

## **JZ Equity Partners Plc (The “Company”)**

### **Recommended proposals in connection with amendments to the Investment Advisory Documents**

The Company announces that a circular has today been posted to shareholders which contains recommended proposals in connection with amendments to the Investment Advisory Agreements between the Company and its Investment Adviser, Jordan/Zalaznick Advisers Inc., The Jordan Company, David Zalaznick and Jay Jordan.

The proposals provide for the Company to increase the focus of future investments on income-producing mezzanine debt, and equity warrants in US LBOs, with a corresponding reduction in the level of its preferred stock and common stock investments in such LBOs.

The amended Investment Advisory Agreements contain mechanisms for fixing the terms going forward of mezzanine debt and the Company's entitlement to equity warrants and also contain the charging arrangements between the Company and the Investment Advisors.

As part of these arrangements David Zalaznick, Jay Jordan and certain others will no longer be entitled to invest in LBO common equity in accordance with the existing arrangements under which they have generally acquired an equal amount of LBO common equity as the Company. Instead, the Investment Advisors are to receive an incentive fee of up to 20 per cent. of capital gains received by the Company, subject to the achievement of a hurdle rate of return of 8%. The Investment Advisor's annual advisory fee will remain unaltered at 1.5% of gross assets under these arrangements.

The circular gives notice of an EGM to approve these arrangements to be held on 24 July 2002 at The Washington Mayfair, 5/7 Curzon Street, Mayfair, London W1Y 8DT at 11.00am.

A copy of the circular has been submitted to the UK Listing Authority, and will shortly be available for inspection at the UK Listing Authority's Document Viewing Facility, which is situated at:

Financial Services Authority  
25 The North Colonnade  
Canary Wharf  
London  
E14 5HS

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