

OPUS BANK

SHARE OWNERSHIP POLICY

Adopted January 18, 2018 and effective as of January 18, 2018

The Board of Directors (the “Board”) of Opus Bank (the “Company”) believes it is in the best interests of the Company’s shareholders, and consistent with the Company’s commitment to sound corporate governance, that the Company’s directors (the “Directors”) and Chief Executive Officer possess a meaningful personal financial investment in the Company. In the opinion of the Board, such an investment commits the individual to the future of the Company and aligns his or her interests with those of the Company’s shareholders. To meet this objective, the Board has established the following Share Ownership Policy (the “Policy”) for members of the Board and the Chief Executive Officer.

A) Policy Administration

This Policy shall be administered by the Nominating and Corporate Governance Committee (the “Committee”) of the Board. References herein to the Committee shall be deemed to include and refer to the Board to the extent applicable. The interpretation and construction of any provision of the Policy by the Committee shall be final. No member of the Committee shall be liable for any action or determination made by him or her in good faith.

B) Ownership Requirements

- i) Each non-employee Director shall acquire, and continue to hold during his or her term on the Company’s Board, ownership of the Company’s common stock having a market value equal to not less than three times his or her annual cash retainer. This ownership requirement shall not apply to Directors appointed by the Company’s Significant Investors (as defined below) who do not receive an annual cash retainer and are each deemed to have a meaningful interest as a result of their respective firm’s investment.¹ Directors subject to this Policy will have five years from the later of the date of his or her election to the Board or the adoption of this Policy to attain such level of ownership.
- ii) The Company’s Chief Executive Officer is expected to acquire, and continue to hold during the term of his or her employment with the Company, ownership of Company stock having a value equal to not less than six times his or her annual base salary. The Company’s Chief Executive Officer will have five years from the later of the date of his or her appointment or the adoption of this Policy to attain

¹ In connection with the recapitalization of the Company in September 2010 (the “Recapitalization”), a significant percentage of the Company’s capital stock was purchased by entities affiliated with Elliott Management Corporation, Fortress Investment Group LLC, and Starwood Capital Group (collectively the “Significant Investors”). Pursuant to the terms of the stock subscription agreements the Company entered into with the Significant Investors in connection with the Recapitalization, each Significant Investor received a contractual right to nominate a representative to the Company’s Board, provided that the nominee is reasonably acceptable to the Company and meets all reasonable, generally applicable qualifications required by the Company’s written policies and committee charters.

such level of ownership.

C) Eligible Shares

Company common stock holdings that count toward meeting the ownership requirements include:

- i) Shares owned separately by the Director or Chief Executive Officer or owned either jointly with, or separately by, his or her immediate family members residing in the same household;
- ii) Shares held in trust for the benefit of the Director or Chief Executive Officer or his or her immediate family members;
- iii) Shares held by the Director or Chief Executive Officer through the Company's 401(k) plan or any other deferred compensation or retirement plan; and
- iv) Restricted shares held by the Director or Chief Executive Officer, including shares that remain subject to vesting requirements.

Unexercised stock options do not count toward meeting the ownership requirements.

D) Stock Retention Requirements

Individuals subject to this Policy must retain ownership of 60% of the shares acquired upon option exercises (after payment of the exercise cost and taxes), and 60% of the shares issued upon the vesting of restricted stock grants or restricted stock units (after payment of taxes) until he or she is in compliance with the applicable, fully phased-in, minimum ownership requirement.

Once an individual has met the applicable ownership requirement, the number of shares required to be held to meet the requirement remains fixed, and fluctuations in market value of the Company's shares do not increase or decrease the number of shares required to be held.

E) Hardship Exemption

Circumstances may occur in which compliance with this Policy may cause a severe hardship to an individual or would prevent compliance with a court order, such as a domestic relations order. Shares transferred by a Director or the Chief Executive Officer pursuant to a domestic relations order shall be deemed not to violate the share retention requirements. In the event that an individual's common stock ownership declines below the applicable ownership requirement by reason of a transfer of shares made pursuant to a domestic relations order, the Committee may allow the individual additional time to return to compliance with the Policy.

F) Compliance

Penalties for the failure of an individual to satisfy the ownership requirements of this Policy are at the discretion of the Committee and include, but are not limited to, in the case of a Director,

the application of all or part of the Director's annual cash retainer to purchase the Company's common stock or, in the case of the Chief Executive Officer, the application of all or part of the Chief Executive Officer's cash bonus to purchase the Company's common stock.