

# MATRIX INCOME & GROWTH 2 VCT PLC

10 January 2007

## **Private & confidential**

Ms S Leeson  
Flat 7  
46 Elm Park Road  
London  
SW3 6AX

Dear Sally

## **Appointment as a Non-Executive Director**

I am writing on behalf of the Company to confirm the terms of your appointment as a non-executive director of the Company, a practice endorsed by the Cadbury Committee on the Financial Aspects of Corporate Governance.

1. Your appointment will start from the Commencement Date 1 January 2007. Your appointment may be terminated by you or by us on the expiry of 3 months notice in writing given by you or by us as the case may be. Your appointment as a director was confirmed by a resolution of the current Board of Directors. Under the articles of association any person so appointed by the Board shall hold office until the next Annual General Meeting (AGM) and shall be eligible for re-election. Accordingly at the AGM in September 2007 your appointment will need to be confirmed by shareholders. At every AGM of the Company such number of the Directors shall retire from office by rotation as will ensure that each Director retires once every three years. Directors may be removed by the Board in certain circumstances and may resign at any time. This letter does not confer any right to hold office for any period, nor give you any right to compensation if you cease to be a director.
2. Your responsibilities as a director will include:
  - 2.1 membership of the Board and attendance at meetings of the Board or of such committees as you are a member of and all general meetings of the Company unless unavoidably prevented from attending. Board meetings will normally be held quarterly and committee meetings are usually held on the same day but meetings may be more frequent at times. You will be expected to consider Board papers in advance of each meeting so as to play a full part in the work of the Board;
  - 2.2 bringing independent judgement to bear on issues of investments, strategy, performance, resources, tax benefits for shareholders and standards of conduct;

- 2.3 sharing responsibility with the other directors for the effective control of the Company and its subsidiaries (if any); and
- 2.4 discharging the other duties and responsibilities of a director of a public company with care and skill.
3. During your appointment you shall devote sufficient time to the business of the Company as is reasonably required to carry out your functions as a non-executive director. It is estimated that your duties as a Director will not involve more than 10 working days per annum.
4. You must declare your interests in shares, warrants or options in the Company and in the transactions of the Company as required by law and by the articles of association, and refrain from voting as a director when required to do so by the articles.
5. Whilst you are a Director of the Company you will not be confined to a sole directorship and will be permitted to become a director, employee or professional adviser of any investment manager appointed by the Company subject to the consent of the Board (such consent shall not be unreasonably withheld) and the regulations of the UK Listing Authority.
6. The Company does not require directors to hold qualification shares. The Board does encourage directors to invest in the shares of the Company, subject of course to the restrictions on dealings imposed by law and by the London Stock Exchange Model Code for Securities Transactions by Directors and the City Code on Takeovers and Mergers.
7. Your director's fees will be £12,000 per annum.

Directors' fees are decided by the Board from time to time.

As agreed your director's fees will be paid to you personally as a fee for your services or at your direction. They will be paid quarterly in arrears, plus VAT (if applicable) at the prevailing rate, against VAT invoices.

8. You will indemnify the Company against any liability or claim made by HM Revenue & Customs and any other relevant authority for income tax or national insurance contributions in respect of these fees and any costs penalties or interest incurred by the Company in connection with any such liability or claim. You hereby authorise the Company to provide such authorities with any information which they may request as to fees or expenses paid or due to be paid in connection with your directorship whether or not the Company is obliged as a matter of law to comply with this request.
9. The Company will repay hotel, travelling and out-of pocket expenses reasonably incurred by you as a director. If you use your private motor car for business purposes the Company will reimburse you at the mileage rate allowed by the Company for the time being. Expenses shall be approved at a meeting of the

Board prior to collection from the Company's accountants, Matrix-Securities Limited or the holder of that position from time to time.

10. Office as a non-executive director is not pensionable. You will not be entitled to participate in any share option schemes or any other employee benefits offered by the Company.
11. Should you, in furtherance of your duties as a director, require professional advice on the affairs of the Company, you may consult the Company's usual professional advisers at the Company's expense. The Company's principal advisers are:

Bankers: Barclays Bank plc  
Auditors: MRI Moores Rowland LLP  
Solicitors: Martineau Johnson


This does not apply to advice on your personal position. Arrangements to consult the Company's advisers must be made by yourself or, in cases of confidentiality, through me.

If for an overriding reason such as confidentiality or conflict of interest you need such advice from a professional adviser other than the Company's usual advisers and you cannot raise the matter with the Chairman, you may consult an independent adviser at your own expense, and provided you have acted reasonably you may reclaim the cost as expenses in accordance with paragraph 9.

12. You will not at any time make use for your own benefit or that of any party, other than the Company, of information which is divulged to you as a director and which is described by the Company or the party divulging it as being of a confidential nature and/or which by reason of its nature or the circumstances or manner in which it comes to your knowledge is apparently of such a confidential nature, or (save as may be required by law or any governmental or regulatory body) disclose such information to any other person firm or company, other than with the authority of the Company, provided always that information shall not be or shall cease to be confidential if and to the extent that it comes to be in the public domain other than as a result of your act or default.
13. When you cease to be a director you will be required to deliver up to the Company all documents, information or other property belonging to the Company unless the Board specifically makes such a request at the date of retirement.
14. The Company at its expense will use all reasonable endeavours to effect and maintain directors and officers insurance for the benefit of all directors of the Company.

Please indicate your acceptance of this offer by signing and returning the enclosed copy of this letter. I very much look forward to working with you a director.

Yours sincerely



Kenneth Vere Nicoll  
Director  
For and on behalf of Matrix Income & Growth 2 VCT plc

I accept the terms and conditions set out in the above letter applicable to appointment as a director of the Company.

Signed:



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Date:

11/1/07  
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