PACWEST BANCORP
Form DEF 14A
March 25, 2016

Use these links to rapidly review the document
TABLE OF CONTENTS

Table of Contents

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant ý

Filed by a Party other than the Registrant o

Check the appropriate box:

o Preliminary Proxy Statement

o **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

ý Definitive Proxy Statement

o Definitive Additional Materials

o Soliciting Material under §240.14a-12

PACWEST BANCORP

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

ý No fee required.

o 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):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

o Fee paid previously with preliminary materials.

o 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:

Table of Contents

9701 Wilshire Boulevard, Suite 700
Beverly Hills, California 90212

NOTICE OF 2016 ANNUAL MEETING OF STOCKHOLDERS
Monday, May 16, 2016
10:30 a.m. Pacific Time

Place:

Jonathan Club, 850 Palisades Beach Road, Santa Monica, CA 90403

Items of Business:

Election of Directors. To elect twelve (12) members to the Board of Directors of PacWest Bancorp to serve until the 2017 Annual Meeting of Stockholders;

Approval of the Amended and Restated 2003 Stock Incentive Plan. To approve the Company's Amended and Restated 2003 Stock Incentive Plan;

Advisory Vote on Executive Compensation. To approve, on an advisory basis (non-binding), the compensation of the Company's named executive officers;

Ratification of the Appointment of Independent Auditors. To ratify the appointment of KPMG LLP as the Company's independent auditors for the fiscal year ending December 31, 2016;

Adjournments. To consider and act upon a proposal to approve, if necessary, an adjournment or postponement of the 2016 Annual Meeting of Stockholders (the "Annual Meeting") to solicit additional proxies; and

Other Business. To consider and act upon such other business and matters or proposals as may properly come before the Annual Meeting or any adjournments or postponements thereof.

Who May Vote:

You may vote if you were a stockholder of record on the close of business on March 21, 2016.

Table of Contents

YOUR VOTE IS IMPORTANT.

We appreciate you taking the time to vote promptly. After reading the Proxy Statement, please vote at your earliest convenience by telephone, Internet, or, if you received printed proxy materials, by completing, signing and returning by mail a proxy card. If you decide to attend the Annual Meeting and would prefer to vote by ballot, your proxy will be revoked automatically and only your vote at the Annual Meeting will be counted. YOUR SHARES CANNOT BE VOTED UNLESS YOU VOTE BY: (1) TELEPHONE, (2) INTERNET, (3) COMPLETING, SIGNING AND RETURNING A PAPER PROXY CARD BY MAIL IF YOU RECEIVED PRINTED PROXY MATERIALS, OR (4) ATTENDING THE ANNUAL MEETING AND VOTING IN PERSON. Please note that all votes cast via telephone or the Internet must be cast prior to 11:59 p.m. Eastern Time on May 15, 2016.

Whether or not you plan to attend the Annual Meeting, please vote as soon as possible to make sure that your shares are represented at the Annual Meeting. Voting by proxy will not prevent you from voting in person if you choose to attend the Annual Meeting.

If you plan to attend the Annual Meeting, please note that admission will be on a first come, first served basis. You may obtain directions to the Jonathan Club, 850 Palisades Beach Road, Santa Monica, California 90403 by calling the Jonathan Club directly at (310) 393-9245. Each stockholder who attends may be asked to present valid picture identification, such as a driver's license or passport. Stockholders holding stock in brokerage accounts (street name holders) will also need to bring a copy of a brokerage account statement reflecting stock ownership as of the record date. Cameras, recording devices and other electronic devices will not be permitted at the Annual Meeting.

Thank you in advance for your cooperation and continued support. We look forward to seeing you at the Annual Meeting.

By Order of the Board of Directors,

/s/ KORI L. OGROSKY

Kori L. Ogrosky, Executive Vice President, General Counsel and Corporate Secretary

Beverly Hills, California
March 25, 2016

TABLE OF CONTENTS

PROXY SUMMARY

This summary highlights information contained elsewhere in this Proxy Statement. The Board of Directors of PacWest Bancorp is referred to in this Proxy Statement as "the Board of Directors" or "the Board". PacWest Bancorp is referred to in this Proxy Statement as "PacWest", the "Company", "we" or "our".

This summary does not contain all of the information that you should consider, and you should read the entire Proxy Statement before voting. For more complete information regarding the Company's 2015 performance, please review the Company's Annual Report on Form 10-K for the year ended December 31, 2015 (the "Annual Report").

VOTING AND MEETING INFORMATION

Please carefully review the proxy materials for the 2016 Annual Meeting of Stockholders (the "Annual Meeting"), which will be held on May 16, 2016 at 10:30 a.m., local time, at the Jonathan Club, and follow the instructions below to cast your vote on all of the voting matters.

Who is Eligible to Vote

You are entitled to vote at the Annual Meeting if you were a stockholder of record at the close of business on March 21, 2016 (the "Record Date"). On the Record Date, there were 120,208,695 shares of common stock outstanding and entitled to vote at the Annual Meeting.

Advance Voting Methods

Even if you plan to attend the Annual Meeting in person, please vote right away using one of the following advance voting methods (see page 6 for additional details).

You can vote in advance in one of three ways:

- Visit the website listed on your proxy card/voting instruction form to vote **VIA THE INTERNET**;
- Call the telephone number on your proxy card/voting instruction form to vote **BY TELEPHONE**; or
- If you received a paper proxy card or voting instruction form, complete, sign, date and return the proxy card or voting instruction form in the enclosed envelope **BY MAIL**.

Attending and Voting at the Annual Meeting

All stockholders of record may vote in person at the Annual Meeting. Beneficial owners may vote in person at the meeting if they have a legal proxy, as described in the response to question 2 on page 6.

Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting to be Held on May 16, 2016

Unless you previously elected to receive paper copies of our proxy materials, we are sending our stockholders a Notice of Internet Availability of Proxy Materials (the "Notice") that will instruct you on how to access the proxy materials and proxy card to vote your shares by telephone or over the Internet. If you would like to receive a paper copy of our proxy materials free of charge, please follow the instructions included in the Notice.

It is anticipated that the Notice will be mailed to stockholders on or before April 6, 2016.

Table of Contents

The Notice, this Proxy Statement and our Annual Report are available at our investor relations website at www.pacwestbancorp.com/stockholders.

Ballot Items

Stockholders are being asked to vote on the following matters at the Annual Meeting:

	Board Recommendation
PROPOSAL 1. Election of Directors (page 18) To elect twelve (12) directors.	**FOR**
PROPOSAL 2. Approval of the Amended and Restated 2003 Stock Incentive Plan (page 26) To approve the Company's Amended and Restated 2003 Stock Incentive Plan.	**FOR**
PROPOSAL 3. Advisory Vote on Executive Compensation (page 58) To approve, on an advisory basis (non-binding), the compensation of the Company's named executive officers.	**FOR**
PROPOSAL 4. Ratification of the Appointment of Independent Auditors (page 62) To ratify the appointment of KPMG LLP as the Company's independent auditors for the fiscal year ending December 31, 2016.	**FOR**

Director Nominees (Page 21)

The following table provides summary information about each director nominee:

NAME	AGE[1]	DIRECTOR SINCE	COMMITTEE MEMBERSHIPS[2][3]
Paul R. Burke*	53	2015	CNG[4]
Craig A. Carlson*	65	2010	E, A, R (Chair)
John M. Eggemeyer	70	2000	E (Chair)
Barry C. Fitzpatrick*	69	2000	CNG, E
Andrew B. Fremder*	54	2014	E, ALM (Chair)
C. William Hosler*	52	2014	A, CNG
Susan E. Lester*	59	2003	A (Chair), ALM, R, E
Roger H. Molvar*	60	2014	A, CNG, R
James J. Pieczynski	53	2014	ALM, R
Daniel B. Platt	69	2003	ALM, R
Robert A. Stine*	69	2000	E, CNG (Chair)
Matthew P. Wagner	59	2000	E, ALM, R

* Independent Director

(1) As of the Record Date

(2) A = Audit Committee; E = Executive Committee; CNG = Compensation, Nominating and Governance Committee; ALM = Asset Liability Management Committee; R = Risk Committee

(3)
Mr. Matz is currently a member of the Audit and CNG Committees, and Mr. Lowrey is currently a member of the Risk and ALM Committees. Neither of Messrs. Matz or Lowrey is standing for re-election in connection with the Annual Meeting.

(4)
Mr. Burke will become a member of the CNG Committee immediately following his election at the Annual Meeting.

Table of Contents

Amended and Restated 2003 Stock Incentive Plan (Page 26)

The 2003 Stock Incentive Plan (the "Plan") is being amended to, among other things: (i) add total stockholder return to the list of business criteria on which performance goals may be based for awards, (ii) eliminate the administrator's ability to reprice options or other awards without the approval of the Company's stockholders, and (iii) limit the value of awards that may be granted to any of the Company's non-employee directors in a calendar year. The proposed amended and restated Plan will not increase the number of shares reserved for future issuance beyond what the stockholders previously approved in January 2014 when stockholders voted in favor of amending the Plan. Except as set forth above, the material terms of the Plan will remain the same.

Executive Compensation Program Highlights (Page 43)

Our executive compensation program is designed to align Company objectives with stockholder interests by tying a material portion of executive compensation to Company performance. Below are highlights of our current executive compensation program:

Beginning in 2016, to further emphasize the Company's commitment to its pay-for-performance philosophy, the Company granted 50% of its executive annual long-term incentive awards in the form of performance restricted stock units ("PRSUs") and granted 50% of its executive annual long-term incentive awards in the form of time-based restricted stock awards ("RSAs");

PRSUs are earned based on the following three rigorous metrics, all of which are key measures of the Company's financial performance: (i) relative total stockholder return ("Relative TSR"), (ii) diluted earnings per share ("EPS"), and (iii) return on average assets ("ROAA"), in each case more particularly discussed under "Compensation Discussion and Analysis 2016 Executive Compensation Decisions"; and

Above-target compensation is paid only if the Company delivers above-target performance.

Five-Year Financial Performance; 2015 Operating Highlights (Page 37)

The Company had another strong year in 2015 in key financial areas. Our financial performance below highlights the growth and success of our Company in the last five years.

Fiscal Year	Diluted Earnings Per Share	Net Income (In Millions)	Tangible Book Value Per Share	Total Assets (In Billions)	Return on Average Assets	Return on Tangible Common Equity
2015	$ 2.79	$ 299.6	$ 17.86	$ 21.3	1.70%	15.8%
2014	$ 1.92	$ 168.9	$ 17.17	$ 16.2	1.27%	11.9%
2013	$ 1.08	$ 45.1	$ 12.72	$ 6.5	0.74%	8.3%
2012	$ 1.54	$ 56.8	$ 13.22	$ 5.5	1.04%	11.8%
2011	$ 1.37	$ 50.7	$ 13.14	$ 5.5	0.92%	11.3%

Additional 2015 financial and non-financial highlights are as follows:

Net earnings of $2.79 per diluted share, up 44% from 2014;

Organic loan growth of $800 million, or 7%;

Core tax equivalent net interest margin ("NIM") of 5.25%;

Increased core deposits by $4.4 billion, including $3.6 billion from the acquisition of Square 1 Financial, Inc. ("Square 1") and its subsidiary bank, Square 1 Bank;

Table of Contents

- Continued our $0.50 quarterly cash dividend; and
- Completed the Square 1 acquisition.

Corporate Governance (Page 12)

The Company is committed to maintaining strong governance practices, and the Board regularly reviews its governance procedures to ensure compliance with laws, rules and regulations. Our website at www.pacwestbancorp.com includes important information about our policies and Board committee charters, including the Company's Corporate Governance Guidelines, our Code of Business Conduct and Ethics, and all of the Company's Securities and Exchange Commission ("SEC") filings and press releases. Examples of our robust corporate governance practices include:

- Annual Election of All Directors
- Majority Voting for Directors in Uncontested Elections
- Lead Independent Director
- Majority Independent Directors
- Independent Audit and Compensation, Nominating and Governance Committees
- Regular Executive Sessions of Directors
- Regular Board and Committee Self-Evaluations
- Annual Board review of senior management succession plans
- Anti-Hedging Policy
- Active Stockholder Outreach
- Pay for Performance Philosophy
- Stock Ownership Guidelines for Executives and Directors
- Clawback Provisions for Executive Incentive Compensation

Double Trigger Change-of-Control Provisions for Stock Awards

Elimination of Tax Gross-Up Payments

Summary of Stockholder Engagement and Resulting Changes

We engage with our major stockholders on governance and compensation matters as part of our commitment to be responsive to stockholders and to ensure that our actions are informed by the viewpoints of our investors. In addition, we strive to regularly review and improve our pay practices to ensure they are aligned with stockholder interests. We were disappointed with the results of our "say-on-pay" votes at both our 2014 and 2015 Annual Meetings.

Since our last "say-on-pay" vote, we had conversations with many of our institutional investors to discuss stockholders' perspectives about our executive compensation program, and we incorporated investor feedback into aspects of our 2016 executive compensation program. Details of our compensation program including enhancements to our 2016 compensation program based on investor feedback begin on page 43.

Table of Contents

Key stockholder concerns included the following:

Stockholder Feedback	Changes Made In Response	Description
Concern that there is a lack of stockholder outreach	Increased our stockholder outreach and established a plan for thoughtful and continued dialogue with our stockholders	Schedule calls with stockholders on a regular basis
Concern that not enough executive compensation is tied to Company performance	Restructured executive compensation program to tie a significantly greater portion of executive compensation to Company performance	The 2016 incentive awards include performance restricted stock units to executive officers that vest only upon the achievement of objective, rigorous performance metrics and represent 50% of an executive's total incentive award
	No equity grants were made in 2015 except in connection with new hires and promotions	
Concern that key performance metrics with respect to performance restricted stock units be rigorous	Established Relative TSR, EPS and ROAA metrics (described in detail under "Compensation, Discussion and Analysis 2016 Executive Compensation Decisions"	Established Relative TSR, EPS and ROAA metrics for 2016 grants of performance restricted stock units that are key measures of our financial performance

Stockholders are urged to read the Compensation Discussion and Analysis (the "CD&A") section and other information in this Proxy Statement. The Compensation, Nominating and Governance Committee ("CNG Committee") and the Board believe that the information provided in that section demonstrates that our executive compensation program aligns our executives' compensation with the Company's short-term and long-term performance and provides the compensation and incentives needed to attract, reward, motivate and retain key executives who are crucial to executing the Company's strategy for long-term success.

Information About the Meeting and Voting (Page 6)

Please see the Information About the Annual Meeting and Voting section beginning on page 6 for important information about the Annual Meeting. The deadlines to submit stockholder proposals for the 2017 Annual Meeting of Stockholders can be found in the "Other Business" section on page 73.

Table of Contents

PROXY STATEMENT

This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Directors to be used at our Annual Meeting and at any postponements or adjournments thereof.

INFORMATION ABOUT THE ANNUAL MEETING AND VOTING

1. Who is entitled to vote? How many votes am I entitled to?

Only stockholders of record as of the close of business on March 21, 2016 (the "Record Date") may vote at the Annual Meeting. According to Wells Fargo Shareowner Services, our transfer agent, there were 120,208,695 shares of common stock outstanding held by approximately 1,740 stockholders as of the Record Date, excluding 1,562,557 shares of unvested time-based restricted stock.

Each holder of the Company's common stock is entitled to one vote for each share recorded in their name on the books of the Company as of the close of business on the Record Date on any matter submitted to the stockholders for a vote, except that stockholders may vote their shares cumulatively for the election of director nominees if certain conditions are met at the Annual Meeting. Cumulative voting may only be exercised at the Annual Meeting if: (i) the name of the candidate or candidates for whom such votes would be cast has been placed in nomination prior to the voting and (ii) prior to voting, at least one stockholder has given notice at the Annual Meeting of his or her intention to cumulate his or her votes. If one of the Company's stockholders gives notice of the intention to vote cumulatively, then persons holding the proxies solicited by the Board will exercise his or her cumulative voting rights, at their discretion, to vote the shares they hold in such a way as to ensure the election of as many of the Board's nominees as they deem possible.

Cumulative voting provides each stockholder with a number of votes equal to the number of directors to be elected multiplied by the number of shares held by such stockholder, which such stockholder can then vote in favor of one or more nominees. For example, if you held 100 shares as of the Record Date, you would be entitled to 1,200 votes which you could then distribute among one or more director nominees since there are twelve (12) directors to be elected.

2. What different methods can I use to vote?

By Telephone or the Internet Stockholders can vote their shares via telephone or the Internet as instructed in the Notice or on the enclosed proxy card if you received a paper copy of the proxy materials. The telephone and Internet procedures are designed to authenticate a stockholder's identity, to allow stockholders to vote their shares, and to confirm their instructions have been properly recorded. The telephone and Internet voting facilities will close at 11:59 p.m., Eastern Time, on May 15, 2016.

By Mail Stockholders that receive a paper proxy card may vote by completing, signing and dating their proxy cards and mailing them in the pre-addressed envelopes that accompany the delivery of paper proxy cards. Proxy cards submitted by mail must be received by us prior to the Annual Meeting. If your shares are held in street name, you should check with your bank, broker or other agent and follow the voting procedures imposed by your bank, broker or other agent to vote your shares.

In Person Shares held in your name as the stockholder of record may be voted by you in person at the Annual Meeting. Shares held beneficially in street name may be voted by you in person at the

Annual Meeting only if at the meeting you provide a legal proxy from the bank, broker or other agent that holds your shares giving you the right to vote the shares.

3. What is the vote necessary to approve each of the matters being considered at the Annual Meeting?

The election of director nominees requires the affirmative vote of a majority of the votes cast with respect to such director in an uncontested election (meaning the number of shares voted "for" a nominee must exceed the number of shares voted "against" such nominee). In a contested election in which the number of director nominees exceeds the number of director nominees to be elected, the standard for election of director nominees will be a plurality of the votes cast such that the 12 director nominees receiving the greatest numbers of votes "for" will be elected as directors without regard to the number of shares voted against such director nominees.

The affirmative vote of a majority of the shares of common stock present at the Annual Meeting in person or by proxy and entitled to vote is required to approve: (i) the Amended and Restated 2003 Stock Incentive Plan, (ii) the advisory vote on compensation of the Company's named executive officers, (iii) the ratification of the appointment of KPMG LLP as the Company's independent auditors for 2016, (iv) any adjournment or postponement of the Annual Meeting to solicit additional proxies, and (v) any other matters not included in this Proxy Statement that may properly be brought before the Annual Meeting.

With respect to each matter to be acted upon, an abstention from voting will be treated as "present" for quorum purposes (other than in the election of directors). As such, shares present but not voted because of abstention will have the effect of a vote against: (i) the approval of the Amended and Restated 2003 Stock Incentive Plan, (ii) the advisory vote on compensation of the Company's named executive officers and (iii) the ratification of the appointment of KPMG LLP as the Company's independent auditors for 2016.

Broker non-votes (i.e., proxies from banks, brokers or other nominees indicating that such entities have not received instructions from the beneficial owners or other persons entitled to vote as to a matter which such bank, broker or other nominee does not have discretionary power to vote) will be treated as "present" for quorum purposes, but will not have an impact on the vote on any proposal.

4. If I hold shares of PacWest common stock pursuant to the PacWest 401(k) Plan, will I be able to vote?

Yes. You will receive a proxy card for the shares held in your 401(k) plan account which you should return as indicated on the instructions accompanying the proxy card.

5. How many shares must be represented at the Annual Meeting to constitute a "quorum"?

A majority of the outstanding shares of common stock of the Company must be present at the Annual Meeting, either in person or by proxy, to constitute a quorum. There must be a quorum for the Annual Meeting to be held. If you return a signed proxy card, you will be counted as being present, even if you abstain from voting. Broker non-votes will also be counted as being present for purposes of determining a quorum.

6. Why did I receive a Notice of Internet Availability of Proxy Materials instead of paper copies of the proxy materials?

We sent our stockholders by mail or e-mail a Notice containing instructions on how to access our proxy materials over the Internet and vote online. This Notice is not a proxy card and cannot be

Table of Contents

used to vote your shares. If you received only a Notice this year, you will not receive paper copies of the proxy materials unless you request the materials by following the instructions on the Notice or on the website referred to in the Notice.

We provided some of our stockholders with paper copies of the proxy materials instead of the Notice. If you received paper copies of the Notice or proxy materials, we encourage you to help us save money and reduce the environmental impact of delivering paper proxy materials to stockholders by signing up to receive all of your future proxy materials electronically as described under ***"How can I receive my proxy materials electronically in the future?"*** below.

7. What is the difference between a stockholder of record and a beneficial owner or shares held in street name?

Stockholder of Record. If your shares are registered directly in your name with our transfer agent, you are considered a stockholder of record with respect to those shares, and the Notice was sent directly to you by the Company. If you request printed copies of the proxy materials by mail, you will also receive a proxy card.

Beneficial Owner of Shares Held in Street Name. If your shares are held in an account at a brokerage firm, bank, broker-dealer or other similar organization, then you are a beneficial owner of shares held in "street name", and the Notice was forwarded to you by that organization. The organization holding your account is considered the stockholder of record for purposes of voting at the Annual Meeting. As a beneficial owner, you have the right to instruct that organization how to vote the shares held in your account. If you requested printed copies of the proxy materials by mail, you will receive a voting instruction form from that organization.

8. Why did I receive more than one Notice or multiple proxy cards?

You may receive more than one Notice or multiple proxy cards if you hold your shares in different ways (i.e., joint tenancy, in trust or in custodial accounts). You should vote each proxy that you receive.

9. How can I receive my proxy materials electronically in the future?

To receive proxy materials electronically by e-mail, follow the instructions described below or on the Notice.

If you received proxy materials by mail and you would like to sign up to receive these materials electronically in the future, please have your proxy card available and register by going to www.proxyvote.com and follow the instructions for requesting meeting materials, call 1-800-579-1639, or contact your brokerage firm, bank, or other similar entity that holds your shares.

If you previously agreed to electronic delivery of our proxy materials, but wish to receive paper copies of these materials for the Annual Meeting or for future meetings, please follow the instructions on the website referred to on the Notice you received.

10. What do I have to do to vote?

If your shares are registered in your own name with our transfer agent, you may vote by Internet or by telephone as indicated on the proxy card. If you received a paper proxy card, you may also vote by mail by marking, signing and dating the proxy card and returning it in the enclosed postage-paid envelope.

If you mark the proxy card to show how you wish to vote, your shares will be voted as you direct. If you return a signed proxy card but do not mark the proxy card to show how you wish to vote, your shares will be voted as follows:

- "FOR" the election of each of the director nominees listed under "**PROPOSAL 1 ELECTION OF DIRECTORS**";
- "FOR" the approval of the Amended and Restated 2003 Stock Incentive Plan under "**PROPOSAL 2 APPROVAL OF THE AMENDED AND RESTATED 2003 STOCK INCENTIVE PLAN**";
- "FOR" the approval of the compensation of the Company's named executive officers under "**PROPOSAL 3 ADVISORY VOTE ON EXECUTIVE COMPENSATION**"; and
- "FOR" the ratification of the appointment of KPMG LLP as the Company's independent auditors for 2016 under "**PROPOSAL 4 RATIFICATION OF THE APPOINTMENT OF INDEPENDENT AUDITORS**".

11. May I revoke or change my vote?

You may change or revoke your vote at any time before it is counted at the Annual Meeting by:

- Notifying our Corporate Secretary at 9701 Wilshire Boulevard, Suite 700, Beverly Hills, California, 90212 in writing that you wish to revoke your proxy;
- Submitting a later-dated proxy card;
- Attending the Annual Meeting and voting in person;
- Calling the toll-free number on the Notice or proxy card not later than 11:59 p.m. Eastern Time on May 15, 2016 and following the directions provided; or
- Going to the website listed on the Notice or proxy card, following the instructions provided and submitting your change no later than 11:59 p.m. Eastern Time on May 15, 2016.

Attending the Annual Meeting will not automatically revoke your prior proxy. You must comply with one of the methods indicated above in order to revoke your proxy.

If you hold your shares in street name, you should receive a proxy card from your bank or brokerage firm asking you how you want to vote your shares. If you do not receive a proxy card, then you may contact the bank or brokerage firm in whose name your shares are registered and obtain a proxy card from them. Please refer to the information in the materials provided by your bank or brokerage firm for an explanation of how to vote and how to change or revoke your vote and of the effect of not indicating a vote.

12. How will voting on any other business be conducted?

We do not know of any business to be considered at the Annual Meeting other than the matters listed in this Proxy Statement. For registered holders, if any other business is properly presented at the Annual Meeting, any of the persons named on the proxy card as your designated proxies may vote on such matter in his or her discretion. If you hold your shares in street name, please see the materials provided by your bank or brokerage firm for an explanation of how your shares will be voted on any other business.

Table of Contents

13. Who pays the cost of soliciting proxies on behalf of the Company?

The Company will pay the cost of preparing, assembling and mailing the proxy materials and soliciting proxies for the Annual Meeting. The Company agreed to pay Morrow & Co., LLC, 470 West Ave, Stamford, Connecticut 06902, an estimated fee of $15,000 plus expenses to assist with the solicitation of proxies.

In addition to the solicitation of proxies by mail, solicitation may be made by certain directors, officers and employees of the Company or its subsidiaries telephonically, electronically or by other means of communication. These directors, officers and employees will receive no additional compensation for their services. We will reimburse brokers and other nominees for costs incurred by them in mailing proxy materials to beneficial owners in accordance with applicable rules.

14. How do I get more information about the Company?

The Notice provides Internet instructions on how to access and review the proxy materials, including our Annual Report that contains our consolidated financial statements. Our Annual Report includes a list of exhibits filed with the SEC but does not include the exhibits.

If you wish to receive copies of the exhibits, please write to the following address:

Investor Relations
PacWest Bancorp
130 South State College Blvd.
Brea, California 92821

You may also send your request by facsimile to (714) 948-8880 or by e-mail to investor-relations@pacwestbancorp.com.

The Company's Annual Report is included in the proxy materials.

15. What is "householding" and how does it affect me?

Stockholders of record who have the same address and last name and do not participate in electronic delivery of proxy materials will receive only one copy of the Notice unless we are notified that one or more of these stockholders wishes to receive individual copies. This "householding" procedure will reduce our printing costs and postage fees.

Stockholders who participate in householding will continue to receive separate proxy cards. If you are eligible for householding, but you and other stockholders of record with whom you share an address currently receive multiple copies of the Notice and any accompanying documents, or if you hold Company stock in more than one account, and, in either case, you wish to receive only a single copy of each of these documents for your household, please contact our transfer agent, Wells Fargo Shareowner Services, P.O. Box 64874, St. Paul, Minnesota 55164-0874 or by telephone at 1-800-468-9716.

If you participate in householding and wish to receive a separate copy of the Notice and any accompanying documents, or if you do not wish to continue to participate in householding and prefer to receive separate copies of these documents in the future, please contact Wells Fargo Shareowner Services as indicated above.

If you are a beneficial owner, you can request information about householding from your broker, bank or other holder of record.

Table of Contents

CORPORATE GOVERNANCE

In this section, you will find:

Table of Contents

CORPORATE GOVERNANCE

Governance Framework

The Company is committed to a robust governance framework, and we have adopted the following corporate governance best practices:

- Directors elected annually
- Majority vote standard for the election of directors in uncontested elections
- Codified independent lead director role
- Majority independent directors
- Independent key committees
- Regular executive sessions of directors
- Annual Board and committee self-assessments
- Annual Board review of senior management succession plans
- Anti-hedging policy
- Active stockholder engagement program
- Robust stock-ownership guidelines

Board Leadership Structure

Each year, the Board evaluates the Company's board leadership structure to ensure that it remains the appropriate structure for our Company and stockholders. Our current structure provides for separate roles of the Chairman of the Board and Chief Executive Officer ("CEO"), a lead independent director ("Lead Independent Director") and active, independent directors. We believe this structure provides for open communication between Board and management and provides the oversight and safeguards necessary to operate our business successfully.

Board Leadership Structure

Chairman of the Board: John Eggemeyer

Chief Executive Officer: Matthew Wagner

- Lead Independent Director: Barry Fitzpatrick
- Committees chaired by independent directors

In Mr. Eggemeyer's role as Chairman of the Board, he is responsible for, among other things:

- chairing meetings of the Company's Board and the annual meeting of stockholders;
- reviewing and approving Board meeting agendas, meeting schedules and information provided to the Board, and ensuring such information is appropriately disseminated;
- acting as liaison between the non-management members of the Board and management;
- meeting periodically with the CEO for informal discussion concerning major issues involving the Company; and
- providing input to the CNG Committee concerning the performance of the CEO.

Table of Contents

Our Lead Independent Director, Mr. Fitzpatrick, has considerable authority and responsibility, including the following:

- presiding at all meetings of the Board at which the Chairman is not present, including executive sessions of the independent directors;
- serving as a liaison between the Chairman and the independent directors;
- serving as a member of the Executive Committee (see "Board Committees Executive Committee" below);
- reviewing and approving Board meeting agendas, meeting schedules and information provided to the Board;
- ensuring that matters of concern or of interest to the independent directors are appropriately scheduled for discussion at Board meetings;
- having the authority to call meetings of the independent directors;
- being available for consultation and direct communication with stockholders, as appropriate; and
- performing such other duties as the Chairman or the Board may from time to time delegate or request.

In connection with the October 6, 2015 acquisition of Square 1, the Company's Board increased its size by one to 14 and filled the vacancy by appointing Mr. Burke, a former director of Square 1, to serve on the Board until such time as his successor is duly elected and qualified or until his earlier resignation or removal. Each of Messrs. Lowrey and Matz will retire from the Board at the Annual Meeting. Accordingly, the Board will consist of 12 directors following the Annual Meeting.

During the fiscal year 2015, the Board met six times. The independent directors met two times in executive session during 2015, and Mr. Fitzpatrick presided over these sessions. In 2015, all directors attended at least 75% of the meetings of the Company's Board and the committees on which he or she served that took place during the period in which he or she served.

Three directors attended the 2015 Annual Meeting of Stockholders. The Board's policy regarding director attendance at the annual meeting is that directors are welcome but not required to attend. The Company makes appropriate arrangements for directors who choose to attend, and the Company reimburses directors for reasonable expenses in connection with his or her attendance.

Independent Director Information

In 2015, independent directors comprised a majority of the Board in accordance with the Company's Corporate Governance Guidelines (the "Guidelines"). At least annually, the Board, with the assistance of the CNG Committee, evaluates director independence based on the Nasdaq listing standards and applicable SEC rules and regulations.

In 2016, the Board affirmatively determined, upon the recommendation of the CNG Committee, that each director nominee, with the exceptions of Messrs. Eggemeyer, Pieczynski, Platt and Wagner, met the independence requirements of the Nasdaq listing standards and applicable SEC rules and regulations, including the independence requirements for committee membership. In making such determinations, the Board evaluated banking, commercial, service, familial or other transactions involving each director or immediate family member and their related interests and the Company, if any.

In identifying and recommending director nominees, the CNG Committee places primary emphasis on the criteria set forth under "Selection of Directors" in our Guidelines, namely: (i) personal qualities

13

Table of Contents

and characteristics, accomplishments and professional reputation; (ii) current knowledge and contacts in the communities in which the Company does business and in the banking industry or other industries relevant to the Company's business; (iii) ability and willingness to commit adequate time to Board and committee matters; (iv) the fit of the individual's skills and personality with those of other directors and potential directors in creating a Board that is effective, collegial and responsive to the needs of the Company; (v) diversity of viewpoints, backgrounds, experience and geographical location; and (vi) ability and skill set as well as other relevant experience.

The CNG Committee does not set specific, minimum qualifications that a director nominee must meet in order for the CNG Committee to recommend the director nominee to the Board, but rather the CNG Committee believes that each director nominee should be evaluated based on his or her individual merits taking into account the needs of the Company and the composition of the Board. Through the Board's annual self-evaluation process, the CNG Committee evaluates the composition of the Board, including whether the diversity of the Board members is appropriate to advise the Company on its risks and opportunities.

Members of the CNG Committee may seek input from other members of the Board in identifying possible candidates, and may, in its discretion, engage one or more search firms to assist in the recruitment of director candidates. The CNG Committee will consider candidates recommended by stockholders against the same criteria as director nominees not proposed by stockholders. Stockholders who wish to submit nominees for director for consideration by the CNG Committee for election at our 2017 Annual Meeting of Stockholders should follow the process detailed in the section entitled "Other Business Director Nominations" on page 74.

Board Committees

Risk Committee

The Board delegates authority to the Risk Committee to oversee specific, risk-related issues while facilitating Board comprehension of the Company's overall risk tolerance and enterprise-wide risk management activities and effectiveness. The Risk Committee approves and periodically reviews the Company's enterprise-wide risk management policies and oversees the implementation of the Company's enterprise-wide risk management framework, including the strategies, policies, procedures and systems established by management to identify, assess, monitor, measure and manage the Company's material risk categories, including credit (loans, leases and securities), interest rate, liquidity, price, operations and systems, compliance and legal, strategic, reputation, human resources, and capital risk.

The Risk Committee assists the Board committees that oversee specific risk-related issues and serves as a resource to management and its committees including, but not limited to, the Enterprise Risk Management Steering Committee ("ERMSC"), the Credit Committees, the Model Governance Committee and the Capital Committee in overseeing risk across the entire Company. The responsibilities of the Risk Committee include, among other things:

- overseeing management's implementation of an enterprise-wide risk management framework, including the development and implementation of effective policies, processes, and procedures and reports designed to ensure that risks are properly controlled and quantified within the Company's risk appetite and risk tolerance ranges;

- approving and periodically reviewing the Company's enterprise-wide risk management policies and practices;

- at least annually, reviewing and recommending to the Board for approval the Company's annual risk self-assessment, risk appetite statement and the limits and tolerance ranges within it;

- reviewing and discussing management's assessment of the Company's aggregate enterprise-wide risk profile and the alignment of the Company's risk profile with the Company's strategic plan, goals and objectives;

- reviewing reports from management, including the Chief Risk Officer ("CRO"), the Chief Credit Officer, and the Chief Financial Officer ("CFO") regarding matters relating to risk management and/or the Company's risk and compliance organization, including those regarding emerging risks and other selected risk topics and/or enterprise-wide risk issues; and

- overseeing other risk management activities, including external credit review, credit management and administration, allowance for credit losses, regulatory compliance, capital planning and stress testing, model risk management, and operations and systems risk.

The Company's CRO, Chief Credit Officer, CFO, and Manager of Operations and Systems report on a quarterly basis to the Risk Committee, or more frequently as needed, regarding areas within their supervision that pertain to the Company's risk profile. The Risk Committee also receives reports from the Company's external credit review consultants and those performing internal audit work for the Company.

A copy of our Risk Committee charter, last updated in February 2016, may be obtained on the Company's website at http://www.pacwestbancorp.com under the section entitled "Corporate Governance". During 2015, the Risk Committee met five times.

Asset/Liability Management ("ALM") Committee

The ALM Committee oversees compliance by the Company with the ALM policies and procedures relating to investments and asset/liability strategy. It also receives reports from the Company's executive management ALM committee that is responsible for the day-to-day management of the Company's investment portfolio and asset/liability strategy. The objective of the Company's ALM policy is to manage balance sheet and off-balance sheet assets and liabilities in an effort to maximize the spread between interest earned on our interest-earning assets and interest paid on our interest-bearing liabilities, to maintain acceptable levels of interest rate risk, and to ensure that the Company has the ability to pay liabilities as they come due and fund continued asset growth.

The Company's ALM activities are typically discussed monthly by the executive management members responsible for managing ALM activities. The ALM Committee reviews management reports and recommendations and oversees management's development and implementation of asset/liability pricing with the goal to attain the overall strategic objectives of the Company. The ALM Committee reviews and approves changes to Treasury policies and recommends Treasury policies for Board approval.

A copy of our ALM Committee charter, last updated in February 2016, may be obtained on the Company's website at http://www.pacwestbancorp.com under the section entitled "Corporate Governance". During 2015, the ALM Committee met five times.

Audit Committee

The Audit Committee assists the Board in providing oversight of the Company's accounting and financial reporting processes. The Board determined that the following members of the Audit Committee are financially literate and that each of Messrs. Carlson, Hosler, and Molvar and Ms. Lester is qualified as an audit committee financial expert with accounting or related financial management expertise, in each case in accordance with the rules of the SEC and the listing standards of Nasdaq. For additional information regarding the background and relevant experience of Messrs. Carlson, Hosler, and Molvar and Ms. Lester, please see the biographies of director nominees under the section entitled "Proposal 1: Election of Directors" beginning on page 18.

Table of Contents

Information regarding the functions performed by the Audit Committee is set forth in the "Audit Committee Report" included in this Proxy Statement, and in the Audit Committee charter.

A copy of our Audit Committee charter, last updated in February 2016, may be obtained on the Company's website at http://www.pacwestbancorp.com under the section entitled "Corporate Governance". During 2015, the Audit Committee met 11 times.

Compensation, Nominating and Governance Committee

The CNG Committee reviews and approves, and makes recommendations to the Board of Directors on matters concerning the salaries and benefits of, including equity compensation, the Company's executive officers, compensation of the directors, and also reviews and approves the Company's incentive compensation plans and equity-based plans, 401(k) plans and other employee benefit plans. The CNG Committee reviews and approves executive management compensation levels, including with respect to the named executive officers (each, an "NEO" and collectively, the "NEOs"), evaluates the performance of the executive management team and the Board, consults with the CEO with respect to compensation matters, and considers executive management succession and related matters. With respect to the compensation of the CEO, the CNG Committee evaluates and recommends such compensation to the Board for approval annually.

The CNG Committee engages an independent compensation consultant no less than once every three years, when there is a significant change in the Company or when meaningful changes to compensation or the Company's compensation program are proposed. The CNG Committee reviews both compensation and performance of peer companies as just one among several factors to inform its decision-making process so it can set total compensation levels commensurate with the Company's performance and strategic initiatives. In 2015 and 2016 through the date of this Proxy Statement, Towers Watson & Co. ("Towers Watson") served as the independent compensation consultant to the CNG Committee, and Towers Watson reported directly to the CNG Committee. At the request of the CNG Committee, Towers Watson met with members of management for purposes of gathering information on management proposals and recommendations to be presented to the CNG Committee.

The CNG Committee assists the Board in promoting the best interests of the Company and its stockholders through the implementation of sound corporate governance principles and practices, including oversight of the Company's Clawback Policy and Stock Ownership Guidelines.

The CRO, the General Counsel and the Executive Vice President, Human Resources formed a working group to evaluate all incentive-based compensation plans as they pertain to certain groups of employees of the Company. This review confirmed that these plans encourage behavior that is within the Company's risk tolerance, are compatible with effective controls and risk management and are supported by strong corporate governance, including a risk and control monitoring process.

For further information on the Company's processes and procedures for the consideration and determination of director compensation, please see the section entitled "Director Compensation" on page 19. For further information on the Company's processes and procedures for the consideration and determination of executive compensation, please see the section entitled "Compensation Discussion and Analysis" beginning on page 36.

A copy of our CNG Committee charter, last updated in February 2016, may be obtained on the Company's website at http://www.pacwestbancorp.com under the section entitled "Corporate Governance". During 2015, the CNG Committee met six times.

Table of Contents

Executive Committee

During 2015, the Executive Committee did not meet. The Executive Committee reviews and makes recommendations to the Board of Directors with respect to strategy, acquisitions and other opportunities for the Company, and, when it is impractical for the full Board to meet, acts on behalf of the Board, to the full extent permitted by law. In addition, the Executive Committee is a forum to review other significant matters not addressed by the other Board committees and to make appropriate recommendations to the Board.

Board's Role in Risk Oversight

We believe that effective risk management is of primary importance to the success of our Company. We have a comprehensive risk management process that monitors, evaluates and manages the risks we assume in conducting our activities. Our Board's oversight of this risk management process is conducted through the responsibilities of the Board's standing committees: Risk Committee, ALM Committee, Audit Committee, and CNG Committee. Each of these committees is responsible for monitoring components of risk and the Company's exposure to such risks. These committees each report to the Board and the Board has overall responsibility for ensuring that overall risk awareness and risk management is appropriate. As a general matter, except for cases where a particular committee may choose to meet in executive session, all Board members are invited (but not required) to attend the regular meetings of all Board committees. We believe that this open and collaborative structure provides for a more informed Board and also helps the Board understand and monitor the various internal and external risks to which the Company may be exposed.

Certain Relationships and Related-Party Transactions

We did not have any related-party transactions for which disclosure is required under the rules of the SEC in 2015.

Related-Party Transactions Policy

Our Board of Directors has adopted a written policy governing the approval of Related-Party Transactions (the "RPT Policy"). "Related-Party Transactions" include any transaction, or any amendment or modification to a transaction, involving a director or director nominee, executive officer, a 5% stockholder of the Company or any person known by the Company to be an immediate family member of any of the foregoing individuals that would need to be disclosed under Item 404(a) of Regulation S-K promulgated by the SEC. Such transactions do not include, however, indemnification payments or compensation paid to directors and executive officers for their services as directors and executive officers.

The RPT Policy prohibits all Related-Party Transactions unless they are approved or ratified by the Audit Committee. Our General Counsel, in consultation with management and outside counsel, analyzes all potential Related-Party Transactions brought to the attention of the Company to determine whether the transactions constitute Related-Party Transactions. If a transaction constitutes a Related-Party Transaction, the Audit Committee will then review the transaction to determine whether to approve or ratify the transaction. In making its determination, the Audit Committee considers several factors including, but not limited to:

- whether the terms of the Related-Party Transaction are fair to the Company;
- whether the Company has a compelling business reason to enter into the transaction;
- whether the transaction will impair the independence of a director; and

whether the transaction presents an improper conflict of interest for any director or executive officer of the Company.

Any member of the Audit Committee that has an interest in a transaction under review must abstain from voting on the Related-Party Transaction, but may, if the chairperson of the Audit Committee so requests, participate in the Audit Committee's discussions of the transaction.

Family Relationships

There are no family relationships among any of the directors or executive officers of the Company.

Compensation Committee Interlocks and Insider Participation

During 2015, Messrs. Hosler, Molvar, Fitzpatrick, Matz, and Stine served on the CNG Committee. None of these directors was formerly, or during 2015, an officer or employee of the Company or any of its subsidiaries.

No executive officer of the Company serves on the board of directors of any other company that has one or more executive officers serving as a member of the CNG Committee. In addition, no executive officer of the Company serves as a member of the compensation committee of the board of any other company that has one or more executive officers serving as a member of the Company's Board of Directors. No such interlocking relationships existed during 2015.

PROPOSAL 1: ELECTION OF DIRECTORS

Nominees

The Board is currently composed of 14 directors, of which 13 directors were elected at the 2015 Annual Meeting of Stockholders held on May 18, 2015. One director, Mr. Burke, was appointed to the Board following the Square 1 acquisition. Each of Messrs. Lowrey and Matz will retire from the Board at the Annual Meeting. Accordingly, the Board will consist of 12 directors following the Annual Meeting.

The 12 director nominees listed below have been recommended by the CNG Committee and approved by the Board as nominees for election to serve as directors of the Company until the 2017 Annual Meeting of Stockholders and until their successors are duly elected and qualified. All director nominees are current directors.

The Board represents a group of leaders with significant experience, including banking, management, strategic and financial planning, public company, regulatory, compliance, risk management and leadership development. A number of our directors also have experience serving as executive officers, or on boards or board committees of other private and public companies. In addition, certain of our directors have experience as present or former directors or trustees of significant academic, nonprofit and philanthropic institutions.

Vote Required

In an uncontested election, a director must be elected by a majority of the votes cast with respect to him or her (meaning the number of shares voted "for" a nominee must exceed the number of shares voted "against" such nominee). In a contested election (a situation in which the number of nominees exceeds the number of directors to be elected), the standard for election of directors will be a plurality of the votes cast such that the nominees receiving the greatest number of votes "for" will be elected as directors without regard to the number of shares voted "against" such nominee.

Table of Contents

A director who does not receive a majority of the votes cast in an uncontested election must tender his or her resignation to the Board. The CNG Committee will consider the resignation and make a recommendation to the Board whether to accept or reject the resignation or whether other action should be taken. The Board will act on the CNG Committee's recommendation and publicly disclose its decision and the rationale within 90 days from the date the election results are certified. A director who failed to receive a majority of the votes cast will not participate in the Board's decision.

With respect to the election of directors, absent any specific instruction in the proxies solicited by the Board, the proxies will be voted in the sole discretion of the proxy holders to effect the election of all 12 of the Board's nominees. In the event that any of the Board's nominees are unable to serve as directors, it is intended that each proxy will be voted for the election of such substitute nominees, if any, as shall be designated by the Board of Directors. The Company has no reason to believe that any of the nominees will be unable to serve as directors.

The PacWest Board of Directors recommends a vote "FOR" all of the director nominees listed below.

Director Compensation

The CNG Committee evaluates director compensation and compares the compensation of the Company's directors to that offered by peer companies. The CNG Committee recommends to the Board compensation for non-employee directors, and the Board determines director compensation for each fiscal year. The compensation is designed to attract and retain qualified directors and to compensate them for the time and risk associated with being a director. The Company reimburses its directors for reasonable travel, lodging, food and other expenses incurred in connection with their service on the Board and committees.

2015 Board compensation was as follows:

Annual retainers for Board service: An annual cash retainer of $150,000 for the Chairman of the Board, $110,000 for the Lead Independent Director and $75,000 for each other non-employee director serving on the Board.

Committee Chair Fees: Annual retainers for the non-employee chairpersons of each of the Board committees (other than the Executive Committee) of $35,000.

Equity Grants: Annual grants of fully-vested shares of Company common stock of approximately $50,000, based on the closing price of Company common stock on the grant date. The Chairman of the Board receives an additional, annual grant of fully-vested shares of Company common stock of approximately $50,000.

In 2015, the CNG Committee engaged an independent compensation consultant, Towers Watson, to perform a competitive assessment with respect to total non-employee director compensation, including Lead Independent Director compensation and Chairman of the Board compensation, equity grant levels, and non-employee director stock ownership guidelines. Based on Towers Watson's recommendations and the increased size, complexity and strong financial and nonfinancial performance of the Company, the CNG Committee increased director cash retainers and annual equity grants by approximately 14.5%. Accordingly, 2016 Board compensation is as follows:

Annual retainers for Board service: An annual cash retainer of $172,000 for the Chairman of the Board, $126,000 for the Lead Independent Director and $86,000 for each other non-employee director serving on the Board.

Committee Chair Fees: Annual retainers for the non-employee chairpersons of each of the Board committees (other than the Executive Committee) of $40,000.

Table of Contents

Equity Grants: Annual grants of fully-vested shares of Company common stock of approximately $57,000 based on the closing price of Company common stock on the date of the Annual Meeting. The Chairman of the Board receives an additional, annual grant of fully-vested shares of Company common stock of approximately $57,000.

Stock Ownership Guidelines for Non-Employee Directors

In an effort to ensure that the interests of our non-employee directors are aligned with our stockholders, the Company established non-employee director stock ownership guidelines that require non-employee directors to own shares equal to five times their annual cash retainer (newer officers, including those serving as directors, were already subject to stock ownership guidelines). Non-employee directors are expected to meet this requirement within five years of the later of May 16, 2016 or the date of their election or appointment to the Board. If the compliance date were the Record Date, all but one of the non-employee director nominees would meet the stock ownership guidelines for non-employee directors.

The table below presents all compensation paid to non-employee directors of the Company that served during 2015:

2015 Non-Employee Director Compensation Table

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)(1)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
John M. Eggemeyer, Chairman	$150,000	$99,993				$6,000(2)	$255,993
Andrew B. Fremder	$110,000	$49,996					$159,996
C. William Hosler	$75,000	$49,996					$124,996
Craig A. Carlson	$110,000	$49,996					$159,996
Daniel B. Platt	$75,000	$49,996				$21,977(3)	$146,973
James J. Pieczynski(4)							
Barry C. Fitzpatrick	$110,000	$49,996					$159,996
Susan E. Lester	$110,000	$49,996					$159,996
Timothy B. Matz	$75,000	$49,996					$124,996
Douglas H. (Tad) Lowrey	$75,000	$49,996					$124,996
Roger H. Molvar	$75,000	$49,996					$124,996
Robert A. Stine	$110,000	$49,996					$159,996
Matthew P. Wagner(4)							
Paul R. Burke(5)	$18,750	$33,323					$52,073

(1) **Amounts shown are based on the market value of the underlying stock at the date of grant. For further information, see Note 16, *Stock Based Compensation Plans*, to the Company's audited financial statements for the fiscal year ended December 31, 2015 included in the Company's Annual Report.**

(2)

Represents life insurance premiums paid by the Company.

(3)

Represents life, disability and long-term care insurance premiums paid by the Company.

(4)

No compensation received for service on the Company's Board because individual is an employee director.

(5)

Mr. Burke joined the Company's Board on October 7, 2015.

Table of Contents

Director Nominees

The skills, qualities, attributes and experience of the members of the Board provide the Company with a diverse range of perspectives to effectively address the Company's strategic objectives and represent our stockholders' best interests. The biographies below describe the skills, qualities, attributes and experience of the Board nominees.

Paul R. Burke. Mr. Burke has served as a director of the Company since 2015, and he is currently a member of the CNG Committee. Previously, he served as director of Square 1 Financial, Inc. from 2010 until 2015 where he served as Chairman of the Compensation Committee and a member of the Audit, Asset Liability, and various other Committees. He also served as a director of Square 1 Bank from 2012 until 2015. In 1995, Mr. Burke co-founded Northaven Management, Inc., a privately owned investment management firm focusing exclusively on equity investments in the financial services industry and has served as an officer and director of Northaven Management, Inc. since its inception. Since 2009, Mr. Burke has served as a director of Kinloch Holdings, Inc., a private insurance brokerage firm, and since 2015, he served as its Chairman and acting President. From 2001 to 2014, Mr. Burke served as a director of Eastern Insurance Holdings, Inc., a publicly traded property and casualty insurer, where he chaired the Audit Committee and served on various other committees. In addition, Mr. Burke served as a director of Northaven UK, Limited from 2002 until 2013 and as a director of Rockhill Holding Company from 2007 to 2009. Prior to the formation of Northaven, Mr. Burke was a Vice President in Bankers Trust's Financial Services Group, where he spent 10 years involved in the origination and execution of merger and acquisition, restructuring and principal transactions for financial services firms. With over 30 years of experience in the financial services industry, Mr. Burke is well qualified to serve on our Board.

Craig A. Carlson. Mr. Carlson has served as a director of the Company since 2010, and he is currently Chairperson of the Risk Committee. Mr. Carlson is currently a self-employed, independent, financial institution consultant and California real estate broker. He was formerly a bank regulator for 36 years and supervised bank examiners for 26 years. From March 2007 until his retirement in June 2010, Mr. Carlson was Senior Deputy Commissioner and Chief Examiner of the Banking Program for the California Department of Financial Institutions ("DFI"), currently known as the California Department of Business Oversight ("DBO"). In this position, he was responsible for the supervision and regulation of all state chartered commercial and industrial banks as well as other institutions, and he served as a key advisor to the Commissioner of the DFI. Previously, he held positions as Senior Deputy Commissioner and Deputy Commissioner for the San Diego/Orange County Region for the DFI. In these positions, he has over 26 years of experience supervising a bank examination staff of over 125 individuals. Mr. Carlson has been a faculty member of the California Banking School and is an active member of the Conference of State Bank Supervisors, presently serving as a member of its Accreditation Review team. Mr. Carlson's significant experience in banking regulation makes him well qualified to serve on our Board.

John M. Eggemeyer. Mr. Eggemeyer is Chairman of the Board of the Company, a position he has held since 2000 when the Company was founded. He is co-founder and chief executive of Castle Creek Capital LLC, a private equity firm founded in 1990 that specializes in the financial services industry. Mr. Eggemeyer is also a director of Guaranty Bancorp, a position he has held since 2004, and he was Chief Executive Officer of Guaranty Bancorp from 2004 to 2006 and Chairman of the Board of Guaranty Bancorp from 2004 to 2010. Mr. Eggemeyer is also a director of Heritage Commerce Corp, a position he has held since August 2010, and he was a director of Pacific Western Bank from 2010 until 2014. Previously, he served as Chairman and Chief Executive Officer of White River Capital, Inc., a consumer finance company and its wholly owned subsidiary, Union Acceptance Company LLC, and as a director of TCF Financial Corporation and American Financial Realty Trust. In addition, Mr. Eggemeyer currently serves as a trustee of Northwestern University,

Table of Contents

where he serves on the Finance Committee and the Investment Committee. Mr. Eggemeyer has been an investor, executive and financial advisor in the field of commercial banking for over 30 years. Mr. Eggemeyer's substantial expertise in banking, his knowledge and experience in capital markets, and his position as a founder of the Company, make him well qualified to serve on our Board.

Barry C. Fitzpatrick. Mr. Fitzpatrick has served as a director since the Company was founded in 2000. Mr. Fitzpatrick is currently the Lead Independent Director of the Board and member of the CNG Committee. He is an attorney and is currently acting as trustee for a number of trusts. Previously, Mr. Fitzpatrick was Of Counsel with the firm Luce, Forward, Hamilton & Scripps LLP in San Diego, California, a position he held from May 2008 through May 2011. Mr. Fitzpatrick was a partner at Newnham, Fitzpatrick, Weston and Brennan, LLP from July 2004 to June 2008 and prior to that he was a partner with Fitzpatrick & Showen, LLP from 1996 to 2004. Mr. Fitzpatrick is the former chair of the California State Bar Association's 6,000 member Trusts and Estates Section, a position he held from 2004 to 2005. Since 1995, Mr. Fitzpatrick has also served as a director of The Donald C. and Elizabeth M. Dickinson Foundation, one of the largest private foundations in San Diego County. Mr. Fitzpatrick's legal expertise, particularly with respect to fiduciary duties and responsibilities, his knowledge of and experience in San Diego County, and his prior experience on our Board make him well qualified to serve on our Board.

Andrew B. Fremder. Mr. Fremder has served as a director of the Company since 2014, and he is currently the Chairperson of the ALM Committee. He is a cofounder and was the former President of East Bay College Fund, a community-based nonprofit organization from April 2003 until January 2014 and he currently still serves on their Board of Directors. Mr. Fremder currently serves on the Board of Beneficial State Bank, formerly One PacificCoast Bank, FSB. Mr. Fremder previously served as a managing member and Chief Financial Officer of Farallon Capital Management, LLC and Farallon Partners, LLC, each a San Francisco-based investment advisory firm, until 2003, and acted as a consultant to them through December 2008. Mr. Fremder served as a director of CapitalSource Inc. from 2000 until 2014. In addition, Mr. Fremder currently serves as a board member of SquashDrive, a nonprofit organization that provides after school educational enrichment to Oakland, California children. Mr. Fremder's extensive experience in corporate finance and investments, and his significant experience in the financial services industry, make him well qualified to serve on our Board.

C. William Hosler. Mr. Hosler has served as a director or the Company since 2014, and he is currently a member of the Audit and CNG Committees. He is the Chief Financial Officer and member of the Board of Directors of Catellus Acquisition Company, LLC, a commercial real estate property ownership, management and development company. From November 2008 until March 2011, Mr. Hosler provided consulting services to private equity firms Rockwood Capital and TPG Capital. Mr. Hosler served as a Director of CapitalSource Inc. from 2007 until 2014. Mr. Hosler currently serves on the Board of Directors, Audit Committee and Corporate Governance and Nominating Committee of Parkway Properties, Inc., a self-administered, real-estate investment trust. Mr. Hosler also serves on the Board of Directors, Audit Committee and Conflicts Committee of Fantex, Inc., a Delaware brand building company. Mr. Hosler's strong background in commercial real estate and his experience as a chief financial officer of several significant companies, including a public company, make him well qualified to serve on our Board.

Susan E. Lester. Ms. Lester has served as a director of the Company since 2004, and she is currently the Chairperson of the Audit Committee and member of the ALM and Risk Committees. Since 2004, Ms. Lester has served as a director of Arctic Cat, Inc. ("Arctic Cat"), and she currently chairs the Audit Committee and is a member of the Governance Committee of Arctic Cat. Ms. Lester is also a trustee of the Francis Parker School. From December 2010 until January 2014, Ms. Lester served as a director and member of the Audit, Governance, and Risk and Compliance Committees of Lender Processing Services, Inc. Ms. Lester served as the Chief Financial Officer of HomeSide Lending, Inc. from October 2001 to May 2002. She was the Chief Financial Officer of U.S. Bancorp from February 1996 to May 2000, in which position she was responsible for financial reporting and management, asset liability management, mergers and acquisitions, and compliance. Ms. Lester is a former trustee and treasurer of Hazeltine National Golf Club and a former chair of the Board of Trustees of the College of St. Benedict. Ms. Lester's significant financial and banking expertise, including her experience as a Chief Financial Officer of a publicly-traded bank holding company, make her well qualified to serve on our Board.

Roger H. Molvar. Mr. Molvar has served as a director of the Company since 2014, and he is currently a member of the Audit, CNG and Risk Committees. Mr. Molvar currently serves on the Board of Directors of First Financial Northwest, Inc., First Financial Northwest Bank, and First Financial Diversified Corporation, where he serves as Chair of the Audit, Compliance and Risk Committees and member of the ALCO and Investment, Compensation and Loan Committees. Mr. Molvar served as a director of CapitalSource Bank from its formation in 2008 until 2014, and previously served as a director and Audit Committee member of Farmers and Merchants Bank of Long Beach, California. From 2000 to 2004, Mr. Molvar was an Executive Vice President of IndyMac Bancorp and Chief Executive Officer of IndyMac Consumer Bank, responsible for the bank's consumer/branch banking business. Prior to joining IndyMac, Mr. Molvar was an Executive Officer and Management Committee member of The Times Mirror Company, and previously served as Senior Vice President and Comptroller of First Interstate Bank of California. Mr. Molvar chairs the Executive Committee of the SEC and Financial Reporting Institute at the University of Southern California and is a member of the Audit Committee Network. Mr. Molvar's professional experience in commercial banking and finance, as well as his extensive experience as a board member of financial institutions, make him well qualified to serve on our Board.

James J. Pieczynski. Mr. Pieczynski has served as a director of the Company since 2014, and he is currently a member of the ALM and Risk Committees. Mr. Pieczynski is Executive Vice President of the Company and President of the CapitalSource Division of Pacific Western Bank, and he is a director of Pacific Western Bank. Mr. Pieczynski served as a director of CapitalSource Inc. from January 2010 to April 2014 and as Chief Executive Officer of CapitalSource Inc. from January 2012 to April 2014. Mr. Pieczynski also served as President of CapitalSource Bank from January 2012 to April 2014, and he was a member of the Board of Directors of CapitalSource Bank from January 2013 to April 2014. Mr. Pieczynski previously served as CapitalSource Inc.'s Co-Chief Executive Officer from January 2010 through December 2011, President-Healthcare Real Estate Business from November 2008 until January 2010, and Co-President-Healthcare and Specialty Finance from January 2006 until November 2008. Mr. Pieczynski also serves on the Board of Directors, chairs the Nominating and Governance Committee and is a member of the Audit Committee and Compensation Committee of LTC Properties, Inc., a self-administered real estate investment trust. Mr. Pieczynski's extensive experience in the healthcare real estate industry, and his experience managing the CapitalSource Division of Pacific Western Bank, make him well qualified to serve on our Board.

Daniel B. Platt. Mr. Platt has served as a director of the Company since 2003, and he is currently a member of the ALM and Risk Committees. Mr. Platt is a former Executive Vice President of the Company, overseeing the Special Assets Group of Pacific Western Bank, a position he held from November 2009 until his retirement in April 2014. From November 2009 until April 2014, Mr. Platt also previously served as a director of Pacific Western Bank. Currently, Mr. Platt serves as a director for a number of charitable organizations including A Step Beyond, where he serves as Chairman-Elect and Treasurer, The Barnabus Group, where he also serves as Treasurer, and the Rancho Santa Fe Foundation, where he serves on the Finance Committee. From May 2003 to

Table of Contents

November 2009, Mr. Platt was President of Del Mar Financial, a real estate consulting firm. From November 1995 to June 2002, Mr. Platt was Executive Vice President and Chief Financial Officer of Burnham Pacific Properties, a publicly-traded, real estate investment trust. From 1983 to 1994, Mr. Platt held executive positions with Union Bank, Security Pacific Bank, and Bank of America. Mr. Platt's professional experience in commercial banking, real estate and finance for over 30 years, and his experience as a Chief Financial Officer of a publicly traded real estate investment trust, make him well qualified to serve on our Board.

Robert A. Stine. Mr. Stine has served as a director of the Company since 2000 when the Company was founded, and he is currently the Chairperson of the CNG Committee. Mr. Stine is the former President and Chief Executive Officer of Tejon Ranch Co., a publicly-traded real estate development and agri-business company, which positions he held from May 1996 until his retirement in December 2013. Mr. Stine also served as a director of Tejon Ranch Co. from 1996 until May 2015. Previously, Mr. Stine was the President and Chief Executive Officer of Collins Development Company, a diversified, privately held real estate development and asset management company based in San Diego, California from June 1986 until March 1995. Mr. Stine was a director of the Bakersfield Californian, a privately owned newspaper from 1999 through 2009. He was also a founding director of Valley Republic Bank, a community bank located in Kern County, California, a position he held from 2008 until May 2015. In 2015, Mr. Stine joined the Board of Directors of Bolthouse Properties, LLC, a Kern County based privately held real estate development and land management company. Mr. Stine is also a director of Rancho Santa Fe Foundation. Mr. Stine's substantial career in real estate and finance, corporate governance, and his experience as the Chief Executive Officer and director of a publicly traded company make him well qualified to serve on our Board.

Matthew P. Wagner. Mr. Wagner has been Chief Executive Officer of the Company and Pacific Western Bank and a director of the Company since 2000. Mr. Wagner also serves on Pacific Western Bank's Board of Directors. Mr. Wagner served as a director of Guaranty Bancorp from 2004 to 2010. From 1996 to 1999, Mr. Wagner was President and Chief Executive Officer of Western Bancorp, when Western Bancorp was acquired by U.S. Bancorp. Prior to joining Western Bancorp, Mr. Wagner served as an Executive Vice President with U.S. Bancorp in Minneapolis, Minnesota, from 1990 to 1996, and as a Senior Vice President, from 1985 to 1990. Mr. Wagner brings extensive leadership and community banking experience to our Board, including executive management experience.

Table of Contents

Amended and Restated 2003 Stock Incentive Plan

In this section, you will find:

Table of Contents

PROPOSAL 2: APPROVAL OF THE AMENDED AND RESTATED 2003 STOCK INCENTIVE PLAN

Amended and Restated 2003 Stock Incentive Plan

In an effort to further enhance the Company's executive compensation programs by further aligning the programs with the long-term interests of the Company's stockholders, the Board has approved, subject to the approval of its stockholders, an amended and restated 2003 Stock Incentive Plan (the "Plan") in order to, among other things, (i) add total shareholder return ("TSR") to the list of performance criteria on which performance goals may be based for awards that are intended to satisfy the "performance-based compensation" exception to the deductibility limit under Section 162(m) of the Internal Revenue Code (the "Code"), (ii) eliminate the administrator's ability to reprice options or other awards without the approval of the Company's stockholders, and (iii) limit the value of awards that may be granted to any of the Company's non-employee directors in a calendar year. Unless terminated sooner or as otherwise set forth below, the Plan will remain in effect for a period of 10 years following stockholder approval at the Annual Meeting. The CNG Committee believes that the use of a TSR metric appropriately aligns executive compensation with the long-term interests of stockholders through effectively deploying the capital that stockholders have invested. **The proposed amended and restated Plan will not increase the number of shares reserved for future issuance beyond what the stockholders had previously approved in 2014 when stockholders voted in favor of amending the Plan. All other material terms of the Plan will remain the same.**

The Plan, as amended and restated, permits certain equity and other performance-based awards (including PRSUs) that may be granted to be considered "qualified performance-based compensation" as defined under Section 162(m) of the Code. Section 162(m) of the Code generally denies a corporate tax deduction for annual compensation exceeding $1 million paid to the CEO and the three other most highly compensated officers (other than the CFO) whose compensation is required to be reported in the summary compensation table of a publicly-held company. Certain types of compensation, however, including performance-based compensation, are excluded from this limit provided the compensation satisfies at least three conditions: (i) the compensation must be payable on account of the attainment of one or more pre-established, objective performance goals, (ii) the material terms of the compensation and the performance goals must be disclosed to and approved by stockholders before payment, and (iii) a committee of the Board of Directors that is comprised solely of two or more "outside directors" must certify that the performance goals have been satisfied before payment.

If approved by the stockholders, the Company's amended and restated Plan proposal will be effective as of the date of the Annual Meeting. A description of the material provisions of the Plan (as proposed to be amended and restated) is included below under the section entitled "Introduction and Proposed Amendment" and the Plan (as proposed to be amended and restated) is attached as Appendix A to this document.

The PacWest Board of Directors recommends a vote "FOR" the Plan amendment proposal.

Background

As of March 21, 2016, there were 120,208,695 shares of common stock outstanding, excluding an aggregate of 1,562,557 restricted shares that are unvested. 12,462,491 shares of common stock, or approximately 63% of shares authorized under the Plan, remain available for future grants of equity compensation.

Table of Contents

The 2015 Burn Rate was 0.47%. "Burn Rate" is the method for measuring the annual usage of shares for incentive purposes. A high "burn rate" indicates the available share pool is being used quickly.

As commonly calculated, the total potential dilution or "overhang" from the Plan is 11.6% as of March 21, 2016. The overhang is calculated as follows: (x) the sum of (a) 12,462,491 shares remaining available under the Plan and (b) 1,716,272 shares underlying outstanding awards, divided by (y) 121,924,967 shares outstanding. For purposes of calculating the overhang percentage, 153,715 unvested PRSUs are included in both the numerator and denominator. For additional information with respect to our outstanding awards, please see Note 16, *Stock Based Compensation Plans*, to the Company's audited financial statements for the year ended December 31, 2015 included in our Annual Report.

Summary of the PacWest Amended and Restated 2003 Stock Incentive Plan

A summary of the amended and restated Plan appears below. It does not purport to be complete and is qualified in its entirety by reference to the provisions of the amended and restated Plan itself. The complete text of the amended and restated Plan is attached hereto as Appendix A.

Introduction and Proposed Amendment

In May 2003, the Company's stockholders approved the Plan, authorizing the issuance of up to 2.5 million shares of common stock as equity compensation in the form of time-based and performance-based restricted stock, stock options and stock appreciation rights ("SARs"), as further described and under the conditions set forth in the Plan. In May 2004, the Company's stockholders approved an amendment and restatement of the Plan modifying the definitions of certain performance goals and discretion of the CNG Committee for grants of performance stock. In May 2006, the Company's stockholders approved an amendment to the Plan to increase the shares available for issuance under the Plan from 2.5 million to 3.5 million. In May 2009, the Company's stockholders approved an amendment to the Plan to increase the authorized number of shares for issuance under the Plan from 3.5 million shares to 5 million shares and to extend the expiration date of the Plan from April 17, 2010 to May 31, 2015. In May 2012, the Company's stockholders approved an amendment to the Plan to increase the authorized number of shares for issuance under the Plan from 5 million shares to 6.5 million shares and to extend the expiration date of the Plan from May 31, 2015 to May 31, 2017. In January 2014, the Company's stockholders approved an amendment to the Plan to increase the authorized number of shares for issuance under the Plan from 6.5 million to 9 million and to extend the expiration date of the Plan from May 31, 2017 to May 31, 2019. In April 2014, 10,686,565 shares previously available for grant under the CapitalSource Inc. Third Amended and Restated Equity Incentive Plan (the "CapitalSource Plan") were added to the Plan upon consummation of the CapitalSource Inc. merger. Such shares are only available for grant to continuing former employees of CapitalSource Bank and to newly hired employees of the Company.

The Company requests that its stockholders approve the amended and restated Plan proposal in order to, among other things, (i) add TSR to the list of performance criteria on which performance goals may be based for awards that are intended to satisfy the "performance-based compensation" exception to the deductibility limit under Section 162(m) of the Code, (ii) eliminate the administrator's ability to reprice options or other awards without the approval of the Company's stockholders, and (iii) limit the value of awards that may be granted to any of the Company's non-employee directors in a calendar year. **The proposed amended and restated Plan does not increase the number of shares reserved for future issuance under the Plan beyond what the stockholders had previously approved in January 2014 when stockholders voted in favor of amending the Plan.**

Table of Contents

The Plan has been instrumental in promoting the success of the Company by providing additional means to attract, retain, motivate, and reward key employees and non-employee directors of the Company through grants of equity compensation for high levels of individual performance and financial performance of the Company. The Board continues to believe that our ability to offer time-based and performance-based restricted stock awards and other forms of equity compensation provides valuable tools for attracting, retaining, motivating, and rewarding key employees, non-employee directors and consultants and therefore recommends adoption of the amended and restated Plan.

The material features of the amended and restated Plan are described below.

Administration; Eligibility and Vesting

The Plan is administered by the CNG Committee. Company employees and non-employee directors are eligible to participate, and the number of employees and non-employee directors eligible to participate in the Plan may increase or decrease from time to time. Awards may also be granted to consultants or advisors who perform or agree to perform bona fide services for the Company, except that options intended to qualify as incentive stock options ("ISOs") within the meaning of Section 422 of the Code may only be granted to employees. The CNG Committee determines the participants eligible to receive awards, the nature, price, number of shares and other terms of such awards, and the form and terms of award agreements. See " Types of Awards" below. The CNG Committee will determine the vesting and, where applicable, the expiration date of awards, but awards that provide for the right to acquire stock may not remain outstanding more than 10 years after the grant date or, as discussed below, five years in the case of certain employee ISOs.

Shares Available for Grant; Adjustment; Transferability

Shares Available for Grant

Under the Plan, the total number of shares of common stock subject to awards may not exceed 9 million; provided, however, that an additional 10,686,565 shares previously available for grant under the CapitalSource Plan were added to the Plan upon consummation of the CapitalSource Inc. merger and are available for grant only to continuing former employees of CapitalSource Bank and to newly hired employees of the Company. The shares added in connection with the CapitalSource Inc. merger will expire on April 20, 2020. As of March 21, 2016, there were 1,716,272 outstanding awards under the Plan (including 145,695 PRSUs granted in February 2016 and 8,020 PRSUs granted in March 2016) and an additional 12,462,491 shares (including 9,247,842 shares that were previously available for grant under the CapitalSource Plan) remaining available for issuance under the Plan. The maximum number of shares for which options, SARs and performance stock awards and performance stock units may be granted to a single participant in any single year is 250,000, in each case. These limitations are subject to adjustment in the event of certain changes in the capitalization of the Company. See " Adjustments and Extraordinary Events" below. Upon termination, cancellation, forfeiture or expiration of any unexercised award under the Plan, the number of shares with respect to which awards may be granted under the Plan will be increased by the number of shares to which such unexercised award pertained. In addition, to the extent that shares issued under the Plan are repurchased by the Company at their original purchase price, such shares will again be available for grant under the Plan, except that the aggregate number of shares issuable upon the exercise of ISOs may not exceed 9 million shares.

Adjustments and Extraordinary Events

The Plan provides that if there is any increase or decrease in the number of issued and outstanding shares of common stock resulting from a stock split, reverse stock split, stock dividend,

Table of Contents

recapitalization, combination or reclassification of the Company's common stock, any extraordinary cash dividend, or any other increase or decrease in the number of issued and outstanding shares of common stock, effected without the receipt of consideration by the Company, then the limitations on the number of shares reserved for delivery under the Plan, the limitations on the number of stock options or SARs which may be granted in any one calendar year, the number of shares that pertain to each outstanding award and the exercise price of each option and SAR will be proportionately adjusted.

Transferability

Generally, awards may not be sold, pledged, assigned, hypothecated, transferred or disposed of in any manner other than by will or by the laws of descent and distribution and may be exercised, during the lifetime of the participant, only by the participant. The CNG Committee, however, may permit a participant to transfer any of such participant's awards, other than ISOs, to one or more of the participant's immediate family members or to trusts established in whole or in part for the benefit of the participant and/or one or more of such immediate family members, to the extent that neither the transfer of such award to the immediate family member or trust, nor the ability of a participant to make such a transfer, shall have adverse consequences to the Company or the participant by reason of Section 162(m) of the Code. See "Termination of Employment, Death or Disability" below.

Term of the Plan

Unless terminated sooner, the Plan will remain in effect for a period of 10 years following stockholder approval at the Annual Meeting.

Types of Awards Performance Stock Awards and Restricted Stock Awards

Performance Stock Awards

Under the Plan, the CNG Committee may grant performance-based restricted stock awards. Performance-based restricted stock awards are granted subject to a risk of forfeiture which lapses as the participant vests in the stock granted. The participant vests in the common stock underlying such performance-based restricted stock award, in whole or in part, if certain goals established by the CNG Committee are achieved over a designated period of time, but in no event more than 10 years after the grant date. If the performance goals are not satisfied within the designated period of time, the performance-based stock award will automatically be forfeited and immediately returned to the Company.

Performance Criteria

Under the Plan, at the discretion of the CNG Committee, the performance goals for performance stock awards may be based upon the attainment of one or more of the following business criteria, determined either in absolute terms or relative to the performance of one or more similarly situated companies or a published index covering the performance of a number of companies. If the amended and restated stock plan proposal is approved, the performance goals will consist of: (i) net income; (ii) return on average assets ("ROAA"); (iii) cash ROAA; (iv) return on average equity ("ROE"); (v) cash ROE; (vi) diluted or basic earnings per share ("EPS"); (vii) cash EPS; (viii) stock price; (ix) TSR; (x) net charge-offs/total assets; (xi) non-performing assets/total assets; (xii) classified assets/(Tier I Capital + ALLL); (xiii) net interest margin (tax equivalent); (xiv) return on average tangible common equity; and (xv) efficiency ratio. When establishing performance goals for a performance-based restricted stock award, the CNG Committee may exclude any or all "extraordinary items" as determined under U.S. generally accepted accounting principles including,

Table of Contents

without limitation, the charges or costs associated with restructurings of the Company, discontinued operations, other unusual or non-recurring items, and the cumulative effects of accounting changes. When establishing performance goals, the CNG Committee may mandate that the performance goals be adjusted in recognition of unusual or non-recurring events affecting the Company, changes in applicable tax laws or accounting principles, or such other factors as the CNG Committee may determine. The CNG Committee may also grant performance-based restricted stock awards that vest over the passage of time, but for which vesting is accelerated upon the attainment of specified performance goals.

Restricted Stock Awards

The CNG Committee may also grant time-based restricted stock awards under the Plan. The participant vests in the common stock underlying such time-based restricted stock awards at such times and under such conditions as are determined by the CNG Committee and set forth in the time-based restricted stock award agreement. The Company intends that time-based restricted stock awards will vest over specified periods of time and will not require the satisfaction of any performance conditions in order to vest.

Rights as Stockholder; Payment of Dividends

Upon the vesting of a time-based or performance-based restricted stock award, the participant has the rights of a stockholder with respect to the voting of the common stock underlying such award, subject to the conditions contained in the award agreement. The award agreement may require or permit the immediate payment, waiver, deferral or investment of dividends paid on the shares of common stock underlying a restricted stock award or performance stock award.

Dividends are not paid on unvested performance-based restricted stock awards. Instead, any dividends will be accrued and paid out when the performance-based restricted stock award vests based on the actual number of shares delivered. Unvested time-based restricted stock awards are entitled to receive any dividends on a current basis.

Vesting

On the occurrence of a vesting event as described below under " Treatment of Awards Upon a Change in Control", all unvested time-based and performance-based restricted stock awards that are outstanding on such date will become vested.

Types of Awards Stock Options

Stock Options

Under the Plan, the CNG Committee may from time to time grant stock options, either ISOs or nonqualified stock options, to acquire shares of the Company's common stock to eligible participants. As required by the Code and applicable regulations, ISOs are subject to certain limitations not applicable to non-ISOs. The exercise price of all stock options will be determined by the CNG Committee, but may not be less than 100% of the fair market value of the Company's common stock on the date of grant. The exercise price for any ISO granted to any eligible employee owning more than 10% of the total combined voting power of all classes of the Company's stock may not be less than 110% of the fair market value of the Company's common stock on the date of grant. In addition, the term of such ISO may not exceed five years from the date of grant.

The exercise price of stock options is the closing price (or the closing bid, if no sales were reported) as quoted on Nasdaq for the trading day immediately prior to the date of grant. The exercise price may be adjusted in the event of changes in the capitalization of the Company. See " Adjustments and Extraordinary Events" above. The aggregate fair market value (determined at the date of grant) of common stock subject to all ISOs held by an employee that vest in any single calendar year cannot exceed $100,000.

Vesting

All stock options will be exercisable and will vest at such times and under such conditions as determined by the CNG Committee and set forth in the relevant stock option agreement.

Method of Exercise

The form of consideration to be received and the method of payment for shares of common stock to be issued upon exercise of a stock option is determined by the CNG Committee and may consist of cash, check, recourse note carrying a market interest rate that may or may not be secured in the discretion of the CNG Committee, delivery of previously acquired Company common stock that has been held for a meaningful period of time (i.e., six months) before exercise, or any combination of the foregoing. Any shares so delivered to the Company shall be valued at their fair market value on the exercise date.

Types of Awards   Stock Appreciation Rights

Under the Plan, the CNG Committee may from time to time grant SARs. The exercise price of all SARs will be determined by the CNG Committee, but the price may not be less than the fair market value of the Company's common stock on the date of grant. Upon exercise of a SAR, the participant (or any person having the right to exercise the SAR after his or her death) shall receive an amount equal to the amount by which the fair market value of a share on the date of surrender exceeds the exercise price of such SAR. We will pay this amount in the form of common stock, cash, or any combination thereof as determined by the CNG Committee. All SARs will be exercisable and will vest at such times and under such conditions as determined by the CNG Committee and set forth in the relevant SAR agreement. Upon the occurrence of a vesting event as described below under "   Treatment of Awards Upon a Change in Control", all SARs that are outstanding on such date will become exercisable whether they are vested or not.

Termination of Employment, Death or Disability

Termination of Service

Upon termination of service other than due to death, disability or cause, the participant may exercise his or her option or SAR on or prior to the date that is three months following the date of termination to the extent that such participant was entitled to exercise such option or SAR on the date of termination (but in no event later than the expiration of the term of such option or SAR). Treatment of performance-based restricted stock awards and time-based restricted stock awards on termination of service is determined under the applicable award agreement.

Disability of Participant

Upon termination of service due to disability, the participant may exercise his or her option or SAR on or prior to the date that is 12 months following the date of termination to the extent that such participant was entitled to exercise such option or SAR on the date of termination (but in no event later than the expiration of the term of such option or SAR). Treatment of performance-based restricted stock awards and time-based restricted stock awards while on disability is determined under the applicable award agreement.

Table of Contents

Death of Participant

In the event that a participant should die while in service, the participant's option or SAR may be exercised by the participant's estate or by a person who has acquired the right to exercise the option or SAR by bequest or inheritance, but only on or prior to the date that is 12 months following the date of death, and only to the extent that the participant was entitled to exercise the option or SAR at the date of death (but in no event later than the expiration date of the term of such option or SAR).

Time-based and performance-based restricted stock awards granted on or after November 2, 2005 accelerate vesting and vest in full with performance deemed achieved at target level with respect to all open performance periods if death occurs during the performance period, and deemed achieved at the actual performance level if death occurs after the end of the performance period and before the vesting date.

Treatment of Awards Upon a Change in Control

For awards granted on or after December 11, 2014, in the event of a Change in Control, awards will not vest upon the closing of the transaction and instead will roll over and be subject to double-trigger vesting upon (i) the termination of a participant's service without cause or the participant's resignation for good reason within 24 months after the Change in Control or (ii) death, provided that with respect to performance-based restricted stock granted on or after February 10, 2016 (x) that have a separate target and maximum performance level, awards will be (a) deemed earned at the target level with respect to all open performance periods if a Change in Control occurs within six months after the date of grant or (b) deemed earned at the actual performance level as of the date of the Change in Control if the Change in Control occurs more than six months after the date of grant, and (y) that do not have a separate target and maximum performance level, awards will be deemed earned at the maximum performance level, and in all cases, such performance-based restricted stock awards will cease to be subject to any further performance conditions.

Awards granted prior to December 11, 2014 will vest on a single-trigger basis upon a Change in Control or upon the termination of a participant's service without cause following stockholder approval of a merger that would constitute a Change in Control.

For purposes of the Plan, "Change in Control" generally means: (i) the consummation of a plan of dissolution or liquidation of the Company; (ii) the incumbent board members cease to constitute at least two-thirds of the Company's Board; (iii) the consummation of a plan of reorganization, merger or consolidation involving the Company, if the Company's stockholders do not hold at least 70% of the combined voting power of the resulting company or the individuals who were members of the Company's incumbent Board do not constitute at least two-thirds of the board of directors of the resulting company; (iv) the sale of all or substantially all of the assets of the Company; or (v) the acquisition by another person of stock representing more than 50% of the Company's then outstanding voting power.

Amendment and Termination of the Plan

The Board may at any time amend, alter, suspend or discontinue the Plan in its discretion, but no amendment, alteration, suspension or discontinuation may be made which would impair the rights of any participant under any grants made without his or her consent. In addition, to the extent necessary and desirable to comply with Section 422 of the Code (or any other applicable law or regulation, including the requirements of any stock exchange or national market system upon which the Company's common stock is then listed), the Company will obtain stockholder approval of any amendment to the Plan in such a manner and to such a degree as is required.

Table of Contents

No Repricing or Reloads

The CNG Committee may not, without first obtaining stockholder approval, take any action that would be considered a "repricing" of options or other awards (or cash buyback of underwater options or other awards). The CNG Committee may not grant any awards with automatic reload features.

Federal Income Tax Consequences

The following is a brief description of the U.S. federal income tax consequences generally arising with respect to the grant of stock options, stock appreciation rights and restricted stock. This summary is not intended to (and does not) constitute tax advice to participants in the Plan and is not intended to be exhaustive and, among other things, does not describe state, local or foreign tax consequences. Participants are advised to consult with their own independent tax advisors with respect to the specific tax consequences that, in light of their particular circumstances, might arise in connection with their receipt of awards under the Plan, including any state, local or foreign tax consequences and the effect, if any, of gift, estate and inheritance taxes.

Stock Options and SARs

The grant of a stock option or SAR will generally create no tax consequences for the participant or the Company at the grant date. A participant will generally not recognize taxable income upon exercising an ISO except that the alternative minimum tax may apply (depending on the participant's individual circumstances). Upon exercising a stock option (other than an ISO) or SAR, the participant will recognize ordinary income equal to the excess of the fair market value of the freely transferable and nonforfeitable common stock (and/or cash or other property) acquired on the date of exercise over the exercise price and will be subject to FICA (Social Security and Medicare) taxation in respect of such amounts.

If a participant holds common stock acquired under the ISO for at least two years from the grant date and one year from the exercise date, referred to as the required holding period, any gain or loss realized by the participant upon the subsequent disposition of such common stock will be taxed as long-term capital gain or loss and such amounts will not be subject to FICA taxation. Upon a disposition of common stock acquired upon exercise of an ISO before the end of the required holding period, the participant generally will recognize ordinary income equal to the lesser of: (i) the excess of the fair market value of the common stock at the date of exercise of the ISO over the exercise price or (ii) the amount realized upon the disposition of the ISO common stock over the exercise price. Otherwise, a participant's disposition of common stock acquired upon the exercise of a stock option (including an ISO for which the required holding period is met) or SAR generally will result in short-term or long-term capital gain or loss measured by the difference between the sale price and the participant's tax basis in such common stock (the tax basis in stock option common stock generally being the exercise price plus any amount recognized as ordinary income in connection with the exercise of the stock option, although special rules may apply if the exercise price is paid in previously acquired common stock).

Performance Stock and Restricted Stock Awards

Generally, the recipient of an award of performance stock or restricted stock will not recognize ordinary income at grant. Instead, the participant generally will recognize ordinary income when the performance stock or restricted stock becomes vested, equal to the fair market value of the common stock on the date it becomes vested (and such excess will be subject to FICA taxation). The Company will generally receive a tax deduction equal to the amount of income recognized by the recipient.

Table of Contents

Limits on Value of Awards to Non-Employee Directors

No non-employee director may be granted compensation with a value in excess of $1,000,000 in any calendar year, with the value of equity-based awards based on the accounting grant date value of the award.