Downing ONE VCT plc

Brochure

Downing

About this brochure

This brochure is an introduction to the offer set out in the Downing ONE VCT (Downing ONE) Prospectus dated 19 September 2019. You should not rely on this brochure to provide you with full information about Downing ONE. Please read the Prospectus before making any decision to invest.

If you are in any doubt about the content of this brochure, the Prospectus, or any action that you should take, please seek advice from a financial adviser authorised under the Financial Services and Markets Act 2000 (FMSA) who specialises in advising on investments of this type.

This brochure constitutes a financial promotion in line with Section 21 of the FSMA. It is issued by Downing LLP (Downing), St Magnus House, 3 Lower Thames Street, London EC3R 6HD. Downing is authorised and regulated by the Financial Conduct Authority in the United Kingdom (Firm Reference Number 545025).

No person has been authorised to give any information, or to make any representation, concerning the offer other than the information contained in this brochure, the Prospectus, and the application form. If given or made, such information or representation must not be relied upon.

This brochure is not a direct offer to sell or a solicitation of an offer to buy securities. It does not constitute an offer in any state, country or other jurisdiction where, or to any person or entity to whom, an offer or sale would be prohibited.

Downing has taken all reasonable care to ensure that the facts in this brochure are true and accurate in all material respects and that there are no other material facts whose omission would make any statement of fact or opinion misleading. Nothing in this brochure constitutes investment, tax, legal or other advice by Downing.

All statements of opinion or belief contained in this brochure, and all views expressed and statements made regarding future events, represent Downing's own assessment and interpretation of information available to it at the date of the brochure.

No representation is made, or assurances given, that such statements or views are correct, or that the objectives of the offer will be achieved. Investors must determine for themselves what reliance (if any) they should place on such statements, views or forecasts, and Downing does not accept responsibility in respect of these.

All information contained in this brochure has been sourced by Downing, unless otherwise stated.

Important note

VCT investments are high risk and not appropriate for everyone. It's important you understand the risk of investing in a VCT, which are set out on page 20 and outlined in more detail in the Prospectus.

Note that the value of your investment may go down as well as up and you may not get back the full amount you invested. Also, tax rules and regulations depend on personal circumstances and are subject to change.

What's inside?


Making investment
more rewarding.

About Downing LLP

Our purpose is to make investment more rewarding: rewarding by being profitable for our investors, rewarding by being supportive to the businesses we fund and, through their success, ultimately rewarding for society.

Our role comes with the responsibility of striving to make better returns for our investors from worthwhile businesses: whether it's by investing in inspiring UK SMEs, or funding important sectors such as healthcare, life sciences and renewable energy.

Central to Downing's ethos is a commitment to the principles of responsible investment. This firm-wide initiative means we will be assessing opportunities for both their profitability - the level of return compared to the risk - and their environmental and social impact.

We believe that putting both these criteria at the core of our business will enhance rather than constrain returns.

Downing LLP – key facts

Founded in 1986

More than £1 billion of assets under management

25,000 investors

First VCT launched in 1996

Total VCT assets of over £220 million

(As at 31 March 2019)

As a firm, we share four values that guide our decisions and behaviour:

- We are enterprising, coming up with solutions to business challenges and complex financial problems.
- At the same time, we aspire to be as straightforward as possible - with simple, jargon-free interactions that make what we do accessible to all.
- We believe in the power of relationships – no one creates success all on their own. Downing invests more than money: we provide support and expertise to look beyond the short term and build lasting relationships with both the companies we back and the investors who trust us with their money.
- Finally, integrity - being honest and fair - is at the heart of how we conduct ourselves, because we believe that by doing the right thing all our stakeholders can share in the rewards of making good investments.

Why should I invest in a venture capital trust (VCT)?

VCTs are a tax-efficient way for you to invest in the growth of smaller UK companies. They were introduced by the government in 1995 to encourage investment in entrepreneurial businesses in return for attractive tax reliefs.

Now an established part of the investment landscape, £731 million was invested in VCTs in the 2018/19 tax year*. There are lots of investment opportunities out there so why should you consider a VCT? Investors with all sorts of financial planning goals and aspirations put their money into VCTs. Here are just a few reasons why you may want to consider investing.

Attractive VCT tax reliefs

In return for supporting high potential growth companies, you can benefit from attractive tax reliefs.

Reduce your tax bill with 30% income tax relief

You can claim full income tax relief on a maximum VCT contribution of £200,000 in the tax years 2019-20 and 2020-21. That's a 'cheque' for up to £60,000 from HMRC. Note, you can only claim tax relief up to your total tax bill.

Generate an income with tax-free dividends

Dividend payments are free of income tax and you can receive further 30% income tax relief on any dividends you reinvest in the VCT.

Benefit from tax-free growth

You don't have to pay capital gains tax on any gains you make from your VCT investment.

Note, you shouldn't invest in a VCT solely for the available tax benefits, which depend on your personal circumstances and could change in future. Also, you must remain invested in a VCT for five years to get these tax reliefs. Finally, tax reliefs depend on a VCT maintaining its qualifying status, which isn't guaranteed.

An example of how VCT income tax relief could work.

Note: The effect of any adviser fees or early application discounts have not been included.

COST OF INVESTMENT

Your gross investment	£20,000
30% income tax relief	£6,000
Net cost of your investment	£14,000

INITIAL VALUE OF YOUR INVESTMENT

Your gross investment	£20,000
Initial fee (2.5%)	(£500)
Initial value of your investment	£19,500
Initial uplift on your net cost	£5,500
Initial uplift as a %	39.3%

This example is for illustrative purposes only.

*Source: Association of Investment Companies: 'Venture Capital Trusts: winners & losers 2018/2019 fund race', April 2019

Potential for tax-free capital growth

VCTs give you immediate exposure to the potential growth of companies not listed on a main stock exchange. Historically, such companies have a better chance of faster growth compared to larger firms that are listed.

But with smaller size comes higher risk. In particular, you may not get back the full amount you invest.

Create a more diversified investment portfolio

You may already invest in funds that track the stock market or are actively managed by a fund manager. With a VCT you can diversify your investments and shift the balance of your portfolio away from mainstream funds.

Build yourself a tax-free income

Established VCTs aim to produce a dividend that could be used to build a tax-free income stream.

For example, they might provide a flow of supplementary income for those already in semi or full retirement, or be used to meet other regular financial needs such as school fees.

A VCT can be particularly helplful if your pension pot has reached, or is close to reaching, the maximum lifetime allowance limit, which means you can't put more money in to increase your potential pension income.

Invest in the UK's thriving entrepreneurial landscape

We believe that investments can be more than just financial. VCTs invest in companies at the smaller end of the spectrum who may find it hard to get funding from traditional sources, such as banks. Backing them can help create jobs, develop the economy and boost the UK's prosperity – all things to be proud of.

A tax-friendly environment for your investments

High earning individuals with excess cash face restrictions on the amount they can contribute each year to other tax-efficient investments.

Perhaps you've hit your maximum annual pension contribution or have seen the amount you can contribute decline as your salary has gone up. Or you may not want to tie your savings up in a pension but have maxed out this year's ISA allowance.

Either way, a VCT can be an alternative way to complement more mainstream ways of investing.

Bear in mind that VCTs carry risks that you need to be aware of before you invest. We go through these in more detail on page 20 and in the Prospectus. If you are in any doubt as to whether a VCT may be suitable for you, please speak to your financial adviser.

For more information on VCTs please ask your financial adviser or visit our website at www.downing.co.uk/investor/products/vct

Xupes

Part of our ventures portfolio, Xupes is an online reseller of preowned luxury goods such as watches, handbags, jewellery and antiques. The company started in 2009 as a family run business and Downing funds are being used to purchase stock, increase headcount in the tech and sales teams and set up retail stores, the first of which is in Amsterdam.

Why we invested

- An established brand with strong customer following
- A revenue generating business with proven track record of growth
- A significant market that underpinned further growth

Tracsis

Tracsis is a listed company that provides transport software solutions and condition monitoring equipment designed to automate and optimise the process of labour scheduling for passenger rail and bus services.

Why we invested

- Holds licences in a regulated market, which underpin and provide visibility to long-term earnings
- Good cash flow with re-occurring revenues
- Opportunity to apply software to exploit other transport sectors


Not all VCTs are
created equal.

Choosing a VCT

Selecting the right VCT for you is crucial. Here are Downing's top four things that we think you may want to look out for.

Is the VCT run by an experienced team?

Find out if the VCT fund is run by an established investment manager with a long-term track record of generating returns from early-stage investments.

You could also look at how involved the VCT managers are in the governance of their portfolio, for example sitting on the boards of the companies.

You shouldn't use past performance to judge future perfomance. However, the above factors can be a sign that the VCT managers can find the right kind of deals, have done the correct due diligence and can run their portfolio successfully.

Is the VCT large in size and are its investments diversified?

The bigger the number and the wider the type of investments a VCT has can result in lower risk to your capital. Also, larger VCTs can spread their fixed costs over more investments, which could lead to lower overall running costs.

What does that mean?

Portfolio company: a company the VCT invests in.

Yield: the earnings generated by a portfolio company that can provide an income for the VCT.

Exit: the process of selling investments in the portfolio companies to realise value for investors.

Liquidity: the speed and ease by which investors can sell shares and get their money back.

Does the VCT have investments that are already producing income?

In 2017 the government put more restrictions on the type of businesses that VCTs can invest in, with the focus on companies that are geared up for growth - rather than those already generating income. Since then, VCTs have not been allowed to make new investments into asset-backed businesses and companies more than seven years' old. Existing investments of this type can still be held in a VCT.

Prior to the rule changes, some established VCTs made investments in businesses that have been operating in their market for some time and are both asset backed and yield generating. These investments can underpin the VCT's tax-free income and ability to pay dividends.

Does the VCT give you the chance to take your money out?

A crucial and often overlooked factor is the track record of a VCT in buying back shares from its investors – i.e., its ability to provide some degree of liquidity.

But don't assume you can access your money at any time - just because a VCT was able to buy back shares in the past, doesn't mean it can do so in the future. You need to hold your VCT shares for at least five years to retain VCT tax reliefs.

Downing ONE VCT

Downing ONE's portfolio of companies, currently valued at £105 million*, is managed by a long-established investment company with a proven track record.

This new offer gives you the opportunity to invest in an existing portfolio of around 90 companies. New money raised will go towards a pipleline of carefully selected venture opportunities.

Downing ONE also has investments in AIM listed companies through our 'public equity' portfolio, which provides further diversity (see page 18).

*as at 31 July 2019

Key Features

Target raise: £15 million.

Target dividend return: at least 4% p.a. on the value of Downing ONE's net assets. The directors of Downing ONE consider this to be achievable based on the portfolio and current dividend policy, but it's not guaranteed.

Flexible contributions: as well as lump sum payments, you can pay regular monthly contributions by standing order.

Investment limits: minimum investment is £5,000 for lump sums (which can be split over two tax years), or £500 per month; maximum investment per tax year is £200,000 for lump sums, or £16,666 per month.

Access to your capital: option for Downing ONE to buy back your shares at a discount of 5% to the latest published net asset value - subject to liquidity, VCT rules and applicable regulations (see below for more information).

Share buy-back option: VCTs are not liquid investments, which means it's relatively hard to sell shares to release cash. To get the best from a VCT your money needs to stick around. Your capital is tied up usually for five to seven years, maybe more, until a good exit opportunity comes along. However, we realise that sometimes, for whatever reason, investors may need to access their money. To make this possible you can request the VCT to buy back your shares. This is subject to applicable regulations, market conditions and the VCT having available reserves. And remember, if you leave the VCT before five years your tax relief will be clawed back by HMRC.

What's special about Downing ONE VCT?

These are some of the features we believe make Downing ONE stand out from the VCT crowd.

Access to an existing portfolio

Of our existing investments, about half are currently asset backed* - so if anything doesn't go to plan in a portfolio business, the 'bricks and mortar' of these investments or other tangible underlying assets may be sold to recover some capital.

Not all VCTs have this level of security. In fact, due to rules introduced in 2017, newer VCTs can no longer invest in asset-backed sectors

We believe that having these assets makes for a healthier potential return on your money relative to you taking on, in our view, a lower level of risk.

Immediate tax-free income from yield-generating companies

It's possible for Downing ONE to pay a dividend to provide you with an income before the new VCT assets generate any cash.

This is because Downing ONE is underpinned by existing qualifying investments that have helped it produce a steady stream of dividends every six months for the past six years. Of course, the level and frequency of dividends are not guaranteed.

Ability to deploy your capital quickly

Downing ONE initially aims to raise £15 million. This figure covers the funding needs of our pipeline of investment opportunities and should allow us to deploy your capital more effectively and efficiently. This level has also been set to avoid holding too much cash, which can act as a drag on the returns made by a VCT.

A strong pipeline of new investment opportunities

New money will be invested in a series of ventures opportunities in various sectors such as healthcare, mobility and e-commerce – all selected and managed by our 12-strong (and growing) ventures team. You will, of course, gain exposure to the entire existing portfolio and any income or growth this produces.

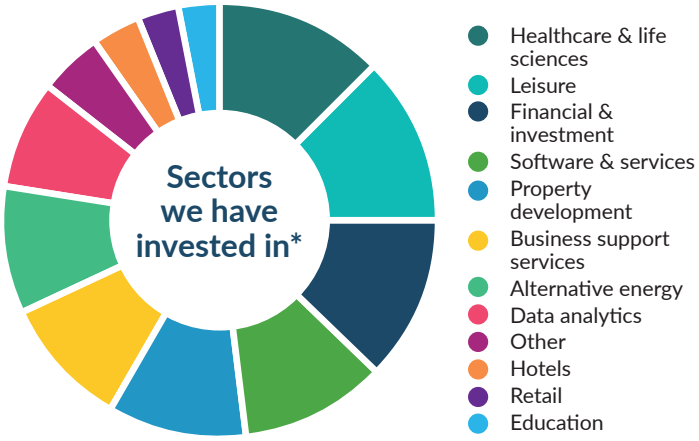
'Follow-on' investments with companies we know well

Downing ONE also has the advantage of a regular flow of opportunities from Downing's existing ventures EIS portfolio, so some of your investment will be deployed as 'follow-on' funding for these businesses.

Our VCT managers have deep knowledge of, and established relationships with, these companies (often sitting on their board of directors), which we believe helps manage the risk to your capital.

Diversification: spreading sector risk

At a high level, Downing ONE can be used as a tax-efficient way to complement and diversify your existing investment portfolio. More specifically, Downing ONE adopts a 'generalist' strategy so that it can invest in various types of businesses in different sectors. This potentially helps to spread your risk compared to VCTs that focus on a specific sector.

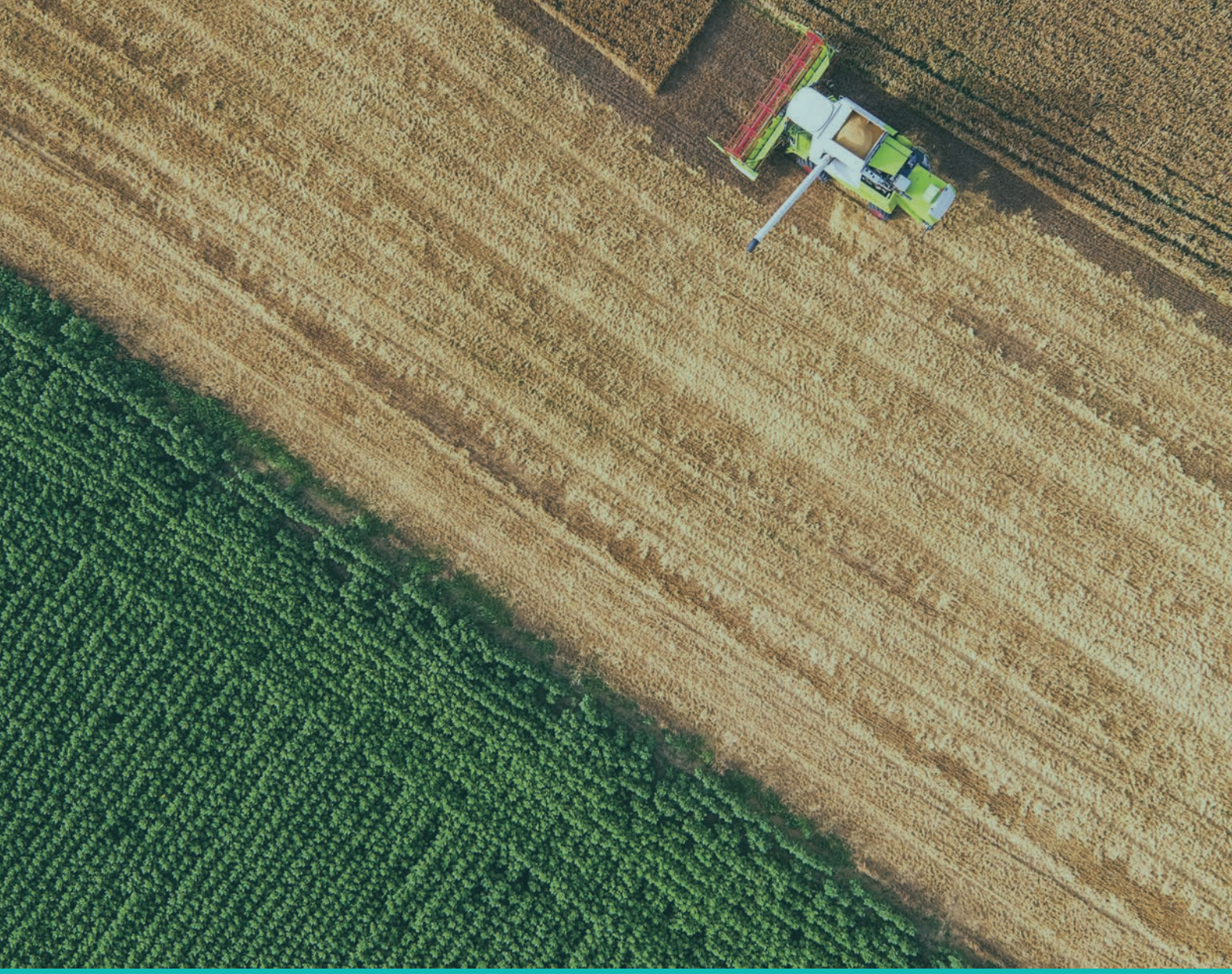


*Portfolio as at 31 July 2019 (source: Downing LLP)

What does that mean?

EIS: Enterprise Investment Scheme - a government-backed funding mechanism for early-stage businesses focusing on growth.

AIM: Alternative Investment Market - a London stock exchange for smaller companies.



Hummingbird

Hummingbird is in Downing ONE, having previously been in our ventures EIS portfolio. It's an advanced crop analytics business that applies machine learning to aerial images of crops to provide farmers with actionable insights and data. The business has over 50 employees in London and satellite offices in Brazil, Australia, Ukraine and Russia.

Why we invested

- Sustainable impact through more efficient use of fertilisers and other resources
- Proven top-line growth with high customer engagement and retention
- Defended from competition through use of valuable and protected data

Pilgrim

Pilgrim Trading Ltd is a good example from our asset-backed porfolio. It operates two purpose-built children's nurseries in South London. Both settings have been developed, opened and operated under the direction of the management team and provide a fantastic learning environment for the children.

Why we invested

- Strong demand in South West London for high quality childcare in well-designed nurseries
- Underpinned by asset backing, as Pilgrim Trading Ltd owns both properties
- Experienced CEO, who has carefully built the operational team as the business has grown

How your investment is managed

Downing ONE only invests in companies that meet strict criteria.

Downing's investment team aim to spot quality companies they believe could lead to success for investors.

- High calibre management teams with big ambitions.
- Large and defined market for the company's product.
- Strong defence against competition.
- Clear routes to exit.

Highly experienced in early-stage investing, we have the vision to look beyond a company's current standing and focus on the long-term potential that could be realised with the right funding and support.

Throughout this process, we use our specialist venture partners and established networks to help with due diligence, and also build syndicates of credible investors with the aim of improving governance and reducing risk.

We believe in responsible investing...

Responsible investing is a core element of everything Downing LLP does.

One of our largest investment areas is in renewable energy, where we have supported numerous companies and projects for a number of years now.

Downing LLP has signed up to the United Nations Principles of Responsible Investing and is committed to finding more ways to support responsible investment initiatives.

...and good corporate governance

Downing LLP is a strong supporter of the Quoted Companies Alliance (QCA) and its corporate governance code tailored to small companies.

With the QCA, we sponsored the Henley Business School's research report, 'The Role of Non Executive Directors in Growth Companies'. This publication promotes better governance through a deeper understanding of the roles and responsibilities of chairs and NEDS, with the aim of enhancing shareholder returns and protecting investors' money.

Who's who?

Downing ONE VCT is a publicly listed company that you can buy shares in. It is set up to invest in other companies, aiming to achieve returns for its shareholders.

Downing LLP is the promoter of the share offer, i.e it raises finance and helps administer the offer - receiving applications, alloting shares, etc. Downing LLP is also the investment adviser (not your financial adviser) to Downing ONE, i.e. it advises on the investment strategy and manages the investment process.

Key members of our investment team

Kostas Manolis, Partner & Head of Unquoted Investments

Kostas has over 15 years' private equity experience. He was previously at PwC, the private equity team at Bank of Scotland and Caird Capital, helping to lead a successful spin-out of a £0.5 billion private equity portfolio from Lloyds Banking Group. Kostas holds a degree in Biochemistry and a PhD in Molecular Genetics.

Judith Mackenzie, Partner & Head of Public Equity

Judith joined Downing in October 2009. Previously, she was at Acuity Capital managing AIM-quoted VCT and IHT investments. Prior to that, Judith was at Aberdeen Asset Management Growth Capital as co-fund manager of Aberdeen's VCTs. She has held a number of public and private directorships.

Chris Allner, Partner & Chairman of Investment Committee

Chris has 35 years of venture capital and private equity experience, most recently as Head of Private Equity at Octopus Investments. He has transacted over 50 investments and has sat on the boards of a number of unquoted and quoted portfolio companies across a variety of commercial sectors. Current board seats include Claresys Ltd and Curo Ltd.

Will Brooks, Investment Director

Will joined Downing in August 2018 where he directs the healthcare activities of the Downing venture funds. Will has over 30 years' experience in healthcare and biotechnology, of which over 18 years is in venture capital across Europe and the US.

Richard Lewis, Investment Director

Richard focuses on supporting businesses seeking growth capital. He has 15 years' experience, including nine years at Mitsui & Co, completing growth and venture capital investments in the UK, US and Israel. Prior to joining Downing, Richard worked at Radius Equity as the Head of Investment.
Richard has an MBA from Manchester Business School.

Mike Kennedy, Portfolio Director

Mike joined Downing in 2017 to lead our engagement with our portfolio companies. Mike has over 10 years' experience in the venture capital industry with 3i plc, YFM Group and Electra Partners. He is co-founder and director of Inogesis, a start-up connecting blue-chip organisations, such as Unilever and GSK, to solve business challenges collaboratively.

Investments that matter

Downing LLP has a large team of investment professionals who specialise in three main areas.

Income-generating investments

Downing ONE's legacy asset-backed portfolio has been built over 20 years and contains businesses from sectors that no longer qualify for new VCT capital.

Driven by in-house experts, we have carefully constructed a diversified portfolio that covers a broad range of industries including healthcare, leisure and education.

These investments are managed by our 25-strong development capital and energy & infrastructure teams.

Ventures portfolio

The focus of new investment activity will be in ventures. Over the last three years, our large and dedicated ventures team has grown from 4 to 12 investment professionals and focuses on cutting-edge, early-stage VCT qualifying companies.

Using our extensive experience we find and fund talented entrepreneurs, helping them to grow their businesses in the real economy.

Unlike younger VCTs, the current split between income and growth investments is about 50:50. This balance will shift towards growth investments as the company deploys additional funds.

Quoted portfolio

Our 10-strong public equity team currently manages a portfolio of approximately 70 small companies, typically with a market capitalisation of under £150 million at the time of investment. These companies are spread across multiple sectors including electronic & electrical equipment, food production and support services.

Income investments

Ventures portfolio

Quoted portfolio

As at 31 July 2019 (source: Downing LLP)

A legacy of asset-backed investing.

Key risks

Below are some of the key risks involved with investing in a VCT. Please make sure you are familiar with these before you invest.

For a full list of the risks associated with investing in a VCT, see pages 7 and 8 of the Prospectus.

Tax risks

The availability of the tax reliefs depends on the portfolio companies maintaining their qualifying status. If the VCT loses its status, you could lose the upfront 30% income tax relief and all other tax benefits.

VCT tax reliefs depend on your personal circumstances and may change in the future.

HMRC provides further details on VCT tax reliefs at www.gov.uk/guidance/venture-capital-schemes-tax-relief-for-investors, or you can speak to your financial adviser.

Capital and income risks

As with all investments, the money you invest is at risk. You may not receive back the full amount you put in.

There is no certainty on the level of dividends that may be paid, if any.

Making money from a VCT is not guaranteed and the value of your shares can go down as well as up.

Investment risks

Hard to sell: it may be difficult for shareholders to sell their shares at a fair price, or at all. Downing ONE's policy of buying back shares at a 5% discount on the latest published net asset value is subject to liquidity, cash resources, regulations, board policy and is subject to change.

Level of risk: Downing ONE VCT will invest in small, unlisted or AIM-quoted companies, which, by their nature, are higher risk than larger 'blue-chip' companies quoted on the main stock exchange.

Past performance: you cannot depend on this to be a reliable indicator of future performance. Also, there is no guarantee that the VCT's objectives or target dividend of at least 4% p.a. will be achieved.

Investment restrictions: the VCT's ability to obtain maximum value from its investments may be limited by the VCT rules. Changes to the VCT rules may be applied retrospectively and may reduce the level of returns or increase the level of risk for investors.

VCTs are long-term investments: You should be prepared to hold VCT shares for a minimum of five years to qualify for the available tax reliefs.

Charges and fees

A VCT is a company and there are a variety of costs involved in building, managing and indeed exiting its portfolio of investments. We value transparency so here are the fees that are designed to cover these costs. **For further details of charges and fees please see pages 15 and 16 of the Prospectus.**

Charge		Amount	Paid by
Initial fee* **(before any discounts)**		2.5% of the monies subscribed (direct or via an adviser)	Investor
	OR	4.5% of the monies subscribed (via an intermediary)	Investor
Total running costs		Capped at **2.6% p.a**. of Downing ONE's net assets inclusive of VAT where applicable. **Please note:** The 2.6% p.a. includes Downing LLP's 2% p.a. investment advisory fee, secretarial and administration fees, and all other costs.	Downing ONE VCT
Performance incentive fee		20% of the realised gains on any exit from 'new' investments made since 1 April 2019, following two hurdles being achieved.	Downing ONE VCT
Trail commission fee		For a maximum of five years, 0.25% p.a. of the net asset value of your new shares. This is paid to Downing LLP, who then pay your intermediary (where applicable). Any surplus will be repaid to Downing ONE.	Downing ONE VCT

Fees paid by the portfolio companies: Total arrangement fees of up to 2% of all new monies invested in any year (individual arrangement fees vary between 0% and 3%); an annual monitoring fee, typically 0.5% of the sums invested in each portfolio company. Note, if arrangement fees are lower than 2%, monitoring fees may be up to 0.5% higher. Please see the Prospectus for more information on portfolio company charges.

Please note, all fees are subject to shareholder approval at the General Meeting on 6 November 2019.

* Also referred to as 'promoter's fee' in the Prospectus

Special offer for early birds

Applications received by 3pm on 13 December 2019

Existing investors: 1.5% discount on the initial fee
New investors: 1.0% discount on the initial fee

Applications received by 3pm on 28 February 2020

Existing investors: 1.0% discount on the initial fee
New investors: 0.5% discount on the initial fee

Existing investors: anyone who is currently invested in or has previously invested in a Downing LLP product.

Additional information

Price of the offer

The offer price will be calculated based on the latest net asset value (NAV), adjusted to reflect Downing LLP's initial fee and, if applicable, any adviser charges, waived commission or early application discounts.

The number of shares to be issued to each applicant will be calculated based on the following pricing formula (rounded down to the nearest whole share):

Number of offer shares	=	Amount subscribed, less: (i) Downing's initial charge and (ii) initial adviser charge (if any)	÷	Latest published NAV per offer share

Closing date

The closing date for applications is 3pm on 30 April 2020 unless the offer is fully subscribed before then, or extended at the discretion of the VCT's directors.

Note, applications and cleared funds for the tax year 2019/20 must be in by 3pm on 3 April 2020.

Reporting

In July of each year, we'll send you the annual report and accounts to 31 March.

We'll also send you a half-yearly report in December each year for the six months to 30 September.

Conflicts of interest policy

Downing ONE VCT may co-invest alongside other funds managed or advised by Downing LLP. This can allow the VCT to invest in a broader range or larger scale transactions than it might otherwise be able to access on its own. With these relationships, there's a chance that the interests of one group of investors will present a conflict with the interests of another group, or with the interests of Downing.

The VCT's co-investment policy is summarised in the Prospectus. In the event of a conflict of interest, the VCT directors will work with Downing to ensure that any conflicts are resolved fairly and in accordance with Downing's conflicts policy.

What does that mean?

Net asset value (NAV): the total value of the VCT's assets less its total liabilities.

What to do now

Before you apply, please read the Prospectus, paying particular attention to the risks, and the key information document - or get in touch with your financial adviser to discuss the suitability of our VCT for you.

1. When you're ready to invest...

Fill in the application form and send it to Downing. There's a checklist at the end to help make sure you haven't left anything out. You can find the application form on our website at **www.downing.co.uk/d1-offer**, or ask your financial adviser.

If you want to contribute monthly by standing order, please ensure you set it up with your bank. This can usually be done online.

If you need any more information, call our helpline on **020 7416 7780** or email us at **customer@downing.co.uk** and we'll be happy to help.

Please note, we can't provide investment or tax advice.

2. After we receive your application...

We'll send you an email confirming that we've received your application, normally within two business days.

We intend to make share allotments in the VCT, i.e. create and issue shares, at least once per quarter. We'll send you an email soon after your shares have been allotted.

You'll get a share certificate and a VCT income tax certificate for you to claim income tax relief (usually within four weeks of your shares being allotted). For monthly subscriptions, we'll issue these documents quarterly after each allotment.

For more information on VCTs please ask your financial adviser or visit our website at www.downing.co.uk/investor/products/vct

Downing

20 September 2019

St Magnus House
3 Lower Thames Street
London EC3R 6HD

020 7416 7780
customer@downing.co.uk
www.downing.co.uk