

**COMPENSATION COMMITTEE CHARTER  
OF  
FINCERA INC.**

**Adopted May 2009  
Revised August 2017**

The responsibilities and powers of the Compensation Committee of the Board of Directors (the “**Board**”) of Fincera Inc. (the “**Company**”), as delegated by the Board, are set forth in this charter (the “**Charter**”). Whenever the Compensation Committee takes an action, it shall exercise its independent judgment on an informed basis that the action is in the best interests of the Company and its shareholders.

**I. PURPOSE**

The purpose of the Compensation Committee is to assist the Board in determining the compensation of the Chief Executive Officer, the Executive Chairman of the Board, the Chief Financial Officer and other executive officers of the Company (collectively, the “**Executives**”) and make recommendations to the Board with respect to the compensation of the non-Executive officers of the Company and the independent directors.

**II. COMMITTEE MEMBERSHIP**

The Compensation Committee shall consist of at least three members of the Board, absent a temporary vacancy, as determined from time to time by the Board. Each member shall meet the independence and experience requirements and standards established from time to time by the Securities and Exchange Commission (the “**SEC**”) and any securities exchange on which the Company’s securities are listed or quoted for trading, in each case as amended from time to time.

The Board shall elect the members of the Compensation Committee at the first Board meeting practicable and may make changes from time to time pursuant to the provisions below. The members of the Compensation Committee shall serve until their successors are appointed and qualify. Unless a Chairman of the Compensation Committee (the “**Chairman**”) is elected by the Board or by a majority of the members of the Compensation Committee, no Chairman of the Compensation Committee shall be designated. If appointed by the Board or the members of the Compensation Committee, the Chairman shall be a member of the Compensation Committee and, if present, shall preside at each meeting of the Compensation Committee. The Chairman shall perform such duties as may from time to time be assigned to the Chairman by the Compensation Committee or the Board.

A Compensation Committee member may resign by delivering his or her written resignation to the Chairman of the Board, or may be removed by majority vote of the Board by delivery to such member of written notice of removal, to take effect at a date specified therein, or upon delivery of such written notice to such member if no date is specified. The Board shall

have the power at any time to fill vacancies in the Compensation Committee, subject to such new member(s)' satisfying the above requirements.

### **III. MEETINGS AND COMMITTEE ACTION**

The Compensation Committee shall meet at such times as it deems necessary to fulfill its responsibilities, but not less frequently than annually. Meetings of the Compensation Committee shall be called by a majority of the members of the Compensation Committee upon such notice as is provided for in the Company's charter documents with respect to meetings of the Board. A majority of the Compensation Committee members shall constitute a quorum. Actions of the Compensation Committee may be taken in person at a meeting or in writing without a meeting. Actions taken at a meeting, to be valid, shall require the approval of a majority of the members of the Compensation Committee present and voting. Actions taken in writing, to be valid, shall be signed by all members of the Compensation Committee. The Compensation Committee shall report its minutes from each meeting to the Board.

A majority of the members of the Compensation Committee may establish such rules as may from time to time be necessary or appropriate for the conduct of the business of the Compensation Committee. At each meeting, a majority of the members of the Compensation Committee shall appoint as secretary a person who may, but need not, be a member of the Compensation Committee. A certificate of the secretary of the Compensation Committee or minutes of a meeting of the Compensation Committee executed by the secretary setting forth the names of the members of the Compensation Committee present at the meeting or actions taken by the Compensation Committee at the meeting shall be sufficient evidence at all times as to the members of the Compensation Committee who were present, or such actions taken.

The Compensation Committee shall have the authority to delegate any of its responsibilities to subcommittees as it may deem appropriate in its sole discretion. The CEO of the Company may not be present during voting or deliberations of the Compensation Committee with respect to his compensation.

### **IV. COMMITTEE AUTHORITY AND RESPONSIBILITIES**

The Compensation Committee shall have the following authority and responsibilities:

1. At least annually review the Company's corporate goals and objectives relevant to the Executives' compensation; evaluate the Executives' performance in light of such goals and objectives; and, either as a Compensation Committee or, together with the other independent directors (as directed by the Board), determine and approve the Executives' compensation level based on this evaluation. In determining the long-term incentive component of the Executives' compensation, the Compensation Committee will consider the Company's performance, the value of similar incentive awards to the Executives at comparable companies, the awards given to the Executives in past years and any relevant legal requirements and associated guidance of the applicable law.
2. Assess the rigor of the performance goals and objectives included in the Company's annual and long-term incentive programs for the Company's Executives.

3. Review and approve the creation or revision of any clawback policy allowing the Company to recoup compensation paid to Executives.
4. At least annually review and make recommendations to the Board with respect to non-Executive officer and independent director compensation to assist the Board in making the final determination as to non-Executive officer and independent director compensation.
5. Ensure that the Company's compensation program is effective in attracting and retaining key employees, reinforce business strategies and objectives for enhanced shareholder value, and administer the compensation program in a fair and equitable manner consistent with established policies and guidelines.
6. Administer the Company's incentive-compensation plans and equity-based plans, insofar as provided therein.
7. Make recommendations to the Board regarding approval, disapproval, modification, or termination of existing or proposed employee benefit plans.
8. Approve any stock option award or any other type of award as may be required for complying with any tax, securities, or other regulatory requirement, or otherwise determined to be appropriate or desirable by the Compensation Committee or Board.
9. Approve the policy for authorizing claims for expenses from the Executives.
10. Review and assess the adequacy of this charter on a regular basis.
11. Review and approve the compensation disclosure and analysis prepared by the Company's management, as required to be included in the Company's proxy statement or annual report on Form 20-F, or equivalent, filed with the SEC.
12. Approve and review employment agreements, severance arrangements, retirement arrangements, change in control agreements/provisions, and any special or supplemental benefits or perquisites for Executives.
13. Review the potential risk to the Company from its compensation programs and policies, including any incentive plans, and whether such programs and policies incentivize unnecessary and excessive risk taking.

The Compensation Committee shall have the authority to retain compensation consultants, outside counsel, and any other advisors as it may deem appropriate in its sole discretion. The Compensation Committee shall have sole authority to approve related fees and retention terms. The company must provide for appropriate funding, as determined by the Compensation Committee, for payment of reasonable compensation to compensation consultants, legal counsel or any other advisors retained by the Compensation Committee.

Prior to the retention of a compensation consultant or any other external advisor, and from time to time as the Committee deems appropriate, the Committee shall assess the independence of such advisor from management, taking into consideration all factors relevant to such advisor's independence, including factors specified in standards of any securities exchange on which the Company's securities are listed or quoted for trading. The Committee shall ensure that any disclosure required by the rules and regulations of the SEC or any securities exchange on which the Company's securities are listed or quoted for trading related to the foregoing is included in the Company's proxy statement.