**Appendix 6**

**Mentor Agreement**

The General Manager of the Jamaica Stock Exchange

P.O. Box 621

Kingston, Jamaica

**M E N T O R A G R E E M E N T**

THIS AGREEMENT is made the day of

between:

, (the “**Mentor**”), and

(the “**Junior Market**

**Company**”) (together, the “**Parties**” and each a “**Party**”).

WHEREAS:

(1) The Junior Market Company, being an eligible company, [seeks initial admission OR

has been admitted] to the Junior Market of the Jamaica Stock Exchange (“**JSE**”).

(2) The Junior Market Company desires to appoint the Mentor on the terms set out in this

Agreement.

NOW, THEREFORE, in consideration of the above premises, and for other good and valid consideration, the sufficiency of which is acknowledged by each of the Parties, the Parties have agreed as follows:

**1. DEFINITIONS**

Unless otherwise stated, defined terms used in this Agreement shall have the meanings given to them by the Junior Market Rules made by the JSE.

**2. APPOINTMENT AND REMUNERATION OF MENTOR**

2.1 Subject to clause 3 below, the eligible company or Junior Market Company (as the case may be) desires to appoint the Mentor for a period of

[months/years].

2.2 The appointment shall be effective:

(1) in the case of a Junior Market Company which is an eligible company seeking initial admission, as from the date on which such admission is approved by the JSE; or

(2) in the case a Junior Market Company that has been admitted, as from the date on which the appointment of the Mentor is approved by the JSE.

2.3 Provided that the Mentor is not in breach of this Agreement, he shall receive remuneration from the Junior Market Company to be paid as follows:

*[Junior Market Company to insert details of Mentor’s remuneration package. Junior Market Companies are encouraged to enter into flexible remuneration packages, which are suitable for a company in its current position. Incentives may be given provided to the Mentor so long as they do not cause conflicts of interest that the Mentor can’t avoid, or manage].*

**3. REPRESENTATIONS, WARRANTIES AND COVENANTS OF MENTOR**

3.1 The Mentor hereby represents, warrants and covenants for the benefit of the eligible company or Junior Market Company (as the case may be) that:

(1) [he/she] is a person that possesses the relevant skills, knowledge and expertise required to carry out the responsibilities and functions of the Mentor set out in Rule 503(2) of the Junior Market Rules, having gained such skills, knowledge and expertise through the following activities:

[*Provide list of skills, knowledge and expertise, having regard to the functions and responsibilities of the Mentor set out in Rule 503(2). Such skills knowledge and expertise must include: any professional qualifications, work for companies that are listed on the JSE or other stock exchanges, or other relevant experience.*]

(2) [he/she] is a person of good character, having never been convicted of an offence involving fraud or dishonesty in Jamaica, or elsewhere in the world;

(3) [he/she] currently [has no conflicts of interest OR has the following conflicts of interest] as regards [his/her] appointment as Mentor on the terms set out in this Agreement [*list and describe conflicts, if any currently exist and the steps taken to manage these conflicts effectively*];

(4) if any [further] conflicts of interest should arise that affect [his/her] appointment as Mentor on the terms set out in this Agreement, [he/she] shall immediately advise the Junior Market Company and the JSE, in writing, of the nature of the conflict, and the steps being taken by the Mentor to avoid, or manage effectively, such conflict;

(5) [he/she] shall, at all times during [his/her] appointment as Mentor:

(a) act honestly and in good faith, with a view to the bests interests of the Junior Market Company and its participating voting shareholders [and any holders of its other securities], as a whole;

(b) act with due skill and care, having regard to:

1. [his/her] relevant skills, knowledge and expertise as set out in paragraph (1) of this clause 3, above; and
2. the general level of skills, knowledge and expertise reasonably required of a person carrying out the functions and responsibilities of a Mentor for the purposes of the Junior Market Rules;

(c) advise the Board of Directors of the Junior Market Company on the establishment of adequate procedures, systems and controls for the purposes of its compliance with:

(i) good standards of corporate governance, including but not limited to:

the holding of regular Board meetings, at least on a quarterly basis, and as appropriate;

the establishment of appropriate committees of the Board including the Audit Committee and the Remuneration Committee;

the carrying out of appropriate due diligence enquiries by the eligible company prior to its admission to the Junior Market;

the carrying out of appropriate due diligence enquiries by the Junior Market Company prior to its entry into any material transaction, or any proposed further issue of participating voting shares [or other securities];

(ii) good fiscal discipline, and Rule 505(10) on financial reporting;

(iii) the making of public announcements, and Rule 505(11) on timely disclosure; and

(iv) the Junior Market Rules generally;

(d) at the request of the JSE, provide evidence of [his/her] capacity to act as

Mentor;

(e) respond promptly to any enquiries that the JSE may reasonably make for the purposes of verifying compliance by the Junior Market Company with the Junior Market Rules;

(f) deal at all times with the JSE in an open and co-operative way, and disclose to the JSE in a timely manner any material information relating to [him/her], or to the Junior Market Company (as the case may be), concerning non- compliance with the Junior Market Rules; and

(g) not delegate the performance of any of [his/her] duties under this Agreement, or Rule 503(2) of the Junior Market Rules, without the prior consent in writing of both the Junior Market Company and the JSE of the JSE.

3.2 Nothing in this Agreement shall cause the mentor to:

(a) advise the Board of Directors on the commercial business of Junior Market

Company;

(b) make, or participate in the making of, commercial business decisions by the

Board of Directors of the Junior Market Company; or

(c) act in the capacity of a member of the Board of Directors of the Junior

Market Company.

3.3 For the avoidance of doubt, the mentor shall act only as a compliance adviser to the Board of Directors of the Junior Market Company (as the case may be) and shall not be construed as a shadow director for the purposes of the Companies Act or any other applicable law.

**4. TERMINATION**

4.1 In the event of the material breach of any of the provisions of clause 3 by the Mentor, the Junior Market Company shall be entitled to terminate this Agreement immediately upon its discovery of such breach.

4.2 Either Party to this Agreement shall be entitled to terminate it upon the provision of

not less than 3 months’ notice in writing to the other.

4.3 This Agreement shall also terminate immediately, in the event that the appointment of the Mentor is not made effective in accordance with clause 2.2.

**5. CONFIDENTIALITY**

The Parties shall keep this Agreement, and all matters connected with it, confidential, and their obligation to do so under this clause 5 shall survive the termination of this Agreement pursuant to clause 5.

**[6.] [RESTRAINT]**

[*This clause is optional - it may be included by agreement by the Mentor and the Eligible Company or Junior Market Company (as the case may be), with such adjustments as the parties agree to be necessary in the individual case*].

**[**The Mentor shall not, during the period of [months/years] from the effective date of termination of this Agreement pursuant to clause 4, act as mentor, Director, officer, employee, agent, of any other company which has been admitted to the Junior Market of the JSE.]

**7. GOVERNING LAW**

This Agreement shall be governed by, and construed in accordance with, the laws of

Jamaica.

**8. ARBITRATION**

8.1 Disputes arising between the Parties in relation to this Agreement shall be referred to a single arbitrator to be agreed by them, or failing such agreement of the Parties within 30 days of a request by a Party to agree such appointment made to the other, in writing, to a single arbitrator appointed by the Chairman of the JSE Board of the JSE.

8.2 For the purposes of this clause 8, the arbitration shall be subject to the Arbitration Act of Jamaica.

**9. NOTICES**

The addresses of the Parties for notices are as follows:

If to the Junior Market Company: [*insert details and contact person*] If to the Mentor: [*insert details*]

**Signed for and on behalf of the Mentor by:**

**Mentor (if individual)**

*Note: if Mentor is a company it should sign by 2 persons in the same way as the Junior*

*Market Company (see below)*

**Signed under seal for and on behalf of Junior Market Company by:**

**Director**

**Director/Secretary**

[SEAL]

**Date**