

GWG HOLDINGS, INC
COMPENSATION COMMITTEE CHARTER

(as amended and restated on May 10, 2018)

Introduction

The Compensation Committee (the “Committee”) of GWG Holdings, Inc., a Delaware corporation (the “Company”), is charged with oversight responsibility for the adequacy and effectiveness of the Company’s executive compensation and related benefit plans. The Committee is primarily responsible for (i) as described herein, all matters relating to the compensation of the Chief Executive Officer (the “CEO”), the other executive officers of the Company (which for this purpose will include all officers of the Company who are subject to reporting requirements under Section 16 of the Securities Exchange Act of 1934) (such officers, together with the CEO, being herein referred to as the “senior executives”), and the directors of the Company, (ii) the adoption of all employee-compensation and employee-benefit plans, including granting of stock incentives or other benefits, and (iii) the review and approval of disclosures regarding executive compensation included in the Company’s public filings. The Committee shall act with the full power of the Board of Directors (the “Board”) in connection with the responsibilities identified below and shall pursue the purposes of this Charter in a manner consistent with the compensation philosophy set forth below.

1. Compensation Philosophy

The Committee shall exercise its powers and discharge its responsibilities hereunder in a manner designed to further the Company’s recruitment and retention of highly experienced and capable executives, directors and other personnel, utilizing total compensation that is competitive with, and appropriate for, comparable public reporting companies.

2. Appointment, Qualifications and Removal

The Committee will consist of not less than two members of the Board. Each member of the Committee will be “independent” as that term is defined in The NASDAQ Marketplace Listing Rule 5605(a)(2), meet the independence standard set forth in Rule 10A-3 under the Securities and Exchange Act of 1934 (the “Exchange Act”), and, unless the Company qualifies as a smaller reporting company (as defined in Exchange Act Rule 12b-2), must not accept directly or indirectly any consulting, advisory or other compensatory fee from the Company or any subsidiary thereof. In determining whether a director is eligible to serve on the Committee, the Board shall consider whether the director is free from any relationship or affiliation that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee. Furthermore, all members of the Committee (or any subcommittee of the

Committee) must qualify as “non-employee directors” for purposes of Exchange Act Rule 16b-3 and as “outside directors” for purposes of Section 162(m) of the Internal Revenue Code.

The members and Chair of the Committee shall be appointed by the Board and shall continue to act until their successors are appointed, but shall be subject to removal at any time by a majority of the full Board. Any vacancy resulting from removal or otherwise may be filled by the Board.

3. Powers

To assist the Committee in fulfilling its duties, management shall provide the Committee with information and recommendations as needed and requested. At its discretion, the Committee shall have access to the Company’s general counsel, if any, outside legal counsel, and outside compensation consultants, if it deems such access to be necessary or beneficial after considering the factors outlined in The NASDAQ Market Listing Rule 5605(d)(3). The Committee shall also have (i) the power to retain other outside advisors if, in its judgment, such action is appropriate, and (ii) the responsibility for the appointment, compensation and oversight of the work of any outside adviser retained by the Committee, including sole authority to approve the fees and other terms for their retention and engagement; provided, however, that services, if any, to be rendered by the Company’s independent accountants shall be pre-approved by the Audit Committee of the Board if required under the Company’s policy regarding pre-approval of such services. All costs incurred by the Committee with respect to the use of outside counsel, advisors and consultants for purposes within the scope of the Committee’s responsibilities shall be paid by the Company. The Committee shall also have all powers vested in it by the Company’s equity, performance-incentive and other compensation plans.

4. Duties and Responsibilities

On an annual basis, the Committee shall:

- A) Work with CEO and outside experts (as needed) to define and agree up compensation strategy for the company’s key employees and directors to designed to align compensation program with the long term strategy and goals for the Company. The strategy will include such items as aggregate compensation levels, mix of base and bonus cash compensation and equity participation programs.
- B) Consistent with the compensation strategies defined above, approve base salaries, annual incentive awards and long-term incentive awards for the CEO and advise, review and approve compensation programs negotiated by CEO with other key members of the executive team. The key members of

executive team for review will be agreed by CEO and Committee on an annual basis.

- C) The CEO may not be present during voting or deliberations on his or her compensation. In determining the long-term incentive component of CEO compensation, the Committee shall consider, at a minimum, the CEO's performance, the Company's performance and relative stockholder return, the value of similar incentive awards granted to CEOs at comparable companies and the awards granted to the Company's CEO in past years, as well as such other factors as the Committee shall deem appropriate;
- D) Review the CEO's prior year performance with the CEO as well as identify important critical current year objectives for the CEO;
- E) Establish achievement of performance objectives for purposes of Internal Revenue Code Section 163(m);
- F) At the request of management, approve and recommend for full Board approval the number of shares (or equivalents) to be set aside under stock and equity-linked incentive plans;
- G) Determine the category of "eligible persons" for participation in the Company's incentive plans, and review and approve the process used to include participants, types of awards and the number of shares covered by or relating to each award, except to the extent specifically provided in the plan for awards to employees who are not senior executives; and approve all decisions regarding the modifications of terms or conditions of any award or award agreement;
- H) Establish director compensation, including the consideration of retainers, meeting fees, stock options and other components of compensation of directors, the Chairman of the Board, Lead Director (if any), and members and chairs of the committees of the Board;
- I) Review and discuss with management the Company's specific disclosures regarding executive compensation to be included in the Company's annual meeting proxy statement or annual report or other public filings, including a Committee report (to the extent required) that complies with the rules and regulations of the Securities and Exchange Commission and, when required, the disclosures in the "Compensation Discussion and Analysis," and recommend to the Board inclusion of any such "Compensation Discussion and Analysis" or other appropriate disclosures in such filings; and
- J) Review and reassess the adequacy of this Charter and recommend to the Board any proposed changes to the Charter.

On a periodic and recurring basis, the Committee shall:

- K) Review and evaluate the Company's philosophy, goals and objectives with respect to the compensation of the CEO, senior executives, and employees generally;
- L) Review and approve compensatory plans, agreements and arrangements applicable to the Company's senior executives, including but not limited to employment, severance and change-in-control agreements;
- M) Conduct a performance evaluation of the Committee to the extent deemed necessary by the Committee;
- N) Develop and recommend to the Board for approval new broad-based incentive compensation and benefit programs, including equity-based compensation programs, and recommend the amendment or termination of existing programs, as appropriate;
- O) Monitor, review and, to the extent deemed necessary by the Committee, develop new compensation plans and programs for directors; and
- P) When appropriate, recommend to the Board new plans, major plan amendments and plan terminations.

In carrying out its duties and responsibilities under this Charter, the Committee's policies and procedures shall remain flexible in order to better react to changing circumstances, and to assure the Board and stockholders that the executive compensation practices of the Company are in accordance with all legal requirements and are of the highest quality.

5. Frequency of Meetings

It is expected that the Committee will evaluate the performance of the Company's long-term goals and its stated corporate objectives. Because of this responsibility, it is the Board's expectation that the Committee shall meet at least once annually, or more frequently as circumstances dictate.

6. Reporting

The Committee shall, through its Chair, provide reports of the Committee's meetings and actions to the entire Board upon request. Such reports shall contain recommendations for action of the full Board when required under the provisions of any compensation or benefit plan or any applicable regulation or when otherwise deemed appropriate by the Committee and permitted under this Charter.