

General Finance CORP  
Form DEF 14A  
October 14, 2016

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

**SCHEDULE 14A**  
**Proxy Statement Pursuant to Section 14(a) of the**  
**Securities Exchange Act of 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

**GENERAL FINANCE CORPORATION**

**(Name of Registrant as Specified In Its Charter)**

**(Name of Person(s) Filing Proxy Statement, if other than the Registrant)**

Payment of Filing Fee (Check the appropriate box):

b No fee required.

.. Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

39 East Union Street, Pasadena, California 91103

October 14, 2016

**Dear fellow stockholders,**

In fiscal year 2016 we continued to focus on our long-term growth strategy. Our branch network grew to 80 locations with the successful completion of six acquisitions and six new branch office openings. Our growing branch network enables us to serve customers in 43 of the top 100 U.S. markets, western Canada and all of Australia and New Zealand. This expanding network will drive our future growth. Despite the headwinds of lower commodity prices and a decline in the Australian dollar, we increased operating and free cash flow while reducing approximately A\$25 million of net debt of Royal Wolf. Our commitment to operational excellence, best-in-class customer service and our dedicated employees made these and the following accomplishments possible.

### **FISCAL YEAR 2016 HIGHLIGHTS**

We continue to grow our North America and Asia-Pacific lease fleets with disciplined and balanced capital allocation. In fiscal year 2016 we invested \$21 million in net lease fleet purchases to drive organic growth and \$23 million to acquire North America and Asia-Pacific container businesses with strong long-term prospects. Our lease fleet grew through this combination of organic growth and acquisitions, with North America storage container and office container units increasing 29% and 22% in fiscal year 2016, respectively, and Asia-Pacific portable building units increasing by 18% in fiscal year 2016. The charts below show the long-term growth of our lease fleet versus utilization and the value of our lease fleet.

### **DIVERSIFIED CUSTOMER BASE**

Our diversified customer base, one of the primary strengths of our portable storage business model, continued to grow. We served over 41,000 customers in over 20 industries in fiscal year 2016, an increase of approximately 17% over the prior fiscal year, and in each of the North America and the Asia-Pacific regions, our largest customer accounted for less than 5% of the venue's revenues in fiscal year 2016. The charts below show the diversification of our customer base by industry sector.

## **ACQUISITIONS**

We completed six acquisitions in fiscal year 2016. In North America we entered four new markets by investing \$23 million to acquire approximately 4,800 containerized units in the Boston, Houston, Springfield and Seattle markets. In the Asia-Pacific region, we invested A\$829,000 to acquire two storage container businesses in Sydney and Perth.

## **INDUSTRY LEADING BEST-IN-CLASS SERVICE**

We continue to deliver best-in-class customer service, innovative products and superior safety results to our customers. In fiscal 2016 our net promoter score (which measures customer satisfaction) in North America was 83%. We continued to deliver innovative products to our customers such as containerized offices and hoardings for the construction industry, accommodation units for temporary housing and storage containers designed to store dangerous and hazardous goods. We also continue to emphasize safety, and in fiscal year 2016 we again delivered superior safety results for our employees and customers. Our claims experience continues to be very good.

## **OUR ANNUAL STOCKHOLDER MEETING**

We continue to build on our entrepreneurial culture. We remain committed to creating an environment where our employees can develop, grow and contribute, where our customers enjoy innovative products and best-in-class service and where we create long-term value for our stockholders. Our continued investment in and focus on our people, service and system capabilities will result in long-term and sustainable growth.

We appreciate the consistent and continued effort by our team, the loyalty of our customer base and support of our capital providers and fellow stockholders.

We look forward to seeing one and all at our upcoming 2016 annual stockholder meeting of General Finance Corporation on December 1, 2016 at 10:00 a.m. at 39 East Union Street, Pasadena, California 91103.

**Sincerely,**

**Ronald F. Valenta**

**President, Chief Executive Officer and**

**Chairman of the Board**

**39 East Union Street,  
Pasadena, California 91103**

**NOTICE OF 2016 ANNUAL MEETING OF STOCKHOLDERS**

**AND**

**NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIALS**

**To be held on December 1, 2016**

TO OUR STOCKHOLDERS:

Notice is hereby given to the holders of common stock of General Finance Corporation that the Annual Meeting of Stockholders ( Annual Meeting ) will be held on Thursday, December 1, 2016 at 10:00 a.m. Pacific Standard Time at the offices of General Finance Corporation located at 39 East Union Street, Pasadena, California. At the Annual Meeting we will ask you to:

1. ***Election of Director.*** Elect one Class A director to serve for a term of three years and until his successor is elected and qualified. Manuel Marrero, the person nominated by the Board of Directors (the Board ), is the Class A Director, as described in the accompanying Proxy Statement;
2. ***Ratification of Appointment of the Independent Registered Public Accounting Firm.*** Ratify the selection of Crowe Horwath LLP as our independent auditors for the fiscal year ending June 30, 2017;
3. ***Advisory Vote Regarding Executive Compensation.*** Vote on an advisory (non-binding) basis resolution regarding executive compensation;
4. ***Frequency of Advisory Votes on Executive Compensation.*** Vote on an advisory (non-binding) basis regarding the frequency of future advisory votes on executive compensation; and
5. ***Other Business.*** Transact any other business that may properly be presented at the Annual Meeting.

If you owned common stock of General Finance Corporation on October 3, 2016, the record date, you are entitled to attend and vote at the Annual Meeting. A complete list of stockholders entitled to vote at the Annual Meeting will be

available at the principal executive offices of General Finance Corporation located at 39 East Union Street, Pasadena, California beginning November 21, 2016 and at the Annual Meeting.

The Proxy Statement that accompanies this Notice contains additional information regarding the proposals to be considered at the Annual Meeting, and stockholders are encouraged to read it in its entirety. Under rules adopted by the U.S. Securities and Exchange Commission ( SEC ), we have elected to provide access to our proxy materials both by sending you the accompanying Proxy Statement and proxy card and by notifying you of the availability of our Proxy Statement and our 2016 annual report to stockholders at the website [www.cstproxy.com/generalfinance/2016](http://www.cstproxy.com/generalfinance/2016). Internet access to our proxy materials does not identify visitors to the website.

If you submit a proxy, you are entitled to revoke your proxy at any time before it is exercised by attending the Annual Meeting and voting in person, duly executing and delivering a proxy bearing a later date or sending written notice of revocation to our Secretary at 39 East Union Street, Pasadena, California 91103. Whether or not you plan to be present at the Annual Meeting, we encourage you to vote your proxy by following the instructions provided in this Proxy Statement or on the proxy card. Any stockholder attending the meeting may vote in person even if the stockholder previously returned a proxy.

**Respectfully Submitted**

Christopher A. Wilson

*General Counsel, Vice President & Secretary*

October 14, 2016

**Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to be Held on December 1, 2016. Our Proxy Statement and our 2016 annual report to stockholders are available at <http://www.cstproxy.com/generalfinance/2016>**

**PROXY STATEMENT**

**ANNUAL MEETING OF STOCKHOLDERS**

**To be held on Tuesday, December 1, 2016**

**INFORMATION ABOUT THE ANNUAL MEETING AND VOTING**

**Why did you send me this Proxy Statement and proxy card?**

We sent you this Proxy Statement and the enclosed proxy card because you owned shares of common stock ( Common Stock ) of General Finance Corporation ( we or the Company ) at the close of business on October 3, 2016, the record date. This Proxy Statement, which is furnished by the Board, provides you with information that will help you cast your vote at the Annual Meeting. You do not need to attend the Annual Meeting to vote your shares. Instead, you may simply complete, sign, date and return the enclosed proxy card.

When you return the completed, signed and dated proxy card, you appoint the proxy holders named therein (your proxies), as your representatives at the Annual Meeting. The proxy holders will vote your shares at the Annual Meeting as you have instructed them on your proxy card(s). If an issue that is not set forth on the proxy card comes up for vote at the Annual Meeting, the proxy holders will vote your shares, under your proxy, in accordance with their best judgment.

We began sending this Proxy Statement, the attached Notice of Annual Meeting and the enclosed proxy card on or about October 17, 2016 to all stockholders entitled to vote.

We have enclosed with this Proxy Statement and proxy card our Annual Report to stockholders, which includes our Annual Report on Form 10-K for the fiscal year ended June 30, 2016 as filed with the SEC.

**Who is entitled to vote at the Annual Meeting?**

Only stockholders who owned Common Stock at the close of business on October 3, 2016, the record date, are entitled to vote on matters properly presented at the Annual Meeting. On the record date, there were 26,221,772 shares of Common Stock outstanding. The Common Stock is our only class of voting stock outstanding.

**What am I voting on?**

We ask you to vote on the election of one Class A director, ratification of the selection of Crowe Horwath LLP as our independent auditors for the fiscal year ending June 30, 2017, an advisory (non-binding) vote on executive compensation, an advisory (non-binding) vote regarding the frequency of future advisory votes on executive compensation and any other matter properly presented at the Annual Meeting. The sections entitled Election of Director, Ratification of Selection of Independent Auditors, Advisory (Non-Binding) Resolution Regarding Executive Compensation and Advisory (Non-Binding) Vote on the Frequency of Future Advisory Votes on Executive Compensation provide more information on these proposals.



At the time this Proxy Statement was printed, we knew of no other matters to be acted upon by stockholders at the Annual Meeting.

**Could other matters be decided at the Annual Meeting?**

On the date this Proxy Statement was printed, we did not know of any matters to be raised at the Annual Meeting other than those mentioned in this Proxy Statement. If you vote your proxy by following the instructions

in this Proxy Statement and other matters are properly presented at the Annual Meeting for a vote of stockholders, the persons appointed as proxies by the Board will have discretion to vote your shares for you.

### **How many votes do I have, and who will count the votes?**

You have one vote for each share of our Common Stock you own. Charles Barrantes, our Executive Vice President and Chief Financial Officer, and Christopher Wilson, our General Counsel, Vice President and Secretary, will act as inspectors of the election and will tabulate the votes.

### **How are abstentions and broker non-votes treated?**

Abstentions and broker non-votes will be included in the number of shares present at the Annual Meeting for purposes of determining the presence of a quorum. (A broker non-vote occurs when a beneficial owner fails to provide the broker with instructions on how to vote the shares, and the broker lacks discretionary authority to vote the shares.) Abstentions and broker non-votes will not be counted either as a vote cast for or against the election of the Class A director, the ratification of selection of independent auditors, the advisory vote on executive compensation or the advisory vote on the frequency of future advisory votes on executive compensation.

### **How can I vote?**

For Company stockholders of record, the Company has established telephone and Internet voting described below. If your shares of common stock are held in a brokerage account, by a bank or other holder of record, you are considered a beneficial owner of those shares, and the availability of telephone and Internet voting will depend on the voting processes of your broker, bank or other holder of record. We therefore recommend that you follow the voting instructions in the materials you receive.

*You may vote by telephone or via the Internet.* You can vote by telephone or via the Internet by following the instructions in your enclosed proxy card, notice and/or voting instruction form. Votes submitted electronically over the Internet or by telephone must be received by 7:00 p.m. Eastern Time on November 30, 2016. You can vote by calling the toll-free telephone number on your proxy card. Please have your proxy card available when you call. The website for Internet voting is [www.proxyvote.com](http://www.proxyvote.com).

*You may vote by mail.* You can vote by mail by completing, signing and dating the enclosed proxy card and returning it promptly in the envelope provided. If you mark your voting instructions on the proxy card, your shares will be voted as you instruct. **If you return a signed proxy card but do not provide voting instructions, your shares will be voted FOR the election of the nominee for director, FOR the ratification of the selection of independent auditors identified in this Proxy Statement, FOR the advisory vote on executive compensation and FOR future advisory votes on executive compensation to be held every three years.**

*You may vote in person at the Annual Meeting.* You may attend the Annual Meeting and vote in person. If you hold your shares as a beneficial owner (in street name), you must request a legal proxy from your stockbroker in order to vote at the Annual Meeting. Otherwise, we cannot count your votes. Please see the notice or voting instruction form from your bank, broker or other holder of record for more information on these options.

### **What is the difference between holding shares of Common Stock as a stockholder of record and as a beneficial owner?**

If your shares of Common Stock are registered in your name with Continental Stock Transfer & Trust Company, the Company's transfer agent, you are a stockholder of record of those shares, and this Notice of Annual Meeting of Stockholders and Proxy Statement and accompanying documents were sent to you by Continental Stock Transfer &

Trust Company. If your shares of common stock are held in a brokerage account or by a bank or other holder of record, you are considered a beneficial owner of those shares, and this Notice of Annual Meeting of Stockholders and Proxy Statement and accompanying documents were sent to you by your

broker, bank or other holder of record. As the beneficial owner you have the right to direct your broker, bank or other holder of record how to vote your shares by using the voting instruction card or by following their instructions for voting by telephone, by mail or other means.

**May I revoke my proxy?**

If you are a stockholder of record, you can change or revoke your proxy before it is exercised by giving written notice to our Secretary or in person at our corporate headquarters before the Annual Meeting that you have revoked your proxy, by delivering in a timely manner a valid proxy by mail, telephone or Internet with a date later than the prior proxy or by attending the Annual Meeting and voting in person. If you are a beneficial owner of shares, you may submit new voting instructions by contacting your broker, bank or other holder of record. All shares for which proxies have been properly submitted and not revoked will be voted at the Annual Meeting.

**How will shares I hold in street name be voted?**

If your shares of Common Stock are held in street name, your broker, bank or other holder of record, under certain circumstances, may not vote your shares without specific voting instructions under rules of The NASDAQ Stock Market LLC ( NASDAQ ). This is called a broker non-vote. We encourage you to provide instructions to your brokerage firm by voting your proxy. This ensures your shares will be voted at the Annual Meeting.

**What does it mean if I receive more than one proxy card?**

If you have more than one account at the transfer agent and/or with stockbrokers, you will receive separate proxy cards for each account. Please sign and return all proxy cards to ensure that all your shares are voted.

**How many votes may be cast at the Annual Meeting?**

Based on the number of shares of Common Stock outstanding on the record date, up to 26,221,772 votes may be cast on any matter.

**How many shares of Common Stock do you need to hold the Annual Meeting (what are the quorum requirements)?**

Shares representing a majority of our outstanding votes on the record date of October 3, 2016 must be present in person or by proxy to constitute a quorum for the transaction of business at the Annual Meeting. Accordingly, a quorum will be present at the Annual Meeting if 13,110,887 shares of Common Stock are represented at the Annual Meeting in person or by proxy. Your shares will be counted towards the quorum only if you submit a valid proxy (or one is submitted on your behalf by your broker) or if you vote in person at the Annual Meeting. Abstentions and broker non-votes will be counted as present for purposes of determining a quorum.

**Who nominates individuals for election to the Board?**

Nominations for the election of individuals to the Board may be made by the Board or by any holder of our Common Stock.

**How many votes must the director nominee receive to be elected?**

The nominee receiving the highest number of FOR votes of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of the one Class A director will be elected as the Class A Director. This number is called a plurality. If you withhold authority to vote for the nominee on your proxy card, your vote will not

count either for or against the nominee.

**How many votes are required to ratify the selection of auditors?**

The selection of Crowe Horwath LLP will be ratified if a majority of the votes cast are voted in favor of ratification.

**How many votes are required to approve the advisory vote on executive compensation?**

The votes cast FOR the advisory vote on executive compensation must exceed the votes cast AGAINST to approve, on a non-binding basis, the compensation of our named executive officers. Abstentions and, if applicable, broker non-votes are not counted as votes FOR or AGAINST this proposal.

**How many votes are required to approve the advisory vote on the frequency of future advisory votes on executive compensation?**

The option of three years, two years or one year that receives the highest number of votes cast by stockholders entitled to vote will be frequency choice that is selected by holders of Common Stock. If you do not vote for one of the alternatives or if abstain from the vote, your advisory vote will not be counted for any of the alternatives.

**Is there a list of stockholders entitled to vote at the Annual Meeting?**

A list of stockholders entitled to vote at the Annual Meeting will be available at the Annual Meeting and for ten days prior to the Annual Meeting by contacting the Company Secretary for any purpose appropriate to the Annual Meeting at our offices located at 39 East Union Street, Pasadena, California between the hours of 9:00 a.m. and 5:00 p.m.

**Who pays the costs of soliciting these proxies?**

The Company pays to distribute and solicit proxies and reimburses the reasonable fees and expenses incurred by brokers, nominees, fiduciaries and other custodians in forwarding proxy materials to stockholders. The directors, officers and employees of the Company may solicit proxies in person, through mail, telephone, electronic transmission or other means. We do not pay those individuals additional compensation for soliciting proxies.

**When will the voting results be announced?**

We will announce the final voting results at the Annual Meeting. We will also report final voting results from the Annual Meeting in a Current Report on Form 8-K filed with the SEC within four business days of the Annual Meeting.

## CORPORATE GOVERNANCE

### Overview

This section of the Proxy Statement provides an overview of the corporate governance of General Finance Corporation. The Board of General Finance Corporation is committed to effective corporate governance. The Board regularly reviews the key governance documents of General Finance Corporation, including its Corporate Governance Guidelines, and these governance documents and policies are updated to reflect changes in applicable laws and corporate governance the Board determines to be in the best interests of the Company and its stockholders.

The Corporate Governance Guidelines of General Finance Corporation include the following key features:

A majority of our directors are independent.

A Lead Independent Director leads the independent directors.

The Audit, Compensation and Nominating and Governance Committees are currently comprised solely of independent directors.

The Company does not have a stockholder rights plan, or poison pill.

The Board has adopted a whistleblower policy which encourages employees to report any instances of fraud, dishonesty and violations of Company policies and procedures without fear of any retaliation or breach of confidentiality.

The Board has approved stock incentive plans and bonus plans for executives that enable the Company to clawback previously awarded compensation if the compensation was predicated on financial results which were the subject of a material financial restatement, the recipient was deemed to have engaged in fraud or misconduct that caused the material financial restatement and a lower granting, vesting or payment would have resulted based upon the restated financial results.

The Board and each of its committees have the authority to retain outside advisors.

The Audit Committee monitors and restricts the hiring of current and former Company employees by our independent auditor.

The Compensation Committee may only select or receive advice from a compensation consultant, legal counsel or other advisor to the Committee, other than in-house legal counsel, after taking into consideration the factors identified by NASDAQ as necessary to evaluate independence and affirmatively determine whether the consultant, legal counsel or advisor is independent in the judgment of the

Compensation Committee.

There are no interlocks among Compensation Committee members.

The responsibilities of the committees of our Board set forth in each committee's charter are regularly reviewed, updated as necessary and posted to the Company's website.

The Company's Code of Ethics is regularly reviewed and posted to the Company's website.

The Board and each of its committees perform self-assessments.

The Board has adopted an overboarding policy which prohibits directors from serving on more than six public company boards.

The Board has adopted stock ownership guidelines for directors.

Each director attended at least 75% of the Board and committee meetings of which he or she was a member, and the Board has adopted an attendance policy requiring board members to attend 75% of the Board meetings and committee meetings of which each director is a member in each fiscal year with attendance excused in the case of medical issues or illness.



The Corporate Governance Guidelines and the following additional corporate governance materials are published at the General Finance Corporation website [www.generalfinance.com](http://www.generalfinance.com) under the Corporate Governance section:

Audit Committee Charter

Charter of the Lead Independent Director

Compensation Committee Charter

Code of Ethics

Corporate Governance Guidelines

Nominating and Governance Committee Charter

We will provide without charge copies of any the documents listed above upon written request to the General Finance Corporation Secretary, 39 East Union Street, Pasadena, California 91103. The information on our website is not part of this Proxy Statement.

## GOVERNANCE INFORMATION

### Board of Directors

#### General Oversight

The business of the Company is managed under the direction of the Company's Board. The Board's general oversight responsibility is conferred by the Delaware General Corporation Law, the Company's Amended and Restated Certificate of Incorporation and the Company's Bylaws. The leadership structure of the Board and its committees assist the Board in exercising its fiduciary duties as it oversees the Company's business affairs, Chief Executive Officer performance and succession, internal controls over financial reporting and long-term strategy.

#### Leadership Structure

The Company does not have a formal policy concerning whether the same individual may serve as the Chief Executive Officer and Chairman of the Board. In June 2014, the Board approved a Charter for the Lead Independent Director, elected Ronald F. Valenta as the Chairman of the Board and elected James B. Roszak as the Lead Independent Director. The Charter of Lead Independent Director provides that the Lead Independent Director must be independent and delineates the powers of the Lead Independent Director, including the power to call meetings of the independent Board members, to develop agendas for executive sessions of the Board's independent members and to preside at executive sessions of the Board's independent directors. Ronald F. Valenta currently serves as the President, Chief Executive Officer and as the Chairman of the Board.

#### Risk Oversight

The identification, evaluation and mitigation of risks arising in connection with the Company's businesses are the responsibility of the Company's senior management. The Board's responsibility is to understand the risks related to the Company's businesses and to oversee senior management's mitigation of those risks.

The Board and the Audit Committee receive regular reports from senior management concerning the risks related to the Company's businesses.

The Audit Committee and the Nominating and Governance Committee have certain risk management oversight responsibilities and regularly report to the Board concerning risk management. These reports include the risks considered by each committee and the direction given to management to mitigate these risks. The Audit

Committee oversees compliance by the Company with legal requirements and regularly receives reports concerning the Company's significant internal controls, steps taken by management to maintain a strong internal controls environment and enterprise risk management. In addition, representatives of the Company's independent auditors attend Audit Committee meetings, deliver presentations to the Audit Committee and meet with the Audit Committee in private session. The Company's Chief Financial Officer and General Counsel also meet in private session with the Audit Committee. The Nominating and Governance Committee develops corporate governance principles and oversees management's evaluation and mitigation of risk relating to the Company's Code of Ethics and business practices.

### **Corporate Governance**

Our corporate governance reflects the practices and principles that guide the Company. Our corporate governance framework specifies the duties, responsibilities and rights of our stockholders, Board and management. Our corporate governance principles are found in the Company's charter documents, the Company's Corporate Governance Guidelines, Company's Code of Ethics, committee charters and other policies approved by the Board.

The Corporate Governance Guidelines were adopted by the Board in December 2010. The Corporate Governance Guidelines are reviewed at least annually to guide our corporate governance in response to changing regulatory requirements and as circumstances warrant.

Our Corporate Governance Guidelines, Code of Ethics and committee charters are available for review on our website <http://www.generalfinance.com/corporate.html> or may be requested without charge by written request to our Secretary, General Finance Corporation, 39 East Union Street, Pasadena, California 91103. The information on our website is not part of this Proxy Statement.

### **Director Independence**

NASDAQ Stock Market Rules require that a majority of the members of the Board be independent directors, which is defined generally as a person, other than an officer or employee of the Company or its subsidiaries, having no relationship, which, in the opinion of the Company's Board, would interfere with the director's exercise of independent judgment in carrying out the responsibilities of a director. All members of the Board's Audit, Compensation and Nominating and Governance Committees are independent within the meaning of NASDAQ Stock Market Rules and Rule 10A-3(b)(i) under the Securities Exchange Act of 1934, as amended (the Exchange Act).

In making these determinations, the Board was presented with a report from the Company's General Counsel and discussed information provided by the directors and the Company with regard to each director's business and personal activities as they relate to the Company. Each director and executive officer is required to complete a director and officer questionnaire each year which requires disclosure of transactions with the Company in which the director or officer, or any members of his or her family, have a direct or indirect material interest and which requires disclosure of any relationships or transactions which could interfere with the director's exercise of independent judgment.

The Board has determined that Ms. Harris and Messrs. Baribault, Connell, Roszak and Tashjian are independent under NASDAQ Stock Market rules and listing standards and have no relationship with the Company except as a director and stockholder. The Board determined that Mr. Valenta is not independent because he is the President and Chief Executive Officer of the Company. The Board determined that Mr. Marrero is not independent because he serves as the President of Main St. Personal Finance, Inc., a specialty finance company controlled by Mr. Valenta.

## **Executive Sessions of Independent Directors**

The Company's corporate governance guidelines require independent directors to meet, without management, at regularly scheduled executive sessions which generally may take place after regularly scheduled meetings of the entire Board. The Chairman of the Board, the Lead Independent Director or any two independent directors may call a special executive session of the independent directors at any time. Such special executive sessions may take place after a regular or special meeting of the entire Board or at such other time deemed appropriate.

## **Lead Independent Director**

James B. Roszak has served as the Lead Independent Director since June 2014.

## **Board and Committee Meetings**

The Board held six meetings during the fiscal year ended June 30, 2016, or fiscal year 2016, and acted by written consent four times. Five of the meetings were regular meetings, and one meeting was a special meeting. The Board holds meetings each fiscal year according to a pre-arranged schedule, but the Board also holds special meetings and acts by written consent from time to time as needed.

Each director attended more than 75% of all meetings of the Board and board committees on which he or she served during the period he or she was a director in fiscal year 2016.

## **Board Committees**

The Board has an Audit Committee, a Compensation Committee and a Nominating and Governance Committee. Each committee regularly delivers reports to the full Board concerning its meetings and actions. In fiscal year 2016 the independent directors met in executive session four times, and the Audit Committee met in executive session in three of its four regularly scheduled meetings.

**Audit Committee.** The Audit Committee consists of Mr. Roszak, as Chair, Mr. Connell, Ms. Harris and Mr. Tashjian. The Board has determined that each member of the Audit Committee qualifies as independent within the meaning of The NASDAQ Stock Market Rules and Section 10A of the Exchange Act. Our Board has determined that Mr. Roszak, Mr. Connell and Mr. Tashjian each qualify as an audit committee financial expert, as defined in the rules and regulations of the SEC. In addition, Mr. Roszak, Mr. Connell, Ms. Harris and Mr. Tashjian have the past employment experience in finance or accounting, requisite professional certification in accounting, or other comparable experience or background that results in their financial sophistication.

The functions of the Audit Committee and its activities during fiscal year 2016 are described below under the heading Report of the Audit Committee.

The Board has adopted a written charter for the Audit Committee, and the Audit Committee within the past year has reviewed and assessed the adequacy of the charter. The Audit Committee charter was most recently amended in September 2016 concerning the Audit Committee's oversight of the internal audit department. A copy of the Audit Committee Charter is available free of charge on the Corporate Governance section in our website at [www.generalfinance.com](http://www.generalfinance.com) or by written request addressed to our Secretary.

The Audit Committee met four times in fiscal year 2016.

**Compensation Committee.** The Compensation Committee consists of Ms. Harris, as Chair, Mr. Connell, Mr. Roszak and Mr. Tashjian, each of whom is an independent director under NASDAQ rules and listing standards. The purposes

of the Compensation Committee are to determine and approve the goals, objectives and compensation structure for our executive officers, to review the performance of our executive officers and to review the Company's management resources, succession planning and development activities.

The Board established the Compensation Committee in May 2006. The Compensation Committee adopted its charter in February 2007. The Compensation Committee reviews its charter annually and recommends to the Board any changes to the charter it believes are warranted. The Compensation Committee amended its charter in June 2011 and October 2013. The October 2013 amendments provided that each member of the Compensation Committee must be independent with the meaning of SEC and NASDAQ Stock Market Rules, that committee member independence must be evaluated from a variety of factors, including committee member compensation sources and affiliation with the Company and that the Company's chief executive officer may not be present during voting or deliberations concerning his compensation. The June 2011 amendments to the charter provided that each member of the Compensation Committee must be independent within the meaning of NASDAQ Stock Market Rules and Rule 10A-3(b)(i) under the Securities Exchange Act of 1934, as amended, and that prior to selection of an executive compensation advisor, the Compensation Committee must evaluate the independence of the executive compensation advisor by considering the factors identified by the SEC necessary to determine the executive compensation advisors are independent. A copy of the Compensation Committee Charter is available free of charge on the Corporate Governance section in our website at [www.generalfinance.com](http://www.generalfinance.com) or by written request addressed to our Secretary.

The Compensation Committee met six times in fiscal year 2016.

***Nominating and Governance Committee.*** The Nominating and Governance Committee consists of Mr. Tashjian, as Chairman, Ms. Harris, Mr. Connell and Mr. Roszak. The Nominating and Governance Committee is responsible for certain matters which include reviewing the size and composition of the Board, overseeing the selection of persons to be nominated to serve on our Board, maintaining and overseeing the corporate governance of the Company, assuring that the Board conducts an annual self-evaluation and periodically reviewing the Company's succession plans.

The Board adopted a written charter for the Nominating and Governance Committee in January 2006 and amended its charter in September 2009. A copy of the Nominating and Governance Committee Charter is available free of charge on the Corporate Governance section in our website at [www.generalfinance.com](http://www.generalfinance.com) or by written request addressed to our Secretary.

The Nominating and Governance Committee met one time in fiscal year 2016.

### **Composition of the Board and Review of Director Nominees**

The Nominating and Governance Committee periodically assesses and makes recommendations to the Board concerning the size and composition of the Board. The Nominating and Governance Committee seeks to achieve a balance of diverse knowledge, experience and capabilities on the Board. The committee is responsible for identifying and assessing potential director candidates from directors, management and stockholders. The Nominating and Governance Committee recommends qualified candidates to the Board.

Stockholders' nominees for director must be delivered to the Company in writing and include the written consent of and background information concerning the nominee sufficient for the Nominating and Governance Committee to evaluate the candidate's qualifications. Stockholder nominees for director must be delivered pursuant to all of the requirements described in the paragraphs below and the section of this Proxy Statement entitled "Stockholder Recommendations for Board Nominees." When considering candidates for director, the Nominating and Governance Committee takes into account a number of factors, including the following:

Ethics and integrity;

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Ability to attend regular and special board and committee meetings and willingness to perform the duties of a director;

Excellent moral character and reputation;

Industry knowledge, contacts and network of potential clients in industries served by the Company;

Ability to be responsible and fair-minded;

Prior experience, including service on boards of directors;

Senior-level management experience;

Whether the candidate has a background that would provide diversity to the Board; and

Possession of specific skills in auditing, accounting, personnel and finance.

Candidates need not possess all of these characteristics, nor are all of these factors weighed equally.

The Nominating and Governance Committee periodically determines whether any vacancies on the Board are expected. If vacancies are anticipated or arise, or the size of the Board expands, the Nominating and Governance Committee will consider potential candidates for director. Candidates may come to the attention of the Board through current Board members or management, stockholders or other persons. These candidates will be evaluated at regular or special meetings of the Nominating and Governance Committee and may be considered at any point during the year.

The Nominating and Governance Committee will consider candidates for directors recommended by stockholders who follow the proper procedures in submitting the recommendation. The Board will consider candidates recommended by stockholders using the same criteria it applies to candidates recommended by directors. To be considered for election at an annual meeting, the recommendation must be submitted no later than October 24, 2016. The recommendation must be in writing and addressed to the Secretary and must include the following: (i) a statement that the writer is a stockholder and is proposing a candidate for consideration by the Nominating and Governance Committee; (ii) the name and contact information for the candidate; (iii) a statement of the candidate's business and educational experience; (iv) information regarding each of the factors listed above (other than the factor regarding board size and composition) sufficient to enable the Nominating and Governance Committee to evaluate the candidate; (v) a statement detailing any relationship between the candidate and any competitor of the Company; (vi) detailed information about any relationship or understanding between the writer and the candidate; and (vii) a statement that the candidate is willing to be considered and is willing to serve as a director if nominated and elected.

### **Compensation Committee Interlocks and Insider Participation**

No person who served on the Compensation Committee in fiscal year 2016 was, during the year or previously, an officer or employee of the Company or had a relationship with the Company requiring disclosure under Item 404 of Regulation S-K. Since July 2011 Mr. Marrero has served as the President of Main St. Personal Finance, Inc., a company controlled by Ronald F. Valenta. Mr. Valenta has the power to set Mr. Marrero's incentive compensation. No other interlocking relationship exists between any member of the Board and any member of any other company's board of directors or compensation committee.

### **Review and Approval of Transactions with Related Persons**

The Company has not adopted a formal written policy regarding transactions with related persons. The Company's Code of Ethics for Directors, Officers and Employees ( Code of Ethics ) requires the disclosure of all potential conflicts of interest. Delaware law in turn requires that each director or officer disclose to the Board all material facts relating to such director's or officer's relationship or interest in a proposed contract or transaction and that a majority of the Board,



with any interested director abstaining, approve the contract or transaction in good faith.

The Board is responsible for reviewing any proposed transaction with related persons. The Board considers all relevant information in deciding whether to approve or reject a transaction with a related person. Information relating to transactions between the Company and related persons is set forth in Transactions with Related Parties.

## Communication with the Board Directors

Stockholders may communicate with the Board in writing by mail delivered to the following address: General Finance Corporation, 39 East Union Street, Pasadena, California 91103, Attention: Secretary. All notices and communications received in writing will be distributed to the Chairman of the Board, the Lead Independent Director and, if applicable, the chairman or chair of the appropriate Board committee.

## Code of Ethics

The Company's Code of Ethics applies to all our directors, officers and employees, including our principal executive officer, principal financial officer and principal accounting officer. The Code of Ethics sets forth the guiding principles by which the Board, officers and employees operate the Company's businesses. The Code of Ethics is posted on our Internet website at [www.generalfinance.com](http://www.generalfinance.com) under the Corporate Governance section.

We will provide a copy of the Code of Ethics upon written request delivered to General Finance Corporation, 39 East Union Street, Pasadena, California 91103, Attention: Secretary.

## Compensation of Non-Employee Directors

We currently have six non-employee directors who qualify for compensation. In fiscal year 2016 the six non-employee directors received compensation consisting of cash fees and restricted stock.

In October 2011, the Compensation Committee approved a schedule of compensation of our non-employee directors which, as reflected by the table below, established that if a single committee meeting or multiple committee meetings are held on the same day, a director will receive a fee of \$1,500. The following table summarizes the schedule of compensation of our non-employee directors (directors who also serve as officers currently receive no additional compensation for their services as directors), as amended on June 5, 2014. In addition to the compensation set forth below, each director is also eligible for reimbursement of reasonable expenses incurred in connection with the director's services.

Annual Retainer Non-Employee Chairman of the Board	\$ 60,000
Annual Retainer Lead Independent Director	60,000
Annual Retainer Non-Employee Directors	40,000
Additional Annual Retainer Audit Committee Chair	12,000
Additional Annual Retainer Compensation Committee Chair	10,000
Additional Annual Retainer Nominating and Governance Committee Chair	6,000
Committee Meeting Attendance Fee	1,500

The annual retainers are payable in advance in quarterly installments, and committee fees are paid at the end of each quarter. The Chairman of the Board shall have the discretion to pay additional fees to directors for meetings other than regular meetings of the Board.

The following table sets forth information regarding compensation earned during fiscal year 2016. Employee directors do not receive any compensation for service on the Board.

### Fiscal Year 2016 Non-Employee Director Compensation

Name	Annual Retainer	Committee Chair Fees	Committee Meeting Fees	Total Cash Fees	Stock Awards(1)	Total
James B. Roszak	\$ 60,000	\$ 12,000	\$ 13,500	\$ 85,500	\$ 44,997	\$ 130,497
David M. Connell	\$ 40,000	\$ 7,500	\$ 12,000	\$ 59,500	\$ 44,997	\$ 104,497
Manuel Marrero	\$ 40,000	\$	\$ 1,500	\$ 41,500	\$ 44,997	\$ 86,497
Susan L. Harris	\$ 40,000	\$ 7,000	\$ 13,500	\$ 60,500	\$ 44,997	\$ 105,497
Larry D. Tashjian	\$ 40,000	\$ 1,500	\$ 13,500	\$ 55,000	\$ 44,997	\$ 99,997
William H. Baribault	\$ 20,000(2)	\$	\$ 4,500	\$ 24,500	\$ 44,997	\$ 69,497

- (1) On December 3, 2015, each non-employee director was granted 11,083 non-vested equity shares, or restricted stock, with an aggregate value of \$44,997 as of the date of grant based on the NASDAQ Stock Market closing price of \$4.06 per share. These non-vested equity shares vest one year from the date of grant if the director continues to serve on the Board.
- (2) Mr. Baribault was elected to the Board on December 3, 2015 and received a pro-rated portion of the annual retainer for fiscal year 2016.

#### Stock Ownership Guidelines

In December 2013 the Board adopted stock ownership guidelines under which it is recommended that within four years each non-employee director acquire Company common stock with an aggregate fair market value equal to or greater than four times the annual cash retainer, not including committee cash retainers, received by each non-employee Company director.

#### Director Attendance at Annual Meetings

We have scheduled a board meeting in conjunction with our Annual Meeting and expect that our directors will attend, absent a valid business or personal reason not to attend.

**PROPOSAL 1:****ELECTION OF DIRECTOR****(Item Number 1 on the Proxy Card)****Background**

Pursuant to our Amended and Restated Certificate of Incorporation, the Board must consist of no less than three members, the exact number of which is determined from time to time by the Board, divided into three classes designated Class A, Class B and Class C, respectively. As of the Annual Meeting, the number of directors will be fixed at seven.

The term of the Class A directors will expire as of the annual meeting of stockholders in 2016, the terms of the Class B directors will expire as of the annual meeting of stockholders in 2017 and the terms of the Class C directors will expire as of the annual meeting of stockholders in 2018. Upon expiration of the terms of the directors of each class as set forth above, the terms of their successors in that class will continue until the end of their terms and until their successors are duly elected and qualified.

The Board has nominated one Class A director, Manuel Marrero, for re-election by the stockholders, and the other Class A director, David Connell, will retire from the Board immediately following the Board's December 1, 2016 meeting. After Mr. Connell's retirement the number of directors will be reduced to six. If the nominee is unable to serve or for good cause will not serve, your proxy holders may vote for another nominee proposed by the Board. If any director resigns, dies or is otherwise unable to serve out his or her term, the Board may fill the vacancy until the next annual meeting.

**Information Concerning the Nominee and Continuing Director**

The following information is provided regarding the nominee and the continuing directors:

<b>Name</b>	<b>Age</b>	<b>Director Since</b>	<b>Term to Expire</b>
<i>Nominee Class A Director:</i>			
Manuel Marrero	58	2005	2016
<i>Class B Directors:</i>			
James B. Roszak	75	2005	2017
Susan L. Harris	59	2008	2017
<i>Class C Director:</i>			
Ronald F. Valenta (Chairman)	57	2005	2018
William H. Baribault	71	2015	2018
Larry D. Tashjian	63	2014	2018

**Nominee**

The nominee is a current director and has consented to serve as a director. The Board has no reason to believe that the nominee will be unable to serve as a director. If the nominee is unable to serve or should a vacancy occur before the annual meeting, the Board may designate a substitute nominee. If a substitute nominee is named, your shares will be voted in favor of the election of the substitute nominee designated by the Board.

*Manuel Marrero* has been a director since November 2005. Since March 2009 Mr. Marrero has served as the Chief Executive Officer of the specialty finance companies of General Finance Group, Inc., a company controlled by Ronald F. Valenta. From January 2004 to March 2009, Mr. Marrero worked as a financial and operations management consultant with several companies, principally focused in consumer products brand

management. From May 2002 until January 2004, Mr. Marrero served as the Chief Financial Officer of Mossimo, Inc., a designer and licensor of apparel and related products. From 1999 to 2001, Mr. Marrero was the Chief Operating Officer and Chief Financial Officer of Interplay Entertainment Corp., a developer, publisher and distributor of interactive entertainment software, and from 1996 to 1999 Mr. Marrero served as the Chief Financial Officer of Precision Specialty Metals, Inc., a light gauge conversion mill for flat rolled stainless steel and high performance alloy. Mr. Marrero has served on the boards of directors of Interplay OEM, Inc., Shiney Entertainment, Inc., Seed Internet Ventures, Inc., L.A. Top Producers, LLC, Friends of Rancho San Pedro and Tree People. Mr. Marrero's business experiences and entrepreneurial accomplishments assist the Board in shaping the Company's strategy and growth.

### **Continuing Directors**

*William H. Baribault* has served as the chief operating officer and president of the Richard Nixon Foundation from 2014 to the present. Mr. Baribault has also served as an independent trustee of the American Funds from 2009 to the present and as a principal of Oakwood Enterprises, a private investment and consulting firm, from 1998 to the present. Mr. Baribault's broad range of experience, including experience in manufacturing, retail sales, expansion of product portfolios and acquisition strategies, lead to his nomination by the Nominating and Governance Committee to serve as a director in light of the manufacturing, retail sales, product portfolios and acquisition plans of the Company's subsidiaries.

*Susan L. Harris* has been a director since 2008. Ms. Harris served as a director of Mobile Services Group, Inc. and Mobile Storage Group, Inc., portable storage companies from May 2004 to August 2006 and from May 2002 to August 2006, respectively. Ms. Harris retired from SunAmerica Inc., a NYSE-listed financial services company, where she served in a variety of positions between 1985 and 2000, including her most recent position as Senior Vice President, General Counsel and Corporate Secretary. Prior to joining SunAmerica, Ms. Harris worked for the law firm of Lillick, McHose and Charles, specializing in corporate and securities law. Ms. Harris brings to our Board broad legal experience and knowledge of the portable storage industry that provide the Board with key perspectives in corporate governance and legal matters.

*James B. Roszak* has been a director since November 2005 and our Lead Independent Director since June 2014. Mr. Roszak was employed by the Life Insurance Division of Transamerica Corporation, a financial services organization engaged in life insurance, commercial lending, equipment leasing and real estate services, from 1962 until his retirement in 1997. From 1978 to 1988 Mr. Roszak was based in Toronto, Canada and during that time served as the President and Chief Executive Officer of Transamerica's life insurance operations in Canada. In 1988 Mr. Roszak returned to the U. S. Life insurance operations as the Chief Marketing Officer and was subsequently named President, the capacity in which he served until his retirement. Mr. Roszak also served on the board of directors of buy.com, an Internet retailer and NASDAQ-listed company and also served as its interim Chief Executive Officer from February 2001 to August 2001 when it was taken private. He was also a director of National RV Holdings from June 2003 until July 2008. He is currently a member of the Board of Trustees of Chapman University where he is the Chairman of the Finance Committee. Our board benefits from Mr. Roszak's management and board experience and deep knowledge of finance, accounting, international business, operations and risk management.

*Larry D. Tashjian* has served as a director since February 2014. He is the founder, President and CEO of CAM Capital Advisors, an opportunistic, valued-based manager in all asset classes. Prior to starting CAM Capital Advisors, he was Chief Executive Officer of Provident Investment Counsel ( PIC ), a Pasadena-based investment company that specializes in growth stocks. During his time with PIC (1981 - 2005), Mr. Tashjian was an integral part of the company's growth. In 1995, he was intimately involved in the sale of PIC to United Asset Management, a New York Stock Exchange-listed company. He would go on to serve on its board of directors. Near the end of 2000, United Asset Management was acquired by Old Mutual PLC. Prior to joining PIC, Mr. Tashjian worked for the Bank of America, both in retail banking and corporate finance, and his professional career in investment management spans

over 30 years. Mr. Tashjian's other professional activities have included

directorships at Bavarian Specialty Food Products, Southland Title Corporation, Lineage Capital Partners, S & S Portable Services and PGP Capital Advisors. He also currently serves as Chairman of Investment Managers Series Trust II, a multiple series trust investment company. In 2001, Mr. Tashjian helped found Professional Business Bank in Pasadena, California, which was initially sold to Belvedere Capital Management in 2005, and maintained his involvement with Professional Business Bank through continued board participation until the bank was ultimately sold again in late 2010. During this period of time, he served on the audit committee and chaired both the compensation and loan committees. Mr. Tashjian's business and capital markets knowledge provide the Board with unique insights.

*Ronald F. Valenta* has served as a director and as our Chief Executive Officer since our inception. Mr. Valenta has been the Chairman of the Board since June 2014. Mr. Valenta has served as the chairman of General Finance Group, Inc. since 2008. From 1988 to 2003 Mr. Valenta served as the President and Chief Executive Officer of Mobile Services Group, Inc., a portable storage company he founded. From 2003 to 2006 Mr. Valenta was a founding director of the National Portable Storage Association, a storage industry non-profit organization. From 1985 to 1989, Mr. Valenta was a Senior Vice President of Public Storage, Inc. From 1980 to 1985, Mr. Valenta was employed by the accounting firm of Arthur Andersen & Co. in Los Angeles. Mr. Valenta's experience in the portable storage industry, his financial and accounting background and the knowledge he acquired in managing diverse businesses provide the Board with key insights.

#### **Vote Required**

The nominee receiving the highest number of **FOR** votes of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of the one Class A director will be elected as the Class A Director. This number is called a plurality. If you do not vote for a nominee, or you withhold authority to vote for the nominee on your proxy card, your vote will not count either **for** or **against** the nominee.

The persons appointed by the Board as proxies intend to vote for the election of the Director nominee, unless you indicate otherwise on the proxy or voting instruction card.

#### **Recommendation**

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE **FOR** THE ELECTION OF THE BOARD NOMINEE.**



**PROPOSAL 2:****RATIFICATION OF SELECTION OF INDEPENDENT AUDITORS****(Item Number 2 on the Proxy Card)****Background**

On November 6, 2014, the Audit Committee approved the engagement of Crowe Horwarth LLP, or Crowe, as our independent registered public accounting firm.

The Audit Committee has selected Crowe as our independent auditors for fiscal year ending June 30, 2017, or fiscal year 2017. We are asking the stockholders to ratify this selection. We expect a representative from Crowe to participate in the Annual Meeting and the representative will have the opportunity to make a statement if desired and to respond to appropriate questions by stockholders.

Aggregate fees billed to us by Crowe for professional services rendered with respect to our fiscal year ended June 30, 2015, or fiscal year 2015, and our fiscal year ended June 30, 2016, or fiscal year 2016, were as follows:

	<b>2015</b>	<b>2016</b>
Audit Fees	\$ 860,393	\$ 926,266
Audit-Related Fees	150,977	118,966
Tax Fees		
All Other Fees		

In the above table, in accordance with the SEC's definitions and rules, "audit fees" are fees we paid for professional services for the audit of our consolidated financial statements, including those in our Annual Report on Form 10-K and local statutory audit requirements and reviews of our Quarterly Reports on Form 10-Q. "Audit-related fees" are fees for assurance and related services that are reasonably related to the performance of the audit or review of our financial statements. "Tax fees" are fees for tax compliance, tax advice and tax planning.

The policy of the Audit Committee is that it must approve in advance all services (audit and non-audit) to be rendered by the Company's independent auditors. The Audit Committee approved in advance the engagement of Crowe for services in fiscal year 2015 and fiscal year 2016.

**Vote Required**

The ratification of the selection of Crowe requires the affirmative vote of the holders of a majority of the number of shares present or represented by proxy and entitled to vote on this proposal. Abstentions will be counted as if voted against this proposal. If the stockholders do not ratify the selection, the adverse vote will be deemed to be an indication to the Audit Committee that it should consider selecting other independent auditors for fiscal year 2017. Because of the difficulty and expense of substituting accounting firms, it is the intention of the Audit Committee that the appointment of Crowe for fiscal year 2017 will stand unless, for a reason other than the adverse vote of the stockholders, the Audit Committee deems it necessary or appropriate to make a change. The Audit Committee also retains the power to appoint another independent auditor at any time or from time to time if it determines it is in our best interests.

**Recommendation**

**THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE FOR THE RATIFICATION OF THE SELECTION OF CROWE AS OUR INDEPENDENT AUDITORS FOR FISCAL YEAR 2017.**

**PROPOSAL 3:**

**ADVISORY (NON-BINDING) RESOLUTION REGARDING EXECUTIVE COMPENSATION**

**(SAY-ON-PAY)**

**(Item Number 3 on the Proxy Card)**

**Background**

Our 2016 Annual Meeting is the second annual meeting of stockholders at which the Company, as a smaller reporting company, is required to hold an advisory, or non-binding, vote on its executive compensation policies. The Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act ) requires that Company stockholders have the opportunity to cast an advisory, or non-binding, vote on executive compensation, commonly known as a Say-on-Pay vote. The Dodd-Frank Act requires that we hold an advisory vote on executive compensation at least once every three years.

This advisory vote on executive compensation is a non-binding vote on the compensation of our Named Executive Officers. The vote solicited by this proposal will not bind the Company, the Board or our Compensation Committee. The Company nevertheless values the opinions of our stockholders and, if Proposal No. 3 concerning executive officer compensation was not approved, the Company would seriously evaluate stockholder concerns and consider what action, if any, to take in response.

The compensation program for our Named Executive Officers is described in the Compensation Discussion and Analysis section ( CD&A ) and in the disclosure relating to executive compensation set forth in this Proxy Statement. Please read the CD&A section starting on page 19 of this Proxy Statement for a detailed discussion about our executive compensation programs.

The CD&A section of this Proxy Statement describes the Company s executive compensation program and compensation philosophy. The Compensation Committee has structured the Company s compensation programs to align executive officers and stockholders interests. The Compensation Committee achieves this alignment by establishing long-term strategic goals intended to increase stockholder value and by rewarding executive s achievement of those goals.

The CD&A section of this Proxy Statement also discusses how the design of the executive compensation program achieves key goals. The key goals served by the design of the executive compensation program are the reinforcement of the business strategy, the balancing of rewards for short-term and long-term strategic objectives, the motivation of executives to achieve a high degree of business performance without taking undue risk, the alignment of executives and stockholders interests and the attraction and retention of skilled executives who will increase stockholder value.

Stockholders will be asked at the Annual Meeting to approve the following resolution pursuant to this Proposal No. 3:

RESOLVED, that the stockholders of General Finance Corporation approve, on an advisory basis, the compensation of the Company s Named Executive Officers, as disclosed pursuant to Item 402 of Securities and Exchange Commission Regulation S-K, including the Compensation Discussion and Analysis, the compensation tables and narrative disclosures in the Company s definitive Proxy Statement for the 2016 Annual Meeting of Stockholders.

**Vote Required**

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The votes cast for must exceed the votes cast against to approve, on an advisory basis, the compensation of our Named Executive Officers. Abstentions and, if applicable, broker non-votes are not counted as votes for or against this proposal.

**Recommendation**

**OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR THE APPROVAL, ON AN ADVISORY BASIS, OF THE COMPENSATION OF THE COMPANY S NAMED EXECUTIVE OFFICERS, AS STATED IN THE FOREGOING RESOLUTION. PROXIES WILL BE SO VOTED UNLESS STOCKHOLDERS SPECIFY OTHERWISE IN THEIR PROXIES.**

**PROPOSAL 4:**

**ADVISORY (NON-BINDING) VOTE ON THE FREQUENCY OF FUTURE ADVISORY VOTES**

**ON EXECUTIVE COMPENSATION**

**(SAY-WHEN-ON-PAY)**

**(Item Number 4 on the Proxy Card)**

**Background**

Our 2016 Annual Meeting is the second annual meeting of stockholders at which the Company, as a smaller reporting company, is required to hold an advisory, or non-binding, vote stockholder vote concerning whether a future Say-on-Pay vote should occur every one, two or three years, commonly referred to as Say-When-On-Pay vote. At our December 2013 Annual Meeting the Company stockholders voted to hold an advisory, or non-binding, vote on the frequency of future advisory votes on the compensation of executive officers and elected to hold these future advisory votes every three years. You may vote to hold have the option to vote for any one of the three options, or to abstain on the matter. For the reasons described below, our Board recommends that our stockholders select a Say-When-On-Pay vote every three years, but Company stockholders are not voting to approve or disapprove the Company's recommendation. We are required to solicit stockholder approval on the frequency of future Say-on-Pay proposals at least once every six years, although we may seek stockholder input more frequently.

Our Board believes that our current executive compensation programs directly link executive compensation to our financial performance and align the interests of our executive officers with those of our stockholders. Our Board has determined that an advisory vote on executive compensation every three years is the best approach for the Company based on a number of considerations, including the following:

Our compensation program does not change significantly from year to year and is designed to induce performance over a multi-year period. A vote held every three years would be more consistent with, and provide better input on, our long-term compensation, which constitutes a significant portion of the compensation of our Named Executive Officers;

Holding a Say-When-On-Pay vote every three years gives the Board and the Compensation Committee sufficient time to thoughtfully consider the results of the advisory vote, to engage with stockholders to understand and respond to the vote results and effectively implement any appropriate changes to our executive compensation policies and procedures;

A three-year vote cycle will provide stockholders with a more complete view of the amount and mix of components of the compensation paid to our Named Executive Officers, as the amount and mix of components may differ from year to year;

A three-year period between votes will give stockholders sufficient time to evaluate the effectiveness of our short- and long-term compensation strategies and the related business outcomes of the Company, and whether the components of the compensation paid to our Named Executive Officers have achieved positive

results for the Company; and

Many large stockholders rely on proxy advisory firms for vote recommendations. We believe that a triennial vote on executive compensation, rather than an annual or biennial vote, will help proxy advisory firms provide more detailed and thorough analyses and recommendations. Less frequent Say-on-Pay votes will improve the ability of institutional stockholders to exercise their voting rights in a more deliberate, thoughtful and informed way that is in the best interests of stockholders.

Our stockholders also have the opportunity to provide additional feedback on important matters involving executive compensation even in the years when Say-on-Pay votes do not occur.

We understand that our stockholders may have different views as to what is the best approach for General Finance Corporation, and we look forward to hearing from our stockholders on this Proposal No. 4.

You may cast your vote on your preferred voting frequency by choosing the option of three years, two years, one year, or abstain from voting when you vote in response to the resolution set forth below.

**Vote Required**

The selection for the frequency of future advisory votes that receives the highest number of votes cast by stockholders will constitute the frequency of future advisory votes selected by our stockholders. The Board may determine, however, that a difference frequency of future advisory votes on executive compensation is in the best interests of the Company and its stockholders since the stockholder vote is advisory, or non-binding.

**Recommendation**

**OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE SAY-WHEN-ON-PAY VOTE EVERY THREE YEARS. PROXIES WILL BE SO VOTED UNLESS STOCKHOLDERS SPECIFY OTHERWISE IN THEIR PROXIES.**



## REPORT OF THE AUDIT COMMITTEE

*The following Report of the Audit Committee does not constitute soliciting material and should not be deemed filed or incorporated by reference into any other filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except to the extent the Company specifically incorporates this Report by reference therein.*

The Audit Committee oversees the financial reporting process on behalf of the Board of Directors. In fulfilling its oversight responsibilities the Audit Committee reviewed and discussed the audited financial statements included in the Annual Report on Form 10-K filed with the SEC and the unaudited financial statements included with Quarterly Reports on Form 10-Q filed with the SEC.

The Audit Committee met and discussed with management and the independent auditors the matters required to be discussed under the rules and standards of the Public Company Accounting Oversight Board ( PCAOB ). These discussions included the clarity of the disclosures made therein, the underlying estimates and assumptions used in the financial reporting, the reasonableness of the significant judgments and management decisions made in developing the financial statements and the testing and evaluation of the system of internal control over financial reporting. In addition, the Audit Committee has discussed with the independent auditors their independence from the Company and has received the written letter required by the PCAOB from the independent auditors.

The Audit Committee also met and discussed with the independent auditors the overall scope and objectives of the audit, the Company's critical accounting policies and the specific results of the audit.

Management was present at all or some part of each of these meetings.

Pursuant to the reviews and discussions described above, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2016.

Management is responsible for the Company's financial reporting process, including its system of internal controls, and for the preparation of consolidated financial statements in accordance with generally accepted accounting principles. The Company's independent auditors are responsible for auditing those financial statements. The Audit Committee's responsibility is to monitor and review these processes. It is neither the Committee's duty nor responsibility to conduct auditing or accounting reviews or procedures. Members of the Audit Committee are not employees of the Company and may not be, and do not represent themselves to be or to serve as, accountants or auditors by profession or experts in the fields of accounting or auditing. Therefore, members have relied, without independent verification, on management's representation that the financial statements have been prepared with integrity and objectivity and in conformity with accounting principles generally accepted in the United States of America and on the representations of the independent auditors included in their report on the Company's financial statements. The Audit Committee's oversight does not provide it with an independent basis to determine that management has maintained appropriate accounting and financial reporting principles or policies, or appropriate internal controls and procedures designed to assure compliance with accounting standards and applicable laws and regulations. Furthermore, consultations and discussions with management and the independent auditors do not assure that the Company's financial statements are presented in accordance with generally accepted accounting principles, that the audit of the Company's financial statements has been carried out in accordance with generally accepted auditing standards or that the Company's independent accountants are in fact independent.

Respectfully Submitted,

James B. Roszak (Chair)

David M. Connell

Susan L. Harris

Larry D. Tashjian

## SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information regarding the beneficial ownership of our common stock as of October 11, 2016, by (i) each person known by us to be the beneficial owner of more than 5% of our outstanding shares of common stock; (ii) each of our executive officers and directors; and (iii) all of our executive officers and directors as a group. Unless otherwise noted, we believe that each beneficial owner named in the table has sole voting and investment power with respect to the shares shown, subject to community property laws where applicable. An asterisk (\*) denotes beneficial ownership of less than one percent.

Name	Beneficial Ownership Number of Shares(1)	Percent of Class(1)
<b>Directors and Executive Officers</b>		
Ronald F. Valenta(2)(3)	4,695,876	17.7%
James B. Roszak(2)(4)	94,091	(*)
Larry D. Tashjian(2)(5)	198,019	(*)
Manuel Marrero(2)(6)	114,466	(*)
David M. Connell(2)(7)	87,715	(*)
Susan L. Harris(2)(8)	41,716	(*)
William H. Baribault(2)(9)	11,083	(*)
Charles E. Barrantes(2)(10)	206,250	(*)
Christopher Wilson(2)(11)	441,852	1.7%
Jeffrey Kluckman(2)(12)	175,805	(*)
Neil Littlewood(13)	-0-	(*)
Theodore M. Mourouzis(14)(15)	589,349	2.2%
Jody M. Miller(2)(16)	120,867	(*)
All executive officers and directors as a group (thirteen persons)	6,777,089	25.8%
<b>5% Stockholders</b>		
Olowalu Holdings, LLC(17) 2863 S. Western Avenue  Palos Verdes, California 90275	2,680,498	10.2%
Neil Gagnon(18) 1370 Avenue of the Americas, Suite 2400  New York, New York 10019	5,380,579	20.4%
Ronald L. Havner, Jr.  and Lee Ann R. Havner (19) c/o Karl Swaidan	2,540,655	9.6%
Hahn & Hahn LLP  301 East Colorado Boulevard, Suite 900  Pasadena, California 91101		

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Ebb Tide Investments Limited(20) Second Floor	1,369,336	5.2%
Windsor Place		
22 Queen Street		
Hamilton, HM HX Bermuda		

- (1) Based on 26,221,772 shares of common stock outstanding as of October 11, 2016. In accordance with the rules of the SEC, person is deemed to be the beneficial owner of shares that the person may acquire within the following 60 days (such as upon exercise of options or warrants or conversion of convertible securities). These shares are deemed to be outstanding for purposes of computing the percentage ownership of the person beneficially owning such shares but not for purposes of computing the percentage of any other holder.
- (2) Business address is c/o General Finance Corporation, 39 East Union Street, Pasadena, California 91103.
- (3) Includes 4,459,876 (including 75,000 restricted shares) shares owned, 58,006 shares owned by Mr. Valenta's wife and minor children and 236,000 shares that may be acquired upon exercise of options.

- (4) Includes 76,091 shares owned (including 11,083 restricted shares) and 18,000 shares that may be acquired upon exercise of options.
- (5) Includes 13,500 shares owned by Mr. Tashjian's children over which Mr. Tashjian exercises investment power and 11,083 restricted shares, 23,500 shares owned by a family limited partnership and 6,145 shares owned by a family trust.
- (6) Includes 96,466 shares owned (including 11,083 restricted shares) and 18,000 shares that may be acquired upon exercise of options.
- (7) Includes 69,715 shares owned (including 11,083 restricted shares) and 18,000 shares that may be acquired upon exercise of options.
- (8) Includes 23,716 shares owned (including 11,083 restricted shares) and 18,000 shares that may be acquired upon exercise of options.
- (9) Consists of 11,083 restricted shares.
- (10) Includes 77,750 shares (including 15,000 restricted shares) owned and 128,500 shares that may be acquired upon exercise of stock options.
- (11) Includes 88,352 shares (including 10,000 restricted shares) owned and 353,500 shares that may be acquired upon exercise of stock options.
- (12) Includes 64,138 shares (including 15,000 restricted shares) owned, 450 shares owned by Mr. Kluckman's minor children and 111,667 shares that may be acquired upon exercise of stock options.
- (13) Business address is Suite 201, Level 2, 22-28 Edgeworth David Avenue, Hornsby, New South Wales, Australia 2077
- (14) Business address is 9155 Harrison Park Court, Indianapolis, Indiana 46216.
- (15) Includes 410,349 shares owned, 2,819 shares owned by Mr. Mourouzis' minor children and 179,000 shares that may be acquired upon exercise of stock options.
- (16) Includes 81,509 restricted shares.
- (17) Information is based upon Amendment No. 4 to Schedule 13G filed on January 3, 2013. Olowalu Holdings, LLC ( Olowalu ), is a Hawaiian limited liability company, of which Rick Pielago and Marc Perez are the managers. Olowalu shares voting and investment power as to all of the shares shown with U.S. Commonwealth Life A.I., a Puerto Rican company, and the Ronald Valenta Irrevocable Life Insurance Trust No. 1, a California trust, of which Mr. Pielago is trustee. The Ronald Valenta Irrevocable Life Insurance Trust No. 1 is an irrevocable family trust established by Ronald F. Valenta in December 1999 for the benefit of his wife at the time, any future wife, and their descendants. Mr. Valenta, himself, is not a beneficiary of the Trust, and neither he nor his wife or their descendants has voting or investment power, or any other legal authority, with respect to the shares shown. Mr. Valenta disclaims beneficial ownership of the shares held by the Trust. Mr. Pielago and Mr. Perez may be deemed to be the control persons of Olowalu, and Mr. Pielago may be deemed to be the control person of the Ronald Valenta Irrevocable Life Insurance Trust No. 1.
- (18) Information is based upon Amendment Number 9 to Schedule 13D filed on February 3, 2016.
- (19) Information is based upon Amendment No. 4 to Schedule 13D filed on December 31, 2012. The shares shown consist of 1,038,655 shares owned by the Havner Family Trust, 2,000 shares held by Ronald L. Havner, Jr. and 1,500,000 shares owned by JCS Ventures II, LLC, a limited liability company of which Mr. Havner and Mrs. Havner act as managers.
- (20) Information is based on Amendment No. 5 to Schedule 13G filed January 3, 2013. Ebb Tide Investments Limited ( Ebb Tide ) is a Bahamas limited company, of which Colin James is the director. Ebb Tide shares voting power with Magna Carta Life Insurance Ltd. ( Magna Carta ), a Bermuda limited company. Ebb Tide, Magna Carta and HFD Family Trust ( HFD Trust ), a Cayman Islands Trust of which Rick J. Pielago is the protector. The HFD Trust is an irrevocable family trust established by Ronald F. Valenta in August 2008 for the benefit of his minor children and their descendants. Mr. Valenta, himself, is not the beneficiary of the HFD Trust, and neither he nor his minor children nor their descendants have voting or investment power, of any other legal authority, with respect to the shares shown. Mr. Valenta disclaims beneficial ownership of the shares held by Ebb Tide, Magna Carta and the HFD Trust. Colin James may be deemed to be the control person of Magna Carta, and Mr. Pielago may be deemed to be the control person of Ebb Tide and the HFD Trust.



**COMPLIANCE WITH SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING**

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires our directors, executive officers and 10% stockholders to file reports with the SEC on changes in their beneficial ownership of common stock and to provide us with copies of the reports. We believe that all of these persons filed all required reports on a timely basis in fiscal year 2016.

## EXECUTIVE COMPENSATION

### COMPENSATION COMMITTEE REPORT

The following report of the Compensation Committee shall not be deemed to be incorporated by reference into any previous filing by the Company under either the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, that incorporates future Securities Act or Exchange Act filings in whole or in part by reference.

The Compensation Committee has reviewed and discussed with management the following Compensation Discussion and Analysis section of the Company's 2016 Proxy Statement. Based on our review and discussion, we have recommended to the Board that the following Compensation Discussion and Analysis be included in the Company's 2016 Proxy Statement.

#### Compensation Committee

Susan L. Harris (Chair)

David M. Connell

James B. Roszak

Larry D. Tashjian

### COMPENSATION DISCUSSION AND ANALYSIS

#### *Overview of Compensation Philosophy and Objectives*

The Company's compensation program aligns the interests of our executive officers with the interests of our stockholders. The Company's compensation programs do so by establishing short-term and long-term and strategic goals to increase stockholder value and rewarding the achievement by executive officers of those goals. The Compensation Committee periodically reviews and makes recommendations with respect to the adoption and implementation of equity-based and non-equity based compensation plans for executive officers. We therefore structure the compensation of our executive officers to reward the achievement of the strategic goals that drive stockholder value.

#### *Advisory Vote in Executive Compensation*

At our 2016 annual meeting of stockholders we will hold our second advisory vote on executive compensation and our second advisory vote on the frequency of future advisory votes on executive compensation. The Company held its initial advisory vote on executive compensation at its annual meeting of stockholders in December 2013 at which time a non-binding, advisory vote on executive compensation was approved. At our 2013 annual meeting of stockholders in December 2013, we held our first advisory vote on the frequency of future advisory votes on executive compensation and the Company's stockholders voted to hold a triennial vote on executive compensation.

#### *Executive Compensation Program*

The Compensation Committee of the Board is responsible for the establishment and development of the Company's compensation philosophy. The Compensation Committee establishes, implements and monitors the structure of the Company's executive compensation program.



The Compensation Committee designs the executive compensation program to achieve the following key goals:

Reinforce the business strategy;

Balance rewards addressing both short-term and long-term strategic objectives;

Motivate executives to deliver a high degree of business performance without encouraging unnecessary risk taking;

Align executives' interests with the stockholders' interests; and

Attract and retain talented executives whose skills and achievements will increase stockholder value.

In May 2011, the Company completed an initial public offering in Australia of a non-controlling interest in Royal Wolf Holdings Limited ( "Royal Wolf Holdings" ). Following the initial public offering of Royal Wolf Holdings ( "IPO" ), General Finance Corporation owns a majority of the capital stock of Royal Wolf Holdings. In connection with the IPO, the Royal Wolf Holdings board of directors and Nomination and Remuneration Committee composed of a majority of independent directors were elected. General Finance Corporation and Royal Wolf Holdings also entered into a Separation Agreement in connection with the initial public offering by Royal Wolf Holdings. Under the Separation Agreement, the Nomination and Remuneration Committee of Royal Wolf Holdings must take into account the views of the General Finance Corporation Compensation Committee prior to proposing or entering into any agreement relating to the employment or remuneration of any person deemed to be a named executive officer under U.S. securities laws, such as Mr. Allan, who served as the chief executive officer of Royal Wolf Holdings until June 30, 2016, and Neil Littlewood who was appointed as the chief executive officer of Royal Wolf Holdings on July 1, 2016. The Separation Agreement also provides that Royal Wolf Holdings may not enter into an arrangement or agreement relating to employment or remuneration with any person deemed to be a named executive officer unless unanimously approved by the Royal Wolf Holdings board of directors, on which a director appointed by General Finance Corporation serves, or, all the shareholders of Royal Wolf Holdings.

The Royal Wolf Holdings Nomination and Remuneration Committee sets the compensation goals and metrics of the chief executive officer and senior management of Royal Wolf Holdings. The Nomination and Remuneration Committee of Royal Wolf Holdings established non-equity performance based compensation for fiscal year 2016 for Mr. Allan under which 40.7% of his potential bonus was based on Royal Wolf Holdings' achievement of earnings before interest, income taxes, depreciation and amortization and after non-operating costs ( "EBITDA" ) goals, 18.6% on the deployment of man camp assets, 13.6% upon attaining certain safety criteria and 27.1% based upon the development and mentoring of his successor as chief executive officer.

The Compensation Committee determines the structure and amount of all executive officer compensation, including grants of equity and non-equity compensation, after receiving recommendations from management and input from its independent compensation consultant, Semler Brossy.

The Compensation Committee believes the structure and implementation of the executive compensation program in fiscal year 2016 implemented its compensation philosophies. Non-equity, performance-based incentive compensation for fiscal year 2016, which set 53.3% of the potential annual bonus for our chief executive officer, 40% of the potential bonus for our chief financial officer, 23.4% of the chief executive officer of GFN North America Leasing Corporation ( "GFN Leasing" ) and 40% for our vice president of business development was based upon achieving EBITDA. The remaining non-equity, performance-based incentive compensation for these executives was based on the attainment of key performance indicators created for each executive. The Compensation Committee believes this compensation program structure focuses the executive team on increasing revenues and profitability, a key element of the Company's business strategy. Other non-financial objectives of performance-based incentive compensation included monitoring the back office's compliance with Sarbanes-Oxley Act of 2002, as amended (the "Sarbanes Oxley Act" ), assisting with the closing of capital markets events, visiting field operations, the completion of investor conferences, completing acquisitions, attending industry-related conferences, training managers, completing sales and marketing initiatives, implementing and maintaining best practices and the improvement of reporting and analytics from the business units. The Compensation Committee believes that the compensation plans of Lone Star Tank Rental

Inc. ( Lone Star ), Pac-Van, Inc. ( Pac-Van ), Royal Wolf Holdings and Southern Frac, LLC ( Southern Frac ), and the risks taken by their respective management teams to meet compensation plan goals, do not vary significantly between the four businesses.

The Compensation Committee also believes that compensation plans and practices of the Company, Lone Star, Pac-Van, Royal Wolf Holdings and Southern Frac do not create risks that are reasonably likely to have a material adverse effect on the Company. For fiscal year 2017, non-equity, performance-based compensation goals established by the Compensation Committee are based upon a variety of metrics, which include EBITDA, the completion of acquisitions, control of acquisition-related expenses, attending industry-related conferences, risk management, the implementation of best practices, the refinancing of the senior credit facility of Lone Star, Pac-Van and Southern Frac and delivering presentations at investor conferences. These objectives and metrics require executives to consider a variety of operating results in pursuing their compensation goals. The Compensation Committee believes that the structure of the non-equity, performance-based compensation emphasize long-term results, thereby reducing the risk that executives would take undue risk to achieve short-term goals. The Compensation Committee therefore believes the structure of the compensation plans for annual bonuses and the vesting of equity awards stock do not create risks that are reasonably likely to have a material adverse effect on the Company.

For the fiscal year 2016, the principal components of compensation for the principal executive officer, the principal financial officer and the other three most highly compensated executive officers, or collectively the Named Executive Officers, were:

1. Annual base salary;
2. Non-equity performance-based annual incentive compensation; and
3. Long-term equity incentive compensation.

In fiscal year 2016, Semler Brossy continued to advise the Compensation Committee with respect to the amendment and restatement of the 2014 Stock Incentive Plan and the structure of equity awards under the Amended and Restated 2014 Stock Incentive Plan. Our Compensation Committee made all final compensation decisions for our Named Executive Officers for fiscal year 2015, except for Mr. Allan for whom all final compensation decisions are made by the Nomination and Remuneration Committee of Royal Wolf Holdings.

#### ***Elements of Compensation.***

***Base Salaries.*** Annual base salaries provide executive officers with a minimum level of cash compensation. We establish base salaries at levels so that a significant portion of the total cash compensation such executives can earn is performance-based (through annual incentive compensation). Base salaries are set based on factors, as applicable, that include whether a salary level is competitive with comparable companies, the recommendations of Mr. Valenta for the other Named Executive Officers and the business judgment of the members of the Compensation Committee, as discussed further below.

***Bonuses.*** Annual cash bonuses are designed to reward our executive officers, including each of the Named Executive Officers and certain employees, for achievement of financial and operational goals and individual performance objectives to enable us to meet long and short-term goals. In fiscal year 2016 the objectives related to financial metrics, such as EBITDA goals, and the achievement of other corporate, operational and financial goals. These goals and bonuses are determined annually at the discretion of the Compensation Committee in consultation with Mr. Valenta as the Chief Executive Officer.

The Compensation Committee elected to pay no bonuses based on EBITDA because the Company failed to achieve its fiscal year 2016 EBITDA goal. The Compensation decided to pay a portion of the annual cash bonuses for fiscal

year 2016 performance was based upon the achievement of some of the Company's strategic goals by the Named Executive Officers and other officers. The Compensation Committee predetermined strategic goals for each Named Executive Officer, assessed the achievement of those goals and determined actual bonus amounts based upon the recommendations of Mr. Valenta and their collective business judgment. The Compensation Committee sets these goals after considering a variety of factors. The Compensation Committee does not believe that the structure of the bonuses or equity based compensation will require the executive officers to operate the Company's businesses in ways or using methods that will expose the Company to risks that are reasonably likely to have a material adverse effect on the Company.

**Equity-Based Compensation.** Equity awards of stock options and restricted stock are long-term incentives designed to reward long-term growth in the stockholder value. Stock option and restricted stock awards assist in the retention of executives because they are not exercisable at the time of grant and achieve their maximum value only if vesting conditions, which include performance goals and continued employment are met. Stock options have value solely to the extent that the price of our common stock increases over the exercise price set as of the date of grant. The Compensation Committee believes that our executive officers should have an incentive to improve the Company's performance by having an ongoing stake in the success of our business. The Compensation Committee seeks to create this incentive by granting executive officers stock options and restricted stock.

#### ***Stock Option and Restricted Stock Grant Practices***

Grants of stock options and restricted stock to all of our executive officers and other employees, including the Named Executive Officers, must be approved by the Compensation Committee, which consists entirely of independent directors. Grants occur only at meetings of the Compensation Committee and such grants are made effective as of the date of the meeting or a future date, as in the case of the hiring of a new employee. Awards of stock options and restricted stock are not timed in coordination with the release of material non-public information. The exercise price of all stock options and restricted stock granted is equal to the closing market price of our common shares on the date of grant so that the executive officer may not profit from the option unless the price of our common shares increases.

The Compensation Committee determines stock option and restricted stock award levels in their discretion, primarily based on the recommendations of Mr. Valenta, consideration of the importance of an individual's responsibilities and performance within the Company and equity awards at comparable companies.

Options and restricted stock granted by the Compensation Committee also are designed to help us retain executive officers in that options and restricted stock are not exercisable at the time of grant, and achieve their maximum value only if performance criteria are met or if the executive remains in the Company's employ for a period of years. All options and restricted stock granted to executive officers and employees in fiscal year 2016 vest ratably over three years based on continued employment. The Compensation Committee believes that these vesting arrangements align the interests of option holders with stockholders by emphasizing a long-term view of building stockholder value. The Compensation Committee also believes that multi-year vesting reduces the risks that could arise from undertaking initiatives to realize annual EBITDA goals, such as through acquisitions or capital expenditures, that could attain short-term goals while adversely affecting long-term stockholder value.

Named Executive Officers were granted restricted stock in fiscal year 2015 that vest based on continued employment on the first anniversary of the date of grant.

Grants of stock options and restricted stock under the Company's 2009 Stock Incentive Plan, the 2014 Stock Incentive Plan and the proposed 2014 Restated Plan are subject to the recoupment provisions include in each plan which require each option holder to forfeit all or any portion of an option grant and to reimburse the Company for all proceeds received from exercising stock options and restricted stock if (i) payment, grant or vesting was predicated on the achievement of financial results that were subsequently the subject of a material financial misstatement, (ii) the Board determines the option holder or holder of restricted stock engaged in fraud or misconduct that caused or partially caused the material financial restatement of the Company or any affiliate and (iii) a lower payment, award or vesting would have occurred based on the financial results.

#### ***Role of Executive Officers.***

In general, Mr. Valenta attends all meetings of the Compensation Committee at which compensation of the other Named Executive Officers or compensation policy is reviewed other than when his compensation is being discussed. Mr. Valenta does not vote on items before the Compensation Committee. The Compensation Committee and the

Board solicit Mr. Valenta's views on the performance of the executive officers who report to him.

### *Compensation Surveys.*

Each component of compensation we pay to our Named Executive Officers' salary, cash bonuses, stock options and restricted stock is based generally on the Committee's assessment of each individual's role and responsibilities. Consideration of market rates is an additional factor reviewed by the Committee in determining compensation levels. The Compensation Committee engaged Semler Brossy in fiscal year 2015 as its compensation consultants to analyze the Company's compensation program, to provide a benchmarking analysis which compared the Company's compensation program to industry peers and comparable companies and to assist with the design and implementation of the Company's compensation program.

The Compensation Committee also bases its payment of base salary and annual bonuses for Named Executive Officers, other than the chief executive officer, on the attainment of objectives established by the Compensation Committee and based upon recommendations from Mr. Valenta. In establishing individual bonuses for senior executives, the Compensation Committee considers growth in the enterprise value, common stock price, EBITDA and other financial and corporate objectives, together with the executive officer's contribution to the Company's growth and profitability.

### *Compensation of Executives*

The Compensation Committee sets the base salaries, bonus and equity compensation for the Named Executive Officers after consideration of benchmarking and other analyses from Semler Brossy, its independent compensation consultant, and recommendations prepared by Mr. Valenta. Mr. Valenta used information relating to each executive officer's responsibilities and achievements in accomplishing the corporate objectives set by the Compensation Committee for the previous year, his assessment of the individual performance of each Named Executive Officer and to recommend to the Compensation Committee the annual incentive bonuses for each of the other Named Executive Officers.

The implementation of the executive compensation program underlined our commitment to pay for performance. Executives who achieved annual, long-term and strategic goals received compensation in accordance with their compensation plans, while executives who failed to achieve their goals received compensation corresponding to their performance.

In June 2016, the Compensation Committee considered the Company's fiscal year 2016 revenues and EBITDA and the recommendations of Mr. Valenta with respect to the individual performance of the other Named Executive Officers and the payment of bonuses for fiscal year 2016. The Company did not meet its EBITDA goal for fiscal year 2016, so the portion of the fiscal year 2016 bonus based upon EBITDA were not paid. The Compensation Committee considered the completion by the Named Executive Officers of certain strategic and operational initiatives during fiscal year 2016 in awarding bonuses for fiscal year 2016.

Based on the review of the Compensation Committee and the consideration of Mr. Valenta's recommendations, Mr. Valenta received a bonus of \$112,500 for fiscal year 2016, and Mr. Valenta's annual base salary will remain unchanged at \$425,000 per year and the target bonus amount for fiscal year 2017 will be \$375,000.

Following its assessment of their completion of strategic and operational initiatives, the Compensation Committee awarded cash bonuses for fiscal year 2016 to Mr. Barrantes of \$80,000, to Mr. Miller of \$115,000, to Mr. Kluckman of \$75,000 and to Mr. Allan of \$40,000. Mr. Barrantes, Mr. Miller, Mr. Kluckman and Mr. Allan received bonuses for the achievement of specific individual objectives, but no bonuses based on EBITDA targets were awarded to Messrs. Barrantes, Miller, Kluckman or Allan.



Following its assessment of the completion of strategic and operational initiatives, the Compensation Committee awarded a cash bonus to Mr. Barrantes equal to 64% of his target bonus based upon his completion of his non-financial objectives: oversight of back office management complied with the Sarbanes-Oxley Act,

assisting with the closing of capital events, visiting field operations, designing and implementing an enterprise financial management system, delivering presentations at investor conferences and maintaining shareholder analysts who provided coverage of the Company.

Mr. Miller, the chief executive officer of GFN Leasing, received a bonus equal to approximately 49% of his target bonus based on achieving non-financial objectives: developing and mentoring the vice presidents of Lone Star and Southern Frac, sales and marketing objectives, mentoring the senior management team of Pac-Van to achieve the Company's strategic objectives and full operational effectiveness, continuing to enhance Company strategy of pursuing best practices in the business units, developing synergies among the business units, training back office and accounting personnel, developing better reporting and analytics from the business units and designing and implementing an enterprise financial management system.

Mr. Kluckman received a bonus equal to 60% of his target bonus based upon his review and completion of recommendations concerning acquisition targets, the completion of due diligence investigations related to acquisition and the control of related costs, the completion of acquisitions in fiscal year 2016 and attending industry-related conferences.

Mr. Allan's bonus, the chief executive officer of Royal Wolf Holdings, received 27% of this target bonus based upon the attainment of individual goals: the deployment of man camp assets, attaining certain safety criteria and the development and mentoring of his successor as chief executive officer.

The executive compensation program therefore reflected the Company's compensation philosophies by reducing executive compensation when the Company's business goals were not met.

In June 2016, after consultation with Mr. Valenta, the Compensation Committee left unchanged fiscal year 2017 annual base salaries. The Compensation Committee determined that the corporate performance targets for annual cash bonuses for fiscal year 2017 performance for each of the Named Executive Officers would be if the Company achieves specific EBITDA goals and non-financial goals. The Committee believes that the goals, while challenging, particularly in the current economic environment, are achievable. Neither the Committee nor Mr. Valenta believe that the fiscal year 2017 goals will require the Named Executive Officers to take risks to achieve their EBITDA goals that are reasonably likely to have a material adverse effect on the Company.

### ***Severance***

Pursuant to separate employment agreements with Mr. Valenta, Mr. Barrantes, Mr. Miller, Mr. Kluckman and Mr. Allan, we will make a severance payment equal to one year's salary if such person's employment is terminated by General Finance without cause or by the employee for good cause, each as defined in their respective employment agreements.

Each of these five employment agreements provide that each executive may be terminated for cause, and General Finance would therefore not be required to pay severance equal to one year's salary, if such executive breaches his employment agreement, commits any act of personal dishonesty, fraud or breach of fiduciary duty or trust, is convicted of or pleads guilty or no contest to any theft, fraud, breach of fiduciary duty or crime involving moral turpitude or felony, committed acts which give rise to liability for discrimination or harassment, violates directions from the Board or chief executive officer, acts in a manner that harms the reputation of the Company, is found liable of violating securities or other laws, fails to advance or cooperate with any investigation by the Company or misrepresents his experience or employment history.

Each of Mr. Valenta, Mr. Barrantes, Miller and Kluckman may terminate their employment for good reason and receive severance equal to one year's salary if The Company reduces their base salary, permanently relocates their

place of employment more than 40 miles from their current residence, hires a person to perform the job functions currently performed by such executive or assigns such executive duties beneath the duties they ordinarily perform.

We may also elect to pay six months' compensation to Mr. Littlewood in lieu of providing six months prior notice of termination of his employment.

### ***Clawback Policy***

In accordance with the Dodd-Frank, the Compensation Committee has adopted recoupment provisions in the Company's 2009 Plan, 2014 Stock Incentive Plan, the 2014 Restated Plan and in equity award agreements. The Compensation Committee will adopt an amended clawback policy once the SEC has adopted final rules to implement the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

### ***Perquisites and Other Personal Benefits***

Except for the car allowance of \$650 per month for Mr. Miller, we do not have programs in place to provide personal perquisites for our executive officers. Mr. Valenta, Mr. Barrantes, Miller and Kluckman participate in the medical and dental insurance of Lone Star or Pac-Van at the expense of the Company. Messrs. Valenta, Mr. Barrantes, Miller and Kluckman are also eligible to participate in the 401(k) retirement plan of Pac-Van, Inc. Mr. Allan participated and Mr. Littlewood participates in the medical and dental insurance of Royal Wolf, and Royal Wolf contributed to Mr. Allan's retirement plan and contributes to Mr. Littlewood's retirement plan as required by Australian law. We do not have any other retirement plans under which our executive officers may participate.

### ***Tax & Accounting Considerations***

***Deductibility of Executive Compensation Code Section 162(m).*** Section 162(m) of the Internal Revenue Code imposes a \$1,000,000 limit on the annual deduction that may be claimed for compensation paid to each of the chief executive officer and the three other highest paid employees of a publicly held corporation (other than the chief financial officer). Certain performance-based compensation awarded under a plan approved by stockholders is excluded from that limitation. Awards of stock options and our annual cash incentive awards are designed in general to qualify for deduction as performance-based compensation. However, while the Compensation Committee considers the tax deductibility of compensation, the Committee has and may approve compensation that does not qualify for deductibility in circumstances it deems appropriate to promote varying corporate goals.

***Accounting for Stock-Based Compensation.*** For the issuances of stock options, the Company follows the fair value provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 718, *Stock Compensation*. FASB ASC Topic 718 requires recognition of employee share-based compensation expense in the statements of income over the vesting period based on the fair value of the stock option at the grant date. For a discussion of valuation assumptions used in the calculation of these amounts for fiscal year 2016, see Note 2, Summary of Significant Accounting Policies, and Note 9, Equity Plans, of the Notes to Consolidated Financial Statements included in our Annual Report on Form 10-K for the year ended June 30, 2016 filed with the SEC on September 9, 2016.

### **Report of the Compensation Committee**

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis contained in this Proxy Statement with management. Based on the Compensation Committee's review of and the discussions with management with respect to the Compensation Discussion and Analysis, the Compensation Committee recommended to the Board that the Compensation Discussion and Analysis be included in this Proxy Statement.

Respectfully Submitted,

Compensation Committee

Susan L. Harris (Chair)

David M. Connell

James B. Roszak

Larry D. Tashjian

**Summary Compensation Table**

The following table contains summary compensation information of the following executive officers, or our Named Executive Officers, for fiscal years 2016, 2015 and 2014.

**Summary Compensation Table**

Name and Principal Position	Year	Salary	Bonus	Stock Awards	Option Awards	All Other Compensation	Total
Ronald F. Valenta Chief Executive Officer(4)	2016	\$ 425,000	\$ 112,500	\$ 308,250	\$ 83,500	\$	\$ 929,250
	2015	425,000	125,000	354,250	149,000		1,053,250
	2014	400,000	300,000	231,250	189,700		1,120,950
Charles E. Barrantes Chief Financial Officer and Executive Vice President(4)	2016	\$ 280,000	\$ 80,000	\$ 61,650	\$ 27,900	\$	\$ 449,550
	2015	280,000	60,000	81,750	41,500		463,250
	2014	260,000	145,000	92,500	68,800		566,300
Jody E. Miller Executive Vice President and CEO of GFN North America Leasing Corporation(4)(5)	2016	\$ 335,000	\$ 115,000	\$ 335,002	\$	\$	\$ 785,002
	2015		70,000	160,001			330,001
	2014						
Jeffrey A. Kluckman Executive Vice President, Business Development(4)	2016	\$ 235,000	\$ 75,000	\$ 61,650	\$ 185,700	\$	\$ 557,350
	2015	235,000	90,000		46,900		371,900
	2014	230,000	250,000	138,750	40,300		659,050
Robert Allan Chief Executive Officer, Royal Wolf(1)(3)	2016	\$ 439,108	\$ 29,770	\$ 502,898	\$	\$	\$ 971,776
	2015	433,345	42,119	427,614	1,600		904,678
	2014	504,987	169,902	378,595	7,700		1,061,184

- (1) Australian dollar to U.S. dollar exchange rates used were 0.74425 for fiscal year 2016, 0.7658 for fiscal year 2015 and 0.9439 for fiscal year 2014.
- (2) The amounts shown are derived from the amounts of compensation expense recognized by us relating to the grants of stock options, as described in FASB ASC Topic 718. For a discussion of valuation assumptions used in the calculation of these amounts, see Note 2, Summary of Significant Accounting Policies, and Note 9, Equity Plans, of the Notes to Consolidated Financial Statements included in our Annual Report on Form 10-K for the year ended June 30, 2016 filed with the SEC on September 9, 2016 ( Annual Report on Form 10-K ).
- (3) Stock awards represent compensation expense recognized for performance rights for Royal Wolf Holdings ( RWH ) capital stock earned under the Royal Wolf Long Term Incentive Plan ( RWH LTI Plan ). At June 30, 2016, there remains outstanding 226,000, 291,112 and 362,000 performance rights earned in fiscal year 2014, fiscal year 2015 and fiscal year 2016, respectively. For a discussion of the RWH LTI Plan, see Note 9 Equity Plans of the Notes to Consolidated Financial Statements included in our Annual Report on Form 10-K.
- (4) Stock awards in fiscal year 2016, 2015 and 2014 represent non-vested equity shares, or restricted stock, which value is computed by the number of shares granted times the closing market price of our common stock on the date of grant, or \$4.11, \$5.45 and \$9.25 per share, respectively. The number of non-vested equity shares granted in fiscal year 2014 was calculated based upon the probable outcome of the performance conditions being achieved at the 100% target level. However, the performance conditions were not achieved and the non-vested

equity shares granted in fiscal year 2014 were cancelled. For a discussion of these non-vested equity shares, or restricted stock, see Note 9 Equity Plans of the Notes to Consolidated Financial Statements included in our Annual Report on Form 10-K.

- (5) Jody Miller received a grant of 29,358 equity shares on June 15, 2015 at a value equal to the closing market price of \$5.45 per share at that date. He commenced receiving his base salary on July 1, 2015. See Note (4) above for his fiscal year 2016 stock award.

**Plan-Based Awards**

The following table provides information concerning each grant of an award made to the Named Executive Officers in fiscal year 2016 under the equity compensation plans.

Name	Option Awards				Stock Awards			
	Grant Date	All Other Securities Awards: Number of Options	Exercise or Base Price of Option (\$/Share)	Grant Date Fair Value of Option Awards (\$)	All Other Option Awards: Number of Shares or Units	All Other Option Awards: Number of Securities	Exercise or Base Price of Option (\$ Sh)	Grant Date Fair Value of Stock and Option Awards (\$)(1)
Ronald F. Valenta	6/8/2016		\$	\$			\$	\$ 308,250
Charles E. Barrantes	6/8/2016							61,650
Jody E. Miller	6/8/2016							335,002
Jeffrey A. Kluckman	6/8/2016							61,650

(1) Amounts reflect the full grant date fair value of each non-vested equity, or restricted stock, award. The number is calculated by multiplying the fair market value of our common stock on the date of the grant by the number of shares awarded. One-third of the restricted stock vests on each of the first three anniversaries of the grant date based upon the Named Executive being employed by us on such dates. The shares of restricted stock subject to these awards are entitled to receive dividends if and when and at the same rate that would be paid to all of our common stockholders.

The following table provides information concerning outstanding equity awards as of June 30, 2016.

Name	Option Awards				Stock Awards			
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options (#) Exercise Price (\$/Sh)	Option Expiration Date	Number of Shares or Units of Stock that Have Vested	Market Value of Shares or Units of Stock that Have Vested (\$)(2)	Number of Shares or Units of Stock that Have Not Vested (11)	Market Value of Shares or Units of Stock that Have Not Vested (\$)(2)
Ronald F. Valenta	76,000(6)		\$ 1.06	9/15/2020				\$
	80,000(8)		3.11	8/15/2021				



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	80,000(7)		3.15	6/7/2022	65,000	276,250	120,500	512,125
Charles E. Barrantes	225,000(1)		7.30	9/11/2016				
	20,000(5)		1.28	1/26/2020				
	28,500(6)		1.06	9/15/2020				
	30,000(7)		3.00	6/23/2021				
	30,000(7)		3.15	6/7/2022				
	20,000(9)		4.43	6/7/2023	15,000	63,750	29,500	125,375
Jody E. Miller					29,358	124,772	81,509	346,413
Jeffrey A. Kluckman	20,000(4)		1.28	1/26/2020				
	30,000(7)		3.15	6/7/2022				
	20,000(9)		4.43	6/7/2023				
	41,667(10)	83,333(10)	5.45	6/15/2025			29,500	125,375
Robert Allan	85,000(3)		8.80	1/22/2018				

- (1) These options vested in five equal annual installments on September 11 of each of 2007, 2008, 2009, 2010 and 2011 and have a ten-year term.
- (2) Market price assumes a price of \$4.25 per share, the closing price for our common shares on June 30, 2016.

- (3) These options vested in five equal annual installments on January 22 of each of 2009, 2010, 2011, 2012 and 2013 and have a ten-year term.
- (4) These options vested in three equal installments on January 10 of each of 2011, 2012 and 2013 and have a ten-year term.
- (5) These options vested over 20 months and were subject to performance conditions based on, among other things, achieving a certain EBITDA target for fiscal year 2010. These stock options have a ten-year term.
- (6) These options vested over four years and were subject to achieving a three-year cumulative EBITDA target and have a ten-year term.
- (7) These options vested over 42 months and were subject to achieving a three-year cumulative EBITDA target and have a ten-year term.
- (8) These options vested over 40 months and were subject to achieving a three-year cumulative EBITDA target and have a ten-year term.
- (9) These options vested in three equal installments on June 7 of each of 2014, 2015 and 2016 and have a ten-year term.
- (10) These options vest in three equal installments on June 15 of each of 2016, 2017 and 2018, subject to continued service with us, and have a ten-year term.
- (11) Of these non-vested stock equity, or restricted stock, awards the fiscal year 2013 grants vest in September 2016, and was subject to achieving a 100% level of adjusted EBITDA and return of capital targets for the fiscal years ended June 30, 2014 and 2015. The fiscal year 2016 grants vest in three equal installments on June 8 of each of 2017, 2018 and 2019, subject to continued service with us.

#### **Employment Agreements**

On February 11, 2009, we entered into an employment agreement with Ronald Valenta, under which he agreed to serve as our Chief Executive Officer. Under the employment agreement and base salary increases approved by the Compensation Committee, Mr. Valenta received a base annual salary of \$425,000 during fiscal year 2016 and is eligible to receive an annual bonus each fiscal year determined by the Compensation Committee, provided he is employed on the last day of such year. We reimburse Mr. Valenta up to \$2,500 per month for a car allowance and health, dental, vision and supplemental disability premiums for Mr. Valenta and his family. Mr. Valenta is entitled to a severance payment equal to one year's salary if his employment is terminated without cause, as defined in the employment agreement.

On September 11, 2006, we entered into an employment agreement with Charles E. Barrantes, under which he agreed to serve as our Executive Vice President and Chief Financial Officer. Under the employment agreement and base salary increases approved by the Compensation Committee, Mr. Barrantes received a base annual salary of \$280,000 during fiscal year 2016 and is eligible to receive an annual bonus each fiscal year determined by the Compensation Committee, provided he is employed on the last day of such year. We reimburse Mr. Barrantes for health, dental, vision and supplemental disability premiums for himself and his family. Mr. Barrantes is entitled to participate on the same basis in all offered benefits or programs as any other employee. On June 30, 2009, we entered into an amended and restated employment agreement with Mr. Barrantes that provides that Mr. Barrantes is entitled to a severance payment equal to one year's salary if his employment is terminated without cause, as defined in the employment agreement.

On June 1, 2015, we entered into an employment agreement with Jody Miller, under which he agreed to serve as our Executive Vice President. Under the employment agreement, Mr. Miller received a base annual salary of \$335,000 during fiscal year 2016, and is eligible to receive an annual bonus each fiscal year of up to 70% of his base salary, provided he is employed on the last day of such year. Mr. Miller is entitled to a severance payment equal to one year's salary if his employment is terminated without cause, as defined in the employment agreement. We pay Mr. Miller an automobile allowance of \$650 per month, and we reimburse Mr. Miller for health, dental, vision and supplemental disability premiums for himself and his family. Mr. Miller is entitled to participate on the same basis in all offered benefits or programs as any other employee.



The Company entered into an employment agreement with Mr. Kluckman on September 15, 2011, under which he agreed to serve as our Executive Vice President of Business Development. Under the employment agreement, Mr. Kluckman received a base annual salary of \$180,000 during fiscal year 2012, and his base salary was increased to \$235,000 in fiscal year 2016. Mr. Kluckman is eligible to receive an annual bonus each fiscal year as determined by the Compensation Committee, provided he is employed on the last day of such year. Mr. Kluckman is entitled to a severance payment equal to one year's salary if his employment is terminated without cause, as defined in the employment agreement. We reimburse Mr. Kluckman for health, dental, vision and supplemental disability premiums for himself and his family. Mr. Kluckman is entitled to participate on the same basis in all offered benefits or programs as any other employee.

Royal Wolf employed Robert Allan pursuant to an employment agreement dated May 30, 2014. Mr. Allan retired from Royal Wolf Holdings on June 30, 2016. Under his employment agreement at May 30, 2014, Mr. Allan received a base annual salary of A \$535,000 (including superannuation contributions), an annual performance bonus targeted at 25% of the base annual salary based upon the achievement of specified performance indicators and a long term incentive and targeted at 50% of the base annual salary. The employment agreement also granted Mr. Allan performance rights work approximately A\$300,000 which would vest on July 1, 2016, 2017 and 2018, subject to remaining employed by Royal Wolf upon those date.

Royal Wolf entered into an employment agreement with Neil Littlewood dated February 7, 2016. Under his employment agreement Mr. Littlewood agreed to serve as the chief executive officer of Royal Wolf Holdings commencing on July 1, 2016 until the agreement was terminated. The employment agreement provides that Mr. Littlewood would be paid an annual base salary of A \$475,000 (including superannuation contributions), an annual discretionary bonus targeted at 40% of the annual base salary and long-term incentives in each fiscal year targeted at 40% of the annual base salary. There is no severance or similar obligation to Mr. Littlewood under his employment agreement except that Royal Wolf may pay six months' compensation to Mr. Allan in lieu of providing notice of termination of his employment as described above.

The employment agreements of Mr. Valenta, Mr. Barrantes, Mr. Miller and Mr. Kluckman will terminate upon the date of their death or in the event of a physical or mental disability that renders either of them unable to perform his duties for 60 consecutive days or 120 days in any twelve-month period. Mr. Valenta, Mr. Barrantes, Mr. Miller and Mr. Kluckman may terminate their respective employment agreements at any time upon 30 days' notice to us, and we may terminate these agreements at any time upon notice to Mr. Valenta, Mr. Barrantes, Mr. Miller and Mr. Kluckman.

In approving the compensation of Mr. Valenta, Mr. Barrantes, Mr. Miller and Mr. Kluckman, the Board of Directors reviewed information provided by management regarding the compensation of comparable level officers of public companies, including companies in the equipment leasing business. The Board also considered the size of the Company, the experience and prior compensation of Mr. Valenta, Mr. Barrantes, Mr. Miller and Mr. Kluckman, and the scope of the services that each would be required to render (particularly given the lack of support staff and the need to implement policies and procedures).

### **Potential Payments Upon Termination of Employment or Change in Control**

The employment agreements of Mr. Valenta, Mr. Barrantes, Mr. Miller and Mr. Kluckman provide that each is entitled to a lump sum severance payment of twelve months base salary if we terminate their employment without cause or he terminates his employment for good reason. There is no severance or similar obligation to Mr. Littlewood under his employment agreement except that Royal Wolf may pay six months' compensation to Mr. Allan in lieu of providing notice of termination of his employment as described above.



### TRANSACTIONS WITH RELATED PERSONS

Effective January 31, 2008, we entered into a lease with an affiliate of Ronald F. Valenta for our corporate headquarters in Pasadena, California. The rent is \$7,393 per month, effective March 1, 2009, plus allocated charges for common area maintenance, real property taxes and insurance, for approximately 3,000 square feet of office space. The term of the lease is five years, with two five-year renewal options, and the rent is adjusted yearly based on the consumer price index. On October 11, 2012, we exercised our option to renew the lease for an additional five-year term commencing February 1, 2013. Rental payments were \$110,000 in each of fiscal year 2014, fiscal year 2015 and fiscal year 2016.

Effective October 1, 2008, we entered into a services agreement with an affiliate of Mr. Valenta for certain accounting, administrative and secretarial services to be provided at the corporate offices and for certain operational, technical, sales and marketing services to be provided directly to the Company's operating subsidiaries. Charges for services rendered at the corporate offices will be, until further notice, at \$7,000 per month and charges for services rendered to our subsidiaries will vary depending on the scope of services provided. The services agreement provides for, among other things, mutual modifications to the scope of services and rates charged and automatically renews for successive one-year terms, unless terminated in writing by either party prior to the fiscal year end. Total charges to us at the corporate office for services rendered under this agreement totaled \$84,000 in fiscal year 2014. The services agreement was terminated by us effective June 30, 2014.

Revenues at Pac-Van from affiliates of Mr. Valenta totaled \$33,000 during fiscal year 2014. There were no revenues from affiliates in fiscal year 2015 or fiscal year 2016.

The premises of Pac-Van's Las Vegas branch is owned by and currently leased from Patsy Roumanos, the acting Pac-Van branch manager, through December 31, 2014, with the right for an additional two-year extension through December 31, 2016. On December 29, 2014, we extended the lease for an addition two years. Rental payments on this lease totaled \$118,000 in each of fiscal year 2014, fiscal year 2015 and fiscal year 2016.

We have not adopted a formal written policy regarding transactions with related persons. However, in general, any such material transaction would require approval of the Board, with any interested director abstaining.

## **STOCKHOLDER COMMUNICATIONS WITH DIRECTORS**

Stockholders who want to communicate with the Board or any individual director should write to: Secretary, General Finance Corporation, 39 East Union Street, Pasadena, California 91103. The letter should indicate that you are a stockholder of General Finance Corporation and set forth the number of shares you hold and how the shares are held if they are not registered in your name. Depending upon the subject matter, the Secretary will:

Forward the communication to the director or directors to whom it is addressed;

Delegate the inquiry to management where it is a request for information about the Company or a stock-related matter; or

Not forward the communication, if it is primarily commercial in nature, or if it relates to an improper or irrelevant topic, or is repetitive or redundant.

## **STOCKHOLDER RECOMMENDATIONS FOR BOARD NOMINEES**

The Company's Bylaws require that a stockholder's notice of a person or persons the stockholder wishes to nominate as director or submit a proposal for vote at the Annual Meeting of Stockholders must be delivered in writing to the Company's Secretary at 39 East Union Street, Pasadena, California 91103 not less than 60 days nor more than 90 days prior to the date of the 2016 Annual Meeting of Stockholders. If the Company does not publicly disclose the date of the 2016 Annual Meeting of Stockholders at least 70 days prior to the date of the meeting, a stockholder's notice must be received by the Company's Secretary not later than the close of business on the 10 day following the day on which such notice of the date of meeting was mailed or such public disclosure of such meeting was made.

We intend to hold our 2017 Annual Meeting of Stockholders in December 2017. As a result, if, for example, we hold our 2017 Annual Meeting of Stockholders on December 7, 2017 and publicly disclose or notify stockholders by mail of the date of the 2017 Annual Meeting of Stockholders at least 100 days prior to December 7, 2017, any notice given by a stockholder pursuant to these provisions of our Bylaws must be received no earlier than September 8, 2017 and no later than October 8, 2017.

To be in proper form, a stockholder's notice must include the specified information concerning the proposal or nominee as described in our Bylaws. A stockholder who wishes to submit a proposal or nomination is encouraged to seek independent counsel about our Bylaws and legal requirements. The Company will not consider any proposal or nomination that does not meet the requirements of the Company's Bylaw and SEC requirements for submitting a nomination.

Stockholders who pursuant to Rule 14a-8 under the Exchange Act wish to present proposals for inclusion in the proxy materials to be distributed in connection with our proxy statement for the 2017 annual meeting must submit their proposals and proof of ownership of our common stock, in accordance with Rule 14a-8 under the Exchange Act, to our corporate secretary at our principal executive offices no later than the close of business on June 16, 2017 (120 days prior to the anniversary of this year's mailing date). To be in proper form a stockholder's notice must include the specified information concerning the nominee or proposal required by our Bylaws. Any nomination or proposal which is not in the proper form or which is not submitted on a timely basis, as described above, will not be considered by the Company to be included in our proxy statement. The Company reserves the right to exclude any proposal that does not comply with these or other applicable requirements.





### OTHER MATTERS

Management does not know of any matters to be presented to the Annual Meeting other than those set forth above. However, if other matters properly come before the Annual Meeting, it is the intention of the persons named in the accompanying proxy to vote said proxy in accordance with the recommendation of the Board and authority to do so is included in the proxy.

### AVAILABILITY OF ANNUAL REPORT ON FORM 10-K

**We will furnish without charge a copy of our Annual Report on Form 10-K for the fiscal year ended June 30, 2016 (the 2016 Annual Report ), as filed with the Securities and Exchange Commission, including the financial statements and financial statement schedule thereto, to any stockholder who so requests by writing to: Secretary, General Finance Corporation, 39 East Union Street, Pasadena, California 91103.**

The 2016 Annual Report is not incorporated into this proxy statement and is not to be considered to be a part of our proxy solicitation materials.

By Order of the Board of Directors

Christopher A. Wilson

*General Counsel, Vice President and Secretary*

Dated: October 14, 2016

**YOUR VOTE IS IMPORTANT. PLEASE VOTE TODAY.**

**Vote by Telephone - QUICK & EASY**

**IMMEDIATE - 24 Hours a Day, 7 Days a Week or by Mail**

**Your phone or Internet vote authorizes the named proxies to vote your shares in the same manner as if you marked, signed and returned your proxy card. Votes submitted electronically over the Internet or by telephone must be received by 7:00 p.m., Eastern Time, on November 30, 2016.**

**INTERNET/MOBILE**

**[www.cstproxyvote.com](http://www.cstproxyvote.com)**

Use the Internet to vote your proxy. Have your proxy card available when you access the above website. Follow the prompts to vote your shares.

**PHONE 1 (866) 894-0537**

Use a touch-tone telephone to vote your proxy. Have your proxy card available when you call. Follow the voting instructions to vote your shares.

**MAIL** Mark, sign and date your proxy card and return it in the postage-paid envelope provided.

**PLEASE DO NOT RETURN THE PROXY CARD IF YOU ARE VOTING ELECTRONICALLY OR BY PHONE.**

p **FOLD HERE DO NOT SEPARATE INSERT IN ENVELOPE PROVIDED** p

**PROXY**

Please mark  x  
your votes  
like this



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Note: Please sign exactly as name appears hereon. When shares are held by joint owners, both should sign. When signing as attorney, executor, administrator, trustee, guardian, or corporate officer, please give title as such.

**1. Important Notice Regarding the Availability of Proxy Materials for the  
Annual Meeting of Stockholders to be held December 1, 2016**

**The proxy statement and our 2016 Annual Report to Stockholders are  
available at <http://www.cstproxy.com/generalfinance/2016>**

**p FOLD HERE DO NOT SEPARATE INSERT IN ENVELOPE PROVIDED p**

**PROXY**

**THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS  
GENERAL FINANCE CORPORATION**

The undersigned hereby appoints Charles E. Barrantes and Christopher A. Wilson, and each of them, the proxy or proxies of the undersigned with full powers of substitution each to attend and to vote at the Annual Meeting of Stockholders of General Finance Corporation to be held on December 1, 2016 at the office of General Finance Corporation located at 39 East Union Street, Pasadena, California, beginning at 10:00 a.m. local time, and any adjournments thereof, and to vote all shares of Common Stock that the undersigned would be entitled to vote if personally present, in the manner indicated below and on the reverse side, and on any other matters properly brought before the Annual Meeting or any adjournments thereof, all set forth in the Proxy Statement dated October 14, 2016.

**When properly signed, this proxy will be voted as directed. It no direction is provided, the proxies will be voted in favor of electing the listed Board nominee on Proposal 1, for Proposals 2 and 3 and in favor of 3 Years on Proposal 4.**

**(Continued and to be marked, dated and signed, on the other side)**