

NEWTEK BUSINESS SERVICES CORP.

COMPENSATION, CORPORATE GOVERNANCE AND NOMINATING COMMITTEE CHARTER

I. Purpose

The purpose of the Compensation, Corporate Governance and Nominating Committee (the “*Committee*”) is to: (1) assist the full Board of Directors (the “*Board*”) in fulfilling its responsibilities to assure that Newtek Business Services Corp. (the “*Company*”) has compensation systems and practices which are market competitive; and (2) assure that the Company is governed in a manner consistent with the interests of the stockholders of the Company and in compliance with applicable laws, regulations, rules and orders. The intent is to: (1) provide incentives to achieve Company financial objectives and improve returns to shareholders while complying with appropriate regulatory requirements; and (2) assure that the Company is governed in a manner consistent with the interest of the stockholders of the Company and in compliance with applicable laws, regulations, rules and orders. The Committee will develop and implement annual salary and cash bonus plans as well as long term stock incentive plans. Salaries, bonuses and stock awards resulting from these plans will be submitted for approval by the Board.

II. Membership Requirements

The Committee shall be comprised of that number of Directors as the Board shall determine from time to time, such number not to be less than three (3). The members of the Committee shall meet the independence and experience requirements of the NASDAQ Stock Market as well as applicable regulations, rules and orders of the Securities and Exchange Commission (the “*SEC*”). The members of the Committee, including the Chair thereof, shall be appointed annually by the Board.

Any member of the Committee may resign from the Committee at any time upon notice of such resignation to the Company. The Board shall have the power at any time to remove a member of the Committee with or without cause, to fill all vacancies, and to designate alternate members, upon the recommendation of the Committee, to replace any absent or disqualified members, so long as the Committee shall at all times meet the requirements discussed above.

III. Meetings

The Committee shall meet as often as it determines to be appropriate, but not less frequently than once a year. Meetings may be called by the Chair of the Committee or the Chair of the Board. All meetings of and other actions by the Committee shall be held or otherwise taken pursuant to the Company’s Bylaws, including bylaw provisions governing notices of meetings, waivers thereof, the number of Committee members required to take actions at meetings or by written consent, and other related matters.

- A. Unless otherwise authorized by an amendment to this Charter or as provided in the Bylaws of the Company, the Committee shall not delegate any of its authority to any subcommittee.
- B. Reports of meetings of and/or actions taken by the Committee (whether at a meeting or by consent) from time to time shall be made by the Chair of the Committee (or by his or her delegate) to the full Board. In addition, the Chair of the Committee (or his or her delegate) shall be available from time to time to answer any questions that the other Directors may have regarding the matters considered and actions taken by the Committee.
- C. At least annually, the Committee shall evaluate its own performance and report to the Board on such evaluation.

IV. Responsibilities – Compensation

The following are the general responsibilities of the Committee in regards to its role providing incentives to achieve Company financial objectives and improving returns to shareholders while complying with appropriate regulatory requirements. The Committee, however, may diverge from these responsibilities and/or may assume such other responsibilities as the Board may delegate from time to time and/or as the Committee may deem necessary or appropriate in performing its functions in accordance with the Bylaws and other governance documents of the Company and in accordance with applicable law. The Committee shall:

A. Management and Director Compensation

1. Develop and approve the structure, costs and administrative practices of the Company's compensation, severance and benefit policies and plans. Ensure such plans, particularly management compensation plans, are tied to and support Company financial objectives and do not incentivize excessive or unnecessary risk taking.
2. Review and approve corporate goals and objectives relevant to Chief Executive Officer compensation, evaluate the Chief Executive Officer's performance in light of those goals and objectives, and, either as a committee or together with the other independent directors (as directed by the board), determine and approve the Chief Executive Officer's compensation level based on this evaluation. As required, communicate to shareholders the factors and criteria on which the Chief Executive Officer's compensation is based.
3. In determining the long-term incentive component of the Chief Executive Officer's compensation, the Committee will consider without limitation, the Company's performance and relative shareholder return, the value of similar incentive awards to Chief Executive Officers at comparable companies, and the awards given to the Company's Chief Executive Officer in prior years.

4. Annually evaluate, in conjunction with the Chief Executive Officer, the performance and compensation of other executive officers and develop the individual elements of total compensation for each such person, including whether such executive officers' compensation incentivizes excessive or unnecessary risk taking.
5. Establish and periodically evaluate the terms and administration of the Company's annual and long-term incentive plans to assure that they are structured and administered in a manner consistent with the Company's goals and objectives as to participation in such plans, target annual incentive awards, corporate financial goals, actual awards paid to the Company's executive officers, the value of similar incentive awards to executive officers at comparable companies, and total funds reserved for payment under the compensation plans.
6. Develop and periodically evaluate equity-related incentive plans. As appropriate, consider the adoption of new equity-related plans and determine when it is necessary or otherwise desirable to submit such plan modifications to the Board and/or a vote of the Company's shareholders for approval.
7. Periodically evaluate the Company's employee benefit programs and submit appropriate changes to a vote of the Board and/or a vote of the Company's shareholders.
8. Develop and periodically evaluate the compensation of directors for Board service including service on Board committees. Such evaluation shall take into account various factors including compensation of directors at other comparable companies. Make recommendations to the Board regarding adjustments in director compensation that the committee considers appropriate.

B. Evaluation and Succession Planning for the Chief Executive Officer and Other Key Executives.

1. Assist the Board in evaluating the performance of and other factors relating to the retention of the Chief Executive Officer as well as the evaluation of the performance of other executive officers. It is recognized that, subject to oversight by the Board and the Committee, the Chief Executive Officer will have primary responsibility for evaluating the performance of the other executive officers of the Company.
2. Develop and periodically review and revise as appropriate, a management succession plan and related procedures. Consider and recommend to the Board candidates as successor to the Chief Executive Officer of the Company and, with appropriate consideration of the Chief Executive Officer's

recommendations, candidates as successors for other executive officers should vacancies occur in those offices.

C. Compliance

1. Review and discuss the Compensation Discussion and Analysis (the “*CD&A*”) required by items 402 and 407(e)(5) of Regulations S-K with management. Based upon such review, the Committee shall determine whether to recommend to the Board that the CD&A be included in the Company’s annual report on Form 10-K or the Company’s proxy statement for the annual meeting of stockholders.
2. Develop a Compensation Committee Report for the Company’s annual report on Form 10-K or the Company’s proxy statement for the annual meeting of stockholders as required by Items 402 and 407(e)(5) of Regulation S-K.
3. Review and approve the executive compensation disclosure set forth in the Company’s annual report on Form 10-K or the Company’s proxy statement for the annual meeting of stockholders.

V. Responsibilities – Corporate Governance and Nominating

The following are the general responsibilities of the Committee in regards to its role assuring that the Company is governed in a manner consistent with the interests of the stockholders of the Company and in compliance with applicable laws, regulations, rules and orders. The Committee, however, may diverge from these responsibilities and/or may assume such other responsibilities as the Board may delegate from time to time and/or as the Committee may deem necessary or appropriate from time to time in performing its functions in accordance with the Bylaws and other governance documents of the Company and in accordance with applicable law. The Committee shall:

A. Board

1. Evaluate periodically the desirability of, and recommend to the Board, any changes in the size and composition of the Board.
2. Select and evaluate Directors in accordance with the general and specific criteria set forth below or determined as provided below:
3. *General Criteria.* Director selection should include at least enough independent directors to comply with the rules and regulations of the NASDAQ as well as applicable regulations, rules and order of the SEC (each such independent director, an “Independent Director” and collectively, the “*Independent Directors*”). Such Independent Directors should have appropriate skills, experiences and other characteristics. Subject to the right of the Committee and the Board to decide otherwise when deemed appropriate, the Chief Executive Officer of the Company generally should be

a Director and, depending upon the circumstances, certain other members of management, as well as certain individuals having relationships with the Company that prevent them from being Independent Directors, may also be appropriate members of the Board. Each Director should:

- i. Be an individual of the highest character and integrity and have an inquiring mind, vision, a willingness to ask hard questions and the ability to work well with others;
 - ii. Be free of any conflict of interest that would violate any applicable law or regulation or interfere with the proper performance of the responsibilities of a Director;
 - iii. Be willing and able to devote sufficient time to the affairs of the Company and be diligent in fulfilling the responsibilities of a member of the Board and a member of any committees thereof (including developing and maintaining sufficient knowledge of the Company and the specialty finance industry in general; reviewing and analyzing reports and other information important to responsibilities of the Board and any committee thereof; preparing for, attending and participating in meetings of the Board and meetings of any committee thereof; and satisfying appropriate orientation and continuing education guidelines); and
 - iv. Have the capacity and desire to represent the balanced, best interests of the stockholders of the Company as a whole and not primarily a special interest group or constituency.
4. *Specific Criteria.* In addition to the foregoing general criteria, the Committee may, at its discretion, develop, reevaluate and modify from time to time as appropriate other specific criteria suggesting or defining the skills, experiences (whether in business or in other areas such as public service, academia or scientific communities), particular areas of expertise, specific backgrounds, and other characteristics that should be represented on the Board to enhance the effectiveness of the Board and its committees.
- i. These specific criteria should take into account any particular needs of the Company based upon its business, size, ownership, growth objectives, community, customers and other characteristics and may be adjusted and refocused from time to time as these Company characteristics change and evolve.
 - ii. The Committee should consider periodically complementary skills or other attributes, which may not be represented on the Board that would be useful to the Board as it fulfills its duties.
5. Evaluate each new Director candidate and each incumbent Director before recommending that the Board nominate or re-nominate such individual for

election or reelection (or that the Board elect such individual on an interim basis) as a Director based upon the extent to which such individual satisfies the general criteria above and will contribute significantly to satisfying the overall mix of specific criteria identified above. Each annual decision to re-nominate an incumbent Director should be based upon a careful consideration of such individual's contributions, including the value of his or her experience as a Director of the Company, the availability of new Director candidates who may offer unique contributions, and the Company's changing needs.

6. Seek to identify potential Director candidates who will strengthen the Board and will contribute to the overall profile of general criteria and other specific criteria identified at such time. When necessary, this process should include procedures for soliciting and reviewing potential nominees from Directors and for advising those who suggest nominees of the outcome of such review.
7. Submit to the Board the candidates for Director to be recommended by the Board for election at each annual meeting of stockholders and to be added to the Board at any other times due to any expansion of the Board, Director resignations or retirements or otherwise.
8. Monitor performance of the Board and its individual members based upon the general criteria and other specific criteria applicable to the Board and each of its members. If any serious issues are identified with respect to a Director, the Committee may endeavor, but is not required, to resolve such issues with such Director, or, if the Committee deems it necessary or appropriate in its sole and exclusive discretion, it may seek such Director's resignation or recommend to the Board such person's removal.
9. As necessary, develop and periodically evaluate initial orientation guidelines and continuing education guidelines for each member of the Board and each member of each committee thereof regarding his or her responsibilities as a Director generally and as a member of any applicable committee of the Board, and monitor and evaluate annually (and at any additional time a new member joins the Board or any committee thereof) each Director's cooperation in fulfilling such guidelines. Such guidelines shall take into account all relevant factors, including the nature of each individual's responsibilities and related background and any particular complexities relating to the Company's business, financial statements or other characteristics. These guidelines may include higher requirements for Directors who are members of certain committees of the Board than for those who are not members of such committees and, in appropriate circumstances, may provide for higher or lower requirements for a particular Director based on his or her background and/or occupation.

B. Board Committees

1. Evaluate at least annually the performance, authority, operations and composition of each standing or ad hoc committee of the Board (including any authority of a committee to delegate to a subcommittee) and the performance of each committee member and recommend any changes considered appropriate in the authority, operations, number or membership of each committee.
2. Submit to the Board annually (and at any additional times that any committee members are to be selected) recommendations regarding candidates for membership on each committee of the Board. The Committee will coordinate closely with the full Board as to the selection of an Independent Director who qualifies to serve on the Audit Committee as a designated “audit committee financial expert.”

C. Corporate Governance

1. Monitor and make recommendations to the Board on matters of Company policies and practices relating to corporate governance.
2. Review and make recommendations to the Board regarding proposals of shareholders that relate to corporate governance.

VI. Other Matters

A. The Committee will also perform such other duties and responsibilities as may be assigned to the Committee, from time to time, by the Board of the Company and/or the Chairman of the Board, or as designated in Company documents.

B. The Committee will also review this Charter at least once annually and recommend any changes that it deems appropriate to the full Board.

V. Additional Resources and Authority

The Committee shall have the right to use reasonable amounts of time of the Company’s independent accountants, outside lawyers and other internal staff and may, in its sole discretion, hire experts, lawyers, compensation consultants and other advisors (each, a “*Consultant*”) to assist and advise the Committee in connection with its responsibilities. The Committee shall be directly responsible for the appointment, compensation (at the Company’s expense) and oversight of any work of such Consultants and shall keep the Company’s Board and Chief Executive Officer advised as to the general range of anticipated expenses in connection therewith. When selecting a Consultant, the Committee must first consider all factors relevant to that person’s independence from the Company, including the following:

A. The provision of other services to the Company by the Consultant or person that employs the Consultant;

B. The amount of fees received from the Company by the Consultant or person that employs the Consultant, as a percentage of the total revenue of the Consultant or person that employs the Consultant;

C. The policies and procedures of the Consultant or person that employs the Consultant that are designed to prevent conflicts of interest;

D. Any business or personal relationship of the Consultant with a member of the Committee;

E. Any stock of the Company owned by the Consultant; and

F. Any business or personal relationship of the Consultant or person that employs the Consultant with an executive officer of the Company.

Adopted: October 31, 2014.