
REGIONAL MANAGEMENT CORP.

COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS

CHARTER

I. PURPOSE

The Compensation Committee (the “Committee”) shall provide assistance to the Board of Directors (the “Board of Directors”) of Regional Management Corp. (the “Company”) by fulfilling the Committee’s responsibilities and duties relating to the review and determination of executive and non-employee director compensation.

II. STRUCTURE AND OPERATIONS

Composition and Qualifications

The Committee shall be comprised of three or more members of the Board of Directors, each of whom is determined by the Board of Directors to be “independent” under the rules of the New York Stock Exchange (the “NYSE”) and “independent” in accordance with the provisions of rule 10C-1(b)(1) under the Securities Exchange Act of 1934, as amended. Additionally, (i) each member of the Committee shall be a “non-employee director” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended and (ii) each member of the Committee (or each member of a designated sub-committee thereof consisting of two or more members) shall be an “outside director” within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended, and the regulations and guidance promulgated thereunder (the “Code”), if and to the extent required by applicable law, rule or regulation.

Each member of the Committee shall be free of any relationship or affiliation that, in the judgment of the Board of Directors, would interfere with that member’s judgment as a member of the Committee. In affirmatively determining the independence of a member of the Committee, the Board shall consider all factors specifically relevant to whether the member has a relationship with the Company that is material to the member’s ability to be independent from management in connection with Committee duties, including, but not limited to: (i) the source of compensation of such member, including any consulting, advisory or other compensatory fee paid by the Company to such member; and (ii) whether such member is affiliated with the Company, a subsidiary of the Company or an affiliate of a subsidiary of the Company.

Appointment and Removal

The members of the Committee shall be appointed by the Board of Directors and shall serve until such member’s successor is duly elected and qualified or until such member’s earlier resignation, removal or death. The members of the Committee may be removed, with or without cause, by action of the Board of Directors.

Chairperson

Unless a chairperson of the Committee (“Chairperson”) is designated by action of the Board of Directors, the members of the Committee shall designate a Chairperson by majority vote of the full Committee membership. The Chairperson shall be entitled to cast a vote to resolve any ties, subject to applicable law and the Company’s organizational documents. The Chairperson will chair all regular sessions of the Committee and set the agendas for Committee meetings.

Delegation of Responsibilities and Authority

In fulfilling its responsibilities, the Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the Committee. The Committee may delegate to one or more officers of the Company the authority to make grants and awards of cash or options or other equity securities to any non-Section 16 officer of the Company under the Company’s incentive-compensation or other equity-based plans as the Committee deems appropriate and in accordance with the terms of such plan; provided that such delegation is in compliance with the plan and applicable state law.

III. MEETINGS

The Committee shall meet periodically as circumstances dictate. The chairperson of the Board or any member of the Committee may call meetings of the Committee. The Committee is governed by the same rules regarding meetings (including meetings in person or by telephone or other similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board of Directors.

As part of its review and establishment of the performance criteria and compensation of designated key executives, the Committee should meet separately with the CEO, the Company’s principal human resources executive, and any other corporate officers, as it deems appropriate. However, the Committee should meet regularly without such officers present, and shall deliberate and vote with respect to such officers’ compensation without such officers being present.

All non-management directors that are not members of the Committee may attend meetings of the Committee but may not vote. Additionally, the Committee may invite to its meetings any director, management of the Company and such other persons as it deems appropriate in order to carry out its responsibilities. The Committee may also exclude from its meetings any persons it deems appropriate in order to carry out its responsibilities.

IV. RESPONSIBILITIES AND DUTIES

The following functions are expected to be the common recurring activities of the Committee in carrying out its responsibilities outlined in Section I of this Charter. These functions should serve as a guide with the understanding that the Committee may carry out additional functions and adopt additional policies and procedures as may be appropriate in light

of changing business, legislative, regulatory, legal or other conditions. The Committee may also carry out any other responsibilities and duties delegated to it by the Board of Directors from time to time.

The Committee, in discharging its oversight role, is empowered to study or investigate any matter of interest or concern that the Committee deems appropriate and shall have the sole discretion to retain and terminate outside legal counsel or any other advisors for this purpose, including any compensation consultant assisting the Committee in the evaluation of non-employee director, CEO or executive officer compensation (a “Compensation Advisor”). The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any Compensation Advisor retained by the Committee. The Committee shall receive appropriate funding, as determined by the Committee, from the Company for the payment of reasonable compensation to any Compensation Advisor retained pursuant to the authority set forth herein. The Committee may select or receive advice from any Compensation Advisor only after taking into consideration such factors and criteria as are required by applicable SEC and NYSE rules.

It is expected that any Compensation Advisor retained by the Committee to assist it in connection with setting the amount or form of executive or non-employee director compensation will not provide any other services to the Company or its subsidiaries, unless such services are pre-approved by the Committee. The foregoing restriction shall not apply to any Compensation Advisor whose role is limited to (i) consulting on any broad-based plan that does not discriminate in scope, terms, or operation in favor of executive officers or directors of the Company and that is available generally to all salaried employees or (ii) providing information that either is not customized for the Company or that is customized based on parameters that are not developed by the Compensation Advisor, and about which the Compensation Advisor does not provide advice.

Setting Compensation for Executive Officers and Directors

1. Establish and review the overall compensation philosophy of the Company.
2. Review and approve corporate goals and objectives relevant to CEO and other executive officers’ compensation, including annual performance objectives, if any.
3. Evaluate, at least annually, the performance of the CEO in light of such goals and objectives and, either as a committee or together with the other independent directors (as directed by the Board of Directors), determine and approve the annual salary, bonus, equity-based incentives and other benefits, direct and indirect, of the CEO based on such evaluation. The CEO cannot be present during any deliberations by the Committee on his or her compensation.
4. Review and approve or, as directed by the Board of Directors, recommend to the Board of Directors for approval, the annual salary, bonus, equity and equity-based incentives and other benefits, direct and indirect, of the other executive officers, taking into consideration input from the CEO, as appropriate.

5. In connection with executive and non-employee director compensation programs:
 - (i) review and recommend to the full Board of Directors, or approve, new or modified executive compensation programs;
 - (ii) review on a periodic basis the operations of the Company's executive and non-employee director compensation programs to determine whether they are effective in achieving their intended purpose(s);
 - (iii) establish and periodically review policies for the administration of executive and non-employee director compensation programs; and
 - (iv) take steps to modify any executive compensation program that yields payments and benefits that are not reasonably related to executive and corporate performance.
6. Establish and periodically review policies in the area of senior management prerequisites.
7. Consider policies and procedures pertaining to expense accounts of senior executives.
8. Review and recommend to the full Board of Directors compensation of non-employee directors, as well as director's and officer's indemnification and insurance matters.
9. Review and make recommendations to the full Board of Directors, or approve, any employment relationships, contracts or other transactions with current or former executive officers of the Company, including consulting arrangements, employment contracts, severance or termination arrangements and loans to employees made or guaranteed by the Company and any related compensation.
10. Consider, on a periodic basis, whether risks arising from the Company's compensation policies and practices for all employees, including non-executive officers, are reasonably likely to have a material adverse effect on the Company.
11. Recommend to the Board of Directors that the Company's stockholders (1) approve, on a non-binding, advisory basis, the compensation of the Company's named executive officers as disclosed in the Company's proxy statement (a "say on pay vote") and (2) when such matter is put to the stockholders, vote, on a non-binding, advisory basis, for the frequency recommended by the Board of Directors for future say on pay votes.
12. Recommend to the Board of Directors, at least once every six years, whether to put the say on pay vote to the Company's stockholders every one, two or three years.

13. Review the results of the most recent say on pay vote and consider whether any adjustments to the Company's compensation policies and practices are necessary or appropriate in light of such say on pay vote.

Monitoring Incentive and Equity-Based Compensation Plans

14. Review and approve, or make recommendations to the Board of Directors with respect to, the Company's incentive-compensation plans and equity-based plans that are subject to the approval of the Board of Directors, and oversee the activities of the individuals responsible for administering those plans.
15. Review and approve all equity compensation plans of the Company that are not otherwise subject to the approval of the Company's stockholders.
16. Review and make recommendations to the full Board of Directors, or approve, all equity-based awards pursuant to the Company's equity-based plans.
17. Review the Company's regulatory compliance with respect to compensation matters, including ensuring that reasonable efforts are made to structure compensation programs to preserve tax deductibility where appropriate, and, as and when required, approving performance goals and certifying that performance goals have been attained for purposes of Code Section 162(m).
18. Review and monitor employee pension, profit sharing and benefit plans, including any tax-qualified programs under the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

Reports

19. Prepare the compensation committee report on executive officer compensation as required by the SEC to be included in the Company's annual proxy statement or annual report on Form 10-K filed with the SEC.
20. Oversee the preparation of a "Compensation Discussion and Analysis" (the "CD&A") for inclusion in the Company's annual proxy statement or annual report on Form 10-K, in accordance with the rules of the SEC. The Committee shall review and discuss the CD&A with management each year and, based on that review and discussion, determine whether or not to recommend to the Board of Directors that the CD&A be included in the Company's annual proxy statement or annual report on Form 10-K, as applicable.
21. Report regularly to the Board of Directors, including:
 - (i) following meetings of the Committee;
 - (ii) with respect to such other matters as are relevant to the Committee's discharge of its responsibilities; and

- (iii) with respect to such recommendations as the Committee may deem appropriate.

The report to the Board of Directors may take the form of an oral report by the Chairperson or any other member of the Committee designated by the Committee to make such report.

- 22. Maintain minutes or other records of meetings and activities of the Committee.

Outside Advisors

- 23. At least annually, review an assessment of any potential conflicts of interest raised by the work of any Compensation Advisor.
- 24. Prior to engaging, and at least annually thereafter, assess the independence (taking into consideration the factors specified in applicable SEC and NYSE rules) of any Compensation Advisor retained by the Committee.

V. ANNUAL PERFORMANCE EVALUATION

The Committee shall perform a review and evaluation, at least annually, of the performance of the Committee, including by reviewing the compliance of the Committee with this Charter. In addition, the Committee shall review and reassess periodically the adequacy of this Charter and recommend to the Board of Directors any improvements to this Charter that the Committee considers necessary or desirable. The Committee shall conduct such evaluations and reviews in such manner as it deems appropriate.