

Bestinvest Rating: To be confirmed

Fund overview & objectives

The fund will invest in three areas. Solar, while that is still possible before the March 2012 deadline; energy efficiency programmes for corporations; but the primary investment focus will be Secondary Public Finance Initiates (PFI) projects.

The fund aims to achieve a 5p dividend every year after the first, the trust aims to achieve a total return of 130p before the sixth anniversary and benefits from an excellent zero discount buyback policy.

Bestinvest's view

as at 17/10/11

After the fund raising success of last year's Solar VCT, Foresight would normally be keen to come back to the market again with a similar product. Yet changes to the solar tariffs from 12 December means that solar installations are no longer viable. Foresight looked for investments that fit the same profile, meaning long term contracts and upfront agreed tariffs. It found infrastructure projects could offer the same shape of risk and return. These projects offer the investor government guaranteed income that rises at RPI with predictable cash flow, low operational risk. The trust will focus will be refinancing already operational PFI projects. The result is a VCT offer that matches the return profile of last year's Foresight Solar fund, although invested now in street lighting, waste water plants etc.

As such our concerns will largely mirror those we expressed previously over solar offerings. There is no track record we can scrutinise, and we do not know if changes to the (PFI) scheme in future might adversely affect the fund. Further there is the risk of the providing contractor, whom most likely built the asset and is contracted to maintain it, may experience their own difficulties.

That said, blissfully boring assets with long term government guaranteed earnings are very attractive to an investor. We look forward to scrutinising this new offer and returning shortly with our full report and rating.

What is a Venture Capital Trust (VCT)

Venture Capital Trusts offer some attractive tax benefits. The initial investment, up to a maximum of £200,000, attracts 30% provided it is held for at least five years. Capital gains and dividends are also tax-free, although there is no relief for capital losses.

VCTs invest in unquoted business so they are high risk investments and can be illiquid, while management costs can also be high. For more information you should read our VCT Guide. All investment decisions must be made solely on the fund's prospectus. *If you are not an experienced investor, you should not be considering investing into VCTs.*

www.bestinvest.co.uk/investment-research/vct 07:45 - 18:00 Mon-Fri 09:30 - 13:30 Sat : 020 7189 9970

Issue Details

| | |
|----------------|-------------|
| Issue Price | 100p |
| Max Sought | £15 million |
| Min Investment | £5,000 |
| Offer Closes: | 29 Jul 2012 |

Charges

| | |
|----------------------------------|------|
| Standard Initial charge | 5.5% |
| Headline discount via Bestinvest | 3.0% |

Venture Capital Trusts should be regarded as higher risk investments. They are only suitable for UK resident taxpayers who can tolerate higher risk and have a time horizon greater than five years. Past performance should not be seen as an indication of future performance. Nothing in this guides should be regarded as being personalised advice. If you have any doubts as to the suitability of VCTs you should request us to provide you with personalised advice. Levels and bases of taxation can change and the availability of tax reliefs will depend upon individual circumstances. The value of investments and the income from them can fall and rise.

Bestinvest (Brokers) Limited Reg. No 2830297 is registered in England and authorised and regulated by the Financial Services Authority. Registered Office: 6 Chesterfield Gardens, Mayfair, London, W1J 5BQ. This communication is intended as a summary of our research and not a personal recommendation or advice. As stated above VCTs are complex, higher risk investments and if you are in any doubt as to whether this is a suitable product for you, you should seek professional advice.