

Notes on how to complete the Application Form

Before making an Application to acquire New Shares you are strongly recommended to consult and obtain advice from an appropriate financial Intermediary authorised under FSMA. It is essential that you complete all parts of the Application Form in accordance with the instructions in these notes.

Application Form Submission Online/email

You may complete and submit your Application Form online at www.bscfunds.com.

Alternatively, you may scan and send your completed Application via email to bscfunds@city.uk.com.

Payments associated with an Application Form may be made by electronic transfer, cheque, or banker's draft.

For payment by electronic transfer, the bank account to which you should remit the total Application Amount (including any initial Adviser Charges for facilitation) is as follows:

Bank name: **The Bank of Scotland plc**
Account name: **City-BSC VCTs Joint Offers-Segregated**
Account number: **22251869**
Sort Code: **80-22-60**

For payment by cheque or banker's draft, please send your cheque or banker's draft made payable to City-BSC VCTs Joint Offers-Segregated to City's address noted below.

Application Form Submission by Post/Hand

Please send the completed Application Form by post, together with your cheque or banker's draft (you may also pay by electronic transfer to the bank account noted above), to:

BSC & BSC2 Offers
The City Partnership (UK) Ltd
The Mending Rooms
Park Valley Mills
Meltham Road
Huddersfield
HD4 7BH

If you scan and send your Application Form to the Receiving Agent via email, please **do not** send a copy in the post.

If you have any questions on how to complete the Application Form, please contact Tracey Nice at YFM on 0113 261 6478 or 07500 330986 or tracey.nice@yfmeop.com in the first instance or call City on 01484 240 910. However, no investment, financial or tax advice can be given by YFM or City. Lines are open between 9.00 am - 5.30 pm, Monday to Friday excluding public holidays. Alternatively, please speak to your Financial Adviser.

Note: If there is a query over an Application there is no guarantee that it will be resolved in the order of receipt or before any subsequent Applications are received/processed. Also, if multiple Applications are received that take the investment total over the British Pound Sterling equivalent of €15,000, further identification and verification checks will need to be carried out. This may delay processing.

NOTES ON HOW TO COMPLETE THE APPLICATION FORM

The following notes should be read in conjunction with the Application Form and the Terms and Conditions of Application.

IF YOU ARE A NOMINEE APPLYING ON BEHALF OF A BLOCK OF INVESTORS, PLEASE DO NOT COMPLETE THE ATTACHED APPLICATION FORM. INSTEAD, PLEASE CONTACT THE RECEIVING AGENT FOR ALTERNATIVE INSTRUCTIONS.

Section 1: Applicant Details

Insert in BLOCK CAPITALS your full name, date of birth, National Insurance number, telephone number, email address (if you have one), current address, previous address (if you've been at your current address for less than three years), and non-UK tax residency details.

We are legally required to collect information about the tax residency and classifications of new Shareholders which may be shared with HMRC.

If you are an existing Shareholder in either of the Companies, please enter your IVC code in the relevant box(es). If your existing Shares are held in a nominee, please enter the nominee details in the relevant boxes.

It is very important that you complete this section clearly and accurately, as the Receiving Agent will send an email acknowledgement, or, if no email address is given, a confirmation letter to you at the address shown in this section.

If your Application to the Offers is successful, your name and address as stated in this section will be entered onto the Register of the Company/ies for which you are subscribing and printed on the tax and share certificates.

Section 2: Financial Intermediary

Please tick the relevant box (only one) to confirm if a financial Intermediary is associated with your Application.

Section 3: Application Amount

Insert the amount of money which you wish to invest. Your total Application must be for a minimum value of £6,000 and thereafter in multiples of £1,000 (including any initial Adviser Charge to be facilitated) in either or both Companies. Income tax relief is available on the total Application Amount (i.e., including any initial Adviser Charge to be facilitated). The maximum investment on which tax reliefs on investments in Venture Capital Trusts (including shares issued under a DRIS) is available is £200,000 in any tax year.

Insert in the relevant boxes how you wish your Application Amount to be split between the BSC Offer and the BSC2 Offer. If you do not state a preference, your Application Amount will be allocated 60 per cent to BSC and 40 per cent to BSC2.

In the event that the Offer for one of the Companies for which you have applied has closed, or is deemed closed, at the time your Application Form is processed, then you should tick either box (i) if the amount in respect of the closed Offer is to be re-allocated to the Offer by the other Company, irrespective of whether you have applied for that other Offer or box (ii) if the amount in respect of the closed Offer is to be returned to you. If you fail to tick a box, or you tick both boxes, option (ii) will apply and your Application monies in respect of the closed Offer will be returned to you.

Section 4: Shareholding Preferences

Please indicate how you would like to receive Shareholder communications.

If you wish for any New Shares for which your Application is accepted to be allotted to your nominee (CREST or otherwise), please provide the nominee details in the relevant boxes.

Section 5: Dividends

If you wish that any New Shares for which your Application is accepted are issued to your nominee, please do not complete this section. Please contact your nominee regarding your dividend options.

For any dividends that may from time to time become due on any New Shares which stand in your name on the Companies' registers, please confirm your payment preference.

If you wish to participate in the Companies' dividend re-investment schemes, having first read and understood the terms and conditions of the schemes which can be found on the website www.bscfunds.com, please then tick the appropriate box.

If you wish to receive your dividends by payment to your bank account, please tick the appropriate box and provide your bank or building society details in the space provided. Dividends paid directly into your account will be paid in cleared funds on the dividend payment date. Your bank or building society statement will identify details of the dividends as well as the dates and amounts paid.

If you do not confirm a dividend preference, your dividends will be paid by cheque. Cheques will be sent to the Shareholder's registered address using the standard mail delivery at the Shareholder's own risk. The Companies' Registrar will charge administration fees for re-issuing cheques.

Please note that if you are an existing Shareholder, for any New Shares in which your Application is accepted under the Offers and allotted to your existing holding(s), your dividend preference will apply to your total shareholding in the Companies.

Section 6: Payment

Payment can be made by electronic transfer (to the Bank of Scotland plc account details of which are set out on Section 6 of the Application Form), cheque or banker's draft. Your payment must relate solely to this Application.

To pay by cheque or banker's draft, please send the cheque or banker's draft to City (with the Application Form if you have not applied online or emailed the Application to City) at the address provided. The cheque should be for the total Application Amount in Section 3, made payable to City-BSC VCTs Joint Offers-Segregated, crossed "A/C Payee only" and referenced as described below. Your payment must relate solely to this Application. Cheques may be presented for payment on receipt. Application Forms accompanied by a post-dated cheque will not be accepted.

Receipt of your Application Form (online, email, or post) will be acknowledged by City by email (if you have provided an email address in Section 1) or post. Further, if you have provided an email address in Section 1, you will also receive confirmation of receipt of payment from City once the monies have been matched to your Application.

Your electronic transfer, cheque or banker's draft must be drawn in sterling from an account with a United Kingdom regulated credit institution which is in the sole or joint name of the Applicant and must bear, if a cheque, the appropriate sort code in the top right-hand corner.

Your payment, whether via electronic transfer or cheque, must also include a reference comprising your initials and telephone number provided in Section 1. Please enter this reference in the payment reference field on the electronic transfer payment instruction or on the back of the cheque.

For example, the payment from Ms Jane Bloggs with telephone number 0123 456 7891, should have a reference of JB01234567891.

Regardless of your payment method, please provide the details of the remitting bank account to allow the Company's Receiving Agent to match, reconcile, and confirm receipt of your monies. Verification of your bank account also forms part of the Company's checks under the Money Laundering Regulations.

The Receiving Agent cannot take responsibility for correctly identifying payments without a reference nor where a payment has been received but without an accompanying Application Form. The right is reserved to reject any Application in respect of which the Applicant's electronic transfer, cheque or banker's draft has not been cleared on first presentation. Any monies will be returned by a BACS credit to the remitting account, at the risk of the persons entitled thereto.

NOTES ON HOW TO COMPLETE THE APPLICATION FORM

Section 7: Applicant Declaration

You must sign, state your name, and date the Application Form in Section 7. By signing and dating the Application Form you agree to invest in the Companies in accordance with the Terms and Conditions of Application as set out on pages 76 to 79 of the Prospectus.

If this section of the Form is not signed the Receiving Agent will not be able to process your Application and your Application monies will be returned to you.

Section 8: Financial Intermediary Details

Intermediaries must give (in BLOCK CAPITALS) in Section 8 the name of the network firm to which they are associated (if applicable), the name of their firm, the firm's full address, the individual adviser's/intermediary's name, FCA number (or equivalent), partner reference (if applicable), email address, administrative contact name and telephone number. The right is reserved to reject any Application or withhold any payment of fees or commission if the Companies are not, at their sole discretion, satisfied that the Intermediary is authorised or is unable to identify the Intermediary on the basis of information provided.

Section 9: Financial Intermediary Remuneration

Intermediaries must complete A or B (not both).

Please tick box (A) if you have provided financial advice to your client, who is not a Professional Client (as per the FCA's Conduct of Business Sourcebook ("COBS" 3.5) and have agreed on an initial Adviser Charge (nil or otherwise) which complies with COBS 6.1A. Please enter the initial Adviser Charge for facilitation in the box provided. If you do not want the Companies to facilitate payment of the initial Adviser Charge, or you have made alternative arrangements, please enter "0" if NIL.

Please tick box (B) if your financial Intermediary firm is entitled to receive commission in accordance with COBS 2.3/2.3A and any other applicable FCA regulations. Initial commission may be waived (a maximum of 2% of the total investment amount) for the benefit of your client. Please insert the amount of initial commission you wish to be waived in the box provided (please enter "0" if NIL).

Please confirm the bank account into which any Adviser Charges or initial commission payments associated with the Application should be paid by BACS.

Should you wish the Receiving Agent to carry a reference against any initial Adviser Charge or commission payment associated with the Application, please provide it in the box provided.

If you would like your firm's finance department to receive a copy of a statement detailing the initial Adviser Charges or commission payment(s) due to your firm, please provide the relevant email address in the box provided.

Section 10: Financial Intermediary Declaration

An individual with the authority to sign on behalf of the financial Intermediary firm detailed in Section 8 should sign and date the Application Form in Section 10.

Money Laundering Notice – Important Procedures for Applications

In accordance with the Money Laundering Regulations, the identity of all Applicants must be verified before Shares can be allotted. This is a routine step associated with the Application process and ensures that (i) Applicants are who they say they are; and (ii) Application monies have not been acquired illegally and there is no attempt to use the Companies and City as part of criminal activity.

Please note that Shares cannot be allotted if City is unable to verify the Applicant’s identity, and the Application may ultimately be treated as invalid, and funds returned.

For Applications made via a financial Intermediary, the Intermediary should complete verification of the Applicant. By signing the Application Form, the financial Intermediary confirms that they have verified the identity of the Applicant and that if the Companies, Manager and/or City request additional information in connection with that verification, they will provide it within two Business Days of receiving the request.

For direct Applications which are above the British Pound Sterling equivalent of €15,000 (for single or linked Applications), City will use the Applicant’s personal information from the Application Form to verify their identity through Veriphy, a specialist anti-money laundering (“AML”) compliance solution provider. Veriphy’s AML checks include identity and UK address validation as well as integral mortality, departure, sanction, and politically exposed person searches. **Veriphy’s checks have no impact on an Applicant’s credit score or their ability to obtain credit.**

In the small number of cases where Veriphy is unable to verify the Applicant’s identity sufficiently, City will need the Applicant to supply evidence of their identity and will contact the Applicant (or their financial Intermediary if applicable) to request copies of the relevant documents (typically, an original or certified copy of a passport or driving licence, as well as a recent bank statement or utility bill) and explain how they should be provided. Please note that failure to provide satisfactory evidence following such a request may result in a delay in processing an Application or, at the point of the Offers closing to Applications, the Application being treated as invalid and funds returned.

Note: The Companies and City may, in their absolute discretion, and regardless of the Application Amount and/or the involvement of a financial Intermediary, require identity verification.

Page left intentionally blank

Page left intentionally blank

Page left intentionally blank