

MURRAY INCOME TRUST PLC

MANAGEMENT ENGAGEMENT COMMITTEE

TERMS OF REFERENCE

Adopted 2 August 2018

In accordance with The AIC Code of Corporate Governance, a Management Engagement Committee has been formed consisting solely of Directors independent of the Manager.

Duties

It should become best practice for a Management Engagement Committee consisting solely of Directors independent of the Manager to make the review of both the performance of, and contractual arrangements with, the manager annually with its decisions and rationale described in the annual report.

Issues that could be discussed include:

- Monitoring and evaluating the fund manager's investment performance and, if necessary, providing appropriate guidance.
- Considering the merit of obtaining, on a regular basis, an independent appraisal of the manager's services.
- Requiring the manager to provide attribution and volatility analysis and whether it should be published at least annually.
- Putting in place procedures by which the Board regularly reviews the continued retention of the manager's services.
- Reviewing the level and method of remuneration, the basis of performance fees and the notice period. The Board should give due weight to the competitive position of the company against the peer group.
- Considering whether the initial and annual fee should be based on gross assets, net assets or market capitalisation.