

BRITANNIC SMALLER COMPANIES TRUST PLC

(incorporated in Scotland No. 135670)

At an Annual General Meeting of Britannic Smaller Companies Trust PLC held on 25 March 2004 at 12.00 noon the following resolution was duly passed as a Special Resolution:-

SPECIAL RESOLUTION 1.

That the Company be authorised in accordance with Section 166 of the Companies Act 1985 to make market purchases of Ordinary Shares of 25p each in the capital of the Company provided that:

- (i) the maximum number of shares hereby authorised to be purchased shall be 14.99% of the issued share capital of the company as at the date of the passing of this resolution;
- (ii) the minimum price which may be paid for a share shall be 25p;
- (iii) the maximum price (exclusive of expenses) which may be paid for a share shall not be more than 5% above the average of the middle market quotation (as derived from the Daily Official List of the London Stock Exchange) for the shares for the five business days immediately preceding the date of purchase; and
- (iv) any purchase of shares shall be made in the market for cash at prices below the prevailing net asset value per share.
- (v) unless renewed, the authority hereby conferred shall expire at the conclusion of the annual general meeting of the Company to be held in 2005 save that the company may, prior to such expiry, enter into a contract to purchase shares which will or may be completed or executed wholly or partly after such expiry.



A large, stylized handwritten signature is written over a dotted line.

Chairman