

COMPENSATION COMMITTEE CHARTER

OF

JMP GROUP LLC

As adopted by the Board of Directors on January 1, 2015

I. Purpose

The Compensation Committee (the “*Committee*”) is appointed by the Board of Directors (the “*Board*”) of JMP Group LLC (the “*Company*”) to: (a) assist the Board in discharging its responsibilities relating to compensation of the Company’s directors and executive officers; and (b) produce an annual report on executive compensation for inclusion, or incorporation by reference, in the Company’s annual report on Form 10-K, in accordance with applicable rules and regulations. The Committee shall undertake those specific duties and responsibilities listed below and such other duties as the Board may from time to time prescribe. All powers of the Committee are subject to the restrictions designated in the Company’s Bylaws and by applicable law. Nothing in this charter shall be construed as precluding discussion of Chief Executive Officer (“*CEO*”) compensation with the Board generally.

II. Committee Membership

Committee members shall be elected by the Board, based on the recommendation of the Corporate Governance and Nominating Committee, at the annual meeting of the Board and shall serve until their respective successors are duly elected and qualified. Committee members may be removed at any time by the Board.

The Committee shall consist of no fewer than three members. Each member of the Committee shall meet the independence requirements of the New York Stock Exchange, the definition of a “non-employee director” under Rule 16b-3 under the Securities Exchange Act of 1934, as amended, the requirements of Section 162(m) of the Internal Revenue Code of 1986, as amended, for “outside directors,” and any other applicable regulatory requirements.

III. Structure and Meetings

The Committee shall conduct its business in accordance with this charter, the Company’s bylaws and any direction by the Board. The Committee chairperson shall be designated by the Board, or, if it does not do so, the Committee members shall elect a chairperson by a vote of the majority of the full Committee.

The Committee shall meet at least two times a year at a time and place determined by the Committee chairperson, with further meetings to occur, or actions to be taken by unanimous written consent, when deemed necessary or desirable by the Committee or its chairperson. Members of the Committee may participate in a meeting of the Committee by means of conference call or similar communications equipment by means of which all persons

participating in the meeting can hear each other, and such participation shall constitute presence in person at such meeting.

The Committee chairperson will preside at each meeting and, in consultation with the other members of the Committee, will set the frequency and length of each meeting and the agenda of items to be addressed at each meeting. The chairperson of the Committee shall ensure that the agenda for each meeting is circulated to each Committee member in advance of the meeting. The chairperson of the Committee (or other member designated by the chairperson or the Committee in the chairperson's absence) shall regularly report to the full Board on its proceedings and any actions that the Committee takes. The Committee will maintain written minutes of its meetings, which minutes will be maintained with the books and records of the Company.

As necessary or desirable, the chairperson of the Committee may invite any director, officer or employee of the Company, or other persons whose advice and counsel are sought by the Committee, to be present at meetings of the Committee, consistent with the maintenance of confidentiality of compensation discussions. The CEO should not attend any meeting where the CEO's performance or compensation is discussed, unless specifically invited by the Committee.

IV. Committee Authority and Responsibilities

The Committee shall:

- A.** Determine the objectives of the Company's executive officer compensation programs, identify what the programs are designed to reward, and modify (or recommend that the Board modify) the programs as necessary consistent with such objectives and intended rewards.
- B.** Ensure appropriate corporate performance measures and goals regarding executive officer compensation are set and determine the extent to which they are achieved and any related compensation earned.
- C.** Consistent with the foregoing, at least annually review and establish the Company's goals and objectives relevant to CEO compensation, evaluate the CEO's performance in light of such goals and objectives, and, either as a Committee or together with the other independent directors (as directed by the Board), determine and approve the CEO's compensation level based on this evaluation. In determining the long-term incentive component of the CEO compensation, the Committee will consider the Company's performance and relative stockholder return, the value of similar incentive awards to CEOs at comparable companies, and the awards given to the Company's CEO in past years.
- D.** Review and approve (or make recommendations to the Board regarding approval of) executive officers employment agreements, severance agreements, and change of control agreements/provisions, in each case prior to the Company's entering into such agreements/provisions, as, when and if appropriate.

- E.** Annually review and make recommendations to the Board with respect to non-CEO compensation, incentive-compensation plans and equity based-plans.
- F.** Endeavor to ensure that the Company's executive compensation program is effective in attracting and retaining key employees, reinforces business strategies and objectives for enhanced stockholder value, and is administered in a fair and equitable manner consistent with established policies and guidelines.
- G.** Administer the Company's incentive compensation plans and equity based plans as in effect and as adopted from time to time by the Board; provided that the Board shall retain the authority to interpret such plans.
- H.** Review and approve any new equity compensation plan or any material change to an existing plan where stockholder approval has not been obtained.
- I.** Review and approve any stock option award or any other type of award as may be required for complying with any tax, securities, or other regulatory (including New York Stock Exchange) requirement, or otherwise determined to be appropriate or desirable by the Committee or Board.
- J.** Review and discuss with the Company's management the "Compensation Discussion and Analysis" required to be included in the Company's annual proxy statement or annual report on Form 10-K filed with the Securities and Exchange Commission (the "*SEC*"), and recommend to the Board whether or not to include such "Compensation Discussion and Analysis" in such proxy statement or annual report.
- K.** Produce a Committee report on executive officer compensation as required to be included in the Company's annual proxy statement or annual report on Form 10-K filed with the SEC.
- L.** Perform such other functions and have such other powers consistent with this charter, the Company's bylaws and applicable law as the Committee or the Board may deem appropriate.

V. Performance Evaluation

The Committee shall annually review and assess the adequacy of this Charter and recommend any proposed changes to the Board for approval. The Committee shall also perform an annual evaluation of its own performance, which shall compare the performance of the Committee with the requirements of this charter. In conducting this review, the Committee shall address all matters that it considers relevant to its performance, including at least the following: the adequacy, appropriateness and quality of the information and recommendations presented by the Committee to the Board; the manner in which such recommendations were discussed or debated; and whether the number and length of meetings of the Committee were adequate for the Committee to complete its work in a thorough and thoughtful manner. The report to the Board may take the form of an oral report by the chairperson of the Committee or any other member of the Committee designated by the Committee to make this report.

VI. Committee Resources

The Committee shall be empowered, without the approval of the Board or management, to engage and compensate such independent legal, accounting and other advisors and consultants, as it deems necessary or desirable to carry out its duties. The Committee shall have the sole authority to retain and terminate any such advisors and consultants that it desires to use to assist in the Committee's evaluation of director, CEO or executive officer compensation or performance of its other duties and shall have the sole authority to approve any such advisor or consultant's fees and other retention terms. The Committee shall receive appropriate funding, as determined by the Committee, from the Company for payment of: a) compensation to any advisor or consultant retained by the Committee; and b) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties. The Committee shall assess the independence of any consultants or outside advisors in accordance with applicable SEC rules and the rules of the New York Stock Exchange.

Unless expressly authorized by the Board, the Committee shall not delegate any authority hereunder to subcommittees or other persons.