

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

SPECIAL RESOLUTIONS

of

BRITISH SMALLER COMPANIES VCT plc

Passed the 20th day of July 2012

At an Annual General Meeting of the above named Company duly convened and held at 33 St James Square, London, SW1Y 4JS on the 20th day of July 2012 the following resolutions were duly considered and passed as a special resolutions of the Company:-

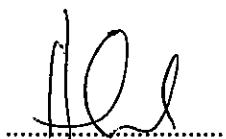
SPECIAL RESOLUTIONS

- (1) That the directors be and are hereby empowered in accordance with section 570(1) of the Companies Act 2006 during the period commencing on the passing of this resolution and expiring, unless renewed, varied or revoked by the Company, on the earlier of the conclusion of the Company's next annual general meeting or the expiry of 15 months following the passing of this resolution, to allot equity securities (as defined in section 560 of the Companies Act 2006) for cash pursuant to the general authority conferred upon the directors in resolution 6 above, or by way of a sale of treasury shares, as if section 561 of the Companies Act 2006 did not apply to such allotment provided that this power is limited to the allotment of equity securities in the Company up to an aggregate nominal amount of 10% of the issued share capital of the Company as at 13 June 2012, but so that this authority shall allow the Company to make offers or agreements before the expiry and the directors may allot equity securities in pursuance of such offers or agreements as if the powers conferred hereby had not so expired. This power applies in relation to a sale of shares which is an allotment of equity securities by virtue of section 560(2) of the Companies Act 2006 as if in this resolution the words "pursuant to the general authority conferred upon the directors in resolution 6 above" were omitted. All previous authorities granted to the directors to allot equity securities as if section 561 of the Companies Act 2006 did not apply, other than the authority granted pursuant to resolution 5 (authority to disapply section 561 of the Companies Act 2006 to the allotment of equity

securities in connection with the dividend reinvestment scheme) at the annual general meeting of the Company held on 11 January 2011, be and are hereby revoked provided that such revocation shall not have retrospective effect.

(2) That in substitution for any existing authority but without prejudice to the exercise of any such power prior to the date hereof, the Company be generally and unconditionally authorised to make one or more market purchases (within the meaning of Section 693(4) of the Companies Act 2006) of Ordinary shares of 10 pence each in the capital of the Company ("Ordinary shares") provided that:

- (i) the maximum aggregate number of Ordinary shares that may be purchased is 5,930,868 being 14.99% of the issued Ordinary shares as at 13 June 2012;
- (ii) the maximum price (excluding expenses) which may be paid for an Ordinary share is an amount equal to the maximum amount permitted to be paid in accordance with the rules of the UK Listing Authority in force as at the date of purchase;
- (iii) the minimum price excluding expenses which may be paid for an Ordinary share is its nominal value;
- (iv) this authority shall take effect from 20 July 2012 and shall expire at the conclusion of the Company's Annual General Meeting in 2015 or on the expiry of 3 years following the passing of the resolution, whichever is the earlier; and
- (v) the Company may make a contract or contracts to purchase Ordinary shares under this authority before the expiry of the authority which will or may be executed wholly or partly after the expiry of the authority, and may make a purchase of Ordinary shares in pursuance of any such contract or contracts.



Chairman

BSC Smaller Companies VCT plc