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**FEDERAL DEPOSIT INSURANCE CORPORATION**  
**WASHINGTON, DC 20429**

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**FORM 8-K**

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**CURRENT REPORT**  
**PURSUANT TO SECTION 13 OR 15(d) OF THE**  
**SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported):  
May 1, 2019

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**OPUS BANK**

(Exact name of registrant as specified in its charter)

**California**  
(State or other jurisdiction of  
incorporation)

**33-0564430**  
(IRS Employer  
Identification No.)

**1990 MacArthur Blvd.,**  
**12<sup>th</sup> Floor**  
**Irvine, CA 92612**  
(Address, including zip code, of principal executive office)

**Registrant's telephone number, including area code: (949) 250-9800**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 under the Securities Act (17 CFR 230.405) or Rule 12b-2 under the Exchange Act (17 CFR 240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 5.02      Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

On May 1, 2019 (the “Effective Date”), Opus Bank (the “Company”) entered into an employment agreement (the “Employment Agreement”) with Paul W. Taylor to serve as the Company’s Chief Executive Officer and President and as a Class II director on the Company’s Board of Directors, effective immediately. In connection with the appointment of Mr. Taylor, Mr. Paul G. Greig, who has been serving as the Company’s Interim President and Chief Executive Officer since November 2018, stepped down from such positions effective May 1, 2019, but will continue to serve as the non-employee Chairman of the Board of Directors.

Mr. Taylor, 58, previously served as President and Chief Executive Officer of Guaranty Bancorp and as a director of Guaranty Bancorp from 2011 until its acquisition by Independent Bank Group, Inc. in January 2019. During such time, Mr. Taylor also served as Chief Executive Officer and Chairman of the Board of Guaranty Bank and Trust Company, the bank subsidiary of Guaranty Bancorp. Prior to such time, Mr. Taylor was Executive Vice President, Chief Financial and Operating Officer and Secretary of Guaranty Bancorp (serving in one or more of those capacities since 2004). From 2000 to 2004, he served as Chief Financial Officer of Centennial Bank Holdings until its acquisition by Guaranty Bancorp. During his 34-year banking and investment banking career, he worked for Alex Sheshunoff Investment Banking as a Director of Mergers and Acquisitions. He was also an investment banker with Century Capital Group. Mr. Taylor worked for KeyCorp for 12 years in both New York and the Rocky Mountain Region in numerous management positions and left the company as Executive Vice President and Chief Financial Officer of the Rocky Mountain Region.

The Employment Agreement has a three year term, but automatically extends for successive one-year periods unless either party provides 60 days’ advance written notice of non-renewal or unless earlier terminated (the “Employment Period”). Under the terms of the Employment Agreement, Mr. Taylor will be entitled to an annual base salary of \$800,000 and will have a target annual bonus amount of \$600,000, both of which are subject to increase or decrease in the discretion of the Compensation Committee of the Company’s Board of Directors (the “Committee”) subject to the terms of the Employment Agreement, and the maximum annual bonus payable to Mr. Taylor for a fiscal year shall equal 175% of the target annual bonus amount for such year. For fiscal 2019, subject to Mr. Taylor’s continued employment through the date the Company pays its annual bonus to other executive-level employees for fiscal 2019, Mr. Taylor will be entitled to receive a minimum annual bonus of \$600,000.

Pursuant to the Employment Agreement, Mr. Taylor will be paid a cash signing bonus of \$200,000, which will be payable upon his relocation to Orange County, California no later than November 1, 2019 and will be subject to repayment if Mr. Taylor’s employment is terminated by the Company for Cause or by Mr. Taylor without Good Reason (as such terms are each defined in the Employment Agreement) prior to the first anniversary of the Effective Date. The Company also granted Mr. Taylor a sign-on award of restricted stock units (“RSUs”) having a grant date value equal to \$500,000, which RSUs were granted pursuant to the Company’s 2018 Long-Term Incentive Plan (“LTIP”) on the Effective Date. Subject to Mr. Taylor’s continued employment with the Company on each applicable vesting date, (i) 50% of such RSUs will vest in equal installments on each of the first three anniversaries of the grant date, and (ii) the remaining 50% of such RSUs will vest on the third anniversary of the grant date subject to attaining certain specified performance targets established by the Committee, so that 50% of the RSUs are subject to performance-based vesting requirements.

Pursuant to the terms of the Employment Agreement, the Company also granted Mr. Taylor a long-term incentive award of RSUs pursuant to the Company’s LTIP on the Effective Date. Such RSUs have a grant date value equal to \$900,000 and, subject to Mr. Taylor’s continued employment with the

Company on each applicable vesting date, (i) 50% of such RSUs will vest in equal installments on each of the first three anniversaries of the grant date, and (ii) the remaining 50% of such RSUs will vest on the third anniversary of the grant date subject to attaining certain specified performance targets established by the Committee, so that 50% of the RSUs are subject to performance-based vesting requirements.

The Company has also agreed to reimburse Mr. Taylor for up to \$50,000 of his expenses incurred in relocating to Orange County, California. Mr. Taylor will also be eligible to receive a monthly car allowance or benefit and to participate in the Company's benefit plans generally made available to other senior executives of the Company.

Pursuant to the terms of the Employment Agreement, if, during the Employment Period (but other than during a specified period in connection with a Change in Control (as defined in the Employment Agreement)), Mr. Taylor's employment with the Company terminates as a result of a termination by the Company without Cause, as a result of a resignation by Mr. Taylor with Good Reason, or due a Non-Renewal by the Company (as such terms are each defined in the Employment Agreement), the Company shall pay Mr. Taylor an amount equal to the sum of (i) 100% of his annual base salary, and (ii) the target annual bonus for the applicable year in which the termination occurs, subject to the terms and conditions of the Employment Agreement. If, during the Employment Period and within a specified period in connection with a Change in Control, Mr. Taylor's employment with the Company terminates as a result of a termination by the Company without Cause, as a result of a resignation by Mr. Taylor for Good Reason, or due to a Non-Renewal by the Company, the Company shall pay Mr. Taylor an amount equal to 2.5x the sum of (A) the highest of Mr. Taylor's annual base salary for the calendar year in which termination occurs, either of the prior two calendar years, or the calendar year prior to the year in which the Change in Control occurred, (B) the highest of (i) Mr. Taylor's target annual bonus for the year in which termination occurs, or (ii) the highest of Mr. Taylor's actual bonus from the Company for either of the prior two calendar years or the calendar year prior to the year in which the Change in Control occurred, and (C) the amount of the contributions or accruals made or anticipated to have been made on Mr. Taylor's behalf to the Company's benefit plans for the calendar year in which termination occurs, subject to the terms and conditions of the Employment Agreement.

The Employment Agreement also includes confidentiality, non-solicitation and certain other restrictive covenants in favor of the Company. Payment of the severance benefits described above is subject to Mr. Taylor's compliance with these restrictive covenants and Mr. Taylor's entry into a general release agreement.

The description of the Employment Agreement is qualified in its entirety by reference to the complete text of the Employment Agreement, which is attached hereto as Exhibit 10.1 and is incorporated herein by reference.

In connection with his employment with the Company, Mr. Taylor also entered into the Company's standard indemnification agreement, the form of which is attached as Exhibit 10.15 to the Company's Registration Statement on Form 10 filed with the Federal Deposit Insurance Corporation on March 10, 2014 and which is incorporated herein by reference.

There are no arrangements or understandings between Mr. Taylor and any other persons pursuant to which he was selected as an officer or director of the Company. There are also no family relationships between Mr. Taylor and any director or executive officer of the Company and Mr. Taylor has no direct or indirect material interest in any related party transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

**Item 7.01 Regulation FD Disclosure.**

On May 1, 2019, the Company issued a press release announcing the appointment of Mr. Taylor as the Company's Chief Executive Officer and President as described in Item 5.02 of this Current Report on Form 8- K.

A copy of the press release is included as Exhibit 99.1 to this report. The information furnished pursuant to Item 7.01 of this Current Report on Form 8- K, including Exhibit 99.1, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to liabilities under that Section, nor shall it be deemed incorporated by reference in any registration statement or other filings of the Company with the Federal Deposit Insurance Corporation, except as shall be set forth by specific reference in such filing.

**Item 9.01 Financial Statements and Exhibits.**

*(d) Exhibits.*

<u>Exhibit No.</u>	<u>Description</u>
10.1	Employment Agreement, dated May 1, 2019, by and between Opus Bank and Paul W. Taylor
99.1	Press Release issued by Opus Bank on May 1, 2019

## **SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: May 1, 2019

### **Opus Bank**

By: /s/ Kevin L. Thompson

Name: Kevin L. Thompson

Title: Executive Vice President and Chief Financial  
Officer

**Exhibit No. 10.1**

**Employment Agreement, dated May 1, 2019, between Opus Bank and Paul W. Taylor**

## EMPLOYMENT AGREEMENT

This **EMPLOYMENT AGREEMENT** (“**Agreement**”) is entered into effective as of May 1, 2019 (the “**Effective Date**”), by and between **Opus Bank**, a California-chartered commercial bank (the “**Bank**”), and **Paul W. Taylor** (“**Employee**”).

The Bank desires to enter into this Agreement with Employee pursuant to which Employee will be employed by the Bank as its Chief Executive Officer and President, on the terms and subject to the conditions set forth herein, and Employee desires to be so employed. Upon commencement of employment Employee will be appointed by the Bank’s Board of Directors (the “**Board**”) to serve as a director on the Board.

On the basis of the foregoing facts, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and in further consideration of the mutual covenants and agreements contained herein, the parties agree as follows:

1. Term. Subject to the provisions below, the Bank agrees to employ Employee, and Employee agrees to be employed by the Bank, on an at-will employment basis subject to the terms and conditions of this Agreement, for a period of three (3) years (the “**Initial Term**”) commencing on the Effective Date and continuing thru April 30, 2022, unless the employment is earlier terminated by the Bank or Employee pursuant to the termination provisions of this Agreement. After expiration of the Initial Term, this Agreement shall automatically renew annually on May 1 of each year thereafter for successive one (1) year periods (each such renewal period an “**Extension Term**”), unless either party gives the other party advance written notice at least sixty (60) days prior to the last date of the Initial Term or any Extension Term of an intent not to renew the Agreement (“**Non-Renewal**”). The Bank reserves the right to relieve Employee from all duties during all or any portion of the sixty (60)-day notice period, provided that Employee shall be entitled to continue to receive his compensation pursuant to Section 5 during such sixty (60)-day notice period. Employee’s period of employment with the Bank during the Initial Term and any Extension Term(s) shall be referred to as the “**Employment Period.**”

2. Duties and Authority; Location. During the Employment Period, Employee shall devote all necessary time, ability and attention to the business and affairs of the Bank. Employee shall not directly render service of a business, commercial or professional nature to any other person or organization other than the Bank and its subsidiaries, without the consent of the Board. However, nothing in this Agreement prohibits Employee from serving as an advisor or board member of a charitable or nonprofit organization upon notice to the Board, so long as such service does not materially interfere with the performance of Employee’s duties or compete or conflict with the business of the Bank. Employee agrees that during the Employment Period, he will use his best efforts, skill and abilities to promote the Bank’s interests and to serve as the Chief Executive Officer and President of the Bank on a full-time basis. Employee shall perform such customary, appropriate and reasonable duties as are normally assigned to a person with such position at other similarly situated banks, including such duties as are delegated to him from time to time by the Board. Employee shall report directly to the Board. Employee agrees to relocate and establish his primary residence (which may be rented or leased by Employee) in Orange County, California within 180 days of the Effective Date and, subject to periods of required travel,

shall primarily perform his duties for the Bank at its headquarters in Irvine, California, unless otherwise permitted or directed by the Board to perform his duties elsewhere.

3. Bank's Authority. Employee agrees to observe and comply with the Bank's policies and procedures as adopted by the Board regarding the performance of his duties and to carry out and to perform those lawful orders, directions and policies of the Bank as stated by the Board to him either orally or in writing.

4. Employee Representations. Employee hereby represents to the Bank that: (a) the execution and delivery of this Agreement by Employee and the Bank, and the performance by Employee of his duties hereunder do not and shall not constitute a breach of, conflict with, or otherwise contravene or cause a default under, the terms of any other agreement or policy to which Employee is a party or otherwise bound, or any judgment, order or decree to which Employee is subject; (b) Employee does not have in his possession any documents or stored data from a prior employer or entity (including any confidential information or trade secrets) relating to any other individual or entity which would prevent, or be violated by, Employee entering into this Agreement or carrying out his duties hereunder; (c) other than his agreements with the Bank, based on the activities in which the Bank engages and the geography in which those activities are conducted, each as of the date of this Agreement, Employee is not bound by any employment, consulting, non-compete, confidentiality, trade secret or similar agreement (other than this Agreement) with any other individual or entity that would limit or restrict Employee's ability to perform his duties under this Agreement; and (d) Employee understands the Bank will rely upon the accuracy and truth of the representations and warranties of Employee set forth herein and Employee consents to such reliance.

5. Compensation.

(a) *Base Salary.* The Bank agrees to pay to Employee an annual base salary (the "**Base Salary**") in the amount of \$800,000.00, beginning on the Effective Date and payable in accordance with the Bank's standard periodic payroll policy and practice and subject to such withholding as required by law. The Base Salary shall be reviewed annually by the Compensation Committee of the Board (the "**Committee**") and may be increased or decreased from time to time by the Committee or the Board in its sole discretion, so long as a decrease does not amount to a decrease constituting Good Reason (as defined below).

(b) *Annual Bonus.*

(i) Employee shall be eligible to receive an annual bonus for each completed fiscal year of the Bank that occurs during the Employment Period (the "**Annual Bonus**") pursuant to the terms of the Bank's applicable bonus plan or program for its executive-level employees. Employee agrees and acknowledges that he must be employed by the Bank on the bonus payment date of any such applicable fiscal year in order to be eligible to receive such Annual Bonus for such fiscal year. For the avoidance of doubt, the Annual Bonus for a fiscal year will only be earned by, and will only accrue and be payable to, Employee (A) based on the achievement of objective Bank performance goals (established by the Committee no later than the end of the third month of the fiscal year to which the Annual Bonus relates and determined by the Committee in its reasonable

discretion), subject to the minimum guaranteed Annual Bonus for 2019 as set forth below, and (B) only if Employee is employed by the Bank on the date that the Annual Bonus is actually paid, which shall be the same date that the Bank's annual bonus is paid to its other executive-level employees. Employee's target Annual Bonus amount for each fiscal year of the Bank shall equal \$600,000, subject to adjustment by the Committee or the Board in its discretion, so long as a decrease does not amount to a decrease constituting Good Reason, and the maximum Annual Bonus amount for each fiscal year of the Bank (assuming maximum performance is achieved exceeding the target metrics established by the Committee) shall equal 175% of the targeted Annual Bonus.

(ii) With respect to the Annual Bonus for fiscal year 2019, so long as Employee remains employed by the Bank thru the date that the 2019 annual bonus is paid by the Bank to its other executive-level employees, Employee shall be eligible to receive a minimum guaranteed Annual Bonus of \$600,000 for the fiscal year ending December 31, 2019, which shall be paid on the bonus payment date for the Bank's other executive-level employees. Nothing in this Section 5(b)(ii) shall prohibit Employee from earning a larger Annual Bonus for 2019 to the extent that performance exceeds applicable target metrics as determined by the Committee or the Board in its sole discretion.

(iii) To the extent an Annual Bonus is awarded to Employee based on achievement of applicable performance objectives, the Bank shall pay the Annual Bonus within thirty (30) days following the Committee's final determination and approval of the Annual Bonus, which determination typically will occur within sixty (60) days following receipt of the Bank's unaudited financial statements for the fiscal year pursuant to which such Annual Bonus is awarded.

(c) *Sign-On Bonus.*

(i) As a sign-on bonus for entering into this Agreement, the Bank will grant Employee a sign-on grant of restricted stock units ("**RSUs**") pursuant to the Bank's 2018 Long-Term Incentive Plan (the "**LTIP**"), subject to approval by the Committee no later than sixty (60) days following the Effective Date. Such RSUs shall have a grant date value equal to \$500,000. Subject to Employee's continued employment with the Bank on each applicable vesting date, (A) fifty percent (50%) of such RSUs will vest in equal installments on each of the first three anniversaries of the grant date (i.e., 1/3, 1/3 and 1/3), and (B) the remaining fifty percent (50%) of such RSUs will vest on the third anniversary of the grant date subject to attaining certain specified performance targets established by the Committee, which performance targets shall be the same as the performance targets established by the Committee for other executive-level officers of the Bank. The RSUs described in this Section 5(c)(i) shall be subject to and governed by the terms of the LTIP and a separate Restricted Stock Unit Award Agreement to be entered into between the Bank and Employee.

(ii) The Bank will also pay Employee a cash sign-on bonus in an amount equal to \$200,000 (the "**Sign-On Bonus**"), to be paid upon Employee's relocation to Orange County, California, which relocation is expected to occur as soon as reasonably possible following the Effective Date but in no case later than November 1, 2019. The

Sign-On Bonus will be subject to repayment to the Bank by Employee if either (i) the Bank terminates Employee's employment for Cause prior to the first anniversary of the Effective Date, or (ii) Employee terminates his employment with the Bank without Good Reason prior to the first anniversary of the Effective Date. To the extent applicable, any such repayment will be due to the Bank within thirty (30) days following Employee's termination of employment. For the avoidance of doubt, the Sign-On Bonus shall not be paid if Employee's relocation to Orange County, California is not completed by November 1, 2019.

(d) *Equity-based Compensation.* The Bank will grant Employee a long-term incentive grant of RSUs pursuant to the LTIP, subject to approval by the Committee no later than sixty (60) days following the Effective Date. Such RSUs shall have a grant date value equal to \$900,000. Subject to Employee's continued employment with the Bank on each applicable vesting date, (A) fifty percent (50%) of such RSUs will vest in equal installments on each of the first three anniversaries of the grant date (i.e., 1/3, 1/3 and 1/3), and (B) the remaining fifty percent (50%) of such RSUs will vest on the third anniversary of the grant date subject to attaining certain specified performance targets established by the Committee. The RSUs described in this Section 5(d) shall be subject to and governed by the terms of the LTIP and a separate Restricted Stock Unit Award Agreement to be entered into between the Bank and Employee.

(e) *Relocation Benefits.* The Bank agrees to reimburse Employee for up to \$50,000 of his expenses incurred in relocating to Orange County, California. The reimbursements described in this Section 5(e) shall be subject to the Bank's corporate travel policy and employee expense reimbursement policy and any required tax withholdings, and shall only be due if Employee's relocation to Orange County, California is completed on or prior to November 1, 2019.

(f) *Automobile Use/Allowance.* The Bank shall, at the Bank's expense but subject to required reporting of taxable income, provide Employee with use of a Mercedes E43 AMG until the Bank's lease on such automobile expires, and will thereafter provide Employee with a monthly automobile allowance of \$1,200 during the Employment Period. The automobile allowance described in this Section 5(f) shall be subject to any applicable policy of the Bank and any required tax withholdings.

(g) *Paid Time Off.* During the Employment Period, Employee shall accrue twenty (20) days of paid time off ("PTO") each year, to be used and accrued in accordance with, and subject to, the Bank's paid time off policies in effect from time to time. The maximum amount of PTO that Employee can accrue at any time is thirty (30) days (i.e., 1.5 times the annual PTO accrual). Employee shall also be entitled to all other holiday and leave pay generally available to other executives of the Bank.

(h) *Retirement Benefits.* During the Employment Period, Employee shall be eligible to participate in any retirement, pension or profit-sharing plan, including any non-qualified, deferred compensation or salary continuation plan, or similar employee benefit plan or retirement or bonus program of the Bank available to other senior executive officers generally, to the extent that he is eligible under the provisions of the plan and commensurate with his position in relationship to other participants and pursuant to the terms of the Bank's plans or program.

(i) *Welfare Benefits.* The Bank agrees to provide medical, dental, vision, disability, life and other insurance for Employee on the same terms as generally provided for other executive officers of the Bank from time to time and subject to the terms and conditions of all such applicable plans and policies.

(j) *Legal Fees.* The Bank agrees to pay the reasonable attorney fees incurred by Employee in connection with the negotiation and execution of this Agreement and the ancillary documents referenced herein (e.g., the agreements governing the RSUs), subject to the applicable expense reimbursement policies of the Bank and up to a cap of \$10,000 in the aggregate.

(k) All amounts payable to Employee by the Bank, whether paid pursuant to this Agreement or otherwise, shall be subject to all required deductions and tax withholdings.

6. Reimbursement of Expenses. The Bank agrees to reimburse Employee for all reasonable and necessary out-of-pocket expenses that are business related, upon submission of appropriate documentation and otherwise subject to compliance with the applicable policies of the Bank.

7. Confidential Information. Employee agrees that he shall not, without the prior written permission of the Bank in each case, use for his own benefit or the benefit of any other Person (as defined in Section 10(h)(vii)), or publish, disclose or make available to any Person, either during the Employment Period or after the termination of this Agreement, any confidential information which Employee may obtain during the Employment Period, or which Employee may create prior to the end of the Employment Period relating to the business of the Bank, or to the business of any customer or supplier of any of them; provided, however, Employee may use, disclose or make available to Persons such information during the Employment Period for the benefit of the Bank. Without limiting the foregoing obligations, Employee agrees that, coincident with his signing of this Agreement, he shall be obligated to sign and deliver to the Bank the Confidential Information and Proprietary Rights Agreement attached as Schedule A hereto (the “**CIPR Agreement**”). Prior to or at the termination of his employment with the Bank, Employee hereby agrees to return all documents, files, notes, writings and other tangible evidence of such confidential information to the Bank. This Section 7 shall survive the expiration or termination of this Agreement.

8. Covenant Not to Solicit Customers or Fellow Employees.

(a) Customers. To the fullest extent permitted by applicable law, and except for the benefit of the Bank in the lawful performance of his duties, Employee agrees that at all times during the Employment Period and for a period of eighteen (18) months following the termination of employment for any reason (including a Non-Renewal), Employee shall not solicit, directly or indirectly, or divert or attempt to divert for himself or for any Person, the banking business of any customer with whom the Bank has done business during the Employment Period by using any trade secrets of the Bank. Employee recognizes and acknowledges that any confidential customer list and/or non-public financial information concerning any of the Bank’s customers, as it may exist from time to time, is a valuable, special and unique asset of the Bank’s business and constitutes the Bank’s confidential, trade secret information.

(b) Employees. To the fullest extent permitted by applicable law, and except for the benefit of the Bank in the lawful performance of his duties, Employee agrees that at all times during the Employment Period and for a period of eighteen (18) months following the termination of employment for any reason (including a Non-Renewal), Employee shall not solicit, directly or indirectly, or divert or attempt to divert for himself or for any Person, any individual who is or was employed by the Bank at any point during the six (6) month period preceding the date of such solicitation.

Employee acknowledges and agrees that the restrictions contained in this Section 8 are necessary and reasonably tailored to protect the Bank's confidential trade secret information and to assure that Employee does not violate Employee's duty of loyalty or Employee's fiduciary duties to the Bank. Employee further acknowledges and agrees that the restrictions contained in this Section 8 shall not in any way limit or reduce his obligation to protect the confidential information of the Bank as set forth in Section 7 above. This Section 8 shall survive the expiration or termination of this Agreement.

9. Injunctive Relief. Employee agrees and acknowledges that the restrictions contained in Section 7 and 8 are reasonable and necessary to protect the business and interests of Bank and that any violation of these restrictions will cause substantial and irreparable injury to the Bank that money damages may not be an adequate remedy and as a consequence thereof, Employee agrees and acknowledges that the Bank is entitled, in addition to any other remedies and subject to the posting of a bond not to exceed \$5,000, to preliminary and permanent injunctive relief to secure specific performance, and to prevent a breach or contemplated breach, of Sections 7 and 8.

#### 10. Termination of Employment

(a) *Termination by the Bank*. Employee's employment by the Bank and the Employment Period may be terminated by the Bank: (i) immediately upon notice, with or without Cause (as defined in Section 10(h)(iii)), but subject to any applicable opportunity to cure as defined in Section 10(h)(iii); (ii) upon the Banks's determination of the event of Employee's Disability (as defined in Section 10(h)(v)), but subject to any obligation under applicable law to provide reasonable accommodation; (iii) automatically upon Employee's death; or (iv) in the event of Non-Renewal by the Bank, upon the expiration of the then-current Initial Term or Extension Term.

(b) *Termination by Employee*. Employee's employment by the Bank, and the Employment Period, may be terminated by Employee: (i) for Good Reason (as defined in Section 10(h)(vi)); (ii) for any other reason with no less than sixty (60) days' advance notice to the Bank; or (iii) in the event of Non-Renewal by Employee, upon the expiration of the then-current Initial Term or Extension Term. The Bank reserves the right to relieve Employee from all duties during all or any portion of any applicable notice period, provided that Employee shall be entitled to continue to receive his compensation pursuant to Section 5 during the remainder of such notice period.

(c) *Benefits upon Termination*. If Employee's employment with the Bank is terminated during the Employment Period for any reason, including Non-Renewal (in each case, the date that Employee's employment with the Bank terminates is referred to as the "**Termination**

**Date**”), the Bank shall have no further obligation to make or provide to Employee, and Employee shall have no further right to receive or obtain from the Bank, any payments or benefits except as follows:

(i) The Bank shall pay Employee (or, in the event of his death, Employee’s estate) any Accrued Obligations (as such term is defined in Section 10(h)(i)). The Accrued Obligations shall be paid to Employee on the Termination Date, or as otherwise required under applicable law.

(ii) If during the Employment Period, but at any time other than during the two (2) year period beginning on the date of a Change in Control (as such term is defined in Section 10(h)(iv)), or the three (3) month period immediately preceding a Change in Control, Employee’s employment with the Bank terminates as a result of a termination by the Bank without Cause, as a result of a resignation by Employee with Good Reason, or due to a Non-Renewal by the Bank, the Bank shall pay Employee (in addition to the Accrued Obligations), an amount equal to the sum of (x) one-hundred percent (100%) of Employee’s Base Salary (calculated for a twelve (12) month period) at the annualized rate in effect on the Termination Date and (y) the targeted Annual Bonus for the applicable year that the Termination Date occurs (the “**Severance Benefit**”), subject to the terms and conditions of this Agreement. The Bank shall pay the Severance Benefit to Employee in substantially equal amounts in accordance with the Bank’s standard payroll practices over a period of eighteen (18) consecutive months (the “**Severance Period**”), with the first payment due no later than the first payroll pay date that is 60 days after the Termination Date, but subject to the provisions of Sections 10(d) and 10(f) below.

(iii) If during the Employment Period, but at a time that is also during either the three (3) month period immediately preceding, or the two (2) year period beginning on, the date of a Change in Control, Employee’s employment with the Bank terminates as a result of a termination by the Bank without Cause, as a result of a resignation by Employee with Good Reason, or due to a Non-Renewal by the Bank, the Bank shall pay Employee (in addition to the Accrued Obligations), an amount equal to two-and-one-half times (2.5x) the sum of (A) the highest of Employee’s annual Base Salary for the calendar year in which termination occurs, either of the prior two (2) calendar years, or the calendar year prior to the year in which the Change in Control occurred; (B) the highest of (I) Employee’s target Annual Bonus for the calendar year in which termination occurs, or (II) the highest of Employee’s actual Annual Bonus from the Bank for either of the prior two (2) calendar years or the calendar year prior to the year in which the Change in Control occurred, provided that in the event that Employee was paid a partial year bonus, the bonus amount shall be annualized for any calendar year in which Employee was not employed by the Bank for the entire calendar year; and (C) the amount of the contributions or accruals made or anticipated to have been made on Employee’s behalf to the Bank’s benefit plans for the calendar year in which termination occurs, including, without limitation, contributions to and accruals under qualified and nonqualified defined contribution and defined benefits pension plans and plans qualified under Section 125 of the Code (the “**CIC Severance Benefit**”). The Bank (or its successor) shall pay the CIC Severance Benefit to Employee in a lump-sum on the date that is sixty (60) days after the date of Employee’s Separation from Service, but subject to the provisions of Sections 10(d)

and 10(f) below. For avoidance of doubt, Employee may be eligible for either the Severance Benefit, or the CIC Severance Benefit, but not both.

(d) *Conditions to Receive Severance and Effect of Breach by Employee.* Notwithstanding the provisions of Section 10(c), if at any time Employee fails to comply with and/or breaches his obligations under any of (i) this Section 10(d), (ii) the CIPR Agreement, or (iii) any other written agreement between Employee and the Bank, then from and after the date of such failure to comply and/or breach, and not in any way in limitation of any right or remedy otherwise available to the Bank, Employee will no longer be entitled to receive, and the Bank will no longer be obligated to pay, any remaining unpaid portion of the Severance Benefit or the CIC Severance Benefit, as applicable, other than the equivalent of one (1) month of Base Salary as severance pay to the extent not yet already paid, as consideration for the release as described in Section 10(f) below. As a condition of receiving the Severance Benefit on a monthly basis during the Severance Period or the CIC Severance Benefit, as applicable, Employee shall not solicit, directly or indirectly, or divert or attempt to divert for himself or for any other Person, (A) the banking business of any customer with whom the Bank has done business during the Employment Period or (B) any individual who is or was employed by the Bank at any point during the six (6) month period preceding the date of such solicitation. Employee understands and agrees that he is not otherwise eligible or entitled to any Severance Benefit or CIC Severance Benefit but for his compliance with this Section 10(d). Employee further understands and agrees that this Section 10(d) shall apply and be fully enforceable notwithstanding any ruling by a judge, court or arbitrator regarding the enforceability of (i) Section 7 or 8 of this Agreement, (ii) the CIPR Agreement, or (iii) any other written agreement between Employee and the Bank.

(e) *No Effect on Other Benefits.* The foregoing provisions of this Section 10 shall not affect: (i) Employee's receipt of benefits otherwise due to terminated employees under group insurance coverage consistent with the terms of the applicable Bank welfare benefit plans and applicable law; (ii) Employee's rights under applicable law to continue participation in certain welfare benefits; (iii) Employee's receipt of benefits otherwise due in accordance with the terms of the Bank's 401(k) plan (if any); (iv) Employee's rights with respect to the RSUs (which rights shall be governed by the LTIP and the separate Restricted Stock Unit Award Agreements); or (v) Employee's right to receive any other vested benefit under any other benefit plan of the Bank.

(f) *Release of Claims.* As a condition precedent to any obligation by the Bank to pay any portion of the Severance Benefit or the CIC Severance Benefit, as applicable, Employee shall, upon or promptly following (and in all events, within twenty-one (21) days of, unless a longer period of time is required by applicable law) his last day of employment with the Bank, execute and not revoke a Severance and General Release Agreement in substantially the form appended to this Agreement as Schedule B (subject to any changes to such agreement as are deemed by the Board to be appropriate to address changes in applicable law after the Effective Date), and such Severance and General Release Agreement shall have not been revoked by Employee pursuant to any revocation rights afforded by such agreement or applicable law. To the extent that the Severance and General Release Agreement is not fully executed and becomes non-revocable prior to the date when the first payment of the Severance Benefit or the CIC Severance Benefit, as applicable, becomes due and payable, then Employee shall be deemed to have waived his right and he will no longer be eligible or entitled to receive the Severance Benefit or the CIC Severance Benefit, as applicable, hereunder.

(g) *Effect on Other Positions.* Employee agrees to resign, as of the Termination Date, from all positions relating to his employment under this Agreement, including as an officer and director of the Bank and any Affiliate (as defined in Section 10(h)(ii)) of the Bank, as applicable, and as a fiduciary of any benefit plan of the Bank or any Affiliate of the Bank, as applicable, and to promptly execute and provide to the Bank any further documentation, as reasonably requested by the Bank, to confirm such resignation.

(h) Certain Defined Terms.

(i) As used herein, “**Accrued Obligations**” means:

(A) any Base Salary that had accrued but had not been paid on or before the Termination Date;

(B) any PTO that had accrued but had not been used on or before the Termination Date;

(C) any accrued and vested employee benefits, if any, as to which Employee may be entitled under the employee benefit plans of the Bank; and

(D) any reimbursement due to Employee pursuant to Section 6 for expenses incurred by Employee on or before the Termination Date.

(ii) As used herein, “**Affiliate**” shall refer to any Person (as defined below) that directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with the Bank. As used in this definition, the term “control,” including the correlative terms “controlling,” “controlled by” and “under common control with,” means the possession, directly or indirectly, of the power to direct or cause the direction of management or policies (whether through ownership of securities or any partnership or other ownership interest, by contract or otherwise) of a Person. As used in this Agreement, the term “Bank” shall include, as applicable, its Affiliates.

(iii) As used herein, “**Cause**” shall mean a good faith determination by the Board that one or more of the following has occurred:

(A) Employee has materially breached any provision of this Agreement or any other written agreement between Employee and the Bank;

(B) Employee has engaged in any act of fraud, embezzlement, theft, misappropriation, dishonesty or money laundering involving the Bank, or any act of misconduct or immoral or disreputable conduct which is, or could reasonably be expected to be, harmful to the Bank, its customers, or its reputation;

(C) Employee’s willful failure or refusal to satisfactorily perform his material duties or obligations under this Agreement;

(D) Employee’s refusal or willful failure to follow or implement a clear and lawful directive of the Board;

(E) Employee has engaged in any willful misconduct, malfeasance or gross negligence in the performance of his duties, or a material violation of any provision of any state, local or federal laws, regulations, ordinances, ethics requirements or codes that are applicable to the performance of the Employee's duties;

(F) Employee's failure to adhere to any material policy applicable generally to all executive employees of the Bank, including, without limitation, the Bank's policy prohibiting discrimination and harassment and the Bank's substance abuse policy;

(G) Employee breaches a fiduciary duty that he owes to the Bank; or

(H) Employee's conviction of, or a plea of *nolo contendere* to, any felony, or a misdemeanor involving moral turpitude (including forgery, fraud, theft, money laundering or embezzlement);

provided, however, that any such termination shall not constitute termination for Cause unless, with respect to the circumstances set forth in clauses (C) and (D) above only, and to the extent such circumstances are susceptible to cure: (I) the Bank provides written notice to Employee of the condition(s) or circumstance(s), as applicable, claimed to constitute grounds for Cause within thirty (30) days of the Board first learning of the existence of such condition or circumstance (such notice to be delivered in accordance with Section 14); (II) Employee shall have thirty (30) days following receipt of such notice to cure such condition or circumstance; and (III) Employee fails to remedy such condition or circumstance within thirty (30) days of receiving such written notice thereof.

(iv) As used herein, the term "**Change in Control**" of the Bank shall mean any of the following:

(A) An event with respect to the Bank that would be required to be reported in response to Item 5.01 of the Current Report on Form 8-K, as in effect on the date hereof, pursuant to Sections 13 or 15(d) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"); or

(B) A change in control of the Bank within the meaning of the Change in Bank Control Act, and the rules and regulations promulgated thereunder, in effect on the date hereof; or

(C) (I) Any Person (as the term is used in Sections 13(d) and 14(d) of the Exchange Act and the rules and regulations of the Securities & Exchange Commission ("**SEC**") promulgated thereunder as in effect on the date of this Agreement) or Group (as defined in the Exchange Act and the rules and regulations of the SEC promulgated thereunder as in effect on the date of this Agreement) is or becomes the Beneficial Owner (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of voting securities of the Bank representing forty percent (40%) or more of the Bank's outstanding voting

securities or the right to acquire such securities except that the event described in this sub clause (I) shall not be deemed a Change in Control by virtue of an acquisition (x) by the Bank or any subsidiary of the Bank or (y) by an employee benefit plan (or related trust) sponsored by the Bank or any subsidiary of the Bank, (II) during any period of 24 consecutive calendar months, individuals who constitute the Board on the date hereof (the “**Incumbent Board**”) cease for any reason to constitute at least fifty percent (50%) thereof, provided that any person becoming a director subsequent to the date hereof whose election was approved by a vote of at least three-quarters of the directors comprising the Incumbent Board, or whose nomination for election by the Bank’s stockholders was approved by a nominating committee solely comprised of members who are Incumbent Board members, shall be, for purposes of this clause (II), considered as though he were a member of the Incumbent Board, (III) the consummation of a merger, consolidation, share exchange or similar transaction between the Bank and another Person, other than a subsidiary, other than any such transaction in which the stockholders of the Bank immediately before such merger, consolidation or transaction own, directly or indirectly, fifty percent (50%) of the combined voting power of the surviving entity to the merger, consolidation or transaction in substantially the same proportion as their ownership immediately before such merger, consolidation or transaction, or (IV) a tender offer is made and accepted for forty percent (40%) or more of the voting securities of the Bank then outstanding.

(D) For the avoidance of doubt, (I) a “Change in Control” shall not include a holding company reorganization consisting of (x) the formation of a bank holding company in accordance with the applicable requirements of the Bank Holding Company Act of 1956, as amended, and (y) the exchange of the Bank’s common stock (“Common Stock”) and Series A Non-Cumulative Non-Voting Preferred Stock (the “Series A Preferred Stock”) for capital stock of the holding company having substantially the same terms and conditions, and (II) to the extent a payment hereunder constitutes non-qualified deferred compensation that is subject to Section 409A of the Internal Revenue Code of 1986, as amended (the “**Code**”), no “Change in Control” will be deemed to have occurred hereunder for purposes of such payment unless the event or circumstances constituting such Change in Control also constitutes a “change in control event” (as described in Treas. Reg. Section 1.409A-3(i)(5)(i)) with respect to the Bank.

(v) As used herein, “**Disability**” shall mean a physical or mental impairment which renders, or reasonably can be expected to render, Employee unable to perform the essential functions of his employment with the Bank, even with reasonable accommodation that does not impose an undue hardship on the Bank, for more than ninety (90) consecutive days or one hundred and eighty (180) days in any twelve (12)-month period, unless a longer period is required by federal or state law, in which case that longer period would apply.

(vi) As used herein, “**Good Reason**” shall mean a resignation by Employee after the occurrence (without Employee’s consent) of any one or more of the following conditions:

(A) a reduction in the Base Salary or target Annual Bonus, other than any such reduction that applies generally to other executives of the Bank;

(B) a material and sustained reduction in Employee’s primary duties and responsibilities;

(C) a material breach by the Bank of the terms of this Agreement;

(D) a requirement that Employee relocate to an office more than thirty-five (35) miles from the Bank’s current headquarters in Irvine, California; or

(E) the removal or change of title from Chief Executive Officer of the Bank;

provided, however, that any such resignation shall not constitute Good Reason unless, in each case: (I) Employee provides written notice to the Bank of the condition(s) or circumstance(s), as applicable, claimed to constitute grounds for Good Reason within thirty (30) days of the initial existence of such condition or circumstance (such notice to be delivered in accordance with Section 14); (II) the Bank shall have 30 days following receipt of such notice to cure such condition or circumstance; and (III) the Bank fails to remedy such condition or circumstance within thirty (30) days of receiving such written notice thereof; and provided, further, that in all events the termination of Employee’s employment with the Bank shall not constitute a Good Reason unless such termination occurs not more than ninety (90) days following the initial existence of the condition claimed to constitute grounds for a Good Reason.

(vii) As used herein, the term “**Person**” shall be construed broadly and shall include, without limitation, an individual, a partnership, a limited liability company, a corporation, an association, a joint stock company, a trust, a joint venture, an unincorporated organization and a governmental entity or any department, agency or political subdivision thereof.

(viii) As used herein, a “**Separation from Service**” occurs when Employee has a termination of employment with the Bank that constitutes a “separation from service” within the meaning of Treasury Regulation Section 1.409A-1(h)(1), without regard to the optional alternative definitions available thereunder.

(ix) As used herein, the term “**Subsidiary**” means, with respect to any Person, any corporation, partnership, joint venture or other legal entity of which such Person (either alone or through or together with any other Subsidiary) (i) owns, directly or indirectly, fifty percent (50%) or more of the stock, partnership interests or other equity interests which are generally entitled to vote for the election of the board of directors or other governing body of such corporation, partnership, joint venture of other legal entity;

or (ii) possesses, directly or indirectly, control over the direction of management or policies of such corporation, partnership, joint venture or other legal entity (whether through ownership of voting securities, by agreement or otherwise).

(x) As used herein, the term “**Surviving Parent**” means the Person continuing, surviving or resulting from a reorganization, merger, consolidation or sale constituting a Change in Control.

11. Other Regulatory Matters.

(a) If Employee is suspended and/or temporarily prohibited from participating in the conduct of the Bank’s affairs by a notice served under 12 U.S.C. §§ 1818(e)(3) and (g)(1), the Bank’s obligations under this Agreement shall be suspended as of the date of service unless stayed by appropriate proceedings. If the charges in the notice are dismissed, the Bank may in its discretion (i) pay Employee all or part of the compensation withheld while its contract obligations were suspended, and (ii) reinstate (in whole or in part) any of its other obligations which were suspended.

(b) If Employee is removed and/or permanently prohibited from participating in the conduct of the Bank’s affairs by an order issued under 12 U.S.C. §§ 1818(e)(4) or (g)(1), all obligations of the Bank under this Agreement shall terminate as of the effective date of the order, but vested rights of the contracting parties shall not be affected.

(c) If the Bank is in Default (as defined in section 3(x)(1) of the Federal Deposit Insurance Act), all its obligations under this Agreement shall terminate as of the date of Default, but this Section 11(c) shall not affect any vested rights of the contracting parties.

(d) Any payments made to Employee pursuant to this Agreement, or otherwise, are subject to and conditioned upon compliance with 12 U.S.C. §1828(k) and any regulations promulgated thereunder. The Bank shall have no contractual or other obligation to make any payment to which Employee shall be entitled pursuant to this Agreement to Employee unless (i) such payment receives the prior approval of the appropriate federal banking agency, if required by 12 U.S.C. § 1828(k), and (ii) such obligation and such payment comply in all other respects with 12 U.S.C. § 1828(k), to the extent that such provisions are applicable.

12. Parachute Payment Provision. Notwithstanding any provision to the contrary contained in this Agreement, if the cash payments and the other benefits due to Employee under this Agreement, either alone or together with other payments in the nature of compensation to Employee which are contingent on a Change in Control, would constitute a “parachute payment” (as defined in Section 280G of the Code or any successor provision thereto), such payments or benefits shall be reduced (but not below zero) to the largest aggregate amount as will result in no portion thereof being subject to the excise tax imposed under Section 4999 of the Code (or any successor provision thereto) or being non-deductible to the Bank for federal income tax purposes pursuant to Section 280G of the Code (or any successor provision thereto), provided, however, that the foregoing reduction will be made only if and to the extent that such reduction would result in an increase in the aggregate payment and benefits to be provided to Employee, determined on an after-tax basis (taking into account the excise tax imposed pursuant to Section 4999 of the Code,

or any successor provision thereto, any tax imposed by any comparable provision of state law, and any applicable federal, state and local income taxes). Employee agrees to take such action as the Bank reasonably requests to mitigate or challenge the application of such tax, provided that the Bank shall supply such counsel and expert advice, including legal counsel and accounting advice, as may reasonably be required, and shall be responsible for the payment of such experts' fees. If requested by Employee or the Bank, the determination of whether any reduction in payments or benefits to be provided under this Agreement or otherwise is required pursuant to this Section 12 will be made by a national accounting firm reasonably selected and reimbursed by the Bank from among the nationally-recognized accounting firms not then-engaged as the Bank's independent public auditor (the "**Accounting Firm**"), subject to Employee's consent (not to be unreasonably withheld) and the determination of such Accounting Firm will be final and binding on all parties. In making its determination, the Accounting Firm will allocate a reasonable portion of such payments and benefits to the value of any personal services rendered following the Change in Control and the value of any non-competition agreement or similar agreements to the extent that such items reduce the amount of the parachute payment. In the event that any payment or benefit intended to be provided under this Agreement or otherwise is required to be reduced pursuant to this Section 11, the Bank shall make such reduction first by reducing amounts payable under Section 10(c)(ii) or 10(c)(iii), as applicable. No modification of, or successor provision to, Section 280G or Section 4999 subsequent to the date of this Agreement shall, however, reduce the benefits to which the Executive would be entitled under this Agreement in the absence of this Section 12 to a greater extent than they would have been reduced if Section 280G and Section 4999 had not been modified or superseded subsequent to the date of this Agreement, notwithstanding anything to the contrary provided in the first sentence of this Section 12.

13. Code Section 409A.

(a) The parties agree that this Agreement shall be interpreted to comply with Section 409A of the Code and the regulations and guidance promulgated thereunder to the extent applicable (collectively "**Code Section 409A**") and all provisions of this Agreement shall be construed in a manner consistent with the requirements for avoiding taxes or penalties under Code Section 409A. In no event whatsoever will the Bank be liable for any additional tax, interest or penalty that may be imposed on Employee by Code Section 409A.

(b) Notwithstanding any provision to the contrary in this Agreement, a termination of Employee's employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" (within the meaning of Code Section 409A).

(c) If Employee is deemed on the Termination Date to be a "specified employee" (within the meaning of Section 409A(a)(2)(B) of the Code) and using the identification methodology selected by the Bank from time to time, or, if none, the default methodology set forth in Code Section 409A, then with regard to any payment or the providing of any benefit that constitutes "non-qualified deferred compensation" pursuant to Code Section 409A, such payment or benefit will not be made or provided prior to the earlier of (i) the first day of the seventh month following Employee's separation from service or (ii) the date of Employee's death. On the first day of the seventh month following the date of Employee's separation from service or, if earlier,

on the date of Employee's death, all payments delayed pursuant to this Section 13(c) (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay), will be paid or reimbursed to Employee in a lump sum, and any remaining payments and benefits due under this Agreement will be paid or provided in accordance with the normal payment dates specified for them herein.

(d) To the extent that this Agreement provides for Employee's indemnification by the Bank and/or the payment or advancement of costs and expenses associated with indemnification, any such amounts shall be paid or advanced to Employee only in a manner and to the extent that such amounts are exempt from the application of Code Section 409A in accordance with the provisions of Treasury Regulation Section 1.409A-1(b)(10).

(e) All expenses or other reimbursements under this Agreement will be made on or prior to the last day of the taxable year following the taxable year in which such expenses were incurred by Employee (provided that if any such reimbursements constitute taxable income to the Employee, such reimbursements will be paid no later than March 15th of the calendar year following the calendar year in which the expenses to be reimbursed were incurred), and no such reimbursement or expenses eligible for reimbursement in any taxable year will in any way affect the expenses eligible for reimbursement in any other taxable year.

(f) For purposes of Code Section 409A, Employee's right to receive any installment payments pursuant to this Agreement will be treated as a right to receive a series of separate and distinct payments. Whenever a payment under this Agreement specifies a payment period with reference to a number of days (e.g., "payment will be made within thirty (30) days"), the actual date of payment within the specified period will be within the sole discretion of the Bank.

(g) Notwithstanding any provision of this Agreement to the contrary, to the extent that any payment under the terms of this Agreement would constitute an impermissible acceleration of payments under Code Section 409A or any regulations or guidance from the U.S. Treasury promulgated thereunder, such payments shall be made no earlier than at such times allowed under Code Section 409A. If any provision of this Agreement (or of any award of compensation) would cause Employee to incur any additional tax or interest under Code Section 409A or any regulations or guidance from the U.S. Treasury promulgated thereunder, the Bank may reform such provision; provided that the Bank shall (i) maintain, to the maximum extent practicable, the original intent of the applicable provision without violating the provisions of Code Section 409A, and (ii) notify and consult with Employee regarding such amendments or modifications prior to the effective date of any such change.

14. Notices. Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be mailed by certified mail, return receipt requested or delivered against receipt to the party at the address set forth below or to such other address as the party shall have furnished in writing. Notwithstanding the foregoing, notice to the Employee at his company-provided electronic mail (email) address shall be sufficient notice for purposes of this Agreement. Any notice or other communication given by certified mail shall be deemed given at the time of certification thereof, except for a notice changing a party's address which shall be deemed given at the time of receipt thereof.

Notice to the Bank:

Opus Bank  
19900 MacArthur Blvd., 12<sup>th</sup> Floor  
Irvine, CA 92612  
Attn: General Counsel

With a copy (which shall not constitute notice) to:

Opus Bank  
19900 MacArthur Blvd., 12<sup>th</sup> Floor  
Irvine, CA 92612  
Attn: Chairman of the Board

With a copy (which shall not constitute notice) to:

Vedder Price, P.C.  
1925 Century Park East, Suite 1900  
Los Angeles, CA 90067  
Attn: Thomas H. Petrides, Esq.  
Email: [tpetrides@vedderprice.com](mailto:tpetrides@vedderprice.com)

Notice to Employee:

At the address set forth in the records of the Bank.

15. Post-Employment Cooperation. Following the termination of employment by the Bank or Employee for any reason (including a Non-Renewal), Employee agrees to make himself available and to reasonably cooperate with the Bank in connection with any internal or external investigation as requested or authorized in writing by the Bank, or conducted by the Bank, including any investigation, defense, or preparation and/or prosecution of any potential, threatened or actual claims, actions, subpoenas, government investigations or inquiries, internal reviews or other proceedings that exists as of the Termination Date, or that may arise subsequent to the Termination Date, relating in any way to any claims, acts, events or omissions occurring during the Employment Period with respect to the Bank or any predecessor or acquired institution. Such cooperation includes, but is not limited to, meeting with Bank representatives and/or attorneys to discuss and review issues with which Employee was directly or indirectly involved during his employment; participating in any investigation conducted by the Bank, any governmental entity or any third party (e.g., legal counsel) as authorized by the Bank; signing truthful declarations or witness statements; preparing for and serving as a witness and providing testimony as needed in any civil, criminal or administrative proceeding; and performing similar activities that the Bank deems reasonably necessary for the prosecution or defense of any such claims or investigation without further compensation. Employee understands that in any legal action, investigation, or review covered by this Section, the Bank expects Employee to provide only accurate and truthful information or testimony. The Bank will promptly reimburse Employee for all reasonable out of pocket costs and travel expenses, if any, incurred by Employee in connection with such cooperation or as may be required pursuant to subpoena or other legal process, subject to the

applicable reimbursement policies of the Bank. During any applicable Severance Period Employee further agrees to be generally available as reasonably requested by the Bank to cooperate in answering questions regarding any previous matter on which Employee had worked on at the Bank or had knowledge of, in order to ensure a smooth transition of responsibilities. This Section 15 shall survive the expiration or termination of this Agreement.

16. Governing Law; Prevailing Party. This Agreement, and any and all disputes arising out of or relating to this Agreement or the subject matter, enforceability or breach thereof, including the employment relationship and any termination of employment, will be construed, interpreted and enforced in accordance with laws of the State of California without regard to conflict or choice of law principles applicable therein, except that the arbitration provision in Section 17 will be governed by the Federal Arbitration Act and applicable federal law. The prevailing party in any arbitration, litigation or other proceeding arising out of or relating to this Agreement, or the subject matter, enforceability or breach thereof, will be entitled to recover from the non-prevailing party its costs and reasonable attorneys' fees, as determined by the arbitrator or court, pursuant to the provisions of applicable law.

17. Binding Arbitration.

(a) The parties mutually agree that any and all controversies, claims or disputes arising out of or relating to this Agreement, or the subject matter, enforceability or breach thereof, including the employment relationship and any termination of employment, whether initiated by Employee or the Bank, and whether based on contract, tort, statute, regulation or common law, shall be submitted to and resolved by final and binding arbitration pursuant to the Federal Arbitration Act (“**FAA**”) as the exclusive method for resolving all such disputes. The arbitration shall be administered by JAMS, pursuant to then-current JAMS Employment Arbitration Rules & Procedures (“**JAMS Rules**”), to the extent consistent with the FAA and this Section 17. The arbitration shall be conducted in private in Orange County, California pursuant to the JAMS Rules, unless otherwise mutually agreed by the parties. A copy of the JAMS Rules are available for review at [www.jamsadr.com/rules-employment-arbitration](http://www.jamsadr.com/rules-employment-arbitration) and are incorporated herein by reference. The state or federal courts located in Orange County, California will have concurrent jurisdiction to issue temporary and preliminary injunctive or other equitable relief relating to the dispute pending completion of the arbitration, or to enforce the agreement to arbitrate.

(b) The party asserting a claim subject to arbitration shall submit a written arbitration demand to JAMS and serve the other party, setting out the basis of the claim or claims, within the time period of any applicable statute of limitations relating to such claim(s), and subject to any exhaustion of remedy requirements. If the parties cannot mutually agree upon an Arbitrator, then the parties shall select a neutral Arbitrator through the procedures established by the JAMS Rules. The Arbitrator shall have the powers provided under the California Code of Civil Procedure relating to the arbitration of disputes, except as expressly limited or otherwise provided in this Agreement or by the FAA. The parties shall have the right to reasonable discovery as mutually agreed or as determined by the Arbitrator, including at least one deposition each, it being the goal of the parties to resolve any disputes as expeditiously and economically as reasonably practicable. The party initiating the claim shall pay the initial JAMS Case Management Fee and the parties agree that thereafter the Bank shall pay the administration costs of the arbitration, including payment of the fees for the Arbitrator, and any other costs directly related to the administration of

the arbitration. The parties shall otherwise be responsible for their own respective costs and attorneys' fees relating to the dispute, such as deposition costs, expert witnesses, court reporters and similar expenses, except as otherwise may be awarded to the prevailing party.

(c) The Arbitrator may award, if properly proven, any damages or remedy that a party could recover in a civil litigation, and shall award costs and reasonable attorneys' fees to the prevailing party as provided by applicable law and this Agreement. The award of the Arbitrator shall be issued in writing, setting forth the basis for the decision, and shall be binding on the parties to the fullest extent permitted by law, subject to any limited statutory right to appeal as provided by law. Judgment upon the award of the Arbitrator may be entered in any court having proper jurisdiction and enforced as provided by law.

(d) EACH PARTY UNDERSTANDS AND AGREES THAT BY SIGNING THIS AGREEMENT THEY ARE AGREEING THAT ALL DISPUTES WILL BE DECIDED BY FINAL AND BINDING ARBITRATION AND EACH PARTY IS GIVING UP THEIR RIGHT TO A JURY TRIAL OR TRIAL IN COURT.

18. Miscellaneous.

(a) Concurrently with the execution of this Agreement, Employee and the Bank shall enter into an Indemnification Agreement substantially in the form filed as Exhibit 10.15 to the Bank's Registration Statement on Form 10 filed with the Federal Deposit Insurance Corporation on March 10, 2014 (the "**Indemnification Agreement**"), in the form attached as Schedule C hereto.

(b) No amendment or variation of the terms of this Agreement shall be valid unless made in writing and signed by Employee and a duly authorized representative of the Bank.

(c) Any waiver by either party of a breach of any provision of this Agreement shall not operate as to be construed to be a waiver of any other breach of such provision or of any breach of any other provision of this Agreement. The failure of a party to insist upon strict adherence to any term of this Agreement on one or more occasions shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement. Any waiver must be in writing.

(d) In case any provision of this Agreement will be invalid, illegal or otherwise unenforceable, the validity, legality and enforceability of the remaining provisions will in no way be affected or impaired thereby. In addition, should a court of competent jurisdiction declare any of the covenants set forth in Section 7 or 8 unenforceable, the parties agree that such court will be authorized to modify such covenants so as to render the remaining covenants and the modified covenants valid and enforceable to the maximum extent possible, and as so modified, to enforce this Agreement in accordance with its terms. In accordance with the foregoing, if any provision of Section 7 or 8 will be held to be excessively broad, it will be limited to the extent necessary to comply with applicable law.

(e) Employee's rights and obligations under this Agreement shall not be transferable by assignment or otherwise, such rights shall not be subject to commutation, encumbrance or the claims of Employee's creditors, and any attempt to do any of the foregoing

shall be void. The provisions of this Agreement shall be binding upon and inure to the benefit of the Bank and its successors and those who are its assigns.

(f) This Agreement does not create, and shall not be construed as creating, any rights enforceable by a person not a party to this Agreement (except as provided in subsection (d) above).

(g) The headings in this Agreement are solely for the convenience of reference and shall be given no effect on the construction or interpretation of this Agreement. The gender and number used in this Agreement are used as reference terms only and will apply with the same effect whether the parties are of the masculine, neuter or feminine gender, corporate or other form, and the singular will likewise include the plural.

(h) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(i) The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof.

(j) This Agreement, together with all Exhibits and Schedules hereto, constitutes the entire agreement between Employee and the Bank related to the subject matter hereof, and supersedes all prior agreements and understandings, whether written or oral, relating to the subject matter of this Agreement (including, without limitation, that certain offer letter agreement between Employee and the Bank dated as of March 26, 2019). The terms and conditions of the employment with the Bank as set forth herein are integrated with and supersede any contrary verbal discussions concerning conditions of employment.

*[Signatures appear on the following page]*

**IN WITNESS WHEREOF**, the Bank and Employee have executed this Agreement to be effective as of the day and year written above.

**BANK:**

**OPUS BANK**

By: /s/ Paul G. Greig  
Name: Paul G. Greig  
Chairman, Interim Chief Executive  
Officer and President

**EMPLOYEE:**

By: /s/ Paul W. Taylor  
Name: Paul W. Taylor

**Exhibit No. 99.1**

**Press Release, dated May 1, 2019, titled: Opus Bank Appoints Paul W. Taylor Chief Executive Officer and President**



## Opus Bank Appoints Paul W. Taylor as Chief Executive Officer and President

IRVINE, Calif. – May 1, 2019 – [Opus Bank](#) (“Opus” or the “Bank”) (NASDAQ: OPB) announced today that Paul W. Taylor has been appointed Chief Executive Officer and President of Opus, effective today. Additionally, Mr. Taylor was simultaneously appointed to Opus’ Board of Directors. Mr. Taylor, a 34-year banking and finance veteran, most recently served as Chief Executive Officer and President of Denver, Colorado-based Guaranty Bancorp, and its wholly-owned bank subsidiary, Guaranty Bank & Trust.

Mr. Taylor succeeds Paul G. Greig, Chairman of Opus’ Board of Directors, who has served as Interim Chief Executive Officer and President of Opus Bank since November 2018. Mr. Greig will continue as Chairman of the Board, a position he has held since January 2018.

Paul Greig, Chairman of the Board of Opus Bank, stated, “I am thrilled that an experienced banker such as Paul, who has successfully managed a highly profitable, mid-sized bank, as well as held executive roles within one of the nation’s larger banks, has agreed to join Opus Bank. I have great confidence that Paul will make an excellent fit for the role and look forward to his contributions in leading the company and enhancing its earnings profile. I would like to thank all of Opus’ team members for their dedication and hard work during the transition in executive leadership.”

Paul Taylor, Chief Executive Officer and President of Opus Bank, commented, “I look forward to working closely with Opus’ Board, executive leadership, and all team members as we strive to make Opus into one of the leading commercial banks in the Western region.” Mr. Taylor added, “I am confident in the team’s ability to restore Opus’ growth momentum, while maintaining an appropriate risk profile. Successfully executing our business strategies will enable the Bank to deliver strong results, thereby enhancing shareholder value, as well as to give back to the communities we proudly serve.”

Mr. Taylor joins Opus most recently from Guaranty Bancorp, where he served as President and CEO from May 2011 until December 2018. From 2009 to 2011, Mr. Taylor served as Guaranty Bank’s Executive Vice President, Chief Financial Officer, Chief Operating Officer, and Secretary. From 2004 to 2009, Mr. Taylor served as Guaranty Bank’s Executive Vice President and Chief Financial Officer. From 2000 to 2004, he served as Executive Vice President, Chief Financial Officer for Centennial Bank Holdings until its acquisition by Guaranty Bancorp. From 1998 to 2000, Mr. Taylor served as Director of Mergers and Acquisitions for Alex Sheshunoff Investment Banking. Earlier in his career, Mr. Taylor served as Director of Investment Banking with Century Capital Group. Mr. Taylor began his banking career in 1985 at KeyCorp, where he held various executive management positions in the New York and the Rocky Mountain regions. Mr. Taylor earned a Bachelor of Science degree in Business Economics from the State University of New York and is a graduate of the Pacific Coast Banking School at the University of Washington.

Opus’ Board of Directors retained Korn Ferry to assist with the process of identifying a pool of highly qualified senior banking executive candidates.

### Connect with Opus Bank

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### About Opus Bank

Opus Bank is an FDIC insured California-chartered commercial bank with \$7.7 billion of total assets, \$5.5 billion of total loans, and \$6.1 billion in total deposits as of March 31, 2019. Opus Bank provides commercial and retail banking products and solutions to its clients in western markets from its headquarters in Irvine, California and through 47 banking offices, including 28 in California, 16 in the Seattle/Puget Sound region in Washington, two in the Phoenix metropolitan area of Arizona and one in Portland, Oregon. Opus Bank offers a suite of treasury and cash management and depository solutions, and a wide range of loan products, including commercial, healthcare, media and entertainment, corporate



finance, multifamily residential, commercial real estate and structured finance, and is an SBA preferred lender. Opus Bank offers commercial escrow services and facilitates 1031 Exchange transactions through its Escrow and Exchange divisions. Additionally, Opus Bank's wholly-owned subsidiary, PENSCO Trust Company, has approximately \$14 billion of custodial IRA assets and approximately 48,000 client accounts, which are comprised of self-directed investors, financial institutions, capital raisers and financial advisors. Opus Bank is an Equal Housing Lender. For additional information about Opus Bank, please visit our website: [www.opusbank.com](http://www.opusbank.com).

### **Forward-Looking Statements**

This release may include forward-looking statements related to Opus' plans, beliefs and goals, which involve certain risks, and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. The forward-looking information presented in this press release is not a guarantee of future events, and actual events may differ materially from those made in or suggested by the forward-looking information contained in this press release. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "intend" or "expect" or variations thereon or similar terminology. All such statements speak only as of the date made, and Opus undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

### **Contact:**

Mr. Jeff L. Leonard  
SVP, Dir. of Corporate Strategy/Communications  
Telephone: (949) 251-8146

Source: Opus Bank

