

PACWEST BANCORP
Form DEF 14A
March 28, 2018

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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

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §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):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 - (1) Title of each class of securities to which transaction applies:
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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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9701 Wilshire Boulevard, Suite 700
Beverly Hills, California 90212

NOTICE OF 2018 ANNUAL MEETING OF STOCKHOLDERS
Monday, May 14, 2018
10:30 a.m. Pacific Time

Place:

Montage Beverly Hills Hotel, 225 North Canon Drive, First Floor Library, Beverly Hills, California 90210

Items of Business:

Election of Directors. To elect twelve (12) members to the Board of Directors of PacWest Bancorp to serve until the 2019 Annual Meeting of Stockholders;

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, 2018;

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Adjournments. To consider and act upon a proposal to approve, if necessary, an adjournment or postponement of the 2018 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.

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Who May Vote:

You may vote if you were a stockholder of record on the close of business on March 19, 2018.

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 13, 2018.

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 Montage Beverly Hills Hotel, 225 North Canon Drive, First Floor Library, Beverly Hills, California 90210 by calling the Montage Beverly Hills Hotel directly at (888) 860-0788. 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 28, 2018

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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", "the Board" or "Board". PacWest Bancorp is referred to in this Proxy Statement as "PacWest", "the Company", "we" or "our". Pacific Western Bank is referred to in this Proxy Statement as "the Bank".

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 2017 performance, please review the Company's Annual Report on Form 10-K for the year ended December 31, 2017 (the "Annual Report").

VOTING AND MEETING INFORMATION

Please carefully review the proxy materials for the 2018 Annual Meeting that will be held on May 14, 2018 at 10:30 a.m., Pacific Time, at the Montage Beverly Hills Hotel, 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 19, 2018 (the "Record Date"). On the Record Date, there were 125,153,957 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 of shares held in "street name" may vote in person at the Annual 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 Annual Meeting

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

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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 4, 2018.

The Notice, this Proxy Statement and our Annual Report are available at our Investor Relations website at www.pacwestbancorp.com/docs.

Compensation Discussion and Analysis Executive Summary(page 32)

The Company had a solid year in 2017 in key financial and non-financial areas. Our five-year financial performance below also highlights the continued growth and success of our Company. Our 2017 financial and non-financial highlights are as follows:

Net earnings of \$2.91 per diluted share;

Net loan and lease production of \$4.7 billion and growth, excluding acquired and sold loans, of 7%;

Tax equivalent net interest margin ("NIM") of 5.10%;

Increased core deposits by \$3.4 billion, including \$2.7 billion of core deposits from the CU Bancorp ("CUB") acquisition;

Returned \$347 million to stockholders through dividends and share repurchases; and

Acquired CUB, including \$2.1 billion of high-quality loans.

Fiscal Year	Diluted Earnings Per Share	Net Earnings (In Millions)	Tangible Book Value Per Share(1)	Total Assets (In Billions)	Return on Average Assets	Return on Tangible Common Equity(1)
2017	\$ 2.91	\$ 357.8	\$ 18.24	\$ 25.0	1.58%	15.2%
2016	\$ 2.90	\$ 352.2	\$ 18.71	\$ 21.9	1.66%	15.5%
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%

(1)

The Company uses certain non-GAAP financial measures to provide meaningful supplemental information regarding our operational performance and to enhance investors' overall understanding of such financial performance. The methodology for determining these non-GAAP measures may differ among companies. For more information regarding the calculation of these non-GAAP financial measures, please refer to the Company's Annual Report.

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

	Board Recommendation
PROPOSAL 1. Election of Directors (page 21) To elect twelve (12) directors.	FOR
PROPOSAL 2. Advisory Vote on Executive Compensation (page 56) To approve, on an advisory basis (non-binding), the compensation of the Company's named executive officers.	FOR
PROPOSAL 3. Ratification of the Appointment of Independent Auditors (page 61) To ratify the appointment of KPMG LLP as the Company's independent auditors for the fiscal year ending December 31, 2018.	FOR

Director Nominees(page 24)

The following table provides summary information about each director nominee:

Name	Age⁽¹⁾	Independent	Director Since	Committee Memberships⁽²⁾
Tanya M. Acker	47	Yes	2016	R A, CNG, ALM (Chair),
Paul R. Burke	55	Yes	2015	E
Craig A. Carlson	67	Yes	2010	A, E, R (Chair)
John M. Eggemeyer, III	72	Yes	2000	E (Chair)
C. William Hosler	54	Yes	2014	A, CNG, E
Susan E. Lester	61	Yes	2003	A (Chair), ALM, E, R
Roger H. Molvar	62	Yes	2014	A, CNG, R
James J. Pieczynski	55	No	2014	ALM, R
Daniel B. Platt	71	Yes	2003	ALM, R
Robert A. Stine	71	Yes	2000	CNG (Chair), E