



LAWFINANCE LIMITED

Advisory Committee Charter

- 1 This charter sets out the principles for the operation and function of the Advisory Committee Of LawFinance Limited (**LawFinance**) and the conduct of its members. The Advisory Committee has been established as an advisory committee of the board of directors of LawFinance (**Board**) to operate in accordance with this Charter.

Role of the Advisory Committee

- 2 The Advisory Committee has been established to provide guidance, advice and networking assistance to the Board and senior management of LawFinance in respect of their business and operations.
- 3 Guidance and advice includes the identification, analysis and management of opportunities and risks, including in respect of litigation to invest in and the full range of commercial, political, legal and other issues which could have a material influence on the LawFinance group's ability to successfully achieve its vision of offering an alternative litigation funding source for litigants in Australia and New Zealand.
- 4 The provision of guidance, advice and assistance is an ongoing process and the role of the Advisory Committee is expected to evolve over time to suit the needs and stage of development of LawFinance. The Advisory Committee must be responsive to changes in the external environment and internal developments within the business.
- 5 Whilst the Advisory Committee is to play an important role in the business and operations of LawFinance, it remains advisory in nature and neither the Advisory Committee nor any of its members have any formal decision-making function or the capacity in any way to legally represent or bind LawFinance.
- 6 The Board will make its own decisions based upon its own deliberations and processes and the Advisory Committee:
 - is not taken to have participated in making decisions; and
 - is not to have the capacity to affect significantly the LawFinance's financial standing.
- 7 This Charter does not and is not intended to; convey any authority on the Advisory Committee (or any member of the Advisory Committee) to issue instructions to the Board.

Composition of the Advisory Committee

- 8 The Board intends the Advisory Committee is comprised of not less than two members including a Chairman (**AC Chair**).
- 9 The AC Chair is to be the Non-Executive Chairman of LawFinance (**Non-Executive Chairman**) or such other person nominated by the Board.
- 10 Advisory Committee members are to be selected by the Non-Executive Chairman and ratified by the Board.
- 11 Each Advisory Committee member is appointed for a fixed period of not more than three years (subject to earlier removal in accordance with the member's terms of appointment).
- 12 As the LawFinance group's operations and needs change over time, so to will the need for new and different skills on the Advisory Committee.
- 13 Advisory Committee members must not be employees, members of any board or committee of any other litigation funding business operating in competition with LawFinance without the prior written consent of the AC Chair (who must notify and consult in good faith with the Board before determining whether to provide such consent).

Meetings and attendance

- 14 The Advisory Committee is to meet formally at least three times each year. Advisory Committee members are expected to attend every meeting.
- 15 In addition to formal Advisory Committee meetings and strategic workshops, Advisory Committee members may be required to meet either collectively or on an individual basis with the Non-Executive Chairman or other senior management of LawFinance and discuss and assess specific issues.
- 16 Advisory Committee members may also be requested to represent the LawFinance group in public at formal or informal meetings, gatherings, functions or industry events.

Meeting procedure

- 17 The AC Chair is to set the agenda for each Advisory Committee.
- 18 Each Advisory Committee member is to receive notice of each meeting confirming the date, time, venue and agenda, together with papers for the meeting and related material, approximately seven days prior to the relevant meeting (or such shorter time as agreed by the members of the Advisory Committee), and a copy of each notice of meeting is also to be sent to each member of the Board.
- 19 If the AC Chair deems it appropriate or necessary, the Non-Executive Chairman is to ensure the availability and/or attendance at an Advisory Committee meeting of any member of senior management or other person relevant to a matter included as an agenda item at the relevant meeting.
- 20 Members of the Board are entitled to attend meetings of the Advisory Committee.
- 21 Advisory Committee members must:
 - prepare for each meeting by carefully reading all materials provided;
 - if requested by the AC Chair, provide presentations to the Advisory Committee on matters within the member's area of expertise and lead discussion and analysis by the Advisory Committee on those matters;
 - adopt an enquiring, open and independent approach to each meeting;
 - listen carefully to, and actively participate in, the discussions on matters raised at each meeting; and
 - carefully consider the arguments for and against any issues raised at each meeting.
- 22 To the extent that matters considered by the Advisory Committee require resolutions to be passed, each member of the Advisory Committee will have one vote. A resolution of the Advisory Committee will be passed by a simple majority of votes cast in favour by members present and entitled to vote. If an equal number of votes are cast for and against a resolution, the AC Chair will have a casting vote.
- 23 There are to be minutes of each Advisory Committee meeting and these should be made available to Advisory Committee members and members of the Board following approval by the AC Chair.
- 24 All outcomes, actions and other matters arising from Advisory Committee meetings are to be communicated directly by the AC Chair to the Board and to senior management, and documents prepared by the Advisory Committee to support its decisions must be made available to the Board promptly on request of any member of the Board.

Conduct

- 25 Whilst Advisory Committee members are able to engage in vigorous debate on matters of principle, the members are to treat each other with courtesy and respect and provide opportunities for each of them to put their views on matters before the Advisory Committee.
- 26 Advisory Committee members are to:
 - act in good faith and conduct themselves with the highest level of honesty and integrity both in their capacity as Advisory Committee members and in their own personal and business affairs;

- serve the interests of LawFinance and not the interests of any particular shareholders or stakeholders or the member's personal or commercial interests; and
 - observe, develop and implement the principles of this Charter in a conscientious, consistent and rigorous manner.
- 27 Advisory Committee members should consider matters before the Advisory Committee having regard to:
- any possible material personal interest they may have in the subject matter;
 - the amount of information appropriate to properly consider the subject matter; and
 - what is in the best interests of LawFinance.
- 28 Advisory Committee members must not:
- take improper advantage of their position or make improper use of information acquired in that role to gain a personal advantage or to cause detriment to LawFinance;
 - act in a manner that is inconsistent with any of LawFinance's policies including the Conflicts Policy; or
 - engage in conduct, or make any public statement likely to prejudice LawFinance or likely to harm, defame or otherwise bring discredit upon or denigrate LawFinance its directors and employees or any fellow Advisory Committee members.
- 29 Advisory Committee members have an overriding obligation, at all times, to comply with the spirit, as well as the letter, of the terms and of the principles of this Charter.
- 30 Advisory Committee members may encounter issues in performing the role that will require subjective judgment based on the principles expressed in this Charter.

Access and advice

- 31 The Advisory Committee is to have reasonable access to employees and management of LawFinance for the purposes of conducting its role.

Conflicts of interest

- 32 Advisory Committee members must not place themselves in a position where there is a reasonable possibility of conflict between their personal or business interests, the interests of any associated person, or their duties to any other person or entity, on the one hand, and the interests of LawFinance or their duties to LawFinance, on the other hand.
- 33 The action which Advisory Committee members are required to take if they are faced with an actual, perceived or potential conflict of interest or duties will depend on the nature and circumstances of the conflict and may include any of the following:
- fully and frankly informing the AC Chair about the circumstances giving rise to the conflict;
 - at any meeting of the Advisory Committee, abstaining from voting on any matter relating to the conflict and, unless otherwise determined by the AC Chair or absenting themselves from Advisory Committee deliberations relating to the matter; or
 - resigning from the Advisory Committee if requested to do so by the Non-Executive Chairman.

Confidentiality

- 34 Confidential information (including materials placed before the Advisory Committee) received by Advisory Committee members in the course of conducting their role remains the property of the LawFinance group and it is improper to disclose it, or allow it to be disclosed, unless that disclosure has been authorised by the Non-Executive Chairman, or the person by whom the information was provided, or is required by law.

- 35 Advisory Committee members must not disclose the content of discussions at any Advisory Committee meeting (whether formal or informal), unless that disclosure has been authorised by the Non-Executive Chairman or is required by law.

Limitations on liability

- 36 LawFinance fully recognises that Advisory Committee members are not intended to incur liability for actions of the LawFinance group of companies, whether or not those actions are based on the recommendations of the Advisory Committee.
- 37 LawFinance must, to the extent permitted by law, provide an indemnity for any claim made against the Advisory Committee member for actions performed in his or her role as a member of the advisory committee.

Insider trading

- 38 LawFinance is a company listed on the Australian stock exchanges where its shares are publicly traded.
- 39 Advisory Committee members who are in possession of information concerning LawFinance that is not generally available and which a reasonable person would expect to have a material effect on LawFinance's share price, must not buy, sell or otherwise deal in LawFinance's shares or other securities, as it is unlawful to do so.
- 40 It is also unlawful in those circumstances to encourage someone else to deal in LawFinance's shares or other securities or to pass the information to someone who may use the information to buy or sell LawFinance's shares or other securities. A copy of LawFinance's Security Trading Policy will be provided to members of the Advisory Committee.

Remuneration

- 41 Advisory Committee members will be paid an agreed fee in Australian dollars for their services. The fee is intended to represent the full amounts payable to an Advisory Committee member and no other fees for services will be provided other than in specific circumstances agreed with the AC Chair.
- 42 The fees will be regularly reviewed, but not necessarily amended.
- 43 All reasonable expenses (including travel, accommodation and meals) incurred by Advisory Committee members in connection with attending meetings will be reimbursed by LawFinance.

Amendment of this Charter

- 44 The role and scope of the Advisory Committee and the responsibilities and rights of its members will evolve over time. To this end, LawFinance may amend this charter following consultation with the Advisory Committee members.