Regional Management Corp.
Form DEFR14A
March 31, 2016
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934 (Amendment No. 1)

Filed by the Registrant þ　　　　Filed by a Party other than the Registrant ¨

Check the appropriate box:

¨ Preliminary Proxy Statement

¨ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

þ Definitive Proxy Statement

¨ Definitive Additional Materials

¨ Soliciting Material Pursuant to §240.14a-12

Regional Management Corp.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

þ No fee required.

¨ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

¨ Fee paid previously with preliminary materials:

¨ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount previously paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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EXPLANATORY NOTE

This revised proxy statement is being filed to include certain information in the Security Ownership of Certain Beneficial Owners and Management table that was previously omitted. No other changes have been made to the proxy statement.

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March 30, 2016

Dear Stockholders:

You are cordially invited to attend the 2016 Annual Meeting of Stockholders (the Annual Meeting) of Regional Management Corp. (Regional or the Company), which will be held on Wednesday, April 27, 2016, at 11:00 a.m. local time, at The Westin Poinsett, 120 South Main Street, Greenville, SC 29601.

During the Annual Meeting, we will discuss each item of business described in the Notice of Annual Meeting of Stockholders and Proxy Statement, which we will begin mailing to stockholders on or about March 31, 2016. At the Annual Meeting, stockholders will be asked to:

(i) Elect seven nominees for director to serve until the next annual meeting of stockholders or until their successors are elected and qualified; and

(ii) Ratify the appointment of RSM US LLP as the Company s independent registered public accounting firm for the fiscal year ending December 31, 2016.

The Company s Board of Directors unanimously recommends that you vote FOR the election of the director nominees and FOR the appointment of RSM US LLP as the Company s independent registered public accounting firm.

Your vote is important to us. If you do not intend to be present at the Annual Meeting, we ask that you vote your shares by signing, dating, and returning the accompanying proxy card promptly so that your shares of common stock may be represented and voted at the Annual Meeting. Additional instructions regarding the different voting options that we provide are contained on the accompanying proxy card and on page 5 of the accompanying proxy statement. It is important that your shares of common stock be represented at the Annual Meeting so that a quorum may be established. Even if you plan to attend the Annual Meeting in person, please read the proxy materials carefully and then vote your shares by signing, dating, and returning the accompanying proxy card. If you attend the Annual Meeting, you may revoke your proxy and vote your shares in person.

We make available free of charge at our Investor Relations website, *www.regionalmanagement.com*, a variety of information for investors. Our goal is to maintain the Investor Relations website as a portal through which investors can easily find or navigate to pertinent information about us.

On behalf of the Board of Directors of the Company, thank you for your continued support and ownership of Regional Management Corp. common stock.

Sincerely,

Michael R. Dunn

Chief Executive Officer, Director

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REGIONAL MANAGEMENT CORP.

509 West Butler Road

Greenville, South Carolina 29607

(864) 422-8011

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held on April 27, 2016

To the Stockholders of Regional Management Corp.:

We hereby give notice that the Annual Meeting of Stockholders (the Annual Meeting) of Regional Management Corp. (Regional or the Company) will be held on Wednesday, April 27, 2016, at 11:00 a.m. local time, at The Westin Poinsett, 120 South Main Street, Greenville, SC 29601, for the following purposes:

(1) To elect the seven nominees named in the accompanying Proxy Statement to serve as members of our Board of Directors until the next annual meeting of stockholders or until their successors are elected and qualified;

(2) To ratify the appointment of RSM US LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2016; and

(3) To transact such other business as may properly come before the Annual Meeting or any adjournments thereof.

Only stockholders whose names appear of record on our books at the close of business on March 4, 2016, will be entitled to notice of and to vote at the Annual Meeting or at any adjournments thereof.

You are cordially invited to attend the Annual Meeting. Your vote is important. Whether or not you plan to attend the Annual Meeting in person, you are urged to cast your vote promptly. If you attend the Annual Meeting, you may revoke your proxy and vote your shares in person. For specific instructions regarding how to vote, please see the accompanying proxy materials.

By Order of the Board of Directors

Brian J. Fisher

Vice President, General Counsel, and Secretary

Greenville, South Carolina

March 30, 2016

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE STOCKHOLDER MEETING TO BE HELD ON APRIL 27, 2016: THE PROXY STATEMENT AND THE COMPANY S ANNUAL REPORT ON FORM 10-K ARE AVAILABLE AT *https://materials.proxyvote.com/75902K*.

WHETHER OR NOT YOU EXPECT TO ATTEND THE ANNUAL MEETING, PLEASE COMPLETE, DATE, AND SIGN THE ENCLOSED PROXY CARD, AND MAIL IT PROMPTLY IN THE ENCLOSED ENVELOPE IN ORDER TO ASSURE REPRESENTATION OF YOUR SHARES. NO POSTAGE NEED BE AFFIXED IF THE PROXY CARD IS MAILED IN THE UNITED STATES.

IN ACCORDANCE WITH OUR SECURITY PROCEDURES, ALL PERSONS ATTENDING THE ANNUAL MEETING WILL BE REQUIRED TO PRESENT PICTURE IDENTIFICATION.

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REGIONAL MANAGEMENT CORP.

PROXY STATEMENT ON SCHEDULE 14A

2016 Annual Meeting of Stockholders

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REGIONAL MANAGEMENT CORP.

509 West Butler Road

Greenville, South Carolina 29607

(864) 422-8011

PROXY STATEMENT

For the Annual Meeting of Stockholders to Be Held on April 27, 2016

Important Notice Regarding the Availability of Proxy Materials

for the Stockholder Meeting to Be Held on April 27, 2016:

The Notice of Annual Meeting of Stockholders, Proxy Statement, and Annual Report on Form 10-K are available at *https://materials.proxyvote.com/75902K* and on the Investor Relations website of Regional Management Corp. at *www.regionalmanagement.com*.

March 30, 2016

2016 PROXY STATEMENT SUMMARY

This summary highlights information contained elsewhere in this Proxy Statement. This summary does not contain all of the information that you should consider. You should read the entire Proxy Statement carefully before voting.

Annual Meeting of Stockholders

Date:	Wednesday, April 27, 2016
Time:	11:00 a.m. local time
Place:	The Westin Poinsett, 120 South Main Street, Greenville, SC 29601
Record Date:	March 4, 2016
Voting:	Stockholders as of the record date are entitled to vote. Each share of common stock is entitled to one vote for each director nominee and one vote for the auditor ratification proposal. Stockholders may vote in person or by proxy. Instructions as to how you may cast your vote by proxy are found on the accompanying proxy card and are set forth in the Proxy Statement under General Information How do I vote? .
Proxy Materials:	The Proxy Statement and the accompanying proxy card are first being sent on or about March 31, 2016, to the stockholders of Regional Management Corp.

Meeting Agenda

Proposal	Board Vote Recommendation	Page Reference (for more detail)
Election of seven directors	FOR ALL	6
Ratification of RSM US LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2016	FOR	9
Transact other business as may properly come before the meeting		

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Election of Director Nominees

The following table provides summary information about each director nominee. The nominees receiving a plurality of the votes cast at the meeting will be elected as directors.

Name	Age	Director Since	Experience/Qualification	Independent	Committees AC	CC	CGN
Alvaro G. de Molina	58	2012	Leadership, Corporate Finance, Accounting Expertise, Credit Risk	X	X		X
Roel C. Campos	67	2012	Leadership, Corporate Governance, Securities Compliance, Regulatory	X	X		C
Michael R. Dunn	64	2014	Leadership, Industry, Corporate Finance, Accounting Expertise, Credit Risk				
Steven J. Freiberg	59	2014	Leadership, Industry, Corporate Finance, Accounting Expertise, Credit Risk	X	X	C	
Richard A. Godley	67	1987	Leadership, Industry				
Peter R. Knitzer	57	2015	Leadership, Industry, Corporate Finance, Marketing Expertise, Credit Risk	X		X	X
Carlos Palomares	71	2012	Leadership, Industry, Corporate Finance, Accounting Expertise, Credit Risk	X	C	X	

AC = Audit Committee   CC = Compensation Committee   CGN = Corporate Governance and Nominating Committee   C = Committee Chairman

Ratification of Independent Registered Public Accounting Firm

As a matter of good corporate governance, we are asking our stockholders to ratify the selection of RSM US LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2016.

2015 Compensation-Related Highlights

ü **Continued to align executive pay with company performance**:

- o **2015 incentives are largely performance-contingent**, with long-term incentive awards roughly two-thirds performance-contingent and short-term incentive awards entirely performance-contingent.
- o **Performance goals are rigorous** and are based on objective, quantitative criteria.

ü **Maintained competitive compensation and incentive program target opportunities** for executives to continue to align their overall compensation with the market for executive talent.

ü **Set our short-term incentive payout opportunities** to provide higher upside if performance goals are achieved, while maintaining low downside if goals are not achieved.

ü

Granted long-term incentives to named executive officers and other key contributors, which include a significant portion that is contingent upon the achievement of rigorous and clearly-defined performance measures.

ü **Deployed a key employee retention program** designed to incentivize and retain key members of senior management.

Compensation Program Best Practices Summary

ü Compensation program designed to closely align pay with performance

ü Significant share ownership guidelines for executives (5x base salary for CEO, 2x for other executive officers)

ü Significant share ownership guidelines for directors (3x annual cash retainer)

ü Significant portion of compensation is variable and/or performance-based

ü No excessive perquisites

ü Formalized clawback policy

ü Double-trigger change-in-control provisions

ü Prohibition against hedging and pledging

ü No re-pricing of equity incentive awards

ü Independent Compensation Committee

ü Independent compensation consultant

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Fiscal 2015 Compensation Summary

The following table sets forth the cash and other compensation that we paid to our executive officers or that was otherwise earned by our executive officers for their services in all employment capacities during 2015. See the Summary Compensation Table of the Proxy Statement for additional information.

Name and Principal Position	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	All Other Compensation ($)	Total ($)
Michael R. Dunn, Chief Executive Officer	500,000		1,999,985	572,951	448,669	44,165	3,565,770
Jody L. Anderson, President and Chief Operating Officer	325,000		199,995	63,473	291,635	76,017	956,120
Donald E. Thomas, Executive Vice President and Chief Financial Officer	321,391		160,687	397,810	288,396	24,400	1,192,684
Daniel J. Taggart, Senior Vice President and Chief Risk Officer	296,712		99,990	99,993	266,251		762,946
Brian J. Fisher, Vice President, General Counsel, and Secretary	220,000	6,250	91,657	175,563	118,449	9,999	621,918

2017 Annual Meeting of Stockholders

- Stockholder proposals submitted pursuant to SEC Rule 14a-8 must be received by us no later than December 1, 2016.

- Notice of stockholder proposals outside of SEC Rule 14a-8 must be delivered to us not earlier than December 28, 2016 and not later than January 27, 2017.

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GENERAL INFORMATION

This proxy statement (the Proxy Statement) and the accompanying proxy card are first being sent on or about March 31, 2016, to the stockholders of Regional Management Corp., a Delaware corporation (Regional, the Company, we, us, and our), in connection with the solicitation of proxies by our Board of Directors (the Board) for use at the Annual Meeting of Stockholders (the Annual Meeting) to be held on April 27, 2016, at The Westin Poinsett, 120 South Main Street, Greenville, SC 29601, at 11:00 a.m. local time and any postponement or adjournment thereof. Our Annual Report on Form 10-K, containing financial statements for the fiscal year ended December 31, 2015, is being mailed together with this Proxy Statement to all stockholders entitled to vote at the Annual Meeting.

Why did I receive a proxy card?

As a stockholder of record on March 4, 2016, you are entitled to vote at our Annual Meeting. The accompanying proxy card is for use at the Annual Meeting if a stockholder either will be unable to attend in person or will attend but wishes to vote by proxy in advance of the Annual Meeting. Instructions as to how you may cast your vote by proxy are found on the proxy card.

The proxy card is solicited by mail by and on behalf of the Company s Board, and the cost of soliciting proxies will be borne by the Company. In addition to use of the mails, proxies may be solicited in person, by telephone, or via the Internet by the Company s directors and officers who will not receive additional compensation for such services. The Company will request banks, brokerage houses, and other institutions, nominees, and fiduciaries to forward the soliciting material to beneficial owners and to obtain authorization for the execution of proxies. The Company will, upon request, reimburse these parties for their reasonable expenses in forwarding proxy materials to our beneficial owners.

What is the purpose of the Annual Meeting?

The purposes of the Annual Meeting are:

(i) to elect the seven nominees named in the Proxy Statement to serve as members of the Board until the next annual meeting of stockholders or until their successors are elected and qualified;

(ii) to ratify the appointment of RSM US LLP as the Company s independent registered public accounting firm for the fiscal year ending December 31, 2016; and

(iii) to transact such other business as may properly come before the Annual Meeting or any adjournments thereof.

Who is entitled to vote?

Only stockholders of record at the close of business on March 4, 2016 (the Record Date), will be entitled to receive notice of and to vote at the Annual Meeting. As of the Record Date, 12,666,492 shares of common stock, $0.10 par value per share, of the Company were issued and outstanding. The holders of common stock are entitled to one vote per share on any proposal presented at the Annual Meeting.

Brokers that are members of certain securities exchanges and that hold shares of the Company s common stock in street name on behalf of beneficial owners have authority to vote on certain items when they have not received instructions from beneficial owners. Under the NYSE rules and regulations governing such brokers, the proposal to ratify the appointment of RSM US LLP as the Company s independent registered public accounting firm is considered a discretionary item. This means that brokers may vote in their discretion on this proposal on behalf of beneficial owners who have not furnished voting instructions. In contrast, certain items are considered non-discretionary, and a broker non-vote occurs when a broker or other nominee holding shares for a beneficial owner votes on one proposal but does not vote on another proposal because, with respect to such other proposal, the nominee does not have discretionary voting power and has not received instructions from the beneficial owner. The proposal regarding the election of directors is considered non-discretionary, and therefore, for such proposal, brokers cannot vote your shares when they do not receive voting instructions from you.

What constitutes a quorum?

As of the Record Date, there were 12,666,492 shares of common stock, $0.10 par value per share, of the Company issued and outstanding, with each share entitled to one vote. The representation in person or by proxy of at least a majority of the outstanding shares of common stock entitled to vote at the Annual Meeting is necessary to constitute a quorum for the transaction of business. Votes withheld from any nominee, abstentions, and broker non-votes are counted as present or represented for purposes of determining the presence or absence of a quorum for the Annual Meeting.

How do I vote?

Stockholders may vote in person or by proxy. Instructions as to how you may cast your vote by proxy are set forth below and are found on the accompanying proxy card.

- ü **Vote in Person:** If you attend the Annual Meeting, you may vote in person even if you have previously returned your proxy card.

- ü **Vote by Internet (www.proxyvote.com):** Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 P.M. Eastern Time the day before the meeting date. Have your proxy card in hand when you access the website, and follow the instructions to obtain your records and to create an electronic voting instruction form.

- ü **Vote by Mail:** Mark, sign, and date your proxy card and promptly return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

Will other matters be voted on at the Annual Meeting?

Aside from the election of directors and the ratification of the appointment of the independent registered public accounting firm, the Board knows of no other matters to be presented at the Annual Meeting. If any other matter should be presented at the Annual Meeting upon which a vote properly may be taken, shares represented by all proxies received by the Board will be voted with respect thereto in accordance with the best judgment of the persons named as proxy holders and attorneys-in-fact in the proxies.

May I revoke my proxy instructions?

Any proxy given pursuant to this solicitation may be revoked by the person giving it at any time before it is voted. Proxies may be revoked by (i) filing with the Corporate Secretary of the Company, before the taking of the vote at the Annual Meeting, a written notice of revocation bearing a later date than the proxy; (ii) duly completing a later-dated proxy card relating to the same shares and delivering it to the Corporate Secretary of the Company before the taking of the vote at the Annual Meeting; or (iii) attending the Annual Meeting and voting in person (although attendance at the Annual Meeting will not in and of itself constitute a revocation of a proxy). Any written notice of revocation or subsequent proxy should be sent so as to be delivered to Regional Management Corp., 509 West Butler Road, Greenville, SC 29607, Attention: Corporate Secretary, before the taking of the vote at the Annual Meeting.

How many votes are required to approve each proposal?

With respect to the election of the seven nominees named in the Proxy Statement to serve as members of the Board until the next annual meeting of stockholders or until their successors are elected and qualified, the seven nominees receiving the highest number of affirmative votes of the shares present or represented and entitled to vote at the Annual Meeting shall be elected as directors. With respect to the ratification of the appointment of RSM US LLP as the Company s independent registered public accounting firm for the fiscal year ending December 31, 2016, an affirmative vote of a majority of the shares present, in person or represented by proxy, and voting on such matter is required for approval. Abstentions are included in the number of shares present or represented and voting on each matter. Broker non-votes are not considered voted for the particular matter and have the effect of reducing the number of affirmative votes required to achieve a majority for such matter by reducing the total number of shares from which the majority is calculated.

The persons named as proxy holders and attorneys-in-fact in the proxy card, Michael R. Dunn and Brian J. Fisher, were selected by the Board and are officers of the Company. All properly executed proxies returned in time to be counted at the Annual Meeting will be voted by such persons at the Annual Meeting. Where a choice has been specified on the proxy with respect to the foregoing matters, the shares represented by the proxy will be voted in accordance with the specifications. If no such specifications are indicated, such proxies will be voted FOR the election of the director nominees and FOR the ratification of the appointment of our independent registered public accounting firm.

How can I correspond directly with Regional Management Corp.?

The address of our principal executive office is 509 West Butler Road, Greenville, South Carolina 29607, and our telephone number is (864) 422-8011.

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PROPOSAL ONE

ELECTION OF DIRECTORS

Our Amended and Restated Bylaws (the Bylaws) currently provide that the number of directors of the Company shall be fixed from time to time by resolution adopted by the Board. There are presently seven directors.

The Corporate Governance and Nominating Committee (the Nominating Committee) of our Board evaluates the size and composition of the Board on at least an annual basis. In connection therewith, the Nominating Committee has nominated and recommends for election as directors the seven nominees set forth below. Each nominee presently serves as a director. Directors shall be elected to serve until the next annual meeting of stockholders or until their successors are elected and qualified or until their earlier resignation, removal, or death.

A candidate for election as a director is nominated to stand for election based on his or her professional experience, recognized achievements in his or her respective fields, an ability to contribute to some aspect of our business, and the willingness to make the commitment of time and effort required of a director. Each of the below-listed nominees has been identified as possessing an appropriate diversity of background and experience, good judgment, deep knowledge of our industry, strength of character, and an independent mind, as well as a reputation for integrity and high personal and professional ethics. Each nominee also brings a strong and unique background and set of skills to the Board, giving the Board, as a whole, competence and experience in a wide variety of areas.

In selecting this slate of nominees for 2016, the Nominating Committee specifically considered the background, business experience, and certain other information with respect to each of the nominees as set forth below, along with the familiarity of the nominees with our business and prospects, which has been developed as a result of their service on our Board. The Nominating Committee believes that such familiarity will be helpful in addressing the opportunities and challenges that we face in the current business environment.

Each of the seven nominees has consented to being named in this Proxy Statement and to serve as a director, if elected. In the event that any nominee withdraws, or for any reason is unable to serve as a director, the proxies will be voted for such other person as may be designated by the Nominating Committee as a substitute nominee, but in no event will proxies be voted for more than seven nominees. The Nominating Committee has no reason to believe that any nominee will not continue to be a candidate or will not serve if elected.

The following is a brief description of the background, business experience, skills, qualifications, attributes, and certain other information with respect to each of the nominees for election to the Board:

Alvaro G. de Molina	Mr. de Molina (age 58) has been a director of Regional since March 2012. Until 2009, Mr. de Molina was the Chief Executive Officer of GMAC LLC, which he originally joined as Chief Operating Officer in 2007. Since departing GMAC LLC, Mr. de Molina has been a private investor. He joined Cerberus Capital Management for a period during 2007 where he worked with the operations group, following a 17-year career at Bank of America, where he most recently served as its Chief Financial Officer from 2005 until 2007. During his tenure at Bank of America, Mr. de Molina also served as Chief Executive Officer of Banc of America Securities, President of Global Capital Markets and Investment Banking, head of Market Risk Management, and Corporate Treasurer. Previously, he also served in key roles at JPMorgan Chase Bank, N.A., Becton, Dickinson and Company, and PriceWaterhouse LLP (now PricewaterhouseCoopers LLP). In September 2012, Mr. de Molina was appointed to the board of directors of Walter Investment Management Corp., a publicly-held entity which is an asset manager, mortgage servicer, and mortgage portfolio owner specializing in less-than-prime, non-conforming, and other credit-challenged mortgage assets. He holds a B.S. degree in Accounting from Fairleigh Dickinson University and an M.B.A. degree from Rutgers Business School and is a graduate of the Duke University Advanced Management Program.

Mr. de Molina brings to the Board his extensive financial background and accounting expertise, and his significant experience with public and private financial services companies.

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Roel C. Campos

Mr. Campos (age 67) has served as a director of Regional since March 2012. He has been a partner with the law firm of Hughes Hubbard & Reed LLP since February 2016, where he practices in the areas of securities regulation, corporate governance, and securities enforcement and serves as Chair of the firm s Securities Enforcement Practice. Prior to joining Hughes Hubbard & Reed LLP, Mr. Campos was a partner with Locke Lord LLP (April 2011 to February 2016) and Cooley LLP (September 2007 to April 2011). Prior to that, he received a presidential appointment and served as a Commissioner of the Securities and Exchange Commission (SEC) from 2002 to 2007. Prior to serving with the SEC, Mr. Campos was a founding partner of a Houston-based radio broadcaster. Earlier in his career, he practiced corporate law and served as a federal prosecutor in Los Angeles, California. In January 2013, Mr. Campos was appointed to the board of directors of WellCare Health Plans, Inc., a publicly-held entity which provides managed care services targeted to government-sponsored health care programs. Mr. Campos also is a trustee for Managed Portfolio Series, an open-end mutual fund registered with the SEC under the Investment Company Act. He is also a director of Paulson International Ltd., a privately-held, Cayman-based hedge fund; a director of a private registered broker-dealer, Liquidnet Holdings, Inc.; and a member of the Advisory Board of Balyasny Asset Management L.P., a registered investment advisory fund. Mr. Campos also serves on the Advisory Board for the Public Company Accounting Oversight Board and serves on various non-profit boards. From 2008 to 2013, Mr. Campos served by selection of President Barack Obama on the President s citizen Presidential Intelligence Advisory Board. Mr. Campos earned a B.S. degree from the United States Air Force Academy, an M.B.A. degree from the University of California, Los Angeles, and a J.D. degree from Harvard Law School.

Mr. Campos brings to the Board his extensive financial background and experience in working with financial services companies, his experience with the SEC, his expertise in corporate governance and securities regulation, and his significant experience with public companies across a variety of industries.

Michael R. Dunn

Mr. Dunn (age 64) was appointed Chief Executive Officer of Regional in October 2014 and has been a director of Regional since July 2014. Prior to joining Regional, Mr. Dunn was a partner at the private equity firm of Brysam Global Partners, a specialized firm focusing on investment in international banking and consumer lending companies, from 2007 through 2013. Mr. Dunn served as a board or alternate board member for all of Brysam s portfolio companies. Prior to that, Mr. Dunn was with Citigroup for over 30 years, where he was the Chief Financial Officer of the Global Consumer Group from 1996 through 2007, adding the title of Chief Operating Officer of the Group in 2005. He was also a member of the Citigroup Management and Operating Committees. Mr. Dunn previously served on the boards of Banamex, a wholly-owned Mexican bank subsidiary of Citigroup, and on the U.S.-based Student Loan Corporation, of which Citigroup owned a majority interest. He holds a Bachelor of Science degree from New York University and attended the University of Michigan Executive Program. He is a Certified Public Accountant in New York State.

Mr. Dunn brings to the Board his extensive financial background and his significant experience in leadership roles with public and private financial services companies.

Steven J. Freiberg

Mr. Freiberg (age 59) has been a director of Regional since July 2014, and has been a Senior Advisor to The Boston Consulting Group since December 2012. Previously, Mr. Freiberg served as a director and the Chief Executive Officer of E*TRADE Financial Corporation from April 2010 until August 2012. Prior to joining E*TRADE, Mr. Freiberg spent 30 years at Citigroup and its predecessor companies and affiliates. Among his notable roles at Citigroup, Mr. Freiberg served as Co-Chairman/Chief Executive Officer of Citigroup s Global Consumer Group, Chairman and Chief Executive Officer of Citi Cards Citigroup s leading global credit card business and Chairman and Chief Executive Officer of Citigroup s North American Investment Products Division. Additionally, he was a member of Citigroup s Executive, Management, and Operating

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Committees, and he served on the board of directors of several of Citigroup s affiliates, including Citibank N.A., Citicorp Credit Services Inc., Citicorp Investment Services, Citicorp Insurance Group, Citibank Trust N.A., Citibank FSB, and the Citigroup Foundation. Mr. Freiberg has served on the board of directors of MasterCard Incorporated, a publicly-traded multinational financial services corporation, since September 2006 and currently chairs its audit committee. He also served on the former U.S. region board of MasterCard from January 2001 until May 2006 and served as Chairman of MasterCard s United States region board from 2004 until May 2006.

Mr. Freiberg brings to the Board his extensive financial background and his significant experience in leadership roles with public financial services companies.

Richard A. Godley

Mr. Godley (age 67) has been a director of Regional since its inception in 1987 and is its founder. He previously served as President and Chief Executive Officer of Regional from 1987 until January 2006 and served as Chairman of the Board from January 2006 until March 2007. Prior to founding Regional, Mr. Godley served as Senior Vice President of World Acceptance Corporation. Mr. Godley is a veteran of the U.S. Army and served in Vietnam from 1968 to 1969.

Mr. Godley brings to the Board his long standing experience with the Company as its founder.

Peter R. Knitzer

Mr. Knitzer (age 57) has been a director of Regional since July 2015 and has been an advisor to financial services companies since 2013. Previously, Mr. Knitzer served as Executive Vice President and head of the Payments group at CIBC and President and Director at E*TRADE Bank. Prior to joining E*TRADE, Mr. Knitzer spent 14 years at Citigroup in various senior roles, including Chairman & Chief Executive Officer of Citibank North America a top 10 retail and commercial bank Business Head, Cross-Sell Customer Management for all Citigroup businesses, and EVP/Managing Director of Citi Cards, Citigroup s leading global credit card business. Mr. Knitzer has also previously held senior marketing positions at Chase Manhattan Bank, American Express, and Nabisco Brands. He received his M.B.A. in marketing and finance from Columbia University Graduate School of Business and his B.A. in political science from Brown University. Mr. Knitzer has also served as a Director for Habitat for Humanity from 2008 to 2014, including Board Chair from 2011 to 2013. He currently serves on the Advisory Board of Columbia University Business School s Lang Center for Entrepreneurship.

Mr. Knitzer brings to the Board his extensive financial background, marketing expertise, and experience in leadership roles with public and private financial services companies.

Carlos Palomares

Mr. Palomares (age 71) has been a director of Regional since March 2012. Since 2007, Mr. Palomares has been President and Chief Executive Officer of SMC Resources, a consulting practice that advises senior executives on business and marketing strategy. From 2001 to 2007, Mr. Palomares was Senior Vice President at Capital One Financial Corp., and he was Chief Operating Officer of Capital One Federal Savings Bank banking unit from 2004 to 2007. Prior to joining Capital One, Mr. Palomares held a number of senior positions with Citigroup Inc. and its affiliates, including Chief Operating Officer of Citibank Latin America Consumer Bank from 1998 to 2001, Chief Financial Officer of Citibank North America Consumer Bank from 1997 to 1998, Chairman and CEO of Citibank Italia from 1990 to 1992, and President and CEO of Citibank FSB Florida from

1992 to 1997. Mr. Palomares serves on the Boards of Directors of Pan American Life Insurance Group, Inc. and the Coral Gables Trust Company. Mr. Palomares earned a B.S. degree in Quantitative Analysis from New York University.

Mr. Palomares brings to the Board his extensive financial background and his significant experience in leadership roles with public financial services companies.

There are no family relationships among any of our directors or executive officers.

The Board of Directors unanimously recommends a vote FOR the election of each of the nominees listed above.

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PROPOSAL TWO

RATIFICATION OF THE APPOINTMENT OF

OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

RSM US LLP (formerly known as McGladrey LLP) has served as our independent registered public accounting firm since 2007. Upon the recommendation of the Audit Committee of the Board, the Board has selected RSM US LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2016. The Audit Committee and the Board recommend that the stockholders ratify the appointment of RSM US LLP as our independent registered public accounting firm for fiscal 2016.

A representative of RSM US LLP plans to be present at the Annual Meeting, will have the opportunity to make a statement, and will be available to respond to appropriate questions. Although ratification is not required, the Board is submitting the appointment of RSM US LLP to the stockholders for ratification as a matter of good corporate governance. In the event the stockholders fail to ratify the appointment, the Audit Committee will consider whether to appoint another independent registered public accounting firm.

The following table sets forth the aggregate fees billed to us by our independent registered public accounting firm, RSM US LLP, during the fiscal years ended December 31, 2015 and 2014.

	Year Ended December 31, 2015	Year Ended December 31, 2014
Audit Fees	$ 468,993	$ 423,322
Audit-Related Fees	$ 78,383	$ 38,249
Tax Fees	$ 190,790	$ 169,300
All Other Fees	$	$ 8,620
Total	$ 738,166	$ 639,491

In the above table, in accordance with applicable SEC rules:

Audit Fees are fees billed for professional services rendered by the independent registered public accounting firm for the audit of our annual consolidated financial statements, review of consolidated financial statements included in our Forms 10-Q, and services that are normally provided by the independent registered public accounting firm in connection with statutory and regulatory filings or engagements. The amount of Audit Fees for 2014 disclosed in the table above differs from that reported in our previous proxy statement due to an invoice received after the filing of our previous proxy statement and the reclassification of certain expenses from All Other Fees to Audit Fees .

Audit-Related Fees are fees billed for assurance and related services performed by the independent registered public accounting firm that are reasonably related to the performance of the audit or review of our financial statements that are not reported above under Audit Fees. The Audit-Related Fees incurred in 2015 include fees billed for services performed by the independent registered public accounting firm in relation to our sale of charged-off receivables and the accounting treatment and annual procedures relating to the securitization of receivables.

Tax Fees are fees billed for professional services rendered by the independent registered public accounting firm for tax compliance, tax advice, and tax planning. In 2014, these fees were for services performed for the filing of our 2013 tax returns and estimated payments for 2014. In 2015, these fees were for services performed for the filing of our 2014 tax returns and estimated payments for 2015.

All Other Fees represent fees billed for ancillary professional services that are not reported above under Audit Fees or Audit Related Fees, such as information technology vendor internal control evaluation, review of earnings per share calculations, and other professional advice.

It is the policy of the Audit Committee to pre-approve all audit and permitted non-audit services proposed to be performed by our independent registered public accounting firm. The Audit Committee reviewed and pre-approved all the services performed by RSM US LLP. The process for such pre-approval is typically as follows: Audit Committee pre-approval is sought at one of the Audit Committee s regularly scheduled meetings following the presentation of information at such meeting detailing the particular services proposed to be performed. The authority to pre-approve non-audit services may be delegated by the Audit Committee to the Chairman of the Audit Committee, who shall present any decision to pre-approve an activity to the full Audit Committee at the first regular meeting following such decision. None of the services described above were approved by the Audit Committee pursuant to the exception provided by Rule 2-01(c)(7)(i)(C) under Regulation S-X.

The Audit Committee has reviewed the non-audit services provided by RSM US LLP and has determined that the provision of such services is compatible with maintaining RSM US LLP s independence.

The Board of Directors unanimously recommends a vote FOR the ratification of the appointment of RSM US LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2016.

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BOARD OF DIRECTORS AND

CORPORATE GOVERNANCE MATTERS

The Company s Board is responsible for directing and overseeing the management of the business and affairs of the Company in a manner consistent with the best interests of the Company and its stockholders. The Board has implemented written Corporate Governance Guidelines designed to assist the Board in fulfilling its duties and responsibilities. The Corporate Governance Guidelines address a number of matters applicable to directors, including Board composition, structure, and policies; director qualification standards; Board meetings; committees of the Board; roles and expectations of the Board and its directors; director compensation; management succession planning; and other matters. These Corporate Governance Guidelines are available on the Company s Investor Relations website under the Corporate Governance tab at *www.regionalmanagement.com*. A stockholder may request a copy of the Corporate Governance Guidelines by contacting our Corporate Secretary at 509 West Butler Road, Greenville, South Carolina 29607.

Composition of the Board

The Company s Board has the discretion to determine the size of the Board, the members of which are elected at each year s annual meeting of stockholders. Our Board currently consists of seven directors: Alvaro G. de Molina, Roel C. Campos, Michael R. Dunn, Steven J. Freiberg, Richard A. Godley, Peter R. Knitzer, and Carlos Palomares, with Mr. de Molina serving as Chairman of the Board.

The biographical information of Messrs. de Molina, Campos, Dunn, Freiberg, Godley, Knitzer, and Palomares is set forth above under Proposal One: Election of Directors.

Board Independence

Messrs. Campos, Freiberg, Knitzer, de Molina, and Palomares are each independent in accordance with the criteria established by the NYSE for independent board members. The Board performed a review to determine the independence of its members and made a subjective determination as to each of these independent directors that no transactions, relationships, or arrangements exist that, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director of the Company. In making these determinations, the Board reviewed the information provided by the directors and the Company with regard to each director s business and personal activities as they may relate to the Company and its management.

Leadership Structure

As described in the Corporate Governance Guidelines, the Board may select its Chairman and the Company s Chief Executive Officer in any way that it considers to be in the best interests of the Company. Therefore, the Board does not have a policy on whether the role of Chairman and Chief Executive Officer should be separate or combined and, if it is to be separate, whether the Chairman should be selected from the independent directors.

Mr. de Molina currently serves as Chairman of our Board. At this time, the Board believes the separation of the roles of Chairman and Chief Executive Officer promotes communication between the Board, the Chief Executive Officer, and other senior management, and enhances the Board s oversight of management. We believe our leadership structure provides increased accountability of our Chief Executive Officer to the Board and encourages balanced decision-making. We also separate the roles in recognition of the differences in the roles. While the Chief Executive Officer is responsible for day-to-day leadership of the Company and the setting of strategic direction, the Chairman of the Board provides guidance to the Chief Executive Officer and coordinates and manages the operation of the Board and its committees.

At this time, the Board believes our current leadership structure, with a non-employee Chairman of the Board, is appropriate for the Company and provides many advantages to the effective operation of the Board. The Board will periodically evaluate and reassess the effectiveness of this leadership structure.

Director Qualifications

The Company s Nominating Committee is responsible for reviewing the qualifications of potential director candidates and recommending to the Board those candidates to be nominated for election to the Board. The Nominating Committee considers minimum individual qualifications, including relevant career experience, strength of character, mature judgment, familiarity with the Company s business and industry, independence of thought, and an ability to work collegially with the other members of the Board, and all other factors it considers appropriate, which may include age, diversity of background, existing commitments to other businesses, potential conflicts of interest with other pursuits, legal considerations (such as antitrust issues), corporate governance background, financial and accounting background, executive compensation background, and the size, composition, and combined expertise of the existing Board. The Board and the Nominating Committee monitor the mix of specific experience, qualifications, and skills of its directors in order to assure that the Board, as a whole, has the necessary tools to perform its oversight function effectively

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in light of the Company s business and structure. Stockholders may also nominate directors for election at the Company s annual stockholders meeting by following the provisions set forth in the Company s Bylaws, and in such a case, the Nominating Committee will consider the qualifications of directors proposed by stockholders.

Mr. Godley, a member of our Board, is designated by certain of our stockholders in accordance with the Amended and Restated Shareholders Agreement, dated March 27, 2012, by and among the Company and certain other stockholders party thereto. Such stockholders with director designation rights have sought to ensure that the Board is composed of members whose particular experience, qualifications, attributes, and professional and functional skills, when taken together, will allow the Board to effectively satisfy its oversight responsibilities, and in identifying Mr. Godley for designation to the Board, have considered those factors described in the foregoing paragraph.

When determining whether the Company s director nominees have the experience, qualifications, attributes, and professional and functional skills, taken as a whole, to enable our Board to satisfy its oversight responsibilities effectively in light of our business and structure, the Company s Nominating Committee focused primarily on their valuable contributions to our success in recent years and on the information discussed in the biographical descriptions set forth above.

Meetings

The Board held 14 meetings during the fiscal year ended December 31, 2015. During fiscal 2015, each incumbent director attended more than 75% of the total number of meetings of the Board and committees on which he served. In addition to formal Board meetings, our Board communicates regularly via telephone, electronic mail, and informal meetings, and our Board and its committees from time to time act by written consent in lieu of a formal meeting. Our non-employee directors met in executive session following each of our regular, quarterly Board meetings in 2015, and the independent members of our Board also periodically met in executive session in 2015. Mr. de Molina presides over each executive session of our non-employee directors and independent directors.

Other than an expectation set forth in our Corporate Governance Guidelines that each director will make every effort to attend the annual meeting of stockholders, we do not have a formal policy regarding the directors attendance at annual meetings. All of our then-current directors attended our last annual meeting of stockholders held on April 22, 2015, except for C. Glynn Quattlebaum, who did not stand for re-election as a director at that annual meeting.

Committees of the Board

Our Board has three standing committees: the Audit Committee, the Compensation Committee, and the Corporate Governance and Nominating Committee. The composition and responsibilities of each committee are described below. Members serve on these committees until their resignation or until otherwise determined by our Board.

	Audit	**Compensation**	**Corporate Governance and Nominating**
Roel C. Campos	ü		Chair
Steven J. Freiberg	ü	Chair	
Peter R. Knitzer		ü	ü
Alvaro G. de Molina	ü		ü
Carlos Palomares	Chair	ü	
Number of Meetings Held in 2015:	**8**	**10**	**5**

Audit Committee

The Audit Committee is a separately-designated standing audit committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended (the Exchange Act). The Audit Committee consists of Messrs. Palomares, Campos, Freiberg, and de Molina, with Mr. Palomares serving as Chairman. In accordance with SEC rules and NYSE rules, each of the members of our Audit Committee is an independent director in accordance with the criteria established by the NYSE for the purpose of audit committee membership independence. In addition, the Board has examined the SEC s definition of audit committee financial expert and has determined that Messrs. Palomares, Freiberg, and de Molina satisfy this definition.

Pursuant to the Audit Committee s written charter, our Audit Committee is responsible for, among other things:

- selecting and hiring our independent registered public accounting firm, and pre-approving the audit and non-audit services to be performed by our independent auditors;

- assisting the Board in evaluating the qualifications, performance, and independence of our independent auditors;

- assisting the Board in monitoring the quality and integrity of our financial statements and our accounting and financial reporting processes;

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- assisting the Board in monitoring our compliance with legal and regulatory requirements;
- assisting the Board in reviewing the adequacy and effectiveness of our internal control over financial reporting processes;
- assisting the Board in monitoring the performance of our internal audit function;
- discussing the scope and results of the audit with the independent registered public accounting firm;
- reviewing with management and our independent auditors our annual and quarterly financial statements;
- establishing procedures for the receipt, retention, and treatment of complaints received by us regarding accounting, internal accounting controls, or auditing matters and the confidential, anonymous submission by our employees of concerns regarding questionable accounting or auditing matters; and
- preparing the audit committee report that the SEC requires in our annual proxy statement.

The Audit Committee Charter, which contains a more complete explanation of the roles and responsibilities of the Audit Committee, is posted on the Company s Investor Relations website under the Corporate Governance tab at *www.regionalmanagement.com*. A stockholder may request a copy of the Audit Committee Charter by contacting our Corporate Secretary at 509 West Butler Road, Greenville, South Carolina 29607. The Audit Committee held eight meetings during the fiscal year ended December 31, 2015. In addition to formal Audit Committee meetings, our Audit Committee communicates regularly via telephone, electronic mail, and informal meetings.

Compensation Committee

Our Compensation Committee consists of Messrs. Freiberg, Knitzer, and Palomares, with Mr. Freiberg serving as Chairman. In accordance with NYSE rules, each of the members of our Compensation Committee is an independent director in accordance with the criteria established by the NYSE for the purpose of compensation committee membership independence. Pursuant to the Compensation Committee s written charter, our Compensation Committee is responsible for, among other things:

- reviewing and approving, or making recommendations to the Board with respect to, corporate goals and objectives relevant to the compensation of our Chief Executive Officer, evaluating our 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), determining and approving our Chief Executive Officer s compensation level based on such evaluation;
- reviewing and approving the compensation of our executive officers, including annual base salary, annual incentive bonuses, specific goals, equity compensation, employment agreements, severance and change in control arrangements, and any other benefits, compensation, or arrangements;
- reviewing and recommending the compensation of our directors;
- reviewing and discussing annually with management our Compensation Discussion and Analysis ;

- preparing the Report of the Compensation Committee; and

- reviewing and making recommendations with respect to our equity compensation plans.

The Compensation Committee Charter, which contains a more complete explanation of the roles and responsibilities of the Compensation Committee, is posted on the Company s Investor Relations website under the Corporate Governance tab at *www.regionalmanagement.com*. A stockholder may request a copy of the Compensation Committee Charter by contacting our Corporate Secretary at 509 West Butler Road, Greenville, South Carolina 29607. The Compensation Committee held 10 meetings during the fiscal year ended December 31, 2015. In addition to formal Compensation Committee meetings, our Compensation Committee communicates regularly via telephone, electronic mail, and informal meetings.

Corporate Governance and Nominating Committee

Our Nominating Committee consists of Messrs. Campos, Knitzer, and de Molina, with Mr. Campos serving as Chairman. In accordance with NYSE rules, each of the members of our Nominating Committee is an independent director in accordance with the criteria established by the NYSE for the purpose of corporate governance and nominating committee membership independence. Pursuant to the Nominating Committee s written charter, the Nominating Committee is responsible for, among other things:

- assisting our Board in identifying prospective director nominees and recommending nominees to the Board;

- overseeing the evaluation of the Board and management;

- reviewing developments in corporate governance practices and developing, recommending, and maintaining a set of corporate governance guidelines; and

- recommending members for each committee of our Board.

The Nominating Committee will consider a candidate for director proposed by a stockholder. A candidate must be highly qualified and be both willing to serve and expressly interested in serving on the Board. A stockholder wishing to propose a candidate for the Nominating Committee s consideration should forward the candidate s name and information about the candidate s qualifications to Regional Management Corp., 509 West Butler Road, Greenville, South Carolina 29607, Attn: Corporate Secretary, no later than December 1, 2016, if the stockholder chooses to use the process described in Rule 14a-8 of the Exchange Act, and if the stockholder submits such nomination outside the process described in Rule 14a-8 of the Exchange Act, not earlier than December 28, 2016 nor later than January 27, 2017. If, following the filing and delivery of these proxy materials, the date of the 2017 annual meeting of stockholders is advanced or delayed by more than 30 calendar days from the one-year anniversary date of the 2016 annual meeting of stockholders, the Company will, in a timely manner, provide notice to the Company s stockholders of the new date of the 2017 annual meeting of stockholders and the new dates by which stockholder proposals submitted both pursuant to and outside of SEC Rule 14a-8 must be received by the Company. Such notice will be included in the earliest possible Quarterly Report on Form 10-Q under Part II, Item 5.

The Nominating Committee shall select individuals, including candidates proposed by stockholders, as director nominees who shall have the highest personal and professional integrity, who shall have demonstrated exceptional ability and judgment, and who shall be most effective, in conjunction with the other nominees to the Board, in collectively serving the long-term interests of the stockholders. In evaluating nominees, the Nominating Committee will consider the director qualifications described above. We do not have a formal policy with regard to the consideration of diversity in identifying director nominees, but the Nominating Committee strives to nominate directors with a variety of complementary skills so that the Board, as a whole, will possess the appropriate talent, skills, and expertise to oversee our business.

The Nominating Committee Charter, which contains a more complete explanation of the roles and responsibilities of the Nominating Committee, is posted on the Company s Investor Relations website under the Corporate Governance tab at *www.regionalmanagement.com*. A stockholder may request a copy of the Nominating Committee Charter by contacting our Corporate Secretary at 509 West Butler Road, Greenville, South Carolina 29607. The Nominating Committee held five meetings during the fiscal year ended December 31, 2015. In addition to formal Nominating Committee meetings, our Nominating Committee communicates regularly via telephone, electronic mail, and informal meetings.

Role in Risk Oversight

As part of its role in risk oversight for the Company, our Audit Committee is responsible for reviewing the Company s risk assessment and risk management policies, and for discussing its findings with both management and the Company s independent registered public accounting firm. On a quarterly basis, the Board reviews the risks that may potentially affect us, as identified and presented by management, including risks reflected in our periodic filings. The Board may also request supplemental information and disclosure about any other specific area of interest and concern relevant to risks it believes are faced by us and our business. The Board believes our current leadership structure enhances its oversight of risk management because our Chief Executive Officer, who is ultimately responsible for our risk management process, is in the best position to discuss with the Board these key risks and management s response to them by also serving as a director of the Company.

Code of Business Conduct and Ethics

Our Board has adopted a Code of Business Conduct and Ethics (the Code of Ethics) and reviews it at least annually. The Code of Ethics applies to all of our directors, officers, and employees and must be acknowledged in writing by our Chief Executive Officer and Chief Financial Officer. The Code of Ethics is posted on the Company s Investor Relations website under the Corporate Governance tab at *www.regionalmanagement.com*. A stockholder may request a copy of the Code of Ethics by contacting our Corporate Secretary at 509 West Butler Road, Greenville, South Carolina 29607. To the extent permissible under applicable law, the rules of the SEC, and NYSE listing standards, we intend to disclose on our website any amendment to our Code of Ethics, or any grant of a waiver from a provision of our Code of Ethics, that requires disclosure under applicable laws, the rules of the SEC, or NYSE listing standards.

Compensation Committee Interlocks and Insider Participation

During the fiscal year ended December 31, 2015, Messrs. Campos, Freiberg, Knitzer, de Molina, and Palomares served on our Compensation Committee. No member of the Compensation Committee was an officer or employee of the Company or any of its subsidiaries during the fiscal year ended December 31, 2015. In addition, during the fiscal year ended December 31, 2015, no executive officers of the Company served on the compensation committee (or equivalent) or the board of directors of another entity whose executive officer(s) served on our Board or Compensation Committee.

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Director Compensation

Quality non-employee directors are critical to our success. We believe that the two primary duties of non-employee directors are to effectively represent the long-term interests of our stockholders and to provide guidance to management. As such, our compensation program for non-employee directors is designed to meet several key objectives:

- **Adequately compensate directors** for their responsibilities and time commitments and for the personal liabilities and risks that they face as directors of a public company;
- **Attract the highest caliber non-employee directors** by offering a compensation program consistent with those at companies of similar size, complexity, and business character;
- **Align the interests of directors with our stockholders** by providing a significant portion of compensation in equity and requiring directors to own our stock;
- **Provide compensation that is simple and transparent** to stockholders and reflects corporate governance best practices; and
- **Where possible, provide flexibility in the form and timing of payments.**

The Compensation Committee, with the assistance of the Compensation Committee s executive compensation consultant, reviews the compensation of our non-employee directors. In benchmarking director compensation, we use the same compensation peer group that is used to benchmark compensation for our named executive officers (see Compensation Discussion and Analysis Executive Compensation Objectives and Approaches Compensation Determination Process for information about the peer group).

In 2014, the Company awarded its non-employee directors a cash retainer, committee meeting fees, and shares of restricted common stock. In April 2015, the Board revised the non-employee director compensation program to provide that the equity-based portion of the compensation program be split evenly between restricted stock awards and nonqualified stock options, with the stock options fully vested on the grant date.

Our employees who serve as directors receive no separate compensation for service on the Board or on committees of the Board. The Company maintains a non-employee director compensation program structured as follows:

- **Board Cash Retainer:** Each non-employee director receives an annual cash retainer of $30,000 payable in quarterly installments ($50,000 in the case of the chairman of the Board of Directors);
- **Committee Member Cash Retainer:** Each member of the Audit Committee, Compensation Committee, and Corporate Governance and Nominating Committee receives an additional annual cash retainer of $10,000 payable in quarterly installments ($20,000 in the case of the chairman of each committee);
- **Committee Meeting Fees:** Each member of the Audit Committee, Compensation Committee, and Corporate Governance and Nominating Committee receives a $1,500 meeting fee for each committee meeting attended;
- **Board Equity-Based Award:** Each non-employee director receives an annual equity-based award with a value equal to $90,000 ($110,000 in the case of the chairman of the Board of Directors); and

Committee Member Equity-Based Award: Each member of the Audit Committee, Compensation Committee, and Corporate Governance and Nominating Committee receives an additional annual equity-based award with a value equal to $10,000 ($20,000 in the case of the chairman of each committee).

The equity-based awards are granted on the fifth business day following the date of the annual stockholders meeting at which directors are elected. The value of each director s equity-based award is split evenly between nonqualified stock options and restricted stock. The number of shares subject to the nonqualified stock option award is determined by dividing the value of the award by the fair value per share of common stock on the grant date calculated using the Black-Scholes valuation model. The number of shares subject to the restricted stock award is determined by dividing the value of the award by the closing price per share of common stock on the grant date.

The nonqualified stock options are fully vested on the grant date and expire ten years following the grant date. The restricted stock award vests and becomes non-forfeitable as to 100% of the underlying shares on the earlier of the first anniversary of the grant date or the date of the next annual stockholders meeting, subject to the director s continued service from the grant date until the vesting date, or upon the earlier occurrence of the director s termination of service as a director by reason of death or disability or upon a change in control of the Company. In the event of the director s termination of service for any other reason, the director forfeits the restricted stock award immediately. Each equity-based award is subject to the terms and conditions of the Regional Management Corp. 2015 Long-Term Incentive Plan, a nonqualified stock option agreement, and a restricted stock award agreement, the forms of which were previously approved by the Compensation Committee and the Board and filed with the SEC.

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In the event that the service of a director as a director, committee member, or Board or committee chair commences or terminates during his annual service to the Company, his cash compensation will be adjusted on a pro-rata basis. Annual service relates to the approximately 12-month period between annual meetings of the Company s stockholders. Each director is also reimbursed for reasonable out-of-pocket expenses incurred in connection with his service on our Board.

The following table provides information regarding the compensation paid to each of our non-employee directors for the fiscal year ended December 31, 2015.

Name(1)	Fees Earned or Paid in Cash ($)	Stock Awards ($)(2)	Option Awards ($)(3)	Total ($)
Current Directors:				
Roel C. Campos	95,571	64,988	64,993	225,552
Steven J. Freiberg	83,923	59,984	59,997	203,904
Richard A. Godley	30,000	44,988	44,999	119,987
Peter R. Knitzer	28,283	41,734	41,735	111,752
Alvaro G. de Molina	101,071	69,992	69,997	241,060
Carlos Palomares	101,675	64,988	64,993	231,656
Former Directors:				
C. Glynn Quattlebaum				

(1) Mr. Knitzer joined the Board in July 2015. Mr. Quattlebaum did not stand for re-election to the Board in April 2015. Each other listed director served on the Board during all of 2015.

(2) On April 29, 2015, in accordance with the non-employee director compensation program outlined above, the Company awarded Messrs. Campos, Freiberg, Godley, de Molina, and Palomares shares of restricted common stock in the following amounts: Mr. Campos, 3,987 shares; Mr. Freiberg, 3,680 shares; Mr. Godley, 2,760 shares; Mr. de Molina, 4,294 shares; and Mr. Palomares, 3,987 shares. On July 21, 2015, following his appointment to the Board and in accordance with the non-employee director compensation program outlined above, the Company awarded Mr. Knitzer 2,149 shares of restricted common stock. The annual restricted common stock awards vest on the earlier of the first anniversary of the grant date or the date of the next annual stockholders meeting, subject to continued service of the director until the vesting date. Amounts shown are the aggregate grant date fair value of stock awards computed in accordance with FASB ASC Topic 718. The total number of shares subject to restricted stock awards held by each of the non-employee directors as of December 31, 2015 was: Mr. Campos, 3,987 shares; Mr. Freiberg, 3,680 shares; Mr. Godley, 2,760 shares; Mr. de Molina, 4,294 shares; Mr. Palomares, 3,987 shares; and Mr. Knitzer, 2,149 shares.

(3) On April 29, 2015, in accordance with the non-employee director compensation program outlined above, the Company awarded Messrs. Campos, Freiberg, Godley, de Molina, and Palomares nonqualified stock options to purchase shares of our common stock in the following amounts: Mr. Campos, 9,482 shares; Mr. Freiberg, 8,753 shares; Mr. Godley, 6,565 shares; Mr. de Molina, 10,212 shares; and Mr. Palomares, 9,482 shares. On July 21, 2015, following his appointment to the Board and in accordance with the non-employee director compensation program outlined above, the Company awarded Mr. Knitzer nonqualified stock options to purchase 5,111 shares of our common stock. Amounts shown are the aggregate grant date fair value of stock options computed in accordance with FASB ASC Topic 718. The total number of shares subject to nonqualified stock options held by each of the non-employee directors as of December 31, 2015 was: Mr. Campos, 19,482 shares; Mr. Freiberg, 8,753 shares; Mr. Godley, 12,565 shares; Mr. de Molina, 20,212 shares; Mr. Palomares, 19,482 shares; and Mr. Knitzer, 5,111 shares.

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AUDIT COMMITTEE REPORT

The Audit Committee oversees our financial reporting process on behalf of the Board of Directors. The Audit Committee operates under a written charter, a copy of which is available on our website, *www.regionalmanagement.com*, under the Corporate Governance tab. This report reviews the actions taken by the Audit Committee with regard to our financial reporting process during the fiscal year ended December 31, 2015, and particularly with regard to the audited consolidated financial statements as of December 31, 2015 and December 31, 2014 and for the three years ended December 31, 2015.

The Audit Committee is composed solely of independent directors under existing New York Stock Exchange listing standards and Securities and Exchange Commission requirements. None of the committee members is or has been an officer or employee of the Company or any of our subsidiaries or has engaged in any business transaction or has any business or family relationship with the Company or any of our subsidiaries or affiliates. In addition, the Board of Directors has determined that Messrs. Alvaro G. de Molina, Carlos Palomares, and Steven J. Freiberg are audit committee financial experts, as defined by Securities and Exchange Commission rules.

Our management has the primary responsibility for our financial statements and reporting process, including the systems of internal controls. The independent auditors are responsible for performing an independent audit of our consolidated financial statements in accordance with auditing standards generally accepted in the United States and issuing a report thereon. The Audit Committee s responsibility is to monitor and oversee these processes and to select annually the accountants to serve as our independent auditors for the coming year.

The Audit Committee has implemented procedures to ensure that during the course of each fiscal year it devotes the attention that it deems necessary or appropriate to fulfill its oversight responsibilities under the Audit Committee s charter. To carry out its responsibilities, the Audit Committee met eight times during the fiscal year ended December 31, 2015, communicated regularly via telephone, electronic mail, and informal meetings, and from time to time acted by written consent.

In fulfilling its oversight responsibilities, the Audit Committee reviewed and discussed with management the audited consolidated financial statements in our Annual Report on Form 10-K for the fiscal year ended December 31, 2015, including a discussion of the quality, rather than just the acceptability, of the accounting principles, the reasonableness of significant judgments, and the clarity of disclosures in the financial statements.

The Audit Committee also discussed our audited consolidated financial statements in our Annual Report on Form 10-K for the fiscal year ended December 31, 2015, with the independent auditors, who are responsible for expressing an opinion on the conformity of those audited consolidated financial statements with accounting principles generally accepted in the United States, their judgments as to the quality, rather than just the acceptability, of our accounting principles, and such other matters as are required to be discussed with the Audit Committee under the applicable Public Company Accounting Oversight Board (PCAOB) Standards and SEC Rule 2-07 of Regulation S-X. In addition, the Audit Committee discussed with the auditors their independence from management and the Company, including the matters in the written disclosures and the letter required by the PCAOB regarding the independent auditors communications with the Audit Committee regarding independence. The Audit Committee also considered whether the provision of services during the fiscal year ended December 31, 2015, by the auditors that were unrelated to their audit of the consolidated financial statements referred to above and to their reviews of our interim consolidated financial statements during the fiscal year is compatible with maintaining their independence.

Additionally, the Audit Committee discussed with the independent auditors the overall scope and plan for their audit. The Audit Committee met with the independent auditors, with and without management present, to discuss the results of their examination, their evaluation of our internal controls, and the overall quality of our financial reporting.

In reliance on the reviews and discussions referred to above, the Audit Committee recommended to the Board of Directors that the audited consolidated financial statements be included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2015, for filing with the SEC. This report of the Audit Committee has been prepared by members of the Audit Committee. Current members of the Audit Committee are:

Members of the Audit Committee:

Carlos Palomares (Chairman)

Roel C. Campos

Steven J. Freiberg

Alvaro G. de Molina

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EXECUTIVE OFFICERS

The following is a brief description of the background, business experience, and certain other information with respect to each of our executive officers:

Michael R. Dunn (age 64) was appointed Chief Executive Officer of Regional in October 2014 and has been a director of Regional since July 2014. Mr. Dunn s full biographical information is set forth above under Proposal One: Election of Directors.

Jody L. Anderson (age 50) was appointed President and Chief Operating Officer of Regional effective October 1, 2014. Prior to joining Regional, Mr. Anderson served since 2007 as Director of North America Operations at OneMain Financial (formerly CitiFinancial). He also previously served as CitiFinancial s Vice President of North America Compliance from 2001 through 2007, Managing Director at Chesapeake Appraisal & Settlement Services (a division of CitiFinancial) from 1999 to 2001, and as a District and Branch Manager at CitiFinancial from 1987 through 1999. Mr. Anderson received his M.B.A. from the University of Indianapolis and his B.B.A. from Roanoke College.

Donald E. Thomas (age 57) was appointed Executive Vice President and Chief Financial Officer of Regional in January 2013. Mr. Thomas has over 30 years of finance and accounting experience in public and private companies, having previously served since April 2010 as Chief Financial Officer of TMX Finance LLC, a title lending company. Prior to joining TMX Finance LLC, Mr. Thomas spent 17 years with 7-Eleven, an operator of convenience stores, where he served in various capacities, including Chief Accounting Officer and Controller, acting Chief Financial Officer, Vice President of Operations, and Vice President of Human Resources. Prior to 7-Eleven, Mr. Thomas spent 11 years in the audit function of Deloitte & Touche LLP and one year with the Trane Company as a financial manager. Mr. Thomas earned accounting and finance degrees from Tarleton State University and is a certified public accountant, certified global management accountant, and certified treasury professional.

Daniel J. Taggart (age 43) was appointed Senior Vice President and Chief Risk Officer of Regional in January 2015. Prior to joining Regional, Mr. Taggart was Executive Vice President of Agility 360, a financial services consultancy. Prior to that, he was Senior Vice President at Wingspan Portfolio Advisors, a specialty mortgage service provider, and also served as Executive Vice President of REDC Default Solutions LLC, a startup division of Auction.com, LLC, a mortgage loss mitigation subservicing company. Before joining REDC Default Solutions LLC, Mr. Taggart spent 11 years at Citigroup, where he held a variety of positions, including Senior Vice President and Senior Credit Officer of CitiMortgage Default Risk Management, Senior Vice President and Senior Credit Officer of Retail Distribution Risk Management, and Senior Vice President and Chief Credit Officer of CitiFinancial (now known as OneMain Financial). Mr. Taggart has also worked for The Associates (prior to its acquisition by Citigroup), FirstPlus Financial, and Fleet Bank in risk management and loan servicing functions. Mr. Taggart received his Bachelor of Science in Finance from Canisius College.

Brian J. Fisher (age 32) was appointed as Vice President, General Counsel, and Secretary in January 2013. Prior to joining Regional, Mr. Fisher was an attorney in the Corporate and Securities practice group of Womble Carlyle Sandridge and Rice, LLP from 2009 to 2013. Mr. Fisher holds a B.A. degree in Economics from Furman University and a J.D. degree from the University of South Carolina School of Law.

There are no family relationships among any of our directors or executive officers.

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COMPENSATION DISCUSSION AND ANALYSIS

As an emerging growth company under the Jumpstart Our Business Startups Act of 2012, we are not required to include a Compensation Discussion and Analysis section in our proxy statement. However, for the benefit of our stockholders, we have elected to provide an explanation of our compensation program and decisions through the following discussion, going beyond the scaled disclosure requirements applicable to emerging growth companies. The following discussion of the compensation arrangements of our executive officers should be read together with the compensation tables and related disclosures regarding our current plans, considerations, and expectations with respect to future executive compensation programs. Actual compensation programs that we adopt following the date of this Proxy Statement may differ materially from the existing and currently planned programs summarized in this discussion.

Compensation-Related Highlights

In 2014, our Compensation Committee, with the assistance of Veritas Executive Compensation Consultants (Veritas), an independent compensation consultant, significantly enhanced our executive compensation program. In 2015, following a review of our enhanced executive compensation program with the assistance of Veritas, we opted not to make any significant changes to our compensation practices, other than to introduce a key employee retention program. Our 2015 executive compensation program included the following features:

- **Alignment of executive pay with company performance:**
  - **2015 incentives were largely performance-contingent**, with annual long-term incentive awards (excluding awards under the key employee retention program) roughly two-thirds performance-contingent and short-term incentive awards entirely performance-contingent.
  - **Performance goals were rigorous** and based on objective, quantitative criteria.
- **Short-term incentive payout opportunities** providing higher upside if performance goals are achieved, while maintaining low downside if goals are not achieved.
- **Competitive target opportunities** for long- and short-term incentive compensation to maintain executive compensation in line with the competitive market.
- **Long-term incentives** for NEOs and other key contributors, which include a significant portion that is contingent upon the achievement of rigorous and clearly-defined performance measures.
- **Stock Ownership and Retention Policy** for NEOs and other key executives, as well as directors.
- **Compensation Recoupment Policy, or clawback policy,** for NEOs and other key employees.
- **Key employee retention program** designed to incentivize and retain key members of senior management.

Executive Summary

Fiscal 2015 Company Performance

At the end of 2014 and in 2015, under new executive leadership, we set out specific near-term objectives in an effort to reposition Regional for stability and growth. Among our objectives, we were determined to regain control of the credit quality of our portfolio, focus our top-line efforts on our small and large installment loans our most important categories and further add to our management depth. We also sought to constructively reposition our expense structure to better align with the profit model for our company. Through these efforts, we believe we have repositioned our company for long-term sustainable and profitable growth.

Overall, fiscal 2015 was a year of solid financial and operating results, with growth on both our top and bottom lines, improved credit quality, and a 15% increase in our total finance receivables, including a tripling of the size of our large loan portfolio. Our total revenue increased $12.6 million, or 6.1%, to $217.3 million in 2015, from $204.7 million in 2014. Our net income increased $8.6 million, or 57.9%, from $14.8 million in 2014 to $23.4 million in 2015, and our diluted earnings per share rose from $1.14 in 2014 to $1.79 in 2015. Charge-off rates also showed improvement versus the prior year in the aggregate, as well as on a portfolio basis.

Our Annual Incentive Plan ties our executive officers compensation directly to our financial and operational performance based upon clearly-defined, objective performance measures. In contrast to fiscal 2014, when our performance fell well short of expectations and our executive officers were paid only 22.39% of their target annual bonuses under our Annual Incentive Plan (as amended, the Annual Incentive Plan), our executive officers were paid 89.73% of their target annual bonuses under our Annual Incentive Plan for fiscal 2015 as a result of our strong financial and operating results.

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Changes in Executive Officers

In January 2015, we announced the appointment of Daniel J. Taggart as our Senior Vice President and Chief Risk Officer, and in April 2015, we announced that A. Michelle Masters was no longer an executive officer, with her resignation effective as of May 2015.

Aligning Pay with Performance

In 2014, we made several significant changes to our executive compensation program that were designed to more closely tie the interests of our key executives with those of our stockholders. We believe that with these changes, our executive compensation program now embodies our pay-for-performance philosophy more strongly than before. The following table describes the program design for each element of our incentive-based pay in 2015.

Pay Elements	Program Design
Short-Term Incentive Plan	**Consists entirely of performance-based awards:** ¡ Metrics include net operating income, total debt/adjusted EBITDA, net finance receivables, net loans charged off as a percentage of average monthly net finance receivables, and total general and administrative expense percentage. **Provides motivational impact of awards and brings total cash opportunities to competitive levels.** **Significant upside opportunity for high performance, but with challenging threshold.**
Long-Term Incentive Plan	**Consists of performance-contingent restricted stock units (RSUs), cash-settled performance units, and stock options:** ¡ Performance-contingent RSUs and cash-settled performance units are based on three-year EBITDA and net income per share goals, respectively. ¡ For most NEOs, over 50% of grant date fair value typically is in the form of performance-contingent awards.

Provides strong incentive to meet or exceed pre-established long-term financial goals that align with long-term stockholder interests, and is utilized to attract, retain, and motivate executive talent.

Compensation Program Best Practices Summary

ü Compensation program designed to closely align pay with performance	ü Formalized clawback policy
ü Significant share ownership guidelines for executives (5x base salary for CEO, 2x for other NEOs)	ü Double-trigger change-in-control provisions
ü Significant share ownership guidelines for directors (3x annual cash retainer)	ü Prohibition against hedging and pledging
ü Significant portion of compensation is variable and/or performance-based	ü No re-pricing of equity incentive awards
ü No excessive perquisites	ü Independent Compensation Committee
	ü Independent compensation consultant

Executive Compensation Objectives and Approaches

Compensation Program Objectives

The primary objectives of our executive compensation program are to attract and retain talented executives to effectively manage and lead the Company and create value for our stockholders. The compensation packages for our executive officers for 2015 generally include a base salary, performance-based annual cash awards, time- and performance-based equity awards, retention awards, and other benefits. Our current compensation program for our executive officers has been designed based on our view that each component of executive compensation should be set at levels that are necessary, within reasonable parameters, to successfully attract and retain skilled executives and that are fair and equitable in light of market practices.

Base salaries are intended to provide a minimum, fixed level of cash compensation sufficient to attract and retain an effective management team when considered in combination with other components of our executive compensation program. The base salary element is meant to provide our executive officers with a stable income stream that is commensurate with their responsibilities and to compensate them for services rendered during the fiscal year.

Consistent with our pay-for-performance strategy, our performance-based annual cash incentive program is customized to achieve specific objectives, reward increased levels of operational success, and place emphasis on appropriate levels of performance measurement. The key goals addressed by our short-term incentive program include (1) achievement of short-term financial and operational objectives, (2) increased stakeholder/stockholder value, (3) motivation and attraction of key management talent, (4) rewarding key contributors for performance against established criteria, and (5) focus on our pay-for-performance compensation strategy. Benefits earned under our short-term incentive program are paid under our Annual Incentive Plan, which was re-approved by our stockholders at our 2015 annual meeting of stockholders.

Our long-term incentive program operates in tandem with our short-term incentive program and is consistent with our pay-for-performance strategy. Prior to 2014, we granted only service-based stock options, but our current long-term incentive program, approved in 2014, includes, in addition to stock options, performance-contingent restricted stock units (RSUs) and cash-settled performance units. Performance-based long-term incentives and time-based option awards can provide significant benefits to both our employees and stockholders. These long-term incentives generally are intended to create (1) a strong sense of ownership, (2) focus on achievement of long-term, strategic business objectives, (3) an enhanced linkage between the interests of our executives and stockholders, (4) an enhanced relationship between pay and performance, and (5) an incentive to attract and retain superior employees. Long-term incentive program benefits will be issued under our 2015 Long-Term Incentive Plan (the 2015 Plan), which was approved by our stockholders at our 2015 annual meeting of stockholders. No further awards may be granted under our 2007 Management Incentive Plan (the 2007 Plan) or our 2011 Stock Incentive Plan (the 2011 Plan and, together with the 2007 Plan, the Prior Plans) after April 22, 2015. However, awards that are outstanding under the Prior Plans will continue in accordance with their respective terms.

The discussion below includes a review of our compensation decisions with respect to fiscal 2015. Our named executive officers for fiscal 2015 were:

Michael R. Dunn	Chief Executive Officer
Jody L. Anderson	President and Chief Operating Officer
Donald E. Thomas	Executive Vice President and Chief Financial Officer
Daniel J. Taggart	Senior Vice President and Chief Risk Officer
Brian J. Fisher	Vice President, General Counsel, and Secretary

Compensation Determination Process

The Compensation Committee reviews and approves the compensation determinations for all of our executive officers. In setting an executive officer s compensation package and the relative allocation among different types of compensation, we consider the nature of the position, the scope of associated responsibilities, the individual s prior experience and skills, and the individual s compensation expectations, as well as the compensation of existing executive officers at the Company and our general impressions of prevailing conditions in the market for executive talent.

We generally monitor compensation practices in the market where we compete for executive talent to obtain an overview of market practices and to ensure that we make informed decisions on executive pay packages. For 2015 compensation decisions, to obtain a sense of the market and a general understanding of current compensation practices, we reviewed the compensation awarded by a peer group of publicly-traded companies. The following companies were selected, with assistance from Veritas, using a scorecard-based approach that involved applying several filters (e.g., strong financial health, positive shareholder standing, similar in size, similar in industry classification, presence of overlapping peers, etc.), and selecting the most qualified peer companies from a broader list of candidates:

Aaron s, Inc.	Encore Capital Group, Inc.	NewStar Financial, Inc.
Actua Corporation	EZCORP, Inc.	Nicholas Financial, Inc.

America s Car-Mart, Inc.	First Cash Financial Services, Inc.	OneMain Holdings, Inc.
Cash America International, Inc.	Green Dot Corporation	PRA Group, Inc.
Consumer Portfolio Services, Inc.	JMP Group LLC	Rent-A-Center, Inc.
Credit Acceptance Corp.	Marlin Business Services Corp.	World Acceptance Corporation
Dollar Financial Corp.		

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These companies are largely within the consumer finance industry, are similar in size and/or scope to Regional, and/or are companies that Regional competes against for products, services, and human capital. In March 2016, the Compensation Committee reviewed the above peer group and determined to remove Actua Corporation f/k/a ICG Group, Inc. and Dollar Financial Corp. (which no longer is a publicly-traded company) from the peer group and to add Asta Funding, Inc., Atlanticus Holdings Corp., FBR & Co., and The J.G. Wentworth Company to the peer group. As a result of such actions, as of March 2016, our peer group consists of the following companies:

Aaron s, Inc.	Encore Capital Group, Inc.	NewStar Financial, Inc.
America s Car-Mart, Inc.	EZCORP, Inc.	Nicholas Financial, Inc.
Asta Funding, Inc.	FBR & Co.	OneMain Holdings, Inc.
Atlanticus Holdings Corp.	First Cash Financial Services, Inc.	PRA Group, Inc.
Cash America International, Inc.	Green Dot Corporation	Rent-A-Center, Inc.
Consumer Portfolio Services, Inc.	JMP Group LLC	The J.G. Wentworth Company
Credit Acceptance Corp.	Marlin Business Services Corp.	World Acceptance Corporation

Consistent with our compensation objectives of attracting and retaining top executive talent, we believe that the base salaries and performance-based short- and long-term incentive compensation of our executive officers should be set at levels which are competitive with our peer group companies of comparable size, although we do not target any specific pay percentile for our executive officers. The peer group is used more as a general guide, being mindful of the following:

- Appropriate base salaries for our executive officers should generally be in line with those paid by peer group companies of comparable size.

- Performance-based short- and long-term incentive awards should reward exceptional performance, which can result in overall compensation that can exceed those of peer group companies of comparable size.

- Total compensation for executive officers may approach the higher end of the compensation at such peer group companies of comparable size, but only if high levels of short- and long-term performance are reached.

The Compensation Committee has the authority to hire outside advisors and experts, including compensation consultants, to assist it with director and executive officer compensation determinations. The Compensation Committee retained the services of Veritas Executive

Compensation Consultants, an independent compensation consultant, in fiscal 2014 and fiscal 2015 to help ensure that our compensation practices were appropriate for our industry, review and make recommendations with respect to executive officer and director cash and equity compensation, and update our peer group, in each case for the Compensation Committee s use in setting fiscal 2015 compensation.

Veritas recommendations to the Compensation Committee were generally in the form of suggested ranges for compensation or descriptions of policies that Veritas currently considers best practice in our industry. The Compensation Committee used Veritas reports to further its understanding of executive officer cash and equity compensation practices in the market.

During fiscal 2015, Veritas worked only for the Compensation Committee and performed no additional services for the Company or any of its executive officers. The Compensation Committee Chairman approved all work performed by Veritas. During fiscal 2015, the Compensation Committee and the Company did not use the services of any other compensation consultant. The Compensation Committee has also engaged Veritas in 2016 to provide similar services.

Our Compensation Committee has assessed the independence of Veritas, taking into account, among other things, the factors set forth in Exchange Act Rule 10C-1 and NYSE listing standards, and has concluded that no conflict of interest exists with respect to the work Veritas performed or performs for our Compensation Committee and that Veritas is independent under Exchange Act Rule 10C-1 and NYSE listing standards.

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Elements of Compensation

Each executive officer is eligible to receive a balance of variable and fixed compensation. The following table describes the various forms of compensation:

Pay Elements	Components	Rationale for Form of Compensation
Base Salary	Cash	To attract and retain executive talent. To provide a fixed base of compensation generally aligned to peer group levels.
Short-Term Incentive	Performance-based annual cash bonus	To drive the achievement of key business results on an annual basis. To recognize individual executives based on their specific and measurable contributions. To structure a meaningful amount of annual compensation as performance-based and not guaranteed.
Long-Term Incentive	Performance-based long-term incentives: ¡ Performance-contingent RSUs. ¡ Cash-settled performance units. Time-based long-term incentives: ¡ Non-qualified stock options.	To drive the sustainable achievement of key long-term business results. To align the interests of executives with stockholders. To structure a meaningful amount of long-term compensation as performance-based and not guaranteed. To attract, retain, and motivate executive talent.

Base Salaries

Annual base salaries are established on the basis of market conditions at the time we hire an executive, as well as by taking into account the particular executive s level of qualifications and experience. The Compensation Committee reviews the base salaries of our executive officers annually, and any subsequent modifications to annual base salaries are made in consideration of the appropriateness of each executive officer s compensation, both individually and relative to the other executive officers, the individual performance of each executive officer, and any significant changes in market conditions. We do not apply specific formulas to determine increases.

The Compensation Committee approved executive officer base salaries for 2015 and 2016 as follows:

Name	2014 Salary	2015 Salary	2016 Salary
Michael R. Dunn	$500,000	$500,000	$520,000
Jody L. Anderson	$325,000	$325,000	$335,000
Donald E. Thomas	$309,000	$321,391	$332,000
Daniel J. Taggart	N/A	$300,000	$308,000
Brian J. Fisher	$180,000	$220,000	$230,000

Note: Mr. Taggart began serving as Senior Vice President and Chief Risk Officer on January 5, 2015. The Company paid Mr. Taggart $296,712 in base salary on account of service in 2015.

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Performance-Based Annual Cash Awards

Our annual incentive program is designed to drive achievement of annual corporate goals, including key financial and operating results and strategic goals that create value for stockholders. Our executive officers are eligible for performance-based annual cash awards linked to our performance in relation to performance targets set by our Compensation Committee.

The awards for fiscal 2015 were based on our performance with respect to the metrics in the following table. These metrics drive the overall performance of our business from year to year and are elements of our historical financial success. Our annual incentive program in fiscal 2016 also will utilize the metrics in the following table. In addition, new for fiscal 2016, our Compensation Committee, upon the advice of Veritas, has elected to base a portion (15%) of the annual cash award opportunity on our Compensation Committee s qualitative assessment of our executive team s achievement of its short-term strategic objectives.

Performance Metric	What it Measures	Rationale for Metric
Net Income from Operations	Profitability	Measures the effectiveness of our management team s execution of our strategic and operational plans. Reflects business variables and factors that are within management s control or influenced by decisions made by executives.
Total Debt / Adjusted EBITDA	Leverage ratio	Measures reliance on our credit facilities to produce cash flow. We intend to attempt, over time, to reduce our reliance upon borrowings and to fund proportionately more of our loan originations from operating cash flow as we grow. Holds management accountable for de-leveraging our balance sheet over time.
Average Monthly Net Finance Receivables	Loan growth	We seek to continually grow our business on a consistent and sound basis. We establish annual growth objectives for our management team for loans that we originate and service.
Net Loans Charged Off as a Percentage of Average Monthly Net	Charge-off control	Measures the control our management team exerts on loans.

Finance Receivables		It is ultimately a measure of the quality of underwriting policies and decisions. We guide our management team to specific aggregate net charge-off goals each year that, combined with our average finance receivables measure, attempt to balance attractive growth with effective portfolio control.
Total General and Administrative Expense Percentage	Expense control	Measures the effectiveness with which our management team utilizes our corporate resources and minimizes our corporate expenses.

Target annual incentive levels and actual performance-based annual cash awards for each of our executive officers for fiscal 2015 are detailed below. Based on fiscal 2015 financial performance, actual short-term incentive payouts were 89.73% of target. In calculating the payout amount, the Compensation Committee elected to adjust fiscal 2015 actual results in an equitable manner to account for certain unbudgeted Board-approved one-time expenses and deviations from the fiscal 2015 plan.

Name	2015 Eligible Base Salary	2015 Target Incentive as Percentage of Salary	Target Award	Actual Award
Michael R. Dunn	$500,000	100%	$500,000	$448,669
Jody L. Anderson	$325,000	100%	$325,000	$291,635
Donald E. Thomas	$321,391	100%	$321,391	$288,396
Daniel J. Taggart	$296,712	100%	$296,712	$266,251
Brian J. Fisher	$220,000	60%	$132,000	$118,449

Note: Mr. Taggart began serving as Senior Vice President and Chief Risk Officer on January 5, 2015.

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The percentages described in the table were determined by the Compensation Committee, and are not reflected in the employment offer letter agreement of Mr. Fisher. They are calibrated so that the total compensation opportunity for each executive officer is commensurate with that executive s role and responsibilities with us. An executive must be employed by us on the last day of the performance year in order to be eligible to receive payment in respect of a performance-based annual cash award.

Target fiscal 2016 incentive levels for each of our executive officers, as established by our Compensation Committee, are described in the table below. A threshold level of performance must be exceeded in order to earn any award, and each executive is eligible to earn up to 150% of his target award based upon the achievement of the performance goals established by the Compensation Committee.

Name	2016 Base Salary	2016 Target Incentive as Percentage of Salary	Target Award
Michael R. Dunn	$520,000	100%	$520,000
Jody L. Anderson	$335,000	100%	$335,000
Donald E. Thomas	$332,000	100%	$332,000
Daniel J. Taggart	$308,000	100%	$308,000
Brian J. Fisher	$230,000	60%	$138,000

Discretionary Cash Bonuses

Our Compensation Committee has the discretion to make periodic cash payments to executive officers in recognition of various specific projects and exceptional achievements. There is no formula or schedule for such discretionary payments. No discretionary payments were made to our executive officers for performance in fiscal 2014 or 2015.

As noted in our previous proxy statement, and included under fiscal 2013 compensation, in March 2014, the Compensation Committee elected to pay our executive officers discretionary bonuses for services performed in 2013. Messrs. Thomas and Fisher were awarded discretionary cash bonuses in the amount of $35,677 and $11,425, respectively. The Compensation Committee awarded the discretionary bonuses based on the Compensation Committee s qualitative assessment of each executive officer s performance during 2013 and the executive officers leadership during 2013 with respect to the creation of stockholder value, the opening of 41 de novo branches, the increase in the average loans per branch, the increase in portfolio yield, support with respect to the exit of the Company s prior private equity sponsors through two secondary public offerings, implementation of compliance with the Sarbanes-Oxley Act of 2002, and expansion of the Company s credit facility.

Long-Term Incentive Awards

In recent years, Regional has not consistently granted long-term incentives:

In 2007 and 2008, our Board granted options to certain executive officers pursuant to our 2007 Plan.

Our Board did not grant any equity awards during 2009, 2010, or 2011.

On March 27, 2012, pursuant to our 2011 Plan and in connection with our initial public offering, the Compensation Committee granted nonqualified stock options to certain executive officers.

On January 2, 2013 and December 31, 2013, pursuant to our 2011 Plan and consistent with his employment offer letter agreement, the Compensation Committee granted nonqualified stock options to Mr. Thomas for 100,000 shares and 26,500 shares, respectively.

These grants were intended to directly align the interests of such executive officers with those of our stockholders, to give such executive officers a strong incentive to maximize stockholder returns on a long-term basis, and to aid in our recruitment and retention of key executive talent necessary to ensure our continued success.

Following the refresh of our long-term incentive program, developed and implemented in 2014 with assistance from Veritas, our long-term incentive awards are delivered through a combination of three equity vehicles: (i) non-qualified stock options, (ii) performance-contingent restricted stock units, and (iii) cash-settled performance units.

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In 2015, as part of the long-term incentive program and with assistance from Veritas, the Company granted the following awards to executives and other key employees:

LTI Vehicle	Performance Metric	Performance Period	Weighting	Recipients
Non-Qualified Stock Options	Built-in metric of stock price growth	N/A 100% of options vest on December 31, 2017, subject to continued employment.	One-third of total target award.	All NEOs, several key non-NEO employees.
Performance-Contingent Restricted Stock Units	Cumulative EBITDA	Three years, from January 1, 2015 through December 31, 2017.	One-third of total target award.	All NEOs, several key non-NEO employees.
Cash-Settled Performance Units	Cumulative net income per share	Three years, from January 1, 2015 through December 31, 2017.	One-third of total target award.	All NEOs, several key non-NEO employees.

In March 2016, the Compensation Committee determined to change the performance metrics for the performance-contingent RSUs and cash-settled performance units from cumulative EBITDA and cumulative net income per share, respectively, to the compound annual growth rates of net income and earnings per share, respectively, compared to the Company s peer group. In addition, new for performance-contingent RSUs and cash-settled performance units granted in fiscal 2016, our Compensation Committee elected to base a portion (10%) of the award opportunities on our Compensation Committee s qualitative assessment of our executive team s achievement of its long-term strategic objectives. We made each of these changes to the performance metrics of our long-term incentive program following consultation with Veritas.

For 2015 and 2016, the grant date target values are detailed in the following tables. For the performance-contingent RSUs and performance units, a threshold level of performance must be exceeded for the awards to have any value, and participants are eligible to earn up to 150% of their target award based upon the achievement of the performance goals established by the Compensation Committee. For the non-qualified stock options, the Company stock price must exceed the grant price for the options to have any value.

	2015 Target Grant Date Fair Value			
Name	**Total**	**Performance-Contingent RSUs**	**Performance Units**	**Non-Qualified Stock Options**
Michael R. Dunn	**$1,500,000**	$500,000	$500,000	$500,000
Jody L. Anderson	**$400,000**	$200,000	$200,000	N/A
Donald E. Thomas	**$482,100**	$160,700	$160,700	$160,700
Daniel J. Taggart	**$300,000**	$100,000	$100,000	$100,000
Brian J. Fisher	**$275,000**	$91,667	$91,666	$91,667

Note: Pursuant to Mr. Anderson s employment agreement, executed September 19, 2014, Mr. Anderson received a nonqualified stock option award on October 1, 2014, timed to coincide with his first day of employment. The nonqualified stock option award had a grant date fair value of approximately $200,000.

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Additionally, upon signing his new employment agreement on January 12, 2015, Mr. Dunn was granted a stock award for 99,337 restricted shares with a fair value of approximately $1,500,000. These shares vested on the grant date but are subject to a holding period until December 31, 2016, regardless of whether Mr. Dunn remains employed with the Company until such date.

	2016 Target Grant Date Fair Value			
Name	Total	Performance-Contingent RSUs	Performance Units	Non-Qualified Stock Options
Michael R. Dunn	**$1,560,000**	$520,000	$520,000	$520,000
Jody L. Anderson	**$502,500**	$167,500	$167,500	$167,500
Donald E. Thomas	**$498,000**	$166,000	$166,000	$166,000
Daniel J. Taggart	**$308,000**	$102,666	$102,667	$102,667
Brian J. Fisher	**$287,500**	$95,834	$95,833	$95,833

Key Employee Retention Program

In 2014, even when including the increased target value of the short- and long-term incentive awards, total compensation levels for our executive officers were below the median of our peer group. Further, because the 2014 short-term incentive awards paid out substantially below target and the 2014 three-year long-term incentive performance goals are unlikely to be achieved due to poor company performance in 2014, there may be a significant deficit in terms of realized compensation. As a result, in 2015, our Compensation Committee, in consultation with Veritas, determined to implement a key employee retention program as an incentive and retention vehicle for certain Company executives.

Pursuant to the key employee retention program, the Compensation Committee granted the following awards to executive officers in 2015: (i) nonqualified stock options, which are subject to the terms of the 2011 Plan, and (ii) a cash retention award. The Compensation Committee granted Messrs. Dunn, Anderson, Thomas, and Fisher nonqualified stock options to purchase 10,000 shares; 8,700 shares; 32,500 shares; and 11,500 shares, respectively, of the Company s common stock. The options vest in three equal installments or as otherwise provided in the applicable award agreement on each of December 31, 2015, December 31, 2016, and December 31, 2017, subject to the executive s continued employment. In addition, the Compensation Committee granted Mr. Fisher a cash retention award of $25,000, which is payable as follows: 25% on or about 180 days following the date of the retention award; 25% on or about 360 days following the date of the retention award; and 50% on or about 540 days following the date of the retention award, subject to Mr. Fisher s continued employment.

In March 2016, the Compensation Committee elected to continue the key employee retention program with grants of the following awards to certain executive officers: (i) restricted stock awards, which are subject to the terms of the 2015 Plan, and (ii) cash retention awards. The Compensation Committee granted Messrs. Thomas and Fisher 5,854 shares and 4,391 shares, respectively, of restricted common stock. The restricted stock vests on September 29, 2017 or as otherwise provided in the applicable award agreement, subject to the executive s continued employment. In addition, the Compensation Committee granted Messrs. Thomas and Fisher cash retention awards of $100,000 and $75,000, respectively, one-third of which is payable on each of the six-month, 12-month, and 18-month anniversaries of the grant date, subject to the executive s continued employment.

Perquisites

We also provide various other limited perquisites and other personal benefits to our executive officers that are intended to be part of a competitive compensation program. For 2015, these benefits included:

- 401(k) plan matching contributions for certain of our executive officers.

- Monthly automobile allowances of $1,150 for Messrs. Anderson and Thomas.

- Reimbursement of relocation expenses for Mr. Anderson.

- Payment of Mr. Dunn s commuting expenses to and from his home in New York or Florida.

The Board believes that these benefits are comparable to those offered by other companies that compete with us for executive talent and are consistent with our overall compensation program. Perquisites are not a material part of our compensation program. We also provide our executive officers with benefits that are generally available to all of our employees, including health insurance, disability insurance, dental insurance, vision insurance, life insurance, paid time off, and the reimbursement of qualified business expenses.

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Deductibility of Executive Compensation

Code Section 162(m) limits the ability of the Company to deduct for tax purposes compensation over $1,000,000 to our principal executive officer or any one of our three highest paid executive officers, other than our principal executive officer or principal financial officer, who are employed by us on the last day of our taxable year, unless, in general, the compensation is paid pursuant to a plan that is performance related, non-discretionary, and has been approved by our stockholders. The Compensation Committee will review and consider the deductibility of executive compensation under Code Section 162(m) and may authorize certain payments that will be in excess of the $1,000,000 limitation. The Compensation Committee believes that it needs to balance the benefits of designing awards that are tax-deductible with the need to design awards that attract, retain, and reward executives responsible for the success of the Company. While mindful of the benefit to us of the full deductibility of compensation, the Compensation Committee believes that it should not be constrained by the requirements of Code Section 162(m) where those requirements would impair flexibility in compensating our executive officers in a manner that can best promote our corporate objectives, which the Compensation Committee believes aligns our executive officers interests with our stockholders interests, and thus is in the best interests of our stockholders.

Payments Upon Termination and Change in Control

Pursuant to the terms of each of their employment agreements, Messrs. Dunn and Anderson are entitled to certain benefits upon the termination of their employment with us, the terms of which are described below under Agreements with Current Executive Officers. In addition, pursuant to the terms of nonqualified stock option agreements associated with option awards to Mr. Thomas in 2012 and 2013, and pursuant to the terms of nonqualified stock option agreements associated with option awards to our executive officers in 2014 and March 2015, in the event of a termination of their employment by the Company without cause or by them with good reason during the six month period following a change in control, the option awards shall become fully vested and exercisable effective as of the termination date. Pursuant to the terms of performance-contingent restricted stock unit award agreements, cash-settled performance unit award agreements, and restricted stock award agreements associated with long-term incentive awards to our executive officers in 2014, in the event of a termination of their employment by the Company without cause or by them with good reason during the six month period following a change in control, the awards shall be deemed earned at target and/or fully vested, effective as of the termination date. The award agreements associated with long-term incentive awards to our executive officers in 2014 provide for continued or pro-rata vesting in the event of certain qualifying terminations of employment.

In addition, pursuant to the terms of nonqualified stock option agreements associated with option awards to our executive officers in 2015, in the event of a termination of their employment by the Company without cause or by them with good reason du