

Resource Capital Corp.
Form DEF 14A
April 21, 2017

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A
(Rule 14a-101)
INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION
Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934

Filed by the Registrant

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))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

RESOURCE CAPITAL CORP.

(Name of Registrant as Specified In Its Charter)

N/A

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

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:

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(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:

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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:

RESOURCE CAPITAL CORP.

712 Fifth Avenue New York, NY 10019

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To be held on Thursday, June 1, 2017

To the Stockholders of RESOURCE CAPITAL CORP.:

Notice is hereby given that the annual meeting of stockholders of RESOURCE CAPITAL CORP., a Maryland corporation, will be held at One Crescent Drive, Suite 203, Navy Yard Corporate Center, Philadelphia, Pennsylvania, on Thursday, June 1, 2017, at 11:00 a.m. (the Meeting), for the following purposes:

1. To elect the ten directors named in the enclosed proxy statement to serve until the next annual meeting of stockholders in 2018.
2. To vote on a non-binding resolution to approve the compensation of our named executive officers (the Say on Pay vote).
3. To vote on a non-binding proposal for the frequency of future advisory votes on the compensation of our named executive officers (the Frequency of the Say on Pay vote).
4. To ratify the appointment of Grant Thornton LLP as the independent registered public accounting firm for Resource Capital Corp. for the fiscal year ending December 31, 2017.
5. To transact such other business as may properly be brought before the Meeting and any adjournment, postponement or continuation thereof.

We cordially invite all of our stockholders to attend the Meeting, though only stockholders of record at the close of business on April 13, 2017, which we refer to as the record date, will be entitled to vote. A list of stockholders entitled to vote at the Meeting will be available for inspection at the Meeting and for 10 days before the Meeting at our offices at 1845 Walnut Street, 18th Floor, Philadelphia, Pennsylvania.

By order of the Board of Directors,

Michele R. Weisbaum, Secretary

April 21, 2017

YOUR VOTE IS IMPORTANT

Instead of mailing a printed copy of our proxy materials to all of our stockholders, we are using the Notice and Access method of providing proxy materials to stockholders via the Internet. This process provides stockholders with a convenient and quick way to access the proxy materials and vote, while allowing us to conserve natural resources and

reduce the costs of printing and mailing these materials. Accordingly, on or about April 21, 2017, we will begin mailing a Notice of Internet Availability of Proxy Materials, or Notice, to all stockholders of record on our books at the close of business on April 13, 2017, which is the record date for the Meeting, and will post our proxy materials on the website referenced in the Notice. As more fully described in the Notice, stockholders may choose to access our proxy materials on the website referred to in the Notice or may request to receive a printed set of our proxy materials. In addition, the Notice and website provide information regarding how you may request to receive proxy materials in printed form by mail, or electronically by email, on an ongoing basis.

If you are a stockholder of record, you may vote in one of the following ways:

Vote over the Internet, by going to www.proxyvote.com (have your Notice or proxy card in hand when you access the website);

Vote by Telephone, by calling the toll-free number 1-800-690-6903 (have your Notice or proxy card in hand when you call);

Vote by Mail, if you received (or requested and received) a printed copy of the proxy materials, by returning the proxy card (signed and dated) in the envelope provided; or

Vote in person at the Meeting.

If your shares are held in street name, meaning that they are held for your account by a broker or other nominee, you will receive instructions from the holder of record that you must follow for your shares to be voted.

Whether or not you plan to attend the Annual Meeting in person, we encourage you to vote as soon as possible to ensure that your shares are represented at the Meeting.

IMPORTANT NOTICE REGARDING INTERNET AVAILABILITY OF PROXY MATERIALS FOR ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON JUNE 1, 2017: The proxy statement and our 2016 annual report are available at <http://phx.corporate-ir.net/phoenix.zhtml?c=192004&p=proxy>.

RESOURCE CAPITAL CORP.

712 Fifth Avenue New York, NY 10019

PROXY STATEMENT

ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD ON THURSDAY, JUNE 1, 2017

ABOUT THE MEETING

Solicitation of Proxies. This proxy statement and the accompanying proxy are furnished to stockholders of Resource Capital Corp., which we refer to as the Company, in connection with the solicitation by our Board of Directors, which we refer to as the Board, of proxies for use at the 2017 annual meeting of stockholders of Resource Capital Corp., which we refer to as the Meeting, to be held on June 1, 2017, at 11:00 a.m. at One Crescent Drive, Suite 203, Navy Yard Corporate Center, Philadelphia, Pennsylvania, and at any and all adjournments, postponements or continuations thereof.

Mailing Date. In accordance with rules and regulations adopted by the Securities and Exchange Commission, or SEC, instead of mailing a printed copy of our proxy materials to each stockholder of record, we are now furnishing proxy materials to our stockholders on the Internet. If you received a Notice of Internet Availability of Proxy Materials by mail, you will not receive a printed copy of the proxy materials, unless specifically requested. Instead, the Notice of Internet Availability of Proxy Materials will instruct you as to how you may access and review all of the important information contained in the proxy materials. The Notice of Internet Availability of Proxy Materials also instructs you as to how you may submit your proxy via the Internet, telephone or by mail. If you received a Notice of Internet Availability of Proxy Materials by mail and would like to receive a printed copy of our proxy materials, you should follow the instructions for requesting such materials included in the Notice of Internet Availability of Proxy Materials.

It is anticipated that the Notice of Internet Availability of Proxy Materials will be mailed to stockholders on or about April 21, 2017.

Who Can Vote. Only holders of record of our common stock at the close of business on April 13, 2017 will be entitled to notice of and to vote at the Meeting. Each of the approximately 31,393,013 shares of our common stock outstanding on that date is entitled to one vote on each matter that comes before the Meeting.

How to Vote Proxy Instructions. If you are a holder of record of Resource Capital Corp. common stock, you may vote your shares over the Internet, by telephone, by using a traditional proxy card or in person at the Meeting. Refer to the Notice of Internet Availability of Proxy Materials or your proxy or voting instruction card to see which options are available to you and how to use them. Stockholders who hold their shares in street name will receive a Notice of Internet Availability of Proxy Materials from the institution that holds their shares and should follow the voting instructions given by that institution.

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You may specify whether your shares should be voted for all, some or none of the nominees for director (Proposal 1); you may specify whether your shares should be voted for, against or abstain on the approval of our 2016 executive compensation program (Proposal 2); in regard to the frequency vote on future approvals of our executive compensation programs (Proposal 3), you may choose to vote for annual, biennial or triennial advisory votes, or you may abstain; and you may specify whether your shares should be voted for, against or whether you abstain from ratifying the appointment of Grant Thornton LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2017 (Proposal 4).

If you do not vote your shares on the election of directors, your brokerage firm may not vote them for you; your shares will remain unvoted. Therefore, it is important that you vote your shares for all proposals, including Proposals 1, 2 and 3, each of which are viewed as non-routine matters for which brokerage firms may not vote for you without your instructions.

If you sign your proxy card or voting instruction card with no further instructions, your shares will be voted in accordance with the recommendations of the Board, FOR: the election of all directors in Proposal 1, the approval of the Say on Pay vote in Proposal 2, a triennial Frequency Say on Pay vote in Proposal 3 and the ratification of the auditors in Proposal 4.

Broker Non-Votes. A broker non-vote occurs when a nominee, such as a bank or broker, holding shares for a beneficial owner, does not vote on a particular proposal because the nominee does not have discretionary voting power for that particular item and has not received instructions from the beneficial owner. Generally banks and brokers may vote their customers' shares on proposals considered routine and may not vote their customers' shares on proposals that are not considered routine if the customers have not furnished voting instructions within a specified period of time prior to the Meeting. **This means that if you do not directly vote your shares and you do not give your broker or nominee specific instructions on how to vote your shares, then your broker or nominee does not have authority to vote your shares with respect to such matters and your shares will not be voted on such matters.** Proposals 1, 2 and 3 described below are not considered routine matters. Proposal 4 described below is considered a routine matter.

Revocation of Proxies. If you are a holder of record, you may revoke your proxy at any time before it is exercised in any of three ways:

- 1) by submitting written notice of revocation to our Secretary;
- 2) by submitting another proxy by mail that is later dated and properly signed; or
- 3) by voting in person at the Meeting.

If your shares are held in street name, you must contact your broker or nominee to revoke and vote your proxy.

Quorum. A quorum of stockholders is necessary to hold a valid meeting. A quorum will exist if the holders representing a majority of the votes entitled to be cast by the stockholders at the Meeting are present, in person or by proxy. Broker non-votes and abstentions are counted as present at the Meeting for purposes of determining the existence of a quorum, but because they are neither a vote cast in favor of, nor a vote cast opposing, a proposed action, abstentions and broker non-votes typically will not be counted as a vote cast on any matter, except with respect to matters subject to New York Stock Exchange approval standards where abstentions are deemed to be votes cast for New York Stock Exchange, or NYSE, compliance purposes.

Required Vote. The number of votes required to be elected as a director is dependent on whether an election is contested or uncontested. Our bylaws define an election as contested if there are more candidates for election than the number of directors to be elected. The election described in Proposal 1 below is an uncontested election. In order to be elected as a director in an uncontested election as described in Proposal 1 below, each director is elected by a majority of votes cast with respect to such director nominee at a meeting of stockholders duly called and at which a quorum is present. A majority of votes cast means that the number of shares voted for a director's election exceeds 50% of the total number of votes cast with respect to that director's election. Votes cast include votes for and votes against, but exclude abstentions and broker non-votes with respect to a director's election. In the case of any contested election, our bylaws provide that directors shall be elected by a plurality of votes cast at a meeting of stockholders duly called and at which a quorum is present.

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In order to approve our Say on Pay vote as described in Proposal 2, the Frequency of the Say on Pay vote as described in Proposal 3 and to ratify the appointment of Grant Thornton as our independent registered public accounting firm for the fiscal year ending December 31, 2017 as described in Proposal 4 below, the affirmative vote of the holders of at least a majority of the shares present in person or by proxy at the Meeting is required. Abstentions will have the effect of a vote against Proposals 2, 3 and 4. Proposals 2 and 3 are advisory and not binding on the Board or us.

Other Business. We do not intend to bring any business before the meeting other than that set forth in the Notice of the Annual Meeting and described in this proxy statement. However, if any other business should properly come before the meeting, the persons named in the proxy card intend to vote in accordance with their best judgment on such business and on any matters dealing with the conduct of the meeting pursuant to the discretionary authority granted in the proxy.

Costs. We pay for the preparation and mailing of the Notice of the Annual Meeting and proxy statement. Our directors, officers and employees may solicit proxies personally or by letter or telephone, but no director, officer or employee will be specially compensated for soliciting such proxies. We have also made arrangements with brokerage firms and other custodians, nominees and fiduciaries for forwarding proxy-soliciting materials to the beneficial owners of our common stock at our expense.

Householding of Proxy Materials. The SEC has adopted rules that permit companies and intermediaries such as brokers to satisfy delivery requirements for proxy statements with respect to two or more stockholders sharing the same address by delivering a single proxy statement addressed to those stockholders. This process, which is commonly referred to as householding, potentially provides extra convenience for stockholders and cost savings for companies. If, at any time, you no longer wish to participate in householding and would prefer to receive a separate proxy statement, or if you are receiving multiple copies of the proxy statement and wish to receive only one, please notify your broker if your shares are held in a brokerage account or us if you hold common stock directly. Requests should be addressed to American Stock Transfer & Trust Company, 6201 15th Avenue, Brooklyn, NY 11219, Attention: Shareholder Services Department, or by calling 1-800-937-5449 (+1-718-921-8200 for foreign stockholders). We will promptly furnish a separate copy of the proxy statement upon a written or oral request by a stockholder currently subject to householding.

SECURITY OWNERSHIP

The following table sets forth the number and percentage of shares of common stock owned, as of April 13, 2017, by (a) each person who, to our knowledge, is the beneficial owner of more than 5% of the outstanding shares of our common stock, (b) each of our present directors and nominees for director, (c) each of our named executive officers and (d) all of our executive officers and directors as a group. This information is reported in accordance with the beneficial ownership rules of the Securities and Exchange Commission under which a person is deemed to be the beneficial owner of a security if that person has or shares voting power or investment power with respect to such security or has the right to acquire such ownership within 60 days of April 13, 2017. Shares of common stock issuable pursuant to options or warrants are deemed to be outstanding for purposes of computing the percentage of the person or group holding such options or warrants but are not deemed to be outstanding for purposes of computing the percentage of any other person.

Executive officers and directors ⁽¹⁾	Shares Owned	Percentage
Walter T. Beach ⁽²⁾⁽³⁾	148,322	*
Jeffrey P. Cohen ⁽²⁾	32,028	*
Andrew L. Farkas ⁽²⁾⁽⁴⁾	780,641	2.49%
Richard L. Fore ⁽²⁾	16,432	*
William B. Hart ⁽²⁾	49,331	*
Gary Ickowicz ⁽²⁾	17,544	*
Steven J. Kessler ⁽²⁾	46,755	*
Murray S. Levin ⁽²⁾	21,456	*

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P. Sherrill Neff ⁽²⁾	15,730	*
Henry R. Silverman		*
Stephanie H. Wiggins ⁽²⁾	3,402	*
Eldron C. Blackwell ⁽²⁾	6,946	*
David E. Bloom ⁽²⁾	125,061	*
David J. Bryant ⁽²⁾	73,130	*
Jonathan Z. Cohen	588,164	1.87%
Thomas C. Elliott ⁽²⁾	78,969	*
Robert C. Lieber ⁽²⁾	34,128	*
All executive officers and directors as a group (17 persons) ⁽²⁾⁽⁵⁾	1,514,555	4.82%
<u>Other owners of more than 5% of outstanding shares</u>		
Blackrock, Inc. ⁽⁶⁾	2,824,475	9.00%
The Vanguard Group ⁽⁷⁾	1,729,818	5.51%
Invesco Ltd. ⁽⁸⁾	1,796,265	5.72%

* Less than 1%.

- (1) The address for all of our executive officers and directors is c/o Resource Capital Corp., 712 Fifth Avenue, 12th Floor, New York, New York 10019.
- (2) Includes unvested restricted stock because each person has the right to vote and receive distributions on such shares.
- (3) Includes shares held by Beach Asset Management, LLC, Beach Investment Counsel, Inc. and/or Beach Investment Management, LLC, investment management firms for which Mr. Beach is a principal for themselves or accounts managed by them and for which Mr. Beach possesses investment and/or voting power. The address for these investment management firms is Five Tower Bridge, 300 Barr Harbor Drive, Suite 220, West Conshohocken, Pennsylvania 19428.
- (4) Includes 715,396 shares collectively held by Resource Capital Investor, Inc. and Resource Capital Manager, Inc., each of which is an indirect wholly-owned subsidiary of C-III Capital Partners LLC (C-III). C-III is externally managed by Island Capital Group LLC, through which the reporting person, as a principal, has investment discretion. Mr. Farkas disclaims beneficial ownership of these shares.
- (5) Excludes Mr. Jonathan Cohen, who effective September 8, 2016, resigned from his positions as our Chief Executive Officer and President as well as a director.
- (6) This information is based on Form 13G/A filed with the SEC on January 25, 2017. Blackrock Inc. s address is 55 East 52nd Street, New York, New York 10022.
- (7) This information is based on Form 13G/A filed with the SEC on February 10, 2017. The Vanguard Group s address is 100 Vanguard Boulevard, Malvern, Pennsylvania 19355.
- (8) This information is based on Form 13G filed with the SEC on February 14, 2017. Invesco Ltd. s address is 1555 Peachtree Street NE, Suite 1800, Atlanta, Georgia 30309.

The following table sets forth the number and percentage of shares of our Series A preferred Stock, Series B preferred stock and Series C preferred stock owned, as of April 13, 2017, by (a) each person who, to our knowledge, is the beneficial owner of more than 5% of the outstanding shares of preferred stock, (b) each of our present directors and nominee for directors, (c) each of our named executive officers and (d) all of our executive officers and directors as a group. This information is reported in accordance with the beneficial ownership rules of the Securities and Exchange Commission under which a person is deemed to be the beneficial owner of a security if that person has or shares voting power or investment power with respect to such security or has the right to acquire such ownership within 60 days of April 13, 2017.

	Series A Preferred Shares Beneficially Owned		Series B Preferred Shares Beneficially Owned		Series C Preferred Shares Beneficially Owned	
	Percentage	Percentage	Percentage	Percentage	Percentage	Percentage
Executive officers and directors ⁽¹⁾						
Walter T. Beach	*		*		*	
Jeffrey P. Cohen	*		1,000		*	
Andrew L. Farkas	21,276	1.99%	*		*	
Richard L. Fore	*		*		*	
William B. Hart	*		*		*	
Gary Ickowicz	*		*		*	
Steven J. Kessler	2,127	*	*		*	
Murray S. Levin	*		*		*	
P. Sherrill Neff	*		*		*	
Henry R. Silverman	*		*		*	
Stephanie H. Wiggins	*		*		*	
Eldron C. Blackwell	*		*		*	
David E. Bloom	*		*		*	

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David J. Bryant		*	2,000	*	*
Jonathan Z. Cohen	12,765	1.19%		*	*
Thomas C. Elliott	2,127	*		*	*
Robert C. Lieber		*		*	1,400
All executive officers and directors as a group (17 persons) ⁽²⁾	25,530	2.39%	3,000	*	1,400
<u>Other owners of more than 5% of outstanding shares</u>					
2nd Market Capital Advisory Corp. ⁽³⁾		*	362,160	6.53%	*

* Less than 1%

- (1) The address for all of our executive officers and directors is c/o Resource Capital Corp., 712 Fifth Avenue, 12th Floor, New York, New York 10019.
- (2) Excludes Mr. Jonathan Cohen who effective September 8, 2016 resigned from his positions as our Chief Executive Officer and President as well as a director.
- (3) This information is based on Form 13G/A filed with the SEC on February 2, 2017. 2nd Market Capital Advisory Corp. s address is 650 N. High Point Road, Madison, Wisconsin 53717.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934 requires our officers, directors and persons who own more than 10% of a registered class of our equity securities to file reports of ownership and changes in ownership with the SEC and to furnish us with copies of all such reports. Based solely on our review of the reports received by us, or representations from certain reporting persons that no Form 5 filings were required for those persons, we believe that, during fiscal 2016, our officers, directors and greater than 10% shareholders complied with all applicable filing requirements.

PROPOSAL 1: ELECTION OF DIRECTORS

The Board, upon the recommendation of its Nominating and Governance Committee, has nominated Messrs. Walter T. Beach, Jeffrey P. Cohen, Andrew L. Farkas, William B. Hart, Gary Ickowicz, Steven J. Kessler, Murray S. Levin, P. Sherrill Neff, Henry R. Silverman and Ms. Stephanie H. Wiggins to serve as our directors until the next annual meeting of stockholders or until their respective successors are duly elected and qualified. The stockholders have the right to annually elect all ten director nominees to our Board.

The persons named in the enclosed proxy intend, in the absence of a contrary direction, to vote for Messrs. Beach, Cohen, Farkas, Hart, Ickowicz, Kessler, Levin, Neff, Silverman and Ms. Wiggins. The Board knows of no reason why any nominee would be unable or unwilling to serve, but if any nominee should be unable or unwilling to serve, the proxies will be voted for the election of such other person for director as the Nominating and Governance Committee of the Board may recommend in the place of such nominee. **The Board recommends that stockholders vote FOR all of the nominees.**

Information is set forth below regarding the principal occupation of each Board nominee. There are no family relationships among the nominees. Mr. Jeffrey P. Cohen, a director since September 2016, has no relationship to Mr. Jonathan Z. Cohen, our former Chief Executive Officer and President, or to Mr. Edward E. Cohen, a former director.

Nominees for Election

Walter T. Beach, age 50, has been a director since March 2005. Mr. Beach has been Managing Director of Beach Investment Counsel, Inc., an investment management firm, since 1997. From 1993 to 1997, Mr. Beach was a Senior Analyst and Director of Research at Widmann, Siff and Co., Inc., an investment management firm where, beginning in 1994, he was responsible for the firm's investment decisions for its principal equity product. Before that he was an associate and financial analyst at Essex Financial Group, a consulting and merchant banking firm, and an analyst at Industry Analysis Group, an industry and economic consulting firm. Mr. Beach has served as a director of The Bancorp, Inc., a publicly-traded (NASDAQ: TBBK) bank holding company, and its subsidiary bank, The Bancorp Bank, since 1999. Mr. Beach also served as a director of Institutional Financial Markets, Inc. and its predecessor, Cohen & Company, a publicly-traded (NYSE MKT: IFMI) financial services company specializing in credit related fixed income investments, from December 2009 to 2013.

Mr. Beach brings over 24 years of business and financial experience to the Board as well as over 17 years of collective service on various boards of directors. In addition, the Board will benefit from his extensive experience in finance and investment management as well as his strong financial background.

Jeffrey P. Cohen, age 49, has been a director since September 2016. Mr. Cohen has served as Executive Vice President of Resource America since September 2016. Mr. Cohen has served as an Executive Managing Director of C-III Capital Partners LLC (C-III), a fully diversified commercial real estate services and investment management company, since January 2011 and has primary responsibility for its mergers and acquisitions and corporate finance activities. Mr. Cohen has also served as the President of Island Capital Group (Island Capital), a leading real estate merchant bank that is the controlling parent company of C-III, since September 2006 and has been a principal of Island Capital since it was established in 2003. Prior to joining Island Capital in 2003, Mr. Cohen was an Executive Vice President of Insignia Financial Group (NYSE: IFS) from 1997 to 2003. Before joining Insignia, Mr. Cohen served as a corporate attorney with the New York City law firm of Rogers & Wells (now Clifford Chance) from 1993 to 1997 where he primarily worked on matters relating to mergers and acquisitions, capital markets and corporate finance. Mr. Cohen is a Trustee of Dean College in Franklin, MA and serves on its Executive Committee and Investment Committee.

Mr. Cohen brings to the Board extensive industry experience and strategic planning, executive management and financing experience. In addition, the Board will benefit from the depth and breadth of his experience in investments, mergers and acquisitions and corporate finance as well as his understanding of complex financial transactions.

Andrew L. Farkas, age 56, has been our Chairman since September 2016. Mr. Farkas has served as President and Chief Executive Officer of Resource America since September 2016. Mr. Farkas has served as Chief Executive Officer of C-III, a fully diversified commercial real estate services and investment management company, since it was founded in March 2010. Mr. Farkas has also served as the Managing Member, Chairman and Chief Executive Officer of Island Capital since May 2003. Prior to founding C-III, Mr. Farkas served as Chairman and Chief Executive Officer of Insignia Financial Group (NYSE: IFS), a global real estate services company that he founded in 1990. Mr. Farkas has served as a director of M-III Acquisition Corp. (NASDAQ: MIIIU) since 2016. Mr. Farkas also serves as Graduate Chairman of the Hasty Pudding Institute of 1770, a prestigious co-ed social institution at Harvard University.

Mr. Farkas brings to the Board over 35 years of real estate and investment experience. Mr. Farkas' extensive experience in founding, operating and managing real estate companies enables him to provide valuable expertise to us and his business and industry experience add strategic vision to the Board to assist with our growth, operations and development. Mr. Farkas will be able to draw upon these diverse experiences to provide guidance and leadership.

William B. Hart, age 73, has been a director since March 2005. Mr. Hart was Chairman of the Board of Trustees of the National Trust for Historic Preservation from 1999 to 2004. He was also a director of Anthem, Inc. (now Wellpoint, Inc.), a publicly-traded (NYSE: WLP) health insurance company, from 2000 to 2004. Mr. Hart was Director of SIS Bancorp from 1995 to 2000. From 1988 to 1999, Mr. Hart served in various positions with Blue Cross/Blue Shield of New Hampshire, ending as Chairman of its Audit Committee and Chairman of its Board of Directors from 1996 to 1999. He also served as President of the Foundation for the National Capital Region, Washington, DC, from 1993 to 1996 and President of The Dunfey Group, a private investment firm, from 1986 to 1998. From 1986 to 1994 he was a director of First NH Banks where he was Chairman of the Audit Committee from 1992 to 1994.

Mr. Hart has extensive experience in finance and investment management, both as an officer and director of banks and insurance companies, as well as an officer of a private investment firm. Mr. Hart also brings significant experience from his prior service as a director of public and private companies.

Gary Ickowicz, age 61, has been a director since February 2007. Mr. Ickowicz has been the Managing Partner of IR Capital LLC, a real estate company that owns and operates real estate assets in the New York Metropolitan area since 2008. He was a Managing Principal of Lazard Freres Real Estate Investors, a manager of funds invested in debt and equity securities of North American real estate assets and enterprises, from 2001 to 2011. He was a director of Lazard Freres' real estate investment banking unit from 1989 through 2001. Since 2000 he has been a director of Grant Street Settlement, and since 2002 he has been a director of NCC/Neumann, both not-for-profit developers of senior housing. From 2001 to 2011, he was a director of Commonwealth Atlantic Properties, Inc., a privately-held REIT. From 2001 to 2006 he was a director of Kimsouth, Inc., a joint venture with Kimco Realty Corporation, a publicly-traded (NYSE: KIM) REIT.

Mr. Ickowicz has broad real estate and real estate finance experience as a principal in the real estate operations of an international investment bank. The Board will also benefit from his prior experience as a director of a REIT and his experience as a director of several real estate ventures.

Steven J. Kessler, age 74, has been a director since November 2009 and served as our Chairman from November 2009 until September 2016. Mr. Kessler served as our Senior Vice President-Finance from September 2005 to November 2009 and, before that, served as our Chief Financial Officer, Chief Accounting Officer and Treasurer from March 2005 to September 2005. Mr. Kessler was Executive Vice President of Resource America from 2005 until September 2016 and was Chief Financial Officer from 1997 to December 2009 and Senior Vice President from 1997 to 2005. He was a Trustee of GMH Communities Trust, a then publicly-traded specialty housing REIT, from 2004 to 2008 when it was sold. He was Vice President-Finance and Acquisitions at Kravco Company, a shopping center developer and operator, from 1994 to 1997. From 1983 to 1993 he was employed as chief financial officer and chief operating officer by Strouse Greenberg & Co., a regional full service real estate company. Before that, he was a partner at Touche Ross & Co. (now Deloitte & Touche LLP), independent public accountants.

Mr. Kessler has a significant financial and accounting background in real estate as the former Chief Financial Officer of Resource America and, previously, as a principal financial officer for major operators of commercial real estate. Mr. Kessler also brings a deep knowledge of the Company resulting from his prior service as Chairman from 2009 to 2016 and as a member of the Investment Committee.

Murray S. Levin, age 74, has been a director since March 2005. Mr. Levin is a senior litigation partner at Pepper Hamilton LLP, a law firm with which he has been associated since 1970. Mr. Levin served as the first American president of the Association Internationale des Jeunes Avocats (Young Lawyers International Association), headquartered in Western Europe. He is a past president of the American Chapter and a member of the board of governors of the Union Internationale des Avocats (International Association of Lawyers), a Paris-based organization that is the world's oldest international lawyers association.

Mr. Levin has a lengthy and diverse legal background and has practiced complex litigation for over 40 years. Having served as a corporate director and committee member in various capacities for 15 years, Mr. Levin offers a unique and invaluable perspective into corporate governance matters.

P. Sherrill Neff, age 65, has been a director since March 2005. Mr. Neff is a founding partner of Quaker Partners, a health care venture and growth equity fund manager, with which he has been associated since 2002. From 1994 to 2002, he was President, Chief Operating Officer and Chief Financial Officer, and from 1994 to 2003, a director of Neose Technologies, Inc., a then publicly-traded life sciences company. Mr. Neff previously held positions as a senior executive of U.S. Healthcare, a leading publicly traded healthcare company from 1992 to 1994; as a Managing Director in the Investment Banking Division of Alex. Brown & Sons, Inc. from 1984 to 1992; and as a corporate attorney at Morgan, Lewis & Bockius from 1980 to 1984. Mr. Neff was also a director of Resource America from 1998 to 2005. Mr. Neff is on the boards of directors of four Quaker Partners portfolio companies, including Cempra, Inc., a publicly-traded (NASDAQ: CEMP) pharmaceutical company, since 2011, and three other private portfolio companies. Mr. Neff was also a director of Amicus Therapeutics, a publicly-traded (NASDAQ: FOLD) biopharmaceutical company, from 2005 to 2011, and Regado BioSciences, Inc., a publicly traded (NASDAQ: RGDO) biopharmaceutical company, from 2012 until its merger into Tobira BioSciences, a publicly traded (NASDAQ: TBRA) biopharmaceutical company in 2015. Until 2013, he was a member of the board of directors of the National Venture Capital Association.

Mr. Neff has significant experience in investments, operations and finance as a principal or officer of a venture fund and a public company and, prior thereto, as an investment banker. The Board benefits from his investment expertise as well as his valuable financial experience.

Henry R. Silverman, age 76, was nominated to join the Board by the Nominating and Governance Committee in March 2017. Mr. Silverman has been the Managing Member, Chief Executive Officer and a principal owner of 54 Madison LLC, a real estate development company, since June 2015. From January 2012 to May 2015, Mr. Silverman served as the Global Head of Real Estate and Infrastructure at Guggenheim Partners, LLC, a private equity firm. From 2007 through 2011, Mr. Silverman was Chief Operating Officer, a director, Vice Chairman of the Board and a member of the Executive Committee of Apollo Global Management, a private equity firm. From 1990 through 2006, Mr. Silverman was Chairman of the Board and Chief Executive Officer of Cendant Corporation, a global provider of consumer and business services within the travel and residential real estate sectors. In 2006-2007, Mr. Silverman conceived and executed a plan to separate Cendant into nine individual, now public, companies. Prior to Cendant, Mr. Silverman served as Chief Investment Officer of two private equity funds, Reliance Capital Group from 1982 to 1989, and Blackstone Capital Partners I from 1989 through 1991. While at Reliance, Mr. Silverman founded Telemundo, the Spanish-language television network, where he served as Chairman and Chief Executive Officer from 1997 until 2002 when it was sold to General Electric. Mr. Silverman is Chairman of the Jacob K. Javits Convention Center and an Overseer of the NYU Langone Medical Center.

Mr. Silverman will bring over 50 years of business experience to the Board. Mr. Silverman has extensive experience as managing member, chief executive officer and a principal owner of a real estate development company as well as extensive operating and investment experience from his work with private equity firms. The Board will also benefit from Mr. Silverman's business acumen, as demonstrated by his role in building Cendant Corporation into a multibillion dollar business services company.

Stephanie H. Wiggins, age 51, has been a director since June 2013. Ms. Wiggins has been Executive Vice President and Chief Investment Officer for the AFL-CIO Housing Investment Trust since 2000. From 1997 to 2000, Ms. Wiggins served in various positions at Prudential Mortgage Capital

Company, culminating as Director and Senior Investment Officer. She previously served as a Senior Underwriter and Review Appraiser at Green Park Financial (currently d/b/a Walker & Dunlop). Ms. Wiggins is a member of the Urban Land Institute, National Housing Conference and Mortgage Bankers Association of America. Ms. Wiggins also served in various capacities at Twelve Days of Christmas, Inc., a national non-profit organization, presently serving as Vice Chair of its board and co-chair of the corporate sponsorship committee.

Ms. Wiggins has nearly 30 years' experience in the real estate finance arena. Ms. Wiggins brings to the Board her extensive real estate finance experience, including underwriting, originating and valuing income-producing real estate, as well as her valuable experience as an officer of several real estate companies.

Non-Director Executive Officers

Robert C. Lieber, age 62, has been our Chief Executive Officer and President since September 2016. Mr. Lieber has served as Executive Vice President of Resource America since September 2016. Mr. Lieber has served as an Executive Managing Director of both Island Capital and C-III since July 2010, after having served under New York City Mayor Michael R. Bloomberg as Deputy Mayor for Economic Development since January 2007. Prior to joining the Bloomberg administration, Mr. Lieber was employed by Lehman Brothers Holdings Inc. for 23 years, serving most recently as a Managing Director of a real estate private equity fund and previously as the Global Head of Real Estate Investment Banking. Mr. Lieber also serves as a director of ACRE Realty Investors Inc., a publicly-traded (NYSE MKT: AIII) commercial real estate company, a director of Tutor Perini Corporation, a publicly-traded (NYSE: TPC) general contracting and construction management company, and a director of Resource Innovation Office REIT, Inc., a non-traded real estate investment trust sponsored by Resource Real Estate, Inc. He served as a board member and secretary of the board as well as a trustee for the Urban Land Institute and formerly served as chairman of the Zell-Lurie Real Estate Center at The Wharton School, University of Pennsylvania.

David J. Bryant, age 59, has been our Senior Vice President, Chief Financial Officer and Treasurer since June 2006, and was our Chief Accounting Officer from 2006 to 2014. From 2005 to 2006 Mr. Bryant served as Senior Vice-President, Real Estate Services, at Pennsylvania Real Estate Investment Trust, a publicly-traded (NYSE: PEI) REIT principally engaged in owning, managing, developing and leasing malls and strip centers in the eastern United States. From 2000 to 2005, Mr. Bryant served as PEI's Senior Vice President-Finance and Treasurer, and was its principal accounting officer. From 1994 to 2000, Mr. Bryant was Vice President-Finance and Controller at PEI and its predecessor, The Rubin Organization. Mr. Bryant is a non-active certified public accountant.

Michele R. Weisbaum, age 56, has been our Chief Legal Officer, Senior Vice President and Secretary since September 2016. Ms. Weisbaum has been Chief Legal Officer, Senior Vice President and Secretary of Resource Real Estate Opportunity REIT and Resource Real Estate Opportunity Advisor since June 2009, of Resource Real Estate Opportunity REIT II and Resource Real Estate Opportunity Advisor II since October 2012, of Resource Innovation Office REIT and Resource Innovation Office Advisor since June 2014, and of Resource Apartment REIT III and Resource REIT Advisor, LLC since July 2015. Ms. Weisbaum has also served as Senior Vice President, since January 2014, and General Counsel and Secretary, since August 2007, of Resource Real Estate. Previously she held the position of Vice President of Resource Real Estate from August 2007 to December 2013. She has also served as Vice President and Secretary of Resource Real Estate Management, LLC since August 2007. Ms. Weisbaum joined Resource Real Estate in October 2006 from Ledgewood Law, a Philadelphia-based law firm, where she practiced commercial real estate law from 1998 to 2006 as an associate and later as a partner of the firm. Prior to Ledgewood, from 1987 to 1998, Ms. Weisbaum was Vice President and Assistant General Counsel at the Philadelphia Stock Exchange.

Thomas C. Elliott, age 44, has been our Executive Vice President - Finance and Operations since February 2017 and was our Senior Vice President - Finance and Operations since September 2006 and,

prior to that, was our Chief Financial Officer, Chief Accounting Officer and Treasurer from September 2005 to June 2006. He was our Senior Vice President - Assets and Liabilities Management from June 2005 until September 2005 and, before that, served as our Vice President - Finance from March 2005. Mr. Elliott has been Chief Financial Officer of Resource America since December 2009, Executive Vice President since September 2016 and Senior Vice President since 2005. He was Senior Vice President- Finance and Operations of Resource America from 2006 to December 2009; Senior Vice President-Finance from 2005 to 2006 and Vice President - Finance from 2001 to 2005. From 1997 to 2001 Mr. Elliott was a Vice President at Fidelity Leasing, Inc., a former equipment leasing subsidiary of Resource America, where he managed all capital market functions, including the negotiation of all securitizations and credit and banking facilities in the U.S. and Canada. Mr. Elliott also oversaw the financial controls and budgeting departments.

Jeffrey D. Blomstrom, age 48, has been our Senior Vice President since March 2005. Mr. Blomstrom has been President of Resource Financial Fund Management, Inc., an asset management subsidiary of Resource America, since 2003. Mr. Blomstrom serves on the Advisory Committee to CVC Credit Partners L.P. and is a member of the credit committees of Northport Capital, LLC and Resource Real Estate Funding, Inc., Resource America's middle market loan origination and commercial real estate loan origination subsidiaries, respectively. From 2001 to 2003 Mr. Blomstrom was a Managing Director at Cohen and Company, an investment bank specializing in the financial services sector. From 2000 to 2001 he was Senior Vice President of iATMglobal.net, Inc., an ATM software development company. Mr. Blomstrom was, from 1999 to 2000, an associate at Covington & Burling, a law firm, where he focused on mergers and acquisitions and corporate governance.

David E. Bloom, age 52, has been our Senior Vice President - Real Estate Investments since March 2005. Mr. Bloom has been Senior Vice President of Resource America since 2001. He has also been President of Resource Real Estate, Inc., a wholly-owned real estate subsidiary of Resource America, since 2004 and was President of Resource Capital Partners, a wholly-owned real estate subsidiary of Resource America, from 2002 to 2006. From 2001 to 2002 he was President of Resource Properties, a former real estate subsidiary of Resource America. Prior to joining Resource America, Mr. Bloom was a Senior Vice President of Colony Capital, LLC, a real estate private equity fund manager, as well as a Principal of Colony Capital Asia Pacific from 1998 through 2002. From 1998 through 1999, he was a Director of Sonnenblick-Goldman Company, a real estate investment bank. From 1993 through 1998, he practiced law at Willkie Farr & Gallagher in New York and Drinker Biddle & Reath in Philadelphia. He began his real estate career in 1987 as an Acquisitions and Development Associate with Strouse, Greenberg & Company, a regional full-service real estate company. Mr. Bloom is a former member of the Board of Trustees of Ursinus College.

Eldron C. Blackwell, age 38, has been our Vice President and Chief Accounting Officer since March 2014. Mr. Blackwell was the Assistant Controller for New Penn Financial, LLC, a residential mortgage lender, from March 2013 to March 2014. From September 2001 to March 2013, he was a Senior Manager in the audit practice of the global accounting firm Grant Thornton LLP. Mr. Blackwell serves as board chair for Build the Future Education Collaborative in Philadelphia.

Other Significant Employees

The following sets forth certain information regarding other significant employees of Resource Capital Manager, Inc. (our Manager) and Resource America who provide services to us:

Kyle Geoghegan, age 48, has been our Senior Vice President - Loan Originations since 2007. Mr. Geoghegan has been a Managing Director of Resource Real Estate Funding, Inc., a real estate subsidiary of Resource America, since July 2006. Mr. Geoghegan co-manages the whole loan origination platform for Resource Real Estate Funding and is based in Los Angeles. Mr. Geoghegan worked at Bear Stearns from January 1998 to May 2006, serving as a Managing Director who co-managed the Bear Stearns Commercial Mortgage office in Los Angeles. Prior to joining Bear Stearns, Mr. Geoghegan spent four years as a real estate loan officer at PNC Bank in Philadelphia, PA, primarily

originating construction and bridge loans.

Darryl Myrose, age 43, has been our Senior Vice President - Loan Originations since 2007. Mr. Myrose has been a Managing Director of Resource Real Estate Funding since July 2006. Mr. Myrose co-manages the whole loan origination platform for Resource Real Estate Funding and is based in Los Angeles. Mr. Myrose worked at Bear Stearns from April 1996 to May 2006, serving as a Managing Director who co-managed the Bear Stearns Commercial Mortgage office in Los Angeles. Prior to joining Bear Stearns, Mr. Myrose was employed with Clarion Advisors (formerly Jones Lang Wootton Realty Advisors) where he was an asset management analyst.

Joan M. Sapinsley, age 65, has been our Senior Vice President - CMBS since 2007. Ms. Sapinsley has been a Managing Director of Resource Real Estate Funding since July 2007 and manages our CMBS portfolio. Prior to transferring to Resource Real Estate Funding, she served as Managing Director of Resource Financial Fund Management, Inc. from February 2007 until July 2007. Prior to joining Resource Financial Fund Management, Ms. Sapinsley was a Managing Director at Teachers Insurance and Annuity Association (TIAA), where she worked from 1992 through 2006 purchasing CMBS. She was responsible for all single borrower and single asset CMBS, as well as subordinate CMBS and B notes. She also directed TIAA's conduit origination and securitization activities. Before TIAA, Ms. Sapinsley was a Director in the Financial Services Group of Cushman & Wakefield, a global commercial real estate company, and a real estate consultant at Laventhol & Horwath, an accounting firm.

CORPORATE GOVERNANCE

Our Board of Directors and Its Committees

Our common stock is listed on the NYSE under the symbol *RSO*, and we are subject to the NYSE's listing standards. The Board has determined that each of Messrs. Beach, Hart, Ickowicz, Levin, Neff, Silverman and Ms. Wiggins satisfies the requirement for independence set out in Section 303A.02 of the rules of the NYSE and that each of these directors has no material relationship with us (other than being a director and/or a stockholder). In making its independence determinations, the Board sought to identify and analyze all of the facts and circumstances relating to any relationship between a director, his or her immediate family or affiliates and our Company and our affiliates and did not rely on categorical standards other than those contained in the NYSE rules.

The Board held a total of 12 meetings during fiscal 2016. Each of the directors attended at least 75% of the total number of meetings of the Board and of the committees on which he or she served during fiscal 2016.

The Board has four standing committees: the Audit Committee, the Compensation Committee, the Nominating and Governance Committee and the Investment Committee. All of the members of each committee, other than the Investment Committee, are independent directors as that term is defined in the NYSE's listing standards.

As set forth in our Corporate Governance Guidelines and in accordance with NYSE listing standards, the non-management directors have the opportunity to meet in executive sessions quarterly without management. The director who presides at these meetings is rotated among the chairs of the Audit Committee, Compensation Committee and Nominating and Governance Committee in the following order: Audit Committee chairman, Compensation Committee chairman and Nominating and Governance Committee chairman. Interested parties wishing to communicate directly with the non-management directors may contact the chairman of the Audit Committee, P.

Sherrill Neff, at Quaker BioVentures, Cira Centre, 2929 Arch Street, Philadelphia, Pennsylvania 19104.

Audit Committee. The Audit Committee reviews the scope and effectiveness of audits by the internal and independent accountants, is responsible for the engagement of independent accountants and reviews the adequacy of our internal financial controls. Members of the committee since the last annual meeting are Messrs. Neff (Chairman), Beach, Hart and Ms. Wiggins. The Board has determined that each member of the Audit Committee meets the independence standards for Audit Committee members set forth in the NYSE listing standards and in the Securities Exchange Act of 1934, as amended, or the Exchange Act, and that Messrs. Beach and Neff each qualifies as an audit committee financial expert as that term is defined in the NYSE and Exchange Act rules and regulations. The committee held five meetings during fiscal 2016. The Audit Committee charter is available on our website at www.resourcecapitalcorp.com, and we will provide a printed copy to any stockholder who requests it.

Compensation Committee. The principal functions of the Compensation Committee are to: