



PRIVATE BANCORP OF AMERICA, INC.

9404 Genesee Avenue, Suite 100
La Jolla, CA 92037

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
To Be Held May 28, 2025**

TO THE SHAREHOLDERS OF PRIVATE BANCORP OF AMERICA, INC.:

NOTICE IS HEREBY GIVEN that the 2025 Annual Meeting of Shareholders (the “**Meeting**”) of Private Bancorp of America, Inc. (the “**Company**”) will be held at CalPrivate Bank (the “**Bank**”), located at 9404 Genesee Avenue, Suite 100, La Jolla, CA 92037, on Wednesday, May 28, 2025, beginning at 8:00 a.m. (local time), to consider and act upon the following proposals 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 seven (7) 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:

Leda Csanka	Ernest Rady
Selwyn Isakow	Rex E. Schlaybaugh, Jr.
James Parks	Richard “Rick” Sowers
Setareh “SiSi” Pouraghabagher	

2. **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 April 3, 2025, 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.

IT IS VERY IMPORTANT THAT EVERY SHAREHOLDER VOTE. WE URGE YOU TO VOTE AND TO RETURN YOUR PROXY PROMPTLY, WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING IN PERSON. IF YOU DO ATTEND THE MEETING AND DESIRE TO VOTE IN PERSON, YOU MAY THEN REVOKE YOUR PROXY. THE PROXY MAY BE REVOKED AT ANY TIME PRIOR TO ITS EXERCISE.

Important notice regarding Internet availability of proxy materials: This proxy statement and our Annual Report for the fiscal year ended December 31, 2024 are available at the following website: materials.proxyvote.com/74274F.

By Order of the Board of Directors,

A handwritten signature in cursive script that reads "Cory Stewart".

Cory Stewart
Corporate Secretary

April 18, 2025
La Jolla, California

PRIVATE BANCORP OF AMERICA, INC.

9404 Genesee Avenue, Suite 100
La Jolla, CA 92037
(858) 875-6900

**PROXY STATEMENT
ANNUAL MEETING OF SHAREHOLDERS
To Be Held May 28, 2025**

This Proxy Statement (this “**Proxy Statement**”) is furnished in connection with the solicitation of proxies for use at the 2025 Annual Meeting of Shareholders of Private Bancorp of America, Inc. (the “**Company**”) to be held at CalPrivate Bank (the “**Bank**”), located at 9404 Genesee Avenue, Suite 100, La Jolla, CA 92037, on Wednesday, May 28, 2025, beginning at 8:00 a.m. (local time), and at any continuations and adjournments thereof (the “**Meeting**”). The Company expects to distribute a Shareholder Meeting Notice and make available this Proxy Statement, and the accompanying form of proxy and notice, on or about April 18, 2025, to shareholders of record as of April 3, 2025. 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 seven (7) 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:

Leda Csanka	Ernest Rady
Selwyn Isakow	Rex E. Schlaybaugh, Jr.
James Parks	Richard “Rick” Sowers
Setareh “SiSi” Pouraghabagher	

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

Voting

Shareholders of Record. Shares Registered in Your Name

If you are a shareholder of record, there are several ways for you to vote your shares:

- **By Internet Before the Meeting Date:** Go to www.proxyvote.com and vote until 11:59 p.m. Eastern Time on May 27, 2025. Have your proxy card in hand when you access the website and follow the instructions on the website.
- **By Telephone:** Call 1-800-690-6903 to vote by telephone until 11:59 p.m. Eastern Time on May 27, 2025. Have your proxy card in hand when you call and then follow the instructions.
- **By Mail:** If you received paper copies in the mail of the proxy materials and proxy card, mark, sign and date your proxy card and return it in the postage-paid envelope we have provided.
- **During the Annual 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.

Even if you plan to attend the Meeting, we recommend that you also submit your proxy card or vote by Internet or telephone by the applicable deadline so that your vote will be counted if you later decide not to attend the Meeting.

Beneficial Owners. Shares Registered in the Name of a Broker or Bank

If you are a beneficial owner of your shares, you should have received a Notice of Internet Availability or voting instructions from the broker or other nominee holding your shares. You should follow the instructions in the Notice or the voting instructions provided by your broker or nominee in order to instruct your broker or nominee on how to vote your shares. Notice and Access delivery of the proxy materials, and Internet and/or telephone voting, also will be offered to shareholders owning shares through most banks and brokers. 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.

Revocability of Proxies

Shareholders of Record. Shares Registered in Your Name

If you are a shareholder of record, you may revoke your vote at any time before the final vote at the Meeting by:

- Signing and returning a new proxy card with a later date;
- Submitting a later-dated vote by telephone or the Internet at www.proxyvote.com, since only your latest telephone or Internet vote received by 11:59 p.m. Eastern Time on May 27, 2025 will be counted;
- Delivering a timely written revocation to the Company's Corporate Secretary at 9404 Genesee Avenue, Suite 100, La Jolla, CA 92037, Attention: Corporate Secretary, before the Meeting; or
- Attending the Meeting and voting in person.

Beneficial Owners. Shares Registered in the Name of a Broker or Bank

If you are a beneficial owner of your shares, you must contact the broker or other nominee holding your shares and follow its instructions for changing your vote. Alternatively, you may attend the Meeting and vote in person if you have a legal proxy from the organization that holds your shares and bring it with you to the Meeting.

Your attendance at the Meeting alone will not revoke your proxy. Unless revoked, all shares presented by a properly executed proxy received prior to the Meeting will be voted as directed thereon or, if no direction is indicated, will be voted **"FOR"** Proposal No. 1, the election as directors of the nominees specified in this Proxy Statement. If any other business is properly presented at the Meeting, the proxy will be voted in accordance with the recommendations of the Board of Directors.

Persons Making the Solicitation

This Proxy Statement and the accompanying form of proxy are being solicited by the Board of Directors. The costs of such solicitation, including the expense of preparing, assembling, printing and mailing this Proxy Statement and the material used in this solicitation of proxies, will be borne by the Company. The principal solicitation of proxies is being made by mail and by the Internet for those shareholders who have previously elected Internet delivery for the furnishing of proxy materials, although additional solicitation may be made by telephone, electronic mail or personal visits by the Company's officers, directors or employees. The Company may, at its discretion, engage the services of a proxy solicitation firm to assist in the solicitation of proxies. The total expense of this solicitation will be borne by the Company and will include reimbursement paid to brokerage firms and others for their expenses in forwarding soliciting material and such expenses as may be paid to any proxy soliciting firm that the Company engages.

VOTING SECURITIES

Outstanding Shares and Record Date

Shareholders of record at the close of business on April 3, 2025 (the **"Record Date"**), are entitled to receive notice of and to vote at the Meeting. The number of shares of the Company's common stock issued and outstanding as of the Record Date was 5,789,306.

Voting Rights

Each shareholder of record as of the Record Date is entitled to cast one vote for each share of the Company'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.

The presence, in person or by proxy, of the holders of a majority of the aggregate number of outstanding shares of the Company's common stock will constitute a quorum for the transaction of business at the Meeting and any continuation or adjournment thereof. With respect to Proposal 1, the seven (7) director nominees receiving the highest number of affirmative votes of the shares entitled to be voted for them up to the number of directors to be elected by such shares shall be elected; votes against the director and votes withheld shall have no legal effect.

Broker non-votes, or shares held by a broker or nominee that are represented at the Meeting but with respect to which the broker or nominee is not empowered to vote on a particular matter, will be counted only in determining whether a quorum is present at the Meeting.

If a broker holds your shares in "street name," your broker may not be able to vote your shares without instructions from you. You should instruct your broker to vote your shares following the procedure provided by your broker. Without instructions, your shares may not be voted.

The proxy also confers discretionary authority in accordance with the recommendation of the Board of Directors to vote the shares represented thereby on any matter that was not known at the time this Proxy Statement was mailed which may properly be presented for action at the Meeting and may include, among other things, action with respect to procedural matters pertaining to the conduct of the Meeting and the election of any person to any office for which a bona fide nominee is nominated.

Shares that are not represented in person or by proxy at the Meeting shall not be counted in determining whether a quorum is present and shall not be deemed present at the Meeting. Proxies submitted by any shareholder that are unmarked as to any matter shall be voted according to the recommendation of the Board of Directors. A proxy withholding authority to vote for a director nominee as to Proposal 1, if shares are not voted cumulatively, will be counted as a vote not in favor of the director nominee. A vote of abstention, as to any proposal as to which abstention is permitted, will have the effect of a vote against such proposal if the number of affirmative votes cast for the proposal is a majority of the votes cast but does not constitute a majority of the quorum required to transact business at the Meeting, however, if the number of affirmative votes cast for the proposal is a majority of the votes cast and constitutes a majority of the quorum required to transact business at the Meeting, a vote of abstention will have no effect on such proposal.

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 five (5) nor more than seven (7), 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 seven (7).

Six (6) 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 seven (7) nominees receiving the highest number of affirmative votes at the Meeting will be elected.

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>
Leda Csanka Director	58	2022
Selwyn Isakow Chairman of the Board, Director	73	2006
James Parks, Director	74	2023
Setareh “SiSi” Pouraghabagher, Director	54	2021
Ernest Rady, Director	87	2011
Rex E. Schlaybaugh, Jr. Nominee	76	2025
Richard “Rick” Sowers, Director, President and Chief Executive Officer	52	2020

Business Experience and Background of the Director Nominees

Leda Csanka. Ms. Csanka has spent more than thirty-five years in the technology and the financial services industry, fifteen of those years as a CIO, CTO, Interim CIO and independent consultant/business owner. She has successfully led all technology aspects of two corporate spin-offs and specializes in the consolidation of IT services for the consolidation of corporate acquisitions. Her expertise in the consolidation of the broker/dealer industry over the last twenty years has led to a unique combination of skills: executive management expertise, program management execution and delivery, critical strategic thinking, vendor management and technology skills at both the executive level and the ability to dive into the depths of problem solving across all IT service domains. Since retiring from full-time corporate positions in mid-2016, Ms. Csanka started and operates both her own consulting company, Strategic Tech Consulting, and an executive and transformational coaching practice.

Selwyn Isakow. Mr. Isakow is the founder of CalPrivate Bank. He is Founder, Chairman and Chief Executive Officer of The Oxford Investment Group, Inc., a private investment, real estate and venture firm which acquired and built over 80 manufacturing, financial services and niche distribution companies in 17 countries and now operates as a family office. Mr. Isakow was the Founder and Chairman of Bloomfield Hills Bancorporation, a Michigan-based holding company for The Private Bank with three private banking operations, a Wealth Management Group and a Mortgage division. Previously, Mr. Isakow served as Executive Vice President of Comerica, Inc. a large regional bank, as a Principal of Booz Allen & Hamilton, management consultants, where he was a member of the Worldwide Strategic Management Group and headed the Financial Service Industry practice for Western U.S., as Audit Manager at a public accounting firm and as an Officer in the South African Air Force. Mr. Isakow has served as Chairman or Board Member of several NYSE companies, numerous private companies, healthcare and non-profit organizations. He is the Immediate Past-Chairman of City of Hope, a leading national Comprehensive Cancer Center. Other non-profits he has founded include the Kindness Initiative and Hebrew Free Loan of San Diego to address poverty in the community. Mr. Isakow has received various civic and business honors and awards including E&Y Entrepreneur of the Year. He obtained an MBA with distinction from Wharton Business School and his Bachelor of Commerce, Certificate in Accounting and Bachelor of Accounting degrees from University of Witwatersrand, Johannesburg, South Africa. He is a qualified Chartered Accountant.

James Parks. Mr. Parks heads the Los Angeles, California office of CBIZ MHM, LLC and specializes in providing consulting services to companies and individuals in the real estate, entertainment, manufacturing, media and service industries. He provides tax consulting, business and family law litigation, business management/family office and tax services for high net worth individuals, entertainment and media industry and real estate industry consulting. Mr. Parks has been a member of CBIZ since his prior company (Parks, Palmer, Turner & Yemenidjian, LLP) was acquired in 1999. He has over forty years of public accounting experience. Mr. Parks also co-founded and is Chairman of Realty Center Management, Inc. (RCMI), a real estate company that manages and through affiliates owns over 10,500 apartment units and approximately 250,000 square feet of commercial office space. Mr. Parks is a Certified Public Accountant in the state of California and received his BS and MBT degrees from the University of Southern California. He is active in various community ventures and currently serves as a member of the Board of Trustees of the Autry National Center of the American West, a member of the Board of Councilors at the University of Southern California, a member of the Board of Directors of Whittier Trust, a trustee of the California Art Club in Pasadena, and a member of the Board of Directors of the California Council on Economic Education.

Setareh “SiSi” Pouraghabagher. SiSi Pouraghabagher is an accomplished leader with a diverse 30 year professional background serving shareholders, customers, and professional staff in public global financial service organizations, privately held technology companies, public accounting, and higher education. Ms. Pouraghabagher currently serves as an independent director and Audit Committee Chair for Point B, a national management consulting firm. She also serves as an independent director and Audit Committee Chair for Frontier Medicines, a biotechnology company in San Francisco. She was formerly an independent director and the Audit Committee Chair for State Auto Financial Corporation (NASDAQ: STFC) through their successful sale to Liberty Mutual in March 2022. Ms. Pouraghabagher is an adjunct professor for the Accounting & Law program at California Polytechnic’s (Cal Poly) Orfalea College of Business. Ms. Pouraghabagher’s executive leadership experience includes serving as the Chief Administrative Officer for QBE North America, a global public insurer, as well as serving in chief roles of finance and operations for Balboa Insurance, formerly a \$2 billion division of Bank of America. Ms. Pouraghabagher was additionally the Chief Financial Officer for two private technology companies in Orange County and began her career at Deloitte. Ms. Pouraghabagher serves on the Dean’s Advisory Council for Cal Poly’s Orfalea College of Business. She is a member of the National Association of Corporate Directors (NACD) and is a Governance Fellow. She is also a member of the American Institute of Certified Public Accountants, member of Extraordinary Women on Boards, and holds an active CPA license.

Ernest Rady. Mr. Rady is an experienced banker, entrepreneur, and philanthropist. He is Founder and Executive Chairman of American Assets Trust, an NYSE-listed REIT with gross real estate assets of \$3.8 billion. He is also CEO and/or Chairman of several private companies that he founded, spanning numerous other sectors of the economy, including insurance and investment management. He was formerly the Chairman and Chief Executive Officer of Westcorp, an NYSE-traded financial services company that was sold to Wachovia Corporation in 2006. His career spans a variety of additional industries, including insurance, oil and gas, and radio stations/telecommunications towers. Mr. Rady received degrees in commerce and law from the University of Manitoba and was awarded the Gold Medal in Commerce and the Law Society Award for Academic Achievement in Law.

Rex E. Schlaybaugh, Jr. Mr. Schlaybaugh has extensive experience as a corporate lawyer specializing in significant corporate transactions. He was a partner in the Dykema Gossett law firm, a national firm with over 400 professionals and offices across the United States. His practice was focused on mergers and acquisitions and related securities and governance issues. He served as Chair and CEO of the firm for over a decade with responsibility for strategy, growth and the overall delivery of professional services to the firm's clients. Mr. Schlaybaugh also has extensive experience in corporate board service. He served on the John Hancock Insurance Company board for over 15 years where he chaired the Audit Committee and was a member of the Investment Committee. He also served on the board of Syntel, Inc., a large international technology company and was Chair of its Governance and Nominating Committee. He was also appointed by the board to the three director Special Board Committee that managed and negotiated the sale transaction of Syntel to Atos, a large French information technology company. Mr. Schlaybaugh was also on the board of Bloomfield Hills Bancorp, Inc. where he served as Vice Chair of the board and Chair of its audit committee. He has been very active in many nonprofit organizations and governmental entities, including serving as Chair and member of the Michigan Chamber of Commerce, serving as Chair and member of the Board of Trustees of Oakland University, serving on the Board of the Detroit Economic Club, and serving as a Commissioner of the Michigan Natural Resources Commission. Mr. Schlaybaugh received his J.D. from the University of Detroit School of Law and his B.A. from Albion College.

Richard "Rick" Sowers. Mr. Sowers serves as President & Chief Executive Officer of both the Company and the Bank. He is a Southern California native and graduate of University of California, San Diego. He worked first with Accenture Consulting in Los Angeles then joined CAST Management Consultants, where he spent a decade as a VP/Associate Partner. He specialized in creating bank efficiencies, profitability and optimizing customer focus and experience. In 2008, Mr. Sowers joined Bank of Manhattan/Manhattan Bancorp as EVP & Chief Operating Officer. He became President of Manhattan/Manhattan Bancorp prior to its merger with Plaza Bank in 2015. At Plaza Bank Mr. Sowers held positions starting from EVP & Chief Strategy Officer to Plaza Bank's President until Plaza Bank sold to Pacific Premier Bank in October 2017. Mr. Sowers joined CalPrivate Bank as its President on February 15, 2018 and became a Bank Director. In February 2020, Mr. Sowers became a Director and the President of the Company and on October 1, 2020, Mr. Sowers was named President and Chief Executive Officer of CalPrivate Bank and the Company.

Recommendation

THE BOARD OF DIRECTORS URGES YOU TO VOTE "FOR" PROPOSAL 1: TO ELECT THE SEVEN (7) 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.

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 accompanying 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.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information as of April 3, 2025, pertaining to beneficial ownership of the Company's common stock by (i) each director, nominee and executive officer of the Company; (ii) all directors, nominees and executive officers of the Company as a group; and (iii) entities owning more than 5%. 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 otherwise indicated. All directors, nominees and executive officers may be contacted in care of the Company at 9404 Genesee Avenue, Suite 100, La Jolla, CA 92037. The term "executive officer" refers to the Company's President and Chief Executive Officer, and Chief Financial Officer.

Name	Common Stock Beneficially Owned ⁽¹⁾ On April 3, 2025	
	Number of Shares	Percentage of Shares Outstanding ⁽²⁾
<i>Directors, Nominees, Executive Officers & Entities</i>		
Leda Csanka, Director	5,097	*
Selwyn Isakow, Chairman of the Board of the Company	591,638 ⁽³⁾	10.22%
Leon Kassel, Director	221,877	3.83%
James Parks, Director	80,530	1.39%
Setareh "SiSi" Pouraghabagher, Director	5,030	*
Ernest Rady, Director	558,673	9.65%
Rex E. Schlaybaugh, Jr.	14,482	*
Richard "Rick" Sowers, President, Chief Executive Officer and Director of the Company	91,689	1.58%
Cory Stewart, Executive Vice President and Chief Financial Officer of the Company	3,054	*
Fourthstone 575 Maryville Centre Dr., Suite 110 St. Louis, MO 63141	566,640 ⁽⁴⁾	9.79%
Endeavor Capital 410 Greenwich Avenue Greenwich, CT 06830	557,977 ⁽⁴⁾	9.64%
Alliance Bernstein 1345 Avenue of the Americas, 34 th New York, NY 10105	482,185 ⁽⁴⁾	8.33%
1 st & Main Growth Partners 150 S Wacker Drive, Suite 2725 Chicago, IL 60606	415,210 ⁽⁴⁾	7.17%
Directors, Nominees and Executive Officers as a group (9 persons)	1,547,070	27.04%

- (1) More than one person may be the beneficial owner or possess certain attributes of beneficial ownership with respect to the same securities. Beneficial ownership includes shares held, directly or indirectly, beneficially or of record together with associates and includes shares held as trustee or as custodian for minor children, shares held in an individual retirement account or pension plan of which such person is sole beneficiary, and as to which such person has pass-through voting rights and investment power. Shares of common stock issuable pursuant to options, warrants or other derivative securities exercisable

within sixty days of April 3, 2025, are deemed to be issued and outstanding and have been treated as outstanding in calculating the percentage ownership of those individuals possessing such interest. Unless otherwise specified in the footnotes that follow, the indicated person has sole voting power and sole investment power with respect to the shares.

- (2) An asterisk “*” indicates that the percentage owned is less than 1% of the outstanding shares.
- (3) Mr. Isakow’s wife has sole voting power over 56,711 shares.
- (4) Information provided at applicable investor meetings.

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 Company’s executive officer who is not a member of the Board of Directors.

Cory Stewart, Executive Vice President and Chief Financial Officer. Mr. Stewart became the Chief Financial Officer for the Company in January 2023, bringing over 25 years of finance and accounting experience. Mr. Stewart served as Principal Accounting Officer at WaFd Bank, a publicly-traded regional bank headquartered in Seattle, Washington from 2016 through the end of 2022. Mr. Stewart is 53 years old.

CORPORATE GOVERNANCE

General

The Company periodically reviews its corporate governance policies and procedures to ensure that it meets the highest standards of ethical conduct, reports results with accuracy and transparency and fully complies with the laws, rules and regulations that govern its operations. As part of this periodic corporate governance review, the Board of Directors reviews and adopts best corporate governance policies and practices for the Company.

Director Independence

The Board of Directors currently consists of seven members. The Board of Directors refers to the definition of “independent director” contained in the listing standards of the Nasdaq Stock Market when determining the independence of directors. The Board of Directors has determined that each director, except for Richard “Rick” Sowers, is an “independent director” as defined in the Nasdaq listing standards. Mr. Sowers is not independent because he is employed by the Company as its President and CEO.

Board of Directors Leadership Structure and Board of Directors' Role in Risk Oversight

The Board of Directors has determined that the separation of the offices of Chairman of the Board and of President and Chief Executive Officer enhances Board of Directors independence and oversight. Moreover, the separation of those offices allows the President and Chief Executive Officer to better focus on his increasing responsibilities of managing the Company, enhancing shareholder value, and expanding and strengthening the Company's franchise while allowing the Chairman of the Board of Directors to lead the Board of Directors in its fundamental role of providing advice to and independent oversight of management. Consistent with this determination, Selwyn Isakow serves as Chairman and Richard “Rick” Sowers serves as President and Chief Executive Officer.

To further strengthen the regular oversight of the full Board of Directors, the Audit Committee and the Compensation, Governance and Nominating Committee are composed only of independent directors. See “Committees.”

Risk is inherent with every business, and how well a business manages risk can ultimately determine its success. We face several risks, including credit risk, interest rate risk, liquidity risk, operational risk, strategic risk and reputation risk. Management is responsible for the day-to-day management of risks the Company faces, while the Board of Directors, as a whole and through its committees, has responsibility for the oversight of risk management. In its risk oversight role, the Board of Directors has the responsibility to satisfy itself that the risk management processes designed and implemented by management are adequate and functioning as designed. Senior management also attends Board meetings and is available to address any questions or concerns raised by the Board of Directors on risk management and any other matters.

Board of Directors Meetings

Our business affairs are managed by, and under the direction of, our Board of Directors. During 2024, our Board of Directors held six (6) regular and special meetings. During 2024, each Company director (other than James Parks) attended at least 75% of the aggregate of (i) the total number of Board of Directors meetings held during such member's service and (ii) the total number of meetings of committees of our Board of Directors on which he or she served, during the period of such member's service. The schedule for regular meetings of our Board of Directors for each year is submitted and approved by the Board of Directors in advance. Mr. Parks attended less than seventy-five (75)% of the Board of Directors and committee meetings of which he was a member, primarily due to changes made in the original annual calendar of meetings.

Committees

The following reflects Company committee memberships and activities in 2024.

Audit Committee. The Company has an audit committee comprised of Setareh "SiSi" Pouraghabagher (Committee Chair), Leon Kassel and James Parks. The responsibilities of the audit committee include recommending to the Board of Directors the independent auditors to be selected, reviewing the scope and procedures of proposed audits and the results of audits, reviewing the adequacy and effectiveness of accounting and financial controls, reviewing the FDICIA internal audits and the Company's financial statements and press releases. During the fiscal year ended December 31, 2024, the audit committee held a total of five (5) meetings.

Compensation, Governance and Nominating Committee. The Company has a compensation, governance and nominating committee comprised of Selwyn Isakow (Committee Chair), Leda Csanka and James Parks. The responsibilities of the committee are to oversee compensation and benefits issues of the Company, including reviewing compensation of the Bank's executive officers, evaluating and recommending candidates for nomination to the Company and Bank boards and to oversee governance policy matters. During the fiscal year ended December 31, 2024, the compensation, governance and nominating committee held a total of four (4) meetings.

Strategic Planning Committee. The Company and the Bank have a strategic planning committee comprised of Selwyn Isakow (Committee Chair), Brett Lawrence (a director of the Bank), Rex E. Schlaybaugh, Jr. and Richard "Rick" Sowers. The strategic planning committee advises the Board of Directors on overall business strategy and strategic opportunities and undertakes other activities delegated by the Board of Directors. During the fiscal year ended December 31, 2024, the strategic planning committee held a total of two (2) meetings.

The following is a description of Bank committees.

Enterprise Risk Management. The Bank has an enterprise risk management committee that is charged with serving as an independent and objective party to oversee the Bank's enterprise risk management system and reviewing the internal auditing function.

Loan Committee. The Bank has a loan committee with responsibilities to establish credit policy and approve loans in excess of management's internal limits.

Asset Liability Committee. The Bank has an asset liability committee with responsibilities to review management's adherence to asset liability management, investment and funds management policies.

Technology and Innovation Committee. The Bank has a technology and innovation committee with responsibilities to assist the Board of Directors in its oversight responsibilities relating to matters of innovation and technology.

Insider Trading Policy and Hedging

The Company has adopted an Insider Trading Policy that includes procedures governing the purchase, sale, and/or other dispositions of the Company's directors, officers and employees that are reasonably designed to promote compliance with insider trading laws, rules and regulations, and any listing standards applicable to the Company. The Insider Trading Policy prohibits executive officers, certain other officers and members of the Board of Directors from engaging in transactions to hedge or offset any decrease in the market value of equity securities of the Company.

NON-EMPLOYEE DIRECTOR COMPENSATION

During 2024, Company directors (except Mr. Sowers) earned cash compensation in the base amount of \$40,000 annually. In addition, the Chairman of the Board of Directors received an additional amount of \$32,500, the Audit Committee Chair received an additional amount of \$18,000, the Compensation, Governance and Nominating Chair received an additional amount of \$15,000 and the Strategic Planning Committee Vice-Chair received an additional amount of \$6,000. There was no additional monetary compensation for directors for their services as directors, except as to Mr. Isakow as outlined below. In addition, each director was issued 1,142 shares of stock during the year.

Directors are reimbursed for direct expenses related to traveling to attend Board of Directors meetings.

The Bank has entered into an agreement with Mr. Isakow, pursuant to which, Mr. Isakow, in his capacity as a director, provides services related to client development and retention, shareholder development and communications, business model implementation and acquisitions strategies. For his services, Mr. Isakow has received annual compensation of \$120,000 in 2024.

SHAREHOLDER NOMINATIONS AND PROPOSALS

Any shareholder desiring to submit a proposal for inclusion in our proxy materials for our 2026 annual meeting of shareholders must provide the Company with a written copy of that proposal by no later than February 27, 2026, which is the 90th day before the first anniversary date of the Annual Meeting in 2025 and no earlier than January 28, 2026, which is the 120th day before the first anniversary date of the Annual Meeting in 2025. However, if the date of our 2026 annual meeting of shareholders is advanced by more than 30 days or delayed by more than 70 days from the date of the Annual Meeting in 2025, then the deadline for the Company to receive such notice would be not earlier than the 120th day prior to the annual meeting, nor after the later of the 90th day prior to the annual meeting or the 10th day following the day on which public announcement of the date of such meeting is first made. Matters pertaining to such proposals, including the number and length thereof, eligibility of persons entitled to have such proposals included and other aspects are governed by the Bylaws of the Company and applicable law and regulation. If SEC Rule 14a-8 should apply to the Company and be found to be inconsistent with this procedure, Rule 14a-8 shall prevail.

In accordance with the advance notice requirements contained in our Bylaws, a shareholder who proposes to make nominations of persons for election to the Board of Directors at the 2026 annual meeting of shareholders must deliver written notice to the Company's Corporate Secretary no earlier than 60 calendar days and no later than 30 calendar days before the date such annual meeting is to be held. However, if less than 30 days' notice of meeting is given to shareholders, notice must be received not later than seven (7) calendar days following the day on which notice of the meeting was mailed. A shareholder's written notice must include certain information concerning the shareholder and each nominee as described in our Bylaws. Shareholder proposals or nominations for directors that do not meet the notice requirements set forth above and set forth in our Bylaws will not be acted upon at the 2026 annual meeting of shareholders.

Nominations and shareholder proposals, as well as requests for a copy of the Company's Bylaws (which will be furnished to any shareholder without charge upon written request), should be directed to Cory Stewart, Corporate Secretary, 9404 Genesee Avenue, Suite 100, La Jolla, CA 92037.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

As of December 31, 2024 and 2023, the Company held loans to executive officers and directors and the companies and organizations with which they are associated totaling approximately \$2.9 million and \$2.1 million, respectively. As of December 31, 2024 and 2023, the Company held deposits from executive officers and directors and the companies and organizations with which they are associated totaling approximately \$15.4 million and \$49.6 million, respectively.

It is the firm policy of the Board of Directors that any loans and commitments to lend included in banking transactions with directors, officers and employees of the Company 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. This policy is confirmed in board resolutions of the Bank adopted each year in accordance with Federal Reserve Board Regulation O.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Crowe LLP served as our independent registered public accounting firm for the fiscal year ended December 31, 2024. A representative of Crowe LLP will be present at the annual meeting to respond to shareholders' questions and will have the opportunity to make a statement if he or she so desires.

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