

## **Foresight 4 VCT Consultation Response**

The Foresight 4 VCT interim report was sent to shareholders earlier this week along with an enclosed letter reminding shareholders that the boards of Foresight 4 and Foresight 3 were considering a potential merger. The letter also asked shareholders to express their opinion on this matter via the registrar's online voting site [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy)

The online voting site asks just one question:

*Are you in favour of the merger between Foresight 3 VCT and Foresight 4 VCT plc based on the likely terms and benefits of the merger as set out in the Chairman's statement? Yes/No*

There is no provision to leave any comment to qualify why you made the decision, or whether your decision assumed that the directors (led by a new Chairman) would negotiate improved terms with the manager.

The Foresight 4 Action group believe that a merger under the right terms could be beneficial, but the provisional terms as outlined in the Chairman's statement need to be improved. For example, given that it has been partly Foresight's poor investment strategies which have caused the losses and lack of cash liquidity, it would be logical for Foresight as a gesture of goodwill, to bear the costs of the merger.

For this reason, the Action Group are not issuing a voting recommendation at this stage, but will await the appointment of the new Chairman and the publication of the final terms of the proposed merger before considering a recommendation on the merger proposal.

Tim Grattan

16/12/2016

For more background information, see <http://www.sharesoc.org/foresight4.html>