

Duties and Responsibilities of the Board in respect of the Management Engagement Committee function

The Board agreed at a Meeting on 1 April 2004 that the Board as a whole should continue to perform the function of the Management Engagement Committee. The formal duties and responsibilities of the Board in respect of this function are set out below:

1. Duties

- 1.1 The Board shall constitute itself as a Management Engagement Committee at least once a year and shall:
 - 1.1.1 review both the performance of, and contractual arrangements with, the Manager;
 - 1.1.2 review and note management fee trends in the industry;
 - 1.1.3 review, if applicable, any performance-related management fee payable to the Manager;
 - 1.1.4 be responsible for establishing the selection criteria and setting the terms and conditions of the Management Contract;
 - 1.1.5 commission any reports, surveys, legal or other professional advice which it deems necessary to help it to fulfil its obligations; and
 - 1.1.6 review the arrangements with the Custodian, the Registrar and any other major service provider, including any third-party appointed by Gartmore to provide accounting and administrative services.

2. Responsibilities

- 2.1 The Committee shall produce a statement for inclusion in the Company's Annual Report on the performance of the Manager. This statement should explain why the Committee considers that the appointment of the Manager should continue and the reasons for this decision.

3. Other

- 3.1 The Committee shall review its performance, duties and responsibilities to ensure that it is operating at maximum effectiveness in respect of its function as the Management Engagement Committee and make any changes it considers necessary.

November 2008