

HERZFELD CREDIT INCOME FUND, INC.

NOMINATING AND GOVERNANCE COMMITTEE CHARTER

I. Basic Function and Purpose of the Nominating and Governance Committee (the “Committee”)

A. The role of the Committee is to:

1. identify and recommend, for the Board’s selection, qualified nominees to serve as Directors of the Fund consistent with the Fund’s Statement of Policy on Criteria for Selecting Directors and Nominations Process attached hereto as Appendix A;
2. review on an annual basis the Fund’s Statement of Policy on Criteria for Selecting Directors and Nominations Process and recommend to the full Board any changes;
3. oversee the process for orientation of new Directors and ongoing education of Directors;
4. review on an annual basis the Fund’s Statement of Governance Principles, which are attached hereto as Appendix B, and recommend to the full Board any changes;
5. assist the Board in determining the structure, composition and size of the Board and its committees;
6. make nominations to the Board for appointment of a Lead Independent Director performing the responsibilities set out in Appendix C to this Charter;
7. oversee the Board's process for evaluating the functioning of the Board and conduct an annual performance evaluation of the Committee;
8. make recommendations to the Board regarding the compensation of Directors who are not affiliated with the investment adviser or principal underwriter of the Fund; and
9. review this charter at least annually and recommend to the full Board any changes.

II. Organization

A. Membership

1. The Committee shall consist of at least two Directors who are “Independent Directors”, as such term is defined in the rules and

regulations adopted by the Nasdaq Stock Market (“*Nasdaq*”) and each of whom is not an “interested person” as such term is defined in the Investment Company Act of 1940.

2. Membership on the Committee shall be determined by the Board taking into consideration the recommendations of the Committee.
3. Unless a Chairman of the Committee is elected by the full Board, the members of the Committee shall designate a Chairman of the Committee by majority vote of the full Committee membership.
4. A Secretary of the Committee shall be selected by the Chairman of the Committee.
5. If a member of the Committee ceases to be independent, such member shall immediately resign his or her membership on the Committee.
6. The Board of Directors may remove a member of the Committee in its discretion.

B. Meetings

1. The Committee shall meet at least once each year. Additional meetings may be scheduled as needed and may be called by the Chairman of the Committee.
2. A majority of the members of the Committee shall constitute a quorum for the transaction of business.
3. Approval by a majority of the members present at a meeting at which a quorum is present shall constitute approval by the Committee.
4. The Committee may also act by unanimous written consent without a meeting.
5. Minutes shall be recorded by the Secretary of the Committee.

III. Responsibilities

A. The Committee, in consultation with the Chairman of the Board and the President, shall:

1. review and make recommendations on the range of skills and expertise which should be represented on the Board, and the eligibility criteria for individual Board and committee membership, which shall be in accordance with the rules and regulations of any governmental or regulatory body exercising authority over the Fund, including, without limitation, the Securities and Exchange Commission and Nasdaq;

2. review and recommend to the Board the appropriate structure of the Board and its committees;
3. lead the Board in its annual self-assessment review of the Board's performance;
4. identify and recommend potential candidates for election or re-election to the Board;
5. have authority to retain and terminate a search firm to be used to identify Director candidates, including sole authority to approve the search firms, fees and other retention terms;
6. make nominations to the Board for appointment of a Lead Independent Director performing the responsibilities set out in Appendix C to this Charter
7. review and amend, as necessary, the responsibilities of the Lead Independent Director and consider whether there is a continuing need for such a Lead Independent Director and make recommendations to the Board for consideration as to any appropriate action;
8. have authority to delegate any of its responsibilities to subcommittees or individuals as the Committee deems appropriate;
9. have authority to commence and oversee investigations into any matters within the Committee's scope of responsibilities. The Committee shall be empowered to use Fund assets to retain independent counsel, consultants, and other professionals to assist the Committee in fulfilling its responsibilities, as the Committee reasonably considers appropriate. The Committee will report any use of a Fund's assets for such purpose on a quarterly basis to the Board.
10. review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval;
11. annually evaluate its own performance;
12. maintain minutes or other records of its meetings and activities and report to the Board on a regular basis; and
13. perform any other activities consistent with this charter and the Fund's Articles of Incorporation, By-Laws and governing law as the Committee or the Directors deem necessary or appropriate

IV. Reporting Responsibility

Any action taken by the Committee shall be reported to the Board at the next Board meeting following such action. In addition, nomination matters may be discussed in executive session with the full Board during the course of the year.

APPENDIX A

Statement of Policy on Criteria for Selecting Directors and Nominations Process

The Nominating and Governance Committee (the “Committee”) has adopted this policy statement in connection with requirements under applicable Nasdaq rules and for purposes of required disclosure under the federal securities laws.

The Committee believes that all candidates for nomination as a Director should meet the following minimum criteria:

- Candidates must possess the ability to apply good business judgment and must be in a position to properly exercise their duties of loyalty and care.
- Candidates should exhibit proven leadership capabilities, high integrity and moral character, significant business experience and a high level of responsibility within their chosen fields.
- Candidates should have the ability to quickly grasp complex principles of business, finance, international transactions and the regulatory environment in which investment companies must operate.
- Candidates should have the ability to read and understand basic financial statements.
- In general, candidates will be preferred who hold an established senior or executive level position in business, finance, law, education, research or government.

The Committee intends to follow the process outlined below in selecting Director candidates for nomination by the Board:

- In the case of incumbent Directors whose terms of office are set to expire, the Committee will review such Directors’ overall service to the Fund during their term, including the number of meetings attended, level of participation, quality of performance, and any transactions of such Directors with the Fund during their term.
 - On the basis of information learned during this process, the Committee will determine which nominee(s) to recommend to the Board to submit for election at the next annual meeting.
- In the case of new Director candidates, the committee will first determine whether the nominee must be independent for Nasdaq purposes and/or whether the candidate must not be considered an “interested person” under the Investment Company Act, which determination will be based upon the Fund’s charter and bylaws, applicable securities laws, the rules and

regulations of the SEC, the rules of The Financial Industry Regulatory Authority (FINRA), and the advice of counsel, if necessary.

- The Committee will then use its and management's network of contacts to compile a list of potential candidates, but may also engage, if it deems appropriate, a professional search firm.
- The Committee will then conduct a process of making a preliminary assessment of each candidate based upon the resume and biographical information, an indication of the individual's willingness to serve and other background information.
- This information will be evaluated against the criteria set forth above and the specific needs of the Fund at that time. Based upon a preliminary assessment of the candidate(s), those who appear best suited to meet the needs of the Fund may be invited to participate in a series of interviews, which are used as a further means of evaluating potential candidates.
- On the basis of information learned during this process, the Committee will determine which nominee(s) to recommend to the Board to submit for election at the next annual meeting.

ADOPTED 2/16/10

APPENDIX B

HERZFELD CREDIT INCOME FUND, INC.

STATEMENT OF GOVERNANCE PRINCIPLES

Upon the recommendation of the Nominating and Governance Committee, the Board of Directors (the “Board”) of the Herzfeld Credit Fund, Inc. (the “Fund”) has adopted the following Statement of Governance Principles.

Director Independence

The Fund intends to meet any applicable fund governance standards that require a minimum percentage of the Directors of the Fund to be “disinterested Directors” of the Fund. In addition, any member of the audit committee and nominating and governance committee will be a “disinterested Director” and an audit committee member designated as an “audit committee financial expert” will be “independent” (as such term is defined in Item 3 of Form N-CSR).

Any audit committee financial expert serving on the Fund’s Audit Committee will be “independent” (as such term is defined in Item 3 of Form N-CSR).

In order for a Director to qualify as a “disinterested Director” or an “Independent Director” the Director must not be considered an “interested person” of the Trust, as such term is defined in section 2(a)(19) of the Investment Company Act of 1940, as amended (the “1940 Act”).

Legal counsel, on behalf of the Board, will periodically survey the Directors to determine whether the non-affiliated Directors are “disinterested directors” and whether each audit committee financial expert is “independent.” To enable the Board to evaluate each non-affiliated Director each non-affiliated Director will provide the Board with full information regarding the Director’s business and other relationships with the Fund and its “affiliated persons” as such term is defined in Section 2(a)(3) of the 1940 Act.

Directors must inform the Board or fund counsel whenever there are any material changes in their circumstances or relationships that could affect their status as a “disinterested director” or their independence, including all business relationships between a Director and the Fund and its affiliates whether or not such business relationships would be deemed to be material. Following the receipt of such information, the Board will reevaluate the Director’s status as a “disinterested director” or “independent.”

Director Responsibilities

General

The basic responsibilities of the Directors are to monitor the Fund’s financial operations and performance, oversee the activities and legal compliance of the Fund’s investment adviser and other major service providers, keep informed and exercise their business judgment in making decisions regarding the Fund’s proper functioning based on what the Directors reasonably believe to be in the best interests of the Fund’s stockholders (“stockholders”).

Directors are expected to receive reports on both financial and operational issues, make inquiries into questionable matters, object to apparently illegal actions and consult legal counsel or resign if corrective action is not taken.

In discharging these responsibilities, Directors are entitled to rely on the honesty and integrity of the Fund's officers, investment adviser and other major service providers, including the independent auditors. The Directors are entitled to have the Fund purchase reasonable Directors and Officers and Errors and Omissions liability insurance on their behalf.

Meetings of Board of Directors

The Chairman of the Board will preside at meetings of the Board. Directors are expected to attend Board meetings and meetings of the committees on which they serve, and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities. It is recognized that occasional meetings may need to be scheduled on short notice when the participation of a Director is not possible and that conflicts may arise from time to time that will prevent a Director from attending or participating in a regularly scheduled meeting. However, the Board expects that each Director will make every possible effort to keep such absences to a minimum. Information and data that are important to the Directors' understanding of the business to be conducted at a Board meeting or committee meeting generally should be distributed in writing to the Directors before the meeting, and Directors should review these materials in advance of the meeting. Sensitive or confidential matters may be discussed at the meeting without written materials being distributed before the meeting.

Meeting Agendas

The Chairman of the Board, in consultation with the President, administrator and legal counsel of the Fund, will establish the agenda for each Board meeting. Each of the Directors is free to suggest at any time the inclusion of items on an agenda. Each of the Directors is free to raise at any Board meeting subjects that are not on the agenda for that meeting.

Functioning of the Board of Directors

Frequency of Board Meetings

The Board will hold regularly scheduled meetings at least four times annually. In addition, the Board may hold additional meetings from time to time as determined by the needs of the Fund.

Executive Sessions of Directors

At least twice each year (which may be at a regular meeting), the disinterested Directors will meet in executive session without the Director(s) of the Fund who are interested persons thereof and without other officers or employees of the Fund's investment adviser, administrator/accounting agent, transfer agent, principal underwriter or custodian present. In addition, from time to time, and at least once annually, the disinterested Directors will meet in executive session with the Fund's designated Chief Compliance Officer ("CCO").

Conflicts of Interest

A Director's business or personal relationships may occasionally give rise to a material personal interest that conflicts, or appears to conflict, with the interests of the Fund. A Director must disclose to the Board any relationships that create a conflict of interest or appearance of a conflict. The Board, after consultation with legal counsel, will take appropriate steps to identify actual or apparent conflicts of interest and to ensure that Directors voting on an issue are free of such conflicts with respect to that issue. A Director may be excused from discussions or voting on any such issue, as appropriate.

Regular Attendance of Non-Directors at Board Meetings

The Chairman may invite executive officers of the Fund (e.g., the President, Treasurer, Secretary and Chief Compliance Officer) to attend the non-executive sessions of Board meetings. The Chairman, at his or her discretion, may also invite other officers of the Fund, officers and employees of the investment adviser and officers and employees of the third-party service providers, including the independent auditors, to attend a specific Board meeting or a portion thereof.

Director Orientation and Continuing Education

The Nominating and Governance Committee will provide for the orientation of new Directors promptly after they are elected or appointed to the Board. This orientation may include presentations by the Fund's investment adviser and third-party service providers, with the assistance of legal counsel, to familiarize new Directors with: (i) the Fund's organization and structure; (ii) the various investment objectives, principal investment strategies and investment risks; (iii) significant investment advisory, financial, accounting, brokerage, distribution and risk management issues; (iv) compliance programs; (v) Codes of Ethics for Principal Executive and Financial Officers and Rule 17j-1; (vi) principal fund officers and third-party service providers; (vii) independent auditors; (viii) obligations under the Investment Company Act of 1940; and (ix) such other matters requested by new Directors to assist them in their role. The investment adviser and third-party service providers, with the assistance of legal counsel, will provide information in the form of periodic updates to Directors or other presentations as requested by Directors.

Director Access to Service Providers and Independent Advisors

Disinterested Directors will have direct access to officers and employees of the investment adviser and third-party service providers whenever they deem it necessary. The disinterested Directors are able to hire, at the Fund's expense, their own employees and to retain advisors and experts as necessary to carry out their duties.

Board Committees

The Board has established and intends to maintain an Audit Committee and a Nominating and Governance Committee. All of the members of the Audit and Nominating and Governance Committees will be Directors who are qualified as "disinterested directors." Committee members will be appointed by the Board upon recommendation of the Nominating and

Governance Committee with consideration of the qualifications and desires of each individual Director.

Each of the committees will have its own charter. The charters will set forth the purposes and responsibilities of the committee as well as specific qualifications, if any, for committee membership, committee structure and operations, and reporting to the Board.

The committee chairs, in consultation with the members of the committee, the investment adviser and the third-party service providers, and with the advice of legal counsel, will develop committee agendas. The agenda for each committee meeting will be furnished to all Directors.

Each committee chair may invite the Fund's officers and the officers and employees of the investment adviser and third-party service providers, as appropriate, to attend committee meetings or portions thereof.

The Board and each committee, consistent with the terms of the committee charter, have the power to retain independent legal, financial or other advisors as they may deem necessary, without consulting or obtaining the approval of any officer of the Fund or any third-party service provider in advance.

The Board may, from time to time, establish or maintain additional committees as necessary or appropriate. Members of such additional committees need not be disinterested Directors.

Director Compensation

Directors who are currently employed by the Fund's investment adviser or the Fund's principal underwriter or affiliates of the investment adviser or principal underwriter will not receive any compensation from the Fund for their services as Directors.

The form and amount of Director compensation will be determined by the Board upon recommendation by the Nominating and Governance Committee, and will include cash compensation (e.g., annual retainer and meeting fees) and may include equity-based compensation. In principle, a Director's compensation should be commensurate with, among other things: (i) the investment strategies, policies and objectives of the Fund; (ii) the complexity of a Fund's operations; and (iii) the nature and extent of committee assignments and other specific roles undertaken by the Director in fulfilling his or her duties and responsibilities to the Fund and its stockholders.

Annual Performance Evaluation

The Board will evaluate at least once annually the performance of the Board and its committees, which evaluation must include a consideration of the effectiveness of the committee structure of the fund board and the number of funds on whose boards each Director serves.

These principles should be interpreted in the context of applicable laws, regulations, the articles of incorporation, bylaws and other fund governance documents.

Adopted 8/13/2009 and Revised 5/19/2011 and 5/13/21

APPENDIX C

HERZFELD CREDIT INCOME FUND, INC.

LEAD INDEPENDENT DIRECTOR RESPONSIBILITIES

The Nominating and Governance Committee (the “Committee”) will recommend to the Board for its consideration the appointment, from among the members of each Fund’s Board who are not “interested” persons of the Fund as defined in Section 2(a)(19) of the Investment Company Act of 1940, of a lead Independent Director (the “Lead Independent Director”) who shall perform the following responsibilities:

- Coordinate activities of Independent Directors, including arranging executive sessions.
- Act as principal spokesperson for the Independent Directors between meetings.
- Assist in coordination of Board meeting agendas with input from other Independent Directors and assist management in estimating target allocations of meeting time for agenda items.
- Coordinate and chair executive sessions of Independent Directors.
- Provide management with a contact to discuss issues/ideas informally.
- Carry out such other responsibilities as may be assigned from time to time by the Committee.

The Lead Independent Director shall serve in such role until he or she no longer qualifies as an Independent Director, dies, resigns, retires, or is removed.

The designation or identification of a person as Lead Independent Director is not intended to impose on such person any responsibilities (except those set forth herein), duties, obligations, or liability that are greater than the responsibilities (except those set forth herein), duties, obligations, and liability imposed on such person as an Independent Director in the absence of such designation or identification.

Adopted 5/13/21.