

Pan-Jamaican Investment Trust Ltd.

Audit Committee Charter

Purpose

The Audit Committee is appointed by the Board to assist the Board in monitoring (1) the integrity of the financial statements of the Company, (2) the independent auditor's qualifications and independence, (3) the performance of the Company's internal audit function and independent auditors, (4) the compliance by the Company with legal and regulatory requirements and (5) a risk assessment framework such that business risks are identified, assessed, managed, monitored and reported in a uniform manner.

Committee Membership

The Board shall appoint the members of the Audit Committee. The Audit and Risk Committee shall consist of no fewer than three (3) Board members. The members of the Audit Committee shall meet any applicable independence, experience or expertise requirements established by statute and the rules and regulations of the Jamaica Stock Exchange. The Audit Committee members shall possess characteristics of integrity, courage, healthy skepticism, inquisitiveness, independent judgement, industry knowledge, communication, decision-making and interpersonal skills, as well as commitment and time for their role on the committee.

The Audit Committee must be provided with all routine reports on a timely basis, normally five (5) days before its regular meetings.

All members of the Committee shall have a working familiarity with basic finance and accounting practices, and at least one member of the Committee shall be a financial expert such as a qualified accountant. Committee members shall have other such qualities as the Board determines appropriate.

The Chair is elected by the full Board. The Chairperson will chair all regular sessions of the Committee and set the agenda for the Committee meetings.

Meetings

The Audit Committee shall meet as often as it determines, but not less frequently than quarterly. The Audit Committee shall meet periodically with management, the internal auditors and the independent auditor jointly or in separate executive sessions as it deems appropriate. The Audit Committee may request any officer or employee of the Company or the Company's outside counsel or independent auditor to attend a meeting of the Committee.

A majority of the number of Committee members shall constitute a quorum for the transaction of any business at any meeting of the Committee. If a quorum is present when a vote is taken, then the affirmative vote of a majority of Committee members present shall constitute the act of the Committee.

Any action permitted or required to be taken at a meeting of the Committee may be taken in the normal meeting or can be conducted via electronic means or by Round Robin Resolution. For the Round Robin Resolution, all the members of the Committee shall sign one or more written consents setting forth the action. Action taken by written consent is effective when the last Committee member signs the consent, unless the consent specifies an earlier or later effective date.

Committee Authority and Responsibilities

The Audit Committee shall have the authority to recommend the appointment or replacement of the independent auditor to the Board. The Audit Committee shall be directly responsible for the compensation and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purposes of preparing or issuing an audit report or related work. The independent auditor shall report directly to the Audit Committee.

The Audit Committee shall preapprove all auditing services and permitted non-audit services (including the fees and terms thereof) to be performed for the Company by its independent auditor, subject to *de minimis* exceptions which are approved by the Audit Committee prior to the completion of the audit. The Audit Committee may form and delegate authority to grant preapprovals of audit and permitted non-audit services, provided that decisions of such subcommittee to grant preapprovals shall be presented to the full Audit Committee at its next scheduled meeting.

The Committee, in discharging its oversight role, is empowered to study or investigate any matter of interest or concern that it deems appropriate. The Committee shall have the authority to retain outside legal, accounting or other advisors for this or any other purpose, including the authority to approve the fees payable to such advisors and any other terms of retention.

The Committee shall be given full access to the Company's internal audit group, management, personnel and independent auditors as necessary to carry out these responsibilities.

With regard to reports, the Committee shall provide minutes of Committee meetings to the Board, and report regularly to the Board on any significant matters arising from the Committee's work. A report to the Board may take the form of an oral report by the Chair or any other member of the Committee designated by the Committee or the chair to make such a report.

The Audit Committee shall, as and when it deems appropriate, review and reassess the adequacy of this Charter. The Audit Committee shall annually review the Audit Committee's own performance.

The Audit Committee, to the extent it deems necessary or appropriate shall:

Risk Management and Financial Statement Disclosure Matters

1. Keep under review the effectiveness of the company's internal controls and risk management systems, discussing significant risk exposures and examining steps taken by the boards and management of the company and its subsidiaries to control such exposures, and to review and approve the statements to be included in the annual report concerning internal controls and risk management.
2. Approve the company's risk management policy, which defines the company's risk appetite and the level of risk tolerance.
3. Review the quarterly risk management report submitted by management which defines the company's main business risks, discuss the level of prioritization (based on likelihood and impact), the senior manager/department responsible for implementing appropriate controls and the timeframe for the controls to be implemented.
4. Review and discuss with management and the independent auditor the annual audited financial statements, including disclosures made in Management's Discussion and Analysis of Financial Condition and Results of Operations, and recommend to the Board the release of the audited financial statements to the Jamaica Stock Exchange.
5. Review and discuss with management, and the independent auditor as it deems necessary, the Company's quarterly report and recommend to the Board its release to the Jamaica Stock Exchange.
6. Discuss with management the Company's earnings releases.
7. Review (a) analyses prepared by management or the independent auditor setting forth significant financial reporting issues and judgements made in connection with the preparation of the Company's financial statements, and (b) major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles, and major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies.
8. Review and discuss any reports from the independent auditors on:
 - a. All critical accounting policies and practices to be used.
 - b. All alternative treatments of financial information within International Financial Reporting Standards ("IFRS") that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor.
 - c. Other material written communications between the independent auditor and management, such as the schedule of unadjusted differences arising during the annual audit.

9. Review the management letters and internal control memoranda issued by the independent auditors and management's responses thereto, and follow up with both independent auditors and management to ensure that issues and concerns raised are addressed in an effective and timely manner.
10. Discuss with the independent auditor all matters required to be discussed by Auditing Standards relating to the conduct of the audit, including any difficulties encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.
11. Review the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.

Oversight of the Company's Relationship with the Independent Auditor

12. Obtain and review a report from the independent auditor at least annually regarding (a) the independent auditor's internal quality control procedures, (b) any material issues raised by the most recent internal quality control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five (5) years respecting one or more independent audits carried out by the firm, (c) any steps taken to deal with any such issues, and (d) all relationships between the independent auditor and the Company. Evaluate the qualifications, performance and independence of the independent auditor. If the independent auditor provides non-audit services, consider whether the provision of non-audit services is compatible with maintaining the independent auditor's independence.
13. Meet with the independent auditor prior to the audit to discuss the planning and staffing of the audit.

Periodic Rotation of Audit Firm and its Personnel

14. Ensure compliance with any statute, rule or regulation that requires either the rotation of audit partners or the rotation of the independent auditor.

Oversight of the Company's Internal Audit Function

15. Discuss with the internal auditor and management the internal audit function responsibilities, budget and staffing and any recommended changes in the planned scope of the internal audit.
16. Review the significant reports to management prepared by the internal audit function and management's responses.

Compliance Oversight Responsibilities

17. Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
18. Discuss with management and the independent auditor any correspondence with regulators or governmental agencies and any published reports, which raise material issues regarding the Company's financial statements or accounting policies.

Limitation of Audit Committee's Role

While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted principles and applicable rules and regulation. These are the responsibilities of management and the independent auditor.

Revised November 2014