

**CHARTER OF THE AUDIT COMMITTEE  
OF THE BOARD OF DIRECTORS  
OF CONIFER HOLDINGS, INC.**

**STRUCTURE AND OPERATIONS**

The Audit Committee (the “Committee”) of the board of directors (the “Board”) of Conifer Holdings, Inc. (the “Company”) shall consist of three or more non-management directors. Each member of the Committee shall be independent in accordance with the requirements of the Securities Exchange Act of 1934 and the rules of the NASDAQ Stock Market. No member of the Committee can have participated in the preparation of the Company’s or any of its subsidiaries’ financial statements in the past three years.

Each member of the Committee must be able to read and understand fundamental financial statements. At least one member of the Committee must be an “audit committee financial expert” as defined by the Securities and Exchange Commission.

The members of the Committee shall be appointed by the Board and shall serve until the next annual meeting of the Board or until their earlier resignation, removal or death. The Board may remove any member from the Committee at any time with or without cause. The Board shall designate a Committee member as the Chairperson.

The Committee shall meet as often as it deems necessary. The Committee shall meet periodically in separate executive sessions with management, internal audit and the independent auditor, and have such other direct and independent interaction with such persons as the members of the Committee deem appropriate. The Committee may request any officer or employee of the Company or the Company’s outside counsel or independent auditor to attend Committee meetings or to meet with any members of, or consultants to the Committee. Written minutes of Committee meetings shall be maintained.

The Committee shall report regularly to the Board. The Committee is governed by the same rules regarding meetings (including meetings in person or by telephone or other similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board.

The Committee shall review and assess adequacy of this Charter periodically and recommend any proposed changes to the Board for approval.

**PURPOSE**

The purpose of the Committee is to oversee (1) the Company’s accounting and financial reporting processes and the audit of the Company’s financial statements, (2) the independent auditor’s qualifications, performance and independence, (3) the performance of the Company’s internal audit function, and (4) and other responsibilities and duties as assigned by the Board.

The primary role of the Committee is to oversee the financial reporting and disclosure process. To fulfill this obligation, the Committee relies on: (1) management for the preparation and accuracy of the Company's financial statements and for establishing effective internal controls and procedures to ensure the Company's compliance with accounting standards, financial reporting procedures and applicable laws and regulations; and (2) the Company's independent auditors for an unbiased, diligent audit, of the Company's financial statements. The members of the Committee are not employees of the Company and are not responsible for conducting the audit or performing other accounting procedures.

## **DUTIES AND RESPONSIBILITIES**

The Committee shall have the authority and responsibilities set out below:

### ***Financial Statements and Disclosures***

1. Review and discuss with management and the independent auditor the annual audited financial statements, including disclosures made in management's discussion and analysis, and recommend to the Board whether the audited financial statements should be included in the Company's Form 10-K.
2. Review and discuss with management and the independent auditor the Company's quarterly financial statements prior to filing of the Company's 10-Q, including the results of the independent auditor's review of the quarterly financial statements.
3. Discuss with management and the independent auditor significant financial reporting issues and judgements made in connection with the preparation of the Company's financial statements, and brought to the attention of the Committee, including any significant changes in the Company's selection or application of accounting principles.
4. Review and discuss with management and the independent auditor any major issues as to the adequacy of the Company's internal controls, any special steps adopted in light of material control deficiencies and the adequacy of disclosures about changes in internal control over financial reporting.
5. Discuss with management the Company's earnings press releases, including the use of "pro forma" or "adjusted" non-GAAP information, as well as financial information and earnings guidance provided to analysts and rating agencies. Such discussion may be general (consisting of discussing the types of information to be disclosed and the types of presentations to be made), and may occur following the issuance of press releases.
6. Discuss with management and the independent auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.
7. Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures.

8. Discuss with the independent auditor the matters required to be discussed by Statement on Auditing Standard No. 114 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.
9. Review disclosures made by the CEO and CFO during their certification process for the Form 10-K and 10-Q about any significant deficiencies in the design or operation of internal controls or material weaknesses therein, and any fraud involving management or other employees who have a significant role in the Company's internal controls.

### ***Independent Auditor***

10. Select, retain, compensate, oversee and terminate, if necessary, the independent auditor, including resolution of disagreements between management and the independent auditor regarding financial reporting. The independent auditor shall report directly to the Committee.
11. Establish policies and procedures and pre-approve all audit and permitted non-audit services that may be provided by the Company's independent auditors or other registered public accounting firms.
12. At least annually, review a written report by the Company's independent auditors that describes (a) the accounting firm's internal quality control procedures, (b) any material issues raised by the most recent internal quality control review, peer review or Public Company Accounting Oversight Board review or inspection of the firm or by any other inquiry or investigation by governmental or professional authorities in the past five years regarding one or more audits carried out by the firm and any steps taken to deal with any such issues, and (c) all relationships between the firm and the Company or any of its subsidiaries.
13. At least annually, evaluate the qualifications, performance and independence of the Company's independent auditors, and assure the regular rotation of the lead audit partner at the Company's independent auditors.
14. Review and discuss with the Company's independent auditors (a) the auditors' responsibilities under generally accepted auditing standards and the responsibilities of management in the audit process, (b) the overall audit strategy, (c) the scope and timing of the annual audit, (d) any significant risks identified during the auditors' risk assessment procedures, and (e) when completed, the results, including significant findings, of the annual audit.
15. Set clear Company hiring policies for employees or former employees of the Company's independent auditor that participated in any Company audit.

### ***Internal Audit***

16. Review the appointment and replacement of the senior internal audit executive. The senior internal auditor shall report directly to the Committee with an advisory reporting relationship to the Company's President for administrative purposes.
17. Review the audit plan and significant reports prepared by the internal auditing department including management's responses.
18. Discuss with the internal auditor and management the internal audit department responsibilities, budget and staffing, and any recommended changes in the planned scope of the annual audit plan.

#### ***Legal and Regulatory Compliance***

19. Obtain from the independent auditor assurance that Section 10A(b) of the Securities Exchange Act has not been implicated.

#### **OUTSIDE ADVISORS**

The Committee shall have the authority, in its sole discretion, to retain and obtain the advice and assistance of independent outside counsel and such other advisors as it deems necessary. The Committee shall set the compensation, and oversee the work, of any outside counsel and other advisors.

The Committee shall receive appropriate funding from the Company, as determined by the Committee in its capacity as a committee of the Board, for the payment of compensation to the Company's independent auditors, any other accounting firm engaged to perform services for the Company, any outside counsel and any other advisors to the Committee.

#### **DELEGATION OF AUTHORITY**

The Committee shall have the authority to delegate any of its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more subcommittees as the Committee may deem appropriate in its sole discretion.

#### **PERFORMANCE EVALUATION**

The Committee shall conduct an annual evaluation of the performance of its duties under this Charter in such manner as it deems appropriate.