

RISK COMMITTEE CHARTER

PURPOSE

The Risk Committee (or the “**Committee**”) is appointed by the board of directors (the “**Board**”) of RF Capital Group Inc. (the “**Company**”) and is responsible for assisting the Board in its oversight and evaluation of a company-wide risk management practices, including:

- Reviewing, on an enterprise-wide basis, the significant risks to which the Company is exposed and assessing whether trends and emerging risks have been identified, measured, mitigated, monitored and reported.
- Reviewing and recommending for Board approval the Company’s:
 - enterprise wide risk management plan developed by management;
 - risk appetite statements in support of the enterprise risk plan; and
 - risk management policies, frameworks, processes and controls.
- Monitoring of adherence to the risk management plan, risk appetite statements and risk policies, framework, processes and controls.

The Risk Committee will primarily fulfil its responsibilities by carrying out the activities enumerated in the Responsibilities section of this Charter.

REPORTS

The Risk Committee will report regularly to the Board on all significant matters it has addressed and with respect to such other matters as are within its responsibilities.

COMPOSITION

The members of the Risk Committee shall be three or more members of the Board of Directors, of which one member must be the Chair of the Audit committee, who are appointed in each year (and may be replaced) by the Board of Directors of the Company, including at least one member having experience and relevant qualifications in risk management. Each of the members of the Risk Committee shall satisfy the director independence standards adopted by the Board from time to time.

RESPONSIBILITIES

The Risk Committee shall:

1. *Tone and Culture* – Oversee the practices and promotion by the CEO of a sound risk-aware tone and culture throughout the organization, promote open discussion regarding risk, integrate risk management into the organization's goals and compensation structure, and create a corporate culture such that people at all levels manage risks rather than reflexively avoid or heedlessly take them.
2. *Risk Appetite & Tolerance* – Provide input to management regarding the enterprise's risk appetite and tolerance and, ultimately, review and recommend to the Board for approval the statement of risk appetite and tolerance established and messaged throughout the Company and by line of business.
3. *Enterprise Risk Profile* – Oversee management's monitoring of the organization's enterprise wide risk profile and its on-going and potential exposure to risks of various types. In doing so, the Committee will discuss with the Chief Executive Officer and management the Company's major risk exposures, such as strategic, retention, financial, credit, market, portfolio, product, fraud, security, operational, IT, legal, regulatory, reputational, and other risks, and review the steps management has taken to monitor and control such exposures, including the Company's risk assessment plan, risk appetite statement and risk management policies.
4. *Risk Management Plan* – Periodically, and at least annually, review and recommend for Board approval the Company's enterprise wide risk management policy and plan developed by management. The risk management plan should consider the maturity of the risk culture of the Company and should be tailored to the specific circumstances of the Company. The risk management plan may include:
 - the Company's risk management structure;
 - the risk management framework: i.e. the approach followed, for instance, COSO, ISO, IRMSA ERM Code of Practice;
 - the standards and methodology adopted, including measurable milestones such as tolerances, intervals, frequencies, frequency rates, etc.;
 - risk management practices and guidelines;
 - critical risk management policies adopted by the organization;
 - reference to cultural and practice integration throughout the organization, for instance, through training and awareness programs; and
 - details of the assurance and review of the risk management process.

The risk management policy should include the Company's definitions of risk and risk management, the risk management objectives, the risk approach and philosophy, as well as the various responsibilities and ownership for risk management within the Company.

5. *Management Identification of Risks* – Continually obtain reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed, including the identification of key risk indicators.
6. *Risk Review of Strategic Initiatives* – Maintain an oversight role in the risk review activities driven from strategic plan related to decisions (e.g. acquisitions), initiatives (e.g. new business lines), and transactions and exposures (e.g. by amount) to be reviewed by the Committee prior to being sent to the Board's attention.
7. *Transactional Risk Authority* - Review (at least annually) and if in agreement approve the transactional risk taking authorities delegated to management, including limits of such authorities, and identification of any transactions exceeding those delegated authorities (at least annually).
8. *Risk Escalation & Crisis Preparedness* – Continually, as well as at specific intervals, monitor risks and risk management capabilities within the organization, including communication about escalating risk and crisis preparedness and recovery plans.
9. *Information Technology & Cyber Risk* – Oversee the identification, measurement, monitoring and mitigation of the Company's information security and cyber risk and review and approve key frameworks, policies, and risk limits based on risk appetite established to control the Company's exposures to these risks.
10. *Outsourcing Risk* – Review annually the Company's material outsourcing arrangements and the adequacy and effectiveness of the outsourcing program.
11. *Third-Party Risk & Proxy Advisory Policies* – Monitor governance rating agencies and their assessments of the Company's risk and proxy advisory services policies as they relate to risk oversight and management and make recommendations as appropriate to the Board.
12. *Monitor External Developments & Impact* – Monitor the external environment including competitive, technological, political, economic, and regulatory developments and assess the potential impact on the Company.
13. *Regulatory Risk* – Review on a regular basis, management's assessment of regulatory risk, including risk management regulatory reports and findings of regulators, as applicable to the mandate of the Committee, including management's remediation plans and progress against such plans.
14. *Insurance* – Review and recommend for Board approval the Company's insurance program and limits of insurance, including corporate liability protection programs for directors and officers.

15. *Management Risk-Related Reports* – Understand and approve management’s definition of the risk-related reports, including those relating to stress testing, that the Committee could receive regarding the full range of risks the organization faces, as well as their form and frequency.
16. *Risk-Related Disclosure* – Read and provide input to the Board and Audit Committee regarding risk disclosures in financial statements and other public statements regarding risk, including annual disclosure as required regarding the effectiveness of the Company’s enterprise risk framework.
17. *Coordination Among Board Committees* – Coordinate (via meetings or overlap of membership), along with the full Board, relations and communications with regard to risk among the various Board committees, particularly with:
 - the Audit Committees, with respect to understanding how the Company’s internal audit work plan is aligned with the risks that have been identified and with risk governance (and risk management) information needs, including the adequacy of information, information systems and recovery plans, as it relates to financial reporting; and
 - the Management Resources and Compensation Committee, with respect to the alignment of the Company’s compensation program and practices with the Company’s risk appetite and compensation principles.
18. *Chief Risk Officer Appointment & Oversight* – Approve the appointment and, when and if appropriate, replacement of the Chief Risk Officer, who shall report directly to the Committee as well as to the Chief Executive Officer and who shall have qualifications commensurate with applicable legal and regulatory guidance relating to risk management expertise.
19. *Assess Performance of Chief Risk Officer* – Annually assess the performance of the Chief Risk Officer and provide the results to the Chief Executive Officer as input into the compensation approval process.

MEETINGS

The Risk Committee shall meet at least quarterly and more frequently as circumstances require. Any member of the Risk Committee may call a meeting. The quorum requirement for any meeting of the Risk Committee is a majority of the members. All members of the Risk Committee should strive to attend all meetings in person.

The Chairperson of the Committee will approve the agenda for the Committee’s meetings, and any member may suggest items for consideration. The agenda for each Risk Committee meeting will provide time during which the members can meet separately in executive session.

The Committee will meet with the Chief Risk Officer without management present at the end of each meeting. The Risk Committee may request that any other officer or employee of the RF

Capital Group, the RF Capital Group's external counsel, or any special counsel or advisor to the Company attend a meeting of the Risk Committee or meetings with any members of, or advisors to, the Risk Committee. Such meetings may be conducted in separate executive session.

The Risk Committee may delegate authority to individual members and/or sub-committees where the Risk Committee determines it is appropriate to do so.

REPORTING

The Risk Committee will report regularly to the Board on all significant matters it has addressed and with respect to such other matters as are within its responsibilities and make such recommendations as it deems necessary or appropriate. At least annually, the Risk Committee will present to the full Board a report summarising the Committee's review of the Company's methods for identifying, managing, and reporting risks and risk management deficiencies.

INDEPENDENT ADVICE

In discharging its mandate, the Risk Committee shall have the authority to retain and receive advice from special legal or other advisors (including the incurrence and payment of related fees and expenses) as the Risk Committee determines to be necessary to permit it to carry out its duties.

ANNUAL EVALUATION

At least annually, the Risk Committee shall, in a manner it determines to be appropriate:

- perform a review and evaluation of the performance of the Risk Committee and its members, including the compliance of the Risk Committee with this Charter; and
- review and assess the adequacy of this Charter and recommend to the Board any improvements that the Risk Committee determines to be appropriate, including those needed to respond to new risk-oversight needs and any changes in regulatory or other requirements.

WAIVERS OF THIS CHARTER

The Board may, in its absolute discretion, grant waivers of any of the provisions and requirements of this Charter.