



FlexShopper, Inc.

Director Nomination Policy

The Board of Directors ("Board") of FlexShopper, Inc. ("Company") has adopted this Director Nomination Policy ("Nomination Policy") to be utilized by the Company's Corporate Governance and Nominating Committee ("Committee"). The purpose of this Nomination Policy is to describe the process by which the Committee will select candidates for possible inclusion in the Company's recommended slate of director nominees.

General Qualifications

When evaluating a person for nomination for election to the Board, the qualifications and skills considered by the Committee will include but are not limited to:

- Whether or not the person will qualify as a director who is "independent" under applicable laws and regulations, including applicable NASDAQ rules, and whether the person is qualified under applicable laws and regulations to serve as a director of the Company;
- Whether or not the person is willing to serve as a director, and willing to commit the time necessary for the performance of the duties of a director;
- The contribution that the person can make to the Board, with consideration being given to the person's business experience, education and such other factors as the Board may consider relevant; and
- The character and integrity of the person.

Additional Qualifications

In addition, the Committee shall also consider the following attributes when evaluating a person for nomination for election to the Board.

- Each candidate shall:
 - Be prepared to represent the best interests of all the Company's shareholders and not just one particular constituency or any entity with which the candidate may be affiliated;
 - Be an individual who has demonstrated integrity and ethics in his/her personal and professional life and has an established record of professional accomplishment in his/her chosen field;
 - Be prepared to participate fully in Board activities, including active membership on at least one Board committee and attendance at, and active participation in, meetings of the Board and the committee of which he/she is a member, and not have other personal or professional commitments that would, in the Committee's sole judgment, interfere with or limit his/her ability to do so;
 - Intend to serve as a director at least until the next annual meeting of shareholders or until a successor has been qualified and preferably would intend to make a long-term commitment to serve on the Board if re-nominated;
 - Acknowledge and comply with the Company's corporate governance and other policies and guidelines applicable to directors;
 - Contribute to the Board's overall diversity - diversity being broadly construed to mean a variety of

opinions, perspectives, personal and professional experiences and backgrounds, such as gender, race and ethnicity differences, as well as other differentiating characteristics;

- Contribute positively to the existing chemistry and collaborative culture among Board members; and
 - Possess professional and personal experience and expertise relevant to the Company's goals (public company board experience is also valuable for a candidate and will be taken into consideration).
- No candidate shall:
 - Have any material personal, financial or professional interest in any present or potential competitor of the Company (including any family member (as defined in Nasdaq rules), or affiliate or associate (each as defined in Rule 405 under the Securities Act of 1933, as amended) of a candidate);
 - Have made any commitments or assurance to any person as to how the candidate would vote or act on any issue or question that has not been disclosed to the Company (with the understanding that the existence of any such commitment or assurance to a third party is likely to be deemed disqualifying by the Committee) or any such commitments or assurances that could limit or interfere with the candidate's ability to comply with his or her fiduciary duties; or
 - Be a party to any compensation or incentive arrangements with any person or entity other than the Company with respect to service or action as a director that has not been disclosed to the Company (with the understanding that the existence of any such arrangement is likely to be deemed disqualifying by the Committee considering the conflicts that may result).

Board Size

The Company's bylaws provide that the number of directors shall be determined by resolution of the Board. The size of the Board may change from time to time, but the Board should not become so large that it ceases to function effectively and cohesively.

According to the Company's bylaws, any newly created directorship or vacancy occurring in the Board for any cause may be filled only by a majority of the remaining members of the Board, although such majority is less than a quorum, and each director so elected shall hold office until the expiration of the term of office of the director whom he/she has replaced or until his/her successor is elected and qualified.

The criteria above, and evaluation processes below, apply to all vacancies, including those to be filled by interim appointments by the Board.

Evaluation of Candidates

The Committee will consider all candidates identified through the processes described above, and will evaluate each of them, including incumbents, based on the same criteria.

If, based on the Committee's initial evaluation, a candidate continues to be of interest to the Committee, the Chair of the Committee will interview the candidate and communicate the Chair's evaluation to the other Committee members, the Chairman of the Board, the CEO and the President, as applicable. If the Committee Chair's initial evaluation is favorable, the candidate will be interviewed by one or more of the other Committee members, other Board members, the Chairman of the Board, the CEO, the President, the CFO, the executive vice president and the executive vice president, general counsel and/or secretary, as applicable. If the results of these interviews are favorable, the Chair of the Committee will arrange to have appropriate reference and background checks conducted and the Chair will report the findings from such checks to the other Committee members, the Chairman of the Board, the CEO, the President, the CFO, and the executive vice president, general counsel and secretary, as applicable. The Committee will then meet to consider and finalize its list of recommended candidates for the Board's consideration. Except as may be required by applicable law, rule or regulation, the Committee will have no obligation to discuss the outcome of the evaluation process or the reasons for the Committee's recommendations, with any shareholder who made a proposal.

Sources of Inquiry

The Committee may use multiple sources for identifying director candidates, including its own contacts and referrals from other directors, members of management, the Company's advisors, and executive search firms. The Committee will consider director candidates recommended by stockholders and will evaluate such director candidates in the same way it evaluates candidates recommended by other sources.

In making recommendations for director nominees for the annual meeting of stockholders, the Committee will consider any written recommendations of director candidates by stockholders received by the Secretary of the Company no later than the close of business on the ninetieth (90th) day, nor earlier than the close of business on the one hundred twentieth (120th) day, prior to the first anniversary of the preceding year's annual meeting. Recommendations must include the information required by Section 1.13(A)(2) of the Company's bylaws and be mailed to the following address:

FlexShopper, Inc.
Attention: Secretary
901 Yamato Road, Suite 260
Boca Raton, Florida 33431

This Nomination Policy is intended to provide a flexible set of guidelines for the effective functioning of the Company's nomination process. The Board of Directors and the Committee anticipate that modifications may be necessary or appropriate from time to time as the Company's needs and circumstances evolve, and as applicable legal or listing standards change.

Adopted: December 6, 2018
Updated: November 5, 2019