

# **KINGSWAY FINANCIAL SERVICES INC.**

## **INVESTMENT COMMITTEE CHARTER**

### **I. Purpose**

The primary purpose of the Investment Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Kingsway Financial Services Inc. (the “**Company**”) is to:

- (i) Assist the Board and management in respect of the management of the invested assets of the Company and its subsidiary companies (the “**Kingsway Group**”);
- (ii) Develop and monitor investment policies and guidelines for the Kingsway Group;
- (iii) Select and retain external investment managers; and
- (iv) Monitor the performance of external investment managers, if any.

### **II. Organization**

The Committee shall consist of two or more directors, the majority of whom shall satisfy the applicable independence requirements of the New York Stock Exchange and other applicable regulatory requirements.

Committee members shall be elected by the Board annually at the meeting of the Board immediately following the annual general shareholders meeting; members shall serve until their successors are duly elected and qualified. The Committee’s chairperson shall be designated by the full Board or, if it does not do so, the Committee members shall elect the chairperson by vote of a majority of the full Committee.

The Committee may form and delegate authority to sub-committees when appropriate.

### **III. Structure and Meetings**

The Chairperson of the Committee will preside at each meeting of the Committee and, in consultation with the other members of the Committee, shall set the frequency and length of each meeting and the agenda of items to be addressed at each meeting. The Chairperson will ensure that the agenda for each meeting is circulated in advance of the meeting.

### **IV. Duties and Responsibilities**

The Committee shall have the power and authority of the Board to perform the following duties and to fulfill the following responsibilities:

- (i) Develop investment policies and guidelines, including policies to ensure that the Company does not inadvertently become an “investment

company” as defined in the Investment Company Act of 1940, as amended.

- (ii) Review the investment policies and guidelines from time to time.
- (iii) Review compliance with the investment policies and guidelines adopted from time to time by members of the Kingsway Group and any external investment managers appointed by it.
- (iv) Monitor the performance of external investment managers.
- (v) Review the asset mix for the investment assets of the Kingsway Group.
- (vi) Evaluate, appoint and replace investment managers.
- (vii) Review the amounts allocated to individual investment managers from time to time.
- (viii) Prepare a report for inclusion in the Company’s information circular.
- (ix) Report regularly to the Board with respect to (a) such matters as are relevant to the Committee’s discharge of its responsibilities and (b) such recommendations as the Committee may deem appropriate.
- (x) Review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.
- (xi) Evaluate the performance of the Committee.
- (xii) Perform such other duties and responsibilities, consistent with this Charter, the Company’s bylaws, governing law, the rules and regulations of the New York Stock Exchange and the U.S. federal securities laws and such other requirements applicable to the Company, delegated to the Committee by the Board.

## **V. Committee Resources**

The Committee shall have the sole authority to retain and terminate (or obtain the advice of) any adviser to assist it in the performance of its duties. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any adviser retained by the Committee, and shall have sole authority to approve the adviser’s fees and the other terms and conditions of the adviser’s retention. The Company must provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to any adviser retained by the Committee.

**Adopted by the Board on May 23, 2019.**