

JK ACQUISITION CORP.

NOMINATING & GOVERNANCE POLICY

I. PURPOSES OF THE POLICY

The purposes of the Policy are to make certain the independent members of the Board (the “Members”) oversee:

- A. The composition of the Board of Directors to ensure that qualified individuals meeting the criteria of the American Stock Exchange (AMEX) and the Securities and Exchange Commission (SEC) regulations serve as members of the Board of Directors and its committees; and
- B. The development and implementation of corporate governance principles, policies, codes of conduct and codes of ethics relating to the operation of the Board of Directors and its committees and the Company as a whole.

II. RESPONSIBILITIES

In discharging its general purposes, the Members shall have the following duties:

- A. Identification of Candidates and Nominee Recommendation. The Members shall identify individuals qualified to serve on the Board of Directors as vacancies arise. The Members shall recommend to the Board of Directors for selection the director nominees to be voted upon at the next annual meeting of the stockholders of the Company. The Members will also, when the need or opportunity arises, recommend director nominees to the Board of Directors at any regular or special meeting of the Board.
- B. Removal of Directors. The Members shall recommend to the Board of Directors the termination of the directorship of individual directors for appropriate reasons.
- C. Annual Performance Evaluation. The Members shall evaluate each year the performance of the Board of Directors, the other committees of the Board of Directors and each of the directors and report the findings of such evaluation to the full Board of Directors.
- D. Board Size. In overseeing the composition of the Board of Directors, the Members shall make recommendations to the full Board of Directors concerning the appropriate size and needs of the Board of Directors, consistent with the Company’s Bylaws.
- E. Oversight of Members. The Members shall recommend to the Board of Directors appointees to committees of the Board of Directors and recommend removal of committee members based on such criteria as the Members shall

from time to time establish consistent with the rules and regulations of the AMEX and the SEC.

- F. Corporate Governance Guidelines; Compliance. The Members shall develop and recommend to the full Board of Directors a set of corporate governance guidelines applicable to the Company as more fully described in Article IV, Section A of this Charter. The Members shall oversee and evaluate compliance by the Board of Directors and Management of the Company with the Company's corporate governance and ethics standards.
- G. Orientation and Training. The Members shall coordinate and oversee the training and orientation of directors.
- H. Other Duties. The Members shall perform any other activities required by applicable law, rules or regulations, including the rules of the SEC and any stock exchange or market on which the Company's securities may be listed from time to time, and perform such other activities that are consistent with this Charter, the Company's Bylaws and governing laws, as the Members or the Board of Directors deems necessary or appropriate.

III. NOMINATION OF DIRECTORS

- A. Criteria.
 - 1. The Members is charged with seeking out nominees to enhance the effectiveness and independence of the Board of Directors.
 - 2. The Members is charged with seeking candidates for the Board of Directors who have experience in appropriate areas and disciplines. The criteria that the Members shall consider in selecting candidates for the Board of Directors shall include, in addition to any applicable requirements of law or of the AMEX, business experience, specific expertise, strength of character, judgment, factors relating to the current composition of the Board of Directors (including its size and structure) and principles of diversity.
- B. Engagement of Consultants. The Members has the sole/exclusive authority on behalf of the Company to engage and terminate any firm used to identify candidates for nomination to the Board of Directors and any other advisors or consultants deemed necessary by the Members. This authority shall include the authority to approve such advisors' fees and other retention terms.

IV. CORPORATE GOVERNANCE

- A. Corporate Governance Guidelines.
 - 1. The Members shall propose for consideration by the full Board of Directors a set of corporate governance guidelines, and shall, if deemed necessary by

the Board of Directors, propose from time to time any amendments to such guidelines.

2. The Members shall ensure that, as part of each regularly scheduled meeting of the Board of Directors, the independent directors shall meet in executive session prior to the conclusion of such Board of Directors meeting. Such executive sessions shall be chaired by the lead director chosen from time to time by the independent directors.

B. Other Duties. Members shall advise the Board of Directors on subjects not expressly covered by the mandate or charter of any other committee of the Board of Directors.

C. Annual Performance Evaluation. The Members shall annually submit to a performance evaluation by the Board of Directors.

V. MEMBERSHIP

A. Appointment and Removal.

1. The Members shall be elected by the Board of Directors at the annual organizational meeting of the Board of Directors following the annual meeting of stockholders and shall serve until their successors shall be duly elected and qualified or their earlier resignation or removal. If the Board of Directors fails to designate a Chair, the Members shall designate a Chair by majority vote of the Members.
2. A Member shall be automatically removed without further action of the Board of Directors if the Member ceases to be a director of the Company or is found by the Board of Directors to no longer be an “independent director” as the term is defined under the listings standards of the AMEX, as amended from time to time.
3. A Member may otherwise be removed or replaced by vote of the Board of Directors.

B. Qualification. Each Member shall be an “independent director” as the term is defined under the listing standards of the AMEX, as amended from time to time.

VI. MEETINGS

A. Quorum and Voting. Except as otherwise provided by this Charter or by applicable laws or regulations, as amended from time to time:

1. A majority of the Members entitled to vote, either present in person or by means of remote communication, shall constitute a quorum for the transaction of business at all meetings of the Members, and

2. All actions of the Members shall be by affirmative vote of a majority of those members so determined to be present.
- B. Regular Meetings. The Members shall meet for regular standing meetings twice per year, and at other times as required.