

Nominating & Corporate Governance Committee

CHARTER OF THE NOMINATING AND CORPORATE GOVERNANCE COMMITTEE OF THE BOARD OF DIRECTORS OF GREAT ELM CAPITAL GROUP, INC.

Purpose of the Committee

The purposes of the Nominating and Corporate Governance Committee (the "Committee") of the Board of Directors (the "Board") of Great Elm Capital Group, Inc. (the "Company") shall be: (A) to identify and recommend to the Board individuals qualified to serve as directors of the Company and on committees of the Board; (B) to advise the Board with respect to the Board's composition, procedures and committees; (C) to develop, advise and make recommendations to the Board with respect to Corporate Governance Principles applicable to the Company; and (D) to oversee the evaluation of the Board and the Company's management. The Committee shall report to the Board on a regular basis and not less than once per year.

Composition of the Committee

The Committee shall be comprised of at least three members of the Board, each of whom shall have been affirmatively determined in the business judgment of the Board to qualify as independent directors (collectively, "Independent Directors") under (a) the rules of the National Association of Securities Dealers' Nasdaq Stock Market (the "Listing Rules") and (b) the Company's Corporate Governance Principles. The members of the Committee shall be appointed annually to one-year terms by majority vote of the Board at the first meeting of the Board following the annual meeting of stockholders.

Meetings and Procedures of the Committee

The Committee may fix its own rules of procedure, which shall be consistent with the Bylaws of the Company, this Charter and applicable law. The Committee shall meet as often as it determines, but not less frequently than twice annually. The Board may designate one member of the Committee as its Chairperson and in the absence of any such designation by the Board, the Committee shall designate by majority vote of the full Committee one member of the Committee as its Chairperson. The Chairperson of the Committee or a majority of the members of the Committee may also call special meetings of the Committee from time to time. A majority of the members of the Committee present in person or by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other shall constitute a quorum. The Committee shall act by the affirmative vote of a majority of the members at a meeting at which a quorum is present. In addition, the Committee may act by unanimous written consent. The Committee may request that any directors, officers or employees of the Company, or other persons whose advice and counsel are sought by the Committee, attend any meeting of the Committee to provide such pertinent information as the Committee requests. Following each of its meetings (or any action taken by

unanimous written consent), the Committee shall deliver a report on the meeting to the Board, including a summary description of all actions taken by the Committee at the meeting. The Committee shall keep written minutes of its meetings, which minutes shall be filed with the minutes of the meetings of the Board.

To the extent and in the manner that the Company is legally required to do so by the rules of the Securities and Exchange Commission, this Charter (as then constituted) shall be publicly filed.

Duties of the Committee

1. Board Candidates and Nominees

The Committee shall have the following goals and responsibilities with respect to Board candidates and nominees:

- a. To establish procedures for evaluating the suitability of, and to assist in identifying, interviewing and recruiting, potential director nominees.
- b. To recommend to the Board nominating criteria for director nominees, which criteria shall include the possession of such knowledge, experience, skills, expertise and diversity as may enhance the Board's ability to manage and direct the affairs and business of the Company, including, when applicable, as may enhance the ability of committees of the Board to fulfill their duties.
- c. To identify and recommend to the Board the director nominees for election by the stockholders or appointment by the Board, as the case may be, pursuant to the Bylaws of the Company, which recommendations shall be consistent with the Board's criteria for selecting new directors. The Committee shall also take into account, as applicable, the satisfaction of any independence requirements imposed by law, regulation, the Listing Rules or the Company's Corporate Governance Principles. The Committee may consider candidates proposed by management, but is not required to do so.
- d. To review and consider stockholder recommended candidates for nomination to the Board.
- e. To review the suitability for continued service as a director of each Board member when his or her term expires and when he or she has a significant change in status, including but not limited to an employment change, and to recommend whether or not the director should be re-nominated.
- f. The sole authority to retain and terminate any search firm to be used to identify candidates for nomination to the Board and the sole authority to approve the search firm's fees and other retention terms.

Notwithstanding the foregoing provisions of this Article IV, Section A, if the Company is legally required by contract or otherwise to provide third parties with the ability to nominate directors, the

selection and nomination of such directors need not be subject to the procedures established by the Committee for evaluating the suitability of a potential director.

2. Board Composition and Procedures

The Committee shall have the following goals and responsibilities with respect to the composition and procedures of the Board as a whole:

- a. To review annually with the Board the composition of the Board as a whole and to recommend, if necessary, measures to be taken so that the Board (i) reflects the appropriate balance of knowledge, experience, skills, expertise and diversity required for the Board as a whole so as to facilitate the Board's satisfaction of its duties in a manner that best serves the interests of the Company, and (ii) contains at least the minimum number of Independent Directors required by the Listing Rules or such greater number or percentage of Independent Directors as the Committee may from time to time recommend to the Board.
- b. To review periodically the size of the Board and to recommend to the Board any appropriate changes.
- c. To make recommendations on the frequency and structure of Board meetings.
- d. To make recommendations concerning any other aspect of the procedures of the Board that the Committee considers warranted, including but not limited to procedures with respect to the waiver by the Board of any Company rule, guideline, procedure or corporate governance principle.

3. Board Committees

The following shall be the goals and responsibilities of the Committee with respect to the committee structure of the Board:

- a. To review the duties and composition of each standing committee of the Board, including a review of the criteria for composition of the Audit Committee and this Committee under the Listing Rules, and to make recommendations to the Board regarding the size and composition of each standing committee of the Board, including the identification of individuals qualified to serve as members of a standing committee (including this Committee), and to recommend to the Board individual directors to fill any vacancy that might occur on a committee (including this Committee), taking into account the Listing Rules and applicable laws.
- b. To monitor the functioning, and to perform annually an evaluation of the performance, of the standing committees of the Board and to make recommendations for any changes, including the creation and elimination of standing committees.
- c. To review annually standing committee assignments and the policy with respect to the rotation of standing committee memberships and/or chairpersonships, and to report any recommendations to the Board.

- d. To recommend that the Board establish such special committees as may be desirable or necessary from time to time in order to ensure compliance with the Listing Rules and to address ethical, legal or other matters that may arise. The Committee's power to make such a recommendation under this Charter shall be without prejudice to the right of any other committee of the Board, or any individual director, to make such a recommendation at any time.
- e. To regularly review and make recommendations to the Board about changes to the charters of the other standing committees of the Board after consulting with the respective committee chairs.

4. **Corporate Governance**

The following shall be the goals and responsibilities of the Committee with respect to corporate governance:

- a. To develop and recommend to the Board a set of Corporate Governance Principles for the Company, which shall be consistent with any applicable laws, regulations and Listing Rules. At a minimum, the Corporate Governance Principles developed and recommended by the Committee shall address the following:
 - i. Director qualification standards. The Committee shall establish director qualification standards; and such standards must reflect at a minimum the independence requirements of the Listing Rules. The Committee shall also develop policies regarding director tenure, retirement, removal and succession, and shall consider whether it is in the best interest of the Company to limit the number of corporate boards and/or committees on which a director may serve.
 - ii. Director responsibilities.
 - iii. Director access to management and, as necessary and appropriate, independent advisors.
 - iv. Director orientation and continuing education.
 - v. Management succession.
- b. To review periodically, and at least annually, the Corporate Governance Principles adopted by the Board to assure that they are appropriate for the Company, and to recommend any desirable changes therein to the Board.
- c. To require that the Company publish its Corporate Governance Principles as may be required by federal law and the Listing Rules.
- d. To meet with other committees of the Board as the Committee may deem necessary or appropriate in order to establish and/or evaluate the Company's Corporate Governance Guidelines.

- e. Oversee the Company's management in its establishment of a process by which any material risks relating to the Company's corporate governance structure, policies and practices are identified and addressed and, on a periodic basis, require the Company's officers to provide to the Committee a risk update comprised of those risks relating to the Company's corporate governance structure, policies and practices and the status of actions taken to mitigate those risks.
- f. To consider any other corporate governance issues that may arise from time to time, and to develop appropriate recommendations for the Board, including to review and make recommendations with regards to stockholder proposals.
- g. To monitor compliance with the Corporate Governance Principles.

5. Evaluation of the Board and Management

The Committee shall be responsible for overseeing the evaluation of the performance of the Board and each Committee as a whole as well as the management of the Company, including the Chief Executive Officer of the Company. The Committee shall also perform such other functions and duties as may be required by the Board from time to time.

6. Evaluation of the Committee

The Committee shall, on an annual basis, evaluate its performance under this Charter. In conducting this review, the Committee shall evaluate whether this Charter appropriately addresses the matters that are or should be within its scope. The Committee shall address all matters that the Committee considers relevant to its performance, including at least the following: the adequacy, appropriateness and quality of the information and recommendations presented by the Committee to the Board; the manner in which they were discussed or debated; and whether the number and length of meetings of the Committee were adequate for the Committee to complete its work in a thorough and thoughtful manner.

The Committee shall deliver to the Board a report, orally or in writing, setting forth the results of its evaluation, including any recommended amendments to this Charter and any recommended changes to the Company's or the Board's policies or procedures.

Delegation to Subcommittee

The Committee may form subcommittees for any purpose that the Committee deems appropriate and may delegate to such subcommittees such power and authority as the Committee deems appropriate; *provided, however*, that the Committee shall not delegate to a subcommittee any power or authority required by any law, regulation or Listing Rule to be exercised by the Committee as a whole.

Investigations and Studies; Outside Advisers

The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities, and may retain and terminate, at the Company's expense, such independent counsel or other advisers as it deems necessary.

Authority

The Nominating and Corporate Governance Committee of the Board is established pursuant to Article 4.1 of the Company's Amended and Restated Bylaws and Section 141(c) of the Delaware General Corporation Law.