

## LM FUNDING AMERICA, INC.

### NOMINATING AND CORPORATE GOVERNANCE COMMITTEE CHARTER

(Effective September 2015)

#### **Purpose**

The Nominating and Corporate Governance Committee (the “Committee”) of the Board of Directors (the “Board”) of LM Funding America, Inc. (the “Company”) shall assist the Board with the discharge of its responsibilities relating to: (a) the establishment of criteria for selection of potential directors, (b) the identification of qualified candidates to become directors, (c) the selection of nominees for election as directors at meetings of stockholders, (d) the selection of candidates to fill vacancies on the Board, (e) developing and recommending to the Board a code of conduct for the Company’s directors, officers and employees, (f) oversight of the evaluation of the Board, (g) the structure and composition of committees of the Board, (h) ensuring that the Company makes appropriate disclosures regarding the director nomination process, and (i) other corporate governance matters.

#### **Member Qualification and Appointment**

The Committee shall be composed of at least three (3) members of the Board. Except as otherwise permitted by the applicable rules of the NASDAQ Stock Market (including Rule 5615(c) for so long as it applies to the Company), each member of the Committee shall satisfy the independence requirements set forth in the rules of the NASDAQ Stock Market, and only those members of the Committee who are “independent directors” under the rules of the NASDAQ Stock Market may select, or recommend to the Board for selection, director nominees.

The members of the Committee shall be appointed annually by a majority vote of the Board and any vacancies on the Committee shall be filled by a majority vote of the Board. The Board may remove any member or all members of the Committee at any time, with or without cause.

Unless a chairperson of the Committee (the “Chair”) is appointed by the full Board, the members of the Committee may designate a Chair by a majority vote of the full Committee membership. The affirmative vote of a majority of the full Committee membership shall be the act of the Committee, unless applicable laws, rules or regulations, the Certificate of Incorporation of the Company or its Bylaws require the vote of a greater number of directors or the entire Board.

#### **Meetings and Administration**

The Committee shall meet as frequently as circumstances dictate, or if requested by any Committee member. The Committee may ask members of management, or others whose advice and counsel are relevant to the issues then being considered by the Committee, to attend any Committee meeting and to provide such pertinent information as the Committee may request. Subsequent to each Committee meeting, a report of the actions taken by the Committee shall be made to the Board.

#### **Authority, Duties and Responsibilities**

1. Selection of Director Nominees. Except where the Company is legally required by contract, bylaw or otherwise to provide third parties with the right to nominate directors, the Committee shall be responsible for recommending to the Board nominees for election as directors at meetings of stockholders and the persons to be appointed by the Board to fill any vacancies on the Board. In making

such recommendations, the Committee shall consider candidates proposed by stockholders. The Committee shall review and evaluate information available to it regarding candidates proposed by stockholders, shall apply the same criteria, and shall follow substantially the same process in considering such candidates, as it does in considering other candidates. The Committee shall consider the following criteria, among other criteria that the Committee shall deem appropriate, in recommending candidates for service on the Board:

- Personal and professional integrity;
- Experience in corporate management, such as service as an officer of a publicly-held company and a general understanding of marketing, finance and other elements relevant to the success of a publicly-held company;
- Experience in the Company's industry;
- Experience as a member of the board of directors of another publicly-held company;
- Academic expertise in the area of the Company's operations;
- Practical and mature business judgment, including the ability to make independent analytical inquiries; and
- The manner in which a candidate's appointment to the Board would impact the overall composition of the Board with regard to diversity of viewpoint, professional experience, education, skill, race, gender and national origin.

2. Evaluation of Directors. The Committee shall, on an annual basis, review the performance of each current director of the Company and shall consider the results of such evaluation when determining whether to recommend the nomination of such director to serve for an additional term.

3. Removal of Directors. The Committee shall, in its discretion, consider and make recommendations to the Board with regard to removal of a director for cause, in accordance with the applicable provisions of the Company's Certificate of Incorporation and Bylaws.

4. Search Firms. The Committee shall have the authority to retain and terminate any search firm to be used to identify director nominees, including the authority to approve such firm's fees and other retention terms. The Company shall provide funding, as determined by the Committee, for the payment of compensation to any such search firms.

5. Outside Board Service. The Committee shall be responsible for approving the service by any officer or employee of the Company on the board of directors, as a trustee or on any committee of any entity.

6. Selection of Committee Members. The Committee shall make recommendations to the Board with regard to the directors to be appointed to serve on each committee of the Board.

7. Policies and Procedures. The Committee shall consider, develop and recommend to the Board policies and procedures with regard to the nomination of directors or other corporate governance matters as may be required, or required to be disclosed, pursuant to any rule promulgated by the United States Securities and Exchange Commission or otherwise considered appropriate by the Committee.

8. Corporate Governance Documents. The Committee shall consider and make recommendations to the Board with regard to any proposed changes to the Company's Certificate of Incorporation, Bylaws, or other corporate governance guidelines, policies or procedures.

9. Evaluation of the Board. The Committee shall be responsible for overseeing an annual self-evaluation of the Board to determine whether it, and its committees, are functioning effectively. The Committee shall determine the nature of such evaluations, supervise the conduct of such evaluations and prepare assessments of the performance of the Board, to be discussed with the Board.

10. Oversight. The Committee shall be responsible for oversight of, and ensuring compliance with, the Company's corporate governance policies and its Code of Business Conduct and Ethics.

11. Investigations. The Committee shall have the authority to conduct or authorize investigations into any matters within the scope of its responsibilities as it shall deem appropriate, including the authority to request that any officer, employee, or advisor of the Company meet with the Committee or any advisors engaged by the Committee.

12. Reports to Board. The Committee shall report regularly to the Board, which report shall include a description of all significant actions taken or matters discussed by the Committee at its meetings. The Committee will keep written minutes of its meetings, which minutes shall be provided to the Board and maintained with the books and records of the Company.

13. Charter. The Committee shall, from time to time as it deems appropriate, review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.

14. Evaluation of Committee. The Committee shall evaluate its own performance on an annual basis, including compliance with this Charter, and provide any written material with respect to such evaluation to the Board along with any recommendations for changes in procedures or policies governing the Committee.

### **Advisors**

To the extent that it deems necessary or appropriate, in its sole discretion, the Committee may retain independent counsel, experts or advisors. Further, the Committee may utilize the services of the Company's regular legal counsel or other advisors. The Company shall provide appropriate funding, as determined by the Committee, for payment of compensation to any such persons retained by the Committee and for ordinary administrative expenses of the Committee.

### **Delegation of Duties**

The Committee shall be permitted to delegate any or all of its responsibilities to one or more subcommittees of the Committee to the extent consistent with this Charter, the Company's Certificate of Incorporation and Bylaws, applicable law, applicable regulations, and the rules of the NASDAQ Stock Market and such other markets in which the Company's securities trade.