

THE COMPANIES ACT 1985
AND THE COMPANIES ACT 1989

COMPANY LIMITED BY SHARES

RESOLUTION

of

THE SMALLER COMPANIES INVESTMENT TRUST PLC
(the "Company")

Passed 8 August 2003

At an Extraordinary General Meeting of shareholders duly convened and held on 8 August 2003 the following resolutions were passed as to Resolution No. 1 as a Special Resolution and as to Resolution No. 2 as an Extraordinary Resolution:

SPECIAL RESOLUTION

1 THAT:

- (A) subject to the conditions (other than the passing of this special resolution) set out in paragraph 15.1 of the scheme set out in Part III of the circular dated 7 July 2003, a copy of which has been produced to this meeting and signed by the Chairman thereof (the "Circular") being satisfied:
- (a) the Company be wound up voluntarily and Patrick Joseph Brazzill and Margaret Elizabeth Mills both licensed insolvency practitioners of Ernst & Young LLP (the "Liquidators") Becket House, 1 Lambeth Palace Road, London SE1 7EU be and they are hereby appointed liquidators of the Company for the purposes of such winding-up with power to act jointly and severally for the purpose of winding-up the affairs and distributing the assets of the Company in accordance with the Scheme;
- (b) the remuneration to be paid to the Liquidators shall be fixed by reference to the time properly spent by them and their staff in attending to matters arising prior to or during the winding-up of the Company (including, without limitation, the implementation of the Scheme and any matters outside the statutory duties of the Liquidators and undertaken at the request of the members or a majority of them) and the Liquidators be and are hereby authorised to draw such remuneration monthly or at such longer intervals as they may determine and to pay any expenses properly incurred by them to give effect to the Scheme; and

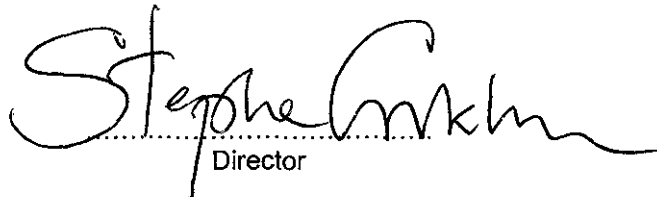


- (c) the Company's books and records be held by Aberdeen to the order of the Liquidators until the expiry of 12 months after the date of dissolution of the Company when they may be disposed of, save for financial and trading records which shall be kept for a minimum of six years following the vacation of the Liquidators from office;
 - (d) the Liquidators be empowered and directed to carry into effect the provisions of the Articles amended by the special resolution set out in the notice convening the extraordinary general meeting of the Company held on 31 July 2003; and
- (B) words and expressions defined in the Circular have the meanings in this resolution save where the context otherwise requires.

EXTRAORDINARY RESOLUTION

2 THAT:

- (A) subject to the passing of the resolution numbered 1 set out in the notice convening an extraordinary general meeting of the Company for 8 August 2003 ("Resolution No.1") and to the conditions referred to in Resolution No. 1 (other than the passing of this resolution) having been satisfied, the Liquidators (as defined in Resolution No. 1) be and they are hereby authorised:
 - (a) pursuant to section 165 of the Insolvency Act 1986, to exercise such of the powers set out in Part I of Schedule 4 to that Act as may be necessary or desirable in their judgement to give effect to the Scheme; and
 - (b) in accordance with the articles of association of the Company, to divide among the members of the Company in specie or in kind the whole or any part of the assets of the Company; and
- (B) words and expressions defined in the circular to shareholders of the Company dated 7 July 2003 shall have the meanings in this resolution, save where the context otherwise requires.


Director