

READY CAPITAL CORPORATION

AUDIT COMMITTEE CHARTER

I. Purpose

The principal purpose of the Audit Committee (the “**Committee**”) is to assist the Board of Directors (the “**Board**”) of Ready Capital Corporation (formerly known as Sutherland Asset Management Corporation) (the “**Company**”) in fulfilling its responsibilities to the stockholders, potential stockholders and investment community relating to the corporate accounting and reporting practices of the Company and its subsidiaries, the quality and integrity of the Company’s consolidated financial statements, the Company’s compliance with applicable legal and regulatory requirements, the performance, qualifications and independence of the Company’s external auditors, and the performance of the Company’s internal audit function, controls and procedures.

In discharging its oversight role, the Committee is granted the authority to adopt policies and procedures to ensure that the accounting and reporting practices of the Company are of the highest quality and integrity, including the authority to investigate any matter brought to its attention, with full access to all books, records, facilities and personnel of the Company, and the authority to engage independent counsel and other advisers as it determines necessary to carry out its duties.

It shall also be the responsibility of the Committee to maintain free and open means of communication among the Board and the Company’s external auditors, or internal auditors and personnel of the Company or its external manager, Waterfall Asset Management, LLC, a Delaware limited liability company (the “**Manager**”). Through these lines of communication, the Committee shall monitor any issues or areas that fall within the scope of its duties, purpose or responsibilities that require special attention. The Company’s external auditors are ultimately accountable to the Committee and the Board.

II. Membership

1. The Committee will have at least three members, each of whom shall be appointed by the Board. Each member of the Committee shall be financially literate (i.e., able to read and understand financial statements, in general, and the Company’s financial statements, in particular, and aware of the functions of auditors for a company) as affirmatively determined by the Board in connection with such member’s appointment to the Committee. In addition, at least one member of the Committee must be designated by the Board to be an “audit committee financial expert,” as defined by applicable Securities and Exchange Commission (the “**SEC**”) rules.

2. The Committee shall be composed solely of “independent” directors who have no employment or professional relationship with the Company, who are independent of the Company’s management and who comply with the requirements for serving on audit committees as set forth in the corporate governance standards, as amended from time to time, of the New York Stock Exchange (“**NYSE**”) and all applicable laws, rules and regulations of the SEC or other similar governing bodies. The definition of “independent” requires that the Board affirmatively determine that a director to be appointed to the Committee not have any material relationship with the Company or any of its subsidiaries. In addition, the independence of each member of the Committee shall be reviewed on an annual basis by the Board or more frequently as the circumstances dictate. For purposes of the Committee, a director is not independent if:

- a) the director receives, directly or indirectly, any consulting, advisory or other compensatory fees from the Company or any of its subsidiaries, other than fees for serving in his or her capacity as a member of the Board and as a member of the Board's committees;
- b) the Board determines that the director has a material relationship with the Company or any of its subsidiaries (either directly or as a partner, stockholder or officer of an organization that has a relationship with the Company or any of its subsidiaries) or is otherwise an affiliate of the Company;
- c) the director is, or has been within the last three years, an employee of the Company or an "immediate family member" of the director is, or has been within the last three years, an executive officer of the Company;
- d) the director or an "immediate family member" of the director has received, during any 12-month period during the last three years, more than \$120,000 in direct compensation from the Company, other than fees for serving in his or her capacity as a member of the Board and as a member of the Board's committees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way upon continued service);
- e) (A) the director or an "immediate family member" of the director is a current partner of a firm that is the Company's internal or external auditor, (B) the director is a current employee of such firm, (C) an "immediate family member" of the director is a current employee of such firm and participates in such firm's audit, assurance or tax compliance (but not tax planning) practice, or (D) the director or an "immediate family member" of the director was within the last three years (but is no longer) a partner or employee of such firm and personally worked on the Company's audit within that time;
- f) the director or an "immediate family member" of the director is, or has been within the last three years, employed as an executive officer of another company where any of the Company's present executives at the same time serves or served on that company's compensation committee; or
- g) the director is a current employee, or an "immediate family member" of the director is a current executive officer, of a company that has made payments to, or received payments from, the Company for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of \$1 million or 2% of such other company's consolidated gross revenues.

For purposes of the foregoing, an "**immediate family member**" includes a person's spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law and anyone (other than domestic employees) who shares such person's home.

3. A director appointed to the Committee may not serve on more than two additional audit committees for publicly listed companies, unless the Board has made an affirmative determination that such director is able to effectively undertake the responsibilities of serving on the Committee in addition to his or her positions on other such audit committees.

4. The Board shall appoint one member of the Committee to serve as the Chairperson and shall affirmatively determine at the time of such appointment that such member possesses accounting or related financial management expertise.

III. Responsibilities and Duties

A. Financial and Related Reporting

1. Prior to the filing by the Company of a Quarterly Report on Form 10-Q (the “**Form 10-Q**”), the Committee shall approve such filing. In connection therewith, the Committee shall review with the Company’s management and external auditors, the interim financial information to be included in the Form 10-Q and the matters described in the applicable standards, as such standards may be adopted and amended from time to time, of the Public Company Accounting Oversight Board (the “**PCAOB**”). In addition, in connection with the Committee’s review of the Form 10-Q when applicable, the Committee shall review any matters of significance, including significant adjustments, management judgments and accounting estimates, significant reserves and/or accruals, significant new accounting principles, disagreements between management and the external auditors and their effect, if any, on the Company’s consolidated financial statements and recent or proposed applicable requirements of the SEC, the Financial Accounting Standards Board (the “**FASB**”) or other similar governing bodies, and when applicable the disclosure set forth under “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in the Form 10-Q.

2. The Committee shall, prior to each filing by the Company of an Annual Report on Form 10-K (the “**Form 10-K**”) with the SEC, review with the Company’s management and external auditors, and approve, the audited financial statements to be included in the Form 10-K and in the Company’s annual report to stockholders (the “**Annual Report**”) and review and consider the matters described in the applicable standards, as such standards may be adopted and amended from time to time, of the PCAOB. In connection therewith, the Committee shall review significant adjustments, management judgments and accounting estimates, significant reserves and/or accruals, significant new accounting principles, disagreements between management and the external auditors and their effect, if any, on the Company’s consolidated financial statements and recent or proposed applicable requirements of the SEC, the FASB or other similar governing bodies, and the disclosure set forth under “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in the Form 10-K. Following such review, the Committee shall recommend to the Board whether the audited financial statements should be included in the Annual Report or the Form 10-K. Prior to the filing with the SEC of the Annual Report or the Form 10-K, the Board shall approve such filing.

3. The Committee shall meet with the Company’s Chief Executive Officer and/or any other officer of the Company responsible for certifying the Company’s Form 10-K or Form 10-Qs filed with the SEC, prior to any such certification, and review with such officers their disclosures relating to (a) all significant deficiencies in the design or operation of internal controls which could adversely affect the Company’s ability to record, process, summarize and report financial data and the identification of any material weakness in internal controls and (b) any fraud, whether or not material, that involves the Company’s management or other employees who have a significant role relating to the Company’s internal controls.

4. In connection with its review of each Form 10-Q and Form 10-K and prior to issuance of any earnings press release by the Company, the Committee shall review with the Company’s management and external auditors the consolidated statements of operations, earnings guidance and other financial information to be included in such earnings press release. Prior to issuance of any release of financial information or earnings guidance to analysts or rating agencies, the Committee shall review with the Company’s management and external auditors the financial information or earnings guidance to be included in such release to be provided to analysts or rating agencies. Each member of the Committee shall have the opportunity to comment on such earnings press release, release of financial information or earnings guidance and/or arrange a conference call with the Company’s management with respect to such release.

5. The Committee shall annually issue a written report to the Board, a copy of which shall be included in the Company’s proxy statement related to the annual meeting of stockholders, stating whether the Committee has (a) reviewed and discussed the audited financial statements with the Company’s

management, (b) discussed with the Company's external auditors the matters required to be discussed by the applicable standards adopted by the PCAOB, as such standards may be adopted and amended from time to time, (c) received from the Company's external auditors disclosures regarding such auditors' independence required by Independence Standards Board No. 1 and discussed with such auditors their independence, (d) recommended to the Board that the audited financial statements of the Company be included in the Annual Report and the Form 10-K and (e) such other information as may be required, from time to time, by the rules and/or regulations of the NYSE, the SEC, the FASB or other similar governing bodies.

6. The Committee shall periodically discuss with the Company's external auditors, such auditors' judgments about the quality, not just the acceptability, of the Company's accounting principles as applied in its consolidated financial statements. The discussion should include such issues as the clarity of the Company's financial disclosures, the degree of aggressiveness or conservatism of the Company's accounting principles and the underlying estimates and other significant decisions made by the Company's management in preparing the financial disclosures.

7. The Committee shall obtain and review, on an annual basis, a report prepared by the Company's management and/or external auditors setting forth all significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including an analysis of the effects on the financial statements of the Company of any alternative generally accepted accounting principle ("GAAP") methods adopted by the Company, any regulatory and/or accounting initiatives and any off-balance sheet structures and all critical accounting policies and practices the Company uses or expects to use.

B. Controls and Compliance

8. The Committee shall periodically review with the Company's management and external auditors, and internal auditors of the Company or its Manager (a) the adequacy and effectiveness of the Company's system of internal accounting controls and procedures, (b) any recommendations of such external auditors and/or internal auditors of the Company or its Manager with respect to any material weaknesses in the Company's system of internal controls, (c) any material matters or problems with respect to accounting, records, procedures or operations of the Company which have not been resolved to such external and/or internal auditors' satisfaction after having been brought to the attention of management, (d) any material matters or problems with respect to the safeguarding of the Company's assets and limitations on authority of the Company's management relating to, among other things, investments, borrowings and derivative instruments, (e) any "management" or "internal control" letter issued, or proposed to be issued, by the Company's external auditors and all other material written communications between the external auditors and the management of the Company and (f) the work product for the testing of internal accounting controls and procedures. Such review should also consider the impact of the adequacy and effectiveness of the Company's system of internal accounting controls on the Company's financial reporting on both an annual and quarterly basis.

9. The Committee shall discuss and review policies with respect to risk assessment and risk management, including, but not limited to, (a) guidelines and policies to govern the process by which risk assessment and risk management is undertaken by the Company and its management, (b) the adequacy of the Company's insurance coverage, (c) any uninsured or commercially uninsurable risks, (d) the Company's interest rate risk management, (e) the Company's counter-party and credit risks and (f) the Company's capital availability and refinancing risks.

10. The Committee shall review with the Company's management and tax advisors the status of all tax returns, including open years and potential disputes. The Committee shall review with the Company's

external auditors the adequacy of tax reserves included in the Company's consolidated financial statements.

11. On at least an annual basis, the Committee shall review with legal counsel to the Company or its Manager, (a) any legal or regulatory matters that could have a significant impact on the Company's financial statements, (b) the Company's compliance with applicable laws and regulations and (c) inquiries received from regulators or governmental agencies.

12. The Committee shall review the status of significant litigation with legal counsel to the Company or its Manager and external auditors, if appropriate, and whether reserves, if any, in connection with actual and/or potential litigation are appropriate.

13. The Committee shall monitor and review the Company's compliance with any applicable SEC and NYSE rules and regulations relating to, among other things, the Company's corporate accounting and reporting practices, the quality and integrity of the Company's consolidated financial statements, the performance, qualifications and independence of the Company's external auditors and the performance of the Company's internal audit function.

C. Internal Audit

14. To the extent applicable, the Committee shall review and approve the function of the internal audit department of the Company or its Manager, its staffing, compensation, budget, responsibilities, organization, activities, independence and authority of its reporting obligations, as well as the qualifications of its personnel. The Committee shall, on a regular basis, review the Company's internal audit charter, if any, and compliance by the Company's or the Manager's, as applicable, internal audit department with applicable standards of the Institute of Internal Auditors. The Committee shall also review the appointment, compensation and replacement of the Company's third-party internal auditors or, if applicable, senior internal auditing executive and the coordination of such activities with the Company's external auditors.

15. The Company's third-party internal auditors, which may include the Manager, or, if applicable, the senior internal auditing executive shall report directly to the Committee. The Committee shall meet regularly, but in no event less than once every six months, with the internal auditors of the Company or its Manager in executive sessions without the Company's management present.

D. External Audit

16. The Committee shall engage and terminate (subject to, if applicable, stockholder ratification) the external auditors to be used to audit the consolidated financial statements of the Company.

17. The Committee shall review and pre-approve the engagement fees and the terms of all auditing and non-auditing services to be provided by the Company's external auditors and evaluate the effect thereof on the independence of the external auditors. The Committee shall also review and evaluate the scope of all non-auditing services to be provided by the Company's external auditors in order to confirm that such services are permitted by any applicable rules and/or regulations of the NYSE, the SEC, FASB or other similar governing bodies. As necessary, the Committee shall consult with the Company's management regarding the engagement fees or terms of any such auditing or non-auditing services.

18. The Committee shall, at least annually, evaluate the Company's external auditors' qualifications, performance and independence and present a written report to the Board of its conclusions with respect to such evaluation. In connection with this evaluation, the external auditors shall provide a written annual

report to the Committee describing: (a) such external auditors' internal quality-control procedures; (b) any material issues raised by the most recent internal quality-control review, or peer review, of such external auditors or by any inquiry or investigation by government or professional authorities within the preceding five years, respecting one or more independent audits carried out by such external auditors, and any steps taken to deal with any such issues; and (c) in order to assess such external auditors' independence, all relationships between such external auditors and the Company. The Committee shall consult with the Company's management, its external auditors and/or personnel responsible for its internal audit function, as necessary, regarding this evaluation.

19. The Committee shall review and evaluate the qualifications, performance and independence of the lead partner of the external auditors, ensure that neither the lead partner nor the concurring partner of the external auditors serves, respectively, in that capacity for more than five years (or such other period as may be prescribed by rules and/or regulations of the NYSE, the SEC, the FASB or other similar governing bodies) and present its conclusions with respect to the independent auditors, including whether the audit firm itself should be changed periodically, to the Board.

20. The Committee shall meet with the Company's management and external auditors prior to commencement of the annual audit by such external auditors for the purpose of reviewing the scope and audit procedures of such audit, including special audit risk areas and materiality. The Committee shall also meet with the Company's external auditors subsequent to completion of that audit for the purpose of reviewing the results.

21. The Committee shall obtain and review any written reports issued by the Company's external auditors regarding all critical accounting policies and practices the Company uses or expects to use, all alternative treatments of financial information within GAAP that have been discussed with the Company's management, the ramifications of the use of such alternative disclosures and treatments and the treatment preferred by the external auditors.

22. The Committee shall meet regularly, but in no event less than once every six months, with the Company's external auditors in executive sessions without the Company's management present. Among the items to be discussed at these meetings are the auditors' evaluation of the Company's financial, accounting and the internal auditing personnel of the Company or its Manager, as applicable, and the cooperation that the auditors received during the course of the audit, including any audit problems or difficulties, together with the responses of the Company's management thereto, any restrictions on the scope of such external auditors' activities and any significant disagreements with the Company's management. If applicable, such review may also include any accounting adjustments that were noted or proposed by such auditors but were "passed" (including similar adjustments that were passed because individually they were not material), any communications between the audit team and the audit firm's national office respecting auditing or accounting issues presented by the engagement, any "management" or "internal control" letter issued, or proposed to be issued, by such auditors to the Company and all other material written communications between the external auditors and the management of the Company.

E. Other Committee Activities

23. The Committee shall report to the Board on a regular basis.

24. The Committee shall serve as access for the Company's management, external auditors and internal auditors to the Board with respect to all matters within the scope of the Committee's duties.

25. In accordance with any applicable rules and/or regulations of the NYSE, the SEC, the FASB or other similar governing bodies, the Committee shall set clear policies for the Company's hiring of

employees or former employees of the Company's external auditors. In addition, the Committee shall also conduct exit interviews with departing executive officers in order to evaluate the Company's corporate accounting and reporting practices.

26. The Committee shall establish, review and update periodically an orientation and training program for new Committee members, based upon the New Member Orientation Guidelines attached hereto as Exhibit A, and ensure continuing education and training for current Committee members.

27. The Committee shall conduct an annual evaluation of its own performance, including the performance of individual members, and confirm annually that all of the Committee's responsibilities set forth in this Charter have been performed.

28. The Committee shall annually review and assess this Charter. This Charter may be amended by the recommendation of the Committee and the approval of the independent members of the Board. All amendments will be reported to the Board.

29. Members of the Committee shall assist the Chairperson's review and consideration of any related-party transactions presented to the Chairperson pursuant to the Company's related party transaction policies and procedures.

30. When applicable the Committee shall review and retain a log of all matters reported to the Committee pursuant to the Company's "Whistleblowing Procedures for Accounting and Auditing Matters" and "Code of Ethics", which the Committee adopted in accordance with Section IV hereof.

31. The Committee shall review and pre-approve any fees to be paid to any accounting advisors or consultants employed by the Company in connection with the Company's accounting, tax and auditing services.

IV. Complaint Procedures

Any issue of significant financial misconduct shall be brought to the attention of the Committee for its consideration. In this connection, the Committee shall establish procedures for (a) the receipt, retention and treatment of complaints received regarding accounting, internal accounting controls or auditing matters, (b) the confidential, anonymous submission by employees of the Company or its Manager of concerns regarding questionable accounting or auditing matters and (c) the receipt and retention on a confidential and anonymous basis of potential violations and other matters related to the Code of Ethics. The Committee shall investigate all matters brought to its attention within the scope of its duties, including the review of any significant fraudulent or illegal activities that may be discovered and any preventative action taken in response to such activities.

V. Committee Powers

In the course of fulfilling its responsibilities and duties, the Committee shall be empowered (a) to initiate, if warranted, an investigation of any special situation, (b) to retain outside legal, accounting or other advisors and consultants without seeking approval from the Board if, in the Committee's judgment, it is appropriate and (c) to delegate to one or more of its members any responsibility or duty of the Committee, which by its nature is not required to be performed by the entire Committee. The Company shall provide appropriate funding, as determined by the Committee, in its capacity as a committee of the Board, for payment of compensation to any external auditors employed to audit the Company's consolidated financial statements and any legal, accounting or other advisors and consultants employed by the

Committee in carrying out its duties and for payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

VI. Meetings

The Committee shall meet at least four times annually or more frequently as the circumstances dictate. For each Committee meeting, the Committee will appoint a secretary to keep minutes of such meeting. After approval of each set of minutes by the Committee, the Committee will submit such minutes to the Board for review and will cause such minutes to be filed with the minutes of the Board.

VII. Limitations on Scope

The Committee members shall serve on the Committee subject to the understanding on their part and the part of the Company's management, external auditors and internal auditors that:

1. The Committee members are not employees or officers of the Company and are not directly involved in the Company's daily operations and they will not serve as members of the Committee on a full-time basis.
2. The Committee members expect the Company's management, external auditors and internal auditors to provide the Committee with prompt and accurate information, so that the Committee can discharge its duties properly.
3. To the extent permitted by law, the Committee shall be entitled to rely on the information and opinions of the persons and entities noted above in carrying out its responsibilities.

The Committee members, in adopting this Charter and in agreeing to serve on the Committee, do so in reliance on, among other things, the provisions of the Company's Articles of Amendment and Restatement which:

1. Together with the Company's Bylaws, provide indemnification for their benefit; and,
2. To the fullest extent provided by law, provide that no director shall be liable to the Company or its stockholders for monetary damages for breach of fiduciary duty as a director.

Approved by the Board: September 24, 2018.

READY CAPITAL CORPORATION

Audit Committee – New Member Orientation Guidelines

In order for an audit committee to be effective, its members must know what questions to ask and how to interpret and follow-up on answers. Ready Capital Corporation (the “**Company**”) wants to ensure that its Audit Committee members have a solid understanding of the business and related risks, as well as a firm grasp of the Audit Committee’s responsibilities. The Company’s orientation program will provide information about relevant areas in which Audit Committee members should be instructed, which include the following:

- *The committee’s charter:* An outline of the committee’s key responsibilities and any limits to its authority
- *Meeting schedule and agendas:* Meeting frequency, length and expected coverage
- *Business and industry:* Insight into strategy, competitive positioning, operations and other business issues, as a basis for recognizing and analyzing controls and reported results
- *Key risks:* In both the business and the financial reporting process
- *Key financial reporting, operations and compliance controls:* The control environment, security and integrity of information systems, and how management addresses key risks
- *Standard financial reports:* What information flows through to financial reports, what key line items represent and how to read reports and recognize issues
- *Key accounting policies:* What they are, why they were selected and what impact they have on financial reports
- *Statutory and regulatory requirements:* Identify the nature of externally imposed requirements and description and background of current issues, including requirements placed on audit committee itself, as well as on the company
- *Reporting and audit processes:* Overview of how financial reports are developed and how management, the committee and auditors work to ensure reliability
- *Earnings trends:* Financial position and prospectus of company
- *Support and resources:* Who supports the committee
- *Internal auditing:* Responsibilities, reporting relationship with the committee, nature of audit plans, reports
- *External auditors:* Relationship with the committee, audit scope, reports
- *Committee assessment:* Self-assessment and charter review processes