

OPUS BANK

RISK OVERSIGHT COMMITTEE CHARTER

As adopted on November 25, 2018 and effective as of November 26, 2018

The Risk Oversight Committee (the “Committee”) is a standing committee of the Board of Directors (the “Board”) of Opus Bank (the “Bank”).

I. PURPOSE AND CERTAIN CONSIDERATIONS

A. The Committee assists the Board in (1) oversight of the Bank’s risk management and Enterprise Risk Management (“ERM”) framework, including the significant policies, procedures, and practices used in managing compliance (banking & broker/dealer), BSA/AML, reputational, credit, market, operational, legal, technology and certain other risks, (2) oversight of the Bank’s performance relating to credit risk, operational risk, liquidity risk and interest rate risk, which constitute significant components of market risk, and risks pertaining to capital management, and (3) oversight of the performance of the, Credit Review function and (4) reviewing reports on adequacy of the ALLL process. The Committee reports to the Board of Directors regarding the Bank’s risk profile, as well as its ERM framework, including the significant policies and procedures employed to manage risks in the Bank’s strategic plan and lines of business, as well as the overall adequacy of the ERM function.

The Committee’s role is one of oversight, recognizing that management is responsible for executing the Bank’s risk management and related Treasury policies. While the Committee has the responsibilities and powers set forth in this Charter, management is responsible for designing, implementing and maintaining an effective risk program. In carrying out its responsibilities, the Committee will be assisting management in setting an appropriate tone at the top for a risk-adverse culture. In addition, the Bank’s Chief Risk Officer (“CRO”) manages the Bank’s credit, market and operational risks on a consolidated basis under the Bank’s risk management framework, provides overall leadership for the Bank’s risk management framework, independent Risk Management function and risk governance processes, including risk measurement, risk monitoring, risk control or mitigation, and risk reporting. The CRO reports directly to the CEO and is the primary liaison with the Committee.

B. The Committee acts on behalf of the Board in monitoring and overseeing compliance, risk assessments, ERM and monitoring communication with the Bank’s regulatory authorities.

C. While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct risk assessments. This is the responsibility of the Bank’s management. Nor is it the duty of the Committee to guarantee or assure the risk assessments, policies and procedures, or the ERM program compliance with laws and regulations or compliance with the Bank’s code of ethical conduct. The primary responsibility for these matters rests with the Bank’s management.

D. The Committee shall meet periodically in separate executive sessions with the Chief Risk Officer and other members of management as it determines appropriate. The Chief

Risk Officer is expected to communicate with the Chair on any significant risk issues that arise between Committee meetings, including issues raised by management's Enterprise Risk Management Committee. The minutes of the Enterprise Risk Management Committee will be made available to the Risk Oversight Committee for review as needed. In addition, each of the members of the Board's other committees is expected to bring to the attention of his or her committee Chair, the Chief Risk Officer, or the Chair of the Committee, any risk issues that such committee member believes should be discussed by the Committee.

II. COMMITTEE MEMBERSHIP

A. Except as required by paragraph II.D. below, the Committee will be comprised of three or more directors as determined by the Board.

B. A majority of the members of the Committee shall have been determined by the Board to be "independent" under the rules of the Nasdaq Stock Market, and the Committee's membership shall meet all independence, expertise and experience requirements imposed by any applicable regulatory authority.

C. The members and chair of the Committee shall be appointed and replaced by the Board on the recommendation of the Nominating and Corporate Governance Committee.

D. Notwithstanding anything to the contrary in this Charter, (i) during any period that a representative (an "Investor Representative") of Fortress Investment Group LLC, Elliot Associates, L.P. or Starwood Capital Global Group, L.P. (each a "Significant Investor") is a member of the Board, the Committee shall have not less than five members, and (ii) during any period that all three Significant Investors have an Investor Representative serving on the Committee, the Committee shall have not less than seven members.

III. MEETINGS

A. The Committee shall be required to meet at least four times annually, with further meetings to occur as deemed necessary, or actions to be taken by unanimous written consent, when deemed necessary or desirable by the Committee or its Chair to perform its responsibilities.

B. The Committee may request that any directors, officers or employees of the Bank, or other persons whose advice and counsel are sought by the Committee, attend any meeting of the Committee to provide such pertinent information as the Committee requests.

C. Meetings of the Committee shall be called by the Chair of the Committee or a majority of the members of the Committee. Meetings of the Committee shall be held and actions taken in the same manner as is provided in the Amended and Restated Bylaws for meetings of and actions taken by the Board, except that the time of regular meetings of the Committee may be determined either by resolution of the Board or by the Committee. The Committee shall keep written minutes of its meetings, which minutes shall be maintained with the books and records of the Bank and make such material readily available for inspection by any Director, regulatory agency, or the Bank's external public accounting firm.

IV. COMMITTEE AUTHORITY AND RESPONSIBILITIES

In carrying out its oversight responsibility, the Committee will:

A. Enterprise Risk Management

- Approve the Bank's risk appetite statement and framework, receive quarterly risk appetite updates and approve any changes to risk limits.
- Approve the Bank's enterprise risk management policy and oversee its operation.
- Evaluate whether the framework as a whole is adequate and effective, given the Bank's capital structure, risk profile, organizational complexity, activities, business strategy, competitive and economic environment and other relevant risk-related factors.
- Challenge recommendations and decisions that could negatively impact the Bank's risk profile including, but not limited to, risk and control ratings, risk measurements, risk limits, new products, services or initiatives and follow-up or corrective action for outstanding risk, regulatory or audit issues. When necessary, oppose recommendations that could cause the risk profile to exceed its risk appetite or jeopardize the safety and soundness of the Bank.
- Review management reports concerning the timeliness and effectiveness of corrective actions taken to address identified risk management deficiencies.
- Review the quarterly risk dashboard.
- Review the results of capital stress test scenarios and assess the impact on the Company's capital position in both base line and stressed environments.
- Review capital trends and assess the impact on the Bank's capital risk profile.
- Review minutes of the management-level Enterprise Risk Management Committee and review matters falling within the scope of that committee's responsibilities.
- Receive a quarterly update and review management's implementation of new legal and operational structures, and significant new products or lines of business.
- Review reports from management and the Compensation, Nominating and Governance committee concerning the integration of risk management and control objectives into management goals and the Bank's compensation structure.

B. Credit Risk

- Receive and review reports from the Sr. Chief Credit Officer regarding the state of the Bank's credit quality, including geographic and risk rating loan distribution, concentration levels, portfolio composition, exception reporting, criticized and classified migration, delinquency and charge-off trends.
- Receive and review reports from the Chief Risk Officer regarding the quarterly provision for loan losses and the adequacy of the ALLL at each quarter's end.
- Receive and review reports from the Head of Credit Review regarding portfolio trends and compliance with Credit Policy.

C. Market Risk (Liquidity/Interest Rate/Price)

- Receive and review reports from the Treasurer regarding the investment portfolio, asset/liability risk and the capital and liquidity positions.
- Review the results of liquidity stress test scenarios and assess the impact on Bank's liquidity position in both base-line and stressed environments.
- Review liquidity trends and assess the impact on the Bank's liquidity risk profile.
- Receive updates concerning emerging and industry-wide liquidity risks.
- Review the results of interest rate risk stress test scenarios, including rate shocks and yield curve twists, and assess the impact on Bank's interest rate risk position in both base-line and stressed environments.
- Review asset-liability interest rate trends and assess the impact on the Bank's interest rate risk profile.
- Receive updates concerning emerging and industry-wide market risks.
- Review investment portfolio book and market price.

D. Operational and Related Risks

- Review operational risk trends and assess the impact on the Bank's operational risk profile.
- Receive and review reports from the Chief Information Security Officer regarding the state of the information/physical security program, business continuity, fraud risk and cybersecurity risk/technology updates.
- Review management's assessments with respect to technology risk and emerging technology issues; discuss the current status of significant

technological projects and receive a quarterly update on the Bank's information security status.

- Review management reports concerning the Bank's processes to manage risks associated with third party arrangements, including its vendor management program.
- Oversee management's processes for managing risks related to mergers and acquisitions, including integration risk and risks associated with due diligence.
- Receive updates concerning emerging and industry-wide operational risks.
- Review at least annually the insurance program.
- Receive and review a report from management on any items/issues that may negatively reflect upon the reputation of the Bank.

E. Compliance Risk

- Review and approve the annual Compliance Risk Assessment and Compliance Plan and Fair Lending Risk Assessment.
- Receive and review reports from the Chief Compliance Officer regarding compliance with applicable laws and regulations; including but not limited to the status of CRA, Fair Lending risk assessment, SCRA, Flood and Vendor Management Program.
- Receive and review reports from the Senior Vice President, BSA/OFAC Officer regarding compliance with applicable laws and regulations with the status of BSA/AML and OFAC.

F. Legal and Regulatory Risk

- Review the significant results of regulatory examinations and meet periodically with the Bank's regulators.
- Review with the General Counsel material litigation and significant correspondence with regulators or government agencies.
- Receive and review reports regarding any Whistleblower allegations.

G. Overall Authority

- Conduct investigations into matters under its responsibility and engage outside advisors where deemed necessary and/or required by regulatory request.
- Meet with and obtain relevant information from executives and employees.

- Coordinate with other Board committees involved in risk matters, including the Directors Loan Committee regarding credit risk; the Audit Committee regarding financial reporting and disclosures and how the Internal Audit plan is aligned with the identified risks; and the Compensation Committee with respect to its responsibilities with respect to the CRO and any other risk executive.
- At least annually, perform an evaluation of the performance of the Committee and its members, including a review of the Committee's compliance with this Charter. In conducting this review, the Committee shall evaluate whether this Charter appropriately addresses the matters that are or should be within its scope. The Committee shall address all matters that the Committee considers relevant to its performance. The Committee shall submit the Charter to the Board for approval with any recommended changes and the Bank shall publish or otherwise make publicly available the Charter in accordance with the rules and the rules and regulations promulgated pursuant to the Exchange Act, as applied by the FDIC.
- Discuss guidelines and policies that govern the process by which risk assessment and risk management are handled by the Bank. Be responsible for reviewing and discussing with management the Bank's assessment and management of risk, including market, operational, fiduciary, interest rate, liquidity, business and credit risks, and related policies.
- Investigate other matters that are brought to the attention of the Committee within the scope of its mission.
- Receive such reports as it determines to be appropriate from the Chief Risk Officer, the Treasurer or other representatives of management regarding the Bank's policies, procedures and practices, and the functioning of risk management committees, including reports related to the assessment, analysis, monitoring, management and mitigation of risk exposures.

H. Provide appropriate regular reports to the Board.

- Chair of the Risk Committee shall make verbal reports on the activities of the Committee following each meeting of the Committee to the Board at its next meeting subsequent to that of the Committee.

I. Have such other duties as may be delegated from time to time by the Board relating to the management of risk.