

HMS INCOME FUND, INC. CONFLICTS COMMITTEE CHARTER

Purpose

The primary purpose of the Conflicts Committee (the “Committee”) of the Board of Directors (the “Board”) of HMS Income Fund, Inc. (the “Company”) is to approve transactions, and resolve other conflicts of interest, between the Company and its subsidiaries, on the one hand, and the Sponsor, any Director, the Adviser, the Sub-Adviser or their respective Affiliates, on the other hand.

Committee Membership

The Committee shall be comprised of three or more directors, each of whom shall be Independent Directors. “Independent Directors” are members of the Board who (i) are not “interested persons” as defined in the Investment Company Act of 1940, as amended (the “1940 Act”) of the Company and (ii) free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee.

The members of the Committee and the Chairman of the Committee shall be appointed by the Board after receiving the recommendations of the Nominating and Corporate Governance Committee of the Board and shall serve until their successors shall be duly elected and qualified or until their earlier death, retirement, resignation or removal. The Board shall have the power at any time to change the membership of the Committee and to fill vacancies on it, subject to such new member(s) satisfying the independence requirements referred to herein.

Certain Definitions

Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Articles of Amendment and Restatement of the Company, as amended (the “Articles”).

Meetings

The Committee shall hold regular meetings as may be necessary (but not less frequently than annually) and such special meetings as may be called by the Chair of the Committee.

Responsibilities and Duties

The Committee’s responsibilities and duties are as follows:

1. Except as expressly permitted by the Articles, the Committee shall review and approve all transactions between the Company and its subsidiaries, on the one hand, and the Sponsor, any Director, the Adviser, the Sub-Adviser or their respective Affiliates, on the other hand, including but not limited to the transactions contemplated by Article X of the Articles.

2. The Committee shall review and approve each purchase or lease by the Company of Properties from an Affiliated Seller and each purchase or lease by a Sponsor, Adviser, Sub-Adviser, Director or their respective Affiliates of Properties from the Company.
3. The Committee shall review and approve any agreement, and any amendment, restatement, renewal, extension or other modification thereof, between the Company or its subsidiaries, on the one hand, and the Sponsor, any Director, the Adviser, the Sub-Adviser or their respective Affiliates, on the other hand, including but not limited to the Advisory Agreement, the Sub-Advisory Agreement and the Dealer Manager Agreement. In connection therewith, the Committee shall, with sufficient frequency (but at least annually), review and approve the fees and expenses paid by the Company to the Adviser, the Sub-Adviser and their Affiliates to determine that the expenses incurred are in the best interests of the Company's stockholders in accordance with Article VIII of the Articles.
4. The Committee shall resolve all conflicts of interest between the Company or its subsidiaries, on the one hand, and the Sponsor, any Director, the Adviser, the Sub-Adviser or their respective Affiliates, on the other hand.
5. The Committee shall produce and provide to the Board the following reports:
 - a. An annual performance evaluation of the Committee under this Charter. In conducting this evaluation, the Committee shall compare the performance of the Committee with the requirements of this Charter and set forth the goals and objectives of the Committee for the following year.
 - b. A summary of actions taken at each Committee meeting.
 - c. A report of any issues that arise with respect to the Committee's responsibilities.
6. Perform any other activities consistent with this Charter, the Articles, the Company's Bylaws and governing law, as the Committee or the Board deems necessary or appropriate.

In the Committee's determinations relating to the approval of the transactions described in this Charter and to the resolution of any conflict of interest, the Committee shall comply with the related guidelines and other provisions set forth in the Articles and may consider (a) the relative interests of any party to such conflict, agreement, transaction or situation and the benefits and burdens relating to such interest; (b) any customary or accepted industry practices and any customary or historical dealings with a particular Person; (c) any applicable generally accepted accounting practices or principles; and (d) such additional factors as the Committee determines in its sole discretion to be relevant, reasonable, necessary or appropriate under the circumstances.

The Committee shall have the sole authority to retain and terminate any counsel, advisor or consultant to assist the Committee in carrying out its responsibilities, and the sole authority to

approve such counsel's, advisor's or consultant's fees and other retention terms. The Company shall provide for appropriate funding, as determined by the Committee, for payment of professional services of any counsel, advisors or consultants retained by the Committee.

The Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate, provided that the decision of such subcommittee shall be presented to the full Committee at its next meeting.

As adopted by the Board of Directors on May 31, 2012