

THE COMPANIES ACT 1985
AND THE COMPANIES ACT 1989

COMPANY LIMITED BY SHARES

RESOLUTION

of

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

Passed 31 July 2003

At an Extraordinary General Meeting of shareholders duly convened and held on 31 July 2003, the following Resolution was duly passed as a Special Resolution:

THAT:

(1)

- (a) with effect from Admission of the Reclassified Shares (as hereinafter defined), each of the ordinary shares of 0.05p each in the capital of the Company in issue at the date of the passing of this resolution (the "Ordinary Shares") shall be reclassified as Ordinary Shares the holder of which has (or is deemed to have) elected to have reclassified as shares of the relevant class with "A" rights, "B" rights, "C" rights or "D" rights (as the case may be) attached ("Reclassified Shares") in such respective numbers and in such respective proportions as may be required to give effect to any election validly made (or deemed to have been made) by the holder of the relevant Ordinary Shares and otherwise in accordance with the terms of the Scheme set out in Part III of the circular to the shareholders of the Company dated 7 July 2003 (a copy of which is produced to the meeting and initialled for the purpose of identification by the chairman of the meeting) (the "Circular");
- (b) for the purpose of this resolution:
 - (i) to the extent that any holder of Ordinary Shares shall have elected (or shall be deemed to have elected) for, and under the terms of the Scheme will become entitled to receive, Aberdeen Units the Reclassified Shares shall be Ordinary Shares with "A" rights;
 - (ii) to the extent that any holder of Ordinary Shares shall have elected (or shall be deemed to have elected) for, and under the terms of the Scheme will become entitled to receive, VCF Shares the Reclassified Shares shall be Ordinary Shares with "B" rights;

- (iii) to the extent that any holder of Ordinary Shares shall have elected (or shall be deemed to have elected) for, and under the terms of the Scheme will become entitled to participate in, the Immediate Cash Option, the Reclassified Shares shall be Ordinary Shares with "C" rights; and
- (iv) to the extent that any holder of Ordinary Shares shall have elected (or shall be deemed to have elected) for, and under the terms of the Scheme will become entitled to participate, in the Realisation Option, the Reclassified Shares shall be Ordinary Shares with "D" rights;
- (c) each of the Ordinary Shares with "A" rights, the Ordinary Shares with "B" rights, the Ordinary Shares with "C" rights and the Ordinary Shares with "D" rights shall have the respective rights set out in the Articles as amended by this resolution;
- (d) with effect from Admission of the Reclassified Shares, the Articles shall be amended by deleting the existing Article 5 thereof and substituting therefor the following Article:

"5.1 Words and expressions defined in the circular to the shareholders of the Company dated 7 July 2003 (the "Circular") have the same meanings in this Article 5, save where the context otherwise requires.

5.2 The authorised share capital at the date of adoption of this Article is £20,159,866.5915 divided into 40,319,733,183 ordinary shares of 0.05p each ("Ordinary Shares"), which shall either be Ordinary Shares with "A" rights, Ordinary Shares with "B" rights, Ordinary Shares with "C" rights or Ordinary Shares with "D" rights as determined in accordance with the Scheme.

5.3 The rights attaching to the Ordinary Shares with "A" rights, the Ordinary Shares with "B" rights, the Ordinary Shares with "C" rights and the Ordinary Shares with "D" rights shall be identical, save that, in a winding-up of the Company in circumstances where the first resolution contained in the notice of the First EGM convened for 31 July 2003 has been passed and become unconditional and notwithstanding anything in these Articles to the contrary, the Reclassified Shares shall have the following additional rights:

- (i) subject to sub-paragraph (v) below, the rights of the holders of the Ordinary Shares with "A" rights in respect of the assets of the Company shall be satisfied by the issue to the holders thereof of the Aberdeen Units to which they are respectively entitled in accordance with the Scheme;
- (ii) subject to sub-paragraph (v) below, the rights of the holders of the Ordinary Shares with "B" rights in respect of the assets of the Company shall be satisfied by the issue to such holders of VCF Shares to which they are respectively entitled in accordance with the Scheme;
- (iii) subject to sub-paragraph (v) below, the rights of the holders of the Ordinary Shares with "C" rights in respect of the assets of the Company and shall be satisfied by the payment to such holders of the cash to which they are respectively entitled in accordance with the Scheme; and
- (iv) subject to sub-paragraph (v) below, the rights of the holders of the Ordinary Shares with "D" rights shall remain shareholders and participate in the liquidation of the Company in accordance with the Scheme; and
- (v) the Ordinary Shares with "A" rights, the Ordinary Shares with "B" rights, the Ordinary Shares with "C" rights and the Ordinary Shares with "D" rights shall be entitled *pari passu* to any surplus remaining in the Liquidation Fund as provided in the Scheme.

5.4 Subject to the special rights set out in Article 5.3, for the purposes of these

Articles the Ordinary Shares with "A" rights, the Ordinary Shares with "B" rights, the Ordinary Shares with "C" rights and the Ordinary Shares with "D" rights rank *pari passu* and all such shares shall be deemed to be ordinary shares of the same class and these Articles shall be construed accordingly.”;

- (e) the Directors and/or the Liquidators shall have such authority as may be required to redesignate any Ordinary Shares of any Shareholder and/or adjust the rights attached thereto in order to implement the Scheme including *inter alia* in the event of any elections being scaled down or otherwise varied, being void or not becoming unconditional and to make such minor modifications to the Scheme as they see fit;
 - (f) this special resolution shall operate by way of such further amendments to the Articles as may be necessary to give effect to the Scheme and to enable its operation and implementation and Article 168 shall be deleted in its entirety;
 - (g) in the event that the conditions set out in paragraph 15.1 of the Scheme contained in Part III of the Circular not having been fulfilled by 31 August 2003 the amendments to the Articles effected by this resolution shall at midnight on that date (or as otherwise agreed with the UK Listing Authority) be reversed and each of the Reclassified Shares shall revert to being Ordinary Shares ranking *pari passu* in all respects and Article 168 shall be reinserted;
- (2) subject to the conditions (other than the passing of the special resolution set out in this Notice) set out in paragraph 15.1 of the Scheme contained in Part III of the Circular having been fulfilled:
- (a) notwithstanding anything in the Articles to the contrary, the Scheme be and is hereby approved and the liquidators when appointed (jointly and severally, the "Liquidators") be and are hereby authorised (in so far as they are not already authorised by the Articles) and directed to implement the Scheme and to execute any document and do any act or thing for the purpose of carrying the Scheme into effect and, in particular (but without prejudice to the generality of the foregoing), the Liquidators be and are hereby directed:
 - (i) pursuant to section 110 of the Insolvency Act 1986 and otherwise, to enter into and give effect to, and procure that the Company shall enter into and give effect to, the transfer agreements in the form of the drafts produced to the meeting and signed for the purpose of identification by the chairman of the meeting with such minor modifications thereto as the parties to such agreements may agree (the "Transfer Agreements");
 - (ii) to procure that the "A" Fund be transferred to the Aberdeen UK Emerging Companies Unit Trust Trustee (or its nominee) upon the terms and subject to the conditions of the Aberdeen Agreement;
 - (iii) to request AUTM as manager of Aberdeen UK Emerging Companies Unit Trust to instruct State Street Trustees Limited to arrange for the creation and issue of Aberdeen Units on the basis described in the Aberdeen Agreement for distribution among the holders of the Ordinary Shares with "A" rights (or to the Liquidators as nominees on their behalf) by way of satisfaction and discharge of their respective interests in so much of the undertaking, property and assets of the Company as shall be transferred to Aberdeen UK Emerging Companies Unit Trust Trustee (or its nominee) in accordance with the Scheme;
 - (iv) to procure that the "B" Fund be transferred to VCF (or its nominee) upon the terms and subject to the conditions of the VCF Agreement;
 - (v) to request VCF to allot and issue ordinary shares of US\$0.001 each and credited as fully paid, on the basis described in the VCF Agreement for distribution among the holders of the Ordinary Shares with "B" rights (or to the Liquidators as nominees on their behalf) by way of satisfaction and discharge of their respective

interests in so much of the undertaking, property and assets of the Company as shall be transferred to VCF (or its nominee) for such purpose in accordance with the Scheme;

- (vi) to procure that the "C" Fund (as defined in, and for the purposes of, the Scheme) be transferred to VCF (or its nominee) upon the terms and subject to the conditions of the VCF Agreement;
 - (vii) to request VCF to make a cash payment on the basis described in the VCF Agreement for distribution among the holders of the Ordinary Shares with "C" rights (or to the Liquidators as nominees on their behalf) by way of satisfaction and discharge of their respective interests in so much of the undertaking, property and assets of the Company as shall be transferred to VCF (or its nominee) for such purpose in accordance with the Scheme;
 - (viii) to convert into cash the Liquidation Fund and to raise the money to purchase the interests of any members of the Company who have validly exercised their rights under section 111(2) of the Insolvency Act 1986 out of the Liquidation Fund; and
- (b) the Articles shall be amended by the addition of the following at the end of Article 169.1 thereof:

"Notwithstanding anything in these Articles to the contrary, but without prejudice to the generality of this Article 169.1, on the winding-up of the Company in connection with the scheme set out in Part III of the Circular (as defined in Article 5.1), the Liquidators shall, with the sanction of a special resolution, give effect to the Scheme and shall enter into and give effect to the Transfer Agreements and the holders of Ordinary Shares with "A" rights, the holders of Ordinary Shares with "B" rights, the holders of Ordinary Shares with "C" rights and the holders of Ordinary Shares with "D" rights shall be entitled to receive Aberdeen Units, VCF Shares or cash, and to participate in the liquidation of the Company respectively, subject to and in accordance with the terms set out in the Circular and in the Form of Election for use by Shareholders circulated therewith. Words and expressions defined in the Circular have the same meanings in this Article 169.1, save where the context otherwise requires.";

and

- (3) words and expressions defined in the Circular shall have the same meanings in this resolution, save where the context requires otherwise.


Director

No.2508274

THE COMPANIES ACT 1985

PUBLIC COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

1 The Company's name is:

The Smaller Companies Investment Trust PLC¹

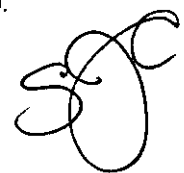
2 The Company is to be a public company.

3 The Company's registered office is to be situated in England and Wales.

4 The Company's objects are:

- (a) (i) To carry on the business of an investment trust company and to acquire, hold (either in the name of the Company or in that of any nominee) sell, endorse, discount or otherwise deal with or dispose of all kinds of shares, stocks, debentures and debenture stock, bonds, obligations and securities issued or guaranteed by any company constituted in any part of the world, and all kinds of bonds, obligations and securities issued or guaranteed by any government, sovereign ruler, commissioner, public body or authority (supreme, municipal, local or otherwise), in any part of the world, and any right or interest therein (and whether or not producing income) and to vary or transpose any such shares, stocks, debentures, debenture stock, bonds, obligations or securities
- (ii) To acquire any such shares, stocks, debentures, debenture stock, bonds, obligations or securities by original subscription, tender, purchase, exchange or otherwise; to underwrite or guarantee the subscription thereof; to write covered options in relation thereto; and to exercise and enforce all rights and powers conferred by or incident to the ownership thereof.
- (iii) To act as and to perform all the functions of a holding company.
- (iv) To act as trustee of any deeds constituting or securing any debentures, debenture stock or other securities or obligations; and to undertake or execute any other trusts.
- (v) To establish or maintain or join in any scheme or plan for encouraging or facilitating the regular (or other) investment in, the holding of, or the investment of any dividends declared by the Company or any other company in, the securities of the Company or any other company within such scheme or plan by, or for the benefit of, the shareholders of the Company or other persons within such scheme or plan and to discharge, or contribute towards the discharge of, the expenses of establishing or maintaining any such scheme or plan.
- (b) To carry on any other trade or business whatever which can in the opinion of the Board of Directors be advantageously carried on in connection with or ancillary to any of the businesses of the Company.

¹ The Company was incorporated with the name Alliedtrade Limited and changed its name to "The Smaller Companies Investment Trust Limited" by Special Resolution passed on 18th July 1990. The Company was reregistered as a public limited company on 12th September, 1990 following the passing of a Special Resolution on 6th September, 1990 that it should be so re-registered.



- (c) To purchase or by any other means acquire and take options over any property whatever, and any rights or privileges of any kind over or in respect of any property.
- (d) To apply for, register, purchase, or by other means acquire and protect, prolong and renew, whether in the United Kingdom or elsewhere any patents, patent rights, brevets d'invention, licences, secret processes, trade marks, designs, protections and concessions and to disclaim, alter, modify, use and turn to account and to manufacture under or grant licences or privileges in respect of the same, and to expend money in experimenting upon, testing and improving any patents, inventions or right which the Company may acquire or propose to acquire.
- (e) To acquire or undertake the whole or any part of the business, goodwill, and assets of any person, firm, or company carrying on or proposing to carry on any of the businesses which the Company is authorised to carry on and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in, amalgamate with, or enter into partnership or into any arrangement for sharing profits, or for co-operation, or for mutual assistance with any such person, firm or company, or for subsidising or otherwise assisting any such person, firm or company, and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired, any shares, debentures, debenture stock or securities that may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture stock or securities so received.
- (f) To improve, manage, construct, repair, develop, exchange, let on lease or otherwise, mortgage, charge, sell, dispose of, turn to account, grant licences, options, rights and privileges in respect of, or otherwise deal with, all or any part of the property and rights of the Company.
- (g) To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investments made.
- (h) To lend and advance money or give credit on any terms and with or without security to any person, firm or company (including without prejudice to the generality of the foregoing any holding company, subsidiary or fellow subsidiary of, or any other company associated in any way with, the Company), to enter into guarantees, contracts of indemnity and suretyships of all kinds, to receive money on deposit or loan upon any terms, and to secure or guarantee in any manner and upon any terms the payment of any sum of money or the performance of any obligation by any person, firm or company (including without prejudice to the generality of the foregoing any such holding company, subsidiary, fellow subsidiary or associated company as aforesaid).
- (i) To borrow and raise money in any manner and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, debenture, lien or other security upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled capital, and also by a similar mortgage, charge, debenture, standard security, lien or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it.
- (j) To draw, make, accept, endorse, discount, negotiate, execute and issue cheques, bills of exchange, promissory notes, bills of lading, warrants, debentures, and other negotiable or transferable instruments.
- (k) To apply for, promote, and obtain any Act of Parliament, order, or licence of the Department of Trade or other authority for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem calculated directly or indirectly to promote the Company's interests, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.

- (l) To enter into any arrangements with any government or authority (supreme, municipal, local or otherwise) that may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such government or authority any charters, decrees, rights, privileges or concessions which the Company may think desirable and to carry out, exercise, and comply with any such charters, decrees, rights, privileges, and concessions.
- (m) To control, manage, finance, subsidise, co-ordinate or otherwise assist any company or companies in which the Company has a direct or indirect financial interest, to provide secretarial, administrative, technical, commercial and other services and facilities of all kinds for any such company or companies and to make payments by way of subvention or otherwise and any other arrangement which may seem desirable with respect to any business or operations of or generally with respect to any such company or companies.
- (n) To promote any other company for the purpose of acquiring the whole or any part of the business or property or undertaking or any of the liabilities of the Company, or of undertaking any business or operations which may appear likely to assist or benefit the Company or to enhance the value of any property or business of the Company, and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the shares or securities of any such company as aforesaid.
- (o) To sell or otherwise dispose of the whole or any part of the business or property of the Company, either together or in portions, for such consideration as the Company may think fit, and in particular for shares, debentures, or securities of any company purchasing the same.
- (p) To act as agents or brokers and as trustees for any person, firm or company, and to undertake and perform subcontracts.
- (q) To remunerate any person, firm or company rendering services to the Company either by cash payment or by the allotment to him or them of shares or other securities of the Company credited as paid up in full or in part or otherwise as may be thought expedient
- (r) To pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company, or to contract with any person, firm or company to pay the same, and to pay commissions to brokers and others for underwriting, placing, selling, or guaranteeing the subscription of any shares or other securities of the Company.
- (s) To support and subscribe to any charitable or public object and to support and subscribe to any institution, society, or club which may be for the benefit of the Company or its Directors or employees, or any of the persons listed below, or may be connected with any town or place where the Company carries on business; to give or award pensions, annuities, gratuities, and superannuation or other allowances or benefits or charitable aid and generally to provide advantages, facilities and services for any persons who are, or have been, Directors of, or who are, or have been, employed by, or who are serving or have served the company, or any company which is a subsidiary of the Company or the holding company of the Company or a fellow subsidiary of the Company or the predecessors in business of the Company or of any such subsidiary, holding or fellow subsidiary company and to the wives, widows, children and other relatives and dependants of such persons; to make payments towards insurance; and to set up, establish, support and maintain superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of any of such persons and of their wives, widows, children and other relatives and dependants; to set up, establish, support and maintain profit sharing or share purchase schemes for the benefit of any of the employees of the Company or of any such subsidiary, holding or fellow subsidiary company and to lend money to any such employees or to trustees on their behalf to enable any such purchase schemes to be established or maintained; and to subscribe or guarantee money for charitable or benevolent objects or for any public, general or useful object.
- (t) To appoint any person or persons, firm or firms, company or companies to be the attorney or agent of the Company and to act as agents, managers, secretaries, contractors or in a similar capacity.

- (u) To insure the life of any person who may, in the opinion of the Company, be of value to the Company as having or holding for the Company interests, goodwill or influence or other assets and to pay the premiums on such insurance.
- (v) To purchase and maintain for any officer of the Company (including Directors) any insurance policy indemnifying such officer against liability for negligence, default, breach of duty or breach of trust or any other liabilities which may be lawfully insured against.
- (w) If and only to the extent permitted by the Companies Act 1985, as amended by the Companies Act 1989 ("the Act"), to give, whether directly or indirectly, any kind of financial assistance (as defined in Section 152(1)(a) of the Act) for any such purpose as is specified in Section 151(1) and/or Section 151(2) of the Act.
- (x) To procure the Company to be registered or recognised in any part of the world.
- (y) To do all or any of the things or matters aforesaid in any part of the world and either as principals, agents, contractors or otherwise, and by or through agents, brokers, subcontractors or otherwise and either alone or in conjunction with others.
- (z) To do all such other things as may be deemed incidental or conducive to the attainment of the Company's objects or any of them.

AND so that:

- (A) None of the objects set forth in any sub-clause of this Clause shall be restrictively construed but the widest interpretation shall be given to each such object, and none of such objects shall, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other object or objects set forth in such sub-clause, or by reference to or inference from the terms of any other such clause of this Clause, or by reference to or inference from the name of the company.
- (B) None of the sub-clauses of this Clause and none of the objects therein specified shall be deemed subsidiary or ancillary to any of the objects specified in any other such sub-clause, and the Company shall have as full a power to exercise each and every one of the objects specified in each sub-clause of this Clause as though each such sub-clause contained the objects of a separate Company.
- (C) The word "Company" in this Clause, except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere.
- (D) In this Clause the expression "the Act" means the Companies Act 1985, but so that any reference in this Clause to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

5 The liability of the Members is limited.

6 The Company's share capital is £100 divided into 100 shares of £1 each.²

² By an Ordinary Resolution passed on 26th July, 1990 the authorised share capital of the Company was increased to £50,000 by the creation of 49,900 ordinary Shares of £1 each. By Special Resolution passed on 6th September, 1990 the 49,998, unissued Ordinary Shares of £1 each were redesignated as Redeemable Preference Shares of £1 each (such shares being redeemed at par on 5th October, 1990). By a Special Resolution passed on 5th October, 1990 the existing 2 Ordinary Shares of £1 each were sub-divided into 4 Ordinary Shares of 50p each and the authorised share capital of the Company was further increased to 11,500,000 by the creation of an additional 22,900,000 Ordinary Shares of 50p each. By a Special Resolution passed on 18th June 1993 the authorised share capital of the Company was increased to £36,500,000 by the creation of an additional 50,000,000 Ordinary Shares of 50p each. By a

We, the several persons whose names, addresses and descriptions are subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

NAMES, ADDRESS AND DESCRIPTIONS OF SUBSCRIBERS	Number of shares taken by each Subscriber (in words)
S.J. Wilkinson Kempson House, P.O. Box 570, Camomile Street, London EC3A 7AN	One
Solicitor	
R.A. Richardson Kempson House P.O. Box 570 Camomile Street London EC3A 7AN	One
Managing Clerk.	
DATED this 11th May, 1990	
WITNESS to the above Signatures:	
M.J. Downer Kempson House, P.O. Box 570, Camomile Street, London EC3A 7AN.	
Solicitors Clerk.	

Special Resolution passed on 21st October, 1993 the authorised share capital of the Company was increased to £55,000,000 by the creation of an additional 1,000,000 Ordinary Shares of 50p each and 18,000,000 'C' Shares of £1 each. On 30th November 1993 each of the 17,917,604 'C' shares of £1 each in issue was divided into two 'C' Shares of 50p each and then converted and re-designated as 17,380,075 new Ordinary Shares of 50p each and 18,455,168 Redeemable Deferred Shares of 50p each. On 8th December, 1993 pursuant to the terms of a special resolution of the Company passed on 21 October, 1993 the Company cancelled 1,000,000 unissued Ordinary Shares of 50p each. On the same date the Company redeemed and cancelled the 18,455,168 Redeemable Deferred Shares and cancelled the 82,396 unissued 'C' Shares of £1 each and 49,998 Redeemable Preference Shares of £1 each. By way of a special resolution of the Company passed on 15 September, 1998 and confirmed by an Order of the High Court of Justice of England and Wales dated 14 October, 1998 and registered with the Registrar of Companies on 21 October, 1998 the Company effected the a capital reorganisation and reduction of capital, reducing the share capital from £45,140,022 divided into 49,990,305 Ordinary Shares of 50p each to 40,319,733,183 Ordinary Shares of 0.05p each. By way of a special resolution of the Company passed on 31 July 2003, with effect from Admission (as defined in the Circular to Shareholders dated 7 July 2003), the Ordinary Shares were reclassified as Ordinary Shares with "A" rights, Ordinary Shares with "B" rights, Ordinary Shares with "C" rights and Ordinary Shares with "D" rights as determined in accordance with the Scheme (as defined in the Circular to Shareholders dated 7 July 2003).