

# **JZ CAPITAL PARTNERS LIMITED**

(the "Company")

## **Terms of Reference of the Management Engagement Committee**

**Last reviewed: 18 December 2020**

### **1. Membership**

- 1.1 The Management Engagement Committee shall consist of a minimum of two members of the Board of the Company (the "Board") who shall be appointed by the Board in consultation with the Chairman of the Committee provided that membership of the Committee shall be confined to non-executive directors who are independent of Jordan/Zalaznick Advisers, Inc. (the "Investment Adviser").
- 1.2 The Chairman of the Committee, who shall be an independent non-executive director, shall be appointed by the Board which shall determine the period for which he/she shall hold office. In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting. The Chairman of the Board may be a member of, and chair, the Committee provided he/she is independent of the Investment Adviser.
- 1.3 The current Chairman of the Committee is David Macfarlane.
- 1.4 Only members of the Committee have the right to attend Committee meetings. However, others may be invited to attend meetings of the Committee on a regular basis and other non-members (including representatives of the Investment Adviser) may be invited to attend all or part of any meeting as and when appropriate and necessary.

### **2. Quorum**

- 2.1 The quorum for decisions of the Committee shall be any 2 members.
- 2.2 A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

### **3. Role**

- 3.1 The Committee shall be known as the Management Engagement Committee. The Committee's principal duties are:
  - 3.1.1 to review the terms of the Management Agreement from time to time to ensure that the terms thereof comply with all relevant regulatory requirements, conform with market and industry practice and remain in the best interests of shareholders and make recommendations to the Board on any variation to the terms of the Management Agreement which it considers necessary or desirable;

- 3.1.2 to review annually the compliance by the Investment Adviser with the Company's investment policy as established by the Board and with the fund management agreement entered into between the Company and the Investment Adviser from time to time (the "Management Agreement");
- 3.1.3 to recommend to the Board whether the continuing appointment of the Investment Adviser on the agreed terms is in the best interests of the Company and shareholders, and the reasons for this recommendation;
- 3.1.4 to review the performance of, and the terms of the Company's arrangements with, other third-party service providers (other than external auditors) and their compliance with relevant legal and regulatory standards, in particular the provisions of the General Data Protection Regulation, the UK Bribery Act and the Criminal Finances Act 2017;
- 3.1.5 to review annually the effectiveness of the Company's risk management and internal control systems designed to safeguard shareholders' investment and the Company's assets;
- 3.1.6 to consider any specific matters relating to the engagement of the parties which the Board may request.

#### **4. Reporting Responsibilities**

- 4.1 All proceedings of the Committee shall be reported formally to the Board by the Committee Chairman.

#### **5. Frequency of Meetings**

- 5.1 The Committee shall meet at least once each year and at such other times as the Chairman of the Committee or other Committee member shall require.

#### **6. Notice of Meetings**

- 6.1 At least 5 working days' notice of any meeting of the Committee shall be given, although such notice period may be waived or shortened with the consent in writing of all the members of the Committee for the time being. Notice of the meeting shall confirm the venue, time and date together with an agenda of items to be discussed. Notice shall be sent to each member of the Committee and any other person required to attend. Supporting papers shall be sent to Committee members and to other attendees as appropriate at the same time

#### **7. Secretary**

- 7.1 A representative of the company secretary or its nominee shall act as the Secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to issues.

- 7.2 The secretary of the Committee or his/her delegate shall attend meetings of the Committee to take minutes.
- 7.3 In the absence of the secretary of the Committee, the members present at the meeting of the Committee shall elect another person to act as the secretary for the purposes of that meeting.
- 7.4 The secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly. The relevant member of the Committee shall not be counted towards the quorum and he/she must abstain from voting on any resolution of the Committee in which he/she and/or his/her associates have a material interest.

## **8. Minutes of Meetings**

- 8.1 The secretary shall minute the proceedings and discussions of all meetings of the Committee, including recording the names of those present and in attendance.
- 8.2 Draft minutes of the meeting of the Committee shall be circulated to all members of the Committee and, once agreed, to the Board unless it would be inappropriate to do so in the opinion of the Committee Chairman.
- 8.3 Once agreed, minutes of the Committee meetings shall be kept by the secretary of the Committee and shall be available for inspection by any member of the Committee or Director at any reasonable time on reasonable notice.

## **9. Annual General Meeting**

- 9.1 The Chairman of the Committee shall attend the Company's Annual General Meeting prepared to respond to any shareholder questions on the Committee and its activities and responsibilities.

## **10. Other**

- 10.1 All members of the Committee shall have access to sufficient resources in order to carry out its duties, including access to the advice and services of the secretary of the Committee with a view to ensuring that procedures of the Committee and all applicable rules and regulations are followed.
- 10.2 In the event that the Committee or any member of the Committee requires access to independent professional advice in connection with his duties, a request may be made to the Chairman.
- 10.3 Every member of the Committee shall give sufficient time and attention to his/her duties as a member of the Committee. He/she shall give the Company the benefit of his skills and expertise through regular attendance and active participation.