



750 B Street, Suite 3110
San Diego, CA 92101
(619) 329-6565

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
To Be Held May 25, 2023**

TO THE SHAREHOLDERS OF ENDEAVOR BANCORP:

NOTICE IS HEREBY GIVEN that the 2023 Annual Meeting of Shareholders (the “**Meeting**”) of Endeavor Bancorp (the “**Company**”), the holding company for Endeavor Bank (the “**Bank**”) will be held at Green Acre Campus Pointe, 10300 Campus Point Dr., San Diego CA 92121 on Thursday, May 25, 2023, beginning at 5:00 p.m. (local time).

At the Meeting the shareholders will be asked to consider and act upon the following proposal(s) and such other matters as may properly come before the Meeting and any continuations or adjournments thereof:

1. **ELECTION OF DIRECTORS.** To elect the following ten (10) nominees to serve as directors on the Company’s board of directors (the “**Board of Directors**”) until the next annual meeting of shareholders and until their respective successors are elected and have been qualified:

Julie P. Dubick	Matthew H. Rattner
James W. Ledwith	Steven D. Sefton
Bryan Min	Vickie E. Turner
Jillian Murrish	Christopher J. Woolley
Lorne R. Polger	Dan C. Yates

2. **RATIFICATION OF AUDITORS.** To ratify the appointment of the Company’s independent auditors, Eide Bailly LLP, for the year ending December 31, 2023.

3. **OTHER BUSINESS.** To transact such other business as may properly come before the Meeting and at any continuations or adjournments thereof.

The Board of Directors has fixed the close of business on March 31, 2023, as the record date for determination of shareholders entitled to notice of, and the right to vote at, the Meeting.

A SHAREHOLDER MEETING NOTICE HAS BEEN SENT BY MAIL (OR EMAIL IF YOU HAVE ELECTED ELECTRONIC DELIVERY) TO YOU BY OUR TRANSFER AGENT. THAT NOTICE CONTAINS A 15-DIGIT CONTROL NUMBER YOU WILL NEED TO VOTE YOUR SHARES. PLEASE READ IT CAREFULLY AND FOLLOW THE INSTRUCTIONS.

YOUR VOTE IS IMPORTANT AND WE STRONGLY ENCOURAGE YOU TO VOTE PROMPTLY AND RETURN YOUR PROXY.

Important notice regarding Internet availability of proxy materials: This proxy statement and our Annual Report for the fiscal year ended December 31, 2022 are available at the following website: www.envisionreports.com/EDVR (the “Meeting Website”).

You can also vote your shares on the Meeting Website using the 15-digit control number contained in the Shareholder Meeting Notice sent to you.

By Order of the Board of Directors,

April 12, 2023
San Diego, California

Julie M. Glance
Corporate Secretary



750 B Street, Suite 3110
San Diego, CA 92101
(619) 329-6565

PROXY STATEMENT
ANNUAL MEETING OF SHAREHOLDERS
To Be Held May 25, 2023

PROXY STATEMENT

In this Proxy Statement (this “**Proxy Statement**”) the terms “**Company**,” “**us**,” “**we**,” “**ours**,” and similar expressions refer to Endeavor Bancorp. This Proxy Statement is furnished in connection with the solicitation of proxies for use at the 2023 Annual Meeting of Shareholders of the Company to be held at Green Acre Campus Pointe, 10300 Campus Point Dr., San Diego CA 92121, on Thursday, May 25, 2023, beginning at 5:00 p.m. (local time), and at any continuations and adjournments thereof (the “**Meeting**”). The Bank expects to distribute a Shareholder Meeting Notice and make available this Proxy Statement and the form of proxy, on or about April 12, 2023, to shareholders of record as of the close of business on March 31, 2023. The matters to be considered and voted upon at the Meeting, and at any continuations or adjournments thereof, will be:

1. **ELECTION OF DIRECTORS.** To elect the following ten (10) nominees to serve as directors on the Company’s board of directors (the “**Board of Directors**” or the “**Board**”) until the next annual meeting of shareholders and until their respective successors are elected and have been qualified:

Julie P. Dubick	Matthew H. Rattner
James W. Ledwith	Steven D. Sefton
Bryan Min	Vickie E. Turner
Jillian Murrish	Christopher J. Woolley
Lorne R. Polger	Dan C. Yates

2. **RATIFICATION OF AUDITORS.** To ratify the appointment of the Company’s independent auditors, Eide Bailly LLP, for the year ending December 31, 2023.

3. **OTHER BUSINESS.** To transact such other business as may properly come before the Meeting and at any continuations or adjournments thereof.

**ANNUAL MEETING
QUESTIONS AND ANSWERS**

Why am I receiving these proxy materials?

The Board, on behalf of Endeavor Bancorp, is soliciting your proxy to vote at our 2023 annual meeting of shareholders (the “**Meeting**”) because you owned shares of our common stock at the close of business on March 31, 2023, the record date for the Meeting, and, therefore, are entitled to vote at the Meeting. This proxy statement and our 2022 annual report are being made available to our shareholders on or about April 12, 2023. This proxy statement summarizes the information that you need to know in order to cast your vote. **Shareholders are encouraged to vote and submit proxies in advance of the Meeting by internet or phone as early as possible.**

Why did I receive a Shareholder Meeting Notice instead of a full set of proxy materials?

In accordance with the California Corporations Code, we are permitted to furnish proxy materials, including this proxy statement and our 2022 annual report, to shareholders by sending a written Shareholder Meeting Notice and providing access to these documents on the internet as well as making printed copies available if requested. Most shareholders will not receive printed copies of the proxy materials unless requested. Instead, the Shareholder Meeting Notice provides instructions on how to access and review the proxy materials on the internet as well as how to obtain written copies. The Shareholder Meeting Notice also provides instructions on how to submit

your proxy and voting instructions via the internet. If you would like to receive a printed or email copy of our proxy materials, please follow the instructions provided in the Shareholder Meeting Notice to request the materials.

How do I attend the Meeting?

You will be able to attend the Meeting in person at Green Acre Campus Point, on Thursday, May 25, 2023, beginning at 5:00 p.m. (local time).

Who can vote at the Meeting?

Only our shareholders of record at the close of business on the record date, or their legal proxy holders, are entitled to vote at the Meeting. The record date for the Meeting is March 31, 2023. There were 3,393,574 shares of common stock outstanding and entitled to vote on the record date.

What am I voting on?

There are two matters that may be voted on at the Meeting.

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| Proposal 1: | Election of the ten (10) nominees to serve as directors named in this Proxy Statement to hold office until the next annual meeting of shareholders and until their respective successors are elected and have been qualified |
| Proposal 2: | Ratification of the appointment of the Company's independent auditors, Eide Bailly LLP, for the year ending December 31, 2023 |

How do I vote?

You are invited to attend the Meeting to vote on the proposals described in this Proxy Statement during the Meeting. However, you may vote your shares by simply following the instructions on the Shareholder Meeting Notice or proxy card to vote via the internet, by telephone or by mail. **Even if you intend to attend the Meeting in person, we strongly encourage you to vote your shares in advance by submitting your proxy in advance of the Meeting to ensure that your vote will be represented at the Meeting.**

Shareholder of Record: Shares Registered in Your Name

If, on the record date, your shares were registered directly in your name with our transfer agent, Computershare, then you are a shareholder of record and you may vote as follows.

- **By Internet:** Complete an electronic proxy card at www.envisionreports.com/EDVR. You will need the 15-digit control number located in the shaded bar on the Shareholder Meeting Notice or proxy card.
- **By Phone:** Dial toll-free 1-800-652-VOTE (8683) using any touch-tone telephone and follow the recorded instructions.
- **By Mail:** If you have received printed materials, complete, sign and date the proxy card and return it promptly as indicated on the proxy card.
- **During the Meeting – In Person:** You may attend the Meeting in person and vote at that time by delivery of a proxy card or written ballot we will provide at that time. You will need the 15-digit control number located in the shaded bar on the Shareholder Meeting Notice in order to vote in this manner.

The proxy holders identified in the proxy card will vote all shares of our stock represented by a properly completed and executed proxy received in time for the Meeting in accordance with each shareholder's instructions. If you submit your executed proxy but do not fill out the voting instructions on the proxy card, the shares represented by your proxy will be voted "FOR" each of the director nominees identified in this Proxy Statement and "FOR" Proposal 2. If any other matter is properly presented at the Meeting, the proxy holders will vote shares represented by a proxy submitted by a shareholder in accordance with the recommendation of our Board.

Beneficial Owner: Shares Registered in the Name of a Broker or Bank

If, on the record date, your shares were held, not in your name, but rather in an account at a brokerage firm, bank, dealer or other similar organization, then you are the beneficial owner of shares held in "street name." The organization holding your shares is considered to be the shareholder of record for purposes of the Meeting. As a beneficial owner, you have the right to direct the organization holding your shares regarding how to vote such shares. You should have received a notice containing voting instructions from the organization that holds your shares. Follow the instructions provided by that organization to ensure that your vote is counted. If you wish to vote in

person at the Meeting, you must obtain a legal proxy from the organization that holds your shares. A legal proxy is a written document that authorizes you to vote your shares held in street name at the Meeting. Please contact the organization that holds your shares for instructions regarding obtaining a legal proxy.

We provide internet proxy voting to allow you to vote your shares online, with procedures designed to ensure the authenticity and correctness of your proxy vote instructions, however, please be aware that you must bear any costs associated with your internet access, such as usage charges from internet access providers and telephone companies.

What happens if I do not vote?

Shareholder of Record: Shares Registered in Your Name

If you are a shareholder of record and do not vote by completing your proxy card, by telephone, through the Internet or during the Meeting, your shares will not be voted.

Beneficial Owner: Shares Registered in the Name of Broker or Bank

If your shares are held in street name, the bank, broker or other nominee that holds your shares has the authority to vote your shares only on certain of the proposals set forth in this Proxy Statement without receiving voting instructions from you. If you hold your shares in street name and you do not submit voting instructions to the organization that holds your shares, that organization may exercise its discretion to vote your shares on Proposal 2 but will not be permitted to vote your shares on Proposal 1.

We strongly encourage you to provide voting instructions to your bank, broker or other nominee. This ensures your shares will be voted at the Meeting and in the manner you desire. A “broker non-vote” will occur if your broker cannot vote your shares on a particular matter because it has not received instructions from you and does not have discretionary voting authority on that matter or because your broker chooses not to vote on a matter for which it does have discretionary voting authority.

Can I change my vote after submitting my proxy?

Shareholder of Record: Shares Registered in Your Name

Yes. If you are a shareholder of record, you may revoke your proxy and change your vote at any time before the taking of the vote at the Meeting in any one of the following ways:

- **By Phone:** By using the phone voting method described above, in which case only your latest telephone proxy submitted prior to the Meeting will be counted.
- **By Internet:** By using the online voting method described above, in which case only your latest internet proxy submitted prior to the Meeting will be counted.
- **By Mail:** By signing and returning a new proxy card or voting instruction form dated as of a later date, in which case only your latest proxy card or voting instruction form received prior to the Meeting will be counted.
- **During the Meeting:** By attending the Meeting in person and voting during the Meeting as described above. Your attendance at the Meeting will not automatically revoke your proxy unless you properly vote during the Meeting or specifically request that your prior proxy be revoked by delivering a written notice of revocation prior to the Meeting to the Bank’s Corporate Secretary at 750 B Street, Suite 3110, San Diego, California 92101, Attention: Corporate Secretary, or hand-delivered to the chairman of the Meeting at or before the taking of the vote at the Meeting.

Beneficial Owner: Shares Registered in the Name of Broker or Bank

If you are a beneficial owner of shares held in street name, you should follow the instructions provided by the brokerage firm, bank, dealer or other similar organization that holds your shares.

How many votes are required to approve each proposal?

Election of Directors

If a quorum is present at the Meeting, the election of directors will be determined by a plurality of the votes cast by the shareholders entitled to vote on the election, unless at least one shareholder elects to cumulate votes for directors. Accordingly, the ten (10) nominees receiving the most “FOR” votes from the holders of shares present during the Meeting or represented by proxy and entitled to vote on the election of directors will be elected.

You may vote “FOR” or “WITHHOLD” authority to vote for each of the director nominees. If you “WITHHOLD” authority to vote with respect to one or more director nominees, your vote will have no effect on the election of such nominees. Broker non-votes will have no effect on the election of directors.

Each shareholder of record as of the record date is entitled to cast one vote for each share of the Bank’s common stock held on each matter to come before the Meeting, except that shareholders may have cumulative voting rights with respect to the election of directors. Cumulative voting allows a shareholder to cast a number of votes equal to the number of directors to be elected multiplied by the number of votes held in such shareholder’s name on the record date. This total number of votes may be cast for one nominee or may be distributed among as many nominees as the shareholder desires. If shares are voted cumulatively, the nominees receiving the highest number of votes up to the number of directors to be elected will be elected. Under California law and the Bylaws of the Company, no shareholder can cumulate votes unless, prior to voting at the Meeting, such shareholder has given notice of his or her intention to cumulate his or her votes at the Meeting. If any shareholder properly gives such notice, then all shareholders may cumulate their votes for candidates in nomination. The Board of Directors does not, at this time, intend to give such notice or to cumulate the votes it may hold pursuant to the proxies solicited herein unless the required notice by a shareholder is given, in which event votes represented by proxies delivered pursuant to this Proxy Statement may be cumulated at the discretion of the proxy holders, in accordance with the recommendation of the Board of Directors. Therefore, discretionary authority to cumulate votes in such event is solicited in this Proxy Statement.

Ratification of Appointment of Independent Auditor

If a quorum is present at the Annual Meeting, the approval of Proposal 2 requires the affirmative vote of a majority of the votes cast with respect to such proposal, meaning the number of shares voted “FOR” such proposal must exceed the number of shares voted “AGAINST” such proposal. You may vote “FOR,” “AGAINST” or “ABSTAIN” from voting on Proposal 2. If you “ABSTAIN” from voting with respect to Proposal 2, your vote will have no effect on its outcome. Broker non-votes will have no effect on the vote for Proposal 2, however, a broker or other nominee may generally vote in their discretion on routine matters and therefore broker non-votes are not expected on Proposal 2, a routine matter.

What is the quorum requirement?

A quorum is necessary to hold the Meeting. A quorum will be present if the holders of a majority in voting power of the shares of our common stock outstanding and entitled to vote at the Meeting are present during the Meeting or represented by proxy.

Your shares will be counted for purposes of determining if there is a quorum if you are entitled to vote and you are present during the Meeting or you have properly voted by proxy online, by phone or by submitting a proxy card or voting instruction form by mail. Abstentions and broker non-votes will be counted for purposes of determining whether a quorum is present.

If a quorum is not present, we may propose to adjourn the Meeting to solicit additional proxies and reconvene the Annual Meeting at a later date.

What does it mean if I receive more than one set of Proxy Materials?

If you receive more than one set of proxy materials, your shares may be registered in more than one name or held in different registered accounts. Please follow the voting instructions in each set of proxy materials to ensure that all of your shares are voted.

How can I find out the results of the voting at the Meeting?

Preliminary voting results will be announced at the Meeting.

Who is paying for this proxy solicitation?

We will pay for the entire cost of soliciting proxies. Our directors and employees may solicit proxies in person, by telephone, or by other means of communication. None of our directors or employees will be paid any additional compensation for soliciting proxies. We may also reimburse brokerage firms, banks, dealers and other similar organizations for the cost of forwarding proxy materials to beneficial owners.

**PROPOSAL 1
ELECTION OF DIRECTORS**

(Item 1 on Proxy Card)

The Bylaws of the Company provide that the number of authorized directors of the Company shall be not less than seven (7) nor more than thirteen (13), with the exact number of authorized directors to be fixed from time to time, within these limits, by approval of the Board of Directors or shareholders. The number of directors is presently fixed at ten (10).

All of the nominees named below are currently members of the Board of Directors. Each individual has been nominated by the Board of Directors for election as a director to serve until the next annual meeting of the shareholders and until the election and qualification of a successor, and has agreed to serve if elected. Proxy votes granted hereunder will be cast in such a way as to effect the election of all nominees or, in the event of cumulative voting, as many as possible under the rules of cumulative voting, according to the recommendation of the Board of Directors. If any nominee should become unable or unwilling to serve as a director, the proxy votes granted hereunder will be voted for such substitute nominee as the Board of Directors shall designate. The Board of Directors presently has no knowledge that any of the nominees will be unable or unwilling to serve. The ten (10) nominees receiving the highest number of affirmative votes at the Meeting will be elected. Shareholders may only nominate directors under the advance notice and other provisions of Article I Section 13(b) of the Bylaws of the Company.

The following table sets forth certain information regarding the director nominees. See “Security Ownership of Certain Beneficial Owners and Management,” below, for information pertaining to the stock ownership of each director nominee.

<u>Name and Title</u>	<u>Age</u>	<u>Year Elected or Appointed</u>
Julie P. Dubick Director	73	2017
James W. Ledwith Director	77	2017
Bryan Min Director	59	2022
Jillian Murrish Director	32	2022
Lorne R. Polger Director	60	2017
Matthew H. Rattner Director, Chairman of the Board	59	2017
Steven D. Sefton Director, President	62	2017
Vickie E. Turner Director	66	2021
Christopher J. Woolley Director	64	2017
Dan C. Yates Director, Chief Executive Officer	62	2017

Business Experience and Background of the Director Nominees

Julie P. Dubick. Mrs. Dubick is the chief of staff and strategic partnerships advisor at The Conrad Prebys Foundation, the largest private foundation in San Diego, contributing approximately \$50M annually to the region. She is an attorney who served with the United States Department of Justice, first as civil division attorney, and later

as Assistant Director and General Counsel with the United States Marshals Service in Washington, D.C. She moved to San Diego and was a senior partner and member of the executive committee of the Seltzer Caplan McMahon Vitek law firm, specializing in corporate and employment litigation. Mrs. Dubick is currently an Adjunct Professor of Law at California Western School of Law teaching ethics and legal skills. Prior to teaching, Mrs. Dubick worked as an independent management consultant with HG Consulting Group, LLC. In that capacity, she provided in-depth stakeholder engagement, long-term strategic planning, and policy development and implementation for corporate, governmental and nonprofit organizations. Mrs. Dubick served as Policy Director and Chief of Staff to former Mayor Jerry Sanders, responsible for city-wide policy development, economic incentive services and implementation of the first Office of Innovation. Mrs. Dubick serves on a number of boards of local and regional NGOs. She holds a Bachelor of Arts degree from Mount Holyoke College and received her Juris Doctor degree, with high honors, from Case Western School of Law. She is married to Mitch Dubick and they have 3 children.

James W. Ledwith. Mr. Ledwith is a retired Certified Public Accountant with over 40 years of audit and diversified public accounting experience, serving clients in a variety of industries including banking. Mr. Ledwith served on the Board of San Diego Trust Bank from its inception in 2003 until its sale to Pacific Premier Bank in 2013. He also served as a director of Inseego Corporation, (formerly Novatel Wireless, Inc.) where he chaired the Audit Committee and was a member of the Executive Compensation and Corporate Governance Committees. He was a director of that company from 2008 to 2017 and was its Lead Independent Director from 2012 to 2014. He has also served on the boards of directors for several nonprofit organizations. Mr. Ledwith received a Bachelor of Science in Business Administration degree from Babson College and an MBA from the Wharton Graduate Division of the University of Pennsylvania.

Bryan B. Min. Mr. Min is an immigrant from South Korea, a U.S. Navy veteran and the Founder, Chairman & CEO of Epsilon Systems Solutions, Inc., a company focused in national defense and security, with emphasis in technology integration, platform modernization and cybersecurity. Under his leadership, Epsilon has grown to over 1200 employees across the U.S. and in recognition of his entrepreneurial prowess, he is a past recipient of the E&Y Entrepreneur of the Year award. As the Chairman of the Board, Mr. Min oversees the vision, strategy, and investments of the company, and continues to lead the interactions and deal making on ventures and M&A opportunities. Prior to Epsilon, Mr. Min served in the U.S. Naval Submarine Force in both sensitive operational and acquisition programs and is a certified naval nuclear engineer. During his three decades of San Diego residency, Mr. Min has had extensive involvement with the local and regional communities serving on multiple boards and committees of profit and non-profit organizations, including school and church boards as well as some of San Diego's most iconic establishments: San Diego Zoo Wildlife Alliance and San Diego Convention Center Corporation. He holds B.S. and M.S. degrees in Engineering from the University of Southern California and Virginia Tech, respectively. He is also a graduate of the Harvard Business School's OPM Program and holds an MPA from Harvard Kennedy School.

Jillian Murrish Ms. Murrish is a co-founder and Chief Executive Officer of Pier Asset Management, an investment firm best known for its expertise in alternative credit. Ms. Murrish leads strategic direction for the firm, plays a key role on the Investment Committee, and manages fund capital raising. Prior to founding Pier, she was Executive Vice President of Capital Markets at Patch Lending, a fintech loan originator, where she led debt and equity capitalization efforts. Prior to her time in fintech, Ms. Murrish worked in the Capital Markets group at a leading middle market investment bank, Houlihan Lokey. She has completed the Series 7, Series 63, Series 65, and Series 79 examinations. She is a graduate of the Loyola Marymount University Honors Program and has a B.S. in Accounting and a B.B.A. in Finance.

Lorne R. Polger. Mr. Polger is the Co-Founder and Senior Managing Director of Pathfinder Partners, LLC, a real estate private equity firm he co-founded in San Diego in June 2006. Pathfinder has acquired over \$1 billion in real estate assets primarily in the western United States. Mr. Polger focuses on acquisitions, dispositions, and business and legal strategies. Mr. Polger practiced real estate law for more than 20 years, most recently as head of the Real Estate, Environmental and Land Use team at Procopio, Cory, Hargreaves & Savitch, LLP, from December 1999 to June 2007. Mr. Polger graduated with a Bachelor of Arts degree in Political Science from Colorado College, Cum Laude, and earned his law degree from UCLA.

Matthew H. Rattner. Mr. Rattner is a co-founder of Karl Strauss Brewing Company ("KSBC"). KSBC operates as a limited partnership. Mr. Rattner has served as an officer and a director of Associated Microbreweries, Inc., the general partner of KSBC, since its inception in 1988. Mr. Rattner has served on the Communications Committee of the National Brewers Association, the Board of Directors for the San Diego Brewers Guild, and has been an advocate for craft beer in San Diego for over 30 years. Mr. Rattner is also a commercial real-estate investor, with over \$200 million in transactions, in which he has acted as principal and syndicator. Mr. Rattner is a graduate of Stanford University, where he holds a Bachelor of Arts degree in Economics with Distinction and a Master of Science

degree in Industrial Engineering. He also holds an MBA from Stanford Graduate School of Business, where he first helped develop the craft brew concept for what would become Karl Strauss Brewing Company.

Steven D. Sefton. Mr. Sefton has over 38 years of banking experience in Southern California, including responsibility for management of multiple offices and more than \$650 million in assets as CEO for Regents Bank, a commercial banking division of Grandpoint Bank. Mr. Sefton joined Regents Bank, N.A. in 2012 and acted as its President and CEO until its merger with and into Grandpoint Bank in 2013. As a result of the merger he became President of Regents Bank, the largest division of Grandpoint Bank in terms of loans, deposits and earnings. In 2012 and 2013, Mr. Sefton was responsible for the integration of recently acquired Escondido-based California Community Bank into Regents Bank, which increased the employees under his supervision from approximately 60 to 110, and the number of San Diego offices from four to eight. He subsequently managed the closing of four offices and related reduction in force to increase profitability. Mr. Sefton separated from Regents Bank in June 2017 to join the Bank as its President. From June 2017 through the commencement of banking operations in January 2018, Mr. Sefton was compensated as a consultant to CBB Venture Group, LLC, an entity formed for the purpose of organizing the Bank. Mr. Sefton is a member of the Salvation Army Advisory Board, serving on the finance committee, and a past Board member of The San Diego Foundation, also serving on its finance committee. Mr. Sefton received a Bachelor's Degree in Finance from The University of Texas at Austin in 1984.

Vickie E. Turner. Ms. Turner is an emeritus partner with the law firm of Wilson Turner Kosmo LLP where she practiced from 1998 until her retirement effective January 1, 2023. She served on the firm's management, compensation and diversity committees. She was formerly a partner with Luce Forward Hamilton and Scripps where she practiced law from 1982-1998. She has extensive experience defending corporations in complex litigation matters including class actions. She has served as an Adjunct Professor of Law at the University of San Diego School of Law and has been an Adjunct Professor of Law at California Western School of Law since 2011. Throughout her career, Ms. Turner has been an active member of the San Diego community serving on numerous boards of directors for civic, charitable and professional organizations. She founded and is President of the Turner Dream Foundation. She also co-founded the San Diego Links to STEM program which provides training to children in science, technology, engineering and math. Ms. Turner holds a Bachelor of Science degree in Business Administration with a Concentration in Accounting from the University of Nevada, Las Vegas and received her Juris Doctor degree from the University of San Diego School of Law.

Christopher J. Woolley. Mr. Woolley is a bank founder, board member, mentor, and investor. From 1990 through 2005, Mr. Woolley held various senior and executive business banking positions with Wells Fargo, Imperial Bank, and Comerica Bank. In 2005, Mr. Woolley co-founded de novo business bank Square 1 Bank, where he served in several executive management positions and was responsible for managing and growing the bank's national life science practice as well as its Western US technology practice. At various times, he had executive oversight for practices in San Diego, Orange County, Los Angeles, Palo Alto, Seattle, Denver, Austin, Houston, Chicago, Boston, and North Carolina. Square 1 went public in 2014 and was sold to PacWest Bancorp in 2015. In 2016, Mr. Woolley became an organizer of the entity that formed the Bank and he became a founding Director of the Bank upon the opening of the Bank in 2018. He is a past President and Board Member of the San Diego Venture Group, he served on the Board and Executive Committee of Biocom, on the Board of the Copley YMCA, and he is a graduate of LEAD San Diego. Mr. Woolley earned a California CPA certificate (inactive). He graduated *summa cum laude* from the University of California Santa Barbara with a degree in Business Economics.

Dan C. Yates. Mr. Yates has more than 40 years of experience in the banking industry, including as president or chief executive officer of four community banks, including the Bank. He has served as Chief Executive Officer of the Bank since June 12, 2017. From June 2017 through the commencement of banking operations in January 2018, Mr. Yates was compensated as a consultant to CBB Venture Group, LLC, an entity formed for the purpose of organizing the Bank. Mr. Yates served as President and CEO of Neighborhood National Bank, from January 1, 2014 until his separation from that bank in May 2017. He led the successful effort to recapitalize that bank and improve its asset quality. Before being named President and CEO of Neighborhood National Bank, Mr. Yates served as a consultant to that bank from October 15, 2013 to January 1, 2014. Mr. Yates previously served 12 years as CEO of Regents Bank, N.A. in San Diego County, followed by a year as President of Grandpoint Bank. In September of 2001, Mr. Yates co-founded Regents Bank and during his tenure he built and led the team that grew the bank into the fifth largest locally headquartered bank in San Diego County, with over \$620 million in assets. He also served, for over 10 years, as a Director of NTS, a NASDAQ public company operating in the testing, inspection, and certification space. During his time on that board Mr. Yates served as the Compensation Committee Chair and was a member of the Audit Committee. The company was acquired at a significant premium to its trading price representing a highly successful exit for shareholders. Mr. Yates is a board member and serves as the Executive Vice Chairman/ President Emeritus of the Conrad Prebys Foundation. The Mission of the foundation is to improve quality of life—primarily in San Diego County—through the distribution of grants to support medical research, healthcare, higher education, visual

and performing arts, and youth development. He also serves as a board member of the San Diego Chapter of Entrepreneurs Organization and as a board member of The California Community Banking Network. Previously Mr. Yates served on numerous other nonprofit boards including the Boys & Girls Club of San Diego, the San Diego Opera, New Village Arts, the San Diego Police Officers Foundation, Western Bankers Association and many others. Mr. Yates obtained his Bachelor of Arts degree in Finance from San Diego State University in 1982.

Arrangements for Nomination

The Bank's employment agreements with Mr. Yates and Mr. Sefton express the intention of the Board that they each be nominated to serve on the Board during the terms of their respective employment agreements.

Recommendation

THE BOARD OF DIRECTORS URGES YOU TO VOTE "FOR" PROPOSAL 1: TO ELECT THE TEN (10) NOMINEES SET FORTH ABOVE TO SERVE UNTIL THE NEXT ANNUAL MEETING OF SHAREHOLDERS AND UNTIL THEIR RESPECTIVE SUCCESSORS HAVE BEEN ELECTED AND HAVE BEEN QUALIFIED. THE BOARD OF DIRECTORS INTENDS TO VOTE ALL PROXIES HELD BY IT IN FAVOR OF ELECTION OF EACH OF THE NOMINEES LISTED IN THIS PROXY STATEMENT.

PROPOSAL 2 RATIFICATION OF THE APPOINTMENT OF THE AUDITORS

(Item 2 on Proxy Card)

The audit committee of the Company has reappointed Eide Bailly LLP ("EB"), to continue as our independent auditors for the year ending December 31, 2023. The Bylaws of the Company do not require that the shareholders ratify the selection of EB as our independent auditors. However, the selection of EB is being submitted to the Company's shareholders for ratification as a matter of good corporate practice. If the shareholders do not ratify the selection, the audit committee will reconsider whether or not to retain EB. Even if the selection is ratified, the audit committee in its discretion may change the appointment at any time during the year if it determines that such a change would be in the best interests of the Company and its shareholders.

Representatives of EB will be present at the Meeting. They will be given an opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions from shareholders present at the Meeting.

Required Vote

Assuming a quorum is present, the appointment of EB as our independent auditors for the fiscal year ending December 31, 2023 will be ratified by the shareholders if a majority of the votes cast are "FOR" the proposal. Abstentions and broker non-votes (if any) will not have any effect on the outcome of this proposal.

Recommendation

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" THE RATIFICATION OF THE APPOINTMENT OF EB TO SERVE AS OUR INDEPENDENT AUDITORS.

OTHER MATTERS

Management is not aware of any matters to be presented to the Meeting other than those set forth above. However, if other matters properly come before the Meeting, it is the intention of the persons named in the proxy to vote said proxy in accordance with the recommendations of the Board of Directors, and authority to do so is included in the proxy.

BUSINESS EXPERIENCE OF EXECUTIVE OFFICERS

The following is a brief summary of the background and business experience, including principal occupation, during the last five years, of the Bank's executive officers who are not members of the Board of Directors.

Mark A. Anderson, Executive Vice President, Chief Operations Officer. Mr. Anderson has over 42 years of community banking experience primarily focused in San Diego County. Mr. Anderson was appointed Executive Vice President and Chief Operations Officer of the Bank in October 2020. Prior to joining the Bank, he served as Senior Vice President and Director of Branch Banking for Irvine based Pacific Premier Bank. Mr. Anderson joined Pacific Premier Bank in 2018 after its acquisition of Grandpoint Bank where Mr. Anderson was the Executive Vice President and Branch Operations Administrator since 2013. Mr. Anderson also held the position of Chief Operations Officer with Regents Bank and was an organizer and founding Executive Vice President and Chief Operations Officer of Escondido based California Community Bank. Mr. Anderson attended San Diego State University and is 63 years old.

Julie M. Glance, Executive Vice President, Chief Financial Officer. Ms. Glance has over 25 years of banking experience in southern California. Ms. Glance was appointed Executive Vice President and Chief Financial Officer of the Bank in March of 2023. Prior to joining the Bank, Ms. Glance served as the Executive Vice President and Chief Financial Officer of Neighborhood National Bank in Chula Vista. Prior to that, Ms. Glance held the position of Chief Financial Officer for American First Credit Union based in Orange County. Ms. Glance has also served as a Senior Federal Examiner with the National Credit Union Administration (NCUA), Chief Financial Officer for three other credit unions, and Chief Executive Officer for a local credit union. During her 5-year tenure as Chief Executive Officer, the financial institution grew over 150 percent while maintaining outstanding performance ratios. Ms. Glance also served on several credit union industry association boards of directors. She earned her Bachelor of Science in Business Administration/Finance from San Diego State University. Ms. Glance is 54 years old.

Scott T. Parker, Executive Vice President and Chief Credit Officer. Mr. Parker has over 37 years of commercial banking experience, with a career including executive, C-level positions in a number of community banking institutions. Mr. Parker was appointed Executive Vice President and Chief Credit Officer of the Bank effective in November 2017. Prior to joining the Bank, he served as SVP and Regional Manager of the San Diego market for Pacific Mercantile Bank ("PMB"), based in Costa Mesa, California, a position he held from August 2014 through October 2017. Prior to his position at PMB, from August 2007 to February 2014, Mr. Parker served as President/CEO of Vibra Bank in Chula Vista, California, where he was a founding Director. Mr. Parker previously served as Chief Credit Officer with Rancho Bernardo Community Bank in San Diego, California. He earned an MBA in Finance from San Diego State University, and is a Graduate of the Pacific Coast Banking School in Seattle, Washington. Mr. Parker is 62 years old.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT¹

The following table sets forth information as of March 31, 2023, pertaining to beneficial ownership of the Company's common stock by each director, nominee and executive officer of the Company, and all directors and executive officers of the Company as a group. The information contained herein has been obtained from the Company's records and from information furnished directly by the individual or entity to the Company. All shares are held with sole voting and investment power except as to spousal or community property rights or as otherwise indicated. All directors and executive officers may be contacted in care of the Company at 750 B Street, Suite 3110, San Diego, California 92101. The term "executive officer" refers to the Company's Chief Executive Officer, President, Chief Credit Officer, Chief Financial Officer and Chief Operations Officer.

Name	Common Stock Beneficially Owned ⁽¹⁾ On March 31, 2023	
	Number of Shares	Percentage of Shares Outstanding
<i>Directors, Nominees & Executive Officers</i>		
Mark A. Anderson	3,446 ⁽²⁾	0.10%
Julie P. Dubick	68,356 ⁽³⁾	1.98%
Julie M. Glance	0 ⁽⁴⁾	0.00%
James W. Ledwith	72,964 ⁽⁵⁾	2.12%
Bryan Min	34,156 ⁽⁶⁾	1.00%
Jillian Murrish	3,362 ⁽⁷⁾	0.10%
Scott T. Parker	46,770 ⁽⁸⁾	1.36%
Lorne R. Polger	67,050 ⁽⁹⁾	1.95%
Matthew H. Rattner	253,265 ⁽¹⁰⁾	7.19%
Steven D. Sefton	115,029 ⁽¹¹⁾	3.31%
Vickie E. Turner	10,895 ⁽¹²⁾	0.32%
Christopher J. Woolley	108,714 ⁽¹³⁾	3.15%
Dan C. Yates	159,719 ⁽¹⁴⁾	4.56%
Directors and Executive Officers as a group (13 persons)	943,726 ⁽¹⁵⁾	23.71%

- (1) Included as outstanding for purposes of this calculation are 3,393,574 shares of common stock outstanding as of March 31, 2023 plus, in the case of each particular holder, the shares of common stock subject to options, warrants, or other instruments exercisable for or convertible into shares of common stock within 60 days after March 31, 2023 held by that person, which instruments are specified by footnote. Shares issuable as part or upon exercise of outstanding options, warrants, or other instruments other than as described in the preceding sentence are not deemed to be outstanding for purposes of this calculation.
- (2) All of these shares are shares of restricted stock, of which 2,297 shares of restricted stock are vested and 1,149 shares of restricted stock are not yet vested that Mr. Anderson has only the power to vote.
- (3) Includes 51,508 shares that may be acquired through the exercise of stock options.
- (4) No shares owned or options granted as of the record date.
- (5) Includes 43,964 shares that may be acquired through the exercise of stock options.
- (6) Includes 9,156 shares that may be acquired through the exercise of stock options.
- (7) Includes 3,362 shares of restricted stock that are vested.
- (8) Includes 40,528 shares that may be acquired through the exercise of stock options; also includes 711 shares of restricted stock that are vested and 357 shares of restricted stock not yet vested as to which Mr. Parker has the power to vote.
- (9) Includes 49,876 shares that may be acquired through the exercise of stock options.
- (10) Includes 131,087 shares that may be acquired through the exercise of stock options.
- (11) Includes 82,557 shares that may be acquired through the exercise of stock options; also includes 5,000 shares held by Mr. Sefton's spouse, as to which he disclaims beneficial ownership except for any community property interest he may have, and 20,000 shares as to which voting and investment power is shared; and

- also includes 2,456 shares of restricted stock that are vested and 5,728 shares of restricted stock not yet vested as to which Mr. Sefton has the power to vote.
- (12) Includes 7,906 shares that may be acquired through the exercise of stock options; also includes 2,989 shares of restricted stock that are vested.
 - (13) Includes 61,139 shares that may be acquired through the exercise of stock options.
 - (14) Includes 109,243 shares that may be acquired through the exercise of stock options, also includes 3,123 shares of restricted stock awards that are vested and 8,605 shares of restricted stock not yet vested as to which Mr. Yates has the power to vote.
 - (15) Includes 586,964 shares that may be acquired through the exercise of stock options, and 30,777 shares of restricted stock awards of which 14,938 shares of restricted stock awards are vested and 15,839 shares of restricted stock awards are not yet vested as to which the awardees have the power to vote.

BOARD OF DIRECTORS AND COMMITTEES

Board of Director Meetings

All members of the Company's Board of Directors also currently serve as directors of the Bank, each for a one-year term. During 2022, our Board of Directors held seven (7) regular meetings and the Bank's board of directors held twelve (12) regular meetings. During 2022, each director attended at least 75% of the aggregate of (i) the total number of board meetings held during such member's service and (ii) the total number of meetings of committees of the Bank's board of directors on which he or she served, during the period of such member's service.

Committees

The following are brief descriptions of each of the standing committees of the Bank's board of directors and the members of the committees. There were no committees established in 2022 for the Company. All committees listed below are for the Bank only, except the audit committee. The audit committee was created as a committee of the Company in 2023 and has the same members as the audit committee of the Bank, which continues to exist as a committee of the Bank.

Audit Committee. The responsibilities of the audit committee include fulfilling duties delineated in the Company's and the Bank's Audit Policy, serving as an independent body reporting to the full Board and Bank's board of directors, attending regulatory examination, outside audit, and credit review meetings, selecting and appointing the independent registered Public Accounting firm for the financial audit, and supervising the audit function to verify that auditors, internal and external, are independent of Bank management and are objective in their findings. During the fiscal year ended December 31, 2022, the audit committee held a total of five (5) meetings. The members of the audit committee are Julie P. Dubick, Joyce Glazer (retired May 2022), James W. Ledwith (Chair), Jillian Murrish and Vickie E. Turner.

Nominating and Governance Committee. The nominating and governance committee is responsible for ensuring effective governance of the Bank by recommending to the Board appropriate candidates to serve as directors of the Bank. In carrying out this responsibility, the committee is empowered to review the composition, skills and qualifications of members of the Bank's board of directors, identify, evaluate and recruit candidates for any vacancies or newly created positions on the Bank's board of directors, and adopt processes for review of director performance. In addition, in 2022, this committee was also responsible for governance practices and management succession policy of the Bank. During the fiscal year ended December 31, 2022, the nominating and governance committee held a total of six (6) meetings. The members of the nominating committee are Julie P. Dubick (Chair), Matthew H. Rattner, and Christopher J. Woolley.

Asset-Liability and Investment Committee. The primary responsibility of the asset-liability and investment committee is to fulfill duties required by the Bank's Asset-Liability and Funds Management, Investment, Capital, and Liquidity Contingency Policies (collectively, the ALCO policies). The ALCO policies contain specific guidelines, thresholds, and procedures related to managing the Bank's exposures to: (i) interest rate risk, (ii) market investment risk, (iii) liquidity risk, (iv) credit risk, and (v) capital risk. During the fiscal year ended December 31, 2022, the asset-liability and investment committee held a total of five (5) meetings. The members of the asset-liability and investment committee are James W. Ledwith, Lorne R. Polger, Matthew H. Rattner (Chair), Steven D. Sefton and Dan C. Yates.

Loan Committee. The loan committee's responsibilities include evaluating credit applications and making credit decisions on credits above a certain dollar amount, establishing delegated credit authority limits for the CEO, CCO, and Management Loan Committee, establishing credit risk tolerances and ensuring that an adequate reserve has been provided against potential losses in the credit portfolio. The committee also oversees management's handling of credit risk, and management's procedures for recognizing adverse trends, identifying problems in the loan portfolio,

and maintaining an adequate allowance for loan and lease losses. The committee also reviews and monitors compliance with all loan policies. During the fiscal year ended December 31, 2022, the loan committee held a total of thirty-one (31) meetings. The members of the loan committee are James W. Ledwith, Lorne R. Polger (Chair), Steven D. Sefton, Christopher J. Woolley, and Dan C. Yates.

Compensation and Human Resources Committee. The compensation and human resources committee is appointed by the Bank's board of directors to assist the Bank's board of directors in overseeing the compensation and human resources programs and management succession policy of the Bank. The committee's objectives are for the Bank compensation to be: (i) consistent with the strategic goals of the Bank, based on performance against predetermined goals, and internally equitable, and (ii) consistent with all regulatory requirements, designed to attract, motivate, retain and fully develop the executives and employees the Bank needs. The committee is also required to review and approve all titles, promotions, salary, employment agreements and performance-based compensation for the CEO and the President of the Bank. It establishes and monitors personnel policies of the Bank and reviews and approves performance-based and other incentive plans and other employee benefits. During the fiscal year ended December 31, 2022, the compensation and human resources committee held a total of three (3) meetings. The members of the compensation and human resources committee are Julie P. Dubick, Vickie E. Turner, and Christopher J. Woolley (Chair).

Enterprise Risk Management (ERM)/Compliance Committee. The ERM/compliance committee is appointed by the Bank's board of directors to assist the Bank's board of directors in overseeing the Bank's compliance with applicable federal and state banking and financial institution consumer laws, rules, and regulations. It formulates compliance and enterprise risk management plans and monitors systems to assure compliance. During the fiscal year ended December 31, 2022, the ERM/compliance committee held a total of four (4) meetings. The members of the ERM/compliance committee are Joyce Glazer (retired May 2022), Bryan Min, Jillian Murrish, Matthew H. Rattner, Steven D. Sefton, and Dan C. Yates (Chair).

COMPANY DIRECTOR AND OFFICER COMPENSATION

Director Compensation

In 2021, the Bank's board of directors set base annual compensation to non-employee directors and non-employee director compensation for 2022 was set in the amount of \$30,000 with upward adjustments based on the level of responsibility of each director. In 2022, each non-employee director was permitted to choose the allocation of their 2022 compensation among cash, restricted stock and stock options. The compensation of each director and their choices are reflected in the following table. All restricted stock awards were fully vested at grant. All stock options granted have an exercise price of \$10.04 per share and were fully exercisable at grant with 10 year terms.

Name	NON EMPLOYEE DIRECTOR 2022 COMPENSATION							
	Base Compensation (\$)	Additional Services (\$)	Total Compensation (\$)	Cash (\$)	Stock Awards (\$)	Number of Stock Awards	Stock Options (\$)	Number of Stock Options
Julie P. Dubick	30,000	5,000	35,000	0	0	0	35,000	9,184
Joyce Glazer	15,000	0	15,000	15,000	0	0	0	0
James W. Ledwith	30,000	7,500	37,500	37,500	0	0	0	0
Bryan Min	10,000	0	10,000	10,000	0	0	0	0
Jillian Murrish	15,000	0	15,000	15,000	0	0	0	0
Lorne R. Polger	30,000	5,000	35,000	0	0	0	35,000	9,184
Matthew H. Rattner	30,000	20,000	50,000	0	0	0	50,000	13,119
Vickie Turner ¹	45,000	0	45,000	15,000	30,000	2,989	0	0
Christopher J. Woolley	30,000	5,000	35,000	0	0	0	35,000	9,184

(1) During 2022, Ms. Vickie E. Turner was also paid a sum of \$15,000 in cash for her role as a director for the 2nd half of 2021.

At December 31, 2022, the Company's non-employee directors had stock options outstanding to purchase the following number of shares of the Company's common stock:

**NON-EMPLOYEE DIRECTOR STOCK OPTIONS OUTSTANDING
AT DECEMBER 31, 2022**

Name	Total # of Shares Subject to Outstanding Options	# of Shares Granted per Grant	Grant Date	Amount Vested	Amount Unvested	Exercise Price
Julie P. Dubick	42,120	12,500	1/22/2018	12,500	0	\$10.00
		10,805	2/25/2021	10,805	0	\$9.40
		5,000	2/25/2021	5,000	0	\$9.40
		4,631	3/1/2021	4,631	0	\$9.40
		9,184	3/23/2022	9,184	0	\$10.04
James W. Ledwith	43,964	15,625	1/22/2018	15,625	0	\$10.00
		7,500	2/25/2021	7,500	0	\$9.40
		11,577	2/25/2021	11,577	0	\$9.40
		9,262	3/1/2021	9,262	0	\$9.40
Bryan Min	1,250	1,250	2/25/2021	1,250	0	\$9.40
Jillian Murrish	0					
Lorne R. Polger	49,876	10,000	1/22/2018	10,000	0	\$10.00
		5,000	2/25/2021	5,000	0	\$9.40
		5,625	2/25/2021	5,625	0	\$9.40
		10,805	2/25/2021	10,805	0	\$9.40
		9,262	3/1/2021	9,262	0	\$9.40
		9,184	3/23/2022	9,184	0	\$10.04
Matthew H. Rattner	118,241	50,000	1/22/2018	50,000	0	\$10.00
		2,500	2/25/2021	2,500	0	\$9.40
		16,250	2/25/2021	16,250	0	\$9.40
		15,436	2/25/2021	15,436	0	\$9.40
		15,436	3/1/2021	15,436	15,436	\$9.40
		5,500	3/1/2021	5,500	5,500	\$9.40
		13,119	3/23/2022	13,119	0	\$10.04
Vickie E. Turner	0					
Christopher J. Woolley	51,751	12,500	1/22/2018	12,500	0	\$10.00
		10,000	2/25/2021	10,000	0	\$9.40
		10,805	2/25/2021	10,805	0	\$9.40
		9,262	3/1/2021	9,262	0	\$9.40
		9,184	3/23/2022	9,184	0	\$10.04

Executive Officer Compensation

Compensation Philosophy and Objectives

The compensation and human resources committee's philosophy and objectives for Bank compensation of executive officers are: (i) to be consistent with the strategic goals of the Bank and Company, based on performance against predetermined goals, internally equitable and (ii) consistent with all regulatory requirements, to provide compensation designed to attract, motivate, retain and fully develop the executives and employees the Company and the Bank need. Compensation of the executive officers is intended to reward the achievement of both short- and long-term operating and financial goals.

Elements of Executive Compensation

The Bank's and Company's executive compensation program has three primary elements: base salary, bonuses, and the potential for long-term equity incentives. These primary elements are supplemented by the opportunity to participate in other benefit plans that are generally available to all of the Bank's employees. The Board

believes these components work together to provide a reasonable total compensation package for the executive officers.

Base Salary

The Bank provides its executive officers with base salaries, the minimum amounts of which are set forth in their employment agreements. The Board believes the base salaries provided will assist in retaining qualified leadership with strong banking experience in those positions. Because of the Board's desire to include elements of compensation that are performance-based, the Bank has established competitive base salary levels for each executive officer and may supplement that compensation with cash bonuses. In setting the salary levels for the individual named executives, the Board considered primarily the competitive pay practices at banks of similar size.

The amounts of the base salaries for each of the executive officers is described below under "Employment Agreements."

Bonuses

Any bonuses paid by the Bank are discretionary with the board of directors of the Bank. Based upon 2022 performance, some of the named executive officers received a bonus as reflected in the table below and such bonus was paid partially in 2022, and partially in 2023.

Long-Term Equity Incentives

The Bank's 2017 Equity Incentive Plan, which has been assumed by the Company (the "Plan"), is intended to help retain employees and officers and align their interests with those of shareholders. Stock options have value to an employee only if the Company's stock price increases above the option exercise price and the employee remains employed by the Bank for the period required to exercise the stock options. Stock options thus provide an incentive to improve performance and remain employed by the Bank, and directly link a portion of compensation to shareholders' interests by providing an incentive to maximize shareholder value. The compensation and human resources committee oversees the administration of the Plan and specifically reviews and recommends any stock option and other grants. In determining the size of any option award to recommend for an executive officer, the committee considers the officer's past performance and potential, the position held by the individual and the officer's annual base salary compensation.

The numbers of options presently granted to directors and named executive officers are described above under "Director Compensation," and below under "Equity Awards Outstanding."

Our Named Executive Officers

Under SEC rules and regulations, all individuals who served as our principal executive officers during 2022 and our two most highly compensated executive officers (other than our principal executive officer) who were serving as executive officers at the end of 2022 are referred to as our "named executive officers." Our Board of Directors has determined that the following individuals were our named executive officers for 2022:

Name	Title
Dan C. Yates	Chief Executive Officer
Steven D. Sefton	President
Scott T. Parker	Chief Credit Officer
Danna M. Murphy	Chief Financial Officer (Resigned 11/15/22)
Mark A. Anderson	Chief Operations Officer

Summary Compensation Table

The following table sets forth information concerning compensation during the years ended December 31, 2020, 2021, and 2022 awarded to, earned by or paid to our named executive officers with respect to each of those years, even if paid in a subsequent year.

2020-2022 Summary Compensation Table Named Executive Officers

Name & principal position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)⁽¹⁾	All other compensation (\$)	Total (\$)
Dan C. Yates (CEO)						
	2020	298,610	135,000	30,005	24,936	488,551
	2021	300,000	135,000	30,010	29,367	471,876
	2022	330,000	158,359	66,009	46,333	600,701
Steven D. Sefton (President)						
	2020	231,750	104,325	23,171	21,618	385,864
	2021	241,688	110,250	24,508	24,570	362,316
	2022	260,010	124,768	39,009	34,304	458,091
Scott T. Parker (CCO)						
	2020	195,488	69,100	10,039	19,774	294,401
	2021	202,619	64,510	0	18,004	299,106
	2022	216,612	66,435	0	28,819	311,866
Danna M. Murphy (CFO)⁽²⁾						
	2020	185,399	87,800	19,496	8,677	301,372
	2021	197,500	64,510	0	20,931	296,114
	2022	201,385	16,000	0	105,189 ⁽³⁾	322,574
Mark A. Anderson (COO)⁽⁴⁾						
	2020	38,788	15,000 ⁽⁵⁾	32,392	2,474	88,654
	2021	161,167	49,680	0	16,911	212,918
	2022	166,950	51,180	0	25,118	243,248

- (1) Reflects compensation earned with respect to each year, including compensation paid in a subsequent year for prior year performance. Restricted stock awards vest over three years, and reflect the aggregate grant date fair value computed in accordance with FASB ASC Topic 718 using the closing market price of \$9.40 as of the March 1, 2021 and March 24, 2021 grant dates for 2020 compensation, closing market price of \$10.04 as of the March 23, 2022 grant date for 2021 compensation, and closing market price of \$11.90 as of the February 22, 2023 grant dates for 2022 compensation. Restricted stock awards reflect grants related to prior year performance but awarded in the applicable subsequent year.
- (2) Ms. Murphy commenced service as an employee of the Bank on May 13, 2019 and resigned on November 15, 2022.
- (3) Included in Ms. Murphy's severance agreement, a sum cash payment of \$91,375 was paid in 2022.
- (4) Mr. Anderson commenced service as an employee of the Bank on October 5, 2020.
- (5) This amount reflects the payment of a \$10,000 signing bonus to Mr. Anderson.

Employment Agreements

Messrs. Yates and Sefton each entered into employment agreements with the Bank effective as of January 22, 2018. Each has a three-year term, with automatic one-year renewals.

Each employment agreement is subject to earlier termination by the officer or the Bank, but employment is “at will.” Each employment agreement provides for the award of the stock options, which have been previously granted. The executive officers are each provided with life insurance coverage of up to 1.5 times their initial base salary, increasing to up to \$1 million for Mr. Yates and Mr. Sefton after two quarters of profitability. Each is provided with the Bank’s group medical, health, and life insurance benefits. Business related expenses are reimbursed by the Bank. Subject to applicable law, the Bank agrees to indemnify each executive for costs, charges and expenses incurred in connection with any action, suit or proceeding to which he may be made a party by reason of being an officer, director or employee of the Bank or of any subsidiary or affiliate of the Bank.

Subject to the change of control discussion below, the executive is entitled to severance pay in two circumstances: (i) in the event the Bank terminates the executive’s employment without cause; and, (ii) the executive terminates his employment for “good reason” after 90 days’ notice and opportunity to cure. “Good reason” consists of any of: (a) the failure to nominate or elect the executive to the board of directors; (b) material diminution in title, duties or responsibilities; (c) material breach by the Bank of compensation or benefit provisions; (d) material breach by the Bank of any material terms of the employment agreement, and if curable has not been cured within the 90-day cure period stated above; or (e) relocation of the executive more than 50 miles from the Bank’s headquarters’ location.

In each case the executive receives a lump sum payment equal to 12 months of base salary. In addition, the executive also receives a prorated incentive bonus, any deferred compensation owed, any unpaid salary and vacation, and continued benefits at the Bank’s cost for 12 months.

Dan C. Yates, Chief Executive Officer. Mr. Yates’ base salary for 2022 was \$330,000 and effective as of January 1, 2023, Mr. Yates’ base salary was raised to \$380,000. Mr. Yates’ base salary may be increased in the discretion of the Board of Directors. Effective 24 months after opening or when the Bank first turns a quarterly net profit, Mr. Yates will participate in a board of directors-approved executive incentive plan. Target annual cash bonus awards will be no less than 30% of annual base salary. The board of directors may also award discretionary bonuses. Mr. Yates is entitled to three weeks of vacation in the first year, four weeks of vacation each year thereafter during the first 60 months of employment, and after the first 60 months of employment, five weeks of vacation each year thereafter in addition to any paid-time-off policy which may be adopted by the Bank. Mr. Yates also receives an auto allowance of \$600 per month, a membership in The University Club atop Symphony Towers, and participation in all Bank employee benefit programs provided to senior executives from time to time.

Steven D. Sefton, President. Mr. Sefton’s base salary for 2022 was \$260,000 and effective as of January 1, 2023, Mr. Sefton’s base salary was raised to \$290,000. Effective 24 months after opening or when the Bank first turns a quarterly net profit, Mr. Sefton will participate in a board of directors-approved executive incentive plan. Target annual cash bonus awards will be no less than 30% of annual base salary. The board of directors may also award discretionary bonuses. Mr. Sefton is entitled to three weeks of vacation in the first year, four weeks of vacation each year thereafter during the first 60 months of employment, and after the first 60 months of employment, five weeks of vacation each year thereafter in addition to any paid-time-off policy which may be adopted by the Bank. Mr. Sefton also receives an auto allowance of \$600 per month, a membership in The University Club atop Symphony Towers or another club, and participation in all Bank employee benefit programs provided to senior executives from time to time.

Julie M. Glance, Chief Financial Officer. The Bank and Ms. Glance entered into an offer letter dated February 5, 2023 with a start date of March 13, 2023. The offer letter provides Ms. Glance with a base salary of \$225,000 per year and is subject to adjustment from time to time. In addition, after completion of 90 days of employment with the Bank, Ms. Glance will receive a one-time signing bonus in the amount of \$5,000 and, subject to Bank Board of Director approval, Ms. Glance will be granted \$5,000 in shares of restricted stock or \$5,000 in cash if the grant is not approved. Ms. Glance’s employment is “at will”.

Scott T. Parker, Chief Credit Officer. Mr. Parker’s base salary for 2022 was \$215,000 and effective as of January 1, 2023, Mr. Parker’s base salary was raised to \$236,500 and is subject to adjustment from time to time. Mr. Parker’s employment is “at will.” Mr. Parker’s employment agreement was not extended and expired on January 21, 2023.

Mark A. Anderson, Chief Operations Officer. Mr. Anderson's base salary for 2022 was \$160,000 and effective as of January 1, 2023, Mr. Anderson's base salary was raised to \$182,160 and is subject to adjustment from time to time. Mr. Anderson's employment is "at will."

Change in Control – Yates and Sefton

The employment agreements with Messrs. Yates and Sefton provide for payments due to them if within twelve months after a "change in control" of the Bank employment is terminated without cause by the Bank or the executive terminates employment for good reason. Mr. Yates will receive a payment of 24 months of base salary in this event, and Mr. Sefton will receive a payment of 18 months of base salary in this event. If the executive is terminated and would receive severance related to termination, the payment resulting from the change in control is in lieu of the compensation otherwise due to them related to the termination.

A "change in control" is defined in the employment agreements as a change of control as described in Internal Revenue Code Section 409A, including without limitation: (i) consummation of a plan of dissolution or liquidation; (ii) consummation of a reorganization, consolidation or merger where the shareholders of the Bank do not own more than 50% of the voting power of the resulting entity, a 50% or more shareholder does not own at least 50% of the voting power of the resulting entity, or the majority of the Board of Directors changes; (iii) the sale of substantially all of the assets of the Bank; or (iv) the acquisition of more than 50% of the voting power by a non-affiliate.

Change of Control and Severance – Parker and Anderson

The Bank has entered into a "Change of Control and Severance Letter Agreement" with Mr. Parker and a "Change of Control and Severance Agreement" with Mr. Anderson. Each of these agreements provides for payment of a lump sum equal to 12 months of base salary in the event of an "Involuntary Termination" without "Cause", as defined (whether or not a Change of Control has occurred) or within 12 months after a "Change of Control," as defined, the executive terminates his service for "Good Reason," as defined. The benefit is payable if a general release is provided by the executive. The executives will also receive continued 12 months of coverage under the group medical, dental, vision, life and disability insurance plans in which he is participating at the time of termination, with the Bank paying the full cost of such coverage without regard to the previous contribution rates borne by the executive. The executives will be eligible for continued coverage in accordance with COBRA provisions after these 12 months.

A "Change of Control" is defined in these agreements as a merger or reorganization of the Bank in which a person (or group) acquires, in a single transaction, stock possessing fifty percent (50%) or more of the total voting power of the Bank, provided that the transaction constitutes a change of control under Internal Revenue Code Section 409A.

"Good Reason" means (a) material diminution in base salary, title, duties or responsibilities; or (b) relocation of the office where he reports more than 50 miles from the Bank's location assigned as his primary work location on the date of the letter agreement; provided, he has provided the Bank with ninety (90) days' prior written notice of termination for Good Reason, which 90-day period shall be the cure period as required by Internal Revenue Code Section 409A, and which written notice is otherwise in compliance with Internal Revenue Code Section 409A, and Bank has not cured within such period.

Effect of a Change in Control under the Plan

A "change in control," as defined in the Plan, also has certain consequences for the stock options held by the executives. The definition of "change in control" in the Plan is different from the similarly-titled definitions in the agreements of Messrs. Yates, Sefton, Parker and Anderson. If a "corporate transaction" resulting from a "change in control" occurs, the Bank may: (i) cancel the vested or unvested options in exchange for a payment in cash or stock equal to the fair market value of the consideration to be paid per share less the exercise price, (ii) accelerate the vesting of the options, (iii) provide that the options will be assumed or substituted for, and/or (iv) provide that exercisable options be exercised following notice or they shall terminate.

Stock Option Awards and Equity Awards Outstanding

All of the awards to executive officers are intended to constitute incentive stock options, to the extent permitted by the Internal Revenue Code. The options granted to each executive officer will not qualify for incentive stock option treatment to the extent the annual vesting exceeds \$100,000. The options vest in equal parts over three years from the date of grant and expire ten years after the date of grant unless earlier exercised or terminated under

the terms of the Plan. Vesting ceases when an officer ceases to be an employee, director or consultant, and the right to exercise the options ceases at that time, or within a time specified in the Plan thereafter, depending on the circumstances.

The following table sets forth information concerning equity awards held by the named executive officers that were outstanding as of December 31, 2022:

Named Executive Officers (NEO's) – Outstanding Equity Awards at Fiscal Year-End

Name	Grant Date	Option awards				Stock awards	
		Number of securities underlying unexercised options (#) exercisable	Number of securities underlying unexercised options (#) unexercisable	Option exercise price (\$)	Option expiration date	Number of shares or units of stock that have not vested (#)	Market value of shares of units of stock that have not vested (\$)
Dan C. Yates	1/21/2018	106,743	0	10.00	1/21/2028		
	2/25/2021	2,500		9.40	2/25/2031		
	3/24/2021					2,129	20,013
	3/23/2022					2,989	30,010
Steven D. Sefton	1/21/2018	80,057	0	10.00	1/21/2028		
	2/25/2021	2,500		9.40	2/25/2031		
	3/24/2021					1,644	15,454
	3/23/2022					2,441	24,508
Scott T. Parker	1/21/2018	40,028	0	10.00	1/21/2028		
	2/25/2021	500		9.40	2/25/2031		
	3/24/2021					713	
Danna M. Murphy	6/25/2019	10,000	0	9.90	6/25/2029		
Mark A. Anderson	3/21/2021					1149	

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Many of the directors, officers and employees of the Company and the Bank, and companies with which they are associated, have and will continue to have banking transactions with the Bank in the ordinary course of business. It is the firm policy of the Board of Directors that any loans and commitments to lend included in such transactions will be made in accordance with all applicable laws and on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with other persons of similar creditworthiness, and which do not involve more than the normal risk of collectability.

During 2022, the Bank continued to have a line of credit outstanding to Lorne Polger on market terms and the line of credit had a remaining principal balance of \$415,835 as of March 31, 2023.