

Valuation Oversight Committee Charter

I. PURPOSE

The Valuation Oversight Committee (the “Committee”) shall assist the Board of Directors (the “Board”) of Jefferies Financial Group Inc. (the “Company”) in its oversight of (i) management’s determination of the Company’s estimated fair value of holdings of certain merchant banking investments (the “Valuations”) and (ii) the performance of the Company’s outside expert advisors retained to assist management in performing the Valuations, including their qualifications and independence.

In discharging its role, the Committee is empowered to investigate any matter relating to the Committee’s purpose and responsibilities, including, but not limited to, any matters described in this Charter. The Committee shall at all times have access to all books, records, facilities and personnel of the Company. The Committee has the authority to retain outside counsel, advisors and other experts, and seek any information it requires from employees, officers and directors. The Company will provide appropriate funding for payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

II. COMMITTEE MEMBERSHIP

The Committee shall be comprised of not less than three members of the Board, each of whom shall be determined by the Board to be “independent” in accordance with applicable rules of the New York Stock Exchange.

Each Committee member shall be appointed by the Board and shall be subject to removal by the Board in accordance with the By-Laws of the Company. The Board shall also designate one member of the Committee to serve as Committee Chair. The Committee may form and delegate authority to subcommittees.

III. COMMITTEE MEETINGS

The Committee shall have regular meetings on not less than a semi-annual basis, or more frequently as circumstances dictate. The Committee shall meet with the Company’s outside expert advisors and may meet in executive sessions to provide the opportunity for full and frank discussion without other members of senior management present.

IV. KEY RESPONSIBILITIES

The Committee’s role is one of oversight. Management is responsible for the Valuations.

The following responsibilities are set forth as a guide, with the understanding that the Committee may diverge as appropriate given the circumstances. The Committee is authorized to carry out these and such other responsibilities assigned by the Board from time to time, and take any actions reasonably related to the mandate of this Charter.

To fulfill its purpose, the Committee shall:

1. Oversee the Company's processes and procedures for determining the Valuations, including the processes and procedures for determining the assets to be valued.
2. Review the reports of the outside expert advisors provided to management in relation to the Valuations.
3. Review the reports of management and its determinations as they relate to the Valuations.
4. Make such recommendations with respect to any of the above and other matters as the Committee deems necessary or appropriate.
5. Based on the above and such other Committee considerations, determine whether the Company's processes and procedures for determining the Valuations were reasonably conducted and that the Valuations are fair and reasonable.
6. Have authority to require all such information and reports, including the content and timing of such information and reports, to be delivered to the Committee from management to assist the Committee in fulfilling its responsibilities.
7. Have the power and authority to cause management to retain or replace the outside expert advisors retained to assist management in performing the Valuations.
8. Have such other authority, duties and responsibilities as may be delegated to the Committee by the Board.
9. Conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with this Charter.
10. Review and reassess the adequacy of this Charter annually.
11. Report to the Board on no less than a semi-annual basis on Committee findings and recommendations and any other matters the Committee deems appropriate or the Board requests.
12. Maintain minutes or other records of Committee meetings and activities.