Initial investment	£10,000	£10,000
30% income tax relief	-	(£3,000)
Effective investment cost	£10,000	£7,000

To obtain relief an investor must subscribe on his own behalf although the D Shares may subsequently be transferred to a nominee. Investments to be used as security for or financed by loans may not qualify for relief, depending on the circumstances.

There will be restrictions from April 2014 on the ability to claim VCT income tax relief where there is also a disposal of shares in that VCT within a certain period (believed to be 6 months).

(ii) *Dividend relief*

An investor who acquires in any tax year VCT shares having a value of up to £200,000 will not be liable to income tax on dividends paid by the VCT on those shares.

(iii) *Purchasers in the market*

An individual purchaser of existing VCT shares in the market will be entitled to claim dividend relief (as described in paragraph (ii) above) but not relief from income tax on investment (as described in paragraph (i) above).

(iv) *Withdrawal of relief*

Relief from income tax on a subscription for VCT shares will be withdrawn if the VCT shares are disposed of (other than between spouses) within five years of issue or if the VCT loses its approval within this period.

(b) *Capital gains tax*

(i) *Relief from capital gains tax on the disposal of shares*

A disposal by an investor of D 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) *Purchasers in the market*

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

Obtaining tax reliefs

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

Investors not resident in the UK

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

Withholding taxation

No taxation will be withheld at source on any income arising from the D Shares and the Companies assume no responsibility for such withholding.

Withdrawal of approval

The Companies have obtained approval as VCTs under Section 274 ITA. 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.

PART V – CONDITIONS TO BE MET BY VENTURE CAPITAL TRUSTS

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

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 quoted on any regulated market in the EU or European Economic Area;
- (c) derive its income wholly or mainly from shares or securities;
- (d) have at least 70% by value of its investments in shares or securities in Qualifying Investments;
- (e) for funds raised after 5 April 2011, have at least 70% by value of Qualifying Investments in ordinary shares which carry no preferential rights to assets on a winding up and no rights to be redeemed, although they may have certain preferential rights to dividends
- (f) have at least 10% by value of its Qualifying Investments in any single company or group in ordinary shares which carry no preferential rights to assets on a winding up and no rights to be redeemed, although they may have certain preferential rights to dividends;
- (g) not have more than 15% by value of its investments in a single company (other than a VCT or a company which would, if its shares were listed, qualify as a VCT); and
- (h) not retain more than 15% of its income derived from shares and securities in any accounting period.

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 Chapter 4 of Part 6 of the Tax Act 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 and not be controlled by another company. The company can receive no more than £5 million from EU state-aided risk capital measures in the 12-month period ending on the date of the investment by the VCT. The company must have fewer than 250 full time (or equivalent) employees at the time of making the investment. In certain circumstances, an investment in a company by a VCT can be split into part Qualifying Investment and part non-Qualifying Investment.

Qualifying Companies

A Qualifying Company must be unquoted (for VCT purposes this includes companies whose shares are traded on the PLUS Market 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 Relevant Qualifying Subsidiary (see below) at the time of the issue of shares or securities to the VCT (and at all times thereafter). A Qualifying Company must have a permanent establishment in the UK. 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 be more than 50% owned.

A Relevant Qualifying Subsidiary must be a 90% directly held subsidiary of the company invested in, its wholly owned subsidiary, or a wholly owned subsidiary of a 90% directly held subsidiary.

VCT funds raised after 5 April 2012 cannot be used by a Qualifying Company to fund the purchase of existing shares in another company.

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, in order to facilitate the launch of a VCT, HMRC may approve a VCT notwithstanding that certain of the tests are not met at the time of application, provided HMRC is satisfied that the tests will be met within certain time limits. In particular, in the case of the test described at (d) under the heading "Qualification as a VCT" above, approval may be given if HMRC is satisfied that this will be met throughout an accounting period of the VCT beginning no more than three years after the date on which approval takes effect.

The Directors intend to conduct the affairs of the Companies so that they satisfy the conditions for approval as VCTs and that such approval will be maintained. HMRC has granted the Companies approval under section 274 ITA as VCTs. The Companies intend to comply with section 274 ITA and have retained PricewaterhouseCoopers LLP to advise them on VCT taxation matters.

Withdrawal of approval

Approval of a VCT may be withdrawn by HMRC if the various tests set out above are not satisfied. Withdrawal of approval generally has effect from the time when notice is given to the VCT but, in relation to capital gains of the VCT only, can be backdated to not earlier than the first day of the accounting period commencing immediately after the last accounting period of the VCT in which all of the tests were satisfied.

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

PART VI – ADDITIONAL INFORMATION

1. Incorporation

- 1.1 Ventus VCT plc is domiciled in England and was incorporated and registered in England and Wales on 13 August 2004 under the 1985 Act with registered number 05205442 as a public company limited by shares. Ventus operates under the Act and the regulations made thereunder.
- 1.2 Ventus 2 VCT plc is domiciled in England and was incorporated and registered in England and Wales on 5 January 2006 under the 1985 Act with registered number 05667210 as a public company limited by shares. Ventus 2 operates under the Act and the regulations made thereunder.

2. Working capital statements

- 2.1 Ventus 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.
- 2.2 Ventus 2 is of the opinion that its working capital is sufficient for its present requirements, that is, for at least the twelve month period from the date of this document.

3. Statements of capitalisation and indebtedness

- 3.1 As at 18 November 2013 (the latest practicable date prior to publication of this document), Ventus had 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.
- 3.2 As at 18 November 2013 (the latest practicable date prior to publication of this document), Ventus 2 had 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.
- 3.3 The capitalisation of each Company as at 31 August 2013 is set out in the table below:

	Ventus £'000	Ventus 2 £'000
Called-up share capital	6,908	8,937
Capital redemption reserve	1,587	2,097
Special Reserve	17,410	21,366
Capital reserve	5,578	(3,403)
Revenue reserve	387	586
Total	31,870	29,583

4. Issued share capital and dilution

- 4.1 The issued share capital of Ventus as at the date of this document is 27,636,654 Shares. If the Offer is fully subscribed, the existing 27,636,654 Shares would represent 73.4% of the enlarged issued share capital of Ventus.
- 4.2 The issued share capital of Ventus 2 as at the date of this document is 35,751,762 Shares. If the Offer is fully subscribed, the existing 35,751,762 Shares would represent 78.1% of the enlarged issued share capital of Ventus 2.

5. VCT status

The board of directors of each Company has managed and intends to continue to manage the affairs of its Company in order that it complies with the legislation applicable to VCTs. In this regard, each Company has retained PricewaterhouseCoopers LLP to advise on its VCT status. Each Company has continued to conduct its affairs so as to comply with Section 274 of ITA for its current financial year and will continue to do so for subsequent periods. However, there can be no guarantee that VCT status will be maintained and investors' attention is drawn to Part V of this document.

6. Settlement and dealings

Definitive share certificates, together with certificates to claim income tax relief, will be dispatched by post as soon as practicable following the allotment of the D Shares. Temporary documents of title will not be used in connection with the Offer.

Shares are capable of being transferred by means of the CREST system. Shareholders who wish to take advantage of the ability to trade in shares in uncertificated form, and who have access to a CREST account, may arrange with their CREST sponsor to convert their holdings into dematerialised form. You should provide your CREST details if you would like any D Shares which are allotted to you to be credited directly to your CREST account.

Each Company's existing Shares are listed on the premium segment of the Official List and are admitted to trading on the main market for listed securities of the London Stock Exchange. Applications will be made to the UK Listing Authority and the London Stock Exchange for the D Shares to be issued pursuant to the Offer to be admitted to the premium segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange. The D Shares will be in registered form and will be freely transferable.

All of the D Shares being offered under the Offer are ordinary shares denominated in sterling. The ISIN and SEDOL codes of the D Shares to be issued by each Company are set out below:

	ISIN	SEDOL
Ventus	GB00BFXW7734	BFXW773
Ventus 2	GB00BFXW7841	BFXW784

7. Shareholder authorities

7.1 Ventus

The following resolutions will be proposed at the General Meeting of Ventus to be held on 18 December 2013. The Offer is conditional on the passing of resolutions 1 to 5.

Ordinary Resolutions

1. THAT, the authorised share capital of the Company be increased from £17,500,000 to £22,500,000 by the creation of 20,000,000 D ordinary shares of 25 pence each ("D Shares") having the rights and being subject to the restrictions set out in the amended articles of association of the Company to be adopted pursuant to resolution number 5.
2. THAT, in addition to existing authorities, the directors of the Company be and hereby are generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 (the "Act") to exercise all the powers of the Company to allot and issue shares in the capital of 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 £5,000,000, provided that, the authority conferred by this resolution 2 shall expire on the conclusion of the annual general meeting of the Company to be held in 2015 (unless renewed, varied or revoked by the Company in a 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.
3. THAT, the IMA Deed of Variation, details of which are set out on page 9 of the circular to the shareholders of the Company dated 19 November 2013, be approved.

Special Resolutions

4. THAT, the directors of the Company be and hereby are empowered pursuant to Sections 570 and 573 of the Act to allot or make offers to or agreements to allot equity securities (which expression shall have the meaning ascribed to it in Section 560(1) of the Act) for cash pursuant to the authority given pursuant to resolution 2, as if Section 561(1) of the Act did not apply to such allotment, provided that the power provided by this resolution 4 shall expire on the conclusion of the annual general meeting of the Company to be held in 2015 (unless renewed, varied or revoked by the Company in general meeting).

5. THAT, the articles of association of the Company be amended (i) to reflect the increase in its share capital and (ii) to set out the rights and restrictions to be attached to the D Shares and (iii) to extend the date on which shareholders vote as to whether the Company should continue as a venture capital trust by two years, in each case as set out in the amended articles of association produced to the meeting and, for the purpose of identification, initialled by the Chairman.
6. THAT, subject to and in accordance with Article 10 of the Company's articles of association, the Company be generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Act) of D Shares on such terms as the directors think fit, and where such shares are held as treasury shares, the Company may use them for the purposes set out in section 727(1) and 729(1) of the Act, provided that:
 - (a) the maximum number of D Shares hereby authorised to be purchased is an amount equal to 10% of the D Shares in issue immediately following the Offer;
 - (b) the minimum price, exclusive of any expenses, which may be paid for a D Share is 25p;
 - (c) the maximum price, exclusive of any expenses, which may be paid for each D Share is an amount equal to the higher of: (a) 105% of the average of the middle market quotations for a D Share, as derived from the London Stock Exchange Daily Official List, for the five business days immediately preceding the day on which the D Share is purchased; and (b) the amount stipulated by Article 5(1) of the Buy-back and Stabilisation Regulation 2003; and
 - (d) the authority hereby conferred shall, unless previously revoked or varied, expire on the conclusion of the annual general meeting of the Company to be held in 2015, except in relation to the purchase of D Shares the contract for which was concluded before the expiry of this authority and which will or may be executed wholly or partly after such expiry.
7. THAT, subject to the approval of the High Court of Justice, the amount standing to the credit of the share premium account of the Company immediately following the closing of the Offer be cancelled.

7.2 Ventus 2

The following resolutions will be proposed at the general meeting of Ventus 2 to be held on 18 December 2013. The Offer is conditional on the passing of resolutions 1 to 5.

Ordinary Resolutions

1. THAT, the authorised share capital of the Company be increased from £17,500,000 to £22,500,000 by the creation of 20,000,000 D ordinary shares of 25 pence each ("D Shares") having the rights and being subject to the restrictions set out in the amended articles of association of the Company to be adopted pursuant to resolution number 5.
2. THAT, in addition to existing authorities, the directors of the Company be and hereby are generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 (the "Act") to exercise all the powers of the Company to allot and issue shares in the capital of 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 £5,000,000, provided that, the authority conferred by this resolution 2 shall expire on the conclusion of the annual general meeting of the Company to be held in 2015 (unless renewed, varied or revoked by the Company in a 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.
3. THAT, the IMA Deed of Variation, details of which are set out on page 9 of the circular to the shareholders of the Company dated 19 November 2013, be approved.

Special Resolutions

4. THAT, the directors of the Company be and hereby are empowered pursuant to Sections 570 and 573 of the Act to allot or make offers to or agreements to allot equity securities (which expression shall have the meaning ascribed to it in Section 560(1) of the Act) for cash pursuant

to the authority given pursuant to resolution 2, as if Section 561(1) of the Act did not apply to such allotment, provided that the power provided by this resolution 4 shall expire on the conclusion of the annual general meeting of the Company to be held in 2015 (unless renewed, varied or revoked by the Company in general meeting)

5. THAT, the articles of association of the Company be amended (i) to reflect the increase in its share capital and (ii) to set out the rights and restrictions to be attached to the D Shares and (iii) to extend the date on which shareholders vote as to whether the Company should continue as a venture capital trust by two years, in each case as set out in the amended articles of association produced to the meeting and, for the purpose of identification, initialled by the Chairman.
6. THAT, subject to and in accordance with Article 10 of the Company's articles of association, the Company be generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Act) of D Shares on such terms as the directors think fit, and where such shares are held as treasury shares, the Company may use them for the purposes set out in section 727(1) and 729(1) of the Act, provided that:
 - (a) the maximum number of D Shares hereby authorised to be purchased is an amount equal to 10% of the D Shares in issue immediately following the Offer;
 - (b) the minimum price, exclusive of any expenses, which may be paid for a D Share is 25p;
 - (c) the maximum price, exclusive of any expenses, which may be paid for each D Share is an amount equal to the higher of: (a) 105% of the average of the middle market quotations for a D Share, as derived from the London Stock Exchange Daily Official List, for the five business days immediately preceding the day on which the D Share is purchased; and (b) the amount stipulated by Article 5(1) of the Buy-back and Stabilisation Regulation 2003; and
 - (d) the authority hereby conferred shall, unless previously revoked or varied, expire on the conclusion of the annual general meeting of the Company to be held in 2015, except in relation to the purchase of D Shares the contract for which was concluded before the expiry of this authority and which will or may be executed wholly or partly after such expiry.
7. THAT, subject to the approval of the High Court of Justice, the amount standing to the credit of the share premium account of the Company immediately following the closing of the Offer be cancelled.

8. Rights attaching to the D Shares

The D Shares to be issued by each of the Companies shall have the following rights in relation to the Company that has issued them:

- (a) as to dividends and other distributions: Holders of the D Shares shall be entitled to receive all dividends and other distributions made, paid or declared by the relevant Company in respect of the assets attributable to the D Shares;
- (b) as to voting: Each D Share carries the right to receive notice of and to attend or vote at any general meeting of the Company. Subject to disenfranchisement in the event of noncompliance with any default notice or to any special terms as to voting upon which any shares may be issued or may be held, on a show of hands, every holder of D Shares present in person or by proxy and entitled to vote shall have one vote and, on a poll, every holder of D Shares present in person or by proxy and entitled to vote shall have one vote for every D Share held by him;
- (c) as to capital and surplus profits: On a winding-up, the holders of the D Shares are entitled to participate in the distribution of any surplus assets of the relevant Company attributable to the D Shares as a class;
- (d) as to transfers: Except as provided for in the Articles, the D Shares are freely transferable by instrument of transfer in writing in any usual form or in any form approved by the Boards and are capable of being transferred by means of the CREST system;

- (e) as to pre-emption rights: Holders of the D Shares are entitled to the statutory pre-emption rights on any issue of new Shares or the sale of any existing Shares from treasury for cash, save to the extent such rights have been disapplied by a special resolution of Shareholders in accordance with the Act; and
- (f) as to redemption: The D Shares are not redeemable at the option of the relevant Company or the Shareholders.

9. Mandatory bids, squeeze-out and sell-out rules relating to the Shares

The City Code on Takeovers and Mergers (the City Code) applies to each Company. Under Rule 9 of the City Code, if:

- (a) a person acquires an interest in shares in a Company which, when taken together with shares already held by him or persons acting in concert with him, carry 30% or more of the voting rights in the Company; or
- (b) a person who, together with persons acting in concert with him, is interested in not less than 30% and not more than 50% of the voting rights in the Company acquires additional interests in shares which increase the percentage of shares carrying voting rights in which that person is interested,

the acquiror and, depending on the circumstances, his concert parties, would be required (except with the consent of the Panel on Takeovers and Mergers) to make a cash offer for the outstanding shares in the relevant Company at a price not less than the highest price paid for any interests in its shares by the acquiror or his concert parties during the previous 12 months. Under sections 974 – 991 of the Act, if an offeror acquires or contracts to acquire (pursuant to a takeover offer) not less than 90% of the shares (in value and by voting rights) to which such offer relates it may then compulsorily acquire the outstanding shares not assented to the offer. It would do so by sending a notice to holders of outstanding shares telling them that it will compulsorily acquire their shares and then, six weeks later, it would execute a transfer of the outstanding shares in its favour and pay the consideration to the Company, which would hold the consideration on trust for the holders of outstanding shares. The consideration offered to the holders whose shares are compulsorily acquired under the Act must, in general, be the same as the consideration that was available under the takeover offer. In addition, pursuant to section 983 of the Act, if an offeror acquires or agrees to acquire not less than 90% of the shares (in value and by voting rights) to which the offer relates, any holder of shares to which the offer relates who has not accepted the offer may require the offeror to acquire his shares on the same terms as the takeover offer. The offeror would be required to give any holder of shares notice of his right to be bought out within one month of that right arising. Sell-out rights cannot be exercised after the end of the period of three months from the last date on which the offer can be accepted or, if later, three months from the date on which the notice is served on the holder of shares notifying them of their sell-out rights. If a holder of shares exercises his/her rights, the offeror is bound to acquire those shares on the terms of the takeover offer or on such other terms as may be agreed.

10. Documents available for inspection

Copies of the following documents will be available for inspection during usual business hours on weekdays, weekends and public holidays excepted, at the offices of the Manager, Berger House, 36-38 Berkeley Square, London W1J 5AE, whilst the Offer is open:

- the Articles;
- the material contracts of each Company as referred to in paragraph 12 of Part VI of the Registration Document;
- the audited financial statements for Ventus and Ventus 2 for the years ended 28 February 2011, 29 February 2012 and 28 February 2013 and the unaudited half-yearly report and accounts of each Company for the periods to 31 August 2012 and 31 August 2013;
- the Registration Document;
- this Securities Note; and
- the Summary.

11. Information Sourced from Third Parties

Certain information in this document has been sourced from third parties and the Companies confirm that this information has been accurately reproduced and, as far as the Companies are aware and able to ascertain from information published by those parties respectively, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Howard Kennedy is acting as sponsor to the Companies in respect of the Offer. Howard Kennedy has given and not withdrawn its written consent to the inclusion in this document of references to its name in the form and context in which it appears.

12. Use of the Prospectus

The Companies and the Directors consent to the use of the Prospectus for, and accept the responsibility for the content of the Prospectus, with respect to, the subsequent resale or final placement of securities by financial intermediaries. The period within which such consents to use the Prospectus is given begins with the date of the Prospectus and ends on the close of the Offer. The Offer is expected to close on or before 30 May 2014, unless previously extended to a date no later than 18 November 2014. There are no conditions attaching to this consent. Financial intermediaries may use the Prospectus only in the UK.

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

19 November 2013

PART VII – TERMS AND CONDITIONS

- (a) The contract created by the acceptance of applications under the Offer will be conditional upon:
- (i) Admission of D Shares by not later than 5 April 2014;
 - (ii) the Offer Agreement referred to in paragraph 9 of Part VI of the Registration Document becoming unconditional and not being terminated in accordance with its terms;
 - (iii) the passing of Resolutions 1 to 5 set out in the relevant Notice; and
 - (iv) the Minimum Net Proceeds being raised by each Company before 3pm on 4 April 2014.
- (b) The right is reserved by the Companies to present all cheques and bankers' drafts for payment on receipt and to retain surplus application monies pending clearance of successful applicants' cheques. The Companies also reserve the right to reject, in whole or in part, any application. If any application is not accepted in full or if any contract created by acceptance does not become unconditional, the application monies or, as the case may be, the balance thereof will be returned by crossed cheque in favour of the applicant through the post at the risk of the person entitled thereto. Applicants' subscriptions will be divided equally between D Shares in Ventus VCT plc and Ventus 2 VCT plc. The Directors reserve the right to withdraw the Offer at any time prior to satisfaction of the conditions set out in paragraph (a) above.
- (c) By completing and delivering an Application Form you:
- (i) offer to subscribe for the number of D Shares specified in your Application Form (or such lesser number for which your application is accepted) at the Offer Price on the terms of and subject to this document, including these terms and conditions, and the memoranda and Articles of the Companies;
 - (ii) agree that, in consideration of the Companies agreeing that they will not issue or allot any D Shares which are subject to the Offer to any person other than by means of the procedures referred to in this document, your application shall not be revoked until after the close of the Offer and this paragraph shall constitute a collateral contract between you and the Companies which will become binding upon despatch by post to, or (in the case of delivery by hand) on receipt by, the Receiving Agents of your Application Form;
 - (iii) warrant that your remittance will be honoured on first presentation and agree that, if it is not so honoured, you will not be entitled to receive a share certificate or have your CREST account credited, in respect of the D Shares applied for unless and until you make payment in cleared funds for such D Shares and such payment is accepted by the Companies in their absolute discretion (which acceptance may be on the basis that you indemnify them against all costs, damages, losses, expenses and liabilities arising out of or in connection with the failure of your remittance to be honoured on first presentation) and you agree that, at any time prior to the unconditional acceptance by the Companies, they may (without prejudice to other rights) avoid the agreement to allot such D Shares and may allot such D Shares to some other person, in which case you will not be entitled to any payment in respect of such D Shares;
 - (iv) agree that if, following the issue of all or any D Shares applied for pursuant to the Offer (the "Issued D Shares"), your remittance is not honoured on first presentation, the Issued D Shares may, forthwith upon payment by Temporis of the Offer Price of the Issued D Shares to the Companies, be transferred to Temporis at the Offer Price per Issued D Share and any director of Temporis or any director of the Sponsor is hereby irrevocably appointed and instructed to complete and execute all or any form(s) of transfer and/or any other documents in relation to the transfer of Issued D Shares to Temporis or such other person as Temporis may direct and to do all such other acts and things as may be necessary or expedient, for the purpose of or in connection with, transferring title to the Issued D Shares to Temporis, or such other person, in which case you will not be entitled to any payment in respect of such D Shares;
 - (v) agree that, in respect of those D Shares for which your application has been received and is not rejected, acceptance of your application shall be constituted, at the election of the Companies either (i) by notification to the London Stock Exchange of the basis of allocation (in which case acceptance shall be on that basis) or (ii) by notification of acceptance thereof to the Receiving Agents;

- (vi) agree that any monies returnable to you may be retained by the Receiving Agents pending clearance of your remittance and the completion of any verification of identity required by the Money Laundering Regulations 2007 and that such monies will not bear interest;
 - (vii) subject as provided in paragraphs (iii) and (iv) above, authorise the Registrar to send share certificates or credit your CREST account in respect of the number of D Shares for which your application is accepted and/or to send a crossed cheque for any monies returnable, by post, at the risk of the person entitled thereto, to the address of the person named as the applicant in the Application Form;
 - (viii) warrant that, if you sign the Application Form on behalf of somebody else, you have due authority to do so on behalf of that other person and such person will also be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained herein and undertake to enclose your power of attorney or a copy thereof duly certified by a solicitor with the Application Form;
 - (ix) 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 Companies 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;
 - (x) confirm that in making such application you are not relying on any information or representation in relation to the Companies other than the information contained in this document and accordingly you agree that no person responsible solely or jointly for this document or any part thereof or involved in the preparation thereof shall have any liability for any such other information or representation;
 - (xi) authorise the Receiving Agents and/or Temporis, or any persons authorised by either of them, as your agent, to do all things necessary to effect registration of any D Shares subscribed by you into your name or into the name of any person in whose favour the entitlement to any such D Shares has been transferred and authorise any representative of the Receiving Agents or of Temporis to execute any document required therefor;
 - (xii) agree that, having had the opportunity to read this document, you shall be deemed to have had notice of all information and representations concerning the Companies contained herein;
 - (xiii) confirm and warrant that you have read and complied with paragraph (d) below;
 - (xiv) confirm that you have read the restrictions contained in paragraph (e) below and warrant as provided therein;
 - (xv) warrant that you are not under the age of 18; and
 - (xvi) agree that all documents and cheques sent by post by or on behalf of the Companies or the Receiving Agents will be sent at the risk of the person(s) entitled thereto.
- (d) No person receiving a copy of this document or an Application Form in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to him, nor should he in any event use such Application Form unless, in the relevant territory, such an invitation or offer could lawfully be made to him or such Application Form could lawfully be used without contravention of any registration or other legal requirements. It is the responsibility of any person outside the United Kingdom wishing to make an application hereunder to satisfy himself as to full observance of the laws of any relevant territory in connection therewith, including obtaining any requisite governmental or other consents, observing any other formalities requiring to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory.
- (e) The D Shares have not been and will not be registered under the United States Securities Act 1933 (as amended) and, subject to certain exceptions, the D Shares may not be offered, sold, renounced, transferred or delivered, directly or indirectly, in the United States or to any person in the United States. Persons subscribing for D Shares shall be deemed, and (unless the Companies are satisfied that their respective D Shares can be allotted without breach of United States securities laws) shall be required, to represent and warrant to the Companies that they are not a person in the United States and that they are not subscribing for such D Shares for the account of any such person and will not offer, sell, renounce, transfer or deliver, directly or indirectly, such D Shares in the United States or to any such person. As used herein, "United

States" means the United States of America (including each of the States and the District of Columbia), its territories or possessions or other areas subject to its jurisdiction. In addition, the Companies have not been and will not be registered under the United States Investment Company Act of 1940, as amended. The Manager is not registered under the United States Investment Advisers Act of 1940, as amended.

- (f) Applicants are encouraged to submit their Application Forms early in order to be confident that their applications will be successful. In the event that applications are received for an amount in excess of the maximum subscription, the Directors reserve the right to exercise their discretion in the allocation of successful applications although the allocation will usually be on a first come first served basis. The right is also reserved to reject in whole or in part any application or any part thereof and to treat as valid any application not in all respects completed in accordance with the instructions relating to the Application Form.
- (g) Save where the context otherwise requires, words and expressions defined in this document have the same meaning when used in the Application Form and any explanatory notes in relation thereto.

Availability of this Prospectus

Copies of this document and the Application Form are available until the Offer closes from:

- The City Partnership (UK) Limited, Thistle House, 21 Thistle Street, Edinburgh EH2 1DF; and
- RAM Capital Partners LLP, 10 Furnival Street, London EC4A 1HY; and
- The Companies' web site at www.ventusvct.com.

A copy of this Prospectus has been submitted to the National Storage Mechanism and is available to the public for viewing online at the following web site address: <http://www.morningstar.co.uk/uk/NSM>

GUIDE TO THE APPLICATION FORM

The following instructions should be read in conjunction with the Application Forms.

Section 1 – Personal Details

Insert your full name, address and date of birth and national insurance number in Block Capitals in Section 1. No joint applications are permitted.

Applications may only be made by persons aged 18 or over.

Section 2 – Application and payment

Insert in Section 2 the sums for which you are subscribing in respect of the 2013/2014 tax year and the 2014/2015 tax year. Please also enter the total for which you are subscribing, which must be a minimum of £5,000 in total and which may be made for any higher amount in multiples of £1,000. Your subscription will be reduced by the amount of the advisory fee, if any, specified in Section 5, Part A, which will be paid to your financial adviser on your behalf. Applicants' subscriptions will be divided equally between D Shares in Ventus VCT plc and Ventus 2 VCT plc.

Your cheque or bankers' draft must be payable to "The City Partnership - Ventus VCT plc and Ventus 2 VCT plc" and should be crossed "A/C Payee". Receipt of your application will be acknowledged within a day of its having been received. Your cheque or bankers' draft must be drawn in sterling on an account at a bank, and must bear the appropriate sort code number in the top right hand corner. The right is reserved to reject any application. Applications may be accompanied by a cheque or bankers' draft drawn by someone other than the applicant(s), but any monies to be returned will be sent by crossed cheque in favour of the person(s) named in Section 1.

Where possible, you should make payment by your own cheque. If a third party cheque, bankers' draft or building society cheque is used, you should:

- (a) write your name and address on the back of the draft or cheque and record your date of birth against your name; and
- (b) ask the bank or building society (if relevant) to endorse on the reverse of the draft or cheque the full name and account number of the person whose account is being debited and stamp such endorsement.

You may also subscribe for shares by way of an electronic transfer. When making an electronic transfer, please quote your surname as a reference and make the payment to:

Bank:	Bank of Scotland
Account Name:	The City Partnership - Ventus VCT plc and Ventus 2 VCT plc
Account Number:	10664566
Sort Code:	80-22-60

If your application is made direct (not through a financial intermediary) for the Sterling equivalent of €15,000 (£12,500) or more, you must ensure that the following documents are enclosed with the Application Form:

- (a) a certified copy of either the passport or the driving licence of the applicant (and cheque payer, if different); and
- (b) an original bank or building society statement or utility bill (not more than 3 months old) or recent tax bill in the name of the applicant (and cheque payer, if different).

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

Section 3 - Applicant's declaration and signature

Sign and date the Application Form in Section 3. The Application Form may be signed by someone else on your behalf, if duly authorised by power of attorney to do so, but any power of attorney pursuant to which it is done (or a duly certified copy thereof) must be enclosed for inspection. Please tick the appropriate box at the bottom of Section 3 to specify how you would like the Receiving Agents to acknowledge receipt of your application (i.e., by e-mail or by post).

Section 4 - Authorised financial intermediary's details, declaration and signature

Authorised financial intermediaries should stamp and complete Section 4, giving their full name and address, telephone number and details of their authorisation under the Financial Services and Markets Act 2000. The right is reserved to withhold payment of any commission if the Receiving Agents are not, in their sole discretion, satisfied that the agent is so authorised. Authorised financial intermediaries should tick the appropriate box at the bottom of Section 4 to specify how they would like the Receiving Agents to acknowledge receipt of their client's application (i.e., by e-mail or by post).

Money Laundering Regulations

An authorised financial intermediary completing Section 4 of the Application Form warrants that the applicant is known to the intermediary and that the intermediary completed all the verification procedures as required by the relevant rules and guidance of the FCA, the Joint Money Laundering Steering Group Guidance Notes and other anti-money laundering laws and regulations as may be considered appropriate.

It is a term of the Offer that, to ensure compliance with the Money Laundering Regulations 2007, the Receiving Agents may at their absolute discretion require verification of identity from any person lodging an Application Form (the "Applicant") in an amount greater than £12,500 and without prejudice to the generality of the foregoing, in particular any person who either (i) tenders payment by way of cheque or bankers' draft drawn on an account in the name of a person or persons other than the Applicant or (ii) appears to be acting on behalf of some other person. In the former case, verification of the identities of both the Applicant and the third party may be required. In the latter case, verification of the identity of any person on whose behalf the Applicant appears to be acting may be required.

If within a reasonable period of time following a request for verification of identity and in any case by no later than 3.00p.m. on the relevant date of allotment the Receiving Agents have not received evidence satisfactory to them as aforesaid, the Companies with the agreement of the Receiving Agents may, at their absolute discretion, reject any such application in which event the remittance submitted in respect of that application will be returned to you (without prejudice to the rights of the Companies to undertake proceedings to recover any loss suffered by them as a result of your failure to produce satisfactory evidence of identity).

The above information is provided by way of guidance to reduce the likelihood of difficulties, delays and potential rejection of an Application Form (but without limiting the Receiving Agents' right to require verification of identity as indicated above).

Section 5 - Advisory fees and trail commission

Authorised financial intermediaries should complete Section 5 to show the commission structure they wish to receive. Intermediaries must complete Section 4 and 5 in order to receive advisory fees or trail commission.

Advisory intermediaries

Intermediaries giving advice should complete Part A of Section 5, specifying the advisory fee to be paid by the client. The advisory fee will reduce the amount of the subscription and will be paid to the intermediary on behalf of the client.

Execution-only intermediaries

Execution-only intermediaries should complete Part B of Section 5. Trail commission may be payable where there is an Execution-only Transaction and no advice has been provided by the intermediary to the investor. Provided that the intermediary continues to act for the investor and the investor continues to be the beneficial owner of the D Shares, and subject to applicable laws and regulations, the intermediary will be entitled to annual trail commission for five years at the rate of 0.4% per annum of the subscription amount of successful applications submitted through the intermediary. The trail commission will be calculated by reference to the number of D Shares held by the investor on 31 March of each year from 2015 until 2019. The trail commission will cease to be payable if the appointment of Temporis as investment manager is terminated.

Trail commission will be paid by the Manager. The cost of trail commission will not be borne by investors or by the Companies.

Trail commission payments will only be issued in accordance with the details submitted on the Application Form. No other form of instruction will be accepted.

Section 6 – Nomination of alternative address

If you wish to have your share and income tax relief certificates sent to someone other than yourself, please complete Section 6 accordingly. Copy certificates will not be sent to you.

Section 7 – Bank details for payment of dividends directly to bank or building society accounts

If you would like all future dividends to be paid directly into your bank or building society account, please complete the mandate instruction form in Section 7.

If you have any queries on the procedure for application and payment, you should contact The City Partnership (UK) Limited (telephone 0131 243 7210) or your normal financial adviser.

Delivery of Application Form

Send the completed Application Form together with your cheque or bankers' draft by post, or deliver it by hand (during normal business hours only), to The City Partnership (UK) Limited, Thistle House, 21 Thistle Street, Edinburgh EH2 1DF so as to be received no later than 3pm on 4 April 2014 for the 2013/14 tax year and no later than 3pm on 30 May 2014 for the 2014/15 tax year (unless the Offer is otherwise closed or extended earlier).

If you post your Application Form you are recommended to use first class post and to allow at least two working days for delivery.

APPLICATION FORM

VENTUS VCT PLC and VENTUS 2 VCT PLC – D SHARES

Before completing this Application Form you should read the Terms and Conditions of Application and the Guide to the Application Form. The Offer opens on 19 November 2013 and the closing date will be 3.00pm on 30 May 2014 (unless closed or extended prior to that date). Please send this Application Form together with your cheque or bankers' draft, if appropriate, and proof of identity if required to The City Partnership (UK) Limited, Thistle House, 21 Thistle Street, Edinburgh EH2 1DF

III: 5.1.3

Please complete in **BLOCK** capitals

Section 1 – Personal Details

Title (Mr/Mrs/Miss/Ms/Other)	Surname:
Forename(s) in full:	
Date of Birth:	National Insurance Number:

You should be able to find your NI number on a payslip, form P45 or P60, a letter from the HMRC, a letter from the DSS, or pension order book.

Permanent residential address:	
Postcode:	
Email:	
Telephone (work)	Telephone (home):

These contact details will be used for all communications, distributions and dividends.

If you wish to nominate another address to receive your share and income tax relief certificates, please complete Section 6.

Section 2 – Application and payment

I offer to subscribe the following amount(s) for D Shares in the Companies on the Terms and Conditions set out in the Prospectus dated 19 November 2013 and subject to the memoranda and articles of association of the Companies. I acknowledge that my subscription will be reduced by the amount of the advisory fee, if any, specified below in Section 5, Part A, which will be paid to my financial adviser on my behalf. Applications must be for a minimum of £5,000 in total and may be made for any higher amount in multiples of £1,000. Applicants' subscriptions will be divided equally between D Shares in Ventus VCT plc and Ventus 2 VCT plc.

Income tax year 2013-2014	£
Income tax year 2014-2015	£
TOTAL	£

Please mark with an **X** as appropriate

I enclose a cheque or bankers' draft(s) drawn on a UK clearing bank, made payable to "The City Partnership - Ventus VCT plc and Ventus 2 VCT plc"

I have instructed my bank to make an electronic payment to:

Bank: Bank of Scotland
Account Name: The City Partnership - Ventus VCT plc and Ventus 2 VCT plc
Account Number: 10664566
Sort Code: 80-22-60

Please quote your surname as a reference when making this electronic payment



Section 3 - Applicant's declaration and signature

By signing this form I hereby declare that I have read the terms and conditions of subscription contained in the Prospectus and agree to be bound by them.

Signature	Date
-----------	------

Please confirm below how you would like the Receiving Agents to acknowledge receipt of your application.

By e-mail By post

Section 4 - Authorised financial intermediary's details, declaration and signature

For completion by authorised financial intermediaries ONLY

By completing this section, the intermediary is deemed to have given the warranty and undertaking set out in Note 4 of the accompanying Guide to the Application Form. If Part B of Section 5 below is completed (execution-only intermediaries), the intermediary warrants that no advice has been provided by the intermediary to the investor.

Name of Firm:	Stamp:
Address:	
Postcode:	
FCA number:	
Telephone:	
Fax:	
Name of Contact:	
Email Address:	
Signature of authorised signatory of authorised financial intermediary:	Date:

Section 5 - Advisory fees and trail commission

Part A: Advisory intermediaries

If your client has agreed that their fees may be deducted from their subscription detailed in Section 2 above, please detail the amount of those fees below:

£ Advisory fee to be deducted from subscription

Part B: Execution-only intermediaries

The Manager agrees to pay the execution-only intermediary a trail commission of 0.4% for five years. Please note that these costs will not be borne by the Applicant.

Fees and trail commissions will be paid directly into the financial intermediary's bank account. Please provide details below:

Account name:	Bank name:
Sort code:	Account number:

Please confirm below how you would like to receive confirmation of your client's application.

By e-mail By post

Section 6 – Nomination of alternative address

Please complete Section 6 if you wish to nominate an alternative address, such as an accountant or financial adviser, for your share and income tax relief certificates.

Title (Mr/Mrs/Miss/Ms/Other)	Surname:
Forename(s) in full:	
Company Name:	
Reference: (if required)	
Address:	
Postcode:	



Section 7 – Bank details for payment of dividends directly to bank or building society accounts

Dividends on Shares held in Ventus VCT plc and Ventus 2 VCT plc may be paid directly into bank and building society accounts. In order to facilitate this, please complete the mandate instruction form below. Dividends paid directly to your account will be paid in cleared funds on the dividend payment dates. Your bank or building society statement will identify details of the dividend as well as the dates and amounts paid.

Please forward until further notice all dividends that may from time to time become due on any Shares now standing, or which may hereafter stand, in my name in the register of members of Ventus VCT plc and Ventus 2 VCT plc to:

Bank or Building Society reference number and details

a.	Name of Bank/Building Society:
	Name of Branch:
	Address of Branch:
b.	Account Number:
c.	Sort Code Number:
d.	Account Name: (BLOCK capitals please)
e.	Signature:
f.	Date:
g.	Applicant's name and Postcode (in BLOCK capitals please, as given in Section 1) Postcode:

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

Page left intentionally blank

Page left intentionally blank

