

SHAREHOLDER RELATIONSHIP AGREEMENT

THIS SHAREHOLDER RELATIONSHIP AGREEMENT (the "Agreement") is made and entered into upon the 21st day of October 2014;

BETWEEN:

1. Manchester & London Investment Trust plc , a company incorporated in England & Wales with registration number 01009550 and registered office 2nd Floor, Arthur House, Chorlton Street Manchester (the "Company"); and
2. M&M Investment Company plc ("M&M"), a company incorporated in England & Wales with registration number 03703848 and registered office 2nd Floor, Arthur House, Chorlton Street Manchester and its associates (the "Controlling Shareholder").

The above named Companies shall collectively be known as "Parties", and each a "Party".

WHEREAS:

- A. The Company is a public limited company incorporated in England & Wales limited by shares and as at the date of this Agreement had an issued and paid up share capital of £5,614,261 divided into 22,457,042 ordinary shares (defined below). The Controlling Shareholder of the Company as at the date hereof, and its shareholding in the Company, is set out in Schedule 1.
- B. The Parties wish to enter into this Agreement to regulate the affairs of the Company and the relationship between the Company and its Controlling Shareholder as required by the FCA Listing Rules (LR 9.2.2A).

IT IS HEREBY AGREED as follows:

1. Definitions and Interpretation

- 1.1. In this Agreement (including the Recitals and the Schedules), except to the extent that the context otherwise requires, the following terms shall have the meanings set forth below:

"Articles" means the Articles of Association of the Company (as from time to time amended, modified or supplemented);

"Associates" means any subsidiaries, other related companies or connected parties to M&M;

"Board" or "Board of Directors" or "Directors" means the directors for the time being of the Company;

"Controlling Shareholder" means any entity holding of an interest of more than thirty (30) per cent of the equity share capital of the relevant corporation and, in the instance of this agreement, M&M;

"Shares" means ordinary shares in the capital of the Company;

"Minority Shareholder" means all other shareholders of the Company;

1.2. In this Agreement, unless the context otherwise requires:

- a) references to Recitals and Schedules are to be construed as references to the recitals and schedules to this Agreement and references to this Agreement include its Schedules;
- b) words importing the singular include the plural and vice versa, words importing a gender include every gender;
- c) references to a person shall be construed as including references to an individual, firm, issuer, corporation, unincorporated body of persons or any state or any agency thereof;
- d) any reference to a statutory provision shall include such provision and any regulations made in pursuance thereof as from time to time modified or re-enacted;
- e) headings are for convenience of reference only and shall not affect the interpretation of this Agreement.

2. Undertakings and Accession

2.1. The Parties shall endeavor to ensure that any constitutional documents of the Company, including without limitation the Articles, are amended and adopted as necessary to be made consistent with the terms and conditions of this Agreement. In the event of any conflict between the terms and conditions of this Agreement and the Articles, this Agreement shall prevail.

3. Business of the Company

3.1. The Parties agree that the principal activity of the Company (the "Business") is an investment trust as defined by Section 1158 of the Corporation Tax Act 2010.

3.2. M&M Investment Company plc (M&M) (and its associates) and Manchester and London Investment plc (MNL) have entered into a relationship agreement whereby M&M agrees that:

- a) Manchester and London Investment Trust plc is capable at all times of carrying on its business and decision making independently of the controlling shareholder M&M Investment Company plc ("M&M") and any of its associates;
- b) All and any transactions and relationships between Manchester and London Investment Trust plc and M&M Investment Company plc ("M&M") or any of its associates, are to be on an arms length basis and on normal commercial terms;
- c) The principles of good governance as set out by relevant regulatory bodies are complied with by Manchester and London Investment Trust plc;
- d) M&M Investment Company plc ("M&M") can appoint non-executive directors to the Board of Manchester and London Investment Trust plc as long as the majority of these appointments are deemed to be independent of M&M and the appointment of all directors are not to the detriment of the Company's shareholders as a whole;

- e) In circumstances where Chapter 11 of the Listing Rules would require a proposed transaction to be approved by shareholders, M&M shall not vote its shares on that resolution. In addition, any Director appointed by M&M shall not vote on any matter where conflicted and they will act independently from M&M and have due regard to their fiduciary duties; and
- f) M&M shall not take any action to prejudice the Company's status as a listed company for listing under the Listing Rules.

These undertakings do not apply where:

- i) An offer is made for the Company, or a reconstruction or a winding up of the Company is proposed (other than by M&M or any of its Associates), or any hostile corporate action has been initiated in relation to the Company;
- ii) The Manager has been removed or is proposed to be removed as the discretionary investment manager of the Company (save where the removal or proposed removal is instigated by M&M or its Associates or is effected by the Company terminating the Investment Management Agreement with immediate effect in accordance with the terms of that agreement), or the material changes have been made or are proposed to be made to the Investment Management Agreement;
- iii) The Company's investment policy is altered or proposed to be altered with shareholder approval in any material way;
- iv) There has been any failure of generally accepted corporate governance principles or an increase in the remuneration limit for the directors is proposed without M&M's previous written approval; or
- v) The Company no longer has a premium listing on the London Stock Exchange.

4. Notices

- 4.1. Any notice to be given under this Agreement shall be in writing in English and may be given to the relevant Party at its address or e-mail (or to such other address or e-mail as such Party may have notified to the other Parties for the purposes of this Agreement).
- 4.2. Any such notice or communication shall be deemed to have been served:
 - a) if delivered by hand, at the time of delivery; or
 - b) if posted by prepaid ordinary mail, at the expiration of three (3) days after the envelope containing the same shall have been placed into the post; or
 - c) if sent by e-mail or facsimile, upon the receipt by the sender of the confirmation note indicating that the notice or communication has been delivered in full to the recipient's e-mail address or facsimile machine, or such other similar medium of receipt; or
 - d) if sent by courier, at the expiration of two (2) days after the package containing the same shall have been received by the relevant courier Issuer.

- 4.3. In proving such service, it shall be sufficient to prove that delivery by hand was made or that the envelope containing such notice or document was properly addressed and posted as a prepaid ordinary mail letter or that the facsimile confirmation note indicates the transmission was successful, or the package as the case may be containing such notice or document was properly addressed and sent to the relevant courier company.

5. Assignment

- 5.1. This Agreement, and all rights and obligations hereunder, are personal to the Parties and, unless otherwise provided herein, a Party may not assign or transfer all or part of its rights or obligations under this Agreement without the prior written consent of the other Party.
- 5.2. This Agreement shall benefit and be binding on the Parties, their respective successors and any permitted assignee or transferee of some or all of any Party's rights or obligations under this Agreement. Any reference in this Agreement to any Party shall be construed accordingly.

6. Duration and Termination

- 6.1. The relationship agreement between M&M Investment Company plc and Manchester and London Investment Trust plc will terminate in the event that the M&M shareholding falls below 30%.

7. Miscellaneous

- 7.1. This Agreement shall be governed by and construed in accordance with English law and each Party irrevocably submits to the exclusive jurisdiction of the English courts over any claim, dispute or matter arising under or in connection with this Agreement or its enforceability.

Manchester & London Investment Trust plc

Signed on behalf of the Board:



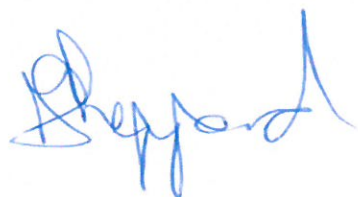
Name: Peter Stanley

Title: Director

Date: 21st October 2014

M&M Investment Company plc

Signed on behalf of the Board:



Name: Mark Sheppard

Title: Director

Date: 21st October 2014

SHAREHOLDER RELATIONSHIP AGREEMENT
SCHEDULE 1
CONTROLLING SHAREHOLDER HOLDINGS IN THE COMPANY

Name of Controlling Shareholder

No. of Shares Held*

M&M Investment Company plc

13,474,225

(* as at the date of this agreement.)