

CHINA LENDING CORPORATION
BOARD OF DIRECTORS AND EXECUTIVE OFFICERS
CONFLICT OF INTEREST POLICY

This policy shall apply to the directors and executive officers* of China Lending Corporation (the “Company”) and shall supplement the Company’s Code of Business Conduct and Ethics, Related Party Transactions Policy and any other Company policies that may apply to the subject matter contained herein. The Company has the right to expect that actions and decisions of its directors and executive officers will be made objectively and in the best interests of the Company. Directors and executive officers must be free from undue influence of personal or outside business interests that may appear to, or actually, interfere with their working in the Company’s best interests. Directors and executive officers should not place themselves in any situation where they have a direct or indirect interest or connection with outside business activities that could reasonably be expected to influence their independent judgment regarding Company matters. Likewise, they must not take for themselves a business opportunity which rightfully belongs to the Company and they must not use Company property, or information for personal gain. Accordingly, no director or executive officer shall knowingly become involved in a conflict of interest, or upon the discovery thereof, allow such a conflict to continue.

The following are examples of conflicts of interest:

- Diverting business away from the Company; using one’s position within the Company to prevent or hinder its ability to compete with others; or receiving a commission, or otherwise personally profiting, from a Company transaction.
- Passing on or selling inside information, or acting on inside information to personally take advantage of a business opportunity or transaction offered to the Company, or that the Company developed.

Given the size of the Company and the complexity of the modern business environment, it is inevitable that the directors and executive officers of the Company may, from time to time, and directly or indirectly, become connected with other corporations and firms with which the Company may currently, or in the future, have business dealings. While some of these connections could give rise to a conflict of interest, there are many usual and routine circumstances in which it would be unreasonable to conclude that a conflict of interest exists.

Disclosure of Certain Relationships and Interests

In order to assist in the effective operation of this policy, and recognizing that the appearance of a conflict can have a deleterious effect on the reputations of both the Company and the individual, directors and executive officers must promptly disclose the following to the General Counsel of the Company:

- (1) all material interests** owned in major competitors, suppliers or customers of the Company;

- (2) any proposed transaction involving the Company or a subsidiary of the Company in which the director or executive officer may have a direct or indirect (as a result, for example, of a close family relationship) personal economic interest; and
- (3) any outside business relationships that may interfere with the director's or executive officer's independent judgment.

The above circumstances may or may not constitute a conflict of interest; however, they should be reviewed and will be disclosed internally or externally as appropriate.

Policy Interpretation--Waiver

Questions involving the interpretation of this policy should be directed to the General Counsel of the Company, who may consult with the Audit Committee on matters of interpretation. Directors and executive officers shall be entitled to rely on the advice of the General Counsel. Any decision to waive the application of this policy to directors or executive officers must be made by the Audit Committee and in accordance with the procedures set forth in the Company's Related Party Transactions Policy, and any such waivers, along with the reasons for such waivers, will be promptly publicly disclosed to shareholders, as required by applicable SEC regulations and requirements of the NASDAQ Stock Market. Violations of this policy may result in disciplinary action, up to and including termination of service with the Company.

* For purposes of this policy, "executive officer" shall mean any individual who the company determines to be an officer pursuant to Rule 16a-1(f) of the Securities Exchange Act of 1934, as amended.

** For purposes of this policy, material interest shall mean greater than 1% of any class of a public corporation's outstanding securities.