

FEDERAL DEPOSIT INSURANCE CORPORATION
Washington, D.C. 20429

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934, as amended

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 under ss. 240.14a-12

OPUS BANK

(Name of Registrant as Specified in Its Charter)

Not Applicable

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

Payment of Filing Fee (Check the appropriate box):

No fee required.

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

1. Title of each class of securities to which transaction applies:

2. Aggregate number of securities to which transaction applies:

3. Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

The filing fee was determined based on _____

4. Proposed maximum aggregate value of transaction:

5. Total fee paid:

Fee paid previously with preliminary materials.

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

1. Amount Previously Paid:

2. Form, Schedule or Registration Statement No.:

3. Filing Party:

4. Date Filed:

**1990 MacArthur Boulevard, 12th Floor
Irvine, California 92612
(949) 250-9800
March 16, 2018**

Fellow Stockholders:

On behalf of the Board of Directors and management of Opus Bank (the “Bank”), you are cordially invited to attend the Annual Meeting of Stockholders of the Bank (the “Annual Meeting”). The Annual Meeting will be held on Thursday, April 26, 2018, at 9:00 a.m., Pacific Time, at the Bank’s corporate headquarters located at 19900 MacArthur Boulevard, Suite 1200, Irvine, California 92612.

The attached Notice of the Annual Meeting and Proxy Statement describe in greater detail all of the formal business that will be transacted at the Annual Meeting. Directors and officers of the Bank will be present at the Annual Meeting to respond to any questions that you may have regarding the business to be transacted.

The Board of Directors of the Bank has determined that each of the proposals that will be presented to the stockholders for their consideration at the Annual Meeting are in the best interests of the Bank and its stockholders, and unanimously recommends and urges you to vote “FOR” each director nominee specified under Item 1, “FOR” the ratification of the appointment of KPMG LLP as the independent auditors of the Bank for the fiscal year ended December 31, 2018 under Item 2, and “FOR” the approval of the 2018 Long Term Incentive Plan under Item 3.

We are distributing our proxy materials to stockholders via the internet under the “Notice and Access” rules of the U.S. Securities and Exchange Commission as adopted by the Federal Deposit Insurance Corporation. We believe these rules allow us to provide you with the information you need while lowering the costs of delivery and reducing the environmental impact of our Annual Meeting. We are mailing to our stockholders a Notice of Internet Availability of Proxy Materials (the “Notice of Internet Availability”) beginning on or about March 16, 2018 rather than a paper copy of the Proxy Statement, the proxy card and our 2017 Annual Report, which includes our annual report on Form 10-K for the year ended December 31, 2017. The Notice of Internet Availability contains instructions on how to access the proxy materials, vote and obtain, if you so desire, a paper copy of the proxy materials.

We encourage you to attend the Annual Meeting in person if it is convenient for you to do so. It is important that your shares be represented and voted at the Annual Meeting. Whether or not you expect to be present at the Annual Meeting, after receiving the Notice of Internet Availability please vote as promptly as possible to ensure your representation and the presence of a quorum at the Annual Meeting. If you are unable to attend the Annual Meeting, you may vote via the Internet, by telephone, or by signing, dating and returning the proxy card that is mailed to those that request paper copies of the Proxy Statement and the other proxy materials.

On behalf of the Board of Directors and all of the employees of the Bank, we thank you for your continued support.

Best Regards,

A handwritten signature in blue ink that reads "Paul Greig". The signature is written in a cursive, flowing style.

Paul G. Greig
Chairman of the Board

OPUS BANK
1990 MacArthur Boulevard, 12th Floor
Irvine, California 92612
(949) 250-9800

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
To Be Held April 26, 2018

NOTICE IS HEREBY GIVEN that the Annual Meeting of the Stockholders (“Annual Meeting”) of Opus Bank (the “Bank”) will be held on April 26, 2018 at 9:00 a.m. Pacific Time, at the Bank’s corporate headquarters located at 19900 MacArthur Boulevard, Suite 1200, Irvine, California 92612 to consider and act upon the following matters:

1. To elect two (2) Class III directors to the Board of Directors;
2. To ratify the appointment of KPMG LLP as the Bank’s independent auditor for the fiscal year ending December 31, 2018; and
3. To approve the 2018 Long Term Incentive Plan.

The Board of Directors is not aware of any other business that will be presented for consideration at the Annual Meeting. If any other matters should be properly presented at the Annual Meeting or any adjournments or postponements of the Annual Meeting for action by stockholders, the persons named in the form of proxy will vote the proxy in accordance with their best judgment on that matter. The Board of Directors has fixed February 26, 2018 as the record date for determination of stockholders entitled to receive notice of and to vote at the Annual Meeting and any adjournment thereof. Only those stockholders of record as of the close of business on that date will be entitled to vote at the Annual Meeting or at any such adjournment.

By Order of the Board of Directors,



Richard A. Sanchez
Corporate Secretary
Irvine, California
March 16, 2018

IMPORTANT NOTICE OF ELECTRONIC AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON APRIL 26, 2018

As permitted by the rules of the Securities and Exchange Commission as adopted by the Federal Deposit Insurance Corporation, we are making this Proxy Statement, the proxy card and our 2017 Annual Report, which includes our annual report on Form 10-K for the year ended December 31, 2017 (“Annual Report”), available to stockholders electronically via the Internet at the following website: <http://www.astproxyportal.com/ast/40045>.

Table of Contents

GENERAL INFORMATION	1
ITEM 1. ELECTION OF DIRECTORS	5
Nominees for Election	5
Board Representation Rights	5
Vote Required	6
Recommendation of the Board of Directors	6
THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT STOCKHOLDERS VOTE “FOR” EACH OF THE DIRECTOR NOMINEES.	6
Nominated Directors	6
Continuing Directors.....	7
Corporate Governance Principles and Board Matters	10
Stockholder Engagement, Outreach and Board Responsiveness	11
Corporate Code of Conduct and Business Ethics Policy	12
Compensation Committee Interlocks and Insider Participation	13
Risk Management and Oversight	13
Committees of the Board	13
Compensation of Directors	15
Executive Officers	16
EXECUTIVE COMPENSATION	20
Summary Compensation Table	20
Employment Agreements.....	21
Potential Payments Upon Termination and Change In Control	22
Equity Compensation Plan Information	24
Outstanding Equity Awards at 2017 Fiscal Year End.....	26
Opus Bank 2010 Long-Term Incentive Plan.....	26
Opus Bank 401(k) Plan.....	29
Opus Bank Deferred Compensation Plan.....	29
Clawback Policy	30
Indemnification Agreements.....	30
Health and Welfare Benefits	30
RELATED TRANSACTIONS AND OTHER MATTERS	30
Related Person Transactions	30
Ordinary Banking Relationships.....	31
Statement of Policy Regarding Related Party Transactions.....	31
SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT	32
SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE	33
ITEM 2. TO RATIFY THE APPOINTMENT OF KPMG LLP AS THE BANK’S INDEPENDENT AUDITOR FOR THE FISCAL YEAR ENDED DECEMBER 31, 2017	34

Vote Required	34
Recommendation of the Board of Directors	34
Fees	34
Audit Fees	34
Audit-Related Fees, Tax Fees and All Other Fees	34
Audit Committee Pre-Approval Policies and Procedures	35
ITEM 3. TO APPROVE THE 2018 LONG TERM INCENTIVE PLAN.	36
Overview.....	36
Equity Compensation is an Important Part of Our Compensation Program	36
The 2010 Incentive Plan	36
The 2018 Plan Reflects Compensation and Governance Best Practices	36
Description of the 2018 Plan.....	37
Interest of Certain Persons in the Adoption of the 2018 Plan; Future 2018 Plan Benefits.	43
Consideration to be Received by the Bank for Awards.	44
Current Stock Price.	44
Vote Required; Manner of Approval.	44
Board Recommendation.....	44
REPORT OF THE AUDIT COMMITTEE	45
ANNUAL REPORT.....	46
STOCKHOLDER PROPOSALS FOR THE 2019 ANNUAL MEETING	46
OTHER MATTERS	46
APPENDIX A 2018 LONG-TERM INCENTIVE PLAN	1
APPENDIX B FORM OF PROXY	1

OPUS BANK
19900 MacArthur Boulevard, 12th Floor
Irvine, California 92612
(949) 250-9800

PROXY STATEMENT

GENERAL INFORMATION

**For the 2018 Annual Meeting of Stockholders
To Be Held on Thursday, April 26, 2018**

Our Board of Directors is soliciting proxies to be voted at our 2018 Annual Meeting of Stockholders (“Annual Meeting”) on April 26, 2018, at 9:00 a.m. Pacific Time, for the purposes set forth in the attached Notice of Annual Meeting of Stockholders (the “Notice”) and in this Proxy Statement. This Proxy Statement and the proxies solicited hereby are being first made available to stockholders of the Bank on or about March 16, 2017.

As used in this Proxy Statement, the terms “we,” “us,” “our” and the “Bank” refer to Opus Bank and the terms “Board of Directors” and “Board” refer to the Board of Directors of the Bank.

INFORMATION ABOUT THESE PROXY MATERIALS AND THE ANNUAL MEETING

Question: *What is the Notice of Internet Availability of Proxy Materials that I received in the mail and why am I receiving it?*

Answer: In accordance with rules adopted by the Securities and Exchange Commission (the “SEC”) and the Federal Deposit Insurance Corporation (the “FDIC”) we have generally mailed to our stockholders, except for stockholders who have requested otherwise, a Notice of Internet Availability of Proxy Materials (the “Notice of Internet Availability”). The Notice of Internet Availability provides instructions for accessing our proxy materials, including this Proxy Statement and the 2017 Annual Report, which includes our annual report on Form 10-K for the year ended December 31, 2017 (the “2017 Annual Report”), at the website address referred to in the Notice of Internet Availability, and for requesting printed copies of the proxy materials by mail or electronically by e-mail. If you would like to receive a paper or e-mail copy of our proxy materials either for this Annual Meeting or for all future meetings, you should follow the instructions for requesting such materials included in the Notice of Internet Availability we mailed to you.

Our Board of Directors provided the Notice of Internet Availability and is making the proxy materials available to you in connection with our Annual Meeting, which will take place on April 26, 2018. As a stockholder, you are invited to attend the Annual Meeting and are entitled to, and requested to, vote on the proposals described in this Proxy Statement.

Question: *What information is contained in the Proxy Statement?*

Answer: This information relates to the proposals to be voted on at the Annual Meeting, the voting process, compensation of our directors and most highly paid executives, and certain other required information.

Question: *How can I access the Bank’s proxy materials and 2017 Annual Report electronically?*

Answer: The Proxy Statement, form of proxy and 2017 Annual Report are available at <http://www.astproxyportal.com/ast/40045>.

Question: *What does it mean if I receive more than one Notice of Internet Availability or set of the proxy materials?*

It means your shares are registered differently or are in more than one account. Please provide voting instructions for each account for which you have received a Notice of Internet Availability or set of proxy materials.

Question: *Who is soliciting my vote pursuant to this Proxy Statement?*

Answer: Our Board of Directors is soliciting your vote at the Annual Meeting.

Question: *Who is entitled to vote?*

Answer: Only stockholders of record at the close of business on February 26, 2018 (the “Record Date”) are entitled to vote at the Annual Meeting.

Question: *How many shares are eligible to be voted?*

Answer: As of the Record Date, we had 35,975,558 shares of common stock outstanding. Each outstanding share of our common stock will entitle its holder to one vote on each of the two (2) director nominees to be elected to Class III of the Board and one vote on each other matter to be voted on at the Annual Meeting.

Question: *What am I voting on?*

Answer: You are voting on the following matters:

- The election of two (2) director nominees to Class III of the Board of Directors. Our director nominees to Class III of the Board are:

Mark Deason
Mark Cicirelli
- The ratification of the appointment of KPMG LLP as the Bank’s independent auditor for the fiscal year ending December 31, 2018.
- The approval of the 2018 Long Term Incentive Plan.

Question: *How does our Board of Directors recommend that I vote?*

Answer: Our Board recommends that stockholders vote their shares as follows:

- “FOR” each director nominee;
- “FOR” the ratification of the appointment of KPMG LLP as the Bank’s independent auditor for the fiscal year ending December 31, 2018; and,
- “FOR” the approval of the 2018 Long Term Incentive Plan.

Question: *How can I cast my vote? Must I attend the Annual Meeting to do so?*

Answer: If you are a stockholder of record, you may vote at the Annual Meeting on April 26, 2018 at the Bank’s corporate headquarters located at 19900 MacArthur Boulevard, Suite 1200, Irvine, California 92612, **or** you may direct how your shares are voted without attending the Annual Meeting in one of the following ways:

- **Internet.** You can submit a proxy over the Internet to vote your shares at the Annual Meeting by following the instructions provided either in the Notice of Internet Availability or on the proxy card or voting instruction form you received if you requested and received a printed set of the proxy materials.

- **Telephone.** If you requested and received a printed set of the proxy materials, you can submit a proxy over the telephone to vote your shares at the Annual Meeting by following the instructions provided on the proxy card or voting instruction form enclosed with the proxy materials you received. If you received a Notice of Internet Availability only, you can submit a proxy over the telephone to vote your shares by following the instructions at the Internet website address referred to in the Notice of Internet Availability.
- **Mail.** If you requested and received a printed set of the proxy materials, you can submit a proxy by mail to vote your shares at the Annual Meeting by completing, signing and returning the proxy card or voting instruction form enclosed with the proxy materials you received.

Whichever method of voting you use, the proxies identified on the proxy card will vote the shares of which you are the stockholder of record in accordance with your instructions. If you submit a proxy card properly voted and returned through available channels without giving specific voting instructions, the proxies will vote the shares as recommended by our Board of Directors.

If you own your shares in “street name,” that is, through a brokerage account or in another nominee form, you must provide instructions to the broker or nominee as to how your shares should be voted. Your broker or nominee will usually provide you with the appropriate instruction forms at or around the time it forwards you the Notice of Internet Availability and/or makes this Proxy Statement and our 2017 Annual Report available to you. If you own your shares in this manner, you cannot vote in person at the Annual Meeting unless you receive a proxy to do so from the broker or the nominee, and you bring the proxy to our Annual Meeting.

Question: *How may I revoke or change my vote?*

Answer: If you are the record owner of your shares, and you completed and submitted the proxy card, you may revoke your proxy at any time before it is voted at the Annual Meeting by:

- submitting a new proxy card with a later date,
- delivering written notice to our Secretary at 19900 MacArthur Boulevard, 12th Floor, Irvine, California 92612, Attention: Corporate Secretary, on or before April 25, 2018, stating that you are revoking your proxy,
- attending the Annual Meeting and voting your shares in person, or

If you are a record owner of your shares and you submitted your proxy by telephone or via the Internet, you may change your vote or revoke your proxy with a later telephone or Internet proxy, as the case may be.

Please note that attendance at the Annual Meeting will not, in itself, constitute revocation of your proxy.

If you own your shares in “street name,” you may later revoke your voting instructions by informing the bank, broker or other holder of record in accordance with that entity’s procedures.

Question: *How may a stockholder nominate someone at the Annual Meeting to be a director or bring any other business before the Annual Meeting?*

Answer: The Bank’s Amended and Restated Bylaws (the “Bylaws”) require advance notice to the Bank if a stockholder intends to nominate someone for election as a director or to bring other business before the meeting. Such a notice may be made only by a stockholder of record within the time period established in the Bylaws. See “Stockholder Proposals for the 2019 Annual Meeting” beginning on page 46.

Question: *Who is paying for the costs of this proxy solicitation?*

Answer: The Bank will bear the cost of preparing, printing and mailing the materials in connection with this solicitation of proxies. In addition to mailing these materials, officers and regular employees of the Bank may, without being additionally compensated, solicit proxies personally and by mail, telephone, facsimile or electronic communication.

Question: *Who will count the votes?*

Answer: The Board has appointed Richard Sanchez as the Inspector of Election for the Annual Meeting. He will receive and tabulate the ballots and voting instruction forms.

Question: *How can I obtain the Bank's Corporate Governance information?*

Answer: Our Corporate Governance information is available on our Investor Relations website at <http://investor.opusbank.com>. Our stockholders may also obtain written copies at no cost by writing to us at 19900 MacArthur Boulevard, 12th Floor, Irvine, CA 92612, Attention: Investor Relations Department, or by calling (949) 250-9800.

Question: *Are proxy materials for the 2018 Annual Meeting available electronically?*

Answer: Yes. This Proxy Statement and the 2017 Annual Report are available electronically at <http://www.astproxyportal.com/ast/40045>.

Question: *How do I request electronic or printed copies of this and future Proxy Materials?*

Answer: You may request and consent to delivery of electronic or printed copies of future proxy statements, annual reports and other stockholder communications by:

- visiting <http://www.amstock.com/proxyservices/requestmaterials.asp>,
- calling 888-Proxy-NA (888-776-9962) or, 718-921-8562 for international callers, or
- sending an email to info@amstock.com.

When requesting copies of proxy materials and other stockholder communications, you should have available the control number located on the Notice of Internet Availability or proxy card or, if shares are held in the name of a broker, bank or other nominee, the voting instruction form.

ITEM 1. ELECTION OF DIRECTORS

Classification of the Company's Directors

The number of directors constituting our Board is currently set at nine (9). In accordance with the terms of our Articles of Incorporation, as amended (the "Articles of Incorporation"), our Board is divided into three classes, Class I, Class II and Class III, with each class serving staggered three-year terms as follows:

- The Class I directors are Paul G. Greig, Michael L. Meyer, and David King, and their terms will expire at the annual meeting of stockholders to be held in 2019;
- The Class II directors are Stephen H. Gordon, Mark E. Schaffer, and Richard C. Thomas, and their terms will expire at the annual meeting of stockholders to be held in 2020; and
- The Class III directors are Mark Deason, Mark Cicirelli and Curtis A. Glovier, and their terms will expire at the Annual Meeting.

Nominees for Election

The term of each of our Class III directors expires at the Annual Meeting. Thomas M. Bowers, a Class III director and the Board representative of Starwood Capital Group ("Starwood"), resigned from the Board, effective as of February 26, 2018. Based upon the recommendation of the Board's Nominating and Corporate Governance Committee, the Board appointed Mark Deason to fill the vacancy created by Mr. Bowers' resignation. Mr. Deason is the Board representative of Starwood, and his term as a Class III director expires at the Annual Meeting, along with the other Class III directors.

The Board's Nominating and Corporate Governance Committee proposed to the Board, and the Board approved, the nomination of each of Mark Deason and Mark Cicirelli for election as a Class III director at the Annual Meeting. Curtis A. Glovier, a Class III director who is an executive officer of the Bank, is not standing for election at the Annual Meeting. The Nominating and Corporate Governance Committee has recommended to the Board that an additional independent director be added to the Board as part of the Bank's continued focus on corporate governance enhancements. In order to facilitate the addition of an independent director to the Board, the Nominating and Corporate Governance Committee recommended to the Board that Curtis A. Glovier, a Class III director who is an executive officer of the Bank and therefore is not independent, not be nominated for re-election to the Board. The Board approved the recommendation and directed the Nominating and Corporate Governance Committee to commence the search for a qualified candidate to serve as an independent director.

Messrs. Deason and Cicirelli have substantial experience in private equity and the financial services industries and each has indicated that he is willing and able to continue to serve as a director. We have provided biographical and other information on both nominees beginning on page 6 of this Proxy Statement.

Board Representation Rights

In connection with the recapitalization of our Bank in September 2010, a significant percentage of our capital stock was purchased by entities affiliated with Elliott Management Corporation ("Elliott"), Fortress Investment Group LLC ("Fortress"), and Starwood (collectively with Elliott and Fortress, the "Significant Investors"). Pursuant to the terms of the stock subscription agreements we entered into with the Significant Investors in connection with the recapitalization, each Significant Investor received a contractual right to nominate a representative to our Board, provided that the nominee is reasonably acceptable to us and meets all reasonable, generally applicable qualifications required by our written policies and committee charters. Messrs. Cicirelli, King and Deason are the current Board representatives of Elliott, Fortress and Starwood, respectively. Pursuant to the terms of the stock subscription agreements, the right to nominate a director to serve on our Board will continue until such time as all three of the following events occur:

- the Significant Investor, together with its affiliates, owns, on a fully diluted basis, less than 12.5% of our outstanding shares of common stock;
- the Significant Investor, together with its affiliates, is no longer one of our four largest stockholders; and

- there are more than four members of our Board of Directors serving or who may serve as members of our Board that are nominated by an investor that has been granted the right to designate a person to serve as a member of our Board in connection with such investor's purchase of our securities.

Notwithstanding the foregoing, a Significant Investor's right to nominate a director to our Board will terminate when such Significant Investor, together with its affiliates, owns, on a fully diluted basis, less than 5% of our outstanding shares of common stock.

Vote Required

The director nominees who receive the greatest number of votes cast for the director nominees will be elected. There is no cumulative voting for our directors. If you indicate "withhold" for a particular nominee on your proxy card, your vote will not be considered in determining whether a nominee has received the affirmative vote of a plurality of the shares. The election of directors is considered a "non-routine" item upon which brokerage firms may not vote in their discretion on behalf of their clients if such clients have not furnished voting instructions. Therefore, broker "non-votes" will not be considered in determining whether a nominee has received the affirmative vote of a plurality of the shares.

If any nominee becomes unable or unwilling to serve, which is not anticipated, the accompanying proxy may be voted for the election of such other person as shall be recommended by the Nominating and Corporate Governance Committee and approved by our Board of Directors. Proxies granted may not be voted for a greater number of nominees than the two (2) named above or beyond their respective classes. Unless instructions to the contrary are specified in a proxy properly voted and returned through available channels, the proxies will be voted **FOR** each of the nominees listed above.

Recommendation of the Board of Directors

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT STOCKHOLDERS VOTE "FOR" EACH OF THE DIRECTOR NOMINEES.

Nominated Directors

Below is information regarding the business experience and qualifications of each of our Class III director nominees.

Mark Deason, age 40, joined the Board of Directors on February 26, 2018. Mr. Deason serves as Managing Director and Head of U.S. Asset Management of Starwood. In this role, Mr. Deason is responsible for overseeing management of all of Starwood's non-hotel assets, as well as Starwood's development function in the U.S. While at Starwood, Mr. Deason has negotiated and supervised Starwood's participation in a wide variety of equity and debt investment structures in a variety of industries, including commercial, hospitality and residential asset acquisitions and developments. Prior to joining Starwood in 2003, Mr. Deason worked for Merrill Lynch in the firm's real estate investment banking group, assisting West Coast real estate, hospitality, and gaming companies with a range of capital origination and M&A activities. Mr. Deason received a B.A. degree in business economics with a minor in accounting from the University of California, Los Angeles. He is a policy board member at the Fisher Center for Real Estate and Urban Economics, and is a member of the Milken Institute and the Urban Land Institute.

Mr. Deason is a member of the Compensation Committee and the Nominating and Corporate Governance Committee.

Mr. Deason's qualifications to serve on our Board of Directors include his experience at Starwood with responsibilities for asset management, capital origination and M&A activities.

Mark Cicirelli, age 43, has served as a member of our Board of Directors since March 2012. Mr. Cicirelli is a Portfolio Manager at Elliott Management Corporation, a multi-strategy hedge fund with approximately \$32 billion of assets under management. Mr. Cicirelli joined Elliott in 2005 and specializes in financial services and real estate. Prior to joining Elliott, Mr. Cicirelli worked at the private equity firm Thomas H. Lee Putnam Ventures, and in the investment banking division of J.P. Morgan & Co., both in New York. Mr. Cicirelli received his A.B., cum laude, from Dartmouth College. He received his M.B.A. from Harvard Business School with honors. As part of his work at Elliott, Mr. Cicirelli has served on various boards of directors, including those associated with investments in insurance and real estate

Mr. Cicirelli is a member of the Audit Committee, the Risk Oversight Committee, and the Compensation Committee.

Mr. Cicirelli's qualifications to serve on our Board of Directors include his experience as a Portfolio Manager for Elliott specializing in financial services and real estate investments and his prior work with both private equity (Thomas H. Putnam Lee Ventures) and investment banking (J.P. Morgan) firms.

Continuing Directors

Below is information about the principal occupations, business experience and qualifications of our continuing directors.

Paul G. Greig, age 61, has served as the Chairman of our Board of Directors since January 2018. Mr. Greig joined the Board in April 2017 as a Director, and was appointed to the role of Lead Independent Director in May 2017. Prior to joining our Board, Mr. Greig served as Chairman, President and CEO of FirstMerit Corporation, ("FirstMerit") and its wholly-owned bank subsidiary, FirstMerit Bank N.A., from 2006 until its merger with Huntington Bancshares Incorporated in August 2016. Under his leadership, FirstMerit grew organically and through acquisition from \$10 billion to over \$26 billion in assets. From 2011 to 2013, Mr. Greig served as a director of the Federal Reserve Bank of Cleveland and served as a member of the Audit Committee and more recently as Vice President and Member of the Federal Reserve's Federal Advisory Council. From 2005 to 2006, Mr. Greig served as President and Chief Executive Officer of Charter One Bank, Illinois. From 1999 to 2005, Mr. Greig served as President and Chief Executive Officer for Bank One Corporation, Wisconsin and for JPMorgan Chase Wisconsin from 2004 to 2005 following its acquisition of Bank One. Mr. Greig began his banking career with American National Bank in 1978. Mr. Greig's philanthropic and board activities have included serving as Member of the Executive Committee for the Mid-Size Bank Coalition of America, Board Member of the American Bankers Association, Member of the Board of Trustees for the Cleveland Orchestra's Musical Arts Association, and Trustee and Executive Committee Member for the Greater Cleveland Sports Commission. Mr. Greig earned a B.A. in economics from Wheaton College and an M.B.A. from DePaul University.

Mr. Greig serves as the Chair of the Risk Oversight Committee and the Executive Committee and is a member of the Nominating and Corporate Governance Committee.

Mr. Greig's qualifications to serve on our Board of Directors include his past experience leading the Board of Directors of FirstMerit, as well as his significant risk management and regulatory credentials as both Director of the Federal Reserve Bank of Cleveland and as a member of the Federal Reserve's Federal Advisory Council.

Stephen H. Gordon, age 55, has served as a member of our Board of Directors and as President and Chief Executive Officer of our Bank since September 30, 2010, and served as Chairman of the Board from 2010 to January 2018. Additionally, Mr. Gordon serves as Chairman of the Opus Community Foundation, which focuses its philanthropic efforts in the areas of affordable housing, community development, education, financial literacy, critical health issues, and the arts.

Mr. Gordon previously served as the Chairman of the Board of Fremont General Corporation ("Fremont") and Fremont Reorganizing Corporation, formerly Fremont Investment and Loan ("FRC") from November 2007 to June 2010 and as Chief Executive Officer of FRC from December 2007 to September 2008. Mr. Gordon and other members of our executive management team were engaged to take over the management responsibility of Fremont and its distressed industrial and loan subsidiary with the full support and approval of its banking regulators, the FDIC and the California Department of Business Oversight. Within a period of six months, the team restructured the balance sheet, significantly reduced general and administrative expenses, sold off nonperforming assets, negotiated and received a forbearance agreement with respect to Fremont's senior unsecured debt, resolved and settled a number of litigation matters, and negotiated/entered into an asset purchase and deposit liability assumption agreement for the sale of all of FRC's 22 retail branches and approximately \$5.2 billion of deposits to CapitalSource, Inc., which closed in July 2008.

Prior to Fremont, Mr. Gordon was the Founding Chairman and Chief Executive Officer of Commercial Capital Bancorp, Inc. ("CCBI"), and its subsidiary companies: Commercial Capital Bank ("CCB"), a federally chartered savings bank headquartered in Irvine, CA; Commercial Capital Mortgage, a commercial mortgage banking company; and Comcap Financial Services, a registered broker dealer. CCBI was acquired by Washington Mutual, Inc., in an all-cash transaction valued at approximately \$1 billion in October 2006.

Prior to founding the CCBI companies, from July 1995 to December 1996, Mr. Gordon was the sole stockholder, director and President of Gen Fin, Inc., the general partner of Genesis Financial Partners, LP, a hedge fund that invested exclusively in underperforming middle market financial institutions. From October 1988 to July 1995, Mr. Gordon was an investment banker at Sandler O'Neill + Partners, L.P., a New York based investment banking firm where he was a partner from January 1992 to July 1995. At Sandler O'Neill, Mr. Gordon specialized in advising management and directors of underperforming, undercapitalized, and troubled financial institutions on such issues as strategic planning, capital and liquidity management, balance sheet management and restructuring, asset/liability management, and the enhancement of stockholder value.

Mr. Gordon's qualifications to serve on our Board include his significantly relevant experience serving as Chairman and Chief Executive Officer of CCB, and its savings and loan holding company, CCBI, and FRC and its holding company, Fremont; which appointment to FRC and Fremont required the prior written approval of the FDIC and the California Department of Business Oversight because of its highly distressed financial profile.

Mr. Gordon is a member of the Board's Executive Committee.

Curtis Glovier, age 53, joined our Bank in August 2016 as Senior Executive Vice President, Head of Wealth Services; Senior Managing Director of the Merchant Bank division; and Chairman of the Board and CEO of both PENSICO Services, LLC, and its wholly-owned subsidiary, PENSICO Trust Company, LLC (collectively referred to herein as "PENSICO"). Additionally, in April 2017, Mr. Glovier became Chairman of Opus Financial Partners, the Bank's wholly owned broker dealer subsidiary. Mr. Glovier has served as a member of our Board of Directors since September of 2010. Prior to becoming an executive officer of our Bank, Mr. Glovier was a Managing Director at Fortress Investment Group LLC, responsible for the origination, execution, and monitoring of private equity investments, as well as mezzanine and other investments, within Fortress's credit business. Mr. Glovier also served on the investment committee of a number of Fortress investment funds, including the Fortress Credit Opportunities Funds, which invest in mortgage-backed securities, loans, and other credit-related opportunities. Prior to joining Fortress in May 2007, Mr. Glovier served for seven years as a Managing Director and Co-Head of the Middle Market Buyout group at Perseus, LLC. Prior to joining Perseus, LLC in May 2000, he was a Managing Director of Nassau Capital, which managed over \$2 billion on behalf of Princeton University. Prior to joining Nassau in June 1995, Mr. Glovier worked at Goldman, Sachs & Co. in the Mergers & Acquisitions, Structured Finance, and Leveraged Buyout groups, and was also a management consultant at The Boston Consulting Group. He has served as a director of companies in the financial services, business services, branded consumer products, intellectual property, pharmaceutical, alternative energy, communications and manufacturing areas, and as Chairman of the Board of Maritime Telecommunications Network. Mr. Glovier holds a B.A. from Princeton University, an M.Ec. from James Cook University in Australia, and an M.B.A. as a Palmer Scholar from The Wharton School at the University of Pennsylvania.

Mr. Glovier is not a member of any committee of our Board of Directors.

Mr. Glovier's qualifications to serve on our Board of Directors include his experience as a Managing Director for Fortress with responsibilities for the management of the origination, execution and monitoring of private equity, mezzanine and other investments, and his service on the investment committee of a number of Fortress investment funds, which invest in mortgage-backed securities, loans and other credit-related opportunities. Pursuant to the Bank's Bylaws, Mr. Glovier, whose term as a Class III director expires at the Annual Meeting, will continue to serve as a Class III director until his successor is qualified and appointed or elected.

David King, age 59, has served as a member of our Board of Directors since October 2016. Mr. King is Managing Director of Fortress's Credit Funds business. Prior to joining Fortress in 2014, Mr. King founded and led Culpeper Capital Partners LLC. Mr. King was formerly a Senior Managing Director at Bear Stearns Merchant Banking and its successor firm Irving Place Capital, a middle-market private equity firm from 2001 to 2011. Prior to that, he was a Managing Director of McCown De Leeuw & Co. from 1990 to 2000. From 2007 to June 2014, Mr. King served on the Board of Doral Financial, and he currently serves on the Boards of State National and a number of private companies in the financial services sector. Mr. King earned his B.A. at Rice University, his M.S. at SUNY Stony Brook and his MBA at Stanford University.

Mr. King is a member of the Audit Committee, the Risk Oversight Committee, and the Nominating and Corporate Governance Committee.

Mr. King's qualifications to serve on our Board of Directors include his experience at Fortress running the credit funds business, his experience at private equity firms, and his prior service on the boards of directors of certain entities.

Michael L. Meyer, age 79, has served as a member of our Board of Directors since September 2010. Mr. Meyer is a private real estate investor and, since 1999, has been Chief Executive Officer of the Michael L. Meyer Company, a principal of and/or manager of real estate entities and provides those entities with property acquisition, financing, and management services and advice. Since June 2006, Mr. Meyer has also been a principal of Twin Rock Partners, LLC (formerly AMG Realty Investors, LLC), a commercial and residential real estate investment company. From 2000 to 2003, Mr. Meyer was a principal in Advantage 4 LLC, a provider of telecommunications systems for real estate projects. From 1999 to 2003, Mr. Meyer was also a principal of Pacific Capital Investors, which acquired non-performing loans secured by real estate in Japan. From 1974 to 1998, Mr. Meyer was a Managing Partner – Orange County of the E&Y Kenneth Leventhal Real Estate Group of Ernst & Young, LLP and its predecessor. Mr. Meyer is a director of KBS Legacy Partners Apartment REIT, KBS Strategic Opportunity REIT, and KBS Strategic Opportunity REIT II. Mr. Meyer was previously a director of City National Corporation and City National Bank, Paladin Realty Income Properties Inc., William Lyon Homes, and the Building Industry Alliance Foundation; chair of the United Way's Alexis de Tocqueville Society; chair of the advisory board of the real estate program and current executive advisory board member of the University of California, Irvine Paul Merage School of Business - Center for Real Estate; and Associate of the USC Lusk Center for Real Estate. He also is a member of the Urban Land Institute, and American Institute and California Society of Certified Public Accountants. Mr. Meyer was inducted into the California Building Industry Foundation Hall of Fame in June of 1999 for outstanding achievements in the real estate industry and community. Mr. Meyer was also the recipient of the University of California, Irvine Graduate School of Management Real Estate Program Lifetime Achievement Award. Mr. Meyer is a graduate of the University of Iowa.

Mr. Meyer is a member of the Audit Committee, the Executive Committee, the Nominating and Corporate Governance Committee, and the Risk Oversight Committee, and serves as the Chair of the Compensation Committee.

Mr. Meyer's qualifications to serve on our Board of Directors include his significant experience as a private real estate investor; managing partner of the E&Y Kenneth Leventhal Real Estate Group in Orange County; and director of City National Bank and its bank holding company, William Lyon Homes, the Building Industry Alliance Foundation, and other real estate, charitable and/or educational-related organizations.

Mark E. Schaffer, age 76, has served as a member of our Board of Directors since September 2010. Mr. Schaffer served as an independent director of Fremont and FRC from January 2008 to June 2010. He was the chairman of Fremont's Legal Committee and also served on the company's audit and compensation committees. Prior to the Fremont companies, Mr. Schaffer served as a director of CCB, a federally chartered savings bank and wholly owned subsidiary of CCBI, from March 2003 until October 2006, when CCBI was acquired by Washington Mutual. Mr. Schaffer also served as a director of CCBI from February 2004 to June 2004. From February 2003 until June 2009, Mr. Schaffer served as a managing director of Shamrock Capital Advisors, Inc.'s Real Estate Group and its Genesis Funds. Shamrock Capital Advisors, Inc. is the investment advisor affiliate of Shamrock Holding, Inc., the investment vehicle for the Roy E. Disney family. Prior thereto, Mr. Schaffer worked as a management consultant for a private real estate company. He has previously served as president of Lowe Enterprises Realty Services, where he administered an \$800 million portfolio of commercial, industrial, and residential assets. Mr. Schaffer started his career with Tuttle & Taylor, a Los Angeles based law firm specializing in real estate and corporate law, where he became the managing partner of the firm. Mr. Schaffer holds a B.S. from the University of California, Berkeley, and a Juris Doctor degree from the University of Southern California.

Mr. Schaffer is a member of the Audit Committee, the Compensation Committee, the Executive Committee, and the Risk Oversight Committee, and serves as the Chair of the Nominating and Corporate Governance Committee.

Mr. Schaffer's qualifications to serve on our Board of Directors include his experience as managing partner for a law firm specializing in real estate and corporate law; president of a real estate company with various real estate holdings totaling \$800 million; managing director of a real estate group providing investment advice to the Roy Disney family; and director for CCB, FRC and their respective holding companies, including service on various board committees.

Richard C. Thomas, age 69, has served as a member of our Board of Directors since August 2017. His professional career spans over 35 years within the financial services and accounting and audit industries. He most recently served as Executive Vice President and Chief Financial Officer of CVB Financial Corp. and its principal subsidiary, Citizens Business Bank, from 2010 to 2016. During his tenure, CVB grew organically and through acquisitions from \$6.4 billion to \$8.3 billion in assets. From 2009 to 2010, Mr. Thomas served as Executive Vice President and Chief Risk Officer of Community Bank in Pasadena, where he developed a risk-based audit program and oversaw internal audits, including the documentation and testing of internal controls, in operations, regulatory compliance and credit reviews. Prior to Community Bank, Mr. Thomas was an audit partner at Deloitte & Touche LLP for 22 years leading teams in auditing financial statements and internal

controls certifications, consulting in accounting, regulatory compliance, cost reduction strategies, and public filings, including registration statements, and mergers and acquisitions. Mr. Thomas holds a Bachelor of Business degree in Accountancy from Western Illinois University and is a member of the American Institute and California Society of Certified Public Accountants.

Mr. Thomas is a member of the Compensation Committee, the Executive Committee, and serves as the Chair of the Audit Committee.

Mr. Thomas' qualifications to serve on our Board of Directors include his experience as Audit Partner at Deloitte & Touche LLP, an international accounting firm, providing audit, tax, and consulting services to various enterprises including public company clients; his experience as Executive Vice President and Chief Financial Officer of CVB Financial Corp., including serving as Chairman, Co-Chairman or participant of the Liquidity Management, Risk, Executive Compensation, Loss Sharing, Compliance, and 401(k) management level committees, as well as having primary responsibility for audit and tax relationships with KPMG LLP, CVB Financial Corp's audit firm; and his service as Chief Risk Officer of Community Bank, where he held responsibility for developing risk assessments of all departments of the bank.

Corporate Governance Principles and Board Matters

Corporate Governance Guidelines. We are committed to having sound corporate governance principles, which are essential to running our business efficiently and maintaining our integrity in the marketplace. Our Board of Directors has adopted Corporate Governance Guidelines that set forth the framework within which our Board of Directors, assisted by the committees of our Board of Directors, directs the affairs of our organization. The Corporate Governance Guidelines address, among other things, the composition and functions of our Board of Directors, director independence, compensation of directors, director and Chief Executive Officer stock ownership requirements, management succession and review, committees of our Board of Directors, the selection of new directors, and the evaluation of director, committee and Board performance. Our Corporate Governance Guidelines are available on our Investor Relations website at <http://investor.opusbank.com>.

Director independence. Under the rules of The NASDAQ Stock Market, independent directors must comprise a majority of our Board of Directors. The rules of The NASDAQ Stock Market, as well as those set forth in the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which applies to us through FDIC regulations, also impose several other requirements with respect to the independence of our directors. Our Board of Directors has evaluated the independence of its members and nominees based upon the rules of The NASDAQ Stock Market and the Exchange Act. Applying these standards, with the exception of our Chief Executive Officer and President, Stephen H. Gordon, and our Senior Executive Vice President, Head of Wealth Services; Senior Managing Director of the Merchant Bank division; and Chairman of the Board and CEO of PENSCO, Curtis Glovier, each of our current directors is an independent director, as defined under the applicable rules. Messrs. Gordon and Glovier do not qualify as independent directors since they are also employees of our Bank. As part of our corporate governance initiatives, the Board's Nominating and Corporate Governance Committee is currently conducting a search for an independent director candidate that will replace Mr. Glovier, whose term as a Class III director expires at the Annual Meeting. Once the new independent candidate has been appointed and qualified as a Class III director, eight of the Board's nine directors will be independent, as defined under applicable rules of the NASDAQ Stock Market and the Exchange Act.

To further strengthen the oversight of the full Board of Directors, our independent directors hold executive sessions at which only independent directors are present. The executive sessions are scheduled in connection with regularly scheduled Board meetings at least twice a year. The executive sessions are presided over by the Chairman, Paul G. Greig.

Leadership structure. Our Board of Directors has eight regular meetings scheduled per year and during 2017 held nineteen special Board meetings. Our Board of Directors is led by our Chairman of the Board, Paul G. Greig. Mr. Greig has served as Chairman since January 2018, having previously served as Lead Independent Director since the role was created in May 2017. Mr. Greig's primary duties are to lead our Board of Directors in establishing our overall vision and strategic plan and to lead our management in carrying out that plan. Our Board of Directors endorses the view that one of its primary functions is to protect stockholders' interests by providing independent oversight of management, including the Chief Executive Officer.

Director qualifications. We believe that our directors should have the highest professional and personal ethics and values. They should have broad experience at the policy-making level in business, government or banking. They should be committed to enhancing stockholder value and should have sufficient time to carry out their duties and to provide insight and practical wisdom based on experience. Their service on boards of other companies should be limited to a number that permits

them, given their individual circumstances, to perform responsibly all director duties. Each director must represent the interests of all stockholders. When considering potential director candidates, our Board of Directors also considers the candidate's character, judgment, diversity, gender diversity, skill-sets, specific business background and global or international experience in the context of our needs and those of the Board of Directors.

Director Retirement Policy. In connection with the Bank's commitment to strong corporate governance practices, our Board of Directors adopted a retirement policy (the "Retirement Policy") in 2017, which provides that a director will voluntarily resign upon reaching the age of 72. The Retirement Policy provides the Board with the discretion to waive the retirement requirement for one year periods for directors who are 72 or older but have not reached the age of 81, which is the mandatory retirement age under the Retirement Policy. For directors 72 or older, the Board will consider on an annual basis whether to continue to waive the retirement requirement for additional one-year periods. In the event the Board does not waive the retirement requirement, or the director reaches the age of 81, the director will voluntarily retire. In accordance with the Retirement Policy, former Class II director Robert J. Shackleton, who reached the age of 81 in 2017, retired from the Board in August 2017, and the Board elected to waive the application of the Retirement Policy with respect to Messrs. Meyer (79 years old) and Schaffer (76 years old) for a one-year period, which one-year period may be extended for successive one-year periods, at the Board's discretion.

Board Structure. In accordance with the terms of our Articles of Incorporation, our Board is divided into three classes, Class I, Class II and Class III, with each class serving staggered three-year terms. The Board has committed to submitting a proposal to stockholders within three years of January 18, 2018 that would, if approved, eliminate the classified Board structure such that, when fully implemented, all directors will be elected annually for one-year terms.

Stock Ownership Policy. Our Board believes it is in the best interests of its stockholders, and promotes our commitment to sound corporate governance, that the Bank's directors and Chief Executive Officer possess a meaningful personal financial interest in the Bank. In the opinion of the Board, such an investment commits the individual to the future of the Bank and aligns his or her interests with those of our stockholders. To meet this objective, the Board adopted a stock ownership policy for our directors and Chief Executive Officer in January 2018, which requires that (i) each director (other than the Significant Investor representatives who are exempt from the policy because they are not paid an annual cash retainer and because the Board believes their interests are aligned with our stockholders' interests by virtue of the appointing Significant Investor's equity investment in the Bank) own shares of the Bank's common stock having a value of not less than three times the director's annual cash retainer for service on the Board, and (ii) the Chief Executive Officer own shares of the Bank's common stock having a value equal to not less than six times his or her annual base salary. Directors have five years from the later of the date of his or her election to the Board or the adoption of the policy to attain such level of ownership. The Chief Executive Officer has five years from the later of the date of his or her appointment or the adoption of the policy to attain such level of ownership. Restricted stock and restricted stock units that remain subject to vesting requirements are treated as stock ownership for this purpose. Unexercised stock options do not count toward meeting the ownership requirements. As of the date of this Proxy Statement, the Bank's Chief Executive Officer and all of the Bank's directors, with the exception of Mr. Thomas, met or exceeded the ownership policy to the extent applicable to them. As discussed above, Mr. Thomas has five years from the January 2018 adoption of the policy to attain such level of ownership.

Stockholder Engagement, Outreach and Board Responsiveness

We engage with our stockholders to ensure that the Board and management are aware of and address issues of importance to our investors. We regularly meet with various institutional stockholders and welcome feedback from other stockholders, which is considered by our Board or the appropriate Board committee. During 2017, Bank representatives, including our Chief Executive Officer, Chief Financial Officer, Senior Chief Credit Officer, Director of Investor Relations, and others, met with institutional investors 86 times, through attending investor conferences, meeting with investors at our corporate headquarters, or by teleconference.

During the fourth quarter of 2017 and the first quarter of 2018, our representatives, including our Director of Investor Relations and Director of Corporate Communications, reached out to a group of our largest stockholders to speak specifically about corporate governance policies and practices, in general and as they may apply to Opus Bank. As part of the outreach campaign, we reached out to 19 of our largest stockholders, excluding the Significant Investors, who together held 40% of the Bank's common shares outstanding as of December 31, 2017. In total, along with the Significant Investors (but excluding stockholders employed by the Bank), we reached out to the owners of 75% of our common stock outstanding as of December 31, 2017. We hosted conference calls with representatives of eleven shareholders, who collectively held 27% of the Bank's common shares outstanding as of December 31, 2017, including eight of the top ten shareholders other than our Significant

Investors. Below is a summary of the topics we discussed with stockholders during our outreach campaign and earlier in 2017 and the Board’s response to each.

What We Heard	Our Board’s Response
Investors generally prefer annual elections of all directors (“declassified”) versus staggered elections (“classified”).	We committed to submit for stockholder approval, within the next three years, an amendment to the Articles of Incorporation to declassify the Board of Directors.
The majority of our investors prefer a board leadership structure that separates the roles of Chairman of the Board and Chief Executive Officer.	We separated the roles of Chairman of the Board and Chief Executive Officer and appointed Paul G. Greig, previously our Lead Independent Director, non-executive Chairman.
Diversity of board members qualifications, including relevant skills, experience, education, ethnicity, gender, and age, is an important attribute of effective boards. Boards should provide disclosures on diversity and the methods being employed to increase board diversity.	We expanded on our commitment to diversity by revising our Nominating and Corporate Governance Committee charter to specifically consider gender diversity when identifying candidates for election to the Board, in addition to skill-sets, ethnicity, specific business background, and global or international experience. Our Board of Directors has emphasized to the independent recruitment firm it has retained to assist with director nominee searches that gender diversity is a top priority for the Board. Furthermore, an independent recruitment firm is currently assisting us in the search for an independent director candidate to replace Curtis A. Glovier and has been instructed to consider gender diversity a top priority in the evaluation process.
The Board should have a variety of sources of information, including independent, third party consultants.	We engaged independent consulting firms throughout 2017 to advise the Board on corporate governance matters and director recruitment efforts.
The compensation structure of executives should match the Bank’s long-term strategy and should include performance-based compensation, including the use of relative performance metrics, as a significant component of executive compensation.	We adopted a requirement that our Chief Executive Officer own an amount of our stock valued at not less than six times the Chief Executive Officer’s annual base salary, and a requirement that that at least 50% of the target economic value of each equity incentive award granted to executive officers in the future be subject to the achievement of at least one relative performance-based metric. We also adopted a formal Clawback Policy, which allows for the recoupment of certain executive incentive compensation in certain circumstances in the event of an accounting restatement due to material error, omission or fraud.
Boards should provide ample disclosure on the annual Board evaluation process.	We approved enhancements to the Board’s annual evaluation process, which assesses the effectiveness and contributions of the Board, its committees, and individual directors. We also enhanced and expanded our disclosure in this proxy statement about governance matters, and committed to continue to regularly evaluate the content of such disclosure in future annual reports and proxy statements.

Corporate Code of Conduct and Business Ethics Policy

Our Board of Directors has adopted a Corporate Code of Conduct and Business Ethics Policy that applies to all of our directors, principal executives, senior financial officers and all of our other officers and employees. Our Corporate Code of

Conduct and Business Ethics Policy provides fundamental ethical principles to which these individuals are expected to adhere to and will operate as a tool to help our directors, officers, and employees understand the high ethical standards required for employment by, or association with, our Bank. Our Corporate Code of Conduct and Business Ethics Policy is available on our Investor Relations website at <http://investor.opusbank.com>. Any amendments to the Corporate Code of Conduct and Business Ethics Policy, or any waivers of its requirements, will be publicly disclosed on our website as required by the rules of The NASDAQ Stock Market and the Exchange Act.

Compensation Committee Interlocks and Insider Participation

None of the members of our Compensation Committee will be, or will have been, one of our officers or employees. In addition, none of our executive officers serves or has served as a member of the compensation committee or other board committee performing equivalent functions of any entity that has one or more executive officers serving as one of our directors or on our Compensation Committee.

Risk Management and Oversight

Our Board of Directors oversees our risk management process, which entails a company-wide approach to risk management that is carried out by the Bank's management team. Our full Board of Directors determines the appropriate risk for us generally, assesses the specific risks faced by us, and reviews the steps taken by management to manage those risks. While our full Board maintains the enterprise-wide oversight responsibility for the risk management process, its committees assist in the oversight of risk in specified areas, which are described below.

During 2017, our Board of Directors, upon consideration of industry best practices and the Bank's anticipated growth, separated the Audit and Risk Committee into two independent committees and created separate Audit Committee and Risk Oversight Committee charters to specify the powers and responsibilities of each. Our Risk Oversight Committee oversees the guidelines and policies that govern the process by which we handle risk assessment and risk management. Our Audit Committee assists the Board in fulfilling its risk oversight responsibilities relating to the Bank's financial statements, the financial reporting process, and the overall system of internal controls.

Our Compensation Committee is responsible for overseeing the management of risks relating to our executive compensation plans and arrangements, and the incentives created by the compensation awards it administers.

Our Nominating and Corporate Governance Committee is responsible for overseeing the management of risks associated with related party transactions. Pursuant to our Board of Directors' instruction, management regularly reports on applicable risks to the relevant committee or the full Board, as appropriate, with additional review or reporting on risks conducted as needed or as requested by our Board of Directors and its committees.

Committees of the Board

Our Board of Directors has established standing committees in connection with the discharge of its responsibilities. These committees are the Audit Committee, the Compensation Committee, the Executive Committee, the Nominating and Corporate Governance Committee, and the Risk Oversight Committee.

Audit Committee. The Audit Committee assists our Board of Directors in fulfilling its responsibilities for general oversight of the integrity of our financial statements, the independent auditors' qualifications and independence, and the performance of our internal audit function and independent auditors. Among other things, the audit related services and responsibilities of the Audit Committee include:

- annually reviewing and approving the Audit Committee and Internal Audit Department Charters;
- overseeing and assessing the performance of both the internal audit function and the independent external auditors;
- appointing, evaluating, and determining the compensation of our independent auditors;
- reviewing and approving the scope of the annual audit, the audit fee and the financial statements;
- reviewing and approving external financial statements and reports;
- reviewing disclosure controls and procedures, internal controls, and corporate policies with respect to financial information;

- reviewing financial and other reports required by regulation and financial reporting requirements; and
- overseeing investigations into complaints concerning financial matters, if any.

The members of the Audit Committee are Mr. Thomas (Chair) and Messrs. Cicirelli, King, Meyer, and Schaffer, each of whom is financially sophisticated, as defined pursuant to the rules of The NASDAQ Stock Market, and independent, as defined pursuant to the rules of The NASDAQ Stock Market and Rule 10A-3 of the Exchange Act. Our Board of Directors has determined that Mr. Thomas is the audit committee financial expert, as that term is defined in Item 407(d) of Regulation S-K under the Exchange Act.

The Audit Committee has adopted a written charter that, among other things, specifies the scope of its rights and responsibilities. The charter of the Audit Committee is available on our Investor Relations website at <http://investor.opusbank.com>.

Executive Committee. The Executive Committee's primary role is to exercise all of the powers of the Board of Directors during the intervals between meetings of the Board of Directors, except as otherwise limited by the laws of the State of California, our Articles of Incorporation and our Bylaws. The members of the Executive Committee consist of Mr. Greig (Chair) and Messrs. Gordon, Meyer, Schaffer, and Thomas.

The Executive Committee has adopted a written charter that, among other things, specifies the scope of its rights and responsibilities. The charter of the Executive Committee is available on our Investor Relations website at <http://investor.opusbank.com>.

Compensation Committee. The Compensation Committee is responsible for discharging our Board of Directors' responsibilities relating to the compensation, both direct and indirect, to be paid to our directors and executive officers. Among other things, the Compensation Committee:

- annually reviews the Compensation Committee charter and the committee's performance;
- annually reviews and approves the corporate goals and objectives relevant to the compensation of our Chief Executive Officer;
- determines the annual compensation of our directors and executive officers;
- determines whether, when and to what extent additional compensation should be paid to the non-executive Chairman for his service;
- reviews the compensation decisions made by our Chief Executive Officer with respect to our other officers;
- oversees the administration of our equity plans and our incentive compensation plans and programs in which our senior executive officers participate and prepares recommendations and periodic reports to our Board of Directors relating to these matters;
- oversees the management of risks relating to our executive compensation plans and arrangements, and the incentives created by the compensation awards it administers;
- reviews our executive compensation policies and plans; and
- oversees our compensation practices generally.

The members of the Compensation Committee are Messrs. Meyer (Chair), Cicirelli, Deason, Thomas, and Schaffer, each of whom qualifies as an independent director as defined under the applicable rules and regulations of The NASDAQ Stock Market and the Exchange Act.

The Compensation Committee has adopted a written charter that, among other things, specifies the scope of its rights and responsibilities. The charter of the Compensation Committee is available on our Investor Relations website at <http://investor.opusbank.com>.

Risk Oversight Committee. The Risk Oversight Committee assists the Board of Directors in its oversight responsibilities relating to our assessment and management of risk. Among other things, the risk related services and responsibilities of the Risk Committee include:

- annually reviewing the Risk Oversight Committee charter and the committee's performance;
- reviewing the Bank's enterprise risk management policies and oversees the implementation of the Bank's enterprise risk management framework, including the strategies, policies, procedures and systems established

by management to identify, assess, measure and manage the Bank's material risk categories, including credit, operational, liquidity and interest rate risk;

- reviewing our compliance management program, information security policy, disaster recovery plans, regulatory reports made by the independent auditor or management and internal audit reports;
- overseeing our guidelines and policies that govern risk assessment and risk management; and
- reviewing other risks that may have a significant impact on our financial statements.

The members of the Risk Oversight Committee are Messrs. Greig (Chair), Cicirelli, King, Meyer, and Schaffer, each of whom qualifies as an independent director as defined under the applicable rules and regulations of The NASDAQ Stock Market and the Exchange Act.

The Risk Oversight Committee has adopted a written charter that, among other things, specifies the scope of its rights and responsibilities. The charter of the Risk Oversight Committee is available on our Investor Relations website at <http://investor.opusbank.com>.

Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee is responsible for discharging our Board of Directors' responsibilities relating to the corporate governance of our organization. Among other things, the Nominating and Corporate Governance Committee is responsible for:

- identifying individuals qualified to become members of our Board of Directors and recommending director candidates for election or re-election to our Board of Directors;
- overseeing the annual self-assessment process of our Board of Directors;
- monitoring our governance principles and practices;
- reviewing and approving or ratifying related person transactions; and
- conducting succession planning for our Chief Executive Officer and, with input from our Chief Executive Officer and other members of our management as appropriate, undertaking an annual review of our program for management development and succession planning for executive officers other than our Chief Executive Officer.

The members of the Nominating and Corporate Governance Committee are Messrs. Schaffer (Chair), Deason, Greig, King, and Meyer, each of whom qualifies as an independent director as defined under the applicable rules and regulations of The NASDAQ Stock Market and the Exchange Act.

The Nominating and Corporate Governance Committee has adopted a written charter that, among other things, specifies the scope of its rights and responsibilities. The charter of the Nominating and Corporate Governance Committee is available on our Investor Relations website at <http://investor.opusbank.com>.

Compensation of Directors

We pay our non-employee directors, other than the directors nominated by the Significant Investors, an annual retainer of \$70,000 per year, paid on a monthly basis. During 2017, our non-employee directors, other than the directors nominated by the Significant Investors, also received \$2,500 per Board of Directors meeting attended. The non-executive Chairman receives an annual cash retainer of \$75,000 in addition to the annual retainer awarded to non-employee directors. The chairpersons of our Audit Committee and Risk Oversight Committee receive an annual retainer of \$15,000, the chairperson of our Compensation Committee receives an annual retainer of \$10,000, and the chairperson of our Nominating and Corporate Governance Committee receives an annual retainer of \$5,000, as compensation for their services as chairperson of such committees. In addition, any director serving as co-chairperson of such committees receives an annual retainer of \$7,500 per committee. Each non-employee director, other than the directors nominated by the Significant Investors, also receives an annual equity grant paid in restricted stock equal to \$60,000 under the Opus Bank 2010 Long-Term Incentive Plan, as amended (the "2010 Incentive Plan"). The directors nominated by the Significant Investors are employees of, and compensated by, the Significant Investors and as a result do not receive any cash or stock compensation from the Bank in exchange for their service on the Bank's Board.

The following table sets forth compensation paid, earned or awarded during 2017 to each of our non-employee directors, other than the directors nominated by the Significant Investors.

<u>Name</u>	<u>Fees Earned Or Paid In Cash</u>	<u>Stock Awards(1)</u>	<u>Options Awards</u>	<u>All Other Compensation</u>	<u>Total</u>
Paul G. Greig	\$137,500	\$60,007	--	--	\$197,507
Michael L. Meyer	149,167	60,005	--	--	209,172
Mark E. Schaffer	158,750	60,005	--	--	218,755
Richard C. Thomas	48,333	60,015	--	--	108,348

(1) The amounts shown in this column represent the grant date fair value of restricted stock awards granted during the fiscal year shown that vest in three equal annual installments subject to the named director's continued service and does not represent amounts paid to or realized by the director during that fiscal year. The grant date fair value of the restricted stock awards was calculated in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 718, Stock Compensation. Assumptions used in the calculation of these amounts are discussed in Note 19 to our Consolidated Audited Financial Statements for the fiscal year ended December 31, 2017, included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2017. At December 31, 2017, the non-employee directors had unvested shares of restricted common stock as follows: Mr. Greig – 2,516 shares; Mr. Meyer – 4,641 shares; Mr. Schaffer – 4,641 shares; and Mr. Thomas – 2,638 shares. In addition, at December 31, 2017, non-employee directors held outstanding stock options as follows: Mr. Greig – 0; Mr. Meyer – 17,598; Mr. Schaffer – 17,598; and Mr. Thomas – 0.

Directors are reimbursed for travel, food, lodging, and other expenses directly related to their activities as directors. Directors are also entitled to the protection provided by the indemnification provisions in our Articles of Incorporation and Bylaws, and we have also entered into indemnification agreements with our directors to provide indemnification in accordance with California law in the event and to the extent that insurance fails to cover any legally indemnifiable expenses reasonably incurred by them. See "Executive Compensation—Indemnification Agreements."

Executive Officers

In addition to the employee directors listed above, the business and banking background and experience of each of our executive officers is presented below. No executive officer has any family relationship with any other executive officer or any directors.

Brian Fitzmaurice, age 57, Senior Executive Vice President and Senior Chief Credit Officer. Mr. Fitzmaurice, a 35-year banking veteran, joined our Bank in November 2016 and was appointed a member of the Bank's Executive Committee. Mr. Fitzmaurice was previously with City National Bank, a subsidiary of Royal Bank of Canada ("RBC"), where he served as Executive Vice President and Chief Credit Officer since February 2006. During his tenure at City National Bank, he was a member of the Executive, ALCO, Credit Policy, and Enterprise Risk Management Committees, as well as the Chief Risk Office's Operating, U.S. Credit Risk, and U.S. Operational Committees of City National Bank's parent, RBC. From 2002 to 2006, Mr. Fitzmaurice served as National Senior Risk Manager for Citigroup's Commercial Markets Group. From 1998 to 2002, Mr. Fitzmaurice served as Senior Credit Officer Commercial Banking at CalFed, prior to its acquisition by Citigroup in 2002. From 1991 to 1998, Mr. Fitzmaurice served with Michigan National Bank, a subsidiary of National Australia Bank, rising to the position Head of Credit Bureau, a title equivalent to Chief Credit Officer. Mr. Fitzmaurice started his career with Bank of America in 1983, and subsequently held management level credit positions with Citicorp, Inc.; Merabank, FSB; and Westinghouse Credit Corporation. Mr. Fitzmaurice holds a Bachelor of Science degree in Business Administration with an emphasis in Marketing from Northern Arizona University.

Jim Haney, age 61, Executive Vice President, Head of Commercial and Specialty Banking. Mr. Haney, a 32-year banking veteran, joined our Bank in February 2018 as Executive Vice President, Head of Commercial and Specialty Banking. From 2006 to 2018, Mr. Haney served with City National Bank ("CNB") as Senior Vice President and Regional Manager – Los Angeles Metro Region. While at CNB, Mr. Haney was responsible for offices with approximately \$1.5 billion in loans outstanding, \$2.4 billion in loan commitments, and \$2.4 billion in core deposits. From 2002 to 2006, Mr. Haney served as Senior Vice President, Los Angeles Market Director for Citibank Commercial Banking. From 1998 to 2002, Mr. Haney served as the Los Angeles Market Manager for Commercial Banking at California Federal Bank ("CalFed") until its acquisition by Citibank in 2002. From 1996 to 1998, Mr. Haney served as Director of Business Banking for CalFed, and since 1985 served in various capacities at Bank of America, including Commercial Banking, Business Banking, Retail Banking and Sales Management. Prior to joining Bank of America, Mr. Haney spent four years in the securities industry. Mr. Haney holds a Bachelor of Science degree from the University of Utah.

Geoff Anfuso, age 39, Executive Vice President, Head of Specialty Banking. Mr. Anfuso, a 14-year banking veteran, joined our Bank in May 2013 as Senior Managing Director - Institutional Syndications and was promoted to Senior Vice President, Head of Commercial and Specialty Banking in October 2016. In November 2016, Mr. Anfuso was promoted to Executive Vice President and was appointed a member of the Bank's Executive Committee. From 2010 to 2013, Mr. Anfuso served with Wells Fargo Bank as Senior Vice President – Team Lead, Commercial Banking Group and was responsible for structuring credit facilities for working capital, acquisitions, equipment, and real estate transactions and the business development efforts of his team. Earlier at Wells Fargo, Mr. Anfuso served as Senior Vice President, Underwriting Manager within the Specialty Finance group. Mr. Anfuso began his career in 2001 as a consultant with PricewaterhouseCoopers, L.L.P. (“PwC”) and FTI Consulting, Inc. subsequent to its acquisition of PwC's U.S.-based restructuring business in 2002. Mr. Anfuso holds a Bachelor of Science in Business Administration from the University of Southern California.

Balaji Krishna, age 42, Executive Vice President, Chief Banking Officer and Head of Sales. Mr. Krishna, a 17-year banking veteran, joined our Bank in December 2010 as a Vice President in our Retail Banking division. In July 2013, Mr. Krishna was promoted to Senior Vice President, Head of Sales. In December 2016, Mr. Krishna was promoted to Executive Vice President and Chief Banking Officer and was appointed a member of the Bank's Executive Committee. Prior to joining us, Mr. Krishna held various roles across increasing areas of responsibility including overseeing business development and treasury management sales, retail banking and sales management at community banks in Southern California, including at CCB. From 2001 to 2005, Mr. Krishna served in business development and wealth management roles in Bank of America's Premier Banking group and Banc of America Investments. Mr. Krishna began his banking career in Florida in 1999 in BankUnited's banking and wealth management divisions.

Edward Padilla, age 49, Executive Vice President, Co-Chief Lending Officer and Head of the Commercial Real Estate Banking. Mr. Padilla joined our Bank in July 2011 and is a 14-year banking veteran. Mr. Padilla initially served as our Senior Vice President and Senior Credit Administrator and was promoted to Head of Income Property Banking in July 2013. In July 2015, Mr. Padilla was promoted to Senior Vice President, President of Commercial Real Estate Banking. In November 2016, Mr. Padilla was promoted to Executive Vice President, Co-Chief Lending Officer, Head of Commercial Real Estate Banking and was appointed a member of the Bank's Executive Committee. Prior to joining us, Mr. Padilla was Vice President for JP Morgan Chase Multifamily Finance and was a team lead within their Special Credit's group. He was also a Senior Portfolio Manager managing a loan portfolio of over \$700 million within the Real Estate Banking division and held the title of Senior Underwriter within the Commercial Term Lending division. At Washington Mutual, Mr. Padilla led the underwriting team for their Commercial Real Estate Lending division. Earlier in his career, Mr. Padilla served in senior underwriting and asset management roles with Deutsche Bank, Freddie Mac, and the Archon Group, a subsidiary of Goldman Sachs. Mr. Padilla actively served six years in the US Navy as an air crewman, is a Gulf War veteran and served in Operation Desert Shield. Mr. Padilla holds a B.S. in Finance and Business Economics and an M.B.A. in Business/Real Estate both from the University of Southern California.

Jason Raefski, age 48, Executive Vice President, Treasurer. Mr. Raefski is a 25-year banking veteran who joined our Bank in May 2013. Mr. Raefski's areas of oversight include the Bank's treasury and capital markets activities, asset/liability and interest rate risk management, liquidity management, financial planning and analysis, budgeting and forecasting, and cash management. Prior to joining us, Mr. Raefski was with Sunwest Bank, where he served as EVP, Chief Financial Officer from 2007 to 2013. As CFO of Sunwest, Mr. Raefski engaged in multiple bank acquisitions, and focused on balance sheet, tax, capital, and risk management strategies and earnings improvement. Earlier in his career, Mr. Raefski served as Senior Vice President, Director of Finance for CCBI from its formation through its sale to Washington Mutual for approximately \$1 billion in an all cash transaction in October 2006. Mr. Raefski started his career with the investment banking firm Sandler O'Neill & Partners in 1992. Mr. Raefski holds a Bachelor of Science in Economics and Finance from Bentley University.

Richard A. Sanchez, age 61, Executive Vice President and Corporate Secretary. Mr. Sanchez serves as our Executive Vice President and Corporate Secretary and has been with us since we completed the recapitalization in September 2010. Additionally, Mr. Sanchez currently serves as a director of the Opus Community Foundation. Mr. Sanchez previously served as an Executive Vice President and Chief Administrative Officer of Fremont and FRC from November 2007 to September 2008 and as Interim President and Chief Executive Officer of Fremont and FRC from October 2008 to July 2010. He served as a director of Fremont and FRC from March 2008 to June 2010. Prior to his role at the Fremont companies, Mr. Sanchez's experience (2002-2007) included serving as a Director, Chief Administrative Officer and Corporate Secretary for CCBI and its-subsiary CCB, a federally chartered savings bank headquartered in Irvine, CA. Mr. Sanchez served as a director for both companies from November 2005 through the acquisition by Washington Mutual in October 2006. From 1993 to 2002, Mr. Sanchez was Deputy Regional Director for the Office of Thrift Supervision (“OTS”) in the Western region. In this capacity, Mr. Sanchez supervised examiners responsible for and planned and directed the examination and supervision of

85 insured financial institutions with total assets over \$300 billion. Mr. Sanchez directed the corrective actions of federally chartered thrifts found to be operating in an unsafe and unsound condition, or not operating in compliance with laws, regulations or federal regulatory policies. Mr. Sanchez was the recipient of Treasury Secretary Awards in 1994 and 1996 in connection with the resolution of seriously troubled thrifts at no cost to the Resolution Trust Corporation or Savings Association Insurance Fund. Mr. Sanchez supervised six assistant directors and a staff of approximately 100 professionals located in San Francisco, Seattle, and Southern California. Mr. Sanchez spent the ten previous years at the OTS and its predecessor agency in various capacities, which included Assistant Director with supervisory responsibilities for both problem institutions and large institution groups. Mr. Sanchez holds a B.S. in business administration from California State University, San Francisco.

Dwayne A. Sharpy, age 53, Executive Vice President and Chief Risk Officer. Mr. Sharpy, a 30-year banking veteran, joined our Bank in May 2016 and was appointed a member of the Bank's Executive Committee. Mr. Sharpy was previously with JPMorgan Chase Bank, N.A., where he served as Compliance Managing Director – Commercial Banking, having joined JPMorgan Chase in 2006. While at JPMorgan Chase, Mr. Sharpy was responsible for the implementation, management, and administration of the comprehensive compliance program for Commercial Banking, including management of regulatory relationships with external banking and securities regulators such as the OCC, CFPB, SEC, FINRA, and NYSE. Mr. Sharpy served as a key member of the Commercial Banking Management and Risk Committees and was responsible for ensuring compliance with all federal, state, municipal, and local rules and regulations for both banking and securities regulators. From 1995 to 2003, Mr. Sharpy served as Risk Management – Chief Operating Officer, Private Clients & Asset Management Division of Deutsche Bank AG, where he was responsible for the entire review of the Global Private Client and Asset Management business, including the review of global credit and operational risk internal controls, identification of Best Practices, streamlining risk management processes and procedures and the development and implementation of enhanced global risk management strategy. Earlier in his career, Mr. Sharpy served with Bank of America focusing on credit risk management and KPMG Peat Marwick with a financial services specialization. Mr. Sharpy holds a Bachelor of Science in Business Administration from Massachusetts College, where he graduated with honors, and holds a certificate in Financial Risk Management from New York University.

Jennifer Simmons, age 44, Executive Vice President and Chief Operating Officer. Ms. Simmons joined our Bank in April 2014 as our Senior Vice President of Strategies and Growth. In October 2015, Ms. Simmons was promoted to Executive Vice President and Chief Operating Officer and was appointed a member of the Bank's Executive Committee. Ms. Simmons is responsible for leading, managing, and directing the operational and support functions of our Bank, including Banking Operations, Information Technology, Project Management, Corporate Real Estate, and Vendor Management and Procurement, as well as acquisition integration, and process improvement and efficiency management. Ms. Simmons, a 23-year banking veteran, served as SVP, Business Manager of the Business Banking Group at Union Bank from 2010 to 2014, where she led an 18 person team responsible for strategic planning and governance, sales processes, operations, projects, technology, systems administration, incentive design and administration, data integrity, analytics and reporting, business model development, product development, acquisition due diligence and integration, pricing tool design and administration, business process improvement, policy and guidelines and procedure administration, and audit planning. From 2008 to 2010, Ms. Simmons served in senior leader positions at Wachovia and at Wells Fargo following its acquisition of Wachovia in 2008, including serving as SVP, Northern California Director and Business Banking Group Transition Leader. From 1993 to 2008, Ms. Simmons held numerous leadership positions with Bank of America, serving most recently as SVP, Sales Performance Executive where she co-led the Pacific Southwest Business Banking, which comprised 11 Market Executives and over 250 Associates. Ms. Simmons holds a B.A. in Political Science from the University of Florida and graduated from the Pacific Coast Banking School with honors.

Joseph Simpson, age 56, Executive Vice President, Chief Audit Executive. Mr. Simpson, a 30-year banking veteran, joined our Bank in July 2017. Mr. Simpson is responsible for supervision and operation of the Bank's internal audit function. Prior to joining us, Mr. Simpson was with HealthNow New York, an independent licensee of the BlueCross BlueShield Association, where he served as Director of Enterprise Risk Management from 2016-2017. From 2013 to 2016, Mr. Simpson served as Chief Audit Executive at First Niagara Bank, where he directed a team of 40+ professionals and reported to the Chief Executive Officer and Chair of the Board of Directors' Audit Committee. During his tenure at First Niagara, Mr. Simpson re-engineered their Internal Audit function and implemented a comprehensive transformation of the department's risk assessment and audit processes before the bank's sale to KeyBank in 2016. Prior to joining First Niagara, Mr. Simpson spent 24 years at HSBC Bank USA, where he served in various financial reporting positions, rising to the position of Chief Accounting Officer for all North American operations in 2006 and also headed HSBC's Global Finance, Tax and Capital Audit functions from 2010 to 2013. Mr. Simpson started his career at PricewaterhouseCoopers in Buffalo, NY. He holds a

Bachelor of Science degree in Accounting from Canisius College in Buffalo, NY, where he graduated Magna Cum Laude. Mr. Simpson is a member of the American Institute of Certified Public Accountants.

Kevin L. Thompson, age 44, Executive Vice President and Chief Financial Officer. Kevin Thompson joined our Bank in November 2017. Mr. Thompson oversees our accounting and finance functions, including but not limited to, financial performance and reporting, strategic planning, income taxes and coordination of our external auditors and banking regulators. Prior to joining us, Mr. Thompson was Executive Vice President and Chief Financial Officer of Midland States Bancorp from 2016-2017 where he provided leadership and guidance in the bank's strategic business planning and forecasting; evaluated merger and acquisition opportunities; and developed strategies to strengthen relationships with investors, investment bankers, research analysts, and regulatory agencies. From 2014 to 2016, Mr. Thompson served as Senior Vice President, Corporate Finance at Zions Bancorporation, where he managed all of the capital processes for the \$65 billion asset bank, including CCAR and DFAST stress testing, policies, capital adequacy, and regulatory interactions. Mr. Thompson's responsibilities at Zions also included managing its Capital Management Committee and the budgeting, forecasting, and implementation of capital rules and Basel III for Zions and its seven subsidiary banks. From 2010 to 2014, Mr. Thompson served as Chief Financial Officer and Treasurer at \$35 billion asset American Express Centurion Bank, where he was responsible for developing the bank's strategic plan; financial reporting; budgeting and forecasting; overseeing the Asset/Liability processes, including interest rate risk, liquidity, and implementation of the new liquidity rules; issuance of debt and equity; cash management; contract negotiations; and capital expenditures. Mr. Thompson joined American Express Centurion Bank in 2006, serving as the bank's Controller. Earlier in his career, Mr. Thompson served as International Controller with AgReserves, and as Auditor with Advanta Bank Corporation and earlier as a Senior Auditor with Neilson Elggren, LLP. Mr. Thompson holds a Bachelor of Science degree in International Relations and an MBA, both from Brigham Young University. Mr. Thompson is a Certified Public Accountant, licensed in the State of Utah since 2003.

Brian Williams, age 59, Executive Vice President and Chief Administrative Officer. Mr. Williams, a 36-year banking veteran, joined our Bank in July 2017 and was appointed a member of the Bank's Executive Committee. Mr. Williams was previously with FirstMerit, the holding company of FirstMerit Bank N.A., where he served as Executive Vice President, Chief Audit Executive from 2008 to 2014 and Executive Vice President, Chief Risk Officer from 2014 until its merger with Huntington Bancshares Incorporated in August 2016. During his tenure at FirstMerit, Mr. Williams served as a member of FirstMerit's Executive, ALCO, Enterprise Risk Management, and Technology Committees, and reported directly to FirstMerit's Chairman and Chief Executive Officer and its Board of Directors' Risk and Audit Committees. Mr. Williams developed and led the Risk Management function at FirstMerit, as well as performed internal audit integration work for the bank's acquisition of Citizens Republic Bancorp in 2012. Prior to joining FirstMerit, Mr. Williams spent 27 years at Huntington Bancshares, Inc., the holding company for The Huntington National Bank, where he served in various Audit, Operational, and Risk Management positions rising to the level of Senior Vice President. Mr. Williams holds a Bachelor of Science degree in Accounting from The Ohio State University. Mr. Williams also holds professional designations as Certified Internal Auditor (CIA) and Certified Information Systems Auditor (CISA), as well as the Six Sigma Black Belt from The Ohio State University, Fisher College of Business.

EXECUTIVE COMPENSATION

Our named executive officers for 2017, which consist of our principal executive officer, our principal financial and accounting officer, and our two other most highly compensated executive officers, are:

- Stephen H. Gordon, President and Chief Executive Officer;
- Kevin L. Thompson, Executive Vice President, Chief Financial Officer;
- Brian Fitzmaurice, Senior Executive Vice President, Senior Chief Credit Officer; and
- Edward Padilla, Executive Vice President, Co-Chief Lending Officer and Head of Commercial Real Estate Banking.

Messrs. Gordon, Thompson, Fitzmaurice, and Padilla, are collectively referred to as our “named executive officers.”

Summary Compensation Table

The following table provides information regarding the compensation of our named executive officers for our fiscal years ended December 31, 2017, 2016, and 2015.

Name and Principal Position	Year	Salary(1)	Bonus(2)	Stock Awards(3)	All Other Compensation(4)	Total
Stephen H. Gordon Chairman, President and Chief Executive Officer	2017	\$772,720	\$200,000	\$0	\$34,763	\$1,007,483
	2016	800,000	--	720,009	30,687	1,550,696
	2015	799,231	1,470,000	1,000,023	30,410	3,299,664
Kevin L. Thompson Executive Vice President and Chief Financial Officer	2017(5)	42,500	215,000	200,012	3,463	460,975
Brian Fitzmaurice Senior Executive Vice President, Senior Chief Credit Officer	2017	500,000	1,500,000	150,011	22,776	2,172,787
	2016(6)	25,000	500,000	--	46	525,046
Edward Padilla Executive Vice President, Co-Chief Lending Officer, Head of Commercial Real Estate Banking	2017	867,057	200,000	100,008	26,038	1,193,103
	2016(7)	1,180,979	85,000	125,008	26,034	1,417,021

(1) The amounts shown in this column represent salaries earned during the fiscal year shown. The salary for Mr. Gordon during 2016 included a) 2,339 shares of restricted stock awards granted on February 17, 2016 with a grant date fair value of \$72,930 that vested entirely on February 17, 2017, b) 15,681 restricted stock units granted on February 17, 2016 with a grant date fair value of \$488,934 that vested entirely on February 17, 2017 and were deferred into the Deferred Compensation Plan and c) \$238,136 of cash. Additionally, the salary for Mr. Padilla during 2017 included a) \$325,000 of base salary and b) \$542,057 of incentive based cash compensation and during 2016 included a) \$298,365 of base salary and b) \$882,614 of incentive based cash compensation.

(2) The amounts shown in this column represent bonuses that were earned during the fiscal year shown and paid in the following fiscal year. Mr. Gordon elected to receive \$1,177,544 of his bonus in the form of restricted stock awards and restricted stock units in 2015. Additionally, the bonus for Mr. Thompson included a \$200,000 sign-on bonus.

(3) The amounts shown in this column represent the grant date fair value of restricted stock awards granted during the fiscal year shown and do not represent amounts paid to, or realized by, the named executive officer during that fiscal year. The grant date fair value of the restricted stock awards was calculated in accordance with FASB ASC Topic 718, Stock Compensation. Assumptions used in the calculation of these amounts are discussed in Note 19 to our Consolidated Audited Financial Statements for the fiscal year ended December 31, 2017, included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2017.

- (4) As All Other Compensation, (a) Mr. Gordon received (i) health and welfare benefits of approximately \$18,138, \$16,631 and \$15,760 in 2017, 2016 and 2015, respectively, (ii) an auto allowance of \$12,000 in each of 2017, 2016 and 2015, (iii) a payment of \$4,625 to cover down round provisions associated with Series A Preferred Stock Warrants held by Mr. Gordon that were triggered as part of the private placement offering that closed on February 15, 2017, and (iv) employer 401(k) contributions of approximately \$0, \$2,056 and \$2,650 in 2017, 2016 and 2015, respectively; (b) Mr. Fitzmaurice received (i) health and welfare benefits of approximately \$18,138 in 2017, (ii) employer 401(k) contributions of approximately \$4,038 in 2017 and (iii) a cellular phone allowance of approximately \$600 in 2017; (c) Mr. Padilla received (i) health and welfare benefits of approximately \$18,138 and \$16,631 in 2017 and 2016 respectively, (ii) an auto allowance of \$6,000 in each of 2017 and 2016, and (iii) employer 401(k) contributions of approximately \$1,900 and \$3,403 in 2017 and 2016; and (d) Mr. Thompson received (i) health and welfare benefits of approximately \$1,511 in 2017, (ii) an auto allowance of approximately \$692 in 2017, (iii) a relocation allowance of approximately \$1,190 in 2017 and (iv) a cellular phone allowance of approximately \$69 in 2017.
- (5) Mr. Thompson joined the Bank in November 2017.
- (6) Mr. Fitzmaurice joined the Bank in November 2016.
- (7) Mr. Padilla became a named executive officer for the fiscal year ended December 31, 2016.

Employment Agreements

We have entered into employment agreements with each of our named executive officers. The general terms of the employment agreements for each of our named executive officers are summarized below. The employment agreements for each of Messrs. Gordon and Fitzmaurice have a three-year term and, on the first annual anniversary date and thereafter, are subject to annual review and extension by our Board of Directors for an additional one year. Mr. Padilla and Mr. Thompson's employment agreements have a two-year term and are subject to annual review and extension by our Board of Directors.

Employment Agreement with Stephen H. Gordon

Pursuant to his employment agreement dated December 8, 2012, as amended, Mr. Gordon serves as our Chief Executive Officer and President. Pursuant to his employment agreement, Mr. Gordon currently receives an annual base salary of \$800,000 and is eligible for bonuses and equity awards, in such amounts as may be approved by our Board of Directors or a duly authorized committee thereof. Mr. Gordon also receives a monthly car allowance of \$1,000. Mr. Gordon's base salary is reviewed annually by the Compensation Committee and, upon recommendation of the Compensation Committee, approved by our full Board of Directors. Mr. Gordon does not receive any compensation for service as a member of our Board of Directors. Mr. Gordon's employment agreement provides that, if any of the purchasers of our securities from our prior private offerings are prohibited from disposing or otherwise transferring their Opus Bank securities pursuant to the FDIC statement of policy on qualifications for failed bank acquisitions or any other applicable law or regulation, other than securities laws, Mr. Gordon will similarly be restricted from disposing and transferring his Opus Bank securities.

Employment Agreement with Kevin L. Thompson

Pursuant to his employment agreement dated November 10, 2017, Mr. Thompson serves as our Executive Vice President, Chief Financial Officer. Pursuant to his employment agreement, Mr. Thompson currently receives an annual base salary of \$425,000. Mr. Thompson is eligible for bonuses and equity awards, in such amounts as may be approved by our Board of Directors upon the recommendation of our Chief Executive Officer and the Compensation Committee. Mr. Thompson also receives a monthly car allowance of \$500. Mr. Thompson's base salary is reviewed annually by our Chief Executive Officer and, upon the recommendation of our Chief Executive Officer and the Compensation Committee.

Employment Agreement with Brian Fitzmaurice

Pursuant to his employment agreement dated November 30, 2016, as amended, Mr. Fitzmaurice serves as our Senior Executive Vice President, Senior Chief Credit Officer. Pursuant to his employment agreement, Mr. Fitzmaurice currently receives an annual base salary of \$500,000. Mr. Fitzmaurice is eligible for bonuses and equity awards, in such amounts as may be approved by our Board of Directors upon the recommendation of our Chief Executive Officer and the Compensation Committee. Mr. Fitzmaurice also receives a monthly car allowance of \$1,000. Mr. Fitzmaurice's base salary is reviewed annually by our Chief Executive Officer and, upon recommendation of our Chief Executive Officer, approved by the Compensation Committee.

Employment Agreement with Edward Padilla

Pursuant to his employment agreement dated March 29, 2017, Mr. Padilla serves as our Executive Vice President, Co-Chief Lending Officer and Head of Commercial Real Estate Banking. Pursuant to his employment agreement, Mr. Padilla

currently receives an annual base salary of \$325,000 plus incentive compensation based on the performance of the Commercial Real Estate Banking division, both of which may be reviewed annually by our Chief Executive Officer. Mr. Padilla is eligible for bonuses and equity awards, in such amounts as may be approved by our Board of Directors upon the recommendation of our Chief Executive Officer and the Compensation Committee. Mr. Padilla also receives a monthly car allowance of \$500.

Potential Payments Upon Termination and Change In Control

Each named executive officer is eligible for certain severance payments and benefits under his employment agreement in the event of a qualifying termination of employment. The following description of the severance payments and benefits applies generally with respect to each named executive officer, except as otherwise noted.

Termination without cause. If the employment of Messrs. Gordon or Fitzmaurice were involuntarily terminated by the Bank without “cause” during the term of the executive’s employment agreement, in consideration for executing a mutual release, the executive would be entitled to a severance payment equal to the greater of (a) the executive’s base salary for the remaining term of the employment agreement and (b) two and a half times the executive’s annual compensation for Mr. Gordon and one and a half times the executive’s annual compensation for Mr. Fitzmaurice. For purposes of calculating the severance payment, the executive’s annual compensation is equal the sum of (i) the executive’s highest rate of base salary for the calendar year in which the executive was terminated or any of the prior four calendar years, (ii) the higher of (A) the executive’s target bonus for the calendar year in which the executive’s employment was terminated and (B) the highest bonus paid to the executive for any of the prior four calendar years, and (iii) the amount of the contributions or accruals made or anticipated to have been made on the executive’s behalf to our benefit plans during the calendar year in which the executive’s employment was terminated. The severance payment would be payable in a lump sum within 65 days of the date of termination. The executive also would be entitled to the full vesting of his outstanding equity awards. In addition, the executive and the executive’s previously covered dependents would be entitled, at no expense to the executive, to the continuation of substantially comparable life, medical, dental and disability insurance coverage for the remainder of the term of the employment agreement.

If the employment of Messrs. Padilla or Thompson were involuntarily terminated by the Bank without “cause” during the term of the executive’s employment agreement, in consideration for executing a mutual release, the executive would be entitled to a severance payment equal to the greater of (a) the executive’s base salary for the remaining term of the employment agreement and (b) one times the executive’s annual compensation. For purposes of calculating this severance payment, the executive’s annual compensation is equal the greater of the executive’s highest rate of base salary for calendar year in which the executive’s employment was terminated or any of the prior four calendar years, and in the case of Mr. Padilla, would additionally include the amount of the contributions or accruals made or anticipated to have been made on the executive’s behalf to our benefit plans during the calendar year in which the executive’s employment was terminated. The executive also would be entitled to the full vesting of his outstanding equity awards. In addition, the executive and the executive’s previously covered dependents would be entitled, at no expense to the executive, to the continuation of substantially comparable life, medical, dental and disability insurance coverage for the remainder of the term of the employment agreement.

Termination for cause. If a named executive officer’s employment were terminated for “cause,” then the executive would have no right to compensation or other benefits following the date of termination. We may terminate the employment of our named executive officers for “cause” in the following situations:

- a material breach of the employment agreement or any other agreement between the executive and us by the executive;
- any act constituting dishonesty, fraud, immoral or disreputable conduct or any act of misconduct which is, or could reasonably be expected to be, harmful to us, our customers or our reputation;
- a conviction of any felony or of a misdemeanor involving moral turpitude;
- in the case of Mr. Padilla, Mr. Fitzmaurice or Mr. Thompson, insubordination, incompetence or refusal to follow or implement a clear and reasonable directive from our Chief Executive Officer;
- in the case of Mr. Gordon, refusal to follow or implement a clear and reasonable directive of our Board of Directors;
- willful malfeasance or gross neglect in the performance of the executive’s duties;
- a breach of fiduciary duty; or

- a material violation of law that is applicable to the performance of duties.

Benefits upon death. In the event that Messrs. Gordon or Fitzmaurice dies, the executive's employment agreement would not terminate until one year after the date of the executive's death, during which time the executive's estate would be entitled to the executive's salary and any bonus earned through the date of termination. Such a termination would not affect any rights the executive may have had at the time of the executive's death with respect to our insurance plans, the executive's outstanding equity awards or any other death benefit, bonus or retirement benefit. In addition, we would be required to continue substantially comparable benefit coverage of all previously covered dependents of the deceased executive, at no expense to the executive, through the remainder of the term of the relevant employment agreement. In the event that Mr. Padilla or Mr. Thompson dies, the executive's employment agreement would terminate on the date of the executive's death and the executive's estate would be entitled to the executive's salary and any bonus (and in the case of Mr. Padilla, any incentive compensation) earned through the date of termination. Such a termination would not affect any rights the executive may have had at the time of the executive's death with respect to our insurance plans, the executive's outstanding equity awards or any other death benefit, bonus or retirement benefit. In addition, we would be required to continue substantially comparable benefit coverage of all previously covered dependents of the executive, at no expense to the executive, through the remainder of the term of the employment agreement.

Potential payments upon a change in control. If the employment of Messrs. Gordon or Fitzmaurice were involuntarily terminated by the Bank other than for "cause" or due to the executive's death, in each case, on or after the effective date of a "change in control" during the term of the applicable executive's employment agreement, then, in consideration for executing a mutual release, the executive would be entitled to receive, in lieu of the payments and benefits payable to him in connection with a termination without "cause," a severance payment equal to the greater of (a) the executive's base salary for the remaining term of the employment agreement and (b) three times the executive's annual compensation for Mr. Gordon or two times the executive's annual compensation for Mr. Fitzmaurice. For purposes of this severance payment, the executive's annual compensation is equal the sum of (i) the executive's highest rate of base salary for the calendar year in which the executive was terminated, either of the prior two calendar years or the calendar year prior to the year in which the change in control occurred, (ii) the higher of (A) the executive's target bonus for the calendar year in which the executive was terminated and (B) the highest bonus paid to the executive for either of the prior two calendar years or the calendar year prior to the year in which the change in control occurred, and (iii) the amount of the contributions or accruals made or anticipated to have been made on the executive's behalf to our benefit plans during the calendar year that the executive was terminated. Such payment would be made in a lump sum on or as soon as practicable following the date of termination, but in no event later than March 15th of the calendar year following the calendar year in which the date of termination occurred. In addition, the executive and the executive's previously covered dependents would be entitled, at no expense to the executive, to the continuation of substantially comparable life, medical, dental and disability insurance coverage for three years and the full vesting of the executive's outstanding equity awards. The employment agreements with Messrs. Gordon and Fitzmaurice further provide that, in the event any of the payments to be made thereunder or otherwise upon termination of employment would be "excess parachute payments" within the meaning of Section 280G of the Internal Revenue Code of 1986, as amended, or the Code, the executive will be paid an amount equal to the sum of (a) 20% of the excess parachute payment and (b) any additional amounts necessary to compensate the executive for any taxes on the additional 20% payment. If a final determination is made that the amount of the excess parachute payment used to calculate the gross-up payment described in the preceding sentence was lower than the amount the excess parachute payment we initially calculated, we would pay to the executive an additional amount so that the executive would be in the same position that the executive would have been in if the higher excess parachute payment had been used to calculate the gross-up payment.

We are not, however, required to make any benefit payment under the employment agreements of Messrs. Gordon and Fitzmaurice, if (a) we determine, upon the advice of counsel, that the payment of such benefit would be prohibited by applicable regulations regarding employee compensation promulgated by any regulatory agency having jurisdiction over us or our affiliates, or (b) commencing in the third year from the effective date of each of Messrs. Gordon's and Fitzmaurice's employment agreements, any benefit would be a non-deductible excess parachute payment under Section 280G of the Code or create an excise tax under the excess parachute rules of Sections 280G and 4999 of the Code.

If the employment of Messrs. Padilla and Thompson were involuntarily terminated by the Bank other than for "cause" or due to the executive's death, in each case, on or after the effective date of a "change in control" during the term of the applicable executive's employment agreement, then in consideration for executing a mutual release, the executive would be entitled to receive, in lieu of the payments and benefits payable to the executive in connection with a termination without "cause," a severance payment equal to the greater of (a) the executive's base salary for the remaining term of the executive's employment agreement and (b) one times the executive's annual compensation. For purposes of this severance payment, the

executive's annual compensation is equal the sum of (i) the executive's highest rate of base salary for the calendar year in which the executive was terminated, either of the prior two calendar years or the calendar year prior to the year in which the change in control occurred, (ii) the higher of (A) the executive's target bonus for the calendar year in which the executive was terminated and (B) the highest bonus paid to the executive for either of the prior two calendar years or the calendar year prior to the year in which the change in control occurred, and (iii) the amount of the contributions or accruals made or anticipated to have been made on the executive's behalf to our benefit plans during the calendar year that the executive was terminated. Such payment would be made in a lump sum on or as soon as practicable following the date of termination. In addition, the executive and the executive's previously covered dependents would be entitled, at no expense to the executive, to the continuation of substantially comparable life, medical, dental and disability insurance coverage for twelve months and the full vesting of the executive's outstanding equity awards.

The employment agreements of Mr. Padilla and Mr. Thompson further provide that, in the event that any payment received or to be received by the executive pursuant to the employment agreement is deemed to constitute a "parachute payment" within the meaning of Section 280G of the Code, the payment would be modified or reduced in amount to the greater of (a) 2.99 times the executive's average compensation for the five calendar years immediately prior to the change in control and (b) the payments payable under the employment agreement after taking into account any excise tax imposed under Section 4999 of the Code.

Pursuant to the employment agreements of our named executive officers, a "change in control" generally means any of the following events:

- any change in control required to be reported under the federal securities laws;
- any change in control within the meaning of the CIBCA, and the rules and regulations promulgated thereunder;
- subject to certain exceptions, the acquisition by any person or group of 25% or more of our outstanding voting securities;
- during any period of 25 consecutive calendar months, members of our Board of Directors cease to constitute at least a majority of the members of our Board of Directors, subject to certain exceptions;
- consummation of a merger, consolidation, share exchange or similar transaction unless the stockholders immediately prior to such transaction own, directly or indirectly, 75% or more of the combined voting power of the surviving entity in substantially the same proportion as their ownership immediately prior to such transaction; or
- a tender offer is made and accepted for 25% or more of our outstanding voting securities.

Pursuant to the employment agreements, a "change in control" does not include a holding company reorganization consisting of the formation of a bank holding company of our Bank and the exchange of our securities for the securities of the holding company having substantially the same terms and conditions.

On January 18, 2018, the Bank committed to prohibiting excise tax gross-up provisions in future officer employment agreements, existing employment agreements will be grandfathered. The benefit will sunset upon retirement or other separation of the executive officers with such excise tax gross-up provisions.

Equity Compensation Plan Information

The following table presents information as of December 31, 2017, relating to the 2010 Incentive Plan pursuant to which the Bank may grant equity incentive awards to acquire shares of its common stock from time to time. The 2010 Incentive Plan was approved by the Bank's stockholders on September 20, 2010. The Bank does not maintain any equity incentive plans that have not been approved by the Bank's stockholders. The Board of Directors adopted amendments to the 2010 Incentive Plan increasing the authorized number of shares of common stock to be granted under the 2010 Incentive Plan by 450,000 shares in November 2010, by 261,797 shares in October 2011, and by 290,322 shares in April 2014.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance
Equity compensation plans approved by security holders	940,540	\$20.56	105,203

Outstanding Equity Awards at 2017 Fiscal Year End

The following table shows outstanding equity awards held by our named executive officers as of December 31, 2017. All of the awards shown in the table below were granted under our 2010 Incentive Plan.

Name	Options awards				Stock awards	
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$)
Stephen H. Gordon	76,561	--	20.00	10/26/2021	39,340 (1)	1,000,023
Chairman, President and Chief Executive Officer	399,148	--	20.00	9/30/2020	4,739 (2)	147,762
	85,482	--	24.79	2/3/2024	21,840 (3)	680,971
					7,697 (4)	239,992
Kevin L. Thompson . . .	--	--	--	--	8,065 (5)	200,012
Executive Vice President and Chief Financial Officer						
Brian Fitzmaurice.	--	--	--	--	5,505 (6)	150,011
Senior Executive Vice President, Senior Chief Credit Officer						
Edward Padilla	--	--	--	--	1,266 (7)	37,524
Executive Vice President, Co-Chief Lending Officer, Head of Commercial Real Estate Banking					821 (8)	27,504
					3,875 (9)	125,008
					3,670 (10)	100,008

- (1) Represents time-based shares of restricted stock that vested on January 22, 2018.
- (2) Represents time-based shares of restricted stock that vested on February 17, 2018.
- (3) Represents time-based shares of restricted stock units that vested on February 17, 2018.
- (4) Represents time-based shares of restricted stock units that vest on February 17, 2019, subject to the named executive officer's continued service through the vesting date.
- (5) Represents time-based shares of restricted stock that vest on November 10, 2020, subject to the named executive officer's continued service through the vesting date.
- (6) Represents time-based shares of restricted stock that vest on January 27, 2020, subject to the named executive officer's continued service through the vesting date.
- (7) Represents time-based shares of restricted stock that vest on March 2, 2018, subject to the named executive officer's continued service through the vesting date.
- (8) Represents time-based shares of restricted stock that vest on June 15, 2018, subject to the named executive officer's continued service through the vesting date.
- (9) Represents time-based shares of restricted stock that vest on February 28, 2019, subject to the named executive officer's continued service through the vesting date.
- (10) Represents time-based shares of restricted stock units that vest on January 27, 2020, subject to the named executive officer's continued service through the vesting date.

Opus Bank 2010 Long-Term Incentive Plan

Introduction. The purpose of the 2010 Incentive Plan is to promote our long-term success and the creation of stockholder value by (1) encouraging officers, employees, directors and individuals performing services for our Bank as consultants or independent contractors to focus on critical long-range objectives, (2) encouraging the attraction and retention

of officers, employees, directors, consultants and independent contractors with exceptional qualifications, and (3) linking officers, employees, directors, consultants and independent contractors directly to stockholder interests through a proprietary interest in us through stock ownership. The 2010 Incentive Plan provides for the grant of incentive stock options, non-qualified stock options, and restricted stock awards.

Administration. The 2010 Incentive Plan is administered and interpreted by the Compensation Committee. Under the 2010 Incentive Plan, the Compensation Committee is responsible to our Board of Directors for the overall administration and operation of the 2010 Incentive Plan, although the full Board of Directors makes all determinations with respect to participation in the 2010 Incentive Plan by employees, officers, directors, consultants or independent contractors.

Shares subject to the 2010 Incentive Plan. As of December 31, 2017, we have a total of 3,342,837 shares of common stock authorized for issuance pursuant to the 2010 Incentive Plan. As of December 31, 2017, 116,032 shares of restricted stock and options to purchase 70,392 shares of our common stock have been granted to current and former non-management members of our Board of Directors, and 2,495,579 shares of restricted stock and options to purchase 1,518,722 shares of our common stock have been granted to our employees pursuant to the 2010 Incentive Plan.

In 2018, prior to the date of this proxy statement, we have granted 19,031 shares of restricted stock to non-management members of our Board of Directors, other than the three non-employee directors serving on our Board of Directors who were nominated by the Significant Investors, and 57,894 shares of restricted stock to our employees pursuant to the 2010 Incentive Plan. The restricted stock will vest in its entirety, unless earlier forfeited, on the third anniversary of the grant date.

Of the stock options granted pursuant to our 2010 Incentive Plan, options to purchase a total of 940,540 shares of our common stock are currently exercisable. Of the restricted shares granted pursuant to our 2010 Incentive Plan, a total of 1,809,041 shares have vested, with the remainder subject to time and performance based vesting requirements. Following the 2018 equity awards, 51,332 shares of our common stock remain available for grant under the 2010 Incentive Plan.

Amendment and termination. Our Board of Directors may at any time and in any respect amend or modify the 2010 Incentive Plan. No amendment or modification, however, will adversely affect any outstanding award without the consent of the holder. If and to the extent necessary to ensure that incentive stock options granted under the 2010 Incentive Plan remain qualified under Section 422 of the Code, plan amendments may be subject to approval by our stockholders who are eligible to vote at a meeting of stockholders. Unless sooner terminated, the 2010 Incentive Plan will continue in effect for a period of 10 years from the effective date of the 2010 Incentive Plan. Termination of the 2010 Incentive Plan will not affect any previously granted awards.

Stock options. Stock options granted under the 2010 Incentive Plan may either be incentive stock options, which are intended to qualify for favorable treatment to the recipient under the Code, or nonqualified stock options, which do not qualify for this favorable tax treatment. Each grant of stock options under the 2010 Incentive Plan is evidenced by an award agreement that specifies the exercise price, the duration of the award, the number of shares to which the award pertains and such additional limitations, terms and conditions as our Board of Directors may determine, including, in the case of stock options, whether the options are intended to be incentive stock options or nonqualified stock options.

The 2010 Incentive Plan provides that the exercise price of stock options may not be less than 100% of the fair market value of the stock underlying the stock options on the date of grant. Award holders may pay the exercise price in cash or, if approved by our Board of Directors, in common stock (valued at its fair market value on the date of exercise) or a combination thereof. The term of stock options may not exceed ten years from the date of grant.

Restricted stock. Restricted stock may be granted under the 2010 Incentive Plan with such restrictions as our Board of Directors may designate. Our Board of Directors may provide at the time of grant that the vesting of restricted stock will be contingent upon the attainment of specified business goals or measures and/or continued service. Except for these restrictions and any others imposed under the 2010 Incentive Plan, upon the grant of restricted stock under the 2010 Incentive Plan, the recipient will have rights of a stockholder with respect to the restricted stock, including the right to vote the shares and receive all dividends and other distributions paid or made with respect thereto, unless our Board of Directors determines otherwise at the time the restricted stock award is granted.

Restricted stock units. In December 2015, we amended our 2010 Incentive Plan to permit the award of restricted stock units. Restricted stock units may be granted under the amended 2010 Incentive Plan with such restrictions as our Board of Directors may designate. Our Board of Directors may provide at the time of grant that the vesting of restricted stock will be contingent upon the attainment of specified business goals or measures and/or continued service. The Board may grant restricted stock units with a deferral feature, whereby settlement of vested restricted stock units is deferred beyond the vesting date until the occurrence of a future payment date or event as set forth in the applicable award agreement.

Prohibitions against repricing, replacement or exchange. On January 18, 2018, the Board amended the 2010 Incentive Plan to prohibit the repricing, replacement or exchange of stock options, restricted stock awards, restricted stock units or stock appreciation rights granted under the 2010 Incentive Plan without stockholder approval.

Minimum Vesting Period. While the 2010 Incentive Plan requires that stock awards, including restricted stock and restricted stock units, vest no earlier than 12-months from the date of grant, the Bank has as a general practice of granting awards of restricted stock or restricted stock units and in either case with a three-year vesting schedule and more commonly a three-year cliff vesting schedule. Although the Board does not currently utilize stock options, when it has done so in the past, half of the options generally become exercisable two years after the date of grant and the remaining half of the options generally become exercisable three years after the date of grant. On January 18, 2018, the Board adopted a resolution broadening the application of the 12-month minimum vesting period to include restricted stock, restricted stock units, and stock options that are granted pursuant to the 2010 Incentive Plan after January 1, 2018.

Clawback Policy. On January 18, 2018, the Board approved an enhanced recoupment policy that provides the Board with the ability to recover or cancel cash incentive compensation and equity awards granted to executive officers beginning with the 2018 awards. Under the recoupment policy, if the Bank is required to prepare an accounting restatement due to error, omission or fraud, the Board may, in its sole discretion, require reimbursement of all or part of the cash or equity incentive compensation made to the officer on the basis of having met or exceeded specific performance targets.

Termination of employment. The impact of a termination of employment on an outstanding award granted under the 2010 Incentive Plan, if any, will be set forth in the applicable award agreement. Subject to the terms of the applicable award agreement and our Board of Directors' discretionary authority to accelerate the exercisability of any option at any time, options will cease vesting on or after the date that an employee's employment or personal services contract with the Bank or any of its subsidiaries terminates. In the event a participant in the 2010 Incentive Plan dies while employed by us or any of our subsidiaries or terminates employment with us or any of our subsidiaries as a result of disability, without cause or for good reason, any options granted under the 2010 Incentive Plan not yet vested on such date will become 100% vested as of such date and will be exercisable either by the participant or the participant's representative. Pursuant to our restricted stock award agreements, if an employee is terminated without "cause," then the unvested portion of the restricted stock award shall vest in full. Pursuant to our restricted stock unit award agreements, if an employee is terminated without "cause," after the 13-month anniversary of the grant date, then the unvested portion of the restricted stock award shall vest in full. If the employee is terminated for "cause," then the unvested portion of the restricted stock award will be forfeited.

Termination of Service. Subject to the terms of the applicable award agreement and our Board of Directors' discretionary authority to accelerate the exercisability or vesting of stock awards granted pursuant to our 2010 Incentive Plan, if a director's service is terminated on account of (i) a failure to be nominated for another term on our Board, or (ii) a failure to be re-elected by the stockholders to serve as a member of our Board, the unvested portion of the directors stock awards will vest in full at the close of business on the director's last day of service as a member of our Board. If a director's service as a member of the Board is terminated by the Bank in accordance with our Bylaws or the director resigns for any reason, then the unvested portion of the director's stock awards will be forfeited at the close of business on the director's termination or resignation date. In the event a director dies while in service as a member of our Board or such service terminates as a result of disability, the unvested portion of the director's stock awards will become 100% vested as of such date and will be exercisable either by the director or the director's representative.

Treatment of outstanding equity awards following a sale event. Unless otherwise set forth in an award agreement, all unvested restricted stock will vest in full and unexercised stock options will become immediately vested and exercisable upon a "sale event," provided that the holder of the option has been employed by or rendered services to us for a period of at least six months as of the date of the "sale event." A "sale event" is generally deemed to occur under the 2010 Incentive Plan upon:

- our voluntary dissolution or liquidation;
- the sale of all or substantially all of our assets;

- our consummation of a merger, reorganization or consolidation unless the beneficial owners of our common stock prior to the transaction own a majority of the voting power of the surviving entity; or
- any other transaction in which the beneficial owners of our common stock prior to the transaction do not own at least a majority of the voting power of the relevant entity.

Applicability of Section 162(m) of the Code to the 2010 Incentive Plan. Section 162(m) of the Internal Revenue Code places a limit of \$1 million on the amount we may deduct in any one year for compensation paid to a “covered employee,” which is defined by Section 162(m) of the Internal Revenue Code to mean any person who, as of the last day of the fiscal year, is the chief executive officer or one of the Bank’s three highest compensated executive officers other than the Bank’s chief financial officer (the Tax Cuts and Jobs Act of 2017 expanded the group of covered individuals to include all named executive officers, including the chief financial officer). Section 162(m) of the Code did not apply to our executive compensation while we were a private company. Following the completion of our initial public offering in April 2014, we relied on transitional relief available under Section 162(m) that exempts compensation paid under a plan that existed while we were private, such as the 2010 Incentive Plan. We are able to rely on this transitional relief until the first meeting of stockholders at which directors are to be elected that occurs after the close of the third calendar year following the calendar year in which the initial public offering occurred (i.e., this Annual Meeting). In anticipation of the transition relief period expiring with this Annual Meeting and to permit the Bank to take deductions for performance-based compensation, we asked stockholders to approve our performance-based compensation standards, which qualified certain compensation for an exemption from \$1 million limit on deductibility for compensation that satisfied certain conditions for “qualified performance-based compensation” set forth under Section 162(m). The Tax Cuts and Jobs Act of 2017 limited this exemption to qualified performance-based compensation paid on or before December 31, 2017 and qualified performance-based compensation payable after December 31, 2017 pursuant to a binding written agreement in effect on November 2, 2017. Thus, only performance-based awards outstanding on that date or awarded pursuant to a binding written agreement on that date may be exempt from the Section 162(m) deductibility cap. Effectively, the Tax Cuts and Jobs Act of 2017 eliminated the ability to rely on the ‘performance-based’ exception under Section 162(m) of the Code with respect to new awards granted under the 2010 Incentive Plan.

Opus Bank 401(k) Plan

The Opus Bank 401(k) Plan (the “401(k) Plan”) is designed to provide retirement benefits to all eligible full-time and part-time employees. The 401(k) Plan provides employees the opportunity to save for retirement on a tax-favored basis. Our 401(k) Plan provides that each participant may defer from 1% to 90% of their compensation, up to a statutory limit of \$18,000 for 2017 and \$18,500 for 2018. Pursuant to the 401(k) Plan, we make employer matching contributions to the 401(k) Plan in an amount of up to 1% for 2017, and up to 2% for 2018, of eligible employee compensation. Participants who are at least 50 years old are also entitled to make “catch-up” contributions, which in 2018 may be up to an additional \$6,000 above the statutory limit.

Under our 401(k) Plan, each employee is fully vested in his or her deferred salary contributions and any qualified matching contributions or qualified non-elective contributions. We make our matching contributions in cash, and that contribution is invested according to the participant’s current investment allocation. We made matching contributions to all participants equal to each participant’s elective deferrals of up to 1% for 2017, and up to 2% for 2018, of their eligible earnings. The plan also provides for discretionary non-elective contributions. Both matching contributions and non-elective contributions vest over a three-year period of service: 30% after 1 year of service; 60% after 2 years of service; and 100% after 3 years of service.

Opus Bank Deferred Compensation Plan

On January 1, 2014, we established the Opus Bank Deferred Compensation Plan (the “Deferred Compensation Plan”) to provide certain additional retirement benefits to our eligible officers and employees. Under the Deferred Compensation Plan, a participant is permitted to defer a portion of his or her salary, bonus and specified compensation, subject to certain limitations, generally until a fixed future date or his or her retirement. In our sole discretion, we may make matching contributions to participants’ accounts. Participants are fully vested in their contributions at the time of deferral. Any matching contributions that we make to participant accounts under the Deferred Compensation Plan may be subject to vesting and forfeiture. The Deferred Compensation Plan is not intended to meet the requirements of a qualified plan under Section 401(a) of the Code.

Clawback Policy

The Board of Directors believes that it is in the best interest of the Bank and its stockholders to create and maintain a culture that emphasizes integrity and accountability and that reinforces the Bank's compensation philosophy.

On January 18, 2018, the Board adopted a Clawback Policy that, in the event of an accounting restatement due to material error or willful commission of an act of intentional fraud, omission or criminal misconduct in the performance of a person's duties, provides for the recoupment of incentive compensation, cash or equity, paid to a current or former executive officer or other senior executive.

The Board shall determine whether any incentive compensation that was predicated on financial results, performance goals or metrics that were augmented or materially inaccurate and was received during the prior three years may have been a lower amount had such incentive compensation been based on the accurate financial results, performance goals or metrics.

If the Board so determines, then a committee consisting of non-management members of the Board shall use reasonable efforts to seek to recover for the benefit of the Bank the after-tax portion of the excess compensation.

Indemnification Agreements

We have entered into indemnification agreements with our directors and certain executive officers. Under these agreements, we have agreed to indemnify the director or executive officer who acts on our behalf and is made or threatened to be made a party to any action or proceeding for expenses, judgments, fines, and amounts paid in settlement that are actually and reasonably incurred in connection with the action or proceeding and to advance their expenses incurred as a result of any proceeding against them as to which they could be indemnified. The indemnity provisions would apply whether the action was instituted by a third party or by us. Generally, the principal limitation on our obligation to indemnify the director or executive officer is if it is determined by a court of law, not subject to further appeal, that indemnification is prohibited by applicable law, applicable banking regulation or the provisions of the indemnification agreement.

Health and Welfare Benefits

Our named executive officers are eligible to participate in our standard health and welfare benefits program, which offers medical, dental, vision, life, accident, and disability coverage to all of our eligible employees. We do not provide the named executive officers with any health and welfare benefits that are not generally available to our other employees.

RELATED TRANSACTIONS AND OTHER MATTERS

Related Person Transactions

In addition to the compensation arrangements with directors and executive officers described in "Executive Compensation," the following is a summary of the material provisions of transactions we entered into with our executive officers, directors, 5% or greater stockholders and any of their immediate family members since December 31, 2015, in which:

- we have been or are to be a participant; and
- the amount involved exceeds or will exceed \$120,000.

Agreements with Significant Investors. In connection with our recapitalization in September 2010, we entered into stock subscription agreements with each of the Significant Investors. Pursuant to the terms of their respective stock subscription agreements, each of these Significant Investors has the right to nominate a representative to our Board of Directors so long as such investor and its affiliates continue to satisfy the ownership criteria. We also agreed that as long as a Significant Investor has the right to nominate a representative to our Board of Directors that (1) if we have a classified Board of Directors, such investor's nominee will be appointed as a director in the class with the longest initial term, (2) such Significant Investor's nominee will serve on the Audit Committee and Compensation Committee so long as the nominee meets the eligibility requirements under applicable law and the rules of the New York Stock Exchange or The NASDAQ Stock Market, (3) no standing committee of the Board of Directors will have less than five members and (4) such investor will have the right to appoint a non-voting observer to the Board of Directors in lieu of a director.

Messrs. Cicirelli, King and Deason are the current Board representatives of Elliott, Fortress and Starwood, respectively.

Indemnification agreements. In connection with the consummation of our recapitalization in 2010, we entered into indemnification agreements with our directors and certain executive officers to provide indemnification in accordance with California law, subject to limitations and requirements set forth in federal and state laws, including the Federal Deposit Insurance Act and the FDIC's rules and regulations, in the event and to the extent that insurance fails to cover any legally indemnifiable expenses reasonably incurred by them. See "Executive Compensation—Indemnification Agreements."

Ordinary Banking Relationships

Certain of our officers, directors and principal stockholders, as well as their immediate family members and affiliates, are customers of, or have or have had transactions with us in the ordinary course of business. These transactions include deposits, loans and other financial services related transactions. Related party transactions are made in the ordinary course of business, on substantially the same terms, including interest rates and collateral (where applicable), as those prevailing at the time for comparable transactions with persons not related to us, and do not involve more than normal risk of collectability or present other features unfavorable to us. Under our Loans to Insiders Policy, it is the general policy that the Bank will not make loans to related parties and insiders will be urged in all circumstances to obtain financing elsewhere. Cash secured loans will be considered on a case-by-case basis so long as the terms are in compliance with bank regulatory requirements. Any loans we originate with officers, directors and principal stockholders, as well as their immediate family members and affiliates, are approved by our Board of Directors. As of the date of this filing, no related party loans were categorized as nonaccrual, past due, restructured or potential problem loans.

Statement of Policy Regarding Related Party Transactions

We have adopted a formal written policy concerning related party transactions. A related party transaction is a transaction, arrangement or relationship or a series of similar transactions, arrangements or relationships in which the amount involved exceeds \$120,000, in which we or one of our consolidated subsidiaries participates (whether or not we or the subsidiary is a direct party to the transaction), and in which our or any of our subsidiaries' directors, nominees to become a director, executive officers or employees or any of his or her immediate family members or any entity that any of them controls or in which any of them has a substantial beneficial ownership interest has a direct or indirect material interest; or in which any person who is the beneficial owner of more than 5% of our voting securities or a member of the immediate family of such person has a direct or indirect material interest.

Our related party transaction policy requires our Nominating and Corporate Governance Committee to ensure that we maintain an ongoing review process for all related party transactions for potential conflicts of interest and requires that our Nominating and Corporate Governance Committee pre-approve any such transactions or, if for any reason pre-approval is not obtained, to review, ratify and approve or cause the termination of such transactions. Our Nominating and Corporate Governance Committee evaluates each related party transaction for the purpose of determining whether the transaction is fair, reasonable and permitted to occur under our policy, and should be pre-approved or ratified.

Relevant factors considered relating to any approval or ratification include the benefits of the transaction to us, the terms of the transaction and whether the transaction will be or was on an arm's-length basis and in the ordinary course of our business, the direct or indirect nature of the related party's interest in the transaction, the size and expected term of the transaction and other facts and circumstances that bear on the materiality of the related party transaction under applicable law and listing standards. At least quarterly, management will provide our Nominating and Corporate Governance Committee with information pertaining to related party transactions. Related party transactions entered into, but not approved or ratified as required by our policy concerning related party transactions, will be subject to termination by us or the relevant subsidiary, if so directed by our Nominating and Corporate Governance Committee or our Board, taking into account factors as deemed appropriate and relevant. Lending and other banking transactions in the ordinary course of business and consistent with the insider loan provisions of Regulation O of the Federal Reserve are not treated as related party transactions under this policy and, instead, these transactions are subject to our separate Regulation O policy and are monitored and approved, if necessary, by the Board of Directors. In addition, any transactions in which the rates or charges are determined by competitive bids are not subject to approval under the policy.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information that has been provided to us or is publicly available with respect to the beneficial ownership of shares of our common stock as of the February 26, 2018 Record Date (except where indicated) for (i) each person or entity known by us to own beneficially more than 5% of our outstanding common stock, (ii) each or our directors, (iii) each of our named executive officers, and (iv) all of our directors and executive officers as a group. Percentage of common stock beneficially owned is based on 35,976,633 shares of common stock outstanding on the Record Date. Except as otherwise noted, the persons or entities named have sole voting and investment power with respect to all shares shown as beneficially owned by them. Pursuant to Item 403 of Regulation S-K, the number of shares listed for each individual reflects his or her beneficial ownership, as defined in SEC rules and regulations. As a result, in some cases, more than one beneficial owner has been listed for the same securities. In accordance with Instruction 5 of Item 403 of Regulation S-K, where more than one beneficial owner has been listed for the same securities, in computing the aggregate number of shares owned by directors and officers of the registrant as a group, those shares have been counted only once. See the footnotes for specific share ownership details.

Name of Beneficial Owner	Common Stock	
	Number of Shares of Common Stock Beneficially Owned	Percentage of Shares of Common Stock Beneficially Owned(1)
Greater than 5% Stockholders		
Elliott Associates, L.P.(2)	2,056,027	5.70%
Elliott Opus Holdings LLC(2)	3,649,476	10.09%
Fortress Investment Group LLC(3)	5,090,675	13.57%
Starwood Capital Group Global, L.P.(4)	3,530,875	9.78%
Directors and Executive Officers		
Mark Deason (5)	-	*
Mark Cicirelli(6)	-	*
David King(7)	-	*
Mark E. Schaffer	46,874	*
Michael L. Meyer	94,374	*
Richard C. Thomas	-	*
Paul G. Greig	10,839	*
Stephen H. Gordon(8)	2,137,942	5.85%
Curtis A. Glovier	-	*
Brian Fitzmaurice	7,200	*
Kevin L. Thompson	-	*
Edward Padilla	7,595	*
All directors and executive officers, as a group (12 persons)	2,304,824	6.14%

* Represents less than 1% beneficial ownership.

(1) Amounts reported in this column 1 assumes the conversion of the shares of Series A Preferred Stock, including shares of Series A Preferred Stock issuable upon exercise of the Preferred Stock Warrants, that are beneficially owned at a rate of 50 shares of common stock per share of Series A Preferred Stock, as applicable, 2) excludes 86,379 shares of unvested restricted stock awards and 27,003 unvested restricted stock unit awards granted to various directors and executive officers, and 3) excludes 62,125 of unvested restricted stock unit awards and 37,523 of vested restricted stock unit awards granted to various executive officers that have been deferred into the Deferred Compensation Plan.

(2) Paul E. Singer, Elliott Capital Advisors, L.P., a Delaware limited partnership which is controlled by Mr. Singer, and Elliott Special GP, LLC, a Delaware limited liability company which is controlled by Mr. Singer, are the general partners of Elliott Associates, L.P.

Elliott International, L.P., a Cayman Islands exempted limited partnership, is the managing member of Elliott Opus Holdings LLC. Hambledon, Inc., a Cayman Islands corporation controlled by Paul E. Singer, is the sole general partner of Elliott International, L.P. In addition, Elliott International Capital Advisors Inc., the investment manager of Elliott International, L.P., which is controlled by Mr. Singer, has shared power with Elliott International, L.P. to vote and dispose of the shares owned by Elliott International, L.P.

The address of Elliott Opus Holdings LLC and Elliott Associates, L.P. is 40 West 57th Street, New York, NY 10019.

(3) The number of shares reported consists of: (a) 498,584 shares of common stock and 4,265 shares of Series A preferred stock held by Fortress Credit Opportunities Fund (A) LP (“Fund A”), which shares collectively are referred to as the Fortress A Shares; (b) 652,673 shares of common stock and 5,582 shares of Series A preferred stock held by Fortress Credit Opportunities Fund (B) LP (“Fund B”), which shares collectively are referred to as the Fortress B Shares; (c) 543,503 shares of common stock and 4,649 shares of Series A preferred stock held by Fortress Credit Opportunities Fund (C1) LP (“Fund C1”), which shares collectively are referred to as the Fortress C1 Shares; (d) 701,729 shares of common stock and 6,001 shares of Series A preferred stock held by Fortress Credit Opportunities Fund II (ABC) LP (“Fund ABC”), which shares collectively are referred to as the Fortress ABC Shares; (e) 93,678 shares of common stock and 802 shares of Series A preferred stock held by Fortress Credit Opportunities Fund (LSS) LP (“Fund LSS”), which shares collectively are referred to as the Fortress LSS Shares; (f) 701,729 shares of common stock and 6,001 shares of Series A preferred stock held by Fortress Credit Opportunities Fund (MA1) LP (“Fund MA1”), which shares collectively are referred to as the Fortress MA1 Shares; and (g) 373,829 shares of common stock and 3,199 shares of Series A preferred stock held by Fortress Credit Opportunities Fund (MA2) LP (“Fund MA2”), which shares collectively are referred to as the Fortress MA2 Shares.

Each of Fund A, FCO Fund GP LLC (“FCO GP I”), Fortress Credit Opportunities Advisors LLC (“Advisors”), Hybrid GP Holdings LLC (“Hybrid LLC”), FIG LLC, Fortress Operating Entity I LP (“Fortress Operating”), FIG Corp. and Fortress Investment Group LLC (“Fortress Investment Group”), share voting and dispositive power over the Fortress A Shares. Each of Fund B, FCO GP I, Advisors, Hybrid LLC, FIG LLC, Fortress Operating, FIG Corp. and Fortress Investment Group share voting and dispositive power over the Fortress B Shares. Each of Fortress Credit Opportunities Fund (C) LP (“Fund C”), Fund C1, FCO (C1) GP LLC, FCO Fund GP LLC, Advisors, Hybrid LLC, FIG LLC, Fortress Operating, FIG Corp. and Fortress Investment Group share voting and dispositive power over the Fortress C1 Shares. Each of Fund ABC, FCO II (ABC) GP LLC, FCO Fund II GP LLC, Advisors, Hybrid LLC, FIG LLC, Fortress Operating, FIG Corp. and Fortress Investment Group share voting and dispositive power over the Fortress ABC Shares. Each of Fund MA, FCO (MA1) GP LLC, FCO MA GP LLC, FTS SIP L.P. (“SIP”), Fortress Credit Opportunities MA Advisors LLC, Hybrid LLC, FIG LLC, Fortress Operating, FIG Corp. and Fortress Investment Group share voting and dispositive power over the Fortress MA1 Shares. Each of Fund MA2, FCO (MA2) GP LLC, FCO MA II GP, FCO (MA2) GP LLC, FCO MA II LP, SIP, Fortress Credit Opportunities MA II Advisors LLC, Hybrid LLC, FIG LLC, Fortress Operating, FIG Corp. and Fortress Investment Group share voting and dispositive power over the Fortress MA2 Shares. Each of Fund LSS, FCO (LSS) GP LLC, FCO MA LSS LP, FCO MA LSS GP LLC, FCO MA LSS Advisors LLC, Hybrid LLC, FIG LLC, Fortress Operating, FIG Corp. and Fortress Investment Group share voting and dispositive power over the Fortress LSS Shares.

The address for all of the Fortress entities listed in this footnote is c/o FIG LLC, 1345 Avenue of the Americas, 46th Floor, New York, NY 10105. Each of the Fortress entities listed in this footnote is affiliated with a broker-dealer.

(4) The number of shares of common stock reported includes 140,625 shares of common stock that may be received upon exercise of the currently-exercisable Common Stock Warrant. SOF-VIII BC Holdings, L.L.C. is one of the wholly-owned subsidiaries that constitutes the Starwood Fund. The Starwood Fund is managed by an affiliate of Starwood Capital Group, a private equity firm founded and controlled by Barry Sternlicht. Barry Sternlicht is the controlling partner of Starwood Capital Group, and may be deemed to share voting power and investment control over the shares of our common stock held by the Starwood Fund. Mr. Sternlicht disclaims beneficial ownership of the shares of our common stock held by the Starwood Fund except to the extent of any pecuniary interest therein. References to “the Starwood Fund” refer to SOF-VIII BC Holdings, L.L.C., a private equity fund (together with its wholly-owned subsidiaries) managed by an affiliate of Starwood Capital Group; and references to “Starwood Capital Group” refer to Starwood Capital Group Global, L.P., its predecessors and owned affiliates. The address for the Starwood Fund is 591 West Putnam Avenue, Greenwich, CT 06830.

(5) The amount reported does not reflect shares of our capital stock beneficially owned by Starwood and its affiliates. Mr. Deason is an officer of Starwood Capital Group Global, L.P. and disclaims beneficial ownership of such shares except for his pecuniary interest therein.

(6) The amount reported does not reflect shares of our capital stock beneficially owned by Elliott and its affiliates. Mr. Cicirelli is a portfolio manager at Elliott and disclaims beneficial ownership of such shares except for his pecuniary interest therein, if any.

(7) The amount reported does not reflect shares of our capital stock beneficially owned by Fortress and its affiliates. Mr. King is an officer of Fortress and disclaims beneficial ownership of such shares except for his pecuniary interest therein.

(8) The amount in the table above includes Preferred Stock Warrants exercisable for 500 shares of Series A preferred stock and 57,059 shares of common stock held in The Gordon Foundation.

SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires our directors and executive officers, as well as persons who own more than ten percent of our common stock, to file with the FDIC initial reports of beneficial ownership and reports of changes in beneficial ownership of our common stock. Directors, executive officers and greater-than-ten percent stockholders are required by the FDIC regulations to furnish us with copies of all Section 16(a) forms they file.

Based solely on a review of the reports furnished to us, or written representations from reporting persons that all reportable transactions were reported, we believe that during our fiscal year ended December 31, 2017, our officers, directors and greater than ten percent stockholders timely filed all reports they were required to file under Section 16(a).

**ITEM 2. TO RATIFY THE APPOINTMENT OF KPMG LLP AS THE BANK'S
INDEPENDENT AUDITOR FOR THE FISCAL YEAR ENDED DECEMBER 31, 2017**

The Bank's independent auditors for its fiscal year ended December 31, 2017 were KPMG LLP, independent public accountants. The Audit Committee of the Board of Directors considered the qualifications and experience of KPMG LLP, and, in consultation with the Board of Directors of the Bank, appointed them as independent auditors for the Bank for the current fiscal year which ends December 31, 2017. Although ratification of our independent auditors by stockholders is not required by law, the Audit Committee and Board of Directors desire to obtain the stockholders' ratification of such appointment. If ratification of KPMG LLP as our independent auditors is not approved by stockholders, the matter will be referred to the Audit Committee for further review.

Representatives of KPMG LLP will be present at the Annual Meeting, will have the opportunity to make a statement if they so desire, and will be available to respond to appropriate questions submitted to the Secretary of the Bank in advance of the Annual Meeting.

Vote Required

The affirmative vote of holders of the majority of the shares for which votes are cast at the Annual Meeting is needed to approve this proposal. Abstentions and broker non-votes will not be counted as votes cast and, therefore, will not affect this proposal. Further, the failure to vote, either by proxy or in person, will not have an effect on this proposal. Unless instructions to the contrary are specified in a proxy properly voted and returned through available channels, the proxies will be voted **FOR** this proposal.

Recommendation of the Board of Directors

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT STOCKHOLDERS VOTE "FOR" THE
RATIFICATION OF THE APPOINTMENT OF KPMG LLP AS THE BANK'S INDEPENDENT AUDITOR.**

Fees

Aggregate fees for professional services rendered to the Bank by KPMG LLP for the years ended December 31, 2017 and 2016 were as follows:

	2017	2016
Audit fees	\$2,050,000	\$2,155,884
Audit-related fees	\$113,000	\$325,741
Audit and audit related fees	\$2,163,000	\$2,481,625
Tax fees	68,600	25,000
All other fees	--	--
Total fees	\$2,231,600	\$2,506,625

Audit Fees

Audit fees include fees for the annual audit of the Bank's consolidated financial statements, review of interim financial statements included in the Bank's quarterly reports on Form 10-Q, and the issuance of comfort letters.

Audit-Related Fees, Tax Fees and All Other Fees

Audit-related fees for the year ended December 31, 2017, relate to fees billed for agreed-upon procedures engagements performed in connection with the Bank's compliance with federal and state regulations applicable to its broker dealer subsidiary, Opus Financial Partners, LLC ("OFP"), as well as its affiliated small business investment company fund,

Opus Equity Partners Opportunity Fund I, L.P. (OEP) and its affiliates. Audit-related fees for the year ended December 31, 2016, relate to fees billed for an agreed-upon procedures engagement performed in connection with the Bank's compliance with federal and state regulations applicable to OFP, as well as the Bank's multi-family mortgage loan securitization transaction. Tax services for the years ended December 31, 2017 and 2016, relate to fees billed for services performed in connection with the Bank's tax compliance.

Audit Committee Pre-Approval Policies and Procedures

The Audit Committee has adopted a policy that requires advance approval of all audit, audit-related, tax services and other services performed by the independent auditor. The policy provides for pre-approval by the Audit Committee of specified audit and non-audit services. Unless the specific service has been previously pre-approved with respect to that year, the Audit Committee must approve the permitted service before the independent auditor is engaged to perform it.

In 2017, 100% of the audit and tax fees we paid to KPMG LLP were pre-approved by the Audit Committee.

ITEM 3. TO APPROVE THE 2018 LONG TERM INCENTIVE PLAN.

Overview

At the Annual Meeting, stockholders will be asked to approve the Opus Bank 2018 Long-Term Incentive Plan (the “2018 Plan”), a copy of which is attached to this Proxy Statement as Appendix A and incorporated herein by reference. The following summary of the key provisions of the 2018 Plan is qualified in its entirety by reference to the attached 2018 Plan document. Based upon the recommendation of the Compensation Committee, our Board of Directors approved the form of the 2018 Plan on March 9, 2018, and recommended that it be submitted to the stockholders for approval at this year’s Annual Meeting.

Equity Compensation is an Important Part of Our Compensation Program

Long-term equity-based compensation is a key element of our compensation program. The Compensation Committee emphasizes long-term equity-based compensation in order to (i) encourage officers, employees, directors and individuals performing services for our Bank as consultants or independent contractors to focus on critical long-range objectives, (ii) encourage the attraction and retention of officers, employees, directors, consultants and independent contractors with exceptional qualifications, and (iii) link officers, employees, directors, consultants and independent contractors directly to stockholder interests through a proprietary interest in us through stock ownership. The 2018 Plan, like the 2010 Incentive Plan, is designed to advance these interests of the Bank and its stockholders. Equity-based compensation under the 2018 Plan encourages executives to act as owners with an equity stake in the Bank, discourages inappropriate risk-taking and contributes to the continuity and stability within the Bank’s leadership.

The 2010 Incentive Plan

If approved, the 2018 Plan would be a new equity incentive plan. Following the grant of annual equity awards in respect of 2018, as of the Record Date, approximately 1,426,778 shares of our common stock were subject to outstanding awards and approximately 51,332 shares of our common stock remained available for grant under the 2010 Incentive Plan.

Because the 2010 Incentive Plan does not have sufficient shares available for grant to cover awards for the remainder of the year, the Bank’s ability to use long-term equity-based compensation as a significant component of its overall compensation would be limited if the stockholders do not approve the 2018 Plan.

In considering and approving the 2018 Plan, our Board determined that the number of shares of common stock proposed to be reserved for issuance under the 2018 Plan is expected to allow us to continue our historical equity compensation practices through 2023. If the 2018 Plan is approved by stockholders, it will supplement the 2010 Incentive Plan, which will expire under its own terms. Based on the number of shares of common stock that remain available under the 2010 Incentive Plan the Board believes it is advisable to have an additional one million one hundred thousand (1,100,000) shares of common stock available under the 2018 Plan.

The 2018 Plan Reflects Compensation and Governance Best Practices

In order to supplement and, following its expiration, replace the 2010 Incentive Plan, our Board has approved, subject to stockholder approval, the 2018 Plan in the form attached to this Proxy Statement as Appendix A. The 2018 Plan contains provisions that are designed to protect our stockholders’ interests and that reflect corporate governance best practices, including:

- *Stockholder approval is required for additional shares.* Neither the 2010 Incentive Plan nor the 2018 Plan contain an annual “evergreen” provision, pursuant to which the share pool would be automatically increased each year based on a specified formula. Rather, the 2018 Plan reserves for issuance a total of one million one hundred thousand (1,100,000) shares of common stock for new awards.
- *No liberal share recycling.* Shares retained by or delivered to the Bank to pay the exercise price of stock options or to satisfy withholding for taxes in connection with the exercise or settlement of an award will not be added back to the pool of available shares under the 2018 Plan and will not be available for future awards.

- *Repricing is not allowed.* The 2018 Plan expressly prohibits the Bank from repricing stock options or cancelling outstanding options in exchange for cash or another award with an exercise price that is less than the exercise price of the original option without first obtaining stockholder approval.
- *No discount stock options.* All stock options will have an exercise price equal to or greater than the fair market value of our common stock on the date the stock option is granted.
- *Minimum Vesting Requirement.* Subject to certain limited exceptions, awards granted under the 2018 Plan will be subject to a minimum vesting period of one year.
- *Dividends and Dividend Equivalents.* The 2018 Plan clarifies that a participant's right to the payment of dividends or dividend equivalents is subject to the same vesting requirements as the underlying equity award.
- *Double-Trigger Change in Control Vesting.* The Board has discretion to fully or partially accelerate vesting of awards upon a participant's involuntary termination of service that occurs in connection with a sale event. Performance awards may accelerate pro rata based on the portion of the performance period completed as of the date of the participant's termination of service or based on actual performance of the Bank based on the shortened performance period, which extends through the end of the fiscal quarter immediately preceding the participant's termination of service. If the outstanding awards are not assumed or substituted in connection with a sale event, the Board, in its sole discretion, may take certain actions with respect to the awards, including accelerating the vesting of such awards provided any performance awards may accelerate pro rata based on the portion of the performance period completed as of the date of the sale event or based on actual performance of the Bank based on the shortened performance period, which extends through the end of the fiscal quarter immediately preceding the sale event.
- *Awards Subject to a Clawback Policy.* Awards under the 2018 Plan will be subject to any compensation recoupment policy that the Bank may adopt from time to time. In January 2018, the Bank adopted a formal Clawback Policy, which allows for the recoupment of certain executive incentive compensation in certain circumstances in the event of an accounting restatement due to material error, omission or fraud.
- *Incorporation of the Performance Compensation Standards.* Prior to the Tax Cuts and Jobs Act of 2017, stockholders approved the performance-based compensation standards to ensure that compensation paid to covered executives would qualify as "qualified performance-based compensation" pursuant to Section 162(m) of the Code and be fully deductible. The Tax Cuts and Jobs Act of 2017, effective January 1, 2018, eliminated the ability to rely on the "performance-based" exception under Section 162(m) of the Code with respect to new awards. Because, we believe that performance-based compensation rewards executives officers for the achievement of specific annual strategic goals, and promotes sustainable growth as well as creates long-term stockholder value, the 2018 Plan provides the Board with the ability to award performance awards subject to performance criteria described in the performance-based compensation standards, which are incorporated into the 2018 Long-Term Incentive Plan.
- *Includes a Maximum Dollar Amount for Awards to Non-Employee Directors.* The 2018 Plan includes a maximum dollar limit of \$300,000 for annual awards granted to non-employee directors.

Description of the 2018 Plan

Set forth below is a summary of the material terms of the 2018 Plan. The summary does not purport to be complete, and is qualified in its entirety by the full text of the 2018 Plan attached to this Proxy Statement as Appendix A. Stockholders are encouraged to review the text of the 2018 Plan carefully.

Purpose. The purpose of the 2018 Plan is to promote the growth and profitability of the Bank by (i) encouraging officers, employees, directors and individuals performing services for our Bank as consultants or independent contractors to focus on critical long-range objectives, (ii) encouraging the attraction and retention of officers, employees, directors, consultants and independent contractors with exceptional qualifications, and (iii) linking officers, employees, directors, consultants and independent contractors directly to stockholder interests through a proprietary interest in us through stock ownership.

Effective Date and Term. The 2018 Plan will be effective on April 26, 2018, if approved by the Bank's stockholders at the Annual Meeting. The 2018 Plan will terminate on April 26, 2028.

Administration. The Compensation Committee will administer the 2018 Plan, except to the extent the Board elects to administer the Plan. The Compensation Committee will be responsible to the Board for the overall administration and operation of the Plan and shall make recommendations to the Board in connection with such administration and operation of the Plan for Board approval. In no event may the Board amend, or approve an amendment to, the 2018 Plan to reduce the outstanding exercise price of outstanding options or cancel outstanding options in exchange for cash or other awards with an

exercise price that is less than the exercise price of the original option without stockholder approval. The Compensation Committee may delegate to one or more of its members, other directors, and officers of the Bank its administrative duties or powers as it may deem advisable.

Eligibility for Participation. The 2018 Plan is available to all directors of the Bank and its subsidiaries and all employees and consultants of the Bank and its subsidiaries who, in the opinion of the Compensation Committee and the Board, can contribute significantly to the growth and profitability of, or perform services of major importance to, the Bank and its subsidiaries. Subject to the provisions of the 2018 Plan, the Compensation Committee has the authority to select from all eligible individuals those to whom awards are granted and to determine the nature and amount of each award. As of the date of this proxy statement, there were 9 directors (of whom 7 were non-employee directors), 15 executive officers, and approximately 827 employees (including officers who are not executive officers) who would have been eligible to participate in the 2018 Plan.

Types of Awards. Subject to the provisions of the 2018 Plan, the Compensation Committee may grant various forms of incentive awards including stock options, restricted stock, restricted stock units, performance shares, performance units and cash awards. Each award will be reflected in an agreement between the Bank and the participant, will be subject to the applicable terms and conditions of the 2018 Plan and may also be subject to other terms and conditions contained in the award agreement consistent with the 2018 Plan that the Compensation Committee deems appropriate, including accelerated vesting or settlement upon certain events. The provisions of the various agreements entered into under the 2018 Plan do not need to be identical.

Stock Options. Stock options allow the participant to buy a certain number of shares of common stock at an exercise price equal to at least the fair market value on the date the option is granted. In accordance with the terms of the 2018 Plan, the Compensation Committee may grant stock options intended to qualify as incentive stock options (“ISOs”) within the meaning of Section 422 of the Code, so-called “nonqualified stock options” that are not intended to so qualify as incentive stock options (“NQSOs”), or any combination of ISOs and NQSOs. All persons eligible to participate in the 2018 Plan may receive a grant of NQSOs. Only employees of the Bank and its subsidiaries may receive a grant of ISOs.

In accordance with the terms of the 2018 Plan, the Compensation Committee fixes the exercise price per share for options on the date of grant, provided that the exercise price of any option granted under the 2018 Plan can never be less than the fair market value of the underlying shares of common stock on the date of grant and provided further that, if a participant who will be granted an ISO is a person who holds more than 10% of the total combined voting power of all classes of outstanding voting securities of the Bank, the exercise price per share of an ISO granted to such person must be at least 110% of the fair market value of a share of common stock on the date of grant. To the extent that the aggregate fair market value of shares of common stock, determined on the date of grant, with respect to which ISOs (under all of the Bank’s equity compensation plans) become exercisable for the first time by a participant during any calendar year exceeds \$100,000, such ISOs will be treated as NQSOs. The maximum number of shares available for awards of ISOs is one million one hundred thousand (1,100,000).

Subject to the provisions of the 2018 Plan, the Compensation Committee determines the term of each option, provided that no option may have a term greater than 10 years from the date of grant and provided further that, if the recipient of an ISO is a person who holds more than 10% of the combined voting power of all classes of outstanding stock of the Bank, the term of that person’s ISO may not exceed five years from the date of grant. The vesting period for options commences on the date of grant and ends on a date that is determined by the Compensation Committee in accordance with the terms of the 2018 Plan and specified in the award agreement. Options may be exercised at such times and be subject to such restrictions as the Compensation Committee determines in accordance with the terms of the 2018 Plan and specified in the award agreement; provided that ISOs may be exercised only while the participant is employed by or providing service to the Bank or within a specified period of time after termination of such employment or service, as determined by the Compensation Committee in accordance with the terms of the 2018 Plan. A participant may exercise an option by delivering notice of exercise to the Bank or its designated agent. Payment of the exercise price and any withholding taxes for an option may be made (i) in cash, (ii) by delivering shares of common stock already owned by the participant and having a fair market value on the date of exercise equal to the exercise price, (iii) by a combination of the foregoing, or (iv) to the extent permitted by law and approved by the Board, through a cashless exercise of the option using a broker. In accordance with the terms of the 2018 Plan, the Compensation Committee may impose in an award agreement such restrictions on the shares deliverable upon exercise of a stock option as it deems appropriate, including that such shares will constitute “restricted shares” subject to restrictions on transfer.

Restricted Stock and Performance Shares. In accordance with the terms of the 2018 Plan, the Compensation Committee may grant restricted stock or performance shares to anyone eligible to participate in the 2018 Plan. An award of restricted stock and of performance shares involves the immediate transfer by the Bank to the participant of a specific number of shares of common stock which are subject to a risk of forfeiture and a restriction on transferability. This restriction will lapse following a stated period of time, upon attainment of specified performance targets or some combination of the foregoing. The participant does not pay for the restricted stock or the performance shares and has the right to vote unless otherwise determined by the Compensation Committee in accordance with the terms of the 2018 Plan and set forth in the award agreement. The participant has the right to receive credit for all dividends and other distributions paid or made with respect to the shares of common stock granted to the participant under a restricted stock award or the award of performance shares. The dividends (and earnings thereon, if applicable) credited to a participant will be withheld by the Bank and subject to the same vesting requirements as the underlying award and shall be distributed at the time the restricted stock or performance shares vest.

Restricted Stock Units And Performance Units. In accordance with the terms of the 2018 Plan, the Compensation Committee may grant restricted stock units or performance units to anyone eligible to participate in the 2018 Plan. An award of restricted stock units or performance units is similar to a restricted stock award or a performance share award, except that no shares are issued at the time of the grant. In addition, participants holding restricted stock units and performance units will have no voting rights, but, unless the Compensation Committee determines otherwise in accordance with the terms of the 2018 Plan, they will have the right to receive credit for all dividends and other distributions paid or made with respect to one share of common stock for each restricted stock unit or performance unit representing one share of common stock during the period the participants hold the restricted stock units or performance units (“dividend equivalents”). The dividend equivalents (and earnings thereon, if applicable) credited to a participant will be withheld by the Bank and subject to the same vesting requirements as the underlying award. Upon the lapse of the restrictions related to a restricted stock unit or the performance units, the participant is entitled to receive, without any payment to the Bank, an amount equal to the fair market value of the shares of common stock represented by the restricted stock unit or the performance unit on the date of exercise. The award agreement granting a restricted stock unit or performance unit may provide, however, on an elective or non-elective basis, for payment of the restricted stock unit or performance unit value on a date after vesting, which amount will be adjusted (if provided in the award agreement) from the date of vesting based on an interest, dividend equivalent, earnings or other basis (including the deemed investment of the award amount in shares of common stock) determined by the Compensation Committee in accordance with the terms of the 2018 Plan. Dividend equivalents credited to a participant will be paid upon settlement of the award (or forfeited if the underlying award is forfeited). Payment to the participant of the restricted stock unit or performance unit value (or adjusted value, if applicable) will be in cash, in shares of common stock or in a combination of cash and shares of common stock, as determined by the Compensation Committee in accordance with the terms of the 2018 Plan.

Performance Awards. Performance shares and performance units will entitle the participant to receive, after the performance period for that award has ended, an amount based on the realization of certain performance goals and the satisfaction of certain other conditions. The terms and conditions of each award, including the performance period, performance goals, any other terms and conditions of the award, will be established by the Compensation Committee in accordance with the terms of the 2018 Plan set forth in the award agreement.

Performance Measures. In accordance with the terms of the 2018 Plan, the Compensation Committee may designate any other award granted under the 2018 Plan as a performance award. If an award is so designated, the Compensation Committee must establish the performance goals for the award based on performance metrics, which may include, but are not limited to, any of the following criteria, which may be specific to a participant, specific to the performance of the Bank generally or specific to the performance of a subsidiary of the Bank, a division, a business unit or a line of business served by a participant: revenue; net interest income; non-interest income; net interest margin; operating income; earnings before taxes; earnings before interest taxes depreciation and amortization; earnings before interest and taxes; pre-tax income; net earnings, net income; market share; business unit volume; capital; tangible book value; expense management; the market price of the common stock; total stockholder return; general and administrative expenses over average assets; return on average equity; return on capital; return on average assets; return on average tangible equity; return on tangible common equity; efficiency ratio; number of customers; number of accounts; assets; asset mix; deposits; non-interest bearing deposits; deposit mix; loans; loan mix; loan production held for portfolio; asset quality; credit quality; regulatory exam results or regulatory rating; audit results; customer satisfaction (determined based on objective criteria approved by the Compensation Committee in accordance

with the terms of the 2018 Plan); execution of strategic initiatives (determined based on objective criteria approved by the Compensation Committee in accordance with the terms of the 2018 Plan); cost of funds; cost of deposits; and Texas ratio.

Cash Awards. In accordance with the terms of the 2018 Plan, the Compensation Committee may, in its sole discretion, grant cash awards to employees, nonemployee directors, consultants and/or independent contractors as additional compensation or in lieu of other compensation for services to the Bank. A cash award will be subject to such terms and conditions as the Compensation Committee, in accordance with the terms of the 2018 Plan, determines appropriate, including, without limitation, determining the vesting date with respect to such cash award, the criteria for the vesting of such cash award, and the right of the Bank to require the participant to repay the cash award (with or without interest) upon termination of the Participant's employment within specified periods.

Shares Available for Awards; Maximum Awards. Up to one million one hundred thousand (1,100,000) shares of common stock will be available for awards under the 2018 Plan. Shares of common stock issued pursuant to the exercise of an award or in connection with the satisfaction of any tax withholding obligation shall not become available for re-grant under the 2018 Plan.

Notwithstanding the foregoing, any Awards granted in any calendar year to any one nonemployee director shall not provide for the issuance of, and/or cash payment with respect to, more than \$300,000 in cash or the equivalent thereof, based on the fair market value of a Share of common stock on the date the award is granted to the non-employee director.

Adjustments for Changes in Capitalization and Other Corporate Changes. In the event that the outstanding shares of common stock are increased or decreased or changed into or exchanged for a different number or kind of shares of stock or other securities of the Bank or of another corporation, without the receipt of consideration by the Bank, through reorganization, merger or consolidation, recapitalization, reclassification, stock split, reverse stock split, split-up, combination or exchange of shares or declaration of any dividends payable in shares or other distributions to common stockholders other than regular cash dividends, the Board shall make appropriate and proportionate adjustments in the number and kind of shares that may be issued under the 2018 Plan, as well as other maximum limitations under the 2018 Plan, and the number and kind of shares of common stock or other rights and prices under outstanding awards.

Tax Withholding. To the extent that a participant incurs any tax liability in connection with the exercise or receipt of an award under the 2018 Plan, the Board may permit the award recipient to elect to satisfy the minimum required tax obligation by payment in cash, withholding from cash payments made under the 2018 Plan or other sums that are due or become due from the Bank, or the transfer of shares by the Bank or withholding shares of common stock otherwise issuable in connection with the award having a fair market value equal to the amount required to be withheld, or a combination thereof in each case, as set forth in the award agreement.

Transferability. Generally, awards granted under the 2018 Plan may not be transferred other than by will or the laws of descent and distribution, provided that, subject to compliance with applicable securities laws, a participant may transfer his or her nonqualified stock options to his or her spouse, lineal ascendants and descendants or to a trust for the benefit of such persons. Unless otherwise provided in an award agreement, awards granted under the 2018 Plan may be exercised only by the participant during the participant's lifetime.

Repricing and Substitutions of Awards. Without the prior consent of the stockholders, outstanding stock options cannot be repriced, directly or indirectly, nor may stock options be cancelled or exchanged for stock options or other awards with an exercise price that is less than the exercise price of the original stock option. In addition, the Bank may, not without the prior approval of stockholders, repurchase an option for value from a participant if the current market value of the underlying stock is lower than the exercise price. Subject to applicable law and the terms of the 2018 Plan, the Board may: (i) modify, extend and renew awards, provided that no modification, extension or renewal may have the effect of lowering the exercise price of any award except in connection with adjustments related to capitalization and other corporate changes as described above; and/or (ii) accept the surrender of awards granted under the 2018 Plan and replace them with new awards pursuant to the 2018 Plan, so long as the substituted awards do not specify a lower exercise price than the surrendered awards. Substituted awards may be of a different type than the surrendered awards, may specify a longer term than the surrendered awards, may provide for more rapid vesting and exercisability than the surrendered awards and may contain any other provision authorized by the 2018 Plan.

Amendment and Termination. Our Board may, at any time and from time to time and in any respect, amend or modify the 2018 Plan, including to ensure that the 2018 Plan and each award granted under the 2018 Plan comply with applicable law, regulations and stock exchange rules. Without stockholder approval, however, the Board may not adopt any amendment that would require the vote of stockholders of the Bank under the Code or the approval rules of the NASDAQ Stock Market. No amendment or modification of the 2018 Plan or any award agreement may adversely affect any outstanding award without the written consent of the participant holding the award.

The Board may also terminate the 2018 Plan at any time. The termination of the 2018 Plan will have no effect on awards that were outstanding at the time of termination.

Sale Event. Unless the Board determines otherwise, if a sale event occurs in which the Bank is not the surviving corporation (or the Bank survives only as a subsidiary of another corporation), all outstanding awards that are not exercised or paid at the time of the sale event will be assumed by, or replaced with awards that have comparable terms by, the surviving corporation (or a parent or subsidiary of the surviving corporation).

The Board will have the discretion to provide for full or partial vesting of awards upon a Participant's involuntary termination of employment or service that occurs in connection with a sale event, subject to the terms and conditions of a participant's employment agreement, or if none, the award agreement. If the vesting of any such awards is based, in whole or in part, on performance, the Board may accelerate the vesting of the performance award pro rata based on the portion of the performance period completed as of the date of the participant's termination of service or based on actual performance of the Bank based on the shortened performance period, which extends through the end of the fiscal quarter immediately preceding the participant's termination of service.

In the event of a sale event, if all outstanding awards are not assumed by, or replaced with awards with comparable terms by, the surviving corporation (or a parent or subsidiary of the surviving corporation), the Board may take any of the following actions with respect to any or all outstanding awards, without the consent of any participant: (i) the Board may determine that outstanding stock options and stock appreciation rights will automatically accelerate and become fully exercisable, and the restrictions and conditions on outstanding stock awards, stock units, cash awards and dividend equivalents will immediately lapse; (ii) the Board may determine that participants will receive a payment in settlement of awards in such amount and form as may be determined by the Board; (iii) the Board may require that participants surrender their outstanding stock options and stock appreciation rights in exchange for a payment, in cash or stock as determined by the Board, equal to the amount (if any) by which the fair market value of the shares of common stock subject to the unexercised stock option and stock appreciation right exceed the stock option exercise price or base price and (iv) the Board may terminate outstanding stock options after giving participants an opportunity to exercise the outstanding stock options. Such surrender, termination or payment will take place as of the date of the sale event or such other date as the Board may specify. If the per share fair market value of our stock does not exceed the per share exercise price or base price, as applicable, the Bank will not be required to make any payment to the participant upon surrender of the stock option.

Under the 2018 Plan, a "sale event" will occur upon the consummation of (a) a voluntary dissolution or liquidation of the Bank provided that to the extent any award is subject to Section 409A of the Code, a voluntary dissolution or liquidation of the Bank is a "sale event" only upon termination of the 2018 Plan in connection with such dissolution or liquidation, (b) the sale of all or substantially all of the assets of the Bank to an unrelated person or entity, (c) a merger, reorganization or consolidation in which the holders of the Bank's outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting power of the surviving or resulting entity immediately upon completion of such transaction or (d) any other transaction in which the owners of the Bank's outstanding voting power prior to such transaction do not own at least a majority of the outstanding voting power of the relevant entity after the transaction, in each case, regardless of the form thereof. Notwithstanding the forgoing, the events described in subsections (c) or (d) shall not be deemed to occur by virtue of an acquisition (1) by the Bank or any subsidiary of the Bank, or (2) by an employee benefits plan (or related trust) sponsored by the Bank or any subsidiary of the Bank.

Certain Federal Income Tax Consequences. The federal income tax consequences arising with respect to awards granted under the 2018 Plan will depend on the type of the award. The following provides only a general description of the application of federal income tax laws to certain awards under the 2018 Plan, based on current federal income tax laws. This discussion is intended for the information of stockholders considering how to vote at the meeting and not as tax guidance to participants in the Plan, as the consequences may vary with the types of awards made, the identity of the recipients and the method of payment or settlement. This summary is not intended to be exhaustive and, among other things, does not address

the effects of other federal taxes (including possible “golden parachute” excise taxes) or taxes imposed under state, local, or foreign tax laws. Participants should not rely on this discussion for individual tax advice, as each participant’s situation and the tax consequences of exercising awards and disposing of the underlying shares of common stock will vary depending upon the specific facts and circumstances involved. Each participant is advised to consult with his or her own tax advisor.

- *Incentive Stock Options.* A participant will not recognize income upon the grant or exercise of an award that qualifies as an ISO under the 2018 Plan. However, the difference between the fair market value of the stock on the date of exercise and the exercise price is an item of tax preference which may cause the participant to be subject to the alternative minimum tax in the year in which the ISO is exercised. If a participant exercises an ISO and does not dispose of the underlying shares within (i) two years from the date of grant of the ISO, and (ii) one year from the date of exercise, the participant will generally recognize capital gain or loss on a subsequent sale of the stock equal to the difference between the sales price and the exercise price. If a participant disposes of common stock acquired upon exercise of an ISO before the expiration of the holding periods described in the preceding sentence (each a “disqualifying disposition”), the participant will generally realize ordinary income in an amount equal to the lesser of (a) the excess of the fair market value of the shares on the date of exercise over the exercise price, or (b) the excess of the fair market value of the shares on the date of disposition over the exercise price. The remaining gain, if any, will be taxed to the participant as long-term or short-term capital gain depending on the holding period for such shares. The Bank will not be allowed any deduction for federal income tax purposes at either the time of grant or the time of exercise of an ISO. Upon any disqualifying disposition by a participant, the Bank will generally be allowed a deduction to the extent the participant realizes ordinary income.
- *Nonqualified Stock Options.* A participant who is granted an option under the 2018 Plan which does not qualify as an ISO shall be treated as having been granted a nonqualified stock option. Generally, the grant of an NQSO does not result in a participant recognizing income. Upon the exercise of an NQSO, the participant will recognize ordinary income in an amount equal to the excess of the fair market value of the shares of the common stock at the time of exercise over the exercise price of the NQSO. The Bank will generally be entitled to a deduction for federal income tax purposes in an amount equal to the amount included in income by the participant, provided the Bank satisfies its information reporting obligations with respect to such income. On a subsequent sale of the shares of the common stock, the participant will recognize capital gain or loss equal to the difference between the amount realized from the sale of stock and the participant’s adjusted basis in those shares, which will generally be the sum of the amount paid and the amount of income previously recognized by the participant in connection with the exercise of the NQSO. Such capital gain will be long or short term depending upon the holding period for such shares.
- *Restricted Stock and Performance Shares.* In general, the grant of restricted stock or performance shares has no tax effect on the Bank or the participant. When the shares become vested pursuant to the restricted stock or performance share award, the participant will recognize ordinary income equal to the fair market value of the shares delivered to him or her under the restricted stock or performance share award and the Bank will generally be allowed a federal income tax deduction in an amount equal to the amount included in income by the participant, provided such amount constitutes an ordinary and necessary business expense, and provided further that the Bank satisfies its information reporting obligations with respect to such income. Such deduction will be allowed in the tax year in which the participant recognizes such income.

Within thirty (30) days after the date the shares of restricted stock or performance shares are transferred pursuant to an award, a participant may elect under Section 83(b) of the Code (“Section 83(b)”) to be taxed on the fair market value of the restricted stock or performance shares or at the time of the award, rather than at the time the shares of restricted stock or performance shares are no longer subject to a substantial risk of forfeiture or becomes transferable. In such case, the Bank would be allowed a federal income tax deduction in the year of the award. If such an election is made, the participant will not recognize any income at the time the shares of restricted stock or performance shares become unrestricted and the Bank will not be entitled to an additional deduction at such time. If the participant subsequently forfeits the restricted stock or performance shares, the participant will not be allowed a deduction in respect of such forfeiture, and no refund will be available to the participant for the taxes previously paid, nor shall the Bank have any obligation to reimburse the participant.

Regardless of whether a participant makes a Section 83(b) election, upon a subsequent sale or exchange of the restricted stock or performance shares, the participant will recognize capital gain or loss based on the difference between the amount realized from the sale of stock and the participant’s adjusted basis in those shares, which will generally be the sum of the amount paid (if any) and the amount of income previously recognized by the participant. The capital gain or loss will be long-term gain or loss if the shares are held by the participant for at least one year

after the restrictions lapse or the shares become transferable, whichever occurs first. If a Section 83(b) election is made, the participant's holding period in the shares will begin to run from the date of the transfer.

- *Restricted Stock Units and Performance Units.* A participant who is granted a restricted stock unit or a performance unit under the 2018 Plan will not recognize taxable income at the time of grant so long as the award is nontransferable and is subject to a substantial risk of forfeiture as a result of performance-based vesting targets, continued services requirements or other conditions that must be satisfied before delivery of the cash and/or shares of common stock payable pursuant to the award. The recipient will generally recognize ordinary income when the substantial risk of forfeiture expires or is removed. If, however, an award agreement relating to a restricted stock unit permits the participant to defer the receipt of the award amount until some date after the substantial risk of forfeiture expires or is removed, then the recipient will generally recognize ordinary income at the expiration of the deferral period rather than on date the substantial risk of forfeiture expires or is removed. In either case, the Bank will generally be entitled to a corresponding deduction equal to the amount of income the recipient recognizes. Upon a subsequent sale of shares of common stock received as payment of an award, the recipient will recognize capital gain or loss equal to the difference between the sales price and the participant's adjusted basis in those shares, which will generally be the amount of income previously recognized by the participant.

Limitation on Income Tax Deduction. Section 162(m) to the Code generally disallows a public Bank's tax deduction for compensation to covered employees in excess of \$1 million in any tax year beginning on or after January 1, 1994. Compensation that qualified as "performance-based compensation" was previously excluded from the \$1 million deductibility cap, and therefore remained fully deductible by the Bank. However, the Tax Cuts and Jobs Act of 2017 eliminated the exemption for "performance-based compensation," other than for such compensation payable pursuant to a binding written agreement in effect on November 2, 2017. The Compensation Committee and the Board believe that performance-based compensation rewards executive officers for the achievement of specific annual strategic goals, and promotes sustainable growth as well as creates long-term stockholder value even though some compensation awards may not be deductible and may grant such awards under the 2018 Plan.

Miscellaneous Tax Issues. Compensation to a participant who is an employee, which results from awards under the 2018 Plan, will constitute wages for purposes of the Federal Insurance Contributions Act and the Federal Unemployment Tax Act and thus will result in additional tax liability to the Bank, generally with respect to each award at the time that such award is no longer subject to a substantial risk of forfeiture or becomes transferable.

Compliance with Section 409A of the Code. Section 409A of the Code imposes requirements applicable to "nonqualified deferred compensation plans," including rules relating to the timing of deferral elections and elections with regard to the form and timing of benefit distributions, prohibitions against the acceleration of the timing of distributions, and the times when distributions may be made, as well as rules that generally prohibit the funding of nonqualified deferred compensation plans in offshore trusts or upon the occurrence of a change in the employer's financial health. These rules generally apply with respect to deferred compensation that becomes earned and vested on or after January 1, 2005. If a nonqualified deferred compensation plan subject to Section 409A fails to meet, or is not operated in accordance with, these requirements, then all compensation deferred under the plan is or becomes immediately taxable to the extent that it is not subject to a substantial risk of forfeiture and was not previously taxable. The tax imposed as a result of these rules would be increased by interest at a rate equal to the rate imposed upon tax underpayments plus one percentage point, and an additional tax equal to 20% of the compensation required to be included in income. Some of the awards to be granted under the 2018 Plan may constitute deferred compensation subject to the Section 409A requirements, including, without limitation, deferred stock. It is intended that any award agreement that will govern awards subject to Section 409A will comply with these rules.

Interest of Certain Persons in the Adoption of the 2018 Plan; Future 2018 Plan Benefits.

The Bank's current directors and executive officers and the director nominees have an interest in the proposal to adopt the 2018 Plan, as each is eligible to receive awards under the 2018 Plan. The benefits that will be received by or allocated to eligible persons under the 2018 Plan, including each of the current directors, each of the director nominees (assuming election at the Annual Meeting), each of the named executive officers, the current executive officers as a group, the current directors who are not executive officers as a group, and all employees, including all current officers who are not executive officers, as a group, are discretionary and are not presently determinable.

Consideration to be Received by the Bank for Awards.

The Bank will receive no monetary consideration for the granting of awards under the 2018 Plan. The Bank will receive no monetary consideration other than the option price for shares of common stock delivered to participants upon the exercise of stock options. The Bank will receive no monetary consideration upon the vesting of restricted stock, restricted stock units, performance shares or performance units.

Current Stock Price.

On March 14, 2018, the closing price of a share of common stock as reported on the NASDAQ Stock Market (NASDAQ: OPB) was \$29.20 per share.

Vote Required; Manner of Approval.

If a quorum is present, the affirmative vote of a majority of the votes cast at the meeting is required to approve the 2018 Plan. Brokers do not have discretion to vote on the 2018 Plan without your instruction. If you do not instruct your broker as to how to vote on this proposal, then your broker will deliver a non-vote on this proposal. Broker non-votes and abstentions, if any, will be counted for purposes of determining the presence of a quorum but will have no effect on the outcome of the vote on this proposal.

Board Recommendation.

The Board believes that the 2018 Plan will provide a valuable benefit to the Bank by enhancing its ability to attract and retain key management employees, non-employee directors and other eligible participants. The Board believes that the approval of the 2018 Plan is in the Bank's and the stockholders' best interests.

The Board recommends a vote FOR the approval of the 2018 Long-Term Incentive Plan.

REPORT OF THE AUDIT COMMITTEE

The report of the Audit Committee shall not be deemed incorporated by reference by any general statement incorporating by reference this Proxy Statement into any filing under the Exchange Act, except to the extent that the Bank specifically incorporates this information by reference.

The Audit Committee has reviewed and discussed the audited financial statements for fiscal year 2017 with management and with the independent auditors. Specifically, the Audit Committee has discussed with the independent auditors the matters required to be discussed by Auditing Standard No. 16, which includes, among other things:

- Methods used to account for significant unusual transactions;
- The effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus;
- The process used by management in formulating particularly sensitive accounting estimates and the basis for the auditor's conclusions regarding the reasonableness of those estimates; and
- Disagreements with management over the application of accounting principles, the basis for management's accounting estimates and the disclosures in the financial statements.

The Audit Committee has received the written disclosures regarding their independence from the Bank's independent accountants, KPMG LLP required by Public Company Accounting Oversight Board Rule No. 3526 Communications with Audit Committees Concerning Independence. Additionally, the Audit Committee has discussed with KPMG LLP, the issue of its independence from the Bank. Based on its review of the audited financial statements and the various discussions noted above, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in the Bank's Annual Report on Form 10-K for the fiscal year ended December 31, 2017. The Audit Committee also recommended the appointment of KPMG LLP as the Bank's independent accountants for the year ending December 31, 2018.

AUDIT COMMITTEE

Richard C. Thomas, *Chair*
Mark Cicirelli
David King
Michael L. Meyer
Mark E. Schaffer

ANNUAL REPORT

A copy of our 2017 Annual Report, which includes our annual report on Form 10-K for the year ended December 31, 2017, including financial statements and schedules, accompanies this Proxy Statement.

Additional copies of the 2017 Annual Report may be obtained without charge by writing to Investor Relations, Opus Bank, 19900 MacArthur Boulevard, 12th Floor, Irvine, CA 92612. This Proxy Statement and our 2017 Annual Report are also available at our website, www.opusbank.com under the Investor Relations section and from the FDIC at its website, www.fdic.gov.

STOCKHOLDER PROPOSALS FOR THE 2019 ANNUAL MEETING

Under the rules of the SEC and the FDIC, and our Bylaws, stockholder proposals that meet certain conditions may be included in our Proxy Statement and form of proxy for a particular annual meeting if they are presented to us in accordance with the following:

- Stockholder proposals intended to be considered for inclusion in next year's proxy statement for the 2019 Annual Meeting of Stockholders must be delivered in writing to the Secretary of the Bank by November 16, 2018, which is 120 days prior to the anniversary of the date we released this Proxy Statement to our stockholders for this Annual Meeting.
- Stockholders that intend to present a proposal at our 2019 Annual Meeting of Stockholders, but not to include the proposal in our proxy statement for that meeting, must give notice of the proposal to our Secretary no sooner than December 27, 2018, which is one hundred twenty (120) days prior to April 26, 2019, which is the one-year anniversary of the Annual Meeting, but no later than January 26, 2019, which is ninety (90) days prior to the one-year anniversary of the Annual Meeting. As set forth in our Bylaws, the stockholder's notice to the Secretary must contain certain required information.
- If the date of the 2019 Annual Meeting of Stockholders is held on a date more than thirty (30) calendar days before or sixty (60) days after April 26, 2019 (the one-year anniversary of the Annual Meeting), the stockholder's notice must be delivered to our Secretary no sooner than the 120th day prior to the 2019 Annual Meeting of Stockholders, and no later than (a) the 90th day prior to the date of the 2019 Annual Meeting of Stockholders, or (b) in the event the first public announcement of the date of the 2019 Annual Meeting of Stockholders is less than one hundred (100) days prior to the date of the 2019 Annual Meeting of Stockholders, the 10th day following the day on which public announcement of the date of the 2019 Annual Meeting of Stockholders is first made by the Bank.
- Pursuant to Rule 14a-4(c)(1) promulgated under the Exchange Act the proxies designated by us for the Annual Meeting will have discretionary authority to vote with respect to any proposal received after January 30, 2018, which is forty-five (45) days before the date on which the Bank first sent the proxy materials for the Annual Meeting. In addition, our Bylaws, provide that any matter to be presented at the Annual Meeting must be proper business to be transacted at the Annual Meeting or a proper nomination to be decided on at the Annual Meeting and must have been properly brought before such meeting pursuant to our Bylaws.
- Our Secretary must receive notices of stockholder proposals or nominations in writing at the executive offices of the Bank at 19900 MacArthur Boulevard, 12th Floor, Irvine, California 92612, Attention: Corporate Secretary.

OTHER MATTERS

The Board of Directors knows of no business that will be presented for consideration at the Annual Meeting other than as stated in the Notice of Annual Meeting of Stockholders. If, however, other matters are properly brought before the Annual Meeting, it is the intention of the persons named in the accompanying proxy to vote the shares represented thereby on such matters in accordance with their best judgment.

Whether or not you intend to be present at the Annual Meeting, you are urged to submit your proxy as soon as possible by following the instructions provided in the Notice of Internet Availability or in the proxy card or voting instruction

form you received if you requested and received a printed set of the proxy materials. If you are present at the Annual Meeting and wish to vote your shares in person, your original proxy may be revoked by voting at the Annual Meeting. However, if you are a stockholder whose shares are not registered in your own name, you will need appropriate documentation from your record-holder to vote personally at the Annual Meeting.

By Order of the Board of Directors,

A handwritten signature in black ink that reads "Paul Greig". The signature is written in a cursive style with a large, looped initial "P".

Paul G. Greig
Chairman of the Board
Irvine, California
March 16, 2018

APPENDIX A

2018 LONG-TERM INCENTIVE PLAN

ARTICLE I ESTABLISHMENT OF THE PLAN

Opus Bank, a California-chartered commercial bank (the “Bank”), hereby establishes the Opus Bank 2018 Long-Term Incentive Plan (the “Plan”) upon the terms and conditions hereinafter stated. The Purpose of the Plan is to promote the long-term success of the Bank and the creation of shareholder value by (a) encouraging officers, employees, nonemployee directors and individuals performing services for the Bank or its subsidiaries as consultants or independent contractors to focus on critical long-range objectives, (b) encouraging the attraction and retention of officers, employees, nonemployee directors, consultants and independent contractors with exceptional qualifications, and (c) linking officers, employees, nonemployee directors, consultants and independent contractors directly to shareholder interests through ownership of the Bank. The Plan seeks to achieve this purpose by providing for equity, equity-based and cash awards.

ARTICLE II DEFINITIONS

“Affiliate” shall have the respective meanings given to such terms under Rule 12b-2 under the Exchange Act.

“Award” means any Option, Restricted Award, Performance Award, Deferred Stock Unit, or Cash Award.

“Award Agreement” means the written or electronic agreement, which sets forth the terms, conditions, restrictions and privileges for an Award and that incorporates the terms of the Plan.

“Board” means the Board of Directors of the Bank.

“Cash Award” shall mean the grant by the Committee to a Participant of an award of cash as described in Article X below.

“Code” means the Internal Revenue Code of 1986, as amended.

“Common Stock” means shares of the common stock, no par value, of the Bank.

“Deferred Stock Unit” has the meaning set forth in Section 9.05 hereof.

“Disability” means any physical or mental impairment which qualifies an Employee for disability benefits under any applicable long-term disability plan maintained by the Bank or, if no such plan applies, which would qualify such Employee or Nonemployee Director for disability benefits under the Federal Social Security System.

“Effective Date” means the date on which the shareholders of the Bank eligible to vote in the election of directors by vote sufficient to meet the requirements of Section 422 of the Code and Rule 16b-3 under the Exchange Act, under the rules of the Nasdaq or any national securities exchange act approve the Plan.

“Employee” means any person who is employed by the Bank or a subsidiary thereof, and whose wages are reported on a Form W-2. The Bank’s classification as to who is an Employee shall be determinative for purposes of an individual’s eligibility under the Plan.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Fair Market Value” of a share of the Bank’s Common Stock for all purposes under the Plan shall be the last transaction price of the Common Stock quoted for such date by the National Association of Securities Dealers Automated Quotation System (“NASDAQ”) or the closing price reported by the New York Stock Exchange (“NYSE”) or any other stock exchange (as published by the Wall Street Journal, if published) on such date or if the Common Stock was not traded on such date, on the next preceding day on which the Common Stock was traded thereon or the last previous date on which a sale is reported. If the Common Stock is not traded on the NASDAQ, the NYSE or any other stock exchange, the Fair Market Value of the Common Stock is the value so determined by the Board in good faith, and in a manner consistent with Section 409A of the Code.

“Grantee” refers to any Participant in the Plan who receives an Award.

“Incentive Stock Option” means any Award granted under this Plan which the Board intends (at the time it is granted) to be an incentive stock option within the meaning of Section 422 of the Code. All Incentive Stock Options issued under this Plan are intended to comply with the requirements of Section 422 of the Code, and the regulations thereunder, and all provisions hereunder shall be read, interpreted and applied with that purpose in mind provided that an Incentive Stock Option that fails to be such for any reason shall continue as a Non-Qualified Stock Option.

“Nonemployee Director” shall mean a member of the Board or the board of directors of a subsidiary who is not an Employee.

“Non-Qualified Stock Option” means any Award granted under this Plan which is a stock option, but is not an Incentive Stock Option.

“Option” means an award of an Incentive Stock Option or a Non-Qualified Stock Option granted under Section 7.01 hereof.

“Participant” means any Employee, Nonemployee Director, consultant or independent contractor who is designated by the Committee in accordance with Section 3.01 pursuant to Article IV to participate in the Plan.

“Performance Award” shall mean an Award of Performance Shares or Performance Units.

“Performance Shares” shall mean the grant of an Award by the Committee in accordance with Section 3.01 to a Participant of a share or shares of Common Stock, which is subject to the attainment of performance goals.

“Performance Units” shall mean an Award of hypothetical shares of Common Stock represented by a notional account established and maintained (or caused to be established or maintained) by the Bank, which is subject to the attainment of performance goals.

“Restricted Award” means a Restricted Stock Award or an award of Restricted Stock Units.

“Restricted Stock Award” means an Award granted under Section 7.02 hereof.

“Restricted Stock Unit” means a hypothetical share of Common Stock, which may be subject to such restrictions on transfer and other incidents of ownership and such forfeiture conditions as the Board may determine, granted under Section 7.03 hereof.

“Sale Event” means the consummation of (a) a voluntary dissolution or liquidation of the Bank provided that to the extent any Award hereunder is subject to Section 409A of the Code, a voluntary dissolution or liquidation of the Bank is a “Sale Event” only upon termination of the Plan in connection with such dissolution or liquidation consistent with Treasury Regulation §1.409A-3(j)(4)(ix)(A), (b) the sale of all or substantially all of the assets of the Bank to an unrelated person or entity, (c) a merger, reorganization or consolidation in which the holders of the Bank’s outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting power of the surviving or resulting entity immediately upon completion of such transaction, or (d) any other transaction in which the owners of the Bank’s outstanding voting power prior to such transaction do not own at least a majority of the outstanding voting power of the relevant entity after the transaction, in each case, regardless of the

form thereof. Notwithstanding the forgoing, the events described in subsections (c) or (d) shall not be deemed to occur by virtue of an acquisition (1) by the Bank or any subsidiary of the Bank, or (2) by an employee benefits plan (or related trust) sponsored by the Bank or any subsidiary of the Bank.

“Substitute Awards” shall mean Awards granted or shares issued by the Bank in assumption of, or in substitution or exchange for, awards previously granted, or the right or obligation to make future awards, by a company acquired by the Bank or any Affiliate or with which the Bank or any Affiliate combines; provided that the terms and conditions of each such Substitute Award (including, without limitation, the exercise price and number of shares subject to such Substitute Award) shall be determined in accordance with Treasury Regulations section 1.409A-1(b)(5)(v)(D).

ARTICLE III ADMINISTRATION OF THE PLAN AND MISCELLANEOUS

3.01 **Plan Administration.** The Plan shall be administered by the Compensation Committee of the Board (the “Committee”), except to the extent the Board elects to administer the Plan, provided that if administration of the Plan is required in order for exemptions under Rule 16b-3 (or any successor rule) under the Exchange Act to apply to transactions under the Plan, the Plan shall only be administered by those Directors who are Independent (in which case, reference to “Committee” shall include the Board). For purposes of the Plan, “Independent” shall have the meaning as used in the rules of the Nasdaq or any national securities exchange on which the securities of the Bank are listed. The Committee shall be responsible to the Board for the overall administration and operation of the Plan, although the Committee may, in its discretion, delegate to one or more officers responsibility for the day-to-day operation of the Plan. The interpretation and construction of any provision of the Plan by the Board or the Committee shall be final. The Committee shall make recommendations to the Board regarding the Plan and Awards to be granted under the Plan and the Board shall have the authority to approve such recommendations. Such recommendations may include, but are not limited to interpreting the Plan, terms of the Award Agreements and to whom Awards should be granted, the target number of Performance Shares or Performance Units to be granted pursuant to an Award, the performance measures that will be used to establish the performance goals, the performance period(s) and the number of Performance Shares or Performance Units earned by a Participant. Notwithstanding anything in the Plan to the contrary, the Committee shall have the ability to accelerate the vesting of any outstanding Award at any time and for any reason, including upon a Sale Event, subject to Article XII, or in the event of a Participant’s termination by the Bank other than for cause, or due to the Participant’s death, Disability or retirement (as such term may be defined in an applicable Award Agreement or, if no such definition exists, in accordance with the Bank’s then current policies and guidelines). The Board shall make an equitable adjustment, without limitation, to reflect extraordinary, unusual or infrequently occurring events provided that no Award may be modified to reduce the outstanding exercise price of outstanding Options or cancel outstanding Options in exchange for cash or other Awards with an exercise price that is less than the exercise price of the original Option without shareholder approval, and subject to the requirements of Section 7.04, and, as applicable, Article XII.

3.02 **Limitation on Liability.** No Board or Committee member shall be liable for any action or determination made in good faith with respect to the Plan. To the maximum extent allowed by law and the Bank’s Articles of Incorporation and Bylaws, the Board and the Committee shall be indemnified by the Bank in respect of all their activities under the Plan.

3.03 **Compliance with Law and Regulations.** All Awards granted hereunder shall be subject to all applicable federal and state laws, rules and regulations and to such approvals by any government or regulatory agency as may be required. The Bank shall not be required to issue or deliver any certificates for shares of Common Stock prior to the completion of any registration or qualification of, or obtaining of consents or approvals with respect to, such shares under any federal or state law or any rule or regulation of any government body, which the Bank shall, in its sole discretion, determine to be necessary or advisable.

3.04 **Restrictions on Transfer.** The Bank shall place a legend upon any certificate representing shares acquired pursuant to an Award granted hereunder noting that the transfer of such may be restricted pursuant to the terms of the Award Agreement or as set forth in applicable laws and regulations.

**ARTICLE IV
ELIGIBILITY**

Awards may be granted to such Employees, Nonemployee Directors, consultants or independent contractors as may be designated from time to time by the Committee in accordance with Section 3.01.

**ARTICLE V
COMMON STOCK AVAILABLE FOR THE PLAN**

5.01 **Shares Subject to the Plan.** The aggregate number of shares of Common Stock which may be issued pursuant to this Plan shall be one million one hundred thousand (1,100,000), all of which may be granted as Incentive Stock Options. During the terms of the Awards, the Bank shall keep available at all times the number of shares of Common Stock required to satisfy any Awards. Shares of Common Stock available for distribution under the Plan may consist, in whole or in part, of authorized and unissued shares, treasury shares, or shares reacquired by the Bank in any manner. Awards that are payable only in cash are not subject to this Section 5.01. No shares shall be the subject of more than one Award at any time.

(a) Any shares of Common Stock that are subject to an Award that terminates without being exercised, expires, is forfeited or canceled shall, to the extent of such termination, expiration, forfeiture, or cancellation again be available for Awards under the Plan. If the Bank uses the proceeds from the exercise of an Option to repurchase shares of Common Stock, the shares so repurchased shall not again be available for Awards under the Plan.

(b) In the event that any Option or other Award granted hereunder is exercised through the tendering of shares of Common Stock (either actually or by attestation) or by the withholding of shares by the Bank, or withholding tax liabilities arising from such Option or other Award are satisfied by the tendering of shares (either actually or by attestation) or by the withholding of shares of Common Stock by the Bank, then the shares so tendered or withheld shall not again be available for Awards under the Plan.

(c) Substitute Awards shall not reduce the shares of Common Stock authorized for grant under the Plan or to a Participant in any period. Additionally, in the event that a company acquired by the Bank or any Affiliate or with which the Bank or any Affiliate combines has shares available under a pre-existing plan approved by shareholders and not adopted in contemplation of such acquisition or combination, the shares available for delivery pursuant to the terms of such pre-existing plan (as adjusted, to the extent appropriate, using the exchange ratio or other adjustment or valuation ratio or formula used in such acquisition or combination to determine the consideration payable to the holders of common stock of the entities party to such acquisition or combination) may be used for Awards under the Plan and shall not reduce the shares of Common Stock authorized for delivery under the Plan; provided that Awards using such available shares shall not be made after the date awards or grants could have been made under the terms of the pre-existing plan, absent the acquisition or combination, and shall only be made to individuals who were not Employees, Nonemployee Directors, consultants or independent contractors prior to such acquisition or combination.

5.02 **Maximum Dollar Amount Underlying Awards Granted Under the Plan to Any Single Nonemployee Director.** The maximum dollar value of all Awards measured in shares of Common Stock (whether payable in Common Stock, cash or a combination of both) that may be granted to any single Nonemployee Director in any year is \$300,000, measured at the time of grant.

5.03 **Adjustment.** If and to the extent that the number of issued shares of Common Stock shall be increased or reduced by change in par value, split up, reclassification, distribution of a dividend payable in Common Stock, merger, consolidation, reorganization, recapitalization, reincorporation, or the like, the Board shall make appropriate adjustments in the number of shares of Common Stock authorized by the Plan and in the number and exercise price of shares covered by outstanding Awards under the Plan as it deems reasonably necessary. In the event of any adjustment in the number of shares covered by any Award, any fractional shares resulting from such adjustment shall be disregarded and each such Award shall cover only the number of full shares resulting from such adjustment. The Board shall make an equitable adjustment to the number of shares subject to outstanding Awards and the

exercise price and the terms of outstanding Awards to take into consideration material changes in accounting practices or principles, extraordinary dividends, acquisitions or dispositions of stock or property or any other event if it is determined by the Board that such adjustment is appropriate in order to prevent dilution or expansion of the rights of Grantees, provided that no such adjustment shall be made in the case of an Incentive Stock Option, without the consent of the Grantee, if such adjustment would constitute a modification, extension or renewal of the Option within the meaning of Section 424(h) of the Code.

ARTICLE VI PARTICIPATION; AWARD AGREEMENT

In accordance with Section 3.01, the Committee shall, in its discretion, determine from time to time which Employees, Nonemployee Directors, consultants or independent contractors will participate in the Plan and receive Awards under the Plan. In making all such determinations, there shall be taken into account the duties, responsibilities and performance of each respective Employee, Nonemployee Director, consultant or independent contractor, his or her present and potential contributions to the growth and success of the Bank and its subsidiaries, his or her cash compensation and such other factors as the Committee and the Board shall deem relevant to accomplishing the purposes of the Plan.

Awards may be granted individually or in tandem with other Awards. All Awards are subject to the terms, conditions, restrictions and privileges of the Plan in addition to the terms, conditions, restrictions and privileges for an Award contained in the Award Agreement. No Award under this Plan shall be effective unless memorialized in writing in an Award Agreement delivered to and signed by the Participant.

ARTICLE VII AWARDS

7.01 **Stock Options.** Pursuant to Section 3.01, the Committee may from time to time grant to eligible Participants Awards of Incentive Stock Options or Non-Qualified Stock Options; provided however that Awards of Incentive Stock Options shall be limited to Employees of the Bank or any of its subsidiaries. Awards of Incentive and Non-Qualified Stock Options must have an exercise price at least equal to the Fair Market Value of a share of Common Stock at the time of grant, except as provided in Section 8.06. The exercise price applicable to a particular Award shall be set forth in each individual Award Agreement.

7.02 **Restricted Stock.** Pursuant to Section 3.01, the Committee may from time to time grant Restricted Stock Awards and/or Performance Shares to eligible Participants in such amounts, on such terms and conditions, and for such consideration, including no consideration or such minimum consideration as may be required by law, as it shall determine. A Restricted Stock Award or an award of Performance Shares represents shares of Common Stock that are issued subject to such restrictions on transfer and other incidents of ownership and such forfeiture conditions as set forth in the applicable Award Agreement. The Board may, in connection with any Restricted Stock Award or Performance Share, require the payment of a specified purchase price.

7.03 **Restricted Stock Units.** Pursuant to Section 3.01, the Committee may from time to time grant Restricted Stock Units and/or Performance Units to eligible Participants in such amounts, on such terms and conditions, and for such consideration, including no consideration or such minimum consideration as may be required by law, as it shall determine.

7.04 **Minimum Vesting Restriction.** No awards shall vest over a period that is less than one (1) year from the date of grant. Notwithstanding the foregoing, Awards representing up to five percent (5%) of the shares of Common Stock in the aggregate share reserve set forth in Section 5.01, as of the Effective Date, may be granted without being subject to the vesting restriction in this Section 7.04.

7.05 **Clawback.** Notwithstanding any other provisions in this Plan, the Bank may cancel any Award, require reimbursement of any Award by a Participant, and effect any other right of recoupment of equity or other compensation provided under the Plan in accordance with any Bank policies that may be adopted and/or modified from time to time (the "Clawback Policy"). By accepting an Award, the Participant is agreeing to be bound by the

Clawback Policy, as in effect or as may be adopted and/or modified from time to time by the Bank in its discretion (including, without limitation, to comply with applicable law or stock exchange listing requirements).

ARTICLE VIII OPTION AWARDS

8.01 Vesting of Options.

(a) **General Rules.** Subject to the minimum vesting requirements of Section 7.04 and to Article XII, the Board, in its sole discretion, shall prescribe the time or times at which, or the conditions upon which, an Option shall become vested and exercisable. A Participant granted an Option shall not be eligible for the payment of dividends or distributions nor shall be credited with dividends or distributions paid with respect to shares of Common Stock.

(b) **Acceleration of Vesting Upon Death or Disability.** In the event a Participant dies while in the employ of the Bank or any of its subsidiaries or terminates employment with the Bank or any of its subsidiaries as a result of Disability, any Option(s) granted to such Participant under this Plan not yet vested on such date shall become fully vested as of such date and be exercisable either by the Participant or the Participant's representative.

8.02 Duration of Options. Each Option granted to a Participant shall be exercisable at any time on or after it vests, in accordance with the terms of the Award Agreement under which the Option was granted and is exercisable, until the earlier of (i) ten (10) years after its date of grant (five (5) years in the case of an Incentive Stock Option granted to an individual who, at the time such Incentive Stock Option is granted, owns, directly or indirectly, more than ten percent (10%) of the total combined voting power of all classes of stock issued to shareholders of the Bank) or (ii) in the event of termination of employment for any reason except death or Disability, ninety (90) days from the date of termination.

(a) **Exception for Termination Due to Death or Disability.** If a Grantee dies while in the service of the Bank or any of its subsidiaries or terminates employment with the Bank or any of its subsidiaries as a result of Disability without having fully exercised his Options, the Grantee or his legal representative or guardian, or the executors, administrators, legatees or distributees of his estate shall have the right, during the twelve (12) month period following the earlier of his death or Disability, to exercise such Options to the extent vested on the date of such death or Disability. In no event, however, shall any Option be exercisable more than ten (10) years from the date it was granted.

(b) **Notice of Disposition; Withholding; Escrow.** A Grantee shall immediately notify the Bank in writing of any sale, transfer, assignment or other disposition (or action constituting a disqualifying disposition within the meaning of Section 421 of the Code) of any shares of Common Stock acquired through exercise of an Incentive Stock Option, within two (2) years after the grant of such Incentive Stock Option or within one (1) year after the acquisition of such shares, setting forth the date and manner of disposition, the number of shares disposed of and the price at which such shares were disposed. The Bank shall be entitled to withhold from any compensation or other payments then or thereafter due to the Grantee such amounts as may be necessary to satisfy any withholding requirements of federal or state law or regulation and, further, to collect from the Grantee any additional amounts which may be required for such purpose. The Board may, in its discretion, require shares of Common Stock acquired by a Grantee upon exercise of an Incentive Stock Option to be held in an escrow arrangement for the purpose of enabling compliance with the provisions of this Section 8.02(b).

8.03 Nonassignability. Options shall not be transferable by a Grantee except by will or the laws of descent or distribution, and during a Grantee's lifetime shall be exercisable only by such Grantee or the Grantee's guardian or legal representative. Notwithstanding the foregoing, or any other provision of this Plan, a Grantee who holds Non-Qualified Stock Options may transfer such Options to his or her spouse, lineal ascendants, lineal descendants, or to a duly established trust for the benefit of one or more of these individuals. Options so transferred may thereafter be transferred only to the Grantee who originally received the grant or to an individual or trust to whom the Grantee would have initially transferred the Option

pursuant to this Section 8.03. Awards which are transferred pursuant to this Section 8.03 shall be exercisable by the transferee according to the same terms and conditions as applied to the Grantee.

8.04 **Manner of Exercise.** To the extent vested and exercisable, Options may be exercised in part or in whole from time to time by execution of a written notice directed to the Bank, at the Bank's principal place of business, accompanied by cash or a check in payment of the exercise price for the number of shares specified in the notice and for which the Grantee paid to exercise. The Board may, in its discretion, permit a Grantee to exercise vested and exercisable options awarded under this Plan by surrendering an amount of Common Stock already owned by the Grantee equal to the Options' exercise price. Subject to the limitations set forth in the Award Agreement, for so long as the Common Stock is listed or admitted to trading on a national securities exchange, the Board may, in its discretion, allow the Grantee to make payment by arranging with a third party broker to sell a number of shares otherwise deliverable to the Grantee and attributable to the exercise of the Option in order to pay the exercise price of the Option and any applicable withholding and employment taxes due.

8.05 **\$100,000 Limitation.** Notwithstanding any contrary provisions contained elsewhere in this Plan and as long as required by Section 422 of the Code, the aggregate Fair Market Value, determined as of the time an Incentive Stock Option is granted, of the Common Stock with respect to which Incentive Stock Options are exercisable for the first time by the Grantee during any calendar year under this Plan and stock options that satisfy the requirements of Section 422 of the Code under any other stock option plan or plans maintained by the Bank, shall not exceed \$100,000. To the extent that the aggregate value of shares of Common Stock to be received by the Grantee for the first time in any one year pursuant to the exercise of an Incentive Stock Option ("ISO Stock") exceeds \$100,000 based on the fair market value of the Common Stock as of the date of the Incentive Stock Option's grant, such excess shall be treated as Common Stock received pursuant to the exercise of a Non-Qualified Stock Option ("NQSO Stock"). The Bank shall designate which shares of Common Stock to be received by the Grantee will be treated as ISO Stock and which shares of Common Stock, if any, will be treated as NQSO Stock by issuing separate share certificates identifying in the Bank's share transfer records which shares are ISO Stock.

8.06 **Limitation on Ten Percent Shareholders.** The price at which shares of Common Stock may be purchased upon exercise of an Incentive Stock Option granted to an individual who, at the time such Incentive Stock Option is granted, owns, directly or indirectly, more than ten percent (10%) of the total combined voting power of all classes of stock issued to shareholders of the Bank, shall be no less than one hundred and ten percent (110%) of the Fair Market Value of a share of the Common Stock of the Bank at the time of grant, and such Incentive Stock Option shall by its terms not be exercisable after the expiration of five (5) years from the date such Incentive Stock Option is granted.

ARTICLE IX ARTICLE IX RESTRICTED AWARDS

9.01 **Vesting Requirements.** Subject to the minimum vesting requirements set forth in Section 7.04 and to Article XII, restrictions imposed on shares or Restricted Awards shall lapse in accordance with the vesting requirements specified in the Award Agreement. Such vesting requirements may be based on the continued service of the Participant with the Bank or its subsidiaries for a specified time period or periods. Such vesting requirements may also be based on the attainment of specified business goals or measures established by the Committee in accordance with Section 3.01. Unless otherwise provided in the Award Agreement, if the Grantee's service with the Bank terminates because of the death or Disability of the Grantee before the completion of the vesting period applicable to the Restricted Stock Award, any remaining restrictions imposed on shares or Restricted Awards shall lapse immediately.

9.02 **Restrictions.** Shares granted under any Restricted Award may not be transferred, assigned or subject to any encumbrance, pledge, or charge until all applicable restrictions are removed or have expired, unless otherwise allowed by the Board. The Board may require the Participant to enter into an escrow agreement providing that the certificates representing the shares granted or sold under a Restricted Award will remain in the physical custody of an escrow holder until all restrictions are removed or have expired. Failure to satisfy any applicable restrictions shall result in the subject shares of the Restricted Award being forfeited and returned to the Bank, with any purchase price paid by the Participant to be refunded, unless otherwise provided by the Board. The Board may require that

certificates representing the shares granted under a Restricted Award bear a legend making appropriate reference to the restrictions imposed. Restricted Stock Units, Performance Units and Deferred Stock Units may not be sold, assigned, transferred or otherwise disposed of, pledged or hypothecated as collateral for a loan or as security for the performance of any obligation or for any other purpose except as the Board shall determine.

9.03 **Rights as Shareholder.**

(a) Restricted Stock Awards and Performance Shares

. Subject to the foregoing provisions of this Article IX and, unless stated otherwise in the applicable Award Agreement, a Grantee of a Restricted Stock Award or Performance Shares will have all rights of a shareholder with respect to the shares granted to him pursuant to the applicable Award Agreement, including the right to vote the shares and receive credit for all dividends and other distributions paid or made with respect thereto. All dividends credited on behalf of a Grantee (and earnings thereon, if applicable) may be withheld by the Bank without interest (unless otherwise provided in the Award Agreement) and distributed in cash equal to any of the dividends credited or, at the discretion of the Board, shares of Common Stock having a Fair Market Value equal to such dividends, if any, upon vesting of such Award, provided that if any portion of the Restricted Stock Award or Performance Award of Performance Shares is forfeited, the Grantee shall have no right to receive such dividends with respect to the forfeited Award.

(b) Restricted Stock Units and Performance Units. No shares of Common Stock shall be issued at the time a Restricted Stock Unit or Performance Unit is granted, and the Bank will not be required to set aside a fund for the payment of any such Restricted Stock Unit or Performance Unit. Subject to the foregoing provisions of this Article IX and, unless stated otherwise in the applicable Award Agreement, a Grantee of a Restricted Stock Unit or Performance Unit will have no rights of a shareholder with respect to the Restricted Stock Units or Performance Units granted to him or her under a Restricted Award, including no right to vote the shares. Unless stated otherwise in the applicable Award Agreement, a Grantee of a Restricted Stock Unit or Performance Unit (representing the equivalent of one share of Common Stock) shall be credited with cash and stock dividends paid by the Bank in respect of one share of Common Stock during the period that the Participant holds the Restricted Stock Units or Performance Units (“Dividend Equivalents”). Dividend Equivalents shall be withheld by the Bank and credited to the Participant’s account, and interest may be credited on the amount of Dividend Equivalents credited to the Participant’s account at a rate and subject to such terms as determined by the Board. Dividend Equivalents credited to a Participant’s account attributable to any particular Restricted Stock Unit or Performance Unit (and earnings thereon, if applicable) shall be distributed in cash equal to any of the dividends credited or, at the discretion of the Board, shares of Common Stock having a Fair Market Value equal to such dividends, if any, upon vesting of such Award, provided that if such Restricted Stock Units or Performance Units are forfeited, the Grantee shall have no right to receive such dividends.

9.04 **Section 83(b) Election.** In accordance with Section 3.01, the Committee may provide in an Award Agreement that the Restricted Stock Award or Performance Share is conditioned upon the Participant’s refraining from making an election with respect to the Award under Section 83(b) of the Code. Irrespective of whether an Award is so conditioned, if a Participant makes an election pursuant to Section 83(b) of the Code with respect to a Restricted Stock Award or Performance Shares, the Participant shall be required to promptly file a copy of such election with the Bank. Restricted Stock Units and Performance Units are not subject to Section 83(b) of the Code.

9.05 **Deferred Stock Units.** In accordance with Section 3.01, the Committee may grant Restricted Stock Units or Performance Units with a deferral feature, whereby settlement of vested Restricted Stock Units or Performance Unit is deferred beyond the vesting date until the occurrence of a future payment date or event as set forth in the Award Agreement (“Deferred Stock Units”). Unless stated otherwise in the applicable Award Agreement or a Participant’s timely election that is compliant with Section 409A of the Code, a Participant with a Deferred Stock Unit (representing the equivalent of one share of Common Stock) that is fully vested shall receive a payment in an amount equal to the dividends that would have been paid to the Participant if one share of Common Stock had been issued with respect to each vested Deferred Stock Unit at the same time such dividends are paid to shareholders. A Participant with a Restricted Stock Unit or a Performance Unit may elect, pursuant to a timely election that is compliant with Section 409A of the Code, to defer receipt of the payment of any dividends and be credited with Dividend Equivalents. Dividend Equivalents shall be withheld by the Bank and credited to the Participant’s

account, with interest at a rate and subject to such terms as determined by the Board. Dividend Equivalents credited to a Participant's account attributable to any particular Deferred Stock Unit (and earnings thereon, if applicable) shall be distributed in cash or, at the discretion of the Board, in shares of Common Stock having a Fair Market Value equal to the amount of such Dividend Equivalents and earnings, if applicable, to the Participant upon settlement of such Deferred Stock Unit and, if such Deferred Stock Unit is forfeited, the Participant shall have no right to such Dividend Equivalents.

9.06 Settlement of Restricted Stock Units. Except as otherwise set forth in an Award Agreement, upon the vesting of any outstanding Restricted Stock Units or Performance Units, or at the expiration of the deferral period of any outstanding vested Deferred Stock Units, the Bank shall deliver to the Participant, or his or her beneficiary, without charge, (a) a share of Common Stock for each outstanding vested Restricted Stock Unit, Performance Unit or Deferred Stock Unit, (b) cash equal to the Fair Market Value, determined on the vesting date or, with respect to a Deferred Stock Unit, the expiration of the deferral period, of one share of Common Stock for each vested Restricted Stock Unit, Performance Unit or each vested Deferred Stock Unit, as applicable, or (c) a combination of (a) and (b). In addition, upon the expiration of the deferral period with respect to any outstanding vested Deferred Stock Units, the Bank shall deliver to the Participant, or his or her beneficiary, cash equal to any Dividend Equivalents credited and the interest thereon or, at the discretion of the Board, shares of Common Stock having a Fair Market Value equal to such Dividend Equivalents and the interest thereon, if any, provided that if such Deferred Stock Unit is forfeited, the Participant shall have no right to such Dividend Equivalents.

ARTICLE X CASH AWARDS

In accordance with Section 3.01, the Committee may grant Cash Awards to Employees, Nonemployee Directors, consultants and/or independent contractors as additional compensation or in lieu of other compensation for services to the Bank. A Cash Award shall be subject to such terms and conditions as set forth in the Award Agreement, including, without limitation, determining the vesting date with respect to such Cash Award, the criteria for the vesting of such Cash Award, and the right of the Bank to require the Participant to repay the Cash Award (with or without interest) upon termination of the Participant's employment within specified periods.

ARTICLE XI PERFORMANCE AWARDS

11.01 In General. In accordance with Section 3.01, the Committee may designate Restricted Stock Awards or Restricted Stock Units granted under the Plan as Performance Awards.

11.02 Qualification of Performance Awards. Awards shall only qualify as Performance Awards under the Plan if:

(a) with respect to either the granting or vesting of a Performance Award, such Performance Award is subject to the achievement of a performance goal or goals based on one or more of the performance measures specified in Section 11.03 below;

(b) the Committee establishes in writing (i) the objective performance goals applicable to a given performance period and (ii) the individual employees or class of employees to which such performance goals apply.

11.03 Performance Measures. The performance measures identified below shall have the same meanings as used in the Bank's financial statements, or, if such terms are not used in the Bank's financial statements, they shall have the meaning applied pursuant to generally accepted accounting principles, or as used generally in the Bank's industry. Performance measures shall be calculated with respect to the Bank and each subsidiary consolidated therewith for financial reporting purposes or such division or other business unit as may be selected by the Committee in accordance with Section 3.01.

In accordance with Section 3.01, the Committee may determine performance measures to be one or more performance metrics, which may include, but is not limited to, any of the following: revenue; net interest income; non-interest income; net interest margin; operating income; earnings before taxes; earnings before interest taxes depreciation and amortization; earnings before interest and taxes; pre-tax income; net earnings, net income; market share; business unit volume; capital; tangible book value; expense management; the market price of the Common Stock; total shareholder return; general and administrative expenses over average assets; return on average equity; return on capital; return on average assets; return on average tangible equity; return on tangible common equity; efficiency ratio; number of customers; number of accounts; assets; asset mix; deposits; non-interest bearing deposits; deposit mix; loans; loan mix; loan production held for portfolio; asset quality; credit quality; regulatory exam results or regulatory rating; audit results; customer satisfaction (determined based on objective criteria approved by the Committee); execution of strategic initiatives (determined based on objective criteria approved by the Committee); cost of funds; cost of deposits; and Texas ratio. A performance measure may be expressed in any form that the Committee determines, including, but not limited to: absolute value, ratio, average, percentage growth, absolute growth, cumulative growth, performance in relation to an index, performance in relation to peer company performance, per share of common stock outstanding, or per full-time equivalent employee.

In accordance with Section 3.01, the Committee shall have discretion to make adjustments to the extent the Committee deems necessary, without limitation, to reflect extraordinary, unusual or infrequently occurring events, transactions or other items; acquired, discontinued or disposed operations; effects of changes in accounting principles, tax or other laws or requirements; regulatory capital requirements; or similar events or circumstances.

11.04 Performance Targets. Performance targets may include a minimum, maximum, target level and intermediate levels of performance, with the final value of a Performance Award determined under the applicable formula by the level attained during the applicable performance period. A performance target may be stated as an absolute value or as a value determined relative to a standard selected by the Committee in accordance with Section 3.01.

11.05 Settlement of Performance Compensation Awards.

(a) **Determination of Final Value.** As soon as practicable following the completion of the performance period applicable to an Award, the Committee shall certify in writing the extent to which the applicable performance measures have been attained and the resulting final value of the Award earned by the Participant and to be paid upon its settlement.

(b) **Discretionary Adjustment of Award Formula.** With respect to any Performance Award, the Committee, in accordance with Section 3.01, may, either at the time it grants a Performance Award or at any time thereafter, provide for the adjustment of the applicable formula to reflect such Participant's individual performance in his or her position with the Bank or such other factors as the Committee may determine.

(c) **Notice to Participants.** As soon as practicable following the Committee's determination and certification in accordance with Section 11.05(a) and (b), the Bank shall notify each Participant of the determination of the Committee.

(d) **Payment in Settlement of Performance Awards.** As soon as practicable following the Committee's determination and certification in accordance with Section 11.05 (a) and (b), payment shall be made to each eligible Participant (or such Participant's legal representative or other person who acquired the right to receive such payment by reason of the Participant's death) of the final value of the Participant's Performance Award. Payment of such amount shall be made in cash, shares of Common Stock, or a combination thereof as determined by the Committee in accordance with Section 3.01. Unless otherwise provided in the Award Agreement evidencing a Performance Award, payment shall be made in a lump sum no later than the fifteenth (15th) day of the third (3rd) month following the taxable year of the Participant in which the Participant has a legally binding right to the Performance Award.

(e) **Provisions Applicable to Payment in Shares.** If payment is to be made in shares of Common Stock, the number of such shares shall be determined by dividing the final value of the Performance Award by the Fair Market Value of a share of Common Stock. Shares of Common Stock issued in payment of any

Performance Award may be fully vested and freely transferable shares or, if provided in the Award Agreement, may be shares of Common Stock subject to vesting conditions established by the Committee and approved by the Board. Any shares subject to vesting conditions shall be evidenced by an appropriate Award Agreement.

11.06 Effect of Termination of Service. Unless otherwise provided in the Award Agreement, if the Participant's service with the Bank terminates because of the death or Disability of the Participant before the completion of the performance period applicable to the Performance Award, the final value of the Participant's Performance Award shall be determined by the extent to which the applicable performance measures have been attained with respect to the entire performance period and shall be prorated based on the number of months of the Participant's service to the Bank during the performance period. Payment shall be made following the end of the performance period in any manner permitted by Section 11.05.

ARTICLE XII EFFECTS OF A SALE EVENT

12.01 Assumption of Outstanding Awards. Upon a Sale Event where the Bank is not the surviving corporation (or survives only as a subsidiary of another corporation), all outstanding Awards that are not exercised or paid at the time of the Sale Event shall be assumed by, or substituted with Awards that have comparable terms by, the surviving corporation (or a parent or subsidiary of the surviving corporation). For the purposes of this Section 12.01, an Award (other than a Cash Award) shall be considered assumed or substituted for if following the Sale Event the Award confers the right to purchase or receive, for each share of Common Stock subject to the Award immediately prior to the Sale Event, the consideration (whether stock, cash or other securities or property) received in the transaction constituting a Sale Event by holders of shares of Common Stock for each share held on the effective date of such transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding shares); provided, however, that if such consideration received in the transaction constituting a Sale Event is not solely common stock of the surviving corporation (or a parent or subsidiary of the surviving corporation), the Board may, with the consent of the surviving corporation (or a parent or subsidiary of the surviving corporation), provide that the consideration to be received upon the exercise or vesting of an Award (other than a Cash Award), for each share of Common Stock subject thereto, will be solely common stock of the surviving corporation (or a parent or subsidiary of the surviving corporation) substantially equal in fair market value to the per share consideration received by holders of shares of Common Stock in the transaction constituting a Sale Event. The determination of such substantial equality of value of consideration shall be made by the Board in its sole discretion and its determination shall be conclusive and binding. After a Sale Event, references to the "Company" as they relate to employment matters shall include the successor employer.

12.02 Vesting Upon Certain Terminations of Employment in Connection with a Sale Event. The Board shall have the discretion to provide for full or partial vesting of Awards upon a Participant's involuntary termination of employment that occurs in connection with a Sale Event, subject to such terms and conditions set forth in a Participant's employment agreement, or if none, the Award Agreement. If any such Awards are Performance Awards, the vesting of the Performance Award may accelerate pro rata based on the portion of performance period completed as of the date of the Participant's termination of employment or based on the actual performance of the Bank based on a shortened performance period which extends through the end of the fiscal quarter immediately preceding the Participant's termination of employment.

12.03 Other Alternatives. In the event of a Sale Event, if all outstanding Awards are not assumed by, or substituted with Awards that have comparable terms by, the surviving corporation (or a parent or subsidiary of the surviving corporation), the Board may take any of the following actions with respect to any or all outstanding Awards, without the consent of any Participant:

(a) the Board may determine that the vesting of each outstanding Award shall be accelerated so that each Award shall, immediately prior to the effective date of the Sale Event, become fully vested with respect to the total number of shares of Common Stock subject to such Award provided that the vesting of any Performance Award may accelerate pro rata based on the portion of performance period completed as of the date of the Sale Event or based on the actual performance of the Company based on a shortened performance period which extends through the end of the fiscal quarter immediately preceding the Sale Event;

(b) the Board, in its sole discretion, may determine that, upon the occurrence of a Sale Event of the Company, all or a portion of certain outstanding Awards shall terminate within a specified number of days after notice to the Participants, and each such Participant shall receive an amount equal to the value of such Award on the date of the Sale Event, and with respect to each share of Common Stock subject to a Stock Option an amount equal to the excess of the Fair Market Value of such shares of Common Stock immediately prior to the occurrence of such Sale Event (or such other greater amount as the Board may determine in its sole and absolute discretion to be equitable to prevent dilution or enlargement of Participants' rights under the Plan) over the exercise price per share of such Stock Option. Such amount shall be payable in cash, in one or more kinds of property (including the property, if any, payable in the transaction) or in a combination thereof, as the Board, in its sole discretion, shall determine; and after giving Participants an opportunity to exercise all of their outstanding Stock Options, the Board may terminate any or all unexercised Stock Options at such time as the Board deems appropriate. Such surrender, termination or payment shall take place as of the date of the Sale Event or such other date as the Board may specify. Without limiting the foregoing, if the per share Fair Market Value of the shares does not exceed the per share Stock Option exercise price, the Company shall not be required to make any payment to the Participant upon surrender of the Stock Option.

ARTICLE XIII AMENDMENT AND TERMINATION OF THE PLAN

The Board may, by resolution, at any time terminate or amend the Plan with respect to any shares of Common Stock or Awards which have not been granted, but no such action shall adversely affect the rights under any outstanding Award without the holder's consent. If and to the extent necessary to ensure that Incentive Stock Options granted under the Plan remain qualified under Section 422 of the Code, Plan amendments shall be subject to approval by the Bank's stockholders who are eligible to vote at a meeting of shareholders. Notwithstanding the foregoing, any amendment or modification to the purchase price or exercise price or other modification of any outstanding Award that effects a repricing, replacement or exchange shall require prior shareholder approval before the repricing, replacement, or exchange is effective.

ARTICLE XIV EMPLOYMENT RIGHTS

Neither the Plan nor any Award hereunder shall create any right on the part of any Employee of the Bank or any of its subsidiaries to continue in such capacity.

ARTICLE XV WITHHOLDING

The Bank may withhold from any cash payment made under this Plan sufficient amounts to cover any applicable withholding and employment taxes, and if the amount of such cash payment is insufficient, the Bank may require the Grantee to pay to the Bank the amount required to be withheld as a condition to delivering the shares acquired pursuant to an Award. The Bank also may withhold or collect amounts with respect to a disqualifying disposition of shares of Common Stock acquired pursuant to exercise of an Incentive Stock Option, as provided in Section 8.02(b).

In accordance with Section 3.01, the Committee is authorized to adopt rules, regulations or procedures which provide for the satisfaction of a Participant's tax withholding obligation by the retention of shares of Common Stock to which he otherwise would be entitled pursuant to an Award or by the Participant's delivery of previously-owned shares of Common Stock or other property. However, if the Bank adopts rules, regulations or procedures which permit withholding obligations to be met by the retention of Common Stock to which a Grantee otherwise would be entitled pursuant to an Award, the fair market value of the Common Stock retained for such purpose shall not exceed the minimum required Federal, state and local tax withholding due upon exercise of the Award.

**ARTICLE XVI
SECTION 409A**

16.01 **General.** The Bank intends that all Awards be structured in compliance with, or to satisfy an exemption from, Section 409A of the Code (“Section 409A”), such that no adverse tax consequences, interest, or penalties under Section 409A apply in connection with any Awards. Notwithstanding anything herein or in any Award Agreement to the contrary, the Board may, without a Participant’s prior consent, amend this Plan and/or Awards, adopt policies and procedures, or take any other actions (including amendments, policies, procedures and actions with retroactive effect) as are necessary or appropriate to preserve the intended tax treatment of Awards under the Plan, including without limitation, any such actions intended to (A) exempt this Plan and/or any Award from the application of Section 409A, and/or (B) comply with the requirements of Section 409A, including without limitation any such regulations, guidance, compliance programs and other interpretative authority that may be issued after the date of grant of any Award. The Bank makes no representations or warranties as to the tax treatment of any Award under Section 409A or otherwise. The Bank will have no obligation under this Section 16.01 or otherwise to take any action (whether or not described herein) to avoid the imposition of taxes, penalties or interest under Section 409A with respect to any Award and will have no liability to any Participant or any other person if any Award, compensation or other benefits under the Plan are determined to constitute non-compliant, “nonqualified deferred compensation” subject to the imposition of taxes, penalties and/or interest under Section 409A.

16.02 **Separation from Service.** With respect to any Award that constitutes “nonqualified deferred compensation” under Section 409A, any payment or settlement of such Award that is to be made upon a termination of a Participant’s service relationship will, to the extent necessary to avoid the imposition of taxes under Section 409A, be made only upon the Participant’s “separation from service” (within the meaning of Section 409A), whether such “separation from service” occurs upon or subsequent to the termination of the Participant’s service relationship. For purposes of any such provision of this Plan or any Award Agreement relating to any such payments or benefits, references to a “termination,” “termination of employment” or like terms will mean “separation from service.”

16.03 **Payments to Specified Employees.** Notwithstanding any contrary provision in the Plan or any Award Agreement, any payment(s) of “nonqualified deferred compensation” that are otherwise required to be made under an Award to a “specified employee” (as defined under Section 409A and determined by the Administrator) as a result of his or her “separation from service” will, to the extent necessary to avoid the imposition of taxes under Code Section 409A(a)(2)(B)(i), be delayed until the expiration of the six (6) month period immediately following such “separation from service” (or, if earlier, until the date of death of the specified employee) and will instead be paid (in a manner set forth in the Award agreement) on the day that immediately follows the end of such six (6) month period or as soon as administratively practicable thereafter (without interest). Any payments of “nonqualified deferred compensation” under such Award that are, by their terms, payable more than six (6) months following the Participant’s “separation from service” will be paid at the time or times such payments are otherwise scheduled to be made.

**ARTICLE XVII
EFFECTIVE DATE OF THE PLAN; TERM**

17.01 **Effective Date of the Plan.** This Plan shall become effective on the Effective Date, and Awards may be granted hereunder as of or after the Effective Date and prior to the termination of the Plan, provided that no Incentive Stock Option issued pursuant to this Plan shall qualify as such unless this Plan is approved by the requisite vote of the holders of the outstanding voting shares of the Bank at a meeting of shareholders of the Bank or by a written consent of such shareholders held or executed within twelve (12) months before or after the Effective Date.

17.02 **Term of Plan.** Unless sooner terminated, this Plan shall remain in effect for a period of ten (10) years ending on the tenth anniversary of the Effective Date. Termination of the Plan shall not affect any Awards previously granted and such Awards shall remain valid and in effect until they have been fully exercised or earned, are surrendered or by their terms expire or are forfeited.

**ARTICLE XVIII
GOVERNING LAW**

This Plan shall be construed under the laws of the State of California.

APPENDIX B
Form of Proxy

ANNUAL MEETING OF STOCKHOLDERS OF

OPUS BANK

April 26, 2018

GO GREEN

e-Consent makes it easy to go paperless. With e-Consent, you can quickly access your proxy materials, statements and other eligible documents online, while reducing costs, clutter and paper waste. Enroll today via www.astfinancial.com to enjoy online access.

NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIALS:

The Notice of Meeting, proxy statement and proxy card are available at http://www.astproxyportal.com/ast/40045

Please sign, date and mail your proxy card in the envelope provided as soon as possible.

Please detach along perforated line and mail in the envelope provided.

202330000000000001000 6

042618

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE "FOR" EACH OF THE NOMINEES LISTED IN PROPOSAL 1, "FOR" PROPOSALS 2, AND "FOR" PROPOSAL 3.

PLEASE SIGN, DATE AND RETURN PROMPTLY IN THE ENCLOSED ENVELOPE. PLEASE MARK YOUR VOTE IN BLUE OR BLACK INK AS SHOWN HERE [X]

1. Election of Directors: Proposal to elect two (2) Class III directors to the Board of Directors of Opus Bank each to serve a three-year term expiring at the 2021 Annual Meeting of Stockholders.

[] FOR ALL NOMINEES

NOMINEES:

- [] Mark Deason
[] Mark Cicirelli

[] WITHHOLD AUTHORITY FOR ALL NOMINEES

[] FOR ALL EXCEPT (See instructions below)

2. Proposal to ratify the appointment of KPMG LLP as Opus Bank's independent auditor for the fiscal year ended December 31, 2018

FOR [] AGAINST [] ABSTAIN []

3. Proposal to approve the 2018 Long Term Incentive Plan

[] [] []

These items of business are more fully described in the proxy statement.

TO INCLUDE ANY COMMENTS, USE THE COMMENTS BOX ON THE REVERSE SIDE OF THIS CARD.

IMPORTANT NOTICE

YOUR VOTE IS IMPORTANT. PLEASE SIGN, DATE AND RETURN YOUR PROXY AS SOON AS POSSIBLE. BY DOING SO, YOU MAY SAVE OPUS BANK THE EXPENSE OF ADDITIONAL SOLICITATION.

INSTRUCTIONS: To withhold authority to vote for any individual nominee(s), mark "FOR ALL EXCEPT" and fill in the circle next to each nominee you wish to withhold, as shown here: []

MARK "X" HERE IF YOU PLAN TO ATTEND THE MEETING. []

To change the address on your account, please check the box at right and indicate your new address in the address space above. Please note that changes to the registered name(s) on the account may not be submitted via this method. []

Signature of Stockholder [] Date: [] Signature of Stockholder [] Date: []

Note: Please sign exactly as your name or names appear on this Proxy. When shares are held jointly, each holder should sign. When signing as executor, administrator, attorney, trustee or guardian, please give full title as such. If the signer is a corporation, please sign full corporate name by duly authorized officer, giving full title as such. If signer is a partnership, please sign in partnership name by authorized person.

OPUS BANK**Proxy Solicited on Behalf of the Board of Directors
for the Annual Meeting of Stockholders**

The undersigned stockholder of Opus Bank, a California chartered bank (the "Bank"), hereby appoint(s) Andres Gallardo and Richard A. Sanchez, or any one of them, attorneys with full power of substitution and revocation to each, for and in the name of the undersigned with all the powers the undersigned would possess if personally present, to vote the shares of the undersigned in the Bank as indicated on the proposals referred to on the reverse side hereof at the Annual Meeting of its stockholders to be held on April 26, 2018, and at any adjournments thereof, and in their or his discretion upon any other matter which may properly come before said meeting.

YOUR SHARES WILL BE VOTED IN ACCORDANCE WITH YOUR INSTRUCTIONS. ANY STOCKHOLDER COMPLETING THIS PROXY THAT FAILS TO MARK ONE OF THE BOXES FOR ANY PROPOSAL WILL BE DEEMED TO HAVE GIVEN THEIR PROXY HOLDERS COMPLETE DISCRETION IN VOTING HIS, HER, OR ITS SHARES AT THE MEETING ON SUCH PROPOSAL. IN THAT CASE, THE SHARES REPRESENTED BY THIS PROXY WILL BE VOTED, AS APPLICABLE, "FOR" EACH OF THE NOMINEES LISTED IN PROPOSAL 1, "FOR" PROPOSAL 2, AND "FOR" PROPOSAL 3.

(Continued and to be signed on the reverse side.)

COMMENTS:

--