

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.

Please send the completed Application Form by post, together with your cheque or banker's draft (if not paying by electronic transfer), or deliver it by hand, to:

**Link Asset Services,
Corporate Actions,
The Registry,
34 Beckenham Road,
Beckenham, Kent
BR3 4TU.**

If you have any questions on how to complete the Application Form please contact Tracey Nice at YFM on 0113 261 6478 or tracey.nice@yfmeop.com in the first instance or call Link Asset Services on 0800 181 4729 (freephone). However, no investment, financial or tax advice can be given by YFM or Link Asset Services. Lines are open between 9.00 am - 5.30 pm, Monday to Friday excluding public holidays. Alternatively please speak to your Financial Adviser.

- **Sections 1-2** of the Application Form require you to provide your personal details and your Application details
- **Section 3** asks you to confirm, where an offer is oversubscribed, that your funds be re-allocated to the other Offer (in respect of the same tax year), irrespective of whether you have applied for it
- **Section 4** asks you to confirm your dividend payment options
- **Section 5** asks you to provide your CREST details if you would like any New Shares allotted to you to be credited to your CREST account
- **Section 6** asks how you wish to receive Shareholder communications in the future
- **Section 7** asks you to confirm your method of payment and your payment details
- **Section 8** requires you to sign, state your name and date your Application Form

If you have used a financial Intermediary, Sections 9 and 10 require them to provide their firm's details so that the Receiving Agent can deal with the instructions as to (i) whether any permissible commission is to be paid and (ii) how any commission payable is to be administered

- **Section 9** asks you to confirm whether or not you have received financial advice in relation to your Application and to describe the type of financial Intermediary you have used, if any, with respect to your Application

If you apply directly and have not used a financial Intermediary with respect to your Application you should tick box (i) on the investment type box of section 9

Commission, where permissible, can be paid only to authorised financial Intermediaries who are acting on behalf of "execution only" clients and are not providing a platform service

You can make multiple applications using more than one Application Form. If you submit more than one Application Form, each Application Form will be dealt with in order of receipt and must be for a minimum Application of £3,000.

- The Application Form is printed towards the end of the Securities Note as well as being available separately. Additional Application Forms can be obtained from www.bscfunds.com and from the Investment Adviser and the Receiving Agent

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 £13,000 further identification and verification checks will need to be carried out. This may delay processing.

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

Section 1 – Personal Details

Insert in box 1 in BLOCK CAPITALS your full name, permanent address, daytime and evening telephone numbers, date of birth, National Insurance number, country of residence for tax purposes and, if you have one, your email address.

Please indicate whether you or your spouse or civil partner is an Existing Shareholder in the VCTs. If it is your spouse or civil partner who is the Existing Shareholder please enter their name in the box provided.

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

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 VCTs and printed on the tax and Share certificates.

Section 2 – Investment Amount

Insert the amount of money which you wish to invest. Your total application must be for a minimum value of £3,000 and thereafter in multiples of £1,000 and for a minimum of £1,200 in each VCT for which you apply. 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.

- (i) If you wish your allocation to be split 60 per cent BSC, 40 per cent BSC2 then please complete rows 1 and 4 and the split will be calculated automatically.
- (ii) If you wish to invest in just BSC or just BSC2, or you wish to invest in both but a different split than 60:40, complete row 2 and/or row 3 as appropriate and row 4.
- (iii) If no preference is stated, each Investor's subscription will be allocated 60 per cent to BSC and 40 per cent to BSC2.

Section 3 – Re-allocation / Return Instructions

In the event that an Offer 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 other Offer, irrespective of whether you have applied for it 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 (i) will apply and your application monies will be re-allocated to the Offer that remains open.

Section 4 – Dividend Payment Details

Please complete this section if you are a New Shareholder or wish to update your payment preferences.

The dividends paid by the VCTs can be taken as cash. Section 4 of the Application Form allows you to indicate whether you would like to have them paid directly into your bank account or receive a cheque.

Payment to your bank account: in order to facilitate the payment of dividends on any shares held in the VCTs directly to your bank or building society account, please 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.

Dividends paid by cheque will be sent to the Shareholder's registered address using the standard mail delivery at the Shareholder's own risk if Section 4 is not completed. The VCTs' Registrar will charge administration fees for re-issuing cheques.

If you wish to participate in the VCTs' dividend re-investment scheme, having first read and understood the terms and conditions of the scheme which can be found in Part 8 of this document and on the VCTs' section on the website www.bscfunds.com, please then tick the appropriate box in Section 4.

Section 5 – CREST Details

Any New Shares allotted to you will be in a registered form capable of being transferred by means of the CREST system. Applicants who wish to take advantage of the ability to trade in New Shares in uncertificated form, and who have access to a CREST account, may arrange to have their New Shares allotted directly to their CREST account, or subsequently to convert their holdings into dematerialised form in CREST. Investors should be aware that New Shares delivered in certificated form are likely to incur higher dealing costs than those in respect of New Shares held in CREST. The VCTs' share registers will be kept by the VCTs' Registrar, Link Asset Services.

Section 6 – Preferences

Shareholder communications will usually be sent by email (if you've provided a valid email address), however, if you'd like hard copies in the post please tick the box on Section 6.

Section 6a – Authority in Relation to Providing Shareholder Information to Financial Intermediaries

In order that your adviser can provide you with a full valuation service of your shareholding you'll need to give your authority to YFM to disclose details of your shareholding(s).

Section 7 - Payment Details

Payment can be made by electronic transfer (to the Lloyds Bank plc account details of which are set out on Section 7 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 attach a cheque or banker's draft to the Application Form for the exact amount shown in Section 2. Your cheque or banker's draft must be made payable to "LMS re: BSC – 2018 OFS A/C" and crossed "A/C Payee only". 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. Your Application Form will be acknowledged by Link Asset Services.

Your electronic transfer, cheque or banker's draft must be drawn in sterling from an account with a United Kingdom or EU 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.

The payment instruction relating to the electronic transfer must also include a unique reference comprising your name and a contact telephone number which should be entered in the reference field on the payment instruction. For example MJ SMITH, with a telephone number of 01234 567 8910, would have a reference of MSMITH012345678910. The Receiving Agent cannot take responsibility for correctly identifying payments without a unique 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 in the same manner as originally received e.g. by cheque in the post or by a credit to the remitting account, at the risk of the persons entitled thereto.

Section 8 – Declaration and Signature

You must sign, state your name and date the Application Form in Section 8 and complete the declaration that you have read the VCTs' Key Information Document ("KID"). By signing and dating the Application Form you agree to invest in the VCTs in accordance with the Terms and Conditions of Application as set out on pages 43 to 45 of the Securities Note.

If the KID declaration is not completed or if this section of the Application Form is unsigned the Receiving Agent will not be able to process your application and your application monies will be returned to you.

Section 9 – Financial Intermediary Details

Intermediaries must complete (in BLOCK CAPITALS) Section 9 giving their full company name and address, a contact name, telephone number, email address and details of their authorisation under the FSMA. The right is reserved to reject any application or withhold any payment of fees or commission if the VCTs 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. In order for commission or Adviser Charges to be paid by BACS, please complete the relevant boxes.

Investment Type

Please tick the relevant box to identify the type of investment you are making – Direct, Advised, Execution only.

You should tick box (i) if you have not used a financial Intermediary and have applied direct. The rest of Sections 9 and 10 should not be completed if you apply directly and have not used a financial Intermediary with respect to your application.

You should tick box (ii) if you have received financial advice with respect to your application. (If you tick box (ii) your financial Intermediary should complete Sections 9 and 10 of the Application Form). Intermediaries on advised investments are entitled to payment of Adviser Charges as agreed with their clients. Please insert the agreed fee in the box as a sum of money. The number of New Shares issued to the Applicant will be reduced by the amount of the Adviser Charge. The Adviser Charge is inclusive of VAT, if applicable.

You should tick box (iii) if you have not received financial advice with respect to your application and have used a financial Intermediary on an “execution only” basis (other than platform service providers). (If you tick box (iii) your financial Intermediary should complete Sections 9 and 10 of the Application Form).

For execution only – you should tick box (iii) and complete to show the fees or commission structure you wish to receive.

Section 10 – Authorised Financial Intermediary’s Declaration

Intermediaries should sign and date the Application Form in Section 10 and include their signing capacity.

Administration of Shareholder account

If you are an Existing Shareholder in the VCTs, your existing name, banking and dividend re-investment (if any) details will be applied to your application. If you are a new Shareholder please complete the bank account details in Section 4 in order to receive dividends in cash or tick the box for option B if you wish your dividends to be re-invested.

Existing Shareholders’ dividend payment/re-investment details and Shareholder communications preferences will not be altered as a result of New Shares being issued to them. Should any Existing Shareholder wish to change any of the existing instructions with regards to the administration of their account(s) they should do so separately by contacting the Registrars, Link Asset Services, or by registering via their Shareholder portal at www.signalshares.com

Money Laundering Notice – Important Procedures for Applications

A note for Investors

In processing a VCT application where the application amount (or total investment under a VCT Offer when an Applicant makes a series of applications) is above the anti-money laundering threshold, Link (as Receiving Agent) is obliged to apply the requirements of The Money Laundering Regulations to verify an Applicant's identity and/or the source of funds ("SOF"). This applies for amounts above an anti-money laundering threshold of €15,000 (or the sterling equivalent of £13,000 if currency exchange rates should have changed at the time of processing). The reason for these checks is to ensure that 1) investors are who they say they are; and 2) application monies have not been acquired illegally or that Link itself is not being used as part of criminal activity, most commonly the placement, layering and integration of illegally obtained money. This means that for some applications, Link will need to contact an Applicant to request documents as evidence of their identity, and in some cases an Applicant will need to provide SOF evidence with their application or Link may need to request SOF documents.

Please be assured that such money laundering checks are a routine part of the proper processing of applications, as required by the regulations and which ultimately help to protect investors and their brokers, and do not indicate that the investor is suspected of anything illegal.

NOTE – Shares cannot be allotted if Link has not been able to verify an Applicant's identity and/or the source of funds. Failure to provide satisfactory evidence (where it is requested) may result in a delay in processing an application or, at the point of closure of the Offers, the application being treated as invalid and funds returned.

No money laundering verification is required to be enclosed if the application is for less than €15,000 (approximately £13,000) and the total shareholding of the Applicant (in the case of Existing Shareholders) does not exceed 10,000 shares, or if payment is by means of a cheque drawn on an account in the name of the Applicant (provided that (a) the cheque includes details of the Applicant's bank account or building society account (as applicable) and (b) the cheque is drawn on an account with a UK bank). However, please also note that the VCTs and the Receiving Agent may, in their absolute discretion, require Money Laundering verification.

The VCT, or a third party acting on behalf of the VCT, will carry out a check of your identity using an online anti-money laundering and identity verification system. To enable this process you may be asked to provide a copy of your passport or driving licence.

Verification of Applicant Identity

Link will carry out checks to verify an Applicant's identity using the widely accepted Experian Credit Reference system for applications of more than £13,000. Importantly, the Experian checks have no impact on an Applicant's credit score or their ability to obtain credit, and simply carry out a 'soft search' on the investor's credit report which leaves only an 'enquiry footprint' in order that the Applicant can see who has enquired (the enquiry simply shows that an identity check was carried out in respect of an investment, to comply with Anti-Money Laundering Regulations).

Typically this check is sufficient to verify the identity of most Applicants. In the few cases where the Experian check isn't able to verify the identity using a Credit Reference check, Link will need the Applicant to supply documentary evidence of their identity and will contact the Applicant (or their financial Intermediary if they have applied that way) to request copies of the relevant documents (typically an original or certified copy of a passport, driving licence and recent bank statements).

In addition, for applications that, together with any existing investment in the VCTs, bring the value of a total shareholding to the sterling equivalent of more than €15,000 (for these purposes approximately £13,000, as at the date of this Document), the VCTs, or a third party acting on behalf of the VCTs, may carry out a check of your identity using an online anti-money laundering and identity verification system. To enable this process you may be asked to provide a copy of your passport or driving licence.

If you do not want the online check to be carried out please tick the box in Section 7 of the Application Form that states that you are opting out of the electronic identity verification system. If you tick this box you **must** enclose:

- (i) a copy of your passport or driving licence certified by a bank or solicitor stating that it is a “true copy of the original and a true likeness of the client” followed by your name; and
- (ii) a recent (no more than three months old) bank or building society statement or utility bill showing your name and address with the Application Form. **Copies of online statements will not be accepted.**

If the cheque for your application is drawn by a third party, the above documentation **will** also be required from the third party.

Verification of Source of Funds (“SOF”)

Link is required to ensure that an Applicant’s monies do come from an account in their own name (where the Applicant has sole or joint ownership of the account), and for certain payment amounts and methods will therefore require the Applicant to provide verification of the account which is the Source of Funds.

Cheques for application amounts of £13,000 or less

SOF documents are **not** required for any application amounts of £13,000 or less OR for any application where payment is made by personal cheque (regardless of the amount).

Electronic transfers

SOF documents **are** required and must be provided with the application. This must be an original or certified copy (i.e. certified as a true copy by a solicitor or bank) of a bank statement in the name of the Applicant, clearly identifying the Applicant as an account holder and showing the payment to Link’s account and clearly referenced as being paid to Link or in respect of the VCTs. If that document is not readily available, Link will accept a PDF or JPEG scan copy of an online bank statement or transaction history which clearly shows the account holder name, account number and sort code, AND the VCT application amount as a transaction which allows Link to identify the monies as coming from a UK account in the Applicant’s name (note that a JPEG will only be accepted if it is a properly scanned document rather than a photograph, with all information legible and of good definition). Link may carry out additional checks in such instances if deemed necessary for the purposes of the regulations. **Original documents will be returned by post at your risk.**

Link will also accept an authorised written instruction from the Applicant’s bank on headed paper to confirm details of the accounts from which funds have been drawn. Those details must include the name(s) of the account holder, sort code and account number.

On request by the VCTs or YFM or the Receiving Agent, you will disclose promptly in writing any information which may be reasonably requested in connection with your application including, without limitation, satisfactory evidence of identity to ensure compliance with the Money Laundering Regulations and authorise the VCTs, YFM or the Receiving Agent to disclose any information relating to your application as the VCTs, YFM or the Receiving Agent consider appropriate.

Failure to provide the necessary evidence of identity may result in your application being treated as invalid or in delay of confirmation.

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