

THE ALLIANCE TRUST PLC

NOMINATION COMMITTEE

TERMS OF REFERENCE

15 March 2005

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Constitution

1. It is hereby resolved that with effect from 1 February 2004 a nomination committee of the board be formed on the following terms:

Membership

2. The committee shall be appointed by the board from amongst the directors of the Company and shall consist of not less than 3 members. A majority of the committee shall be independent non-executive directors. A quorum shall be 3 members, of whom at least 2 shall be independent non-executive directors.
3. The Chairman of the committee shall be a non-executive director appointed by the board and shall not have a second or casting vote in any matter to be determined by the committee or recommended by the committee to the board. The Chairman of the board shall not chair the nomination committee when dealing with the appointment of a successor to the chairmanship.
4. The Company Secretary shall act as the Secretary of the committee.

Meetings

5. Meetings shall be held at such times as the committee consider necessary in fulfilment of the following duties.

Duties

6. The committee shall:
 - (1) regularly review the structure, size and composition of the board and make recommendations to the board with regard to any adjustments that are deemed necessary;
 - (2) satisfy itself, with regard to succession planning, that the processes and plans are in place for both board and senior appointments;
 - (3)
 - (a) prepare or approve a description of the role and capabilities required for a particular appointment;
 - (b) prepare or approve a job specification in respect of an appointment of a Chairman of the board or chief executive;

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- (4) be responsible for identifying and nominating, for the approval of the board, candidates to fill board vacancies as and when they arise;
- (5) assess and articulate the time needed to fulfil the role of Chairman, senior independent director and non-executive director and undertake an annual evaluation to ensure that all members of the board have sufficient time properly to discharge their duties to the Company;
- (6) review the commitments of any candidate as non-executive director prior to appointment to ensure that a candidate has sufficient time to undertake the role;
- (7) make recommendations to the board detailing items that should be published in the Company's Annual Report relating to the activities of the committee.

Authority

7. (1) In respect of each proposed appointment the committee will define the procedure to be followed.
- (2) The committee is authorised to seek any information it requires directly or otherwise from any employee of the Company in order to perform its duties.
- (3) The committee is authorised to obtain, at the Company's expense, outside legal or independent professional advice on any matters within its terms of reference.