

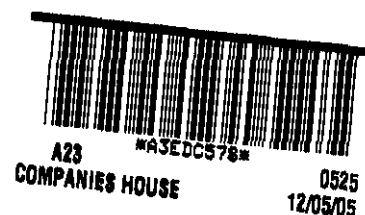
**THE COMPANIES ACT 1985**

**SPECIAL RESOLUTION**

- of -

**F&C INCOME GROWTH INVESTMENT TRUST PLC**

(Passed 11 April 2005)



At an Extraordinary General Meeting of the Company duly convened and held on 11 April 2005 the following resolution was duly passed as a Special Resolution:

**SPECIAL RESOLUTION**

**THAT:**

- (a) the Scheme of Arrangement in its present form or with any modification thereof, addition thereto or condition approved or imposed by the Court (the "Scheme") between the Company and the holders of the Company's ordinary shares of 25p each, a print of which Scheme in its present form has been submitted to this Meeting and for the purpose of identification signed by the Chairman thereof, be and is hereby approved;
- (b) for the purpose of giving effect to the Scheme, the capital of the Company be reduced by cancelling the Scheme Shares (as therein defined);
- (c) forthwith and contingently upon the said reduction of capital taking effect:
  - (i) the authorised share capital of the Company shall be increased to its former amount by the creation of such number of new ordinary shares of 25p each in the Company as shall be equal to the nominal amount of the FIGIT Shares cancelled pursuant to paragraph (b) of this resolution and such new shares in the Company shall carry the rights and be subject to the restrictions contained in the Articles of Association of the Company; and
  - (ii) the Company shall apply the credit arising in its books of account on such reduction of capital in paying up, in full at par, the new ordinary shares in the Company created pursuant to sub-paragraph (c)(i) of this resolution and shall allot and issue the same credited as fully paid up to F&C Capital and Income Growth Investment Trust PLC ("FCIIT") and/or to such company as FCIIT nominates;
- (d) contingently upon the said reduction of capital taking effect and in addition to any subsisting authority conferred on the directors under Section 80 of the Companies Act 1985, the directors of the Company be and they are hereby generally and unconditionally authorised, for the purposes of Section 80 of the Companies Act 1985, to allot relevant securities as referred to in sub-paragraph (c)(i) of this resolution in accordance with sub-paragraph (c)(ii) of this resolution provided that (i) the maximum aggregate nominal amount of relevant securities which may be allotted hereunder is £11,075,000, and (ii) such authority shall expire on 10 April 2006 except that the Company at any time before the expiry of such authority may make an offer or enter into an agreement which would or might require such relevant securities to be allotted after the expiry of such authority in pursuance of such an offer or agreement as if such authority had not expired;
- (e) the acquisition by FCIIT of the Company's investment portfolio and other assets as described in the document sent to Shareholders dated 18 March 2005 ("Proposals Document") on the terms and conditions of the transfer agreement to be entered into between the Company and

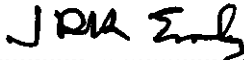
FCIIT ("Transfer Agreement"), copies of which Proposals Document and of which draft Transfer Agreement have been submitted to the meeting and for the purpose of identification signed by the Chairman thereof, be and is hereby approved and that the directors of the Company be and they are hereby authorised to take all steps they deem necessary to complete the same; and

- (f) that forthwith on the passing of this resolution, the Articles of Association of the Company be altered by the adoption and inclusion of the following Article 162:

"162. Scheme of Arrangement

162.1 In this Article, references to "Scheme" are to the Scheme of Arrangement between the Company and the holders of its Ordinary Shares under Section 425 of the Companies Act 1985 set out in the circular to the Company's shareholders dated 18 March 2005 (in its original form or with or subject to any modification, addition or condition approved or imposed by the Court or in accordance with the terms of the Scheme) and terms defined in the Scheme shall have the same meanings in this Article.

162.2 If in respect of any Member with a registered address in a jurisdiction outside the United Kingdom, or whom the Board reasonably believes to be a citizen, resident or national of a jurisdiction outside the United Kingdom, the Board is advised that the allotment and issue of New FCIIT Shares (by whatever name called) pursuant to the Scheme would or might infringe the laws of such jurisdiction, or would or might require the Company or FCIIT to obtain or observe any governmental or other consent or any registration, filing or other formality with which the Company or FCIIT is unable to comply, or compliance with which the Company or FCIIT regards as unduly onerous, the Board shall in its sole discretion determine that all or any shares held by such Member shall be transferred to a nominee appointed by FCIIT and no such New FCIIT Shares shall be allotted and issued to such Member but instead such New FCIIT Shares shall be allotted and issued to such nominee, as trustee for such Member, on such terms that they shall, as soon as practicable following the Effective Date, be sold on behalf of such Member at the best price which can reasonably be obtained at the time of sale and the net proceeds of such sale shall (after the deduction of all expenses and commissions, including any amount in respect of the value added tax payable thereon) be paid to such Member by sending a cheque or warrant to such Member by post not later than 14 business days after such sale. In the absence of bad faith or wilful default, of the Company, FCIIT or any broker or agent of either of them shall have any liability for any loss arising as a result of the timing or terms of any such sale."

  
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Chairman of the Meeting