

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

SCHEDULE TO

(Rule 14d-100)

Tender Offer Statement under Section 14(d)(1) or 13(e)(1)
of the Securities Exchange Act of 1934

FLEXSHOPPER, INC.

(Name of Subject Company (Issuer) and Name of Filing Person (Issuer))

Warrants exercisable for Common Stock at an exercise price of \$1.25 per share
(Title of Class of Securities)

33939J113

(CUSIP Number of Warrants)

Richard House Jr.
Chief Executive Officer
FlexShopper, Inc.
901 Yamato Road, Suite 260
Boca Raton, Florida 33431
(855) 353-9289

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications on Behalf of Filing Persons)

with a copy to:

Spencer G. Feldman, Esq.
Olshan Frome Wolosky LLP
1325 Avenue of the Americas, 15th Floor
New York, New York 10019
Tel: (212) 451-2300

CALCULATION OF FILING FEE

Transaction valuation*

\$8,058,009

Amount of filing fee

\$1,045.93

* Estimated for purposes of calculating the amount of the filing fee only. FlexShopper, Inc. (the "**Company**") is offering holders of all of the Company's outstanding \$1.25 per share warrants (the "**Public Warrants**") the opportunity to exchange the Public Warrants for shares of the Company's common stock, par value \$0.0001 per share (the "**Shares**"), by tendering one Public Warrant in exchange for 0.62 Shares. The Public Warrants were issued by the Company in a registered public offering made pursuant to the Company's prospectus filed with the Securities and Exchange Commission (the "**SEC**") pursuant to Rule 424(b)(5), dated September 25, 2018, as amended by post-effective amendment No. 1 filed with the SEC on May 7, 2019. The amount of the filing fee assumes that all of the outstanding Public Warrants will be exchanged and is calculated pursuant to Rule 0-11(b) of the Securities Exchange Act of 1934, as amended. The transaction value was determined by using the average of the high and low prices of the Public Warrants as reported on the Nasdaq Capital Market on January 3, 2020, which was \$1.41.

Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid: N/A
Form or Registration No.: N/A

Filing Party: N/A
Date Filed: N/A

Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

- third-party tender offer subject to Rule 14d-1.
 issuer tender offer subject to Rule 13e-4.
 going-private transaction subject to Rule 13e-3.
 amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer:

SCHEDULE TO

This Tender Offer Statement on Schedule TO (this “**Schedule TO**”) is filed by FlexShopper, Inc., a Delaware corporation (the “**Company**”). This Schedule TO relates to the offer by the Company to all holders of the Company’s outstanding warrants that were issued by the Company in its registered public offering of units consisting of common stock and warrants made pursuant to the Company’s prospectus filed with the Securities and Exchange Commission (the “**SEC**”) pursuant to Rule 424(b)(5), dated September 25, 2018 and as amended by post-effective amendment No. 1 filed with the SEC on May 7, 2019 (the “**Prospectus**”), exercisable for shares of the Company’s common stock, par value \$0.0001 per share (the “**Shares**”), which have an exercise price of \$1.25 per share (the “**Public Warrants**”), to receive 0.62 Shares in exchange for each Public Warrant tendered by the holders thereof (fractional Shares to be rounded up to the nearest whole Share to be issued). This offer is subject to the terms and conditions set forth in the Offer to Exchange Letter, dated January 6, 2020 (the “**Offer Letter**”), a copy of which is filed herewith as Exhibit (a)(1)(A), and in the related Letter of Transmittal, a copy of which is filed herewith as Exhibit (a)(1)(B) (which, together with any amendments or supplements thereto, collectively constitute the “**Offer**”).

This Schedule TO is intended to satisfy the reporting requirements of Rule 13e-4 under the Securities Exchange Act of 1934, as amended. The information in the Offer Letter and the related Letter of Transmittal is incorporated herein by reference as set forth below.

Item 1. Summary Term Sheet.

The information set forth in the section of the Offer Letter titled “Summary” is incorporated herein by reference.

Item 2. Subject Company Information.

(a) Name and Address. The name of the subject company and the filing person is FlexShopper, Inc., a Delaware corporation. The address of the Company’s principal executive offices is 901 Yamato Road, Suite 260, Boca Raton, Florida 33431. The Company’s telephone number is (855) 353-9289.

(b) Securities. The subject class of securities consists of the Company’s outstanding Public Warrants. As of January 6, 2020, there were 5,714,900 Public Warrants outstanding, each of which is exercisable for one share of the Company’s common stock, at an exercise price of \$1.25 per share. The actual number of Shares that will be issued will depend on the number of Public Warrants tendered and accepted for exchange and cancelled. If all of the outstanding Public Warrants are tendered and accepted for exchange, an aggregate of 3,543,238 Shares will be issued in connection with the Offer. Public Warrants that are validly tendered and accepted for exchange will be cancelled.

The Offer relates to the Public Warrants issued pursuant to the Prospectus, which trade through the Depository Trust Company. Any and all outstanding Public Warrants issued pursuant to the Prospectus are eligible to be tendered pursuant to the Offer.

(c) Trading Market and Price. The information set forth in the Offer Letter under “The Offer, Section 6. Price Range of Shares and Public Warrants” is incorporated herein by reference.

Item 3. Identity and Background of Filing Person.

(a) Name and Address. The Company is the subject company and the filing person. The business address and telephone number of the Company are set forth under Item 2(a) above.

The names of the executive officers and directors of the Company who are persons specified in Instruction C to Schedule TO are set forth below. The business address for each such person is c/o FlexShopper, Inc., 901 Yamato Road, Suite 260, Boca Raton, Florida 33431 and the telephone number for each such person is (855) 353-9289.

Name	Position
Richard House Jr.	Chief Executive Officer
Brad Bernstein	President and Director
H. Russell Heiser Jr.	Chief Financial Officer
James D. Allen	Director
Howard S. Dvorkin	Chairman of the Board
Sean Hinze	Director
T. Scott King	Director
Carl Pradelli	Director

Item 4. Terms of the Transaction.

The information set forth in the Offer Letter under “The Offer, Sections 1 through 13” is incorporated herein by reference.

The information set forth in the Offer Letter under “The Offer, Section 5.D., Background and Purpose of the Offer — Interests of Directors and Executive Officers” is incorporated herein by reference.

Item 5. Past Contracts, Transactions, Negotiations and Arrangements.

(a) Agreements Involving the Subject Company’s Securities. The information set forth in the Offer Letter under “The Offer, Section 8. Transactions and Agreements Concerning the Company’s Securities” is incorporated herein by reference.

Item 6. Purposes of the Transaction and Plans or Proposals.

(a) Purposes. The information set forth in the Offer Letter under “The Offer, Section 5.C., Background and Purpose of the Offer — Purpose of the Offer” is incorporated herein by reference.

(b) Use of Securities Acquired. The Public Warrants exchanged for Shares will be retired and cancelled.

(c) Plans. No plans or proposals described in this Schedule TO or in any materials sent to the holders of the Public Warrants in connection with the Offer relate to or would result in the conditions or transactions described in Regulation M-A, Items 1006(c)(1)-(10). The exchange of each Public Warrant pursuant to the Offer will result in the acquisition by the exchanging holder of 0.62 Shares.

Item 7. Source and Amount of Funds or Other Consideration.

(a) Sources of Funds. No funds will be used by the Company in connection with the Offer, other than funds used to pay the expenses of the Offer.

(b) Conditions. Not applicable.

(d) Borrowed funds. Not applicable.

Item 8. Interest in Securities of the Subject Company.

(a) Securities ownership. The information regarding ownership of Public Warrants set forth in the Offer Letter under “The Offer, Section 5.D., Background and Purpose of the Offer — Interests of Directors and Executive Officers” is incorporated herein by reference.

(b) Securities transactions. The information set forth in the Offer Letter under “The Offer, Section 5.D., Background and Purpose of the Offer — Interests of Directors and Executive Officers” is incorporated herein by reference.

Item 9. Persons/Assets, Retained, Employed, Compensated or Used.

(a) Solicitations or Recommendations. The information set forth in the Offer Letter under “The Offer, Section 13. The Depositary and the Information Agent” and “The Offer, Section 14. Fees and Expenses” is incorporated herein by reference. No persons have been directly or indirectly employed, retained or otherwise compensated to make solicitations or recommendations in connection with the Offer, other than certain employees of the Company, none of whom will receive any special or additional compensation in connection with the Offer beyond their normal compensation. See the information set forth on page iv of the Offer Letter.

Item 10. Financial Statements.

(a) Financial Information. Incorporated herein by reference are the Company’s financial statements that were included as Part II. Item 8 in its Annual Report on Form 10-K for the year ended December 31, 2018, filed with the SEC on March 11, 2019 (the “**Form 10-K**”), as well as in its Quarterly Report on Form 10-Q for the quarter ended September 30, 2019, filed with the SEC on November 4, 2019 (the “**Form 10-Q**”). The Form 10-K and Form 10-Q are available for review on the SEC’s website at www.sec.gov. In addition, the information set forth in the Offer Letter under “The Offer, Section 9. Financial Information Regarding the Company” is incorporated herein by reference.

(b) Pro Forma Information. Not applicable.

Item 11. Additional Information.

The information set forth in the Offer Letter and the related Letter of Transmittal, copies of which are filed as Exhibits (a)(1)(A) and (a)(1)(B) hereto, respectively, is incorporated herein by reference.

Item 12. Exhibits.

Exhibit Number	Description
(a)(1)(A)	Offer to Exchange Letter dated January 6, 2020.
(a)(1)(B)	Letter of Transmittal (including Guidelines of the Internal Revenue Service for Certification of Taxpayer Identification Number on Substitute Form W-9).
(a)(1)(C)	Form of Notice of Guaranteed Delivery.
(a)(1)(D)	Form of letter to brokers, dealers, commercial banks, trust companies and other nominees.
(a)(1)(E)	Form of letter to be used by brokers, dealers, commercial banks, trust companies and other nominees for their clients.
(a)(5)(A)	The Company’s Annual Report on Form 10-K for the year ended December 31, 2018 (incorporated herein by reference to the Company’s filing with the SEC on March 11, 2019).
(a)(5)(B)	The Company’s Quarterly Report on Form 10-Q for the quarter ended September 30, 2019 (incorporated herein by reference to the Company’s filing with the SEC on November 4, 2019).
(a)(5)(C)	Press release.

Exhibit Number	Description
(d)(1)	<u>Restated Certificate of Incorporation of FlexShopper, Inc. (previously filed as Exhibit 3.1 to the Company's Annual Report on Form 10-K for the year ended December 31, 2017 and incorporated herein by reference).</u>
(d)(2)	<u>Certificate of Amendment to the Certificate of Incorporation of the Company (previously filed as Exhibit 3.1 to the Company's Current Report on Form 8-K filed on September 21, 2018 and incorporated herein by reference).</u>
(d)(3)	<u>Certificate of Amendment to the Certificate of Incorporation of the Company (previously filed as Exhibit 3.4 to the Company's Quarterly Report on Form 10-Q filed on November 5, 2018 and incorporated herein by reference).</u>
(d)(4)	<u>Amended and Restated Bylaws (previously filed as Exhibit 3.2 to the Company's Annual Report on Form 10-K filed on March 11, 2019 and incorporated herein by reference).</u>
(d)(5)	<u>Form of Warrant Agent Agreement by and between the Company and Continental Stock Transfer & Trust and Form of Warrant (incorporated by reference to Exhibit 4.4 to the Registration Statement on Form S-1 (File No. 333-226823), filed with the SEC on September 24, 2018).</u>
(d)(6)	<u>Warrant Amendment and Exchange Agreement (previously filed as Exhibit 10.1 to the Company's Current Report on Form 8-K filed on December 30, 2019 and incorporated herein by reference).</u>

Item 13. Information Required by Schedule 13E-3.

Not applicable.

SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

FLEXSHOPPER, INC.

By: /s/ Richard House Jr.
Name: Richard House Jr.
Title: Chief Executive Officer

Date: January 6, 2020

OFFER TO EXCHANGE
SHARES OF COMMON STOCK FOR
ANY AND ALL OUTSTANDING PUBLIC WARRANTS
OF
FLEXSHOPPER, INC.

THE OFFER PERIOD AND YOUR RIGHT TO WITHDRAW PUBLIC WARRANTS THAT YOU TENDER WILL EXPIRE AT 5:00 P.M., EASTERN TIME, ON FEBRUARY 4, 2020, UNLESS THE OFFER PERIOD IS EXTENDED. THE COMPANY MAY EXTEND THE OFFER PERIOD AT ANY TIME.

FlexShopper, Inc., a Delaware corporation (the “**Company**”), is making an offer, upon the terms and conditions in this Offer to Exchange Letter (“**Offer Letter**”) and the related Letter of Transmittal (which together constitute the “**Offer**”), to all holders of the Company’s issued and outstanding warrants that were issued by the Company in its registered public offering of units consisting of common stock and warrants made pursuant to the Company’s prospectus filed with the Securities and Exchange Commission (the “**SEC**”) pursuant to Rule 424(b)(5), dated September 25, 2018 as amended by post-effective amendment No. 1 filed with the SEC on May 7, 2019 (the “**Prospectus**”). In this Offer, the warrants, which are exercisable for shares of the Company’s common stock, par value \$0.0001 per share (the “**Shares**”), and have an exercise price of \$1.25 per share (the “**Public Warrants**”), may be exchanged during the Offer Period at a rate of 0.62 Shares for each Public Warrant tendered (fractional Shares to be rounded up to the nearest whole Share to be issued). The “**Offer Period**” is the period commencing on January 6, 2020 and ending at 5:00 p.m., Eastern time, on February 4, 2020, or such later date to which the Company may extend the Offer (the “**Expiration Date**”).

Our Shares and Public Warrants are traded on The Nasdaq Capital Market (“**Nasdaq**”) under the symbols FPAY and FPAYW, respectively. On January 6, 2020, the last reported sale prices for the Shares and the Public Warrants were \$2.41 and \$1.39, respectively. **Public Warrant holders should obtain current market quotations for the Shares and Public Warrants before deciding whether to tender their Public Warrants pursuant to the Offer.**

The Offer relates to the Public Warrants issued pursuant to the Prospectus, which trade through The Depository Trust Company (“DTC”). Any and all outstanding Public Warrants issued pursuant to the Prospectus are eligible to be tendered pursuant to the Offer. As of January 6, 2020, there were 5,714,900 Public Warrants outstanding.

On December 30, 2019, the Company and holders of at least 50.1% of the outstanding Public Warrants (each a “**Holder**”) entered into a Warrant Amendment and Exchange Agreement (the “**Exchange Agreement**”), pursuant to which the Holders agreed to exchange their Public Warrants for Shares on the same terms as the Offer, agreed to make the Offer to all other public holders of the Public Warrants in reliance upon the exemption from registration provided by Section 3(a)(9) of the Securities Act of 1933, as amended (the “**Securities Act**”), and amended the terms of the Warrant Agent Agreement for the Public Warrants to permit the Company to require that all outstanding Public Warrants not exchanged pursuant to the Offer be converted into Shares at a ratio of 0.56 of a share of our common stock per Public Warrant, which is 10% less than the exchange rate applicable to the Offer (the “**Warrant Amendment**”). The Holders included four of the Company’s directors (or their affiliated entities), who agreed to exchange a total of 3.8% of the Public Warrants outstanding pursuant to the Exchange Agreement. The purpose of the Offer and the Warrant Amendment is to ultimately eliminate the Public Warrants. See “The Offer, Section 5.C. Background and Purpose of the Offer — Purpose of the Offer.”

The Offer will permit holders of Public Warrants issued pursuant to the Prospectus to tender any and all outstanding Public Warrants at an exchange ratio of 0.62 Shares for each Public Warrant tendered. A holder may tender as few or as many Public Warrants as the holder elects. No fractional Shares will be issued. Public Warrants may only be exchanged for whole Shares. In lieu of issuing fractional Shares to which any holder of Public Warrants would otherwise have been entitled, the Company will round the number of Shares to which such holder is entitled, after aggregating all fractions, up to the next whole number of Shares. Holders are also entitled to exercise their Public Warrants during the Offer Period in accordance with the terms of the Public Warrant.

Public Warrants not exchanged for Shares pursuant to the Offer will remain outstanding subject to their amended terms pursuant to the Warrant Amendment. Following the consummation of the Offer, in accordance with the terms of the Warrant Amendment, we intend to require the conversion of all outstanding Public Warrants to Shares at a rate of 0.56 Shares per Public Warrant as provided in the Warrant Amendment (the “**Conversion**”). Our Public Warrants are currently traded on The Nasdaq Capital Market under the symbol FPAYW; however, following the completion of the Offer and Conversion, the Public Warrants will be delisted.

The Offer is not conditioned on any minimum number of Public Warrants tendered. The Offer is subject to certain conditions, which we may waive or amend in our discretion.

You may tender some or all of your Public Warrants on these terms.

If you elect to tender Public Warrants in response to the Offer, please follow the instructions in this Offer Letter and the related documents, including the Letter of Transmittal. If you wish to exercise your Public Warrants in accordance with their terms, please follow the instructions for exercise included in the Public Warrants.

If you tender Public Warrants, you may withdraw your tendered Public Warrants before the Expiration Date and retain them on their terms by following the instructions herein.

Investing in the Shares involves a high degree of risk. See “The Offer, Section 12. Forward-Looking Statements; Risk Factors” for a discussion of information that you should consider before tendering Public Warrants in the Offer.

The Offer will commence on January 6, 2020 and end on the Expiration Date.

A detailed discussion of the Offer is contained in this Offer Letter. We may amend or terminate the Offer at any time with requisite notice, as further described in this Offer Letter. Holders of Public Warrants are strongly encouraged to read this entire package of materials, and the publicly-filed information about the Company referenced herein, as well as any supplemental disclosure regarding the Offer before making a decision regarding the Offer.

THE COMPANY’S BOARD OF DIRECTORS HAS APPROVED THE OFFER. DIRECTORS HOLDING 3.8% OF THE PUBLIC WARRANTS PREVIOUSLY AGREED TO EXCHANGE THEIR PUBLIC WARRANTS FOR SHARES PURSUANT TO THE EXCHANGE AGREEMENT. NONE OF THE COMPANY, ITS DIRECTORS, OFFICERS OR EMPLOYEES, NOR CONTINENTAL STOCK TRANSFER & TRUST COMPANY, THE DEPOSITARY FOR THE OFFER (“**CST**” OR THE “**DEPOSITARY**”), OR MORROW SODALI, THE INFORMATION AGENT FOR THE OFFER (THE “**INFORMATION AGENT**”), MAKES ANY RECOMMENDATION AS TO WHETHER YOU SHOULD TENDER PUBLIC WARRANTS. EACH HOLDER OF A PUBLIC WARRANT MUST MAKE HIS, HER OR ITS OWN DECISION AS TO WHETHER TO TENDER SOME OR ALL OF HIS, HER OR ITS PUBLIC WARRANTS.

Neither the SEC nor any state securities commission has approved or disapproved of the Offer or passed upon the merits or fairness of the Offer or the accuracy or adequacy of the disclosure in this Offer Letter or the Letter of Transmittal. Any representation to the contrary is a criminal offense.

January 6, 2020

IMPORTANT PROCEDURES

If you want to tender some or all of your Public Warrants, you must do one of the following before the Expiration Date:

- if your Public Warrants are registered in the name of a broker, dealer, commercial bank, trust company or other nominee, contact the nominee and have the nominee tender your Public Warrants for you, which typically can be done electronically;
- if you hold Public Warrant certificates in your own name, complete and sign the Letter of Transmittal according to its instructions, and deliver the Letter of Transmittal, together with any required signature guarantee, the certificates for your Public Warrants and any other documents required by the Letter of Transmittal, to CST; or
- if you are an institution participating in DTC, called the “book-entry transfer facility” in this Offer Letter, tender your Public Warrants according to the procedure for book-entry transfer described under “The Offer, Section 2. Procedure for Tendering Public Warrants.”

If you want to tender your Public Warrants, but:

- your certificates for the Public Warrants are not immediately available or cannot be delivered to the Depository; or
- you cannot comply with the procedure for book-entry transfer; or
- your other required documents cannot be delivered to the Depository before the expiration of the Offer,

then you can still tender your Public Warrants if you comply with the guaranteed delivery procedure described under “The Offer, Section 2. Procedure for Tendering Public Warrants.”

TO TENDER YOUR PUBLIC WARRANTS, YOU MUST CAREFULLY FOLLOW THE PROCEDURES DESCRIBED IN THIS OFFER LETTER, THE LETTER OF TRANSMITTAL AND THE OTHER DOCUMENTS DISCUSSED HEREIN RELATED TO THE OFFER.

NO FRACTIONAL SHARES WILL BE ISSUED. PUBLIC WARRANTS MAY ONLY BE EXCHANGED FOR WHOLE SHARES. IN LIEU OF ISSUING FRACTIONAL SHARES TO WHICH ANY HOLDER OF PUBLIC WARRANTS WOULD OTHERWISE HAVE BEEN ENTITLED, THE COMPANY WILL ROUND THE NUMBER OF SHARES TO WHICH SUCH HOLDER IS ENTITLED, AFTER AGGREGATING ALL FRACTIONS, UP TO THE NEXT WHOLE NUMBER OF SHARES.

THE OFFER RELATES TO THE PUBLIC WARRANTS ISSUED PURSUANT TO THE PROSPECTUS, WHICH TRADE THROUGH DTC. ANY AND ALL OUTSTANDING PUBLIC WARRANTS ARE ELIGIBLE TO BE TENDERED PURSUANT TO THE OFFER. AS OF JANUARY 6, 2020, THERE WERE 5,714,900 PUBLIC WARRANTS OUTSTANDING.

PUBLIC WARRANTS NOT EXCHANGED FOR SHARES WILL BE SUBJECT TO THE CONVERSION. IF THE COMPANY DOES NOT EXERCISE ITS RIGHTS WITH RESPECT TO THE CONVERSION OF THE PUBLIC WARRANTS PURSUANT TO THE TERMS OF THE WARRANT AMENDMENT, THE PUBLIC WARRANTS WILL EXPIRE IN ACCORDANCE WITH THEIR TERMS ON SEPTEMBER 28, 2023 AND OTHERWISE REMAIN SUBJECT TO THEIR TERMS AS AMENDED BY THE WARRANT AMENDMENT.

TABLE OF CONTENTS

	Page
SUMMARY	1
THE OFFER	4
1. GENERAL TERMS	4
2. PROCEDURE FOR TENDERING PUBLIC WARRANTS	5
3. WITHDRAWAL RIGHTS	7
4. ACCEPTANCE OF PUBLIC WARRANTS AND ISSUANCE OF SHARES	8
5. BACKGROUND AND PURPOSE OF THE OFFER	9
6. PRICE RANGE OF SHARES AND PUBLIC WARRANTS	11
7. SOURCE AND AMOUNT OF FUNDS	12
8. TRANSACTIONS AND AGREEMENTS CONCERNING THE COMPANY'S SECURITIES	12
9. FINANCIAL INFORMATION REGARDING THE COMPANY	13
10. CONDITIONS; TERMINATION; WAIVERS; EXTENSIONS; AMENDMENTS	14
11. MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES	16
12. FORWARD-LOOKING STATEMENTS; RISK FACTORS	16
13. THE DEPOSITARY AND THE INFORMATION AGENT	18
14. FEES AND EXPENSES	18
15. ADDITIONAL INFORMATION; MISCELLANEOUS	19

We are not making the Offer to, and will not accept any tendered Public Warrants from, Public Warrant holders in any jurisdiction where it would be illegal to do so. However, we may, at our discretion, take any actions necessary for us to make the Offer to Public Warrant holders in any such jurisdiction.

You should rely only on the information contained in this Offer Letter and in the Letter of Transmittal or to which we have referred you. We have not authorized anyone to provide you with information or to make any representation in connection with the Offer other than those contained in this Offer Letter or in the Letter of Transmittal. If anyone makes any recommendation or gives any information or representation regarding the Offer, you should not rely upon that recommendation, information or representation as having been authorized by us, our board of directors, the Depositary or the Information Agent for the Offer. You should not assume that the information provided in the Offer is accurate as of any date other than the date as of which it is shown, or if no date is otherwise indicated, the date of this Offer Letter.

We are relying on Section 3(a)(9) of the Securities Act of 1933, as amended (the "*Securities Act*"), to exempt the Offer from the registration requirements of the Securities Act. We are also relying on Section 18(b)(4)(E) of the Securities Act to exempt the Offer from the registration and qualification requirements of state securities laws. We have no contract, arrangement or understanding relating to the payment of, and will not, directly or indirectly, pay, any commission or other remuneration to any broker, dealer, salesperson, agent or any other person for soliciting tenders in the Offer. In addition, none of the Depositary or the Information Agent, or any broker, dealer, salesperson, agent or any other person is engaged or authorized to express any statement, opinion, recommendation or judgment with respect to the relative merits and risks of the Offer. Our officers, directors and regular employees may solicit tenders from holders of the Warrants and will answer inquiries concerning the terms of the Offer, but they will not receive additional compensation for soliciting tenders or answering any such inquiries.

SUMMARY

Unless otherwise stated in this Offer Letter, references to “we,” “our,” “us,” or the “Company” refer to FlexShopper, Inc. An investment in our Shares involves risks. You should carefully consider the information provided under the heading “Forward-Looking Statements; Risk Factors” beginning on page 16.

The Company	FlexShopper, Inc., a Delaware corporation. Our principal executive offices are located at 901 Yamato Road, Suite 260, Boca Raton, Florida 33431. Our telephone number is (855) 353-9289.
The Public Warrants	As of January 6, 2020, the Company had 5,714,900 Public Warrants outstanding. Each Public Warrant is exercisable for one Share at an exercise price of \$1.25. By their terms, the Public Warrants will expire on September 28, 2023, unless sooner exercised or redeemed by the Company in accordance with the terms of the Public Warrants, as amended by the Warrant Amendment. The Offer relates to the Public Warrants issued pursuant to the Prospectus, which trade through DTC. Any and all outstanding Public Warrants are eligible to be tendered pursuant to the Offer.
The Shares	As of January 6, 2020, the Company had 17,783,960 shares of Common Stock outstanding. The Shares issuable upon exchange of the Public Warrants pursuant to the Offer represent approximately 20% of our outstanding Shares as of January 6, 2020.
Market Price of the Shares and the Public Warrants	Our Shares are traded on The Nasdaq Capital Market under the symbol FPAY. The Public Warrants are listed on The Nasdaq Capital Market under the symbol FPAYW. On January 6, 2020, the last reported sale prices for the Shares and the Public Warrants were \$2.41 and \$1.39, respectively. We have provided notice to Nasdaq to list the Shares issued upon completion of the Offer.
The Offer	<p>The Offer is to permit holders of Public Warrants issued pursuant to the Prospectus to tender any and all outstanding Public Warrants at an exchange rate of 0.62 Shares for each Public Warrant tendered. A holder may tender as few or as many Public Warrants as the holder elects. Public Warrants may only be exchanged for whole Shares. In lieu of issuing fractional Shares to which any holder of Public Warrants would otherwise have been entitled, the Company will round the number of Shares to which such holder is entitled, after aggregating all fractions, up to the next whole number of Shares. Holders may also exercise their Public Warrants during the Offer Period in accordance with the terms of the Public Warrant. See “The Offer, Section 1. General Terms.”</p> <p>Public Warrants not exchanged for Shares pursuant to the Offer will remain outstanding subject to their amended terms pursuant to the Warrant Amendment. Following the consummation of the Offer, in accordance with the terms of the Warrant Amendment, we intend to require the conversion of all outstanding Public Warrants to Shares as provided in the Warrant Amendment (the “Conversion”). Our Public Warrants are currently listed on The Nasdaq Capital Market under the symbol FPAYW; however, following the completion of the Offer and Conversion, the Public Warrants will be delisted.</p>

The Shares to be exchanged for the Public Warrants have not been registered with the SEC. As described elsewhere in this Offer Letter, the issuance of the Shares upon exchange of the Public Warrants is exempt from the registration requirements of the Securities Act pursuant to Section 3(a)(9) thereof. The Shares that you receive in the Offer will be freely-tradable, except by persons who are considered to be our affiliates, as that term is defined in the Securities Act.

Reasons for the Offer

The Offer is being made to all holders of Public Warrants. The purpose of the Offer and the Warrant Amendment is to ultimately eliminate the Public Warrants. See “The Offer, Section 5.C. Background and Purpose of the Offer—Purpose of the Offer.”

Expiration Date of Offer

5:00 p.m., Eastern time, on February 4, 2020, or such later date to which we may extend the Offer. All Public Warrants and related paperwork must be received by the Depositary by this time, as instructed in this Offer letter. See “The Offer, Section 10. Conditions; Termination; Waivers; Extensions; Amendments.”

Withdrawal Rights

If you tender your Public Warrants and change your mind, you may withdraw your tendered Public Warrants at any time until the Expiration Date, as described in greater detail under “The Offer, Section 3. Withdrawal Rights.”

Participation by Executive Officers and Directors

None of our directors, executive officers or affiliates will participate in the Offer, as those who owned Public Warrants previously exchanged them for Shares pursuant to the Exchange Agreement. For more information, see “The Offer, Section 5.D. Background and Purpose of the Offer — Interests of Directors and Executive Officers.”

Conditions of the Offer

The conditions of the Offer are:

1. there shall not have been instituted, threatened in writing or be pending any action or proceeding before or by any court or governmental, regulatory or administrative agency or instrumentality, or by any other person, in connection with the Offer, that is, or is reasonably likely to be, in our reasonable judgment, materially adverse to our business, operations, properties, condition, assets, liabilities or prospects, or which would or might, in our reasonable judgment, prohibit, prevent, restrict or delay consummation of the Offer or materially impair the contemplated benefits to us of the Offer;
2. no order, statute, rule, regulation, executive order, stay, decree, judgment or injunction shall have been proposed, enacted, entered, issued, promulgated, enforced or deemed applicable by any court or governmental, regulatory or administrative agency or instrumentality that, in our reasonable judgment, would or would be reasonably likely to prohibit, prevent, restrict or delay consummation of the Offer or materially impair the contemplated benefits to us of the Offer, or that is, or is reasonably likely to be, materially adverse to our business, operations, properties, condition, assets, liabilities or prospects;
3. in our reasonable judgment, there shall not have occurred or be reasonably likely to occur, any material adverse change to our business, operations, properties, condition, assets, liabilities, prospects or financial affairs; and

4. there shall not have occurred:

(a) any general suspension of, or limitation on prices for, trading in securities in U.S. securities or financial markets;

(b) any material adverse change in the price of the Shares in U.S. securities or financial markets;

(c) a declaration of a banking moratorium or any suspension of payments in respect to banks in the United States;

(d) any limitation (whether or not mandatory) by any government or governmental, regulatory or administrative authority, agency or instrumentality, domestic or foreign, or other event that, in our reasonable judgment, would or would be reasonably likely to affect the extension of credit by banks or other lending institutions; or

(e) a commencement or significant worsening of a war or armed hostilities or other national or international calamity, including but not limited to, catastrophic terrorist attacks against the United States or its citizens.

The foregoing conditions are solely for our benefit, and we may assert one or more of the conditions regardless of the circumstances giving rise to any such conditions. We may also, in our sole and absolute discretion, waive these conditions in whole or in part, subject to the potential requirement to disseminate additional information and extend the Offer, as described under “The Offer, Section 10. Conditions; Termination; Waivers; Extensions; Amendments.” The determination by us as to whether any condition has been satisfied shall be conclusive and binding on all parties. The failure by us at any time to exercise any of the foregoing rights shall not be deemed a waiver of any such right and each such right shall be deemed a continuing right which may be asserted at any time and from time to time prior to the Expiration Date.

We may terminate the Offer if any of the conditions of the Offer are not satisfied prior to the Expiration Date. See “The Offer, Section 10. Conditions; Termination; Waivers; Extensions; Amendments.”

Fractional Shares

No fractional Shares will be issued. Public Warrants may only be exchanged for whole Shares. In lieu of issuing fractional Shares to which any holder of Public Warrants would otherwise have been entitled, the Company will round the number of Shares to which such holder is entitled, after aggregating all fractions, up to the next whole number of Shares. See “The Offer, Section 1.B. General Terms — Partial Tender Permitted.”

No Board of Directors’ Recommendation

Our board of directors has approved the Offer. However, none of the Company, its directors, officers or employees, nor the Depositary or the Information Agent makes any recommendation as to whether to tender Public Warrants. You must make your own decision as to whether to tender some or all of your Public Warrants. See “The Offer, Section 1.C. General Terms — Board Approval of the Offer; No Recommendation; Holder’s Own Decision.”

How to Tender Public Warrants

To tender your Public Warrants, you must complete the actions described herein under “The Offer, Section 2. Procedure for Tendering Public Warrants” before the Offer expires.

Questions or Assistance

Please direct questions or requests for assistance, or for additional copies of this Offer Letter, Letter of Transmittal or other materials to the Information Agent. The contact information for the Information Agent is located on the back cover of this Offer Letter.

THE OFFER

Risks of Participating In the Offer

Participation in the Offer involves a number of risks, including, but not limited to, the risks identified in Section 12 below. Holders should carefully consider these risks and are urged to speak with their personal financial, investment and/or tax advisors as necessary before deciding whether to participate in the Offer. In addition, we strongly encourage you to read this Offer Letter in its entirety and review the documents referred to in Sections 8, 9, 12 and 15.

1. GENERAL TERMS

The Offer is to permit holders of Public Warrants issued pursuant to the Prospectus to tender any and all outstanding Public Warrants at an exchange rate of 0.62 Shares for each Public Warrant tendered. A holder may tender as few or as many Public Warrants as the holder elects. No fractional Shares will be issued. Public Warrants may only be exchanged for whole Shares. In lieu of issuing fractional Shares to which any holder of Public Warrants would otherwise have been entitled, the Company will round the number of Shares to which such holder is entitled, after aggregating all fractions, up to the next whole number of Shares. Holders may also exercise their Public Warrants during the Offer Period in accordance with the terms of the Public Warrant.

You may tender some or all of your Public Warrants on these terms. **The Offer relates to the Public Warrants issued pursuant to the Prospectus, which trade through DTC. Any and all outstanding Public Warrants are eligible to be tendered pursuant to the Offer.** As of January 6, 2020, there were 5,714,900 Public Warrants outstanding.

Public Warrants not exchanged for Shares pursuant to the Offer will remain outstanding subject to their amended terms pursuant to the Warrant Amendment. Following the consummation of the Offer, in accordance with the terms of the Warrant Amendment, we intend to require the conversion of all outstanding Public Warrants to Shares at a rate of 0.56 Shares per Public Warrant as provided in the Warrant Amendment. Our Public Warrants are currently listed on The Nasdaq Capital Market under the symbol FPAYW; however, following the completion of the Offer and Conversion, the Public Warrants will be delisted.

If you elect to tender Public Warrants in response to the Offer, please follow the instructions in this Offer Letter and the related documents, including the Letter of Transmittal.

If you tender Public Warrants, you may withdraw your tendered Public Warrants before the Expiration Date and retain them on their terms by following the instructions herein.

The Shares to be exchanged for the Public Warrants have not been registered with the SEC. As described elsewhere in this Offer Letter, the issuance of the Shares upon exchange of the Public Warrants is exempt from the registration requirements of the Securities Act pursuant to Section 3(a)(9) thereof. Under current interpretations of the staff of the Division of Corporation Finance of the SEC, securities that are obtained in a Section 3(a)(9) exchange generally assume the same character (*i.e.*, restricted or unrestricted) as the securities that have been surrendered. We are also relying on Section 18(b)(4)(E) of the Securities Act to exempt the Shares from the registration and qualification requirements of state securities laws. **The Shares that you receive in the Offer will be freely tradable, except by persons who are considered to be our affiliates, as that term is defined in the Securities Act.**

A. Period of Offer

The Offer will only be open for a period beginning on January 6, 2020 and ending on the Expiration Date. We expressly reserve the right, in our sole discretion, at any time or from time to time, prior to the Expiration Date, to extend the period of time during which the Offer is open. There can be no assurance, however, that we will exercise our right to extend the Offer.

B. Partial Tender Permitted

If you choose to participate in the Offer, you may tender less than all of your Public Warrants pursuant to the terms of the Offer.

HOLDERS MAY ALSO EXERCISE THEIR PUBLIC WARRANTS DURING THE OFFER PERIOD IN ACCORDANCE WITH THE TERMS OF THE PUBLIC WARRANTS.

C. Board Approval of the Offer; No Recommendation; Holder's Own Decision

THE COMPANY'S BOARD OF DIRECTORS HAS APPROVED THE OFFER. HOWEVER, NONE OF THE COMPANY, ITS DIRECTORS, OFFICERS OR EMPLOYEES, NOR THE DEPOSITARY OR THE INFORMATION AGENT, MAKES ANY RECOMMENDATION AS TO WHETHER TO TENDER PUBLIC WARRANTS. EACH HOLDER OF A PUBLIC WARRANT MUST MAKE HIS, HER OR ITS OWN DECISION AS TO WHETHER TO TENDER SOME OR ALL OF HIS, HER OR ITS PUBLIC WARRANTS.

D. Extensions of the Offer

We expressly reserve the right, in our sole discretion, and at any time or from time to time, prior to the Expiration Date, to extend the period of time during which the Offer is open. There can be no assurance, however, that we will exercise our right to extend the Offer. If we extend the Offer, we will give notice of such extension by press release or other public announcement no later than 9:00 a.m., Eastern time, on the next business day after the previously scheduled Expiration Date of the Offer.

2. PROCEDURE FOR TENDERING PUBLIC WARRANTS

A. Proper Tender of Public Warrants

To validly tender Public Warrants pursuant to the Offer, a properly completed and duly executed Letter of Transmittal or photocopy thereof, together with any required signature guarantees, must be received by the Depositary at its address set forth on the last page of this document prior to the Expiration Date. The method of delivery of all required documents is at the option and risk of the tendering Public Warrant holders. If delivery is by mail, the Company recommends registered mail with return receipt requested (properly insured). In all cases, sufficient time should be allowed to assure timely delivery.

In the Letter of Transmittal, the tendering Public Warrant holder must: (i) set forth his, her or its name and address; (ii) set forth the number of Public Warrants tendered; and (iii) set forth the number of the Public Warrant certificate(s) representing such Public Warrants.

Where Public Warrants are tendered by a registered holder of the Public Warrants who has completed either the box entitled "Special Issuance Instructions" or the box entitled "Special Delivery Instructions" on the Letter of Transmittal, all signatures on the Letters of Transmittal must be guaranteed by an "Eligible Institution."

An "Eligible Institution" is a bank, broker, dealer, credit union, savings association or other entity that is a member in good standing of the Securities Transfer Agents Medallion Program or a bank, broker, dealer, credit union, savings association or other entity which is an "eligible guarantor institution," as that term is defined in Rule 17Ad-15 promulgated under the Exchange Act.

If the Public Warrants are registered in the name of a person other than the signer of the Letter of Transmittal, the Public Warrants must be endorsed or accompanied by appropriate instruments of assignment, in either case signed exactly as the name(s) of the registered owner(s) appear on the Public Warrants, with the signature(s) on the Public Warrants or instruments of assignment guaranteed.

A tender of Public Warrants pursuant to the procedures described below in this Section 2 will constitute a binding agreement between the tendering holder and the Company upon the terms and subject to the conditions of the Offer.

ALL DELIVERIES IN CONNECTION WITH THE OFFER, INCLUDING A LETTER OF TRANSMITTAL AND PUBLIC WARRANTS, MUST BE MADE TO THE DEPOSITARY OR THE BOOK-ENTRY TRANSFER FACILITY.

NO DELIVERIES SHOULD BE MADE TO THE COMPANY, AND ANY DOCUMENTS DELIVERED TO THE COMPANY WILL NOT BE FORWARDED TO THE DEPOSITARY OR THE BOOK-ENTRY TRANSFER FACILITY AND THEREFORE WILL NOT BE DEEMED TO BE PROPERLY TENDERED. IN ALL CASES, SUFFICIENT TIME SHOULD BE ALLOWED TO ENSURE TIMELY DELIVERY.

BOOK-ENTRY DELIVERY. The Depositary will establish an account for the Public Warrants at DTC for purposes of the Offer, within two business days after the date of this Offer Letter. Any financial institution that is a participant in DTC's system may make book-entry delivery of Public Warrants by causing DTC to transfer such Public Warrants into the Depositary's account in accordance with DTC's procedure for such transfer. Even though delivery of Public Warrants may be effected through book-entry transfer into the Depositary's account at DTC, a properly completed and duly executed Letter of Transmittal (or copy thereof), with any required signature guarantee, or an Agent's Message (as defined below), and any other required documentation, must in any case be transmitted to and received by the Depositary at its address set forth on the last page of this Offer Letter prior to the Expiration Date, or the guaranteed delivery procedures set forth herein must be followed. Delivery of the Letter of Transmittal (or other required documentation) to DTC does not constitute delivery to the Depositary. The term "Agent's Message" means a message, transmitted by DTC to, and received by, the Depositary and forming a part of a Book-Entry Confirmation, which states that DTC has received an express acknowledgment from the participant in DTC exchanging the Public Warrants that such participant has received and agrees to be bound by the terms of the Letter of Transmittal and that the Company may enforce such agreement against the participant. The term "Book-Entry Confirmation" means a timely confirmation of a book-entry transfer of Public Warrants into the Depositary's account at DTC.

PUBLIC WARRANTS HELD IN STREET NAME. If Public Warrants are held through a direct or indirect DTC participant, such as a broker, dealer, commercial bank, trust company or other financial intermediary, you must instruct that holder to tender your Public Warrants on your behalf. A letter of instructions is included in these materials, and as an exhibit to the Schedule TO. The letter may be used by you to instruct a custodian to tender and deliver Public Warrants on your behalf.

Unless the Public Warrants being tendered are delivered to the Depositary by 5:00 p.m., Eastern time, on February 4, 2020, the Expiration Date, accompanied by a properly completed and duly executed Letter of Transmittal or a properly transmitted Agent's Message, the Company may, at its option, treat such tender as invalid. Issuance of Shares upon tender of Public Warrants will be made only against the valid tender of Public Warrants.

GUARANTEED DELIVERY. If you want to tender your Public Warrants pursuant to the Offer, but (i) your Public Warrants are not immediately available, (ii) the procedure for book-entry transfer cannot be completed on a timely basis, or (iii) time will not permit all required documents to reach the Depositary prior to the Expiration Date, you can still tender your Public Warrants, if all of the following conditions are met:

(a) the tender is made by or through an Eligible Institution;

(b) the Depositary receives by hand, mail, overnight courier or fax, prior to the Expiration Date, a properly completed and duly executed Notice of Guaranteed Delivery in the form the Company has provided with this Offer Letter (with signatures guaranteed by an Eligible Institution); and

(c) the Depositary receives, within two Nasdaq trading days after the date of its receipt of the Notice of Guaranteed Delivery;

(i) the certificates for all tendered Public Warrants, or confirmation of receipt of the Public Warrants pursuant to the procedure for book-entry transfer as described above; and

(ii) a properly completed and duly executed Letter of Transmittal (or copy thereof), or any Agent's Message in the case of a book-entry transfer, and any other documents required by the Letter of Transmittal. In any event, the issuance of Shares for Public Warrants tendered pursuant to the Offer and accepted pursuant to the Offer will be made only after timely receipt by the Depository of Public Warrants, properly completed and duly executed Letter(s) of Transmittal and any other required documents.

B. Determination of Validity

All questions as to the form of documents and the validity, eligibility (including time of receipt) and acceptance for exchange of any tenders of Public Warrants will be determined by the Company, in its sole discretion, and its determination will be final and binding, subject to the judgment of any court that might provide otherwise. The Company reserves the absolute right, subject to the judgment of any court that might provide otherwise, to reject any or all tenders of Public Warrants that it determines are not in proper form or reject tenders of Public Warrants that may, in the opinion of the Company's counsel, be unlawful. The Company also reserves the absolute right, subject to the judgment of any court that might provide otherwise, to waive any defect or irregularity in any tender of Public Warrants. Neither the Company nor any other person will be under any duty to give notice of any defect or irregularity in tenders, nor will any of them incur any liability for failure to give any such notice.

C. Tender Constitutes an Agreement

A tender of Public Warrants made pursuant to any method of delivery set forth herein will also constitute an acknowledgement by the tendering Public Warrant holder that: (i) the Offer is discretionary and may be extended, modified, suspended or terminated by us as provided herein; (ii) such Public Warrant holder is voluntarily participating in the Offer; (iii) the future value of our Public Warrants is unknown and cannot be predicted with certainty; (iv) such Public Warrant holder has read this Offer Letter; (v) such Public Warrant holder has consulted his, her or its tax and financial advisors with regard to how the Offer will impact the tendering Public Warrant holder's specific situation; (vi) any foreign exchange obligations triggered by such Public Warrant holder's tender of Public Warrants or receipt of proceeds are solely his, her or its responsibility; and (vii) regardless of any action that we take with respect to any or all income/capital gains tax, social security or insurance tax, transfer tax or other tax-related items ("**Tax Items**") related to the Offer and the disposition of Public Warrants, such Public Warrant holder acknowledges that the ultimate liability for all Tax Items is and remains his, her or its sole responsibility. In that regard, a tender of Public Warrants authorizes us to withhold all applicable Tax Items potentially payable by a tendering Public Warrant holder. Our acceptance for payment of Public Warrants tendered pursuant to the Offer will constitute a binding agreement between the tendering Public Warrant holder and us upon the terms and subject to certain conditions of the Offer.

D. Signature Guarantees

Except as otherwise provided below, all signatures on a Letter of Transmittal by a person residing in or tendering Public Warrants in the United States must be guaranteed by an Eligible Institution. Signatures on a Letter of Transmittal need not be guaranteed if (i) the Letter of Transmittal is signed by the registered holder of the Public Warrant(s) tendered therewith and such holder has not completed the box entitled "Special Delivery Instructions" or "Special Issuance Instructions" in the Letter of Transmittal; or (ii) such Public Warrant(s) are tendered for the account of an Eligible Institution. See Instructions 1 and 5 of the Letter of Transmittal.

3. WITHDRAWAL RIGHTS

Tenders of Public Warrants made pursuant to the Offer may be rescinded at any time prior to the Expiration Date. Thereafter, such tenders are irrevocable. If the Company extends the period of time during which the Offer is open for any reason, then, without prejudice to the Company's rights under the Offer and in a manner compliant with Rule 14e-1(c) of the Exchange Act, the Company may retain all Public Warrants tendered and tenders of such Public Warrants may not be rescinded, except as otherwise provided in this Section 3. Notwithstanding the foregoing, tendered Public Warrants may also be withdrawn if the Company has not accepted the Public Warrants for exchange by the 40th business day after the initial commencement of the Offer.

To be effective, a written notice of withdrawal must be timely received by the Depository at its address identified in this Offer Letter. Any notice of withdrawal must specify the name of the holder who tendered the Public Warrants for which tenders are to be withdrawn and the number of Public Warrants to be withdrawn. If the Public Warrants to be withdrawn have been delivered to the Depository, a signed notice of withdrawal must be submitted to the Depository prior to release of such Public Warrants. In addition, such notice must specify the name of the registered holder (if different from that of the tendering Public Warrant holder) and the serial numbers shown on the particular certificates evidencing the Public Warrants to be withdrawn. Withdrawal may not be cancelled, and Public Warrants for which tenders are withdrawn will thereafter be deemed not validly tendered for purposes of the Offer. However, Public Warrants for which tenders are withdrawn may be tendered again by following one of the procedures described in Section 2 at any time prior to the Expiration Date.

A holder of Public Warrants desiring to withdraw tendered Public Warrants previously delivered through DTC should contact the DTC participant through which such holder holds his, her or its Public Warrants. In order to withdraw previously tendered Public Warrants, a DTC participant may, prior to the Expiration Date, withdraw its instruction previously transmitted through the WARR PTS function of DTC's ATOP procedures by (i) withdrawing its acceptance through the WARR PTS function, or (ii) delivering to the Depository by mail, hand delivery or fax, a notice of withdrawal of such instruction. The notices of withdrawal must contain the name and number of the DTC participant. A withdrawal of an instruction must be executed by a DTC participant as such DTC participant's name appears on its transmission through the WARR PTS function to which such withdrawal relates. A DTC participant may withdraw a tendered Public Warrant only if such withdrawal complies with the provisions described in this paragraph.

A holder who tendered his, her or its Public Warrants other than through DTC should send written notice of withdrawal to the Depository specifying the name of the Public Warrant holder who tendered the Public Warrants being withdrawn. All signatures on a notice of withdrawal must be guaranteed by a Medallion Signature Guarantor; provided, however, that signatures on the notice of withdrawal need not be guaranteed if the Public Warrants being withdrawn are held for the account of an Eligible Institution. Withdrawal of a prior Public Warrant tender will be effective upon receipt of the notice of withdrawal by the Depository. Selection of the method of notification is at the risk of the Public Warrant holder, and notice of withdrawal must be timely received by the Depository.

All questions as to the form and validity (including time of receipt) of any notice of withdrawal will be determined by the Company, in its sole discretion, which determination will be final and binding, subject to the judgment of any court that might provide otherwise. Neither the Company nor any other person will be under any duty to give notification of any defect or irregularity in any notice of withdrawal or incur any liability for failure to give any such notification, subject to the judgment of any court that might provide otherwise.

4. ACCEPTANCE OF PUBLIC WARRANTS AND ISSUANCE OF SHARES

Upon the terms and subject to the conditions of the Offer, we will accept for exchange Public Warrants validly tendered as of the Expiration Date. The Shares to be issued will be delivered promptly following the Expiration Date. In all cases, Public Warrants will only be accepted for exchange pursuant to the Offer after timely receipt by the Depository of a properly completed and duly executed Letter of Transmittal (or copy thereof), or any Agent's Message in the case of a book-entry transfer, and any other documents required by the Letter of Transmittal.

For purposes of the Offer, the Company will be deemed to have accepted for exchange Public Warrants that are validly tendered and for which tenders are not withdrawn, unless the Company gives written notice to the Public Warrant holder of its non-acceptance prior to the Expiration Date.

If you tender Public Warrants pursuant to the Offer, and you are not an affiliate of the Company, you will receive unlegended Shares, which will be freely tradable.

5. BACKGROUND AND PURPOSE OF THE OFFER

A. Information Concerning FlexShopper, Inc.

The Company enables consumers to shop for brand name electronics, home furnishings and other durable goods on a lease-to-own (LTO) basis through its e-commerce marketplace (www.FlexShopper.com), as well as its patented and patent pending systems. FlexShopper also provides LTO technology platforms to retailers and e-retailers to facilitate transactions with consumers that want to acquire their products, but do not have sufficient cash or credit. FlexShopper approves consumers utilizing its proprietary consumer screening model, collects from consumers under an LTO contract and funds the LTO transactions by paying merchants for the goods.

FlexShopper, Inc. was incorporated in Delaware in August 2006. The Company owns 100% of FlexShopper, LLC, a limited liability company formed under the laws of North Carolina on June 24, 2013. The Company's principal executive offices are located at 901 Yamato Road, Suite 260, Boca Raton, Florida 33431, and its telephone number is (855) 353-9289.

B. Establishment of Offer Terms; Approval of the Offer

Our board of directors approved this Offer and the exchange rate and other material terms of this Offer in connection with its approval of the terms of, and the Company's entry with the Holders into, the Exchange Agreement. The board of directors set the exchange rate in order to provide the holders of the Public Warrants with an incentive to exchange the Public Warrants. The exchange rate was determined based on (i) the observed historical relationship between the prices of the Company's common stock and the Public Warrants and (ii) the requirement of the Company's board of directors that the exchange rate under the Exchange Agreement be provided to all holders of the Public Warrants pursuant to this Offer.

C. Purpose of the Offer

The Offer is being made to all holders of Public Warrants. The purpose of the Offer is to reduce the number of Shares that would become outstanding upon the exercise of Public Warrants. The Company's board of directors believes that by allowing holders of Public Warrants to exchange one Public Warrant for 0.62 Shares, the Company can potentially reduce the substantial number of Shares that would be issuable upon exercise of the Public Warrants, thus providing investors and potential investors with greater certainty as to the Company's capital structure. If all of the outstanding Public Warrants are validly tendered in the Offer, the Company would issue an aggregate of 3,543,238 Shares in exchange for such tendered Public Warrants. However, if all of the outstanding Public Warrants were exercised for shares pursuant to the terms of the Public Warrants, the Company would issue 5,714,900 Shares in such exercise. The Public Warrants acquired pursuant to the exchange will be retired and cancelled. The Offer, along with the Exchange Agreement and the Conversion following the Offer, will ultimately eliminate the Public Warrants.

Public Warrants not exchanged for Shares pursuant to the Offer will remain outstanding subject to their amended terms pursuant to the Warrant Amendment. Following the consummation of the Offer, in accordance with the terms of the Warrant Amendment, we intend to require the conversion of all outstanding Public Warrants to Shares at a rate of 0.56 Shares per Public Warrant as provided in the Warrant Amendment.

The Offer is not made pursuant to a plan to periodically increase any securityholder's proportionate interest in the assets or earnings and profits of the Company.

D. Interests of Directors and Executive Officers

The names of the executive officers and directors of the Company are set forth below. The business address for each such person is c/o FlexShopper, Inc., 901 Yamato Road, Suite 260, Boca Raton, Florida 33431 and the telephone number for each such person is (855) 353-9289.

Name	Position
Richard House Jr.	Chief Executive Officer
Brad Bernstein	President and Director
H. Russell Heiser Jr.	Chief Financial Officer
James D. Allen	Director
Howard S. Dvorkin	Chairman of the Board
Sean Hinze	Director
T. Scott King	Director
Carl Pradelli	Director

As of January 6, 2020, the Company had 17,783,960 outstanding shares of Common Stock and 5,714,900 outstanding Public Warrants. The Shares issuable upon exchange of the outstanding Public Warrants pursuant to the Offer represent approximately 20% of our outstanding Shares as of January 6, 2020.

Following the consummation of the warrant exchange contemplated by the Exchange Agreement, none of our directors or executive officers beneficially own Public Warrants. On December 30, 2019, the Company and holders of at least 50.1% of the outstanding of the Public Warrants entered into the Exchange Agreement, pursuant to which the Holders agreed to exchange their Public Warrants for Shares under terms of the Offer, agreed to make the Offer to all other public holders of the Public Warrants in reliance upon the exemption from registration provided by Section 3(a)(9) of the Securities Act, and to amend the terms of the Warrant Agent Agreement for the Public Warrants to permit the Company to require that all outstanding Public Warrants not exchanged pursuant to the Offer be converted into Shares at a rate of 0.56 of a share of our common stock per Public Warrant, which is 10% less than the exchange rate applicable to the Offer.

These transactions were exempt from registration under Section 3(a)(9) of the Securities Act (as no commission or other remuneration will be paid or given directly or indirectly for soliciting such transactions), and were approved by our board of directors.

Except as set forth above, we have not and, to the best of our knowledge, none of our current directors, executive officers or any person holding a controlling interest in us has, engaged in any transactions involving the Public Warrants during the 60-day period prior to the date of this Offer Letter.

The Company does not beneficially own any Public Warrants.

NONE OF THE COMPANY OR ANY OF ITS DIRECTORS, OFFICERS OR EMPLOYEES, OR THE INFORMATION AGENT MAKES ANY RECOMMENDATION TO ANY HOLDER OF PUBLIC WARRANTS AS TO WHETHER TO EXERCISE SOME OR ALL OF THEIR PUBLIC WARRANTS. EACH HOLDER OF PUBLIC WARRANTS MUST MAKE HIS OR HER OWN DECISION AS TO WHETHER TO EXERCISE THEIR PUBLIC WARRANTS.

E. Plans, Proposals or Negotiations

Except as set forth below in Section 8 hereunder, there are no present plans, proposals or negotiations by the Company that relate to or would result in:

- any extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving the Company or any of its subsidiaries;
- a purchase, sale or transfer of a material amount of assets of the Company or any of its subsidiaries;
- any material change in the present dividend rate or policy, or indebtedness or capitalization of the Company;
- any change in the present board of directors or management of the Company, including, but not limited to, any plans or proposals to change the number or the term of directors, to fill any existing vacancies on the board or to change any material term of the employment contract of any executive officer;
- any other material change in the Company's corporate structure or business;
- any class of equity security of the Company being delisted from a national securities exchange;
- any class of equity security of the Company becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Exchange Act;
- the suspension of the Company's obligation to file reports pursuant to Section 15(d) of the Exchange Act;
- the acquisition by any person of additional securities of the subject company, or the disposition of securities of the subject company; or

- changes in the Company's Restated Certificate of Incorporation or Amended and Restated Bylaws or other governing instruments or other actions that could impede the acquisition of control of the Company by any person.

THE COMPANY'S BOARD OF DIRECTORS HAS APPROVED THE OFFER. HOWEVER, NONE OF THE COMPANY, ITS DIRECTORS, OFFICERS OR EMPLOYEES, NOR THE DEPOSITARY OR THE INFORMATION AGENT, MAKES ANY RECOMMENDATION AS TO WHETHER YOU SHOULD TENDER ANY PUBLIC WARRANTS. EACH HOLDER OF A PUBLIC WARRANT MUST MAKE HIS, HER OR ITS OWN DECISION AS TO WHETHER TO TENDER SOME OR ALL OF HIS, HER OR ITS PUBLIC WARRANTS.

6. PRICE RANGE OF SHARES AND PUBLIC WARRANTS

Our Shares and Public Warrants are traded on Nasdaq under the symbols FPAY and FPAYW, respectively. On January 6, 2020, the last reported sale prices for the Shares and the Public Warrants were \$2.41 and \$1.39, respectively.

The Company recommends that holders consider current market quotations for the Shares and the Public Warrants, among other factors, before deciding whether or not to tender their Public Warrants.

	Shares		Public Warrants ⁽¹⁾	
	High \$	Low \$	High \$	Low \$
Fiscal 2018				
First Quarter	4.60	2.90		
Second Quarter	4.40	2.90		
Third Quarter	4.10	0.85	0.28	0.24
Fourth Quarter	1.00	0.67	0.32	0.18
Fiscal 2019				
First Quarter	0.95	0.76	0.32	0.20
Second Quarter	1.11	0.80	0.40	0.21
Third Quarter	2.05	1.09	0.87	0.30
Fourth Quarter	2.59	1.31	1.49	0.43
Fiscal 2020				
First Quarter (through January 6)	2.44	2.36	1.39	1.36

(1) The Public Warrants began trading on Nasdaq on September 26, 2018 under the ticker symbol FPAYW. As a result, there is no historical data prior to September 26, 2018 and the figures for the third quarter of 2018 are for the period from September 26, 2018 through September 30, 2018.

The table below indicates the implied Public Warrant value at various hypothetical stock prices based on the exchange rate of 0.62 Shares per Public Warrant. The implied Public Warrant value is calculated by multiplying the prices per Share in the table below by the exchange ratio. The stock prices below are included for illustrative purposes only and there can be no assurance that the Shares will trade at such prices prior to, at or after the expiration of the Offer.

Price per Share		Implied Public Warrant Value	
\$	1.00	\$	0.55
\$	1.20	\$	0.66
\$	1.40	\$	0.77
\$	1.60	\$	0.88
\$	1.80	\$	0.99
\$	2.00	\$	1.10
\$	2.20	\$	1.21
\$	2.40	\$	1.32
\$	2.60	\$	1.43
\$	2.80	\$	1.54
\$	3.00	\$	1.65
\$	3.20	\$	1.76
\$	3.40	\$	1.87
\$	3.60	\$	1.98
\$	3.80	\$	2.09
\$	4.00	\$	2.20
\$	4.20	\$	2.31
\$	4.40	\$	2.42
\$	4.60	\$	2.53
\$	4.80	\$	2.64
\$	5.00	\$	2.75

7. SOURCE AND AMOUNT OF FUNDS

Because this transaction is an offer to holders to exchange their existing Public Warrants for Shares, there is no source of funds or other cash consideration being paid by the Company to those tendering Public Warrants. We will use our existing funds to pay expenses associated with the Offer.

8. TRANSACTIONS AND AGREEMENTS CONCERNING THE COMPANY'S SECURITIES

Except as described in this Offer letter, none of the Company or, to our knowledge, any of our affiliates, directors or executive officers, is a party to any contract, arrangement, understanding or agreement with any other person relating, directly or indirectly, to the Offer or with respect to any of our securities, including any contract, arrangement, understanding or agreement concerning the transfer or the voting of the securities, joint ventures, loan or option arrangements, puts or calls, guaranties of loans, guaranties against loss or the giving or withholding of proxies, consents or authorizations.

Warrant Agreement, Exchange Agreement and Warrant Amendment

In connection with the public offering under our September 2018 Prospectus and the appointment of a warrant agent for the Public Warrants, we entered into a warrant agent agreement (the "**Warrant Agreement**") with CST. The Warrant Agreement provides for the various terms, restrictions and governing provisions that dictate all of the terms of the Public Warrants.

On December 30, 2019, the Company and holders of at least 50.1% of the outstanding Public Warrants entered into the Exchange Agreement, pursuant to which the Holders agreed to exchange their Public Warrants for Shares on the same terms as the Offer, agreed to make the Offer to all other public holders of the Public Warrants in reliance upon the exemption from registration provided by Section 3(a)(9) of the Securities Act, and amended the terms of the Warrant Agreement to permit the Company to require that all outstanding Public Warrants not exchanged pursuant to the Offer be converted into Shares at a ratio of 0.56 of a share of our common stock per Public Warrant, which is 10% less than the exchange rate applicable to the Offer.

Other Agreements and Transactions

The Company has retained CST to act as the Depositary and Morrow Sodali to act as the Information Agent. Directors, officers and employees of either us or our affiliates or the Information Agent may contact holders of Public Warrants by hand, mail, telephone or facsimile regarding the Offer and may request brokers, dealers and other nominees to forward the Offer Letter and related materials to beneficial owners of the Public Warrants. Such directors, officers and employees will not be specifically compensated for providing such services. CST and Morrow Sodali will receive reasonable and customary compensation for their respective services in connection with the Offer, plus reimbursement for out-of-pocket expenses, and will be indemnified by the Company against certain liabilities and expenses in connection therewith.

We have no contract, arrangement or understanding relating to the payment of, and will not, directly or indirectly, pay, any commission or other remuneration to any broker, dealer, salesperson, agent or any other person for soliciting tenders in the Offer.

9. FINANCIAL INFORMATION REGARDING THE COMPANY

The financial information included under Part II, Item 8 in the Company's Annual Report on Form 10-K for the year ended December 31, 2018, as well as included under Part I, Item 1 in its Quarterly Report on Form 10-Q for the quarter ended September 30, 2019, filed with the SEC on November 4, 2019, is incorporated herein by reference. The full text of all such filings with the SEC, as well as other documents we have filed with the SEC prior to, or will file with the SEC subsequent to, the filing of the Tender Offer Statement on Schedule TO can be accessed electronically on the SEC's website at www.sec.gov.

The following table shows summary historical financial information of the Company for the periods and as of the dates indicated. The summary historical consolidated financial information of the Company was derived from the audited historical consolidated financial statements of the Company included in Part II, Item 8 in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2018 and the unaudited historical consolidated financial statements of the Company included under Part I, Item 1 in its Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2019.

<i>(in thousands, except per share amounts)</i>	Nine Months ended September 30, 2019	Nine Months ended September 30, 2018	Year ended December 31, 2018	Year ended December 31, 2017
Statement of Operations Data:				
Total revenue and fees, net	\$ 66,328	\$ 43,469	\$ 61,489	\$ 47,911
Costs, expenses and other:				
Cost of lease revenues, consisting of depreciation and impairment of lease merchandise, and cost of lease merchandise sold	45,308	30,693	42,063	32,452
Marketing, salaries and benefits and other operating expenses	14,523	15,198	22,691	20,005
Depreciation and amortization	1,650	1,389	1,913	1,616
Income/(loss) from operations	4,847	(3,811)	(5,178)	(6,162)
Interest expense, including amortization of debt issuance costs	3,265	3,041	4,156	2,169
Loss on extinguishment of debt	-	127	127	-
Net income/(loss)	\$ 1,582	\$ (6,979)	\$ (9,461)	\$ (8,331)
Dividends on Series 2 Convertible Preferred Shares	1,828	1,818	2,427	2,316
Net loss attributable to common shareholders	(246)	(8,797)	(11,888)	(10,647)
Diluted loss per common share	\$ (0.01)	\$ (1.59)	\$ (1.39)	\$ (2.01)
Balance Sheet Data (at end of period):				
Current assets	\$ 36,100	\$ 30,606	\$ 45,199	\$ 30,965
Property and equipment, net	5,272	3,314	3,336	2,948
Other assets, net	87	91	91	96
Total assets	\$ 41,459	\$ 34,011	\$ 48,626	\$ 34,009
Current liabilities	4,964	12,344	26,113	22,987
Long-term liabilities	25,867	10,624	14,020	4,698
Total liabilities	\$ 30,831	\$ 22,968	\$ 40,133	\$ 27,685
Total equity	\$ 10,628	\$ 11,043	\$ 8,493	\$ 6,324

Book value per share

Our book value per share of Common Stock as of September 30, 2019 was \$0.60.

10. CONDITIONS; TERMINATION; WAIVERS; EXTENSIONS; AMENDMENTS

The conditions of the Offer are:

1. there shall not have been instituted, threatened in writing or be pending any action or proceeding before or by any court or governmental, regulatory or administrative agency or instrumentality, or by any other person, in connection with the Offer, that is, or is reasonably likely to be, in our reasonable judgment, materially adverse to our business, operations, properties, condition, assets, liabilities or prospects, or which would or might, in our reasonable judgment, prohibit, prevent, restrict or delay consummation of the Offer or materially impair the contemplated benefits to us of the Offer;

2. no order, statute, rule, regulation, executive order, stay, decree, judgment or injunction shall have been proposed, enacted, entered, issued, promulgated, enforced or deemed applicable by any court or governmental, regulatory or administrative agency or instrumentality that, in our reasonable judgment, would or would be reasonably likely to prohibit, prevent, restrict or delay consummation of the Offer or materially impair the contemplated benefits to us of the Offer, or that is, or is reasonably likely to be, materially adverse to our business, operations, properties, condition, assets, liabilities or prospects;

3. in our reasonable judgment, there shall not have occurred or be reasonably likely to occur, any material adverse change to our business, operations, properties, condition, assets, liabilities, prospects or financial affairs; and

4. there shall not have occurred:

(a) any general suspension of, or limitation on prices for, trading in securities in U.S. securities or financial markets;

(b) any material adverse change in the price of the Shares in U.S. securities or financial markets;

(c) a declaration of a banking moratorium or any suspension of payments in respect to banks in the United States;

(d) any limitation (whether or not mandatory) by any government or governmental, regulatory or administrative authority, agency or instrumentality, domestic or foreign, or other event that, in our reasonable judgment, would or would be reasonably likely to affect the extension of credit by banks or other lending institutions; or

(e) a commencement or significant worsening of a war or armed hostilities or other national or international calamity, including but not limited to, catastrophic terrorist attacks against the United States or its citizens.

The foregoing conditions are solely for our benefit, and we may assert one or more of the conditions regardless of the circumstances giving rise to any such conditions. We may also, in our sole and absolute discretion, waive these conditions in whole or in part, subject to the potential requirement to disseminate additional information and extend the Offer, as described below. The determination by us as to whether any condition has been satisfied shall be conclusive and binding on all parties. The failure by us at any time to exercise any of the foregoing rights shall not be deemed a waiver of any such right and each such right shall be deemed a continuing right which may be asserted at any time and from time to time prior to the Expiration Date.

We may terminate the Offer if any of the conditions of the Offer are not satisfied prior to the Expiration Date. In the event that we terminate the Offer, all Public Warrants tendered by a Public Warrant holder in connection with the Offer will be promptly returned to such Public Warrant holder and the Public Warrants will expire in accordance with their terms on September 28, 2023 and will otherwise remain subject to their terms, as amended by the Warrant Amendment, including the Conversion provisions.

Subject to applicable securities laws and the terms and conditions set forth in this Offer Letter, we expressly reserve the right (but will not be obligated), at any time or from time to time, prior to the Expiration Date, regardless of whether or not any of the events set forth above shall have occurred or shall have been determined by us to have occurred, to (a) waive any and all conditions of the Offer, (b) extend the Offer, or (c) otherwise amend the Offer in any respect. The rights reserved by us in this paragraph are in addition to our rights to terminate the Offer described above. Irrespective of any amendment to the Offer, all Public Warrants previously tendered pursuant to the Offer and not accepted for exchange or withdrawn will remain subject to the Offer and may be accepted thereafter for exchange by us.

If we materially change the terms of the Offer or the information concerning the Offer, or if we waive a material condition to the Offer, we will disseminate additional information and extend the Offer to the extent required by Exchange Act Rules 13e-4(d)(2) and 13e-4(e)(3). In addition, we may, if we deem appropriate, extend the Offer for any other reason. In addition, if the exchange rate for Shares to Public Warrants is adjusted, the Offer will remain open at least 10 business days from the date we first give notice of such change to Public Warrant holders, by press release or otherwise.

Any extension, amendment or termination of the Offer by us will be followed promptly by a public announcement thereof. Without limiting the manner in which we may choose to make such announcement, we will not, unless otherwise required by law, have any obligation to advertise or otherwise communicate any such announcement other than by making a release to the Dow Jones News Service, Globe Newswire or such other means of public announcement as we deem appropriate.

If for any reason the acceptance for exchange (whether before or after any Public Warrants have been accepted for exchange pursuant to the Offer), or the exchange for, Public Warrants subject to the Offer is delayed or if we are unable to accept for exchange, or exchange for, Public Warrants pursuant to the Offer, then, without prejudice to our rights under the Offer, tendered Public Warrants may be retained by the Depositary on our behalf and may not be withdrawn (subject to Exchange Act Rule 14e-1(c), which requires that an offeror deliver the consideration offered or return the securities deposited by or on behalf of the investor promptly after the termination or withdrawal of a tender offer). In addition to being limited by Exchange Act Rule 14e-1(c), our reservation of the right to delay delivery of the Shares for Public Warrants which we have accepted for exchange pursuant to the Offer is limited by Exchange Act Rule 13e-4(f)(5), which requires that an offeror deliver the consideration offered or return the securities tendered pursuant to a tender offer promptly after termination or withdrawal of that tender offer. Notwithstanding the foregoing, tendered Public Warrants may also be withdrawn if the Company has not accepted the Public Warrants for exchange by the 40th business day after the initial commencement of the Offer.

Pursuant to Exchange Act Rule 13e-4, we have filed the Schedule TO with the SEC which contains additional information with respect to the Offer. The Schedule TO, including the exhibits and any amendments thereto, may be examined, and copies may be obtained, at the same places and in the same manner as set forth under "Additional Information; Miscellaneous" in this Offer Letter.

11. MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES

The following is a summary of the material U.S. federal income tax consequences to holders that own and hold Public Warrants as capital assets, within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the “**Code**”), and that exchange Public Warrants for Shares pursuant to the Offer. This discussion does not address all of the tax consequences that may be relevant to a holder based on his, her or its individual circumstances and does not address tax consequences applicable to holders that may be subject to special tax rules, such as: financial institutions; insurance companies; regulated investment companies; tax-exempt organizations; dealers or traders in securities or currencies; holders that actually or constructively own 5% or more of our Shares; holders that hold Public Warrants as part of a position in a straddle or a hedging, conversion or integrated transaction for U.S. federal income tax purposes; holders that have a functional currency other than the U.S. dollar; holders that received their Public Warrants as compensation for the performance of services; or holders that are not U.S. persons (as defined for U.S. federal income tax purposes). Moreover, this summary does not address any state, local or foreign tax consequences or any U.S. federal non-income tax consequences of the exchange of Public Warrants for Shares pursuant to the Offer or, except as discussed herein, any tax reporting obligations of a holder. Holders should consult their tax advisors as to the specific tax consequences to them of the Offer in light of their particular circumstances.

If an entity treated as a partnership for U.S. federal income tax purposes holds Public Warrants, the tax treatment of a partner in the partnership will generally depend on the status of the partner and the activities of the partnership. Holders owning their Public Warrants through a partnership should consult their tax advisors regarding the U.S. federal income tax consequence of exchanging Public Warrants for Shares pursuant to the Offer.

This summary is based on the Code, applicable Treasury regulations, administrative pronouncements and judicial decisions, each as in effect on the date hereof. All of the foregoing are subject to change, possibly with retroactive effect, or differing interpretations by the Internal Revenue Service (“**IRS**”) or a court, which could affect the tax consequences described herein.

The exchange of Public Warrants for Shares pursuant to the Offer should be treated as a “recapitalization” pursuant to which (i) no gain or loss should be recognized on the exchange of Public Warrants for Shares, (ii) a holder’s aggregate tax basis in the Shares received in the exchange should equal the holder’s aggregate tax basis in its Public Warrants surrendered in exchange therefor, and (iii) a holder’s holding period for the Shares received in the exchange should include its holding period for the surrendered Public Warrants. Special tax basis and holding period rules apply to holders that acquired different blocks of Public Warrants at different prices or at different times. Holders should consult their tax advisors as to the applicability of these special rules to their particular circumstances.

Although the Company believes the exchange pursuant to the Offer is a value-for-value transaction, because of the uncertainty inherent in any valuation, there can be no assurance that the IRS or a court would agree. If the IRS or a court were to view the exchange pursuant to the Offer as the issuance of Shares to an exchanging holder having a value in excess of the Public Warrants surrendered by such holder, such excess value could be viewed as a constructive dividend under Section 305 of the Code. Although not free from doubt, it is expected that such constructive dividend, if any, should be considered a dividend of common stock on common stock, which generally should be nontaxable for most holders.

Holders are urged to consult their personal tax advisors concerning the tax consequences of an exchange pursuant to Offer based on their particular circumstances.

12. FORWARD-LOOKING STATEMENTS; RISK FACTORS

This Offer Letter contains forward-looking statements as defined in Section 27A of the Securities Act and Section 21E of the Exchange Act. Forward looking statements usually relate to future events, conditions and anticipated revenues, earnings, cash flows or other aspects of our operations or operating results. Forward-looking statements are often identified by the words “believes,” “expects,” “intends,” “estimates,” “projects,” “anticipates,” “will,” “plans,” “may,” “should,” or the negative thereof or similar terms. The absence of these words, however, does not mean that these statements are not forward-looking. These are based on our current expectation, belief and assumptions concerning future developments and business conditions and their potential effect on us. While management believes that these forward-looking statements are reasonable as and when made, there can be no assurance that future development affecting us will be those that we anticipate.

All of our forward-looking statements involve risks and uncertainties (some of which are significant or beyond our control) and assumptions that could cause actual results to differ materially from our historical experience and our present expectations or projections. Known material factors that could cause actual results to differ materially from those contemplated in the forward-looking statements include those set forth in this “Item 12. Forward-Looking Statements; Risk Factors.” We caution you not to place undue reliance on any forward-looking statements, which speak only as of the date hereof. We undertake no obligation to publicly update or revise any of our forward-looking statements after the date they are made, whether as a result of new information, future events, or otherwise, except to the extent required by U.S. federal securities law.

An investment in our Shares involves a high degree of risk. In addition to the risks identified below relating to the Offer, please refer to our filings with the SEC, including our Annual Report on Form 10-K for the fiscal year ended December 31, 2018, filed on March 11, 2019, for a discussion of risks relating to our business and an investment in our Shares. Additional risks and uncertainties not presently known to us or that we currently deem immaterial also may impair our business operations. If any of the matters identified as potential risks materialize, our business could be harmed. In that event, the trading price of our Shares and Public Warrants could decline.

There is no guarantee that your decision whether to tender your Public Warrants in the Offer will put you in a better future economic position.

We can give no assurance as to the price at which a stockholder may be able to sell his, her or its Shares in the future following the completion of the Offer. If you choose to tender some or all of your Public Warrants in the Offer, certain future events (including, without limitation, those described in “The Offer, Section 5.E, Plans, Proposals or Negotiations”), which may be significant and may happen quickly at any time in the future, may result in you realizing a lower value than you might have realized in the future had you not agreed to exchange your Public Warrants. Similarly, if you do not tender your Public Warrants in the Offer, you will continue to bear the risk of ownership of your Public Warrants after the closing of the Offer (including the risk of your Public Warrants being subject to the Conversion), and there can be no assurance that you can sell your Public Warrants (or exercise them for Shares) in the future at a higher price than would have been obtained by participating in the Offer or at all. You should carefully review the terms of the Public Warrants, including the Warrant Agreement and Warrant Amendment governing the Public Warrants, and consult your own individual tax and/or financial advisor for assistance on how the tender of your Public Warrants may affect your individual situation.

If the Public Warrants are exchanged for Shares pursuant to the Offer, the liquidity of the market for the Public Warrants will be substantially reduced, and ultimately eliminated.

If the Offer is successful, the holders of Public Warrants who tender their Public Warrants will receive Shares that are traded on Nasdaq, and the liquidity of the market for any remaining Public Warrants, which are listed on Nasdaq, will be substantially reduced.

Public Warrants not exchanged for Shares pursuant to the Offer will remain outstanding subject to their amended terms pursuant to the Warrant Amendment. Following the consummation of the Offer, in accordance with the terms of the Warrant Amendment, we intend to require the conversion of all outstanding Public Warrants to Shares at a rate of 0.56 Shares per Public Warrant as provided in the Warrant Amendment. Our Public Warrants are currently listed on The Nasdaq Capital Market under the symbol FPAYW; however, following the completion of the Offer and Conversion, the Public Warrants will be delisted.

Several members of our board of directors are subject to conflicts of interest with respect to the Offer.

None of our directors, executive officers or affiliates will participate in the Offer, as those who owned Public Warrants previously exchanged them for Shares pursuant to the Exchange Agreement. The Holders included four of the Company’s directors or their affiliated entities (Messrs. Allen, Dvorkin, King and Pradelli), who exchanged a total of 3.8% of the Public Warrants outstanding pursuant to the Exchange Agreement. Several of our officers and directors own Shares or receive compensation tied to Shares. The Offer and completion of the Offer may impact the trading or market value of the Shares held by such officers and directors. In addition, our board of directors did not obtain a “fairness opinion” in connection with the Offer.

The market price of our Shares will fluctuate, which may adversely affect Public Warrant holders who tender their Public Warrants for Shares.

The market price of our Shares will fluctuate between the date the Offer is commenced, the Expiration Date of the Offer and the date on which Shares are issued to tendering Public Warrant holders. Accordingly, the market price of Shares upon settlement of the Offer could be less than the price at which the Public Warrants could be sold. The Company does not intend to adjust the exchange ratio of Shares for Public Warrants based on any fluctuation in our Share price.

Resales of the additional Shares issued pursuant to the Offer may adversely affect the Share price.

Shares issued in the Offer will be freely tradable, unless held by affiliates. In light of the current trading volume of our Shares, if the holders of the Public Warrants were to sell a significant portion of the Shares obtained from the Offer, such sales could have a negative impact on the trading price of our Shares.

No rulings or opinions have been received as to the tax consequences of the Offer to holders of Public Warrants.

The tax consequences that will result to Public Warrant holders that participate in the Offer are not well defined by the existing authorities. No ruling of any governmental authority and no opinion of counsel has been issued or rendered on these matters. Public Warrant holders must therefore rely on the advice of their own tax advisors in assessing these matters. For a general discussion of certain tax considerations, see “The Offer, Section 11. Material U.S. Federal Income Tax Consequences.”

13. THE DEPOSITARY AND THE INFORMATION AGENT

We have retained Continental Stock Transfer & Trust Company, to act as the Depositary, and Morrow Sodali to act as the Information Agent, in connection with the Offer. All deliveries, correspondence and questions sent or presented to the Depositary or the Information Agent relating to the Offer should be directed to the addresses or telephone numbers set forth on the back cover of this Offer Letter. CST is the transfer agent and registrar of the Shares and is the warrant agent for the Public Warrants.

14. FEES AND EXPENSES

The Information Agent and the Depositary will receive reasonable and customary compensation for their respective services, will be reimbursed by us for reasonable out-of-pocket expenses and will be indemnified against certain liabilities in connection with the Offer, including certain liabilities under the federal securities laws.

We will not pay any fees or commissions to brokers, dealers or other persons (other than fees to the Information Agent as described above) for soliciting tenders of Public Warrants pursuant to the Offer. Public Warrant holders holding Public Warrants through a broker, dealer, commercial bank, trust company or other nominee are urged to consult such nominees to determine whether transaction costs may apply if Public Warrant holders tender Public Warrants through such nominees and not directly to the Depositary. We will, however, upon request, reimburse brokers, dealers, commercial banks, trust companies and other nominees for customary mailing and handling expenses incurred by them in forwarding the Offer and related materials to the beneficial owners of Public Warrants held by them as a nominee or in a fiduciary capacity. No broker, dealer, commercial bank, trust company or other nominee has been authorized to act as our agent or the agent of the Information Agent or the Depositary for purposes of the Offer.

15. ADDITIONAL INFORMATION; MISCELLANEOUS

The Company has filed with the SEC a Tender Offer Statement on Schedule TO, of which this Offer Letter is a part. This Offer Letter does not contain all of the information contained in the Schedule TO and the exhibits to the Schedule TO. The Company recommends that holders review the Schedule TO, including the exhibits and the information incorporated by reference in the Schedule TO, and the Company's other materials that have been filed with the SEC before making a decision on whether to accept the Offer, including:

1. The description of the Shares and the Public Warrants in the Company's Registration Statement on Form 8-A filed with the SEC on September 24, 2018 under Section 12(b) of the Exchange Act;
2. Our Annual Report on Form 10-K for the year ended December 31, 2018, filed with the SEC on March 11, 2019; and
3. Our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2019, June 30, 2019 and September 30, 2019, filed with the SEC on May 7, 2019, August 12, 2019 and November 4, 2019, respectively.

Documents we file (but not documents or information deemed to have been furnished and not filed in accordance with the SEC's rules) with the SEC under Section 13(e), 13(c), 14 or 15(d) of the Exchange Act after the date of this Offer Letter will be incorporated by reference in this Offer Letter only upon our filing of a subsequent amendment to the Schedule TO. Any statement contained in this Offer Letter or in a document (or part thereof) incorporated by reference in this Offer Letter shall be considered to be modified or superseded for purposes of this Offer Letter to the extent that a statement contained in any subsequent amendment to this Offer Letter or amendment to the Schedule TO to which this Offer Letter relates modifies or supersedes that statement.

You can obtain any of the documents incorporated by reference in this Offer Letter from the SEC's website at the address described above. You may also request a copy of these filings, at no cost, by writing or telephoning the Information Agent for the Offer at the telephone numbers and address set forth on the back cover of this Offer Letter.

Each person to whom a copy of this Offer Letter is delivered may obtain a copy of any or all of the referenced documents, other than exhibits to such documents, unless such exhibits are specifically incorporated by reference into such documents, at no cost. Requests should be directed to the Company at:

FlexShopper, Inc.
Attention: H. Russell Heiser Jr.
Chief Financial Officer
(855) 353-9289
ir@flexshopper.com

Sincerely,

FlexShopper, Inc.
901 Yamato Road, Suite 260
Boca Raton, Florida 33431

The Depositary is Continental Stock Transfer & Trust Company. The Letter of Transmittal and certificates representing Public Warrants, and any other required documents should be sent or delivered by each holder of Public Warrants or such holder's broker, dealer, commercial bank, trust company or other nominee to the Depositary at one of its addresses set forth below.

THE DEPOSITARY FOR THE OFFER IS:



IF DELIVERING BY MAIL, HAND OR COURIER:
CONTINENTAL STOCK TRANSFER & TRUST COMPANY
1 State Street, 30th Floor
New York, NY 10004
Attention: Corporate Actions Department

CONFIRM BY TELEPHONE:
Telephone: (917) 262-2378

THE INFORMATION AGENT FOR THE OFFER IS:

M O R R O W
S O D A L I

470 West Avenue, 3rd Floor
Stamford, CT 06902
Individuals, please call toll-free: (800) 662-5200
Banks and brokerage firms, please call: (203) 658-9400
Email: FPAY.info@investor.morrowsodali.com

Any question or request for assistance may be directed to the Information Agent at the address, phone number and email address listed above.

Requests for additional copies of the Offer Letter, the Letter of Transmittal or other documents related to the offer may also be directed to the Information Agent.

**LETTER OF TRANSMITTAL
FOR THE OFFER TO EXCHANGE
BY
FLEXSHOPPER, INC.
OF ITS OUTSTANDING PUBLIC WARRANTS
FOR SHARES OF ITS COMMON STOCK
AT AN EXCHANGE RATE OF 0.62 SHARES FOR EACH PUBLIC WARRANT**

THE OFFER PERIOD AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M., EASTERN TIME, ON FEBRUARY 4, 2020, UNLESS THE OFFER PERIOD IS EXTENDED

The undersigned represent(s) that I (we) have full authority to surrender without restriction the warrants that were issued in connection with FlexShopper, Inc.'s public offering pursuant to a prospectus dated September 25, 2018, as amended by post-effective amendment No. 1 filed on May 7, 2019, exercisable for shares of FlexShopper, Inc. common stock, par value \$0.0001 per share (the "Shares"), at an exercise price of \$1.25 per Share (the "Public Warrants") for exchange. You are hereby authorized and instructed to prepare in the name of and deliver to the address indicated below (unless otherwise instructed in the boxes in the following page) a certificate representing Shares for Public Warrants tendered pursuant to this Letter of Transmittal. Such Shares shall equal 0.62 Shares per Public Warrant tendered, subject to adjustment in the event a fractional Share would be issued, as described in the Offer Letter, dated January 6, 2020.

Method of delivery of the Public Warrant(s) is at the option and risk of the owner thereof.
See Instruction 2.

Mail or deliver this Letter of Transmittal, or a facsimile, together with the certificate(s) representing your Public Warrants, to:



IF DELIVERING BY MAIL, HAND OR COURIER:
CONTINENTAL STOCK TRANSFER & TRUST COMPANY
1 State Street, 30th Floor
New York, NY 10004
Attention: Corporate Actions Department

CONFIRM BY TELEPHONE:
Telephone: (917) 262-2378

For assistance call the Information Agent, Morrow Sodali, toll free at (800) 662-5200.

DESCRIPTION OF PUBLIC WARRANTS SURRENDERED

(Please fill in. Attach separate schedule if needed)

Name(s) and Address of Registered Holder(s) If there is any error in the name or address shown below, please make the necessary corrections	<p align="center">DESCRIPTION OF PUBLIC WARRANTS SURRENDERED <i>(Please fill in. Attach separate schedule if needed)</i></p>		
	Certificate Number(s) and/or Book-Entry Account Number(s)	Total Number of Public Warrants Represented by Certificate(s) and/or Book-Entry Account Number(s)	Number of Public Warrants Tendered
	TOTAL PUBLIC WARRANTS TENDERED		

**PLEASE READ THIS ENTIRE LETTER OF TRANSMITTAL CAREFULLY,
INCLUDING THE ACCOMPANYING INSTRUCTIONS**

Ladies and Gentlemen:

The undersigned hereby exchanges the below described Public Warrants of FlexShopper, Inc. (the “**Company**”), a Delaware corporation, pursuant to the Company’s Offer to Exchange Letter dated January 6, 2020 (the “**Offer Letter**”) and this Letter of Transmittal (which together constitute the “**Offer**”).

The Board of Directors of the Company has extended the Offer to all holders of the Company’s issued and outstanding warrants that were by the Company in its registered public offering of units consisting of common stock and warrants made pursuant to the Company’s prospectus filed with the Securities and Exchange Commission (the “**SEC**”) pursuant to Rule 424(b)(5), dated September 25, 2018 as amended by post-effective amendment No. 1 filed with the SEC on May 7, 2019 (the “**Prospectus**”). In this Offer, the warrants, which are exercisable for shares of the Company’s common stock, par value \$0.0001 per share (the “**Shares**”), and have an exercise price of \$1.25 per share (the “**Public Warrants**”), may be exchanged during the Offer Period at a rate of 0.62 Shares for each Public Warrant tendered, subject to adjustment, as described in the Offer Letter. The “**Offer Period**” is the period commencing on January 6, 2020 and ending at 5:00 p.m., Eastern time, on February 4, 2020, or such later date to which the Company may extend the Offer (the “**Expiration Date**”).

On December 30, 2019, the Company and holders of at least 50.1% of the outstanding Public Warrants (each a “**Holder**”) entered into a Warrant Amendment and Exchange Agreement (the “**Exchange Agreement**”), pursuant to which the Holders agreed to exchange their Public Warrants for Shares on the same terms as the Offer, agreed to make the Offer to all other public holders of the Public Warrants in reliance upon the exemption from registration provided by Section 3(a)(9) of the Securities Act of 1933, as amended, and amended the terms of the Warrant Agent Agreement for the Public Warrants to permit the Company to require that all outstanding Public Warrants not exchanged pursuant to the Offer be converted into Shares at a rate of 0.56 of a share of our common stock per Public Warrant, which is 10% less than the exchange rate applicable to the Offer (the “**Warrant Amendment**”). The Holders included four of the Company’s directors (or their affiliated entities), who agreed to exchange a total of 3.8% of the Public Warrants outstanding pursuant to the Exchange Agreement.

Public Warrants not exchanged for Shares pursuant to the Offer will remain outstanding subject to their amended terms pursuant to the Warrant Amendment. Following the consummation of the Offer, in accordance with the terms of the Warrant Amendment, we intend to require the conversion of all outstanding Public Warrants to Shares at a rate of 0.56 Shares per Public Warrant as provided in the Warrant Amendment (the “**Conversion**”). Our Public Warrants are currently traded on The Nasdaq Capital Market under the symbol FPAYW; however, following the completion of the Offer and Conversion, the Public Warrants will be delisted.

NO FRACTIONAL SHARES WILL BE ISSUED. PUBLIC WARRANTS MAY ONLY BE EXCHANGED FOR WHOLE SHARES. IN LIEU OF ISSUING FRACTIONAL SHARES TO WHICH ANY HOLDER OF PUBLIC WARRANTS WOULD OTHERWISE HAVE BEEN ENTITLED, THE COMPANY WILL ROUND THE NUMBER OF SHARES TO WHICH SUCH HOLDER IS ENTITLED, AFTER AGGREGATING ALL FRACTIONS, UP TO THE NEXT WHOLE NUMBER OF SHARES.

THE OFFER RELATES TO THE PUBLIC WARRANTS ISSUED PURSUANT TO THE PROSPECTUS, WHICH TRADE THROUGH DTC. ANY AND ALL OUTSTANDING PUBLIC WARRANTS ARE ELIGIBLE TO BE TENDERED PURSUANT TO THE OFFER. AS OF JANUARY 6, 2020, THERE WERE 5,714,900 PUBLIC WARRANTS OUTSTANDING.

PUBLIC WARRANTS NOT EXCHANGED FOR SHARES WILL BE SUBJECT TO THE CONVERSION. IF THE COMPANY DOES NOT EXERCISE ITS RIGHTS WITH RESPECT TO THE CONVERSION OF THE PUBLIC WARRANTS PURSUANT TO THE TERMS OF THE WARRANT AMENDMENT, THE PUBLIC WARRANTS WILL EXPIRE IN ACCORDANCE WITH THEIR TERMS ON SEPTEMBER 28, 2023 AND OTHERWISE REMAIN SUBJECT TO THEIR TERMS AS AMENDED BY THE WARRANT AMENDMENT.

Subject to and effective upon acceptance of the tender of the Public Warrants exchanged hereby in accordance with the terms and subject to the conditions of the Offer (including, if the Offer is extended or amended, the terms and conditions of such extension or amendment), the undersigned hereby agrees to subscribe for the Shares, upon the exchange of one Public Warrant for 0.62 Shares, as indicated on the first page of this Letter of Transmittal.

The undersigned acknowledges that the undersigned has been advised to consult with its own advisors as to the consequences of participating or not participating in the Offer.

The undersigned hereby represents and warrants to the Company that:

(a) the undersigned has full power and authority to tender the Public Warrants tendered hereby and subscribe for all of the Shares of the Company which may be received upon exchange of the Public Warrants tendered hereby;

(b) the undersigned has good, marketable and unencumbered title to the Public Warrants tendered hereby, free and clear of all security interests, liens, restrictions, charges, encumbrances, conditional sales agreements or other obligations relating to their exchange, sale or transfer, and the Public Warrants tendered hereby are not subject to any adverse claim;

(c) on request, the undersigned will execute and deliver any additional documents the Company deems necessary to complete the exchange of the Public Warrants tendered hereby;

(d) the undersigned understands that tenders of Public Warrants tendered hereby pursuant to the Offer and in the instructions hereto will constitute the undersigned's acceptance of the terms and conditions of the Offer; and

(e) the undersigned agrees to all of the terms of the Offer.

All authorities conferred or agreed to be conferred in this Letter of Transmittal shall survive the death or incapacity of the undersigned, and any obligation of the undersigned hereunder shall be binding upon the heirs, personal representatives, executors, administrators, successors, assigns, trustees in bankruptcy, and legal representatives of the undersigned. Except as stated in the Offer, this tender is irrevocable.

Delivery of this Letter of Transmittal and all other documents to an address, or transmission of instructions to a facsimile number, other than as set forth above, does not constitute a valid delivery. Please read carefully the entire Letter of Transmittal, including the accompanying instructions, before checking any box below. This Letter of Transmittal is to be used only if (a) certificates are to be forwarded herewith (or such certificates will be delivered pursuant to a Notice of Guaranteed Delivery previously sent to the depository) or (b) delivery of Public Warrants is to be made by book-entry transfer to the depository's account at DTC pursuant to the procedures set forth in the Offer Letter.

If you desire to exchange Public Warrants pursuant to the Offer and you cannot deliver your Public Warrant certificate(s) (or you are unable to comply with the procedures for book-entry transfer on a timely basis) and all other documents required by this Letter of Transmittal are delivered to the depository prior to the Expiration Date, you may tender your Public Warrants according to the guaranteed delivery procedures set forth in the Offer Letter under "The Offer, Section 2. Procedure for Tendering Public Warrants — A. Proper Tender of Public Warrants — Guaranteed Delivery." See Instruction 2.

Delivery of documents to DTC does not constitute delivery to Continental Stock Transfer & Trust Company (the "Depository").

"Expiration Date" means 5:00 p.m., Eastern time, on Tuesday, February 4, 2020, unless and until the Company, in its sole discretion, extends the Offer, in which case the "Expiration Date" means the latest time and date at which the Offer, as extended, expires.

THE UNDERSIGNED UNDERSTANDS THAT ACCEPTANCE OF PUBLIC WARRANTS BY THE COMPANY FOR EXCHANGE WILL CONSTITUTE A BINDING AGREEMENT BETWEEN THE UNDERSIGNED AND THE COMPANY UPON THE TERMS AND SUBJECT TO THE CONDITIONS OF THE OFFER.

**NOTE: SIGNATURES MUST BE PROVIDED BELOW.
PLEASE READ THE ACCOMPANYING INSTRUCTIONS CAREFULLY.**

This Letter of Transmittal is to be completed by a holder of Public Warrants if either (i) Public Warrant Certificates are to be forwarded with this Letter of Transmittal or (ii) the Public Warrants the holder is electing to exchange are to be delivered by book-entry transfer pursuant to the procedures set forth in the Offer Letter under “The Offer, Section 2. Procedure for Tendering Public Warrants — A. Proper Tender of Public Warrants — Book-Entry Delivery.” **Delivery of documents to DTC or to the Company does not constitute delivery to the Depository.**

The undersigned hereby: (i) elects to exchange the Public Warrants described under “Election to Exchange” below (Box 1); and (ii) agrees to subscribe for the Shares issuable thereunder, in each case pursuant to the terms and subject to the conditions described in the Offer Letter and this Letter of Transmittal. If the undersigned holds Public Warrants for beneficial owners, the undersigned represents that it has received from each beneficial owner thereof (collectively, the “**Beneficial Owners**”) a duly completed and executed “Instruction Form,” a form of which is attached to the “Letter to Clients” accompanying this Letter of Transmittal, instructing the undersigned to take the action described in this Letter of Transmittal. Subject to, and effective upon, the Company’s acceptance of the undersigned’s election to exchange the Public Warrants described in Box 1 below, the undersigned hereby assigns and transfers to, or upon the order of, the Company, all right, title and interest in, to, and under the Public Warrants being exchanged hereby, waives any and all other rights with respect to such Public Warrants and releases and discharges the Company from any and all claims the undersigned may have now, or may have in the future, arising out of, or related to, such Public Warrants.

The undersigned hereby irrevocably constitutes and appoints the Depository as the true and lawful agent and attorney-in-fact of the undersigned with respect to the Public Warrants the undersigned is electing to exchange, with full power of substitution (the power of attorney being deemed to be an irrevocable power coupled with an interest), to deliver the Public Warrants the undersigned is electing to exchange to the Company or cause ownership of such Public Warrants to be transferred to, or upon the order of, the Company, on the books of the Depository and deliver all accompanying evidences of transfer and authenticity to, or upon the order of, the Company upon receipt by the Company’s Depository, as the undersigned’s agent, of the Shares to which the undersigned is entitled upon acceptance by the Company of the undersigned’s election to exchange Public Warrants pursuant to the Offer.

Unless otherwise indicated under “Special Issuance Instructions” below (Box 2), please issue the Shares for the exchanged Public Warrants in the name(s) of the undersigned. Similarly, unless otherwise indicated under “Special Delivery Instructions” below (Box 3), please send or cause to be sent the certificates for the Shares (and accompanying documents, as appropriate) to the undersigned at the address shown above under “Description of Public Warrants Surrendered” (on the cover page of this Letter of Transmittal) or to the account with the Depository or at DTC as indicated herein.

The undersigned understands that elections to exchange Public Warrants pursuant to the procedures described under “The Offer, Section 2. Procedure for Tendering Public Warrants” in the Offer Letter and in the instructions to this Letter of Transmittal will constitute a binding agreement between the undersigned and the Company upon the terms of the Offer set forth in the Offer Letter under “The Offer, Section 1. General Terms,” and subject to the conditions of the Offer set forth in the Offer Letter under “The Offer, Section 10. Conditions; Termination; Waivers; Extensions; Amendments,” subject only to withdrawal of elections to exchange on the terms set forth in the Offer Letter under “The Offer, Section 3. Withdrawal Rights.” All authority conferred in this Letter of Transmittal or agreed to be conferred will survive the death, bankruptcy or incapacity of the undersigned and any Beneficial Owner(s), and every obligation of the undersigned of any Beneficial Owners under this Letter of Transmittal will be binding upon the heirs, personal representatives, executors, administrators, successors, assigns, trustees in bankruptcy and other legal representatives of the undersigned and such Beneficial Owner(s).

The undersigned hereby represents and warrants that it has full power and authority to exchange, assign and transfer the Public Warrants the undersigned has elected to exchange pursuant to this Letter of Transmittal. The undersigned and each Beneficial Owner will, upon request, execute and deliver any additional documents reasonably requested by the Company or the Depositary as necessary or desirable to complete and give effect to the transactions contemplated hereby.

**NOTE: SIGNATURES MUST BE PROVIDED BELOW.
PLEASE READ THE ACCOMPANYING INSTRUCTIONS CAREFULLY BEFORE COMPLETING THE BOXES.**

CHECK HERE IF THE PUBLIC WARRANTS ARE BEING DELIVERED BY BOOK-ENTRY TRANSFER, AND COMPLETE BOX 4 BELOW.

Name: _____

Address: _____

**Box 1
ELECTION TO EXCHANGE**

**A
Number of Public Warrants
Being Exchanged**

**B
Shares to be Issued
(Multiply Column A by 0.62 and round UP to the
nearest whole number)⁽¹⁾**

⁽¹⁾ No fractional Shares will be issued. Public Warrants may only be exchanged for whole Shares. In lieu of issuing fractional Shares to which any holder of Public Warrants would otherwise have been entitled, the Company will round the number of Shares to which such holder is entitled, after aggregating all fractions, up to the next whole number of Shares.

**Box 2
SPECIAL ISSUANCE INSTRUCTIONS**

To be completed ONLY if certificates for Shares issued in exchange for Public Warrants are to be issued in the name of someone other than the undersigned.

Issue Share certificates:

Name(s) _____

(please print)

Address(es) _____

Box 3
SPECIAL DELIVERY INSTRUCTIONS

To be completed **ONLY** if certificates for Shares issued in exchange for Public Warrants are to be mailed to someone other than the undersigned, or to the undersigned at an address other than that shown in the "Description of Public Warrants Tendered."

Mail Certificates to:

Name(s) _____

(please print)

Address(es) _____

Box 4
USE OF BOOK-ENTRY TRANSFER

To be completed **ONLY** if delivery of Public Warrants is to be made by book-entry transfer.

Name of Tendering Institution: _____

Participant Account Number: _____

Transaction Code Number: _____

**Box 5
EXERCISING HOLDER SIGNATURE**

**PLEASE SIGN HERE
(To be completed by all Public Warrant Holders)
(U.S. Holders Please Also Complete the Enclosed IRS Form W-9)
(Non U.S.-Holders Please Obtain and Complete IRS Form W-8BEN,
IRS Form W-BEN-E or Other Applicable IRS Form W-8)**

(Signature of Registered Holder(s) or Authorized Signatory)

Dated: _____, 2020

(Must be signed by the registered holder(s) exactly as name(s) appear(s) on certificate(s) or on a security position or by person(s) authorized to become registered holder(s) by certificate(s) and documents transmitted with this Letter of Transmittal. If signature is by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation or another person acting in a fiduciary or representative capacity, please set forth full title. See Instruction 5.)

Name(s):

(please print)

Address(es)

Capacity (full title):

Area Code and Telephone Number:

Tax Identification or Social Security No.

**GUARANTEE OF SIGNATURE(S)
(For use by Eligible Institutions only; see Instruction 1)**

Name of Firm:

Authorized Signature:

Name:

(please print)

Title:

Address:

Area Code and Telephone Number:

Dated: _____, 2020

INSTRUCTIONS
FORMING PART OF THE TERMS AND CONDITIONS OF THE OFFER

1. GUARANTEE OF SIGNATURE.

No signature guarantee is required if either:

(a) this Letter of Transmittal is signed by the registered holder of the Public Warrants exactly as the name of the registered holder appears on the certificate tendered with this Letter of Transmittal and such owner has not completed the box entitled “Special Delivery Instructions” or “Special Issuance Instructions”; or

(b) such Public Warrants are tendered for the account of a member firm of a registered national securities exchange, a member of the Financial Industry Regulatory Authority (“*FINRA*”) or a commercial bank or trust company (not a savings bank or savings and loan association) having an office, branch or agency in the United States which is a participant in an approved Signature Guarantee Medallion Program (each such entity, an “*Eligible Institution*”); or

(c) the holders of such Public Warrants reside outside of the U.S. and are not otherwise tendering the Public Warrants in the U.S.

In all other cases, an Eligible Institution must guarantee all signatures on this Letter of Transmittal. See Instruction 5.

2. *DELIVERY OF LETTER OF TRANSMITTAL AND CERTIFICATES; GUARANTEED DELIVERY PROCEDURES.*

This Letter of Transmittal is to be used only if:

- certificates for Public Warrants are delivered with it to the Depository; or
- the certificates will be delivered pursuant to a Notice of Guaranteed Delivery previously sent to the Depository; or
- Public Warrants are exchanged pursuant to the procedure for tender by book-entry transfer set forth in the Offer Letter under “The Offer, Section 2. Procedure for Tendering Public Warrants — A. Proper Tender of Public Warrants — Book-Entry Delivery.”

Unless Public Warrants are being tendered by book-entry transfer, as described below, (a) a properly completed and duly executed Letter of Transmittal or duly executed and manually signed facsimile copy of it, in accordance with the instructions of the Letter of Transmittal (including any required signature guarantees), (b) certificates for the Public Warrants being exchanged, and (c) any other documents required by the Letter of Transmittal should be mailed or delivered to the Depository at the appropriate address set forth on the front page of this document and must be received by the Depository prior to the expiration of the Offer. If certificates are forwarded to the Depository in multiple deliveries, a properly completed and duly executed Letter of Transmittal must accompany each such delivery.

Public Warrants may be validly tendered pursuant to the procedures for book-entry transfer as described in the Offer Letter. In order for Public Warrants to be validly tendered by book-entry transfer, the Depository must receive, prior to the Expiration Date, (a) confirmation of such delivery and (b) either a properly completed and executed Letter of Transmittal (or manually signed facsimile thereof) or an Agent’s Message if the tendering Public Warrant holder has not delivered a Letter of Transmittal, and (c) all documents required by the Letter of Transmittal. The term “Agent’s Message” means a message, transmitted by DTC to, and received by, the Depository and forming a part of a Book-Entry Confirmation, which states that DTC has received an express acknowledgment from the participant in DTC exchanging the Public Warrants that such participant has received and agrees to be bound by the terms of the Letter of Transmittal and that the Company may enforce such agreement against the participant. The term “Book-Entry Confirmation” means a timely confirmation of a book-entry transfer of Public Warrants into the Depository’s account at DTC. If you are tendering by book-entry transfer, you must expressly acknowledge that you have received and agreed to be bound by the Letter of Transmittal and that the Letter of Transmittal may be enforced against you.

If your Public Warrant certificates are not immediately available, you cannot deliver your warrants and all other required documents to the Depository or you cannot complete the procedure for delivery by book-entry transfer prior to the expiration date, you may tender your Public Warrants pursuant to the guaranteed delivery procedure set forth in the Offer Letter. Pursuant to such procedure:

(i) such tender must be made by or through an Eligible Institution;

(ii) a properly completed and duly executed Notice of Guaranteed Delivery substantially in the form provided by the Company (with any required signature guarantees) must be received by the Depository prior to the Expiration Date; and

(iii) the certificates for all physically delivered Public Warrants in proper form for transfer by delivery, or a confirmation of a book-entry transfer into the Depository's account at DTC of all Public Warrants delivered electronically, in each case together with a properly completed and duly executed Letter of Transmittal (or manually signed facsimile thereof) with any required signature guarantees (or, in the case of a book-entry transfer, an Agent's Message), and any other documents required by this Letter of Transmittal, must be received by the Depository within two Nasdaq Stock Market trading days after the date the Depository receives such Notice of Guaranteed Delivery, all as provided in the Offer Letter.

The method of delivery of all documents, including Public Warrant certificates, the Letter of Transmittal and any other required documents, is at the election and risk of the tendering Public Warrant holder, and the delivery will be deemed made only when actually received by the Depository. If delivery is by mail, registered mail with return receipt requested, properly insured, is recommended. In all cases, sufficient time should be allowed to ensure timely delivery.

Except as specifically permitted by the Offer Letter, no alternative or contingent exchanges will be accepted.

3. *INADEQUATE SPACE*. If the space provided in the box captioned "Description of Public Warrants Surrendered" is inadequate, the certificate number(s) and/or the book-entry account number(s) and the number of Public Warrants should be listed on a separate signed schedule and attached to this Letter of Transmittal.

4. *PUBLIC WARRANTS EXCHANGED*. Public Warrant holders who choose to participate in the Offer may exchange some or all of such holder's Public Warrants pursuant to the terms of the Offer, subject to proration and adjustment as described in the Offer Letter.

5. *SIGNATURES ON LETTER OF TRANSMITTAL*.

(a) If this Letter of Transmittal is signed by the registered holder(s) of the Public Warrants tendered hereby, the signature(s) must correspond exactly with the name(s) as written on the face of the certificate(s) without any change whatsoever.

(b) If the Public Warrants are held of record by two or more persons or holders, all such persons or holders must sign this Letter of Transmittal.

(c) If any tendered Public Warrants are registered in different names on several certificates, it will be necessary to complete, sign and submit as many separate Letters of Transmittal (or photocopies of it) as there are different registrations of certificates.

(d) When this Letter of Transmittal is signed by the registered holder(s) of the Public Warrants listed and transmitted hereby, no endorsement(s) of certificate(s) representing such Public Warrants or separate instruments of transfer are required. EXCEPT AS OTHERWISE PROVIDED IN INSTRUCTION 1, SIGNATURE(S) ON SUCH CERTIFICATE(S) MUST BE GUARANTEED BY AN ELIGIBLE INSTITUTION. If this Letter of Transmittal is signed by a person other than the registered holder(s) of the certificate(s) listed, the certificate(s) must be endorsed or accompanied by appropriate instruments of transfer, in either case signed exactly as the name(s) of the registered holder(s) appears on the certificate(s), and the signature(s) on such certificate(s) or instruments of transfer must be guaranteed by an Eligible Institution. See Instruction 1.

(e) If this Letter of Transmittal or any certificate(s) or instruments of transfer are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing and must submit proper evidence satisfactory to the Company of the authority so to act. If the certificate has been issued in the fiduciary or representative capacity, no additional documentation will be required.

6. *SPECIAL DELIVERY AND SPECIAL ISSUANCE INSTRUCTIONS.* If certificates for Shares issued upon exchange of the Public Warrants are to be issued in the name of a person other than the signer of the Letter of Transmittal or if such certificates are to be sent to someone other than the person signing the Letter of Transmittal or to the signer at a different address, the boxes captioned “Special Issuance Instructions” and/or “Special Delivery Instructions” on this Letter of Transmittal must be completed as applicable and signatures must be guaranteed as described in Instruction 1.

7. *IRREGULARITIES.* All questions as to the number of Public Warrants to be accepted, the validity, form, eligibility (including time of receipt) and acceptance of any tender of Public Warrants will be determined by the Company in its sole discretion, which determinations shall be final and binding on all parties, subject to the judgment of any court that might provide otherwise. The Company reserves the absolute right to reject any or all tenders of Public Warrants it determines not to be in proper form or to reject those Public Warrants, the acceptance of which may, in the opinion of the Company’s counsel, be unlawful, subject to the judgment of any court that might provide otherwise. The Company also reserves the absolute right to waive any of the conditions of the Offer (subject to the potential requirement to disseminate additional information and extend the Offer, as described in the Offer Letter under “The Offer, Section 10. Conditions; Termination; Waivers; Extensions; Amendments”) and any defect or irregularity in the tender of any particular Public Warrant, and the Company’s interpretation of the terms of the Offer (including these instructions) will be final and binding on all parties, subject to the judgment of any court that might provide otherwise. No tender of Public Warrants will be deemed to be properly made until all defects and irregularities have been cured or waived. Unless waived, any defects or irregularities in connection with tenders must be cured within such time as the Company shall determine. Neither the Company nor any other person is or will be obligated to give notice of any defects or irregularities in tenders, and none of them will incur any liability for failure to give any such notice.

8. *SUBSTITUTE FORM W-9 AND FORM W-8.* To avoid backup withholding, a tendering Public Warrant holder is required to provide the Depository with a correct Taxpayer Identification Number (“*TIN*”) on Substitute Form W-9, which is provided herewith, and to certify, under penalties of perjury, that such number is correct and that such Public Warrant holder is not subject to backup withholding of U.S. federal income tax, and that such Public Warrant holder is a U.S. person (as defined for U.S. federal income tax purposes). If a tendering Public Warrant holder has been notified by the Internal Revenue Service (“*IRS*”) that such Public Warrant holder is subject to backup withholding, such Public Warrant holder must cross out item (2) of the Certification box of the Substitute Form W-9, unless such Public Warrant holder has since been notified by the IRS that such Public Warrant holder is no longer subject to backup withholding. Failure to provide the information on the Substitute Form W-9 may subject the tendering Public Warrant holder to U.S. federal income tax withholding if any cash payments are made in lieu of fractional shares; however, no such cash payments will be made. If the tendering Public Warrant holder has not been issued a TIN and has applied for one or intends to apply for one in the near future, such Public Warrant holder should check the box in Part 3 of the Substitute Form W-9, and sign and date the Substitute Form W-9. If the box in Part 3 is checked and the Depository is not provided with a TIN by the time of payment, the Depository will withhold a portion of all payments to such Public Warrant holder until a TIN is provided to the Depository.

Certain Public Warrant holders (including, among others, all corporations and certain foreign individuals and entities) may not be subject to backup withholding. Foreign Public Warrant holders should submit an appropriate and properly completed IRS Form W-8, a copy of which may be obtained from the Depository, in order to avoid backup withholding. Such Public Warrant holders should consult a tax advisor to determine which Form W-8 is appropriate. See the enclosed “Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9” for more instructions.

9. *QUESTIONS AND REQUESTS FOR ASSISTANCE AND ADDITIONAL COPIES.* Please direct questions or requests for assistance, or for additional copies of the Offer Letter, Letter of Transmittal or other materials, to the Information Agent at:

M O R R O W
S O D A L I

470 West Avenue, 3rd Floor
Stamford, CT 06902
Individuals, please call toll-free: (800) 662-5200
Banks and brokerage firms, please call: (203) 658-9400
Email: FPAY.info@investor.morrowsodali.com

IMPORTANT: THIS LETTER OF TRANSMITTAL (OR A PHOTOCOPY THEREOF) TOGETHER WITH PUBLIC WARRANT CERTIFICATES AND ALL OTHER REQUIRED DOCUMENTS MUST BE RECEIVED BY THE DEPOSITARY ON OR PRIOR TO 5:00 P.M., EASTERN TIME, ON TUESDAY, FEBRUARY 4, 2020.

IMPORTANT TAX INFORMATION

Under U.S. federal income tax law, a Public Warrant holder who is a U.S. person (as defined for U.S. federal income tax purposes) surrendering Public Warrants must, unless an exemption applies, provide the Depository (as payer) with the Public Warrant holder's correct TIN on IRS Form W-9 or on the Substitute Form W-9 included in this Letter of Transmittal. If the Public Warrant holder is an individual, the Public Warrant holder's TIN is such Public Warrant holder's Social Security number. If the correct TIN is not provided, the Public Warrant holder may be subject to a \$50 penalty imposed by the IRS.

Certain Public Warrant holders (including, among others, corporations and certain foreign individuals and entities) may not be subject to backup withholding and reporting requirements. In order for an exempt foreign Public Warrant holder to avoid backup withholding, such person should complete, sign and submit an appropriate Form W-8 signed under penalties of perjury, attesting to his or her foreign status. A Form W-8 can be obtained from the Depository. Such Public Warrant holders should consult a tax advisor to determine which Form W-8 is appropriate. Exempt Public Warrant holders, other than foreign Public Warrant holders, should furnish their TIN, check the box in Part 4 of the Substitute Form W-9 and sign, date and return the Substitute Form W-9 to the Depository in order to avoid erroneous backup withholding. See the enclosed "Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9" for additional instructions.

If backup withholding applies, the Depository is required to withhold and pay over to the IRS a portion of any payment made to a Public Warrant holder. Backup withholding is not an additional tax. Rather, the U.S. federal income tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If backup withholding results in an overpayment of taxes, a refund may be obtained from the IRS.

Purpose of Substitute Form W-9

To prevent backup withholding on payments that are made to a Public Warrant holder with respect to Shares issued pursuant to the Offer, the Public Warrant holder is required to notify the Depository of the Public Warrant holder's correct TIN by completing the Substitute Form W-9 included in this Letter of Transmittal certifying (1) that the TIN provided on the Substitute Form W-9 is correct (or that such public warrant holder is awaiting a TIN), (2) that the Public Warrant holder is not subject to backup withholding because (i) the Public Warrant holder is exempt from backup withholding, (ii) the Public Warrant holder has not been notified by the IRS that the Public Warrant holder is subject to backup withholding as a result of a failure to report all interest and dividends or (iii) the IRS has notified the Public Warrant holder that the Public Warrant holder is no longer subject to backup withholding and (3) the Public Warrant holder is a U.S. person (as defined for U.S. federal income tax purposes).

What Number to Give the Depository

The tendering Public Warrant holder is required to give the Depository the TIN, generally the Social Security number or Employer Identification Number, of the record holder of the Public Warrants tendered hereby. If the Shares are in more than one name or are not in the name of the actual owner, consult the enclosed "Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9" for additional guidance on which number to report. If the tendering Public Warrant holder has not been issued a TIN and has applied for a number or intends to apply for a number in the near future, such Public Warrant holder should check the box in Part 3 of the Substitute Form W-9, sign and date the Substitute Form W-9 and sign and date the Certificate of Awaiting Taxpayer Identification Number, which appears in a separate box below the Substitute Form W-9. If the box in Part 3 of the Substitute Form W-9 is checked and the Depository is not provided with a TIN by the time of payment, the Depository will withhold a portion of all payments of the purchase price until a TIN is provided to the Depository. If the Depository is provided with an incorrect TIN in connection with such payments, the Public Warrant holder may be subject to a \$50.00 penalty imposed by the IRS.

THIS FORM MUST BE COMPLETED BY ALL TENDERING U.S. HOLDERS

PAYER'S NAME:									
SUBSTITUTE FORM W-9	<p>Part 1—PLEASE PROVIDE YOUR TIN IN THE BOX AT RIGHT AND CERTIFY BY SIGNING AND DATING BELOW.</p> <p align="right">Social Security Number or Employer Identification Number</p> <hr/> <p>Department of the Treasury Internal Revenue Service</p> <p>Payer's Request for Taxpayer Identification Number ("TIN")</p> <p>CHECK APPROPRIATE BOX:</p> <table style="width:100%;"> <tr> <td><input type="checkbox"/> Individual/Sole Proprietor</td> <td>Part 3—</td> </tr> <tr> <td><input type="checkbox"/> Corporation</td> <td>Awaiting TIN <input type="checkbox"/></td> </tr> <tr> <td><input type="checkbox"/> Partnership</td> <td>Part 4—</td> </tr> <tr> <td><input type="checkbox"/> Other</td> <td>Exempt <input type="checkbox"/></td> </tr> </table> <hr/> <p>Please fill in your name and address below.</p> <p>Name</p> <p>Address (Number and Street)</p> <p>City, State and Zip Code</p> <p>Part 2—Certification— Under penalties of perjury, I certify that:</p> <p>(1) The number shown on this form is my correct Taxpayer Identification Number (or I am waiting for a number to be issued to me);</p> <p>(2) I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (the "IRS") that I am subject to backup withholding as a result of a failure to report all interest or dividends or (c) the IRS has notified me that I am no longer subject to backup withholding; and</p> <p>(3) I am a U.S. Person (including a U.S. resident alien).</p> <p>Certification Instructions—You must cross out Item (2) above if you have been notified by the IRS</p> <hr/> <p>Signature: _____ Date: _____</p>	<input type="checkbox"/> Individual/Sole Proprietor	Part 3—	<input type="checkbox"/> Corporation	Awaiting TIN <input type="checkbox"/>	<input type="checkbox"/> Partnership	Part 4—	<input type="checkbox"/> Other	Exempt <input type="checkbox"/>
<input type="checkbox"/> Individual/Sole Proprietor	Part 3—								
<input type="checkbox"/> Corporation	Awaiting TIN <input type="checkbox"/>								
<input type="checkbox"/> Partnership	Part 4—								
<input type="checkbox"/> Other	Exempt <input type="checkbox"/>								

NOTE: FAILURE TO COMPLETE AND RETURN THIS FORM MAY RESULT IN BACKUP WITHHOLDING OF A PORTION OF ANY PAYMENTS MADE TO YOU PURSUANT TO THE OFFER. PLEASE REVIEW THE ENCLOSED GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9 FOR ADDITIONAL DETAILS.

YOU MUST COMPLETE THE FOLLOWING CERTIFICATE IF YOU CHECKED THE BOX IN PART 3 OF SUBSTITUTE FORM W-9.

CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER

I certify under penalties of perjury that a taxpayer identification number has not been issued to me, and either (1) I have mailed or delivered an application to receive a taxpayer identification number to the appropriate Internal Revenue Service Center or Social Security Administration Office, or (2) I intend to mail or deliver an application in the near future. I understand that if I do not provide a taxpayer identification number by the time of payment, a portion of all reportable payments made to me will be withheld, but that such amounts will be refunded to me if I then provide a Taxpayer Identification Number within sixty (60) days.

Signature: _____

Date: _____

**GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION
NUMBER ON SUBSTITUTE FORM W-9**

GUIDELINES FOR DETERMINING THE PROPER IDENTIFICATION NUMBER TO GIVE THE PAYER.—Social Security numbers have nine digits separated by two hyphens: i.e., 000-00-0000. Employer identification numbers have nine digits separated by only one hyphen: i.e., 00-0000000. The table below will help determine the number to give the payer.

WHAT NAME AND NUMBER TO GIVE THE PAYER

For this type of account:

1. Individual
2. Two or more individuals (joint account)
3. Custodian account of a minor (Uniform Gifts to Minors Act)
4. a. The usual revocable savings trust (grantor is also trustee)
b. So-called trust account that is not a legal or valid trust under state law
5. Sole proprietorship or disregarded entity owned by an individual

Give name and SSN of:

- The individual
- The actual owner of the account or, if combined funds, the first individual on the account(1)
- The minor(2)
- The grantor-trustee(1)
- The actual owner(1)
- The owner(3)

For this type of account:

6. Disregarded entity not owned by an individual
7. A valid trust, estate or pension trust
8. Corporation or LLC electing corporate status on Form 8832
9. Association, club, religious, charitable, educational, or other tax-exempt organization
10. Partnership or multi-member LLC
11. A broker or registered nominee
12. Account with the Department of Agriculture in the name of a public entity (such as state or local government, school district, or prison) that receives agricultural program payments

Give name and EIN of:

- The owner
- The legal entity(4)
- The corporation or LLC
- The organization
- The partnership
- The broker or nominee
- The public entity

- (1) List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.
- (2) Circle the minor's name and furnish the minor's SSN.
- (3) You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one) but the IRS encourages you to use your SSN.
- (4) List first and circle the name of the trust, estate or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

NOTE. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

**GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION
NUMBER ON SUBSTITUTE FORM W-9**

OBTAINING A NUMBER

If you don't have a taxpayer identification number or you don't know your number, obtain Form SS-5, Application for a Social Security Card, or Form SS-4, Application for Employer Identification Number, at the local office of the Social Security Administration or the Internal Revenue Service and apply for a number.

PAYEES EXEMPT FROM BACKUP WITHHOLDING

Payees specifically exempt from backup withholding on ALL payments include the following:

- An organization exempt from tax under section 501(a), any IRA or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2).
- The United States or any agency or instrumentality thereof.
- A state, the District of Columbia, a possession of the United States, or any subdivision or instrumentality thereof.
- A foreign government, a political subdivision of a foreign government, or any agency or instrumentality thereof.
- An international organization or any agency or instrumentality thereof.

Payees that may be exempt from back-up withholding include the following:

- A corporation.
- A financial institution.
- A dealer in securities or commodities required to register in the U.S., the District of Columbia or a possession of the U.S.
- A real estate investment trust.
- A common trust fund operated by a bank under section 584(a).
- A trust exempt from tax under section 664 or described in section 4947(a)(1).
- An entity registered at all times under the Investment Company Act of 1940.
- A foreign central bank of issue.
- A futures commission merchant registered with the Commodity Futures Trading Commission.
- A middleman known in the investment community as a nominee or custodian.

Payments of dividends and patronage dividends not generally subject to backup withholding include the following:

- Payments to nonresident aliens subject to withholding under section 1441.
- Payments to partnerships not engaged in a trade or business in the U.S. and which have at least one nonresident partner.

- Payments of patronage dividends where the amount received is not paid in money.
- Payments made by certain foreign organizations.

Payments of interest not generally subject to backup withholding include the following:

- Payments of interest on obligations issued by individuals. Note: You may be subject to backup withholding if this interest is \$600 or more and is paid in the course of the payer's trade or business and you have not provided your correct taxpayer identification number to the payer.
- Payments described in section 6049(b)(5) to non-resident aliens.
- Payments on tax-free covenant bonds under section 1451.
- Payments made by certain foreign organizations.
- Mortgage or student loan interest paid to you.

Exempt payees described above should file Form W-9 to avoid possible erroneous backup withholding. **FILE THIS FORM WITH THE PAYER, FURNISH YOUR TAXPAYER IDENTIFICATION NUMBER, WRITE "EXEMPT" ON THE FACE OF THE FORM, AND RETURN IT TO THE PAYER. IF THE PAYMENTS ARE INTEREST, DIVIDENDS, OR PATRONAGE DIVIDENDS, ALSO SIGN AND DATE THE FORM.**

Certain payments, other than interest, dividends, and patronage dividends, which are not subject to information reporting, are also not subject to backup withholding. For details, see the regulations under sections 6041, 6041A(a), 6045, and 6050A.

PRIVACY ACT NOTICE—Section 6109 requires most recipients of dividend, interest, or other payments to give taxpayer identification numbers to payers who must report the payments to IRS. IRS uses the numbers for identification purposes. Payers must be given the numbers whether or not recipients are required to file tax returns. Payers must generally withhold a portion of taxable interest, dividend, and certain other payments to a payee who does not furnish a taxpayer identification number to a payer. Certain penalties may also apply.

PENALTIES

(1) **PENALTY FOR FAILURE TO FURNISH TAXPAYER IDENTIFICATION NUMBER**—If you fail to furnish your taxpayer identification number to a payer, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

(2) **CIVIL PENALTY FOR FALSE INFORMATION WITH RESPECT TO WITHHOLDING**—If you make a false statement with no reasonable basis which results in no imposition of backup withholding, you are subject to a penalty of \$500.

(3) **CRIMINAL PENALTY FOR FALSIFYING INFORMATION**—Falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

FOR ADDITIONAL INFORMATION CONTACT YOUR TAX CONSULTANT OR THE INTERNAL REVENUE SERVICE.

**NOTICE OF GUARANTEED DELIVERY
OF PUBLIC WARRANTS OF
FLEXSHOPPER, INC.
PURSUANT TO THE OFFER DATED JANUARY 6, 2020**

This Notice of Guaranteed Delivery, or one substantially in the form hereof, must be used to accept the Offer (as defined below) if:

- Public Warrants are not immediately available or Public Warrant holders cannot deliver Public Warrants to Continental Stock Transfer & Trust Company (the “Depository”) prior to the Expiration Date (as defined in the Offer Letter), or
- The procedure for book-entry transfer cannot be completed on a timely basis, or
- Time will not permit all required documents, including a properly completed and duly executed Letter of Transmittal (or a manually signed facsimile of the Letter of Transmittal) and any other required documents, to reach the Depository prior to the Expiration Date.

The Offer Letter dated January 6, 2020 (the “Offer Letter”) and the related Letter of Transmittal, as amended or supplemented from time to time, together constitute the “Offer.”

The Offer relates to the Public Warrants issued pursuant to the Prospectus (as defined in the Offer Letter), which trade through the Depository Trust Company. Any and all outstanding Public Warrants are eligible to be tendered pursuant to the Offer.

IF NECESSARY, MAIL THIS NOTICE OF GUARANTEED DELIVERY TO:



IF DELIVERING BY MAIL, HAND OR COURIER:
CONTINENTAL STOCK TRANSFER & TRUST COMPANY
1 State Street, 30th Floor
New York, NY 10004
Attention: Corporate Actions Department

CONFIRM BY TELEPHONE:
Telephone: (917) 262-2378

This Notice of Guaranteed Delivery, properly completed and duly executed, may be delivered by hand, mail, overnight courier or facsimile transmission to the Depository. See the discussion in the Offer Letter under “The Offer, Section 2. Procedure for Tendering Public Warrants.”

For this notice to be validly delivered, it must be received by the Depository at one of the above addresses or by facsimile transmission before the Offer expires. Delivery of this notice to another address or facsimile number will not constitute a valid delivery. Delivery to the Company, the information agent or the book-entry transfer facility will not be forwarded to the Depository and will not constitute a valid delivery.

This form is not to be used to guarantee signatures. If a signature on a Letter of Transmittal is required to be guaranteed by an Eligible Institution (as defined in the Letter of Transmittal) under the instructions to the Letter of Transmittal, such signature guarantee must appear in the applicable space provided in the signature box on the Letter of Transmittal.

By signing this Notice of Guaranteed Delivery, you exchange, upon the terms and subject to the conditions described in the Offer Letter and the related Letter of Transmittal, receipt of which you hereby acknowledge, the number of Public Warrants specified below pursuant to the guaranteed delivery procedure described in the Offer Letter under “The Offer, Section 2. Procedure for Tendering Public Warrants.”

NUMBER OF PUBLIC WARRANTS EXCHANGED:

SIGNATURES

Signatures: _____

Name(s) of Public Warrant Holders(s): _____
(please type or print)

Certificate Nos.: _____

Address: _____
(Include Zip Code)

Daytime Area Code and Telephone Number: _____

Date: _____

If Public Warrants will be delivered by book-entry transfer, provide the Account Number.

Account Number(s): _____

GUARANTEE OF DELIVERY
(Not to be Used for Signature Guarantee)

The undersigned, a bank, broker dealer, credit union, savings association or other entity that is a member in good standing of the Securities Transfer Agents Medallion Program or a bank, broker, dealer, credit union, savings association or other entity which is an "eligible guarantor institution," as that term is defined in Rule 17Ad-15 promulgated under the Securities Exchange Act of 1934, as amended (each of the foregoing constituting an "**Eligible Institution**"), guarantees delivery to the Depository of the Public Warrants tendered, in proper form for transfer, or a confirmation that the Public Warrants tendered have been delivered pursuant to the procedure for book-entry transfer described in the Offer Letter into the Depository's account at the book-entry transfer facility, in each case together with a properly completed and duly executed Letter(s) of Transmittal (or a facsimile(s) thereof), or an Agent's Message (as defined in the Offer Letter) in the case of a book-entry transfer, and any other required documents, all within two Nasdaq Stock Market trading days after the date of receipt by the Depository of this Notice of Guaranteed Delivery.

The Eligible Institution that completes this form must communicate the guarantee to the Depository and must deliver the Letter of Transmittal and certificates for Public Warrants to the Depository within the time set forth above. Failure to do so could result in a financial loss to such Eligible Institution.

Name of Firm: _____

Authorized Signature: _____

Name: _____
(Please Print)

Title: _____

Address: _____

Areas Code(s) and Telephone Number(s): _____

Dated: _____, 2020

NOTE: DO NOT SEND PUBLIC WARRANTS WITH THIS FORM. PUBLIC WARRANTS SHOULD BE SENT WITH THE LETTER OF TRANSMITTAL.

OFFER TO EXCHANGE
BY
FLEXSHOPPER, INC.
ANY AND ALL OUTSTANDING PUBLIC WARRANTS
FOR SHARES OF ITS COMMON STOCK
AT AN EXCHANGE RATE OF 0.62 SHARES OF COMMON STOCK
FOR EACH PUBLIC WARRANT

THE OFFER PERIOD AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M.,
EASTERN TIME, ON FEBRUARY 4, 2020, UNLESS THE OFFER PERIOD IS EXTENDED.

January 6, 2020

To Brokers, Dealers, Commercial Banks,
Trust Companies and Other Nominees:

Enclosed for your consideration are the Offer to Exchange Letter, dated January 6, 2020 (the "**Offer Letter**"), and the related Letter of Transmittal (which, together with any amendments or supplements thereto, collectively constitute the "**Offer**"), in connection with the offer by FlexShopper, Inc., a Delaware corporation (the "**Company**"), to the holders of the Company's issued and outstanding warrants issued pursuant to a prospectus dated September 25, 2018, as amended by post-effective amendment No. 1 filed with the SEC on May 7, 2019 (the "**Prospectus**"), exercisable for shares of the Company's common stock, par value \$0.0001 per share (the "**Shares**"), at an exercise price of \$1.25 per Share (the "**Public Warrants**"), to permit, during the Offer Period, the exchange of one Public Warrant for 0.62 Shares, as described in the Offer Letter. The "**Offer Period**" is the period of time commencing on January 6, 2020, and ending at 5:00 p.m., Eastern time, on February 4, 2020, or such later date to which the Company may extend the Offer (the "**Expiration Date**").

On December 30, 2019, the Company and holders of at least 50.1% of the outstanding Public Warrants (each a "**Holder**") entered into a Warrant Amendment and Exchange Agreement (the "**Exchange Agreement**"), pursuant to which the Holders agreed to exchange their Public Warrants for Shares on the same terms as the Offer, agreed to make the Offer to all other public holders of the Public Warrants in reliance upon the exemption from registration provided by Section 3(a)(9) of the Securities Act of 1933, as amended, and amended the terms of the Warrant Agent Agreement for the Public Warrants to permit the Company to require that all outstanding Public Warrants not exchanged pursuant to the Offer be converted into Shares at a rate of 0.56 of a share of our common stock per Public Warrant, which is 10% less than the exchange rate applicable to the Offer (the "**Warrant Amendment**"). The Holders included four of the Company's directors (or their affiliated entities), who agreed to exchange a total of 3.8% of the Public Warrants outstanding pursuant to the Exchange Agreement.

Public Warrants not exchanged for Shares pursuant to the Offer will remain outstanding subject to their amended terms pursuant to the Warrant Amendment. Following the consummation of the Offer, in accordance with the terms of the Warrant Amendment, we intend to require the conversion of all outstanding Public Warrants to Shares at a rate of 0.56 Shares per Public Warrant as provided in the Warrant Amendment (the "**Conversion**"). Our Public Warrants are currently traded on The Nasdaq Capital Market under the symbol FPAYW; however, following the completion of the Offer and Conversion, the Public Warrants will be delisted.

NO FRACTIONAL SHARES WILL BE ISSUED. PUBLIC WARRANTS MAY ONLY BE EXCHANGED FOR WHOLE SHARES. IN LIEU OF ISSUING FRACTIONAL SHARES TO WHICH ANY HOLDER OF PUBLIC WARRANTS WOULD OTHERWISE HAVE BEEN ENTITLED, THE COMPANY WILL ROUND THE NUMBER OF SHARES TO WHICH SUCH HOLDER IS ENTITLED, AFTER AGGREGATING ALL FRACTIONS, UP TO THE NEXT WHOLE NUMBER OF SHARES.

THE OFFER RELATES TO THE PUBLIC WARRANTS ISSUED PURSUANT TO THE PROSPECTUS, WHICH TRADE THROUGH DTC. ANY AND ALL OUTSTANDING PUBLIC WARRANTS ARE ELIGIBLE TO BE TENDERED PURSUANT TO THE OFFER. AS OF JANUARY 6, 2020, THERE WERE 5,714,900 PUBLIC WARRANTS OUTSTANDING.

PUBLIC WARRANTS NOT EXCHANGED FOR SHARES WILL BE SUBJECT TO THE CONVERSION. IF THE COMPANY DOES NOT EXERCISE ITS RIGHTS WITH RESPECT TO THE CONVERSION OF THE PUBLIC WARRANTS PURSUANT TO THE TERMS OF THE WARRANT AMENDMENT, THE PUBLIC WARRANTS WILL EXPIRE IN ACCORDANCE WITH THEIR TERMS ON SEPTEMBER 28, 2023 AND OTHERWISE REMAIN SUBJECT TO THEIR TERMS AS AMENDED BY THE WARRANT AMENDMENT.

Enclosed with this letter are copies of the following documents:

1. Letter of Transmittal, for your use in accepting the Offer and exchanging Public Warrants and for the information of your clients;
2. Notice of Guaranteed Delivery with respect to Public Warrants, to be used to accept the Offer in the event (a) your Public Warrants are not immediately available, (b) the procedure for book-entry transfer cannot be completed on a timely basis, or (c) time will not permit all required documents to reach the Depository prior to the Expiration Date (as defined in the Offer Letter); and
3. Form of letter that may be sent to your clients for whose accounts you hold Public Warrants registered in your name or in the name of your nominee, along with an Instruction Form provided for obtaining such client's instructions with regard to the Offer.

Certain conditions to the Offer are described in the Offer Letter under "The Offer, Section 10. Conditions; Termination; Waivers; Extensions; Amendments."

We urge you to contact your clients promptly. Please note that the Offer Period and withdrawal rights will expire at 5:00 p.m., Eastern time, on February 4, 2020, unless the Offer Period is extended.

Other than as described herein, the Company will not pay any fees or commissions to any broker or dealer or other person (other than the Depository and the Information Agent, as described in the Offer Letter) in connection with the tenders of Public Warrants pursuant to the Offer. However, the Company will, on request, reimburse you for customary mailing and handling expenses incurred by you in forwarding copies of the enclosed Offer materials to your clients.

Questions regarding the Offer may be directed to Morrow Sodali, as Information Agent, at 470 West Avenue, 3rd Floor, Stamford, CT 06902 (telephone number: (203) 658-9400 or toll free: (800) 662-5200; email: FPAY.info@investor.morrowsodali.com) or to Continental Stock Transfer & Trust Company, as Depository, at 1 State Street, 30th Floor, New York, NY 10004, Attn: Corporate Actions Department (telephone number (917) 262-2378).

Very truly yours,

FlexShopper, Inc.

Nothing contained in this letter or in the enclosed documents shall render you or any other person the agent of the Company, the Depository, the Information Agent or any affiliate of any of them or authorize you or any other person affiliated with you to give any information or use any document or make any statement on behalf of any of them with respect to the Offer other than the enclosed documents and the statements contained therein.

**OFFER TO EXCHANGE
BY
FLEXSHOPPER, INC.
ANY AND ALL OUTSTANDING PUBLIC WARRANTS
FOR SHARES OF ITS COMMON STOCK
AT AN EXCHANGE RATE OF 0.62 SHARES OF COMMON STOCK
FOR EACH PUBLIC WARRANT**

**THE OFFER PERIOD AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M.,
EASTERN TIME, ON FEBRUARY 4, 2020, UNLESS THE OFFER PERIOD IS EXTENDED.**

January 6, 2020

To Our Clients:

Enclosed for your consideration are the Offer to Exchange Letter, dated January 6, 2020 (the "**Offer Letter**"), and the related Letter of Transmittal (which, together with any amendments or supplements thereto, collectively constitute the "**Offer**"), in connection with the offer by FlexShopper, Inc., a Delaware corporation (the "**Company**"), to the holders of the Company's issued and outstanding warrants issued pursuant to a prospectus dated September 25, 2018, as amended by post-effective amendment No. 1 filed with the SEC on May 7, 2019 (the "**Prospectus**"), exercisable for shares of the Company's common stock, par value \$0.0001 per share (the "**Shares**"), at an exercise price of \$1.25 per Share (the "**Public Warrants**"), to permit, during the Offer Period, the exchange of one Public Warrant for 0.62 Shares, as described in the Offer Letter. The "**Offer Period**" is the period of time commencing on January 6, 2020, and ending at 5:00 p.m., Eastern time, on February 4, 2020, or such later date to which the Company may extend the Offer (the "**Expiration Date**").

On December 30, 2019, the Company and holders of at least 50.1% of the outstanding Public Warrants (each a "**Holder**") entered into a Warrant Amendment and Exchange Agreement (the "**Exchange Agreement**"), pursuant to which the Holders agreed to exchange their Public Warrants for Shares on the same terms as the Offer, agreed to make the Offer to all other public holders of the Public Warrants in reliance upon the exemption from registration provided by Section 3(a)(9) of the Securities Act of 1933, as amended, and amended the terms of the Warrant Agent Agreement for the Public Warrants to permit the Company to require that all outstanding Public Warrants not exchanged pursuant to the Offer be converted into Shares at a rate of 0.56 of a share of our common stock per Public Warrant, which is 10% less than the exchange rate applicable to the Offer (the "**Warrant Amendment**"). The Holders included four of the Company's directors (or their affiliated entities), who agreed to exchange a total of 3.8% of the Public Warrants outstanding pursuant to the Exchange Agreement.

Public Warrants not exchanged for Shares pursuant to the Offer will remain outstanding subject to their amended terms pursuant to the Warrant Amendment. Following the consummation of the Offer, in accordance with the terms of the Warrant Amendment, we intend to require the conversion of all outstanding Public Warrants to Shares at a rate of 0.56 Shares per Public Warrant as provided in the Warrant Amendment (the "**Conversion**"). Our Public Warrants are currently traded on The Nasdaq Capital Market under the symbol FPAYW; however, following the completion of the Offer and Conversion, the Public Warrants will be delisted.

NO FRACTIONAL SHARES WILL BE ISSUED. PUBLIC WARRANTS MAY ONLY BE EXCHANGED FOR WHOLE SHARES. IN LIEU OF ISSUING FRACTIONAL SHARES TO WHICH ANY HOLDER OF PUBLIC WARRANTS WOULD OTHERWISE HAVE BEEN ENTITLED, THE COMPANY WILL ROUND THE NUMBER OF SHARES TO WHICH SUCH HOLDER IS ENTITLED, AFTER AGGREGATING ALL FRACTIONS, UP TO THE NEXT WHOLE NUMBER OF SHARES.

THE OFFER RELATES TO THE PUBLIC WARRANTS ISSUED PURSUANT TO THE PROSPECTUS, WHICH TRADE THROUGH DTC. ANY AND ALL OUTSTANDING PUBLIC WARRANTS ARE ELIGIBLE TO BE TENDERED PURSUANT TO THE OFFER. AS OF JANUARY 6, 2020, THERE WERE 5,714,900 PUBLIC WARRANTS OUTSTANDING.

PUBLIC WARRANTS NOT EXCHANGED FOR SHARES WILL BE SUBJECT TO THE CONVERSION. IF THE COMPANY DOES NOT EXERCISE ITS RIGHTS WITH RESPECT TO THE CONVERSION OF THE PUBLIC WARRANTS PURSUANT TO THE TERMS OF THE WARRANT AMENDMENT, THE PUBLIC WARRANTS WILL EXPIRE IN ACCORDANCE WITH THEIR TERMS ON SEPTEMBER 28, 2023 AND OTHERWISE REMAIN SUBJECT TO THEIR TERMS AS AMENDED BY THE WARRANT AMENDMENT.

You may tender and exchange some or all of your Public Warrants. *Please follow the instructions in this document and the related documents, including the accompanying Letter of Transmittal, to submit your Public Warrants.*

On the terms and subject to the conditions of the Offer, the Company will allow you to exchange all Public Warrants issued pursuant to the Prospectus properly tendered before the Expiration Date and not properly withdrawn at an exchange rate of 0.62 Shares for each Public Warrant.

We are the owner of record of warrants held for your account. As such, we are the only ones who can exchange and tender your Public Warrants, and then only pursuant to your instructions. **We are sending you the Letter of Transmittal for your information only; you cannot use it to exchange and tender Public Warrants we hold for your account.**

Please instruct us as to whether you wish us to exchange any or all of the Public Warrants we hold for your account on the terms and subject to the conditions of the Offer.

Please note the following:

1. You may exchange your Public Warrants at the rate of 0.62 Shares for one Public Warrant issued pursuant to the Prospectus of the Company.
2. The Offer is subject to certain conditions set forth in the Offer Letter under “The Offer, Section 10. Conditions; Termination; Waivers; Extensions; Amendments.”
3. The Offer and withdrawal rights will expire at 5:00 p.m., Eastern time, on February 4, 2020, unless the Company extends the Offer.
4. The Offer is for any and all outstanding Public Warrants of the Company issued pursuant to the Prospectus.
5. Tendering Public Warrant holders who are registered Public Warrant holders or who tender their Public Warrants directly to Continental Stock Transfer & Trust Company will not be obligated to pay any brokerage commissions.

If you wish to have us exchange any or all of your Public Warrants, please so instruct us by completing, executing, detaching and returning to us the attached Instruction Form. If you authorize us to exchange your Public Warrants, we will tender for exchange all your Public Warrants unless you specify otherwise on the attached Instruction Form.

Your prompt action is requested. Your Instruction Form should be forwarded to us in ample time to permit us to submit a tender on your behalf before the Expiration Date of the Offer. Please note that the Offer Period and withdrawal rights will expire at 5:00 p.m., Eastern time, on February 4, 2020, unless the Offer Period is extended.

The Offer is being made solely under the Offer Letter and the Letter of Transmittal and is being made to all holders of Public Warrants issued pursuant to the Prospectus. The Offer is not being made to, nor will tenders be accepted from or on behalf of, holders of Public Warrants residing in any jurisdiction in which the making of the tender offer or acceptance thereof would not be in compliance with the securities, blue sky or other laws of such jurisdiction.

The Company’s board of directors has approved the Offer. However, neither the Company’s management nor its board of directors, officers, or employees, nor the Depositary or the Information Agent, makes any recommendation to any Public Warrant holder as to whether to exchange or refrain from tendering and exchanging any Public Warrants. The Company has not authorized any person to make any recommendation. You should carefully evaluate all information in the Offer and should consult your own investment and tax advisors. You must decide whether to exchange your Public Warrants and, if so, how many Public Warrants to exchange. In doing so, you should read carefully the information in the Offer Letter and the Letter of Transmittal.

**INSTRUCTION FORM
WITH RESPECT TO THE
OFFER TO EXCHANGE
BY
FLEXSHOPPER, INC.
ANY AND ALL OUTSTANDING PUBLIC WARRANTS
FOR SHARES OF ITS COMMON STOCK
AT AN EXCHANGE RATE OF 0.62 SHARES FOR EACH PUBLIC WARRANT**

The undersigned acknowledges receipt of your letter and the enclosed Offer to Exchange Letter, dated January 6, 2020 (the “**Offer Letter**”), and the Letter of Transmittal (which, together with any amendments or supplements thereto, collectively constitute the “**Offer**”), in connection with the offer by FlexShopper, Inc., a Delaware corporation (the “**Company**”), to the holders of the Company’s issued and outstanding warrants issued pursuant to a prospectus dated September 25, 2018, as amended by post-effective amendment No. 1 filed with the SEC on May 7, 2019 (the “**Prospectus**”), exercisable for shares of the Company’s common stock, par value \$0.0001 per share (the “**Shares**”), at an exercise price of \$1.25 per Share (the “**Public Warrants**”), to permit, during the Offer Period, the exchange of one Public Warrant for 0.62 Shares, as described in the Offer Letter. The “**Offer Period**” is the period of time commencing on January 6, 2020, and ending at 5:00 p.m., Eastern time, on February 4, 2020, or such later date to which the Company may extend the Offer (the “**Expiration Date**”).

The Offer relates to the Public Warrants issued pursuant to the Prospectus, which trade through The Depository Trust Company. Any and all outstanding Public Warrants are eligible to be tendered pursuant to the Offer.

The undersigned hereby instructs you to exchange the number of Public Warrants indicated below or, if no number is indicated, all Public Warrants you hold for the account of the undersigned, on the terms and subject to the conditions of the Offer.

By participating in the Offer, the undersigned acknowledges that: (i) the Offer is discretionary and may be extended, modified, suspended or terminated by the Company as provided in the Offer Letter; (ii) such Public Warrant holder is voluntarily participating in the Offer; (iii) the future value of the Public Warrants is unknown and cannot be predicted with certainty; (iv) such Public Warrant holder has read the Offer Letter; (v) such Public Warrant holder has consulted his, her or its tax and financial advisors with regard to how the Offer will impact the tendering Public Warrant holder’s specific situation; (vi) any foreign exchange obligations triggered by such Public Warrant holder’s tender of Public Warrants or receipt of proceeds are solely his, her or its responsibility; and (vii) regardless of any action that the Company takes with respect to any or all income/capital gains tax, social security or insurance tax, transfer tax or other tax-related items (“**Tax Items**”) related to the Offer and the disposition of Public Warrants, such Public Warrant holder acknowledges that the ultimate liability for all Tax Items is and remains his, her or its sole responsibility. In that regard, a tender of Public Warrants authorizes the Company to withhold all applicable Tax Items potentially payable by a tendering Public Warrant holder. The Company’s acceptance for payment of Public Warrants tendered pursuant to the Offer will constitute a binding agreement between the tendering Public Warrant holder and the Company upon the terms and subject to certain conditions of the Offer.

[continued on following page]

Number of Public Warrants to be exchanged by you for the account of the undersigned:

* No fractional Shares will be issued. Public Warrants may only be exchanged for whole Shares. In lieu of issuing fractional Shares to which any holder of Public Warrants would otherwise have been entitled, the Company will round the number of Shares to which such holder is entitled, after aggregating all fractions, up to the next whole number of Shares.

** Unless otherwise indicated, it will be assumed that all Public Warrants held by us for your account are to be exchanged.

Signature(s): _____

Name(s): _____
(Please Print)

Taxpayer Identification Number: _____

Address(es): _____
(Including Zip Code)

Area Code/Phone Number: _____

Date: _____, 2020

**FlexShopper Commences Offer to Exchange
Common Stock for any and all Outstanding Public Warrants**

BOCA RATON, FLORIDA (January 6, 2020) — FlexShopper, Inc. (Nasdaq: FPAY, FPAYW) (the “Company,” “we” or “our”) today announced that it has commenced an offer to exchange (“Offer to Exchange”) 0.62 shares of the Company’s common stock (the “Shares”) for each outstanding Public Warrant originally issued in a registered offering, as further described below.

The Offer to Exchange commenced today and will expire, unless extended, at 5:00 p.m., Eastern time, on February 4, 2020. Tenders of Public Warrants must be made prior to the expiration of the Offer to Exchange and may be withdrawn at any time prior to the expiration of the Offer to Exchange. Any and all outstanding Public Warrants are eligible to be tendered pursuant to the Offer.

As reported in a Form 8-K filed on December 30, 2019, holders of at least 50.1% of the outstanding Public Warrants (each a “Holder”) have agreed to the warrant exchange terms. Warrants not exchanged pursuant to the Offer will be converted into Shares at a rate of 0.56 of a share of our common stock per Public Warrant, which is 10% less than the exchange rate applicable to the Offer (the “Warrant Amendment”) and following the completion of the Offer and Conversion, the Public Warrants will be delisted.

The Offer to Exchange is not conditioned on the tender of any minimum number of Public Warrants. The Company will exchange all Public Warrants properly tendered and not properly withdrawn prior to the expiration of the Offer to Exchange, as described in the Offer to Exchange Letter that is filed with the SEC under cover of Schedule TO and being distributed to Public Warrant holders. The Offer to Exchange is, however, subject to certain customary conditions, as described in the Offer to Exchange Letter.

None of the Company, its board of directors, officers or employees makes any recommendations to Public Warrant holders as to whether to tender or refrain from tendering their Public Warrants pursuant to the Offer to Exchange. Public Warrant holders must decide how many Public Warrants they will tender, if any.

The information agent for the Offer to Exchange is Morrow Sodali. The depository for the Offer to Exchange is Continental Stock Transfer & Trust Company. The Offer to Exchange, Letter of Transmittal and related documents are being delivered to Public Warrant holders of record and will be made available for distribution to beneficial owners of the Public Warrants.

Additional Information

This press release is for informational purposes only and is not an offer to purchase or a solicitation of an offer to sell the Public Warrants or an offer to sell or a solicitation to buy any shares of the Company’s common stock. **The Offer to Exchange described above is made only pursuant to a Tender Offer Statement on Schedule TO and related exhibits, including the Offer to Exchange Letter, Letter of Transmittal and other related documents, filed with the SEC. Public Warrant holders should read carefully the Tender Offer Statement on Schedule TO, Offer to Exchange Letter, Letter of Transmittal and related exhibits, as they contain important information about the Offer to Exchange.** Public Warrant holders can obtain these documents free of charge from the SEC’s website at www.sec.gov, or by directing a request to the information agent for the Offer to Exchange, Morrow Sodali, toll-free (800) 662-5200 (banks and brokerage firms, please call (203) 658-9400).

About FlexShopper, Inc.

FlexShopper, Inc. enables consumers to shop for brand name electronics, home furnishings and other durable goods on a lease-to-own (LTO) basis through its e-commerce marketplace (www.FlexShopper.com), as well as its patented and patent pending systems. FlexShopper also provides LTO technology platforms to retailers and e-retailers to facilitate transactions with consumers that want to acquire their products, but do not have sufficient cash or credit. FlexShopper approves consumers utilizing its proprietary consumer screening model, collects from consumers under an LTO contract and funds the LTO transactions by paying merchants for the goods.

Forward-Looking Statements

In addition to historical information, this release may contain a number of “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include, without limitation, information concerning completion of the Offer to Exchange, the terms and timing of the Offer to Exchange, and the impact of completion of the Offer to Exchange. The Company may modify the terms or timing of the Offer to Exchange with requisite notice. These statements are based on the Company’s management’s current expectations and beliefs, as well as a number of assumptions concerning future events. When used in this press release, the words “may,” “expect,” “estimate,” “project,” “purpose,” “plan,” “believe,” “intend,” “anticipate,” “will,” “continue,” “potential,” “should,” “could,” and similar terms and phrases are intended to identify forward-looking statements. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, they do involve certain assumptions, risks and uncertainties. These forward-looking statements represent the Company’s current expectations or beliefs concerning future events, and it is possible that the results described in this release will not be achieved. These forward-looking statements are subject to certain risks, uncertainties and assumptions, including those identified in this release or disclosed from time to time in the Company’s filings with the SEC. Factors that could cause actual results to differ from the Company’s expectations include changes in market conditions, actions by holders of Public Warrants and other investors, changes in demand for our services, availability of financing and capital, the Company’s liquidity, the Company’s compliance with covenants under its credit agreement, and other factors described in the Company’s public disclosures and filings with the SEC, including those described under “Item 1A. Risk Factors” in our annual report on Form 10-K filed with the SEC on March 11, 2019. As a result of these factors, actual results may differ materially from those indicated or implied by forward-looking statements.

Any forward-looking statement speaks only as of the date on which it is made, and, except as required by federal securities law, the Company does not undertake any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Contact:

Jeremy Hellman
Vice President
The Equity Group
212-836-9626
jhellman@equityny.com

FlexShopper, Inc.
Investor Relations
ir@flexshopper.com
