FEDERAL DEPOSIT INSURANCE CORPORATION

Washington, D.C. 20429

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **June 9, 2021**

Preferred Bank

(Exact name of registrant as specified in its charter)

California	**33539**	**95-4340199**
(State or other jurisdiction of incorporation or organization)	(FDIC Certificate No.)	(I.R.S. Employee Identification No.)

601 S. Figueroa Street, 48th Floor, Los Angeles, California	**90017**
(Address of principal executive offices)	(Zip code)

(213) 891-1188
(Registrant's telephone number including area code)

Not applicable
(Former name or former address, if changed since last report)

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

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 7.01. Regulation FD Disclosure.

Preferred Bank (the "Bank") announced today a public offering (the "Offering") of its fixed-to-floating rate subordinated notes. The Bank intends to use net proceeds from the Offering to redeem $100 million of the Bank's 2016 fixed to floating rate subordinated debentures plus accrued but unpaid interest thereon, and for general corporate purposes, including, among other things, funding loans or purchasing investment securities for the Bank's portfolio. Piper Sandler & Co., Raymond James & Associates, Inc., Stephens Inc., and B. Riley Securities, Inc. are acting as bookrunners. In connection with the Offering, the Bank distributed a preliminary offering circular on June 9, 2021 to investors. A copy of the preliminary offering circular is attached hereto as Exhibit 99.1.

The information furnished by the Bank pursuant to this item and Item 9.01, including Exhibit 99.1, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that section, and shall not be deemed to be incorporated by reference into any offering circular of the Bank or any of its filings under the Securities Act of 1933, as amended, if applicable, or the Exchange Act.

This Current Report on Form 8-K contains certain forward-looking information about the Bank that is intended to be covered by the safe harbor for forward-looking statements provided by the Private Securities Litigation Reform Act of 1995. Statements that are not historical or current facts, including statements about future financial and operational results, expectations, future plans or intentions are forward-looking statements. Such statements are based on information available at the time of the communication and are based on current beliefs and expectations of the Bank's management and are subject to significant risks, uncertainties and contingencies, many of which are beyond the control of the Bank. Such risks and uncertainties include, but are not limited to, the following factors: the COVID-19 pandemic is adversely affecting the Bank, its employees, customers and third-party service providers, and the ultimate extent of the impacts on its business, financial position, results of operations, liquidity and prospects is uncertain. The length of the COVID-19 pandemic and the severity of its impact on key macro-economic indicators such as unemployment and GDP may have a material impact on our allowance for credit losses and related provision for credit losses. Continued deterioration in general business and economic conditions could adversely affect the Bank's revenues and the values of its assets, including goodwill, and liabilities, lead to a tightening of credit, and increase stock price volatility. In addition, the Bank's results could be adversely affected by changes in interest rates, sustained high unemployment rates, deterioration in the credit quality of the Bank's loan portfolio or in the value of the collateral securing those loans, deterioration in the value of its investment securities, the magnitude of individual loan losses on security monitoring loans, and legal and regulatory developments. Actual results may differ materially from those set forth or implied in the forward-looking statements due to a variety of factors, including the risk factors described in documents filed by the Bank with the Federal Deposit Insurance Corporation. All forward-looking statements included in this Current Report on Form 8-K are based on information available at the time of filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

99.1 Preliminary Offering Circular, dated June 9, 2021

SIGNATURE

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

Preferred Bank

Dated: June 9, 2021

By: /s/ Edward J. Czajka
Edward J. Czajka
Executive Vice President
Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description
99.1	Preliminary Offering Circular, dated June 9, 2021

SUBJECT TO COMPLETION

PRELIMINARY OFFERING CIRCULAR DATED June , 2021

Information contained herein is subject to completion or amendment. This preliminary offering circular shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

OFFERING CIRCULAR

PREFERRED BANK

$

% Fixed-to-Floating Rate Subordinated Notes due 2031

Preferred Bank, a California state-chartered bank (the "Bank"), is offering $ aggregate principal amount of its % fixed-to-floating rate subordinated notes due 2031 (the "Notes") pursuant to this offering circular. The Notes will be offered in minimum denominations of $100,000 and integral multiples of $1,000 in excess thereof. The Notes will mature on , 2031 (the "Maturity Date"). From and including June , 2021, to but excluding, , 2026 or the date of earlier redemption (the "fixed rate period"), the Notes will bear interest at an initial rate of % per annum, payable semi-annually in arrears on and of each year, commencing on , 2021. The last interest payment date for the fixed rate period will be , 2026. From and including , 2026, to but excluding the Maturity Date or the date of earlier redemption (the "floating rate period"), the Notes will bear interest at a floating rate per annum equal to the Benchmark rate (which is expected to be Three-Month Term SOFR), each as defined and subject to the provisions described under "Description of Subordinated Notes—Principal and Interest Payments" in this offering circular, plus basis points, payable quarterly in arrears on , , , and of each year, commencing on , 2026. Notwithstanding the foregoing, in the event that the Benchmark rate is less than zero, the Benchmark rate shall be deemed to be zero.

We may, at our option, beginning with the interest payment date of , 2026 and on any interest payment date thereafter, redeem the Notes, in whole or in part. The Notes will not otherwise be redeemable by us prior to maturity, unless certain events occur, as described under "Description of Subordinated Notes—Redemption" in this offering circular. The redemption price for any redemption is 100% of the principal amount of the Notes, plus accrued and unpaid interest thereon to, but excluding, the date of redemption. Any redemption of the Notes will be subject to obtaining the prior written approval of the Federal Deposit Insurance Corporation ("FDIC") and the California Department of Financial Protection and Innovation ("DFPI").

The Notes will be unsecured, subordinated obligations and will be subordinated in right of payment to all of our existing and future senior indebtedness, whether secured or unsecured, including claims of depositors and general creditors (other than in respect of trade receivables). The Notes will be structurally subordinated to all existing and future senior indebtedness and liabilities of our subsidiaries and will rank equally in right of payment with any unsecured, subordinated indebtedness that we incur in the future that ranks equally with the Notes. The Notes will be effectively subordinated to all of our secured indebtedness to the extent of the value of the assets securing such indebtedness. For a more detailed description of the Notes, see "Description of Subordinated Notes—Ranking; Subordination." There will be no sinking fund for the Notes. The Notes will be obligations of the Bank only and will not be obligations of, and will not be guaranteed by any Bank subsidiary. For a more detailed description of the Notes, see "Description of Subordinated Notes."

Prior to this offering, there has been no public market for the Notes. The Notes will not be listed on any securities exchange or included in any automated quotation system.

Investing in the Notes involves risks. See the section entitled "Risk Factors" beginning on page 8 of this offering circular and beginning on page 31 of our Annual Report on Form 10-K for the year ended December 31, 2020 and in the other documents incorporated by reference into this offering circular.

THE NOTES ARE NOT SAVINGS ACCOUNTS OR DEPOSITS. THE NOTES ARE NOT INSURED BY THE FDIC OR ANY OTHER GOVERNMENTAL AGENCY, AND ARE SUBJECT TO INVESTMENT RISKS, INCLUDING THE POSSIBLE LOSS OF THE ENTIRE AMOUNT YOU INVEST.

THE NOTES HAVE NOT BEEN, AND ARE NOT REQUIRED TO BE, REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"). THE NOTES ARE EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT PURSUANT TO SECTION 3(A)(2) THEREOF. NONE OF THE SECURITIES AND EXCHANGE COMMISSION, THE DFPI, THE FDIC OR ANY OTHER FEDERAL OR STATE REGULATORY BODY HAS APPROVED OR DISAPPROVED OF THESE NOTES OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS OFFERING CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

IN THE EVENT THE BANK IS PLACED INTO RECEIVERSHIP OR OTHER APPLICABLE INSOLVENCY PROCEEDINGS, THE NOTES COULD BE TREATED DIFFERENTLY FROM, AND YOU COULD RECEIVE SIGNIFICANTLY LESS THAN, HOLDERS OF OUR DEPOSITS.

	Per Note	**Total**
Public offering price[1]	100%	$
Initial purchaser discount[2]	%	$
Proceeds, before expenses, to us	%	$

(1) Plus accrued interest, if any, from the original issue date.

(2) See "Plan of Distribution" in this offering circular for details.

The initial purchasers expect to deliver the Notes in book-entry form through the facilities of The Depository Trust Company, against payment on or about , 2021. See "Plan of Distribution" in this offering circular for details.

Piper Sandler & Co.

Raymond James **Stephens Inc.** **B. Riley Securities**

The date of this offering circular is , 2021.

TABLE OF CONTENTS

ABOUT THIS OFFERING CIRCULAR

We have prepared this offering circular. You should rely only on the information contained in this offering circular and any supplement or addendum, including any documents incorporated by reference herein or therein, that may be provided to you. Neither we nor the initial purchasers have authorized anyone to provide you with additional or different information. If any such information is or has been provided to you, you should not rely on it. The initial purchasers are offering to sell, and seeking offers to buy, the Notes only in jurisdictions where such offers and sales are permitted. The information in this offering circular and any supplement or addendum, including any documents incorporated by reference herein or therein, is accurate only as of the dates thereof, regardless of the time of delivery of this offering circular or any such supplement or addendum or the time of any sale of the Notes. Our financial condition, liquidity, results of operations, business and prospects may have changed since any such date.

As used throughout this offering circular, the terms the "Bank," "we," "our" and "us," or similar references, refer to Preferred Bank and its subsidiary, PB Investment and Consulting, Inc., on a consolidated basis.

EXTENDED SETTLEMENT

We expect that delivery of the Notes will be made against payment therefor on or about June , 2021, which will be the business day following the date of pricing of the Notes, or "T+ ." Under Rule 15c6-1 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), trades in the secondary market generally are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade the Notes on the date of pricing or the next two succeeding business days will be required, by virtue of the fact that the Notes initially settle in T+ , to specify an alternate settlement arrangement at the time of any such trade to prevent a failed settlement. Purchasers of the Notes who wish to trade the Notes prior to their date of delivery hereunder should consult their advisors.

AVAILABLE INFORMATION

We are subject to the information reporting requirements of the Exchange Act, as administered and enforced by the FDIC, and we are subject to FDIC rules promulgated thereunder. In accordance with Sections 12, 13 and 14 of the Exchange Act and as a bank that is not a member of the Federal Reserve System, we file certain reports, proxy materials, information statements and other information with the FDIC, copies of which can be inspected and copied at the public reference facilities maintained by the FDIC, at the Accounting and Securities Disclosure Section, Division of Supervision and Consumer Protection, 550 17th Street, N.W., Washington, DC 20429. Requests for copies may be made by telephone at (202) 898-8913 or by fax at (202) 898-3909. Our information reports, including our Annual Reports on Form 10-K, our Quarterly Reports on Form 10-Q, and our Current Reports on Form 8-K, and our proxy statement and ownership reports on Forms 3, 4 and 5, are filed with the FDIC and are available *at https://efr.fdic.gov/fcxweb/efr/index.html*. This statement has not been reviewed, or confirmed for accuracy or relevance, by the FDIC.

Copies of the FDIC filings referenced below in "Incorporation of Certain Documents by Reference" are also available at a website maintained by us at *http://www.preferredbank.com.* Click on the *Investor Relations* tab and then click on the *Company Filings* tab. Other than the annual, quarterly, and current reports, proxy statements and other information we file with the FDIC, the information on our website is not part of this offering circular. You may request a copy of these filings at no cost by writing or by telephoning us at the following address or telephone number:

Preferred Bank
601 S. Figueroa Street, 48th Floor
Los Angeles, California 90017
(213) 891-1188
Attention: Edward J. Czajka,
Chief Financial Officer

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

Certain information previously filed with the FDIC has been "incorporated by reference" into this offering circular. This means that we disclose important information to you by referring you to other documents filed with the FDIC under the Exchange Act. The information incorporated by reference is deemed a part of this offering circular. We incorporate by reference into this offering circular the following documents filed with the FDIC (other than, in each case, those documents or portions of those documents that are furnished and not filed):

- Our Annual Report on Form 10-K for the year ended December 31, 2020, filed with the FDIC on March 15, 2021 (the "2020 Annual Report");

- Our Quarterly Report on Form 10-Q for the quarter ended March 31, 2021, filed with the FDIC on May 10, 2021;

- Our Current Reports on Form 8-K filed with the FDIC on January 26, 2021, February 19, 2021, March 1, 2021, March 19, 2021, April 8, 2021, April 21, 2021, May 5, 2021 and June 7, 2021 (excluding Item 7.01);

- The portions of our Proxy Statement on Schedule 14A (incorporated by reference into the Corporation's 2020 Annual Report) for the Bank's Annual Meeting of Shareholders to be held on May 18, 2021 filed with the FDIC on April 8, 2021; and

- All documents that we file under Section 13(a), 13(c), 14 or 15(d) of the Exchange Act on or after the date of this offering circular and before the termination of the offering of securities under this offering circular.

You may obtain a copy of these filings as described under "Available Information."

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain matters discussed in this offering circular, including the documents that are incorporated by reference, may constitute forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act, and as such, may involve risks and uncertainties. We claim the protection of the safe harbor contained in the Private Securities Litigation Reform Act of 1995. These forward-looking statements relate to, among other things, the Bank's financial condition, results of operations, plans, objectives, expectations of the environment in which we operate and projections of future performance or business. Such statements can generally be identified by the use of forward-looking language, such as "is expected to," "will likely result," "anticipated," "projected," "estimate," "forecast," "intends to," or may include other similar words, phrases, or future or conditional verbs such as "aims," "believes," "plans," "continue," "remain," "may," "might," "will," "would," "should," "could," "can," or similar language. Forward-looking statements by us are based on estimates, beliefs, projections and assumptions of management and are not guarantees of future performance. Our actual results, performance, or achievements may differ significantly from the results, performance, or achievements expected or implied in such forward-looking statements. When considering these statements, you should not place undue reliance on these statements, as they are subject to certain risks and uncertainties, as well as any cautionary statements made within this offering circular, or report, as applicable, and should also note that these statements are made as of the date of this offering circular, or report, as applicable, and based only on information known to us at that time.

Factors causing risk and uncertainty, which could cause future results to be materially different from forward-looking statements contained in this offering circular, or report, as applicable, as well as from historical performance, include but are not limited to:

- Regulatory decisions regarding the Bank, and impact of future regulatory and governmental agency decisions including Basel III capital standards;
- Adequacy of allowance for credit loss estimates in comparison to actual future losses;
- Necessity of additional capital in the future, and possible unavailability of that capital on acceptable terms;
- Economic and market conditions that may adversely affect the Bank and our industry;
- Possible loss of members of senior management or other key employees upon which the Bank heavily relies;
- Changes in governmental or bank-established interest rates or monetary policies, including the anticipated replacement of the London Interbank Offered Rate ("LIBOR") index on our loans which are tied to that index;
- Increased competition from other financial service entities;
- Variations in interest rates which may negatively affect the Bank's financial performance;
- Possibility that the Bank's underwriting practices may prove not to be effective;
- Changes in the commercial and residential real estate markets that could adversely affect the collateral value supporting our loans and increase charge-offs;
- Adverse economic conditions in Asia which could negatively impact the Bank's customers;
- Catastrophic events, acts of war or terrorism, or natural disasters, such as earthquakes, drought, pandemic diseases (including the novel coronavirus discussed further below) or extreme weather events, any of which may affect services we use or affect our customers, employees or third parties with which we conduct business, could negatively impact the Bank's business;
- Geographic concentration of our operations in California and the greater New York City area;
- The economic impact of federal budgetary policies;
- Failure to attract deposits, inhibiting growth;
- Interruption or break in the communication, information, operating, and financial control systems upon which the Bank relies;
- Changes in federal and state laws or the regulatory environment including regulatory reform initiatives and policies of the U.S. Department of Treasury, the Board of Governors of the Federal Reserve Board System, the FDIC, the Consumer Financial Protection Bureau and the DFPI;
- Changes in accounting standards as may be required by the Financial Accounting Standards Board or other regulatory agencies and their impact on critical accounting policies and assumptions;
- Potential changes in the U.S. government's monetary policies;
- Environmental liability with respect to properties to which the Bank takes title;
- Negative publicity; and

- Information technology and cyber security incidents, disruptions or attacks and the possible blocking, theft or loss of Bank or customer access, functionality, data, funding or money.

On March 11, 2020, the World Health Organization declared the novel coronavirus ("COVID-19") a worldwide pandemic. On March 12, 2020, the President of the United States declared the COVID-19 outbreak in the United States a national emergency. The COVID-19 pandemic has caused significant economic dislocation in the United States as many state and local governments have ordered non-essential businesses to close and residents to shelter in place at home. Given its ongoing and dynamic nature, it is difficult to predict the full impact of the COVID-19 outbreak on our business. The extent of such impact will depend on future developments, which are highly uncertain, including when the coronavirus can be controlled and abated and when and how the economy may be reopened. As a result of the COVID-19 pandemic and the related adverse local and national economic consequences, our forward-looking statements are subject to the following risks, uncertainties and assumptions:

- Demand for our products and services may decline;

- If the economy is unable to substantially reopen, and high levels of unemployment continue for an extended period of time, loan delinquencies, problem assets, and foreclosures may increase;

- Collateral for loans, especially commercial real estate, may decline in value;

- Our allowance for credit losses on loans may have to be increased if borrowers experience financial difficulties;

- The net worth and liquidity of loan guarantors may decline;

- A material decrease in net income or a net loss over several quarters could result in a decrease in the rate of our quarterly cash dividend;

- Our cyber security risks are increased as a result of an increase in the number of employees working remotely;

- FDIC premiums may increase if the agency experience additional resolution costs; and

- As we participate in the Small Business Administration's Paycheck Protection Program ("PPP"), we may be subject to additional risks regarding our processing of PPP loans and are dependent on the federal government's continuation and support of the program.

These and other risk factors are more fully described under "Risk Factors" beginning on page 8 of this offering circular and beginning on page 31 of our 2020 Annual Report.

All forward-looking statements are necessarily only estimates of future results, and there can be no assurance that actual results will not differ materially from expectations, and, therefore, you are cautioned not to place undue reliance on such statements. Any forward-looking statements are qualified in their entirety by reference to the factors discussed throughout our public filings. Further, any forward-looking statement speaks only as of the date on which it is made, and we do not undertake, any we specifically disclaim, any obligation to update any forward-looking statement to reflect the occurrence of events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events, except as required by law.

NOTICE TO INVESTORS

The Notes have not been, and are not required to be, registered with the Securities and Exchange Commission (the "Commission") pursuant to the Securities Act. The Notes are exempt from registration with the Commission by virtue of the exemption in Section 3(a)(2) of the Securities Act and are being offered and sold in reliance upon such exemption.

The Notes will be offered and sold only to institutional investors that are "accredited investors" as defined in Rule 501(a) under the Securities Act ("institutional accredited investors") and each beneficial owner of a Note will be required to hold a beneficial interest in such Note in a $100,000 principal amount or any integral multiple of $1,000 in excess thereof at all times. Each purchaser of a Note, in making its purchase, will be deemed to have represented and warranted that it is an institutional accredited investor, that it is purchasing the Note for its own account or the account of another institutional accredited investor and that following such purchase it or such other institutional accredited investor holding a beneficial interest in a Note will hold such beneficial interest in a principal amount of $100,000 or an integral multiple of $1,000 in excess thereof at all times.

The Notes are subordinated and rank junior in right of payment to all of our senior indebtedness (including our deposits), as described in "Description of Subordinated Notes—Ranking; Subordination."

The Notes are unsecured and uninsured direct obligations of the Bank and will not be an obligation of, or guaranteed by any Bank subsidiary.

No indenture qualified under the Trust Indenture Act of 1939, as amended, in respect of the Notes is required, and the Notes are not subject to any indenture.

In making investment decisions, investors must rely on their own examination of the Bank and terms of the offering of the Notes, including the merits and risks involved in an investment in the Notes.

By its acquisition of any Note, each purchaser and any subsequent transferee thereof will be deemed to have represented that it will comply with the deemed representations (if applicable) set forth under "Certain ERISA Considerations" below.

OFFERING CIRCULAR SUMMARY

This summary highlights certain material information contained elsewhere or incorporated by reference into this offering circular. Because this is a summary, it may not contain all of the information that is important to you when deciding whether to invest in the Notes. Therefore, you should carefully read this entire offering circular, as well as the information incorporated by reference herein, before investing. You should pay special attention to the information under "Risk Factors" beginning on page 8 of this offering circular as well as our financial statements and related notes in our 2020 Annual Report.

The Bank

The Bank is one of the larger independent commercial banks headquartered in California. The Bank is chartered by the State of California, and its deposits are insured by the FDIC to the maximum extent permitted by law. We conduct our banking business from our main office in Los Angeles, California, and through eleven full-service branch banking offices in California (Alhambra, Century City, City of Industry, Torrance, Arcadia, Irvine, Diamond Bar, Pico Rivera, Tarzana and San Francisco (2)) and one branch in Flushing, New York. In addition, the Bank operates a loan production office in the Houston suburb of Sugar Land, Texas. We offer a broad range of deposit and loan products and services to both commercial and consumer customers. We provide personalized deposit services as well as real estate finance, commercial loans and trade finance to small and mid-sized businesses, entrepreneurs, real estate developers, professionals and high net worth individuals. Although originally founded as a Chinese-American Bank, the Bank now derives most of its customers from the diversified mainstream market but does continue to benefit from the significant migration to California of ethnic Chinese from China and other areas of East Asia. The Bank has one inactive subsidiary and no active subsidiaries.

Our main office is located at 601 S. Figueroa Street, 48th Floor, Los Angeles, CA 90017 and our telephone number is (213) 891-1188. Our website is *www.preferredbank.com*. Information contained on our website is not part of or incorporated by reference into this offering circular.

Recent Developments

During May 2021 the Bank reversed $2.28 million of interest income related to the modification of a single troubled debt restructured loan. This reversal will impact earnings negatively for the second quarter of 2021.

THE OFFERING

The following summary highlights selected information from this offering circular about the Notes and this offering. This description is not complete and does not contain all of the information that you should consider before investing in the Notes. You should carefully read this offering circular and the documents incorporated by reference or deemed to be incorporated by reference herein and therein, before making a decision about whether to invest in the Notes. For a more complete understanding of the Notes, you should read "Description of Subordinated Notes."

Issuer	Preferred Bank, a California state-chartered bank
Notes Offered	% Fixed-to-Floating Rate Subordinated Notes due 2031
Aggregate Principal Amount	$
Issue Price	100%
Issue Date	June , 2021
Maturity Date	, 2031
Interest Rate	Fixed rate period: A fixed rate per annum of %. Floating rate period: A floating per annum rate equal to the Benchmark rate (which is expected to be Three-Month Term SOFR) plus basis points for each quarterly interest period during the floating rate period. Notwithstanding the foregoing, in the event that the Benchmark rate is less than zero, the Benchmark rate shall be deemed to be zero. For each interest period during the floating rate period, "Three-Month Term SOFR" means the rate for Term SOFR for a tenor of three months that is published by the Term SOFR Administrator at the Reference Time for any floating rate interest period, as determined by the calculation agent after giving effect to the Three-Month Term SOFR Conventions (each as defined under "Description of Subordinated Notes"). If the calculation agent determines on or prior to the relevant Reference Time for any floating rate interest period that a Benchmark Transition Event and its related Benchmark Replacement Date (each as defined under "Description of Subordinated Notes") have occurred with respect to Three-Month Term SOFR, then the provisions under "Description of Subordinated Notes—Effect of Benchmark Transition Event," which are referred to herein as the benchmark transition provisions, will thereafter apply to all determinations of the interest rate on the Notes for each interest period during the floating rate period. In accordance with the benchmark transition provisions, after a Benchmark Transition Event and its related Benchmark Replacement Date have occurred, the interest rate on the Notes for

	each interest period during the floating rate period will be an annual rate equal to the Benchmark Replacement (as defined under "Description of Subordinated Notes") plus basis points.
Calculation Agent..	We or an affiliate of ours will act as the initial calculation agent for the Notes during the floating rate period.
Interest Payment Dates................................	Fixed rate period: and of each year, commencing on , 2021. The last interest payment date for the fixed rate period will be , 2026. Floating rate period: , , , and of each year, commencing on , 2026.
Record Dates	Interest on each Note will be payable to the person in whose name such Note is registered on the 15th calendar day immediately preceding the applicable interest payment date.
Day Count Convention................................	Fixed rate period: 360-day year consisting of twelve 30-day months, but excluding , 2026. Floating rate period: 360-day year and the actual number of days elapsed.
Paying Agent and Registrar.........................	The Notes offered by this offering circular will be issued by us under a Issuing and Paying Agency Agreement between the Bank, as issuer, and U.S. Bank National Association, as issuing and paying agent and registrar (the "Paying Agent"), to be dated as of the issue date (the "Paying Agency Agreement"). Because the Notes will not be issued pursuant to an indenture, each holder will be responsible for acting independently with respect to certain matters affecting such holder's Note, including enforcing the agreements or covenants contained therein, responding to any requests for consents, waivers or amendments, giving written notice of default in performance of any agreements or covenants contained therein or accelerating the maturity of the Notes upon the occurrence of an Event of Default (as defined below).
No Guarantee...	The Notes represent the Bank's direct and unconditional obligations and are not guaranteed by any Bank subsidiary. **The Notes are not deposits and are not insured by the FDIC or any other government agency.**
Ranking; Subordination..............................	The Notes are subordinated and rank junior in right of payment to all of our senior indebtedness (including our deposits), as described in "Description of Subordinated Notes—Ranking; Subordination." For more information see "Description of Subordinated Notes—Ranking; Subordination." As of March 31, 2021, on a consolidated basis, the Bank's liabilities totaled approximately $4,908,735,000, which includes approximately $4,722,499,000 of deposit liabilities, $100 million of Outstanding Debentures (as hereinafter defined) that will be redeemed concurrently with the offering of Notes and $86,236,000

	of other liabilities. All of these liabilities are contractually or structurally senior to the Notes. The terms of the Notes do not limit the amount of debt, deposits or other obligations, secured and unsecured, ranking senior or equal in priority to the indebtedness evidenced by the Notes that the Bank or its subsidiaries may incur in the future.
Form and Denomination............................	The Notes will be offered in book-entry form only through the facilities of The Depository Trust Company (with its successors, "DTC") in minimum denominations of $100,000 and integral multiples of $1,000 in excess thereof. The Notes are not exchangeable for smaller denominations. The Notes will be denominated in U.S. dollars and all payments of interest and principal will be made in U.S. dollars.
Optional Redemption	The Bank may, at its option, beginning with the interest payment date of , 2026 and on any scheduled interest payment date thereafter, redeem the Notes, in whole or in part, from time to time subject to prior approval of the FDIC and DFPI, to the extent such approval is then required, at a redemption price equal to 100% of the principal amount of the Notes being redeemed plus accrued and unpaid interest to but excluding the date of redemption. If fewer than all of the Notes are to be redeemed, the Paying Agent will select the Notes for redemption on a pro rata basis, by lot or by such other method in accordance with the depository's procedures as the Paying Agent deems fair and reasonable.
Special Redemption....................................	We may also redeem the Notes at any time prior to their maturity, including prior to , 2026, subject to prior approval of the FDIC and the DFPI, to the extent such approval is then required, if (i) either a change or prospective change in law or a threatened challenge asserted in writing occurs that could prevent us from deducting interest payable on the Notes for U.S. federal income tax purposes; (ii) a subsequent event occurs that could preclude the Notes from being recognized as Tier 2 capital for regulatory capital purposes in each case; or (iii) we are required to register as an investment company pursuant to the Investment Company Act of 1940, as amended, in each case at a redemption price equal to 100% of the principal amount of the Notes plus any accrued and unpaid interest to but excluding the redemption date. For more information, see "Description of Subordinated Notes—Redemption."
Events of Default..	An event of default under the Notes will occur, and the payment of principal of the Notes may be accelerated, only in the event of a receivership or conservatorship, insolvency, liquidation or similar proceeding of the Bank. Neither the failure to pay principal of or interest on the Notes nor a failure to perform any other obligation of the Bank under the Paying Agency Agreement or the Notes constitutes an "Event of Default" in respect of the Notes, and no right of acceleration exists in any such case. For more information, see "Description of Subordinated Notes—Events of Default; Waiver."

	In addition, FDIC or DFPI consent may be required for any payments of interest.
Sinking Fund	There is no sinking fund for the Notes.
Future Issuances	The Notes will initially be limited to an aggregate principal amount of $. The Bank may from time to time, without the consent of the holders of the Notes, create and issue further Notes having the same terms and conditions as the Notes, except for the issue date, the issue price and first interest payment date. Additional Notes having such identical terms shall be consolidated and form a single series (including the same CUSIP number) with the previously outstanding Notes.
Use of Proceeds	We estimate that the net proceeds from this offering will be approximately $ million, after deducting the initial purchaser discount and our estimated offering expenses. We expect to use the net proceeds from this offering to redeem $100 million of the Bank's 2016 fixed to floating rate subordinated debentures ("Outstanding Debentures") plus accrued but unpaid interest thereon estimated to be $ as of June 15, 2021, and for general corporate purposes, which may include, among other things, funding loans or purchasing investment securities for our portfolio. See "Use of Proceeds."
No Listing	The Notes will not be listed on any securities exchange or quoted on any automated quotation system. Currently, there is no market for the Notes, and there is no assurance that any public market for the Notes will develop or be sustained following this offering.
No Registration	The Notes have not been, and are not required to be, registered with the Commission pursuant to the Securities Act. The Notes are exempt from registration with the Commission by virtue of an exemption pursuant to Section 3(a)(2) of the Securities Act.
Selling Restrictions	The Notes will be offered and sold only to institutional investors that are "accredited investors" within the meaning of Rule 501(a) under the Securities Act and each beneficial owner of a Note will be required to hold a beneficial interest in a $100,000 principal amount or any integral multiple of $1,000 in excess thereof at all times.
U.S. Federal Income Tax Considerations	For a discussion of material U.S. federal income tax considerations of purchasing, owning, and disposing of the Notes, see "Certain Material United States Federal Income Tax Consequences."
Governing Law	The Notes and the Paying Agency Agreement will be governed by the laws of the State of New York.
Risk Factors	An investment in the Notes involves a high degree of risk. See the section entitled "Risk Factors" beginning on page 8 of this offering circular and on page 31 of our 2020 Annual Report and incorporated by reference into this offering circular.

Book-running Managers	Piper Sandler & Co., Raymond James & Associates, Inc., Stephens Inc., and B. Riley Securities, Inc.

SUMMARY SELECTED FINANCIAL INFORMATION

The tables of selected unaudited financial information set forth below include selected unaudited financial data and other information for the Bank as of the dates or for the periods indicated. This information should be read in conjunction with the detailed information and financial information of the Bank available in the FDIC reports as described under “Incorporation of Certain Documents by Reference.” For more information, please see “Available Information” above. The selected unaudited financial information set forth below is derived from unaudited financial information and includes, in the opinion of management, all adjustments (consisting of normal recurring adjustments) necessary to present the information fairly.

Condensed Statements of Financial Condition

	March 31,		December 31,			
	2021	2020	2020	2019	2018	2017
	(Unaudited)		(audtied)			
	(In thousands)		(In thousands)			
Assets:						
Cash and due from banks	$ 921,626	$ 461,369	$ 739,465	$ 498,645	$ 526,759	$ 446,822
Federal funds sold	21,500	23,500	20,000	37,000	76,000	108,500
Cash and cash equivalents	943,126	484,869	759,465	535,645	602,759	555,322
Securities held-to-maturity, at amortized cost	6,039	7,077	6,568	7,310	8,007	8,780
Securities available-for-sale, at fair value	228,635	235,097	239,682	240,640	182,413	188,203
Loans	4,164,241	3,893,325	4,035,394	3,724,922	3,333,377	2,941,093
Less allowance for credit losses	(64,883)	(48,130)	(63,426)	(34,830)	(31,065)	(29,921)
Less unamortized deferred loan fees, net	(4,872)	(3,084)	(4,574)	(3,028)	(2,323)	(3,099)
Net loans	4,094,486	3,842,111	3,967,394	3,687,064	3,299,989	2,908,073
Loans held for sale, at lower of cost or fair value	-	-	-	-	-	440
Other real estate owned	-	-	-	-	-	4,112
Customers’ liability on acceptances	9,670	6,507	3,596	7,379	10,074	7,272
Bank furniture and fixtures, net	11,571	12,084	11,825	12,236	7,497	5,684
Bank-owned life insurance	9,893	9,635	9,828	9,571	9,317	9,066
Accrued interest receivable	23,095	14,809	23,692	14,961	14,266	11,291
Investment in affordable housing partnerships	59,824	51,400	62,521	53,142	43,848	34,708
Federal Home Loan Bank stock, at cost	15,000	13,101	15,000	13,101	11,933	11,077
Net deferred tax assets	25,573	22,459	24,466	19,560	19,640	17,476
Income tax receivable	-	4,461	-	3,368	-	2,713
Operating lease right-of-use assets	17,141	16,842	16,106	17,103	-	-
Other assets	3,951	7,182	$ 3,498	7,401	6,692	$ 5,642
Total assets	$ 5,448,004	$ 4,727,634	$ 5,143,641	$ 4,628,481	$ 4,216,435	$ 3,769,859
Liabilities and Shareholders’ Equity						
Noninterest-bearing demand deposits	$ 1,026,260	$ 753,750	$ 938,911	$ 835,790	$ 730,096	$ 659,487
Interest-bearing demand deposits	1,751,951	1,503,618	1,700,818	1,328,863	1,397,006	1,353,974
Savings deposits	37,551	23,035	34,702	23,784	20,369	24,429
Time certificates of $250,000 or more	927,043	1,030,282	912,546	976,727	738,626	621,648
Other time certificates	979,694	775,792	855,503	818,130	753,588	603,152
Total deposits	4,722,499	4,086,477	$ 4,442,480	$ 3,983,294	$ 3,639,685	$ 3,262,690
Acceptances outstanding	9,670	6,507	3,596	7,379	10,074	7,272
Advances from Federal Home Loan Bank and Fed funds purchased	-	-	-	-	1,307	6,401
Subordinated debt issuance, net	99,365	99,242	99,334	99,211	99,087	98,963
Accrued interest payable	2,619	4,377	1,245	3,324	6,839	3,833
Commitments to fund investment in affordable housing partnerships	27,918	21,195	30,715	24,149	19,530	18,523
Operating lease liabilities	19,331	20,007	18,682	20,497	-	-
Other liabilities	27,333	16,044	22,142	20,612	23,262	17,143
Total liabilities	4,908,735	4,253,849	4,618,194	4,158,466	3,799,784	3,414,825
Shareholders’ equity	539,269	473,785	525,447	470,015	416,651	355,034
Total liabilities and shareholders’ equity	$ 5,448,004	$ 4,727,634	$ 5,143,641	$ 4,628,481	$ 4,216,435	$ 3,769,859

Condensed Statements of Operations and Comprehensive Income

	Three months ended March 31,		Twelve months ended December 31,			
	2021	**2020**	**2020**	**2019**	**2018**	**2017**
	(In thousands, except share and per share data)					
Interest income:						
Loans and leases	$ 49,859	$ 51,564	203,093	207,218	178,420	144,678
Investment securities	2,277	3,979	10,954	18,542	14,877	11,792
Federal funds sold	24	124	215	961	1,868	1,130
Total interest income	52,160	55,667	214,262	226,721	195,165	157,600
Interest expense:						
Interest-bearing demand	1,437	3,368	7,761	17,956	13,934	7,901
Savings	19	14	72	54	60	72
Time certificates of $250,000 or more	1,918	4,852	13,767	19,505	11,102	5,907
Other time certificates	1,909	4,111	12,384	18,427	9,651	7,726
FLHB borrowings	-	-	-	19	65	167
Subordinated debt	1,531	1,531	6,124	6,123	6,124	6,123
Total interest expense	6,814	13,876	40,108	62,084	40,936	27,896
Net interest income before provision for credit losses	45,346	41,791	174,154	164,637	154,229	129,704
Provision for credit losses	1,400	5,300	26,000	3,450	10,130	5,500
Net interest income after provision for credit losses	43,946	36,491	148,154	161,187	144,099	124,204
Noninterest income:						
Fees and service charges on deposit accounts	426	405	1,627	1,579	1,201	1,269
Letter of credit fee income	808	848	3,284	3,821	3,927	2,635
BOLI income	96	94	381	370	361	351
Net loss on sale of loans	(379)	-	-	-	-	-
Net gain on sale of other real estate owned	-	-	-	-	2,038	-
Net gain (loss) on sale or call of investment securities	-	-	(761)	-	112	4
Other income	396	325	1,532	1,696	1,762	1,565
Total noninterest income	1,347	1,672	6,063	7,466	9,401	5,824
Noninterest expense:						
Salaries and employee benefits	11,123	10,902	39,563	38,807	34,741	30,041
Net occupancy expense	1,401	1,396	5,525	5,121	5,299	4,942
Business development and promotion expense	73	151	564	840	816	883
Professional services	981	1,014	4,078	4,417	5,989	4,390
Office supplies and equipment expense	438	489	1,845	1,853	1,464	1,340
Loss on sale of OREO and related expense	-	1	6	1,220	615	563
Other	1,636	1,231	5,777	4,989	5,878	7,389
Total noninterest expense	15,652	15,184	57,358	57,247	54,802	49,546
Income before income taxes	29,641	22,979	96,859	111,406	98,698	80,480
Income tax expense	8,447	6,825	27,391	33,035	27,705	37,086
Net income	$ 21,194	$ 16,154	69,468	78,371	70,993	43,394
Income allocated to participating securities	(2)	(31)	(134)	(490)	(913)	(361)
Dividends allocated to participating securities	(1)	(20)	(60)	(176)	(253)	(138)
Net income available to common shareholders – basic	$ 21,191	$ 16,103	69,274	77,705	69,827	42,895
Income reallocated to participating securities	-	-	-	-	-	1
Net income available to common shareholders – diluted	21,191	16,103	69,274	77,705	69,827	42,896
Other comprehensive income (loss):						
Unrealized net gain (loss) on securities available-for-sale	(3,946)	(1,901)	3,502	8,220	(4,547)	3,180
Less: reclassification adjustments included in net income	-	-	(761)	-	112	-
Other comprehensive income (loss), before tax	(3,946)	(1,901)	4,264	8,220	(4,659)	3,180
Income tax (benefit) related to items of other comprehensive income (loss)	1,107	533	1,197	2,271	(1,307)	1,344
Other comprehensive income (loss), net of tax	(2,839)	(1,368)	3,067	5,949	(3,352)	1,836
Comprehensive income	$ 18,355	$ 14,786	72,535	84,320	67,641	45,230
Net income per share						
Basic	$ 1.42	$ 1.08	$ 4.65	$ 5.16	$ 4.64	$ 2.97
Diluted	$ 1.42	$ 1.08	$ 4.65	$ 5.16	$ 4.64	$ 2.96
Weighted-average common shares outstanding						
Basic	14,950,019	14,870,715	14,885,230	15,060,476	15,056,919	14,438,964
Diluted	14,950,019	14,870,715	14,885,230	15,060,476	15,059,845	14,492,671

Financial Ratios

	At or for the Quarter Ended March 31,		At or for the Year Ended December 31,			
	2021	**2020**	**2020**	**2019**	**2018**	**2017**
Selected Financial Ratios:						
Return on average assets	1.65%	1.40%	1.41%	1.82%	1.84%	1.24%
Return on average shareholders' equity	15.97%	13.67%	14.00%	17.43%	18.22%	13.79%
Shareholders' equity to assets	9.90%	10.02%	10.22%	10.15%	9.88%	9.42%
Net interest margin	3.61%	3.70%	3.62%	3.92%	4.08%	3.80%
Efficiency ratio	33.52%	34.93%	31.83%	33.26%	33.49%	36.56%
Selected Asset Quality Ratios:						
Non-performing loans to total loans	0.53%	0.05%	0.51%	0.06%	1.34%	0.22%
Non-performing assets to total assets	0.40%	0.04%	0.40%	0.05%	1.06%	0.28%
Allowance for credit losses to total loans	1.56%	1.24%	1.57%	0.94%	0.93%	1.02%
Allowance for credit losses to non-performing loans	2.95x	22.64x	3.09x	16.31x	0.69x	4.61x
Net charge-offs (recoveries) to average loans	-0.01%	0.00%	0.14%	-0.01%	0.29%	0.08%
Liquidity and Capital Ratios:						
Tier 1 leverage capital ratio	10.26%	10.05%	10.08%	10.32%	10.16%	9.52%
Common equity tier 1 risk-based capital ratio	11.34%	10.80%	11.21%	10.57%	10.43%	10.07%
Tier 1 risk-based capital ratio	11.34%	10.80%	11.21%	10.57%	10.43%	10.07%
Total risk-based capital ratio	14.73%	14.26%	14.64%	13.70%	13.77%	13.83%

RISK FACTORS

An investment in the Notes involves a high degree of risk. There are risks, many beyond our control that could cause our financial condition, liquidity or results of operations to differ materially from management's expectations. This offering circular does not describe all of those risks. The following is a list of certain risks specific to the Notes. Before purchasing a Note, you should carefully consider these risks and the more detailed explanation of risks described on page 31 of our 2020 Annual Report under the caption "Item 1A. Risk Factors" as well as any amendment or update to our risk factors reflected in subsequent filings, and other information included in or incorporated by reference into this offering circular. Any of these risks, by itself or together with one or more other factors, may materially and adversely affect our business, results of operations, liquidity or financial condition, perhaps materially. These risks and the risks presented below are not the only risks that we face. Additional risks that we do not presently know or that we currently deem immaterial may also have a material adverse effect on our business, results of operations, liquidity or financial condition. Further, to the extent that any of the information contained herein constitutes forward-looking statements, the risk factors below and in the documents incorporated by reference also are cautionary statements identifying important factors that could cause actual results to differ materially from those expressed in any such forward-looking statements. See "Cautionary Note Regarding Forward-Looking Statements" on page iii of this offering circular.

The subordinated notes are unsecured and subordinated to our existing and future senior indebtedness.

The Notes will be unsecured, subordinated obligations of the Bank, and, consequently, will rank junior in right of payment to all of our secured and unsecured senior indebtedness, including claims of depositors and general creditors (other than in respect of trade receivables), now existing or that we incur in the future, as described under "Description of Subordinated Notes—Ranking; Subordination," and any other obligations that are subject to any priority or preferences under applicable law. As a result, if the Bank becomes subject to any receivership, conservatorship, insolvency or similar proceeding, or in the case of any liquidation or other winding-up of or relating to us, to the extent applicable, all holders of senior indebtedness and any other obligations that are subject to any priority or preferences under applicable law will be entitled to receive payment in full of all amounts due or to become due before the holders of the Notes will be entitled to receive any payment of principal of or interest on the Notes. In addition, in the event of and during the continuation of any default in the payment of principal of or interest on any senior indebtedness beyond any applicable grace period, or in the event that any event of default with respect to any senior indebtedness permits the acceleration of the maturity of such senior indebtedness, or if any judicial proceeding is pending with respect to the default in payment or event of default of such senior indebtedness, no payment on the principal of or interest on the Notes will be made unless and until the event of default with respect to such senior indebtedness has been cured or waived and the acceleration rescinded or annulled. As of March 31, 2021, on a consolidated basis, the Bank's liabilities totaled approximately $4,908,735,000, which includes approximately $$4,722,499,000 of deposit liabilities, $100 million of Outstanding Debentures that will be redeemed concurrently with the offering of Notes, and $86,236,000 of other liabilities. All of these liabilities are contractually or structurally senior to the Notes.

As a consequence of the subordination of the Notes to our existing and future senior indebtedness and any other obligations that are subject to any priority or preferences under applicable law, an investor in the Notes may lose all or some of its investment if the Bank becomes subject to any receivership, conservatorship, insolvency or similar proceeding, or in the case of any liquidation or other winding-up of or relating to us, to the extent applicable. In such an event, our assets would be available to pay the principal of, and any accrued and unpaid interest on, the Notes only after all senior indebtedness and other obligations that are subject to any priority or preferences under applicable law have been paid in full. In such an event, any other general, unsecured obligations that do not constitute senior indebtedness, depending upon their respective priority or preferences, will share pro rata in our remaining assets after we have paid in full all senior indebtedness and other obligations that are subject to any priority or preferences under applicable law.

The Notes are not savings accounts or deposits of any bank, and are not insured by the FDIC or any other governmental agency or instrumentality, and are not guaranteed by any of our affiliates.

The Notes are not savings accounts, deposits or other obligations of a bank and are not insured or guaranteed by the FDIC or any other government agency or instrumentality. An investment in the Notes has risks, and you may lose your entire investment. The Federal Deposit Insurance Act (the "FDIA") provides that, in the event of the receivership or other resolution of an insured depository institution, the claims of its insured and uninsured depositors (including claims by the FDIC as subrogee of insured depositors) and certain claims for administrative expenses of the FDIC as receiver are entitled to priority over other general unsecured claims against such an institution. As a result, in the event of the Bank's liquidation or other resolution, claims of general unsecured creditors of the Bank (including holders of the Notes) would be subordinated to claims of a receiver for administrative expenses and claims of holders of insured and uninsured deposit liabilities of the Bank (including the FDIC, as the subrogee of such holders). In any of the foregoing events, the Bank may not have sufficient assets to pay amounts due on the Notes. Consequently, if holders of the Notes receive any payments, they may receive less, ratably, than holders of secured debt and depositors.

While we do not have currently any active subsidiaries, we may have subsidiaries in the future and they may incur indebtedness and other obligations. The Notes are structurally subordinated to the obligations of our subsidiaries, and the holders of those obligations will be entitled to receive payment in full of those obligations before we participate in any distribution of the assets of our subsidiaries in the event of their liquidation or insolvency.

The Notes are unsecured, subordinated obligations solely of the Bank and are not obligations of, or guaranteed by any Bank subsidiary. If we own active subsidiaries in the future they will be a separate and distinct legal entity from those subsidiaries. Future subsidiaries likely will have no obligation to pay any amounts to us, including any dividends, to make any other distributions to us or to provide us with funds to meet any of our obligations. Our rights and the rights of our creditors, including the holders of the Notes, to participate in any distribution of the assets of our subsidiaries (either as a stockholder or as a creditor), upon a liquidation, reorganization, insolvency or receivership of any such subsidiary (and the consequent right of the holders of the Notes to participate in those assets after repayment of our senior indebtedness), will be subject to and effectively subordinated to the claims of the creditors of any such subsidiary. In addition, we may become subject to regulatory requirements that we satisfy any deposit liabilities prior to servicing our debt obligations, such as the Notes. As a consequence of the foregoing, the Notes are structurally subordinated to the senior indebtedness and liabilities of our subsidiaries. As of March 31, 2021, our single inactive subsidiary has no outstanding indebtedness and other liabilities that would rank structurally senior to the subordinated notes.

We have the ability to issue additional Notes or incur additional debt under the terms of the Notes or otherwise, and the limited covenants related to the Notes do not restrict our ability to do so.

The covenants in the Notes are limited. The terms of the Notes do not limit our ability to issue additional Notes or to incur additional debt, including senior indebtedness and other indebtedness of any type. Our incurrence of additional debt or liabilities may adversely affect our ability to pay our obligations on the Notes, the credit ratings on the Notes, and the liquidity and market values of the Notes. The Notes contain no restrictions on granting security interests or liens on our assets or issuing or repurchasing our other securities. As a result, the Notes generally do not protect you in the event of an adverse change in our financial condition or results of operations. In addition, we are not required to maintain any financial ratios or specific levels of capital and surplus or liquidity in connection with the Notes. The Notes will not contain any provision that would provide protection to their holders against a decline in credit quality resulting from a merger, takeover, recapitalization, or similar restructuring of us or our affiliates or significant sales of our capital stock by the holders of such stock or any other event involving us or our affiliates that may adversely affect our credit quality.

The Notes are subject to limited rights of acceleration and may only be accelerated in the event we are subject to any insolvency, receivership, conservatorship, liquidation or a similar proceeding.

Payment of principal of the Notes may be accelerated by the holders of the Notes only in the event of the Bank's insolvency, receivership, conservatorship, liquidation or similar proceeding. Thus, you have no right to accelerate the payment of principal of the Notes if we fail in the performance of any of our obligations under the Notes or the Paying Agency Agreement. The FDIC or DFPI could require us to obtain prior regulatory approval to pay interest on the Notes if our capital was determined to be insufficient by the FDIC or DFPI or would be deemed by the

FDIC or DFPI insufficient upon such payment.

The FDIC has broad power to override acceleration rights of the holders in a conservatorship or receivership of the Bank.

Although the Notes permit holders to accelerate the Notes upon certain events involving insolvency, liquidation or other resolution, or the appointment of a conservator, receiver or liquidator, of the Bank or substantially all of its property, the FDIC as conservator or receiver has broad powers with respect to contracts, including the Notes, in spite of any acceleration provision, including the authority to repudiate such contracts.

Notwithstanding any provisions of the Notes, the FDIC as receiver or conservator has the right to transfer or direct the transfer of the obligations of the Notes to any bank or bank holding company, and such assuming institution shall expressly assume the obligation of the due and punctual payment of the unpaid principal, and interest and premium, if any, on the Notes and the due and punctual performance of all covenants and conditions. Any such transfer and assumption shall supersede and void any default, acceleration or subordination which may have occurred, or which may occur due or related to such transaction, plan, transfer or assumption, pursuant to the provisions of the Notes; except that any interest and principal previously due, other than by reason of acceleration, and not paid shall, in the absence of a contrary agreement by the holder of the Notes, be deemed to be immediately due and payable as of the date of such transfer and assumption, together with the interest from its original due date at the applicable rate specified in the Notes.

The Notes will not be issued pursuant to an indenture and each holder must act independently.

The Bank is not required to qualify an indenture under the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"), in connection with the Notes and has not entered into any trust indenture governing the Notes. The Notes will be subject to a Paying Agency Agreement. The Paying Agent is not a fiduciary for the holders of the Notes and is not required to enforce the rights of the holders of the Notes, including the rights to receive principal and interest. See "Description of Subordinated Notes—The Paying Agent and Certain Other Provisions of the Paying Agency Agreement." In addition, as DTC or its nominee will be the registered holder of all Notes, DTC or its nominee will be the only entity that can enforce the obligations under the Notes, respond to requests for consents, waivers or amendments, and exercise other rights of holders of Notes. Therefore, a beneficial owner of Notes generally must rely on the procedures of DTC and of those other parties through whom such owner's interest in the Notes is held to exercise any rights of a holder of the Notes. Each holder will be responsible for acting independently with respect to certain matters affecting such holder's Note, including enforcing the agreements or covenants contained therein, responding to any requests for consents, waivers or amendments, giving written notice of default in performance of any agreements or covenants contained therein or accelerating the maturity of the Notes upon the occurrence of an Event of Default (as defined below). If the purchaser of any Notes is a depository institution, our obligations under the Notes to that depository institution will be subject to a specific waiver of the right of offset by that depository institution.

The limited covenants applicable to the Notes will not protect your investment.

We are not restricted from incurring additional indebtedness or other liabilities, including additional senior debt, secured debt or subordinated debt, under the terms of the Notes. We also are not restricted under the Notes from granting security interests over our assets, or from paying dividends or issuing or repurchasing our securities. In addition, there are no financial ratios or specific levels of capital and surplus or liquidity that the Bank is required to maintain in connection with the Notes. The Notes do not contain any provision that would provide protection to the holders of the Notes against a decline in credit quality resulting from a merger, takeover, recapitalization or similar restructuring of the Bank or any other event involving the Bank that may adversely affect the credit quality of the Bank.

We may not be able to generate sufficient cash to service all of our debt, including the Notes.

Our ability to make scheduled payments of principal and interest, or to satisfy our obligations in respect of our debt or to refinance our debt, will depend on our future performance. Prevailing economic conditions (including interest rates), regulatory constraints, required capital levels, and financial, business, and other factors, many of which are beyond our control, will also affect our ability to meet these needs. Our subsidiaries may not be able to generate sufficient cash flows from operations, or we may be unable to obtain future borrowings in an amount sufficient to enable us to pay our debt, or to fund our other liquidity needs. We may need to refinance all or a portion of our debt on or before maturity. We may not be able to refinance any of our debt when needed (including, without limitation, upon commencement of the floating rate period) on commercially reasonable terms or at all.

Changes in law may affect the value of the Notes.

The terms and conditions of the Notes are based on the laws of the State of New York and all applicable U.S. federal laws and regulations. No assurance can be given as to the impact of any possible judicial decision or change to the laws of the State of New York or of the United States or administrative practice after the date of this offering circular.

The Notes may not be a suitable investment for all investors.

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- Have sufficient knowledge and appropriate analytical tools to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained in this offering circular and any applicable offering circular supplement or pricing supplement;

- Have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio; and

- Have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including the potential loss of some or all of the principal amount.

You may be unable to sell the Notes because there is no public trading market for the Notes.

The Notes are a new issue of securities with no established trading market. We do not intend to apply for listing of the Notes on any securities exchange. Consequently, the Notes will be relatively illiquid and you may be unable to sell your Notes. Although the initial purchasers have advised us that, following completion of the offering of the Notes, the initial purchasers may from time to time purchase and sell Notes in the secondary market, the initial purchasers are not obligated to do so, and the initial purchasers may discontinue any market-making activity at any time without notice. Accordingly, a trading market for the Notes may not develop or any such market may not have sufficient liquidity.

If a trading market for the Notes develops, changes in the debt markets, among others, could adversely affect your ability to liquidate your investment in the Notes and the market price of the Notes.

Many factors could affect the trading market for, and the trading value of, the Notes. These factors include: the method of calculating the principal, premium, if any, interest, or other amounts payable, if any, on the Notes; the time remaining to the maturity of the Notes; the ranking of the Notes; the redemption features of the Notes; the outstanding amount of subordinated notes with terms identical to the Notes offered hereby; the prevailing interest rates being paid by other companies similar to us; changes in U.S. interest rates; whether the ratings on the Notes or us provided by any rating agency have changed; our financial condition, financial performance, and future prospects; the level, direction, and volatility of market interest rates generally; general economic conditions of the capital markets in the United States; and geopolitical conditions and other financial, political, regulatory, and judicial events that affect the capital markets generally. The condition of the financial markets and prevailing interest rates have fluctuated significantly in the past and are likely to fluctuate in the future. Such fluctuations could adversely affect the trading market (if any) for, and the market price of, the Notes.

Because the Notes may be redeemed at our option under certain circumstances prior to their maturity, if we elect to redeem all or any portion of the Notes, you may be subject to reinvestment risk.

On or after , 2026, we may, at our option, redeem the Notes in whole or in part on each interest payment date. In addition, we may also redeem the Notes prior to maturity, at our option, in whole but not in part, if: (i) either a change or prospective change in law or a threatened challenge asserted in writing occurs that could prevent us from deducting interest payable on the Notes for U.S. federal income tax purposes; (ii) a subsequent event occurs that could preclude the Notes from being recognized as Tier 2 capital for regulatory capital purposes; or (iii) we are required to register as an investment company pursuant to the Investment Company Act of 1940, as amended. The redemption price for any redemption is 100% of the principal amount of the Notes, plus accrued and unpaid interest thereon to, but excluding, the date of redemption. Any early redemption of the Notes will be subject to the receipt of the prior approval of the FDIC and the DFPI, to the extent such approval is then required. Any such redemption may have the effect of reducing the income or return that you may receive on an investment in the Notes by reducing the term of the investment. Under current regulatory capital guidelines, the aggregate principal amount of the Notes that will count as Tier 2 capital will be reduced by 20% in each of the last five years prior to the maturity date of the Notes. As a result, we may be more likely to redeem the Notes prior to their maturity date. If this occurs, you may not be able to reinvest the proceeds at an interest rate comparable to the rate paid on the Notes. See "Description of Subordinated Notes—Redemption."

We may elect to redeem the Notes on or after the date on which they become redeemable at our option; however, investors should not expect us to make such election on such date when the Notes are first redeemable. Under the FDIC and DFPI regulations, unless the FDIC and the DFPI authorizes us in writing to do otherwise, we may not redeem the Notes unless they are replaced with other Tier 2 capital instruments or unless we can demonstrate to the satisfaction of the FDIC and the DFPI that, following redemption, we will continue to hold capital commensurate with our risk profile and then-current regulatory standards.

The amount of interest payable on the Notes will vary after , 2026.

During the fixed rate period, the Notes will bear interest at an initial rate of % per annum. Thereafter, the Notes will bear interest at a floating rate per annum equal to the Benchmark rate (which is expected to be Three-Month Term SOFR) plus basis points, subject to the provisions under "Description of Subordinated Notes—Principal and Interest Payments." The per annum interest rate that is determined at the reference time for each interest period will apply to the entire quarterly interest period following such determination date even if the Benchmark rate increases during that period.

Floating rate notes bear additional significant risks not associated with fixed rate debt securities. These risks include fluctuation of the interest rates and the possibility that you will receive an amount of interest that is lower than expected. We have no control over a number of matters that may impact prevailing interest rates, including, without limitation, economic, financial, and political events that are important in determining the existence, magnitude, and longevity of market volatility, and other risks and their impact on the value of, or payments made on, the Notes. In recent years, interest rates have been volatile, and that volatility may be expected in the future.

Our published credit ratings may not reflect all risks of an investment in the Notes, and changes in our published credit ratings may adversely affect your investment in the Notes.

The published credit ratings of the Bank or our indebtedness are an assessment by rating agencies of our ability to pay our debts when due. These ratings are not recommendations to purchase, hold, or sell the Notes, inasmuch as the ratings do not comment as to market price or suitability for a particular investor, are limited in scope, and do not address all material risks relating to an investment in the Notes, but rather reflect only the view of each rating agency at the time the rating is issued. The published credit ratings assigned to the Notes may not reflect the potential impact of all risks related to structure and other factors on any trading market for, or trading value of, the Notes. In addition, any real or anticipated changes in our published credit ratings will generally affect the trading market for, or the trading value of, the Notes.

Accordingly, you should consult your own financial and legal advisors as to the risks entailed in an investment in the Notes and the suitability of investing in the Notes in light of your particular circumstances.

SOFR differs fundamentally from, and may not be a comparable substitute for, U.S. dollar LIBOR.

In June 2017, the Alternative Reference Rates Committee ("ARRC") convened by the Federal Reserve and the Federal Reserve Bank of New York ("FRBNY") announced SOFR as its recommended alternative to LIBOR for U.S. dollar obligations. However, because SOFR is a broad U.S. Treasury repurchase agreement ("repo") financing rate that represents secured overnight funding transactions, it differs fundamentally from LIBOR. For example, SOFR is a secured overnight rate, while LIBOR is an unsecured rate that represents interbank funding. In addition, because SOFR is a transaction-based rate, it is backward-looking, whereas LIBOR is forward-looking. Because of these and other differences, there is no assurance that SOFR will perform in the same way as LIBOR would have performed at any time, and there is no guarantee that it is a comparable substitute for LIBOR.

Any failure of SOFR to gain market acceptance could adversely affect holders of the Notes.

SOFR may fail to gain market acceptance. SOFR was developed for use in certain U.S. dollar derivatives and other financial contracts as an alternative to LIBOR in part because it is considered to be a good representation of general funding conditions in the overnight U.S. Treasury repo market. However, as a rate based on transactions secured by U.S. Treasury securities, it does not measure bank-specific credit risk and, as a result, is less likely to correlate with the unsecured short-term funding costs of banks. This may mean that market participants would not consider SOFR to be a comparable substitute or successor for all of the purposes for which LIBOR historically has been used (including, without limitation, as a representation of the unsecured short-term funding costs of banks), which may, in turn, lessen its market acceptance. Any failure of SOFR to gain market acceptance could adversely affect the yield on, value of, and market for the Notes.

Investors should not rely on indicative or historical data concerning SOFR.

The interest rate during the floating rate period will be determined using Three-Month Term SOFR (unless a Benchmark Transition Event and its related Benchmark Replacement Date occur with respect to Three-Month Term SOFR, in which case the rate of interest will be based on the next-available Benchmark Replacement, which is Compounded SOFR). In the following discussion of SOFR, when we refer to the Notes, we mean the Notes at any time during the floating rate period when the interest rate on the Notes is or will be determined based on SOFR, including Three-Month Term SOFR.

SOFR is published by the FRBNY and is intended to be a broad measure of the cost of borrowing cash overnight collateralized by U.S. Treasury securities. FRBNY reports that SOFR includes all trades in the Broad General Collateral Rate, plus bilateral U.S. Treasury repo transactions cleared through the delivery-versus-payment service offered by the Fixed Income Clearing Corporation (the "FICC"), a subsidiary of DTC. SOFR is filtered by FRBNY to remove a portion of the foregoing transactions considered to be "specials." According to FRBNY, "specials" are repos for specific-issue collateral which take place at cash-lending rates below those for general collateral repos because cash providers are willing to accept a lesser return on their cash in order to obtain a particular security.

FRBNY reports that SOFR is calculated as a volume-weighted median of transaction-level tri-party repo data collected from The Bank of New York Mellon, which currently acts as the clearing bank for the tri-party repo market, as well as General Collateral Finance Repo transaction data and data on bilateral U.S. Treasury repo transactions cleared through the FICC's delivery-versus-payment service. FRBNY states that it obtains information from DTCC Solutions LLC, an affiliate of DTC.

FRBNY currently publishes SOFR daily on its website at *https://apps.newyorkfed.org/markets/autorates/sofr*. FRBNY states on its publication page for SOFR that use of SOFR is subject to important disclaimers, limitations, and indemnification obligations, including that FRBNY may alter the methods of calculation, publication schedule, rate revision practices, or availability of SOFR at any time without notice. The foregoing Internet website is an inactive textual reference only, meaning that the information contained on the website is not part of this offering circular or incorporated by reference herein.

FRBNY started publishing SOFR in April 2018. FRBNY has also started publishing historical indicative SOFRs dating back to 2014, although such historical indicative data inherently involves assumptions, estimates and approximations. Investors should not rely on such historical indicative data or on any historical changes or trends in SOFR as an indicator of the future performance of SOFR. Since the initial publication of SOFR, daily changes in the rate have, on occasion, been more volatile than daily changes in comparable benchmark or market rates, and SOFR over time may bear little or no relation to the historical actual or historical indicative data. In addition, the return on and value of the Notes may fluctuate more than floating rate securities that are linked to less volatile rates.

Changes in SOFR could adversely affect holders of the Notes.

Because SOFR is published by FRBNY based on data received from other sources, we have no control over its determination, calculation, or publication. There is no assurance that SOFR will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in the Notes. If the manner in which SOFR is calculated is changed, that change may result in a reduction in the amount of interest that accrues on the Notes during the floating rate period, which may adversely affect the trading prices of the Notes. Further, if the Benchmark rate on the Notes during the floating rate period on any determination date declines to zero or becomes negative, the Benchmark rate will be deemed to equal zero. In addition, once the Benchmark rate for the Notes for each interest period during the floating rate period is determined by the calculation agent on the determination date, interest on the Notes shall accrue at such Benchmark rate for the applicable interest period and will not be subject to change during such interest period. There is no assurance that changes in SOFR will not have a material adverse effect on the yield on, value of, and market for the Notes.

The interest rate for the Notes during the applicable floating rate period may be determined based on a rate other than Three-Month Term SOFR.

Under the terms of the Notes, the interest rate on the Notes for each interest period during the applicable floating rate period will be based on Three-Month Term SOFR, a forward-looking term rate for a tenor of three months that will be based on SOFR. Three-Month Term SOFR does not currently exist and is currently being developed under the sponsorship of the ARRC. There is no assurance that the development of Three-Month Term SOFR, or any other forward-looking term rate based on SOFR, will be completed. Uncertainty surrounding the development of forward-looking term rates based on SOFR could have a material adverse effect on the return on, value of, and market for the Notes. If, at the commencement of the applicable floating rate period for the Notes, the Relevant Governmental Body (as defined in "Description of Subordinated Notes" below) has not selected or recommended a forward-looking term rate for a tenor of three months based on SOFR, the development of a forward-looking term rate for a tenor of three months based on SOFR that has been recommended or selected by the Relevant Governmental Body is not complete or we determine that the use of a forward-looking rate for a tenor of three months based on SOFR is not administratively feasible, then the next-available Benchmark Replacement under the benchmark transition provisions will be used to determine the interest rate on the Notes during the applicable floating rate period (unless a Benchmark Transition Event and its related Benchmark Replacement Date occur with respect to that next-available Benchmark Replacement).

Under the terms of the Notes, we are expressly authorized to make determinations, decisions, or elections with respect to technical, administrative, or operational matters that we decide are appropriate to reflect the use of Three-Month Term SOFR as the interest rate basis for the Notes, which are defined in the terms of the notes as "Three-Month Term SOFR Conventions." For example, assuming that a form of Three-Month Term SOFR is developed, it is not currently known how or by whom rates for Three-Month Term SOFR will be published. Accordingly, we will need to determine and to instruct the calculation agent concerning the manner and timing for its determination of the applicable Three-Month Term SOFR during the applicable floating rate period. Our determination and implementation of any Three-Month Term SOFR Conventions could result in adverse consequences to the amount of interest that accrues on the Notes during the applicable floating rate period, which could adversely affect the return on, value of, and market for the Notes.

Any Benchmark Replacement may not be the economic equivalent of Three-Month Term SOFR.

Under the benchmark transition provisions of the Notes, if the calculation agent determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to Three-Month Term SOFR, then the floating interest rate on the Notes for each interest period during the floating rate period will be determined using the next-available Benchmark Replacement (which may include a related Benchmark Replacement

Adjustment (as defined under "Description of Subordinated Notes")). However, the Benchmark Replacement may not be the economic equivalent of Three-Month Term SOFR. For example, Compounded SOFR, the first-available Benchmark Replacement, is the compounded average of the daily SOFR calculated in arrears, while Three-Month Term SOFR is intended to be a forward-looking rate with a tenor of three months. In addition, very limited market precedent exists for securities that use Compounded SOFR as the rate basis, and the method for calculating Compounded SOFR in those precedents varies. Further, the International Swaps and Derivatives Association ("ISDA") Fallback Rate, which is another Benchmark Replacement, has not yet been established and may change over time.

The implementation of Benchmark Replacement Conforming Changes could adversely affect holders of the Notes.

Under the benchmark transition provisions of the Notes, if Three-Month Term SOFR has been discontinued or if a particular Benchmark Replacement or Benchmark Replacement Adjustment cannot be determined, then the next-available Benchmark Replacement or Benchmark Replacement Adjustment will apply. These replacement rates and adjustments may be selected or formulated by: (i) the Relevant Governmental Body (such as the ARRC); (ii) ISDA; or (iii) in certain circumstances, us. In addition, the benchmark transition provisions expressly authorize us to make certain changes, which are defined in the terms of the Notes as "Benchmark Replacement Conforming Changes," with respect to, among other things, the determination of interest periods, and the timing and frequency of determining rates and making payments of interest. The application of a Benchmark Replacement and Benchmark Replacement Adjustment, and any implementation of Benchmark Replacement Conforming Changes, could result in adverse consequences to the amount of interest that accrues on the Notes during any interest period during the floating rate period, which could adversely affect the yield on, value of, and market for the Notes. Further, there is no assurance that the characteristics of any Benchmark Replacement will be similar to the then-current Benchmark rate that it is replacing or that any Benchmark Replacement will produce the economic equivalent of the then-current Benchmark rate that it is replacing.

Also, since SOFR is a relatively new market index, SOFR-linked debt securities likely will have no established trading market when issued, and an established trading market may never develop or be sustained and, even if a trading market does develop, it may not be very liquid. Market terms for debt securities indexed to SOFR, such as the spread over the index reflected in interest rate provisions, may evolve over time, and trading prices of the Notes may be lower than those of later-issued SOFR-linked debt securities as a result. Similarly, if SOFR does not prove to be widely used in securities similar to the Notes, the trading price of the Notes may be lower than those of debt securities linked to such rates that are more widely used. Debt securities indexed to SOFR (as the Notes are expected to be) may not be able to be sold at all or may not be able to be sold at prices that will provide a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk.

We could have authority to make determinations and elections that could affect the return on, value of, and market for the Notes.

Under the terms of the Notes, we may make certain determinations, decisions, and elections with respect to the Benchmark rate on the Notes during the floating rate period, including, without limitation, any determination, decision, or election required to be made by the calculation agent that the calculation agent fails to make. We will make any such determination, decision, or election in our sole discretion, and any such determination, decision, or election that we make could affect the amount of interest that accrues on the Notes during any interest period in the floating rate period. If the calculation agent fails, when required, to make a determination that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred, or fails, when required, to determine the Benchmark Replacement and Benchmark Replacement Adjustment, then we will make those determinations in our sole discretion. Furthermore, we or an affiliate of ours may assume the duties of calculation agent. We will act as the initial calculation agent, and we cannot assure you that we will appoint an independent third-party calculation agent at any time. Any exercise of discretion by us under the terms of the Notes, including, without limitation, any discretion exercised by us or by an affiliate acting as calculation agent, could present a conflict of interest. In making the required determinations, decisions, and elections, we or an affiliate of ours acting as calculation agent may have economic interests that are adverse to the interest of the holders of the Notes, and those determinations, decisions, or elections could have a material adverse effect on the yield on, value of, and market for the Notes. All determinations, decisions, or elections by us, or by us or an affiliate acting as calculation agent, under the terms of the Notes will be conclusive and binding absent manifest error.

USE OF PROCEEDS

We estimate that the net proceeds from this offering will be approximately $ million, after deducting the initial purchaser discount and our estimated offering expenses. We expect to use the net proceeds generated from this offering, if any, to redeem $100 million of our Outstanding Debentures plus accrued but unpaid interest thereon estimated to be $ as of June 15, 2021, and for general corporate purposes, which may include, among other things, funding loans or purchasing investment securities for our portfolio.

Our management will have broad discretion in the use of the net proceeds from the sale of the Notes. The foregoing represents our intentions based upon our present plans and business conditions. The occurrence of unforeseen events or changed business conditions, however, could result in the application of the net proceeds of the offering in a manner other than as described in this offering circular.

CAPITALIZATION

The following table sets forth (i) the unaudited capitalization of the Bank as of March 31, 2021 and (ii) the unaudited capitalization of the Bank as of March 31, 2021 giving *pro forma* effect to reflect the offering of the Notes and the redemption of our Outstanding Debentures. For more information please refer to "Available Information" above. The selected unaudited financial information set forth below is derived from unaudited financial information and includes, in the opinion of management, all adjustments (including normal recurring adjustments) necessary to present the information fairly. The data in the table is qualified in its entirety by the detailed information included in the Bank's Report on Form 10-Q dated as of March 31, 2021, as described under "Where You Can Find More Information."

		Actual	As Adjusted for this offering and Redemption of Outstanding Debentures
Total Deposits	$	4,722,499	4,722,499
Short-Term Borrowings	$	0	0
Long-Term Debt:			
Subordinated notes offered in this offering and debentures		0	(1)
Outstanding Debentures to be redeemed concurrently with this offering		100,000	0
Total long-term debt	$	100,000	
Stockholder's Equity:			
Preferred stock	$	0	0
Common stock		153,177	153,177
Additional paid in capital		65,416	65,416
Retained earnings		316,481	316,481
Accumulated other comprehensive income		4,195	4,195
Total stockholder's equity	$	539,269	$539,269
Total capitalization	$	639,269	$
Common Equity Tier 1 Ratio		11.34%	%
Total Capital Ratio		14.73%	%

(1) Actual amounts will increase by the aggregate principal amount of Notes in this offering.

DESCRIPTION OF SUBORDINATED NOTES

The following summaries of certain provisions of the Notes and the Paying Agency Agreement do not purport to be complete and are subject to and qualified in their entirety by reference to all of the provisions of the Notes and the Paying Agency Agreement.

General

The Notes will be issued and administered under the Paying Agency Agreement between the Bank, as issuer, and the Paying Agent. A copy of the Paying Agency Agreement is available for inspection by owners of beneficial interests in the Notes at the offices of the Paying Agent currently located at U.S. Bank National Association - Global Corporate Trust Services, 633 West 5th Street, 24th Floor, Los Angeles, California 90071. The Notes will be represented by one or more global notes registered in the name of DTC or Cede & Co. as nominee of DTC, as depositary. See "Clearance and Settlement."

The Notes will be limited initially to an aggregate principal amount of $ million. The Notes will be fully paid-in upon issuance, and will be unsecured, subordinated obligations of the Bank. There is no sinking fund for the Notes. No recourse shall be had for the payment of principal of or interest on any Note, for any claim based thereon, or otherwise in respect thereof, against the Bank or any stockholder, employee, agent, officer or director, as such, past, present or future, of the Bank or of any of its successors. The Notes will not contain any limitation on the amount of debt, deposits or other obligations, secured and unsecured, ranking senior or equal in priority to the indebtedness evidenced by the Notes that we may incur hereafter.

The Notes will not contain any provision that would provide protection to the holders of the Notes against a sudden and dramatic decline in credit quality resulting from a merger, takeover, recapitalization, or similar restructuring of the Bank or any other event involving the Bank that may adversely affect the credit quality of the Bank, nor will the Notes contain any provision restricting the Bank from incurring additional senior, *pari passu* or other debt, secured and unsecured, in the future. The Bank may offer and sell additional Notes, having the same terms as the Notes, except for the issue date, issue price and the initial interest payment date. The purchase of the Notes may not be funded directly or indirectly by the Bank, and Notes will not be eligible to serve as collateral to secure a loan from the Bank.

The Notes will not be registered under the Securities Act or the securities laws of any other jurisdiction and are being offered and sold pursuant to an exemption from registration with the Commission under Section 3(a)(2) of the Securities Act. The Paying Agency Agreement is not required to be, and is not being, qualified under the Trust Indenture Act. The Bank has not entered into an indenture in connection with the issuance of the Notes. The Notes are being offered and sold only to investors that are "accredited investors" as defined in Rule 501(a) under the Securities Act. Each beneficial owner of a global note will be required to purchase a minimum principal amount of $100,000 of Notes, and integral multiples of $1,000 thereafter. The Notes cannot be exchanged for Notes having a denomination of less than $100,000.

DTC or its nominee will be the registered holder of all of the Notes. Therefore, DTC or its nominee will be the only entity that can respond to requests for consents, waivers or amendments, and exercise other rights of holders of the Notes. Consequently, a beneficial owner of Notes generally must rely on the procedures of DTC and of those other parties through whom such owner's interest in the Notes is held to exercise any rights of a holder of the Notes. THE BANK WILL TREAT DTC OR ITS NOMINEE AS THE SOLE AND ABSOLUTE OWNER OF ALL THE NOTES FOR THE PURPOSE OF RECEIVING PAYMENT OF INTEREST ON AND PRINCIPAL OF SUCH NOTES, AND FOR ALL OTHER PURPOSES WHATSOEVER. See "Clearance and Settlement."

The Notes represent the Bank's direct and unconditional obligations and are not guaranteed by any Bank subsidiary. **The Notes are not deposits and are not insured by the FDIC or any other government agency.**

Principal and Interest Payments

Payment of the full principal amount of the Notes will be due on , 2031 (the "Maturity Date").

From and including June , 2021 , to but excluding , 2026, or the date of earlier redemption (the "fixed rate period"), the Notes will bear interest at a fixed rate per annum of %, payable semi-annually in arrears on and of each year (each, a "fixed rate interest payment date"), commencing on , 2021. The last fixed rate interest payment date for the fixed rate period will be , 2026.

From and including , 2026, to but excluding the Maturity Date or the date of earlier redemption (the "floating rate period") the Notes will bear interest at a floating rate per annum equal to the Benchmark rate (which is expected to be Three-Month Term SOFR) plus basis points for each quarterly interest period during the floating rate period, payable quarterly in arrears on , , , and of each year (each, a "floating rate interest payment date," and, together with the fixed rate interest payment dates, the "interest payment dates"), commencing on , 2026. Notwithstanding the foregoing, in the event that the Benchmark rate is less than zero, the Benchmark rate shall be deemed to be zero.

The Notes have no credit sensitive feature whereby the interest rate on the Notes is adjusted based on the Bank's credit standing. Payment of interest on the Notes may be subject to prior approval by the FDIC, the DFPI or other applicable regulator of the Bank.

For the purpose of calculating the interest on the Notes for each interest period during the floating rate period when the Benchmark is Three-Month Term SOFR, "Three-Month Term SOFR" means Term SOFR for a tenor of three months that is published by the Term SOFR Administrator at the Reference Time for any floating rate interest period, as determined by the calculation agent after giving effect to the Three-Month Term SOFR Conventions. See "Calculation Agent."

The following definitions apply to the foregoing definition of Three-Month Term SOFR:

"Benchmark" means, initially, Three-Month Term SOFR; provided that, if the calculation agent determines on or prior to the Reference Time for any floating rate interest period that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to Three-Month Term SOFR or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement for such floating rate interest period and any subsequent floating rate interest periods.

"Corresponding Tenor" means (i) with respect to Term SOFR, three months, and (ii) with respect to a Benchmark Replacement, a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current Benchmark.

"Federal Reserve Bank of New York's Website" means the website of the Federal Reserve Bank of New York (the "FRBNY") at *http://www.newyorkfed.org*, or any successor source. The foregoing Internet website is an inactive textual reference only, meaning that the information contained on the website is not part of this offering circular or incorporated by reference herein.

"Reference Time" with respect to any determination of the Benchmark means (i) if the Benchmark is Three-Month Term SOFR, the time determined by the calculation agent after giving effect to the Three-Month Term SOFR Conventions, and (ii) if the Benchmark is not Three-Month Term SOFR, the time determined by the calculation agent after giving effect to the Benchmark Replacement Conforming Changes.

"Relevant Governmental Body" means the Federal Reserve and/or the FRBNY, or a committee officially endorsed or convened by the Federal Reserve and/or the FRBNY or any successor thereto.

"SOFR" means the secured overnight financing rate published by the FRBNY, as the administrator of the Benchmark (or any successor administrator), on the Federal Reserve Bank of New York's website.

"Term SOFR" means the forward-looking term rate for the applicable Corresponding Tenor based on SOFR that has been selected or recommended by the Relevant Governmental Body.

"Term SOFR Administrator" means any entity designated by the Relevant Governmental Body as the administrator of Term SOFR (or any successor administrator).

"Three-Month Term SOFR Conventions" means any determination, decision, or election with respect to any technical, administrative, or operational matter (including with respect to the manner and timing of the publication of Three-Month Term SOFR, or changes to the definition of "interest period," timing and frequency of determining Three-Month Term SOFR with respect to each interest period and making payments of interest, rounding of amounts or tenors, and other administrative matters) that the calculation agent determines may be appropriate to reflect the use of Three-Month Term SOFR as the Benchmark in a manner substantially consistent with market practice (or, if the calculation agent determines that adoption of any portion of such market practice is not administratively feasible or if the calculation agent determines that no market practice for the use of Three-Month Term SOFR exists, in such other manner as the calculation agent determines is reasonably necessary).

The terms "Benchmark Replacement Conforming Changes," "Benchmark Replacement Date," "Benchmark Replacement," "Benchmark Replacement Adjustment," and "Benchmark Transition Event" have the meanings set forth under the heading "Effect of Benchmark Transition Event."

Notwithstanding the foregoing paragraphs related to the determination of interest, if the calculation agent determines on or prior to the relevant Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date (each as defined below) have occurred with respect to Three-Month Term SOFR, then the provisions set forth under the heading "Effect of Benchmark Transition Event," which we refer to as the "benchmark transition provisions," will thereafter apply to all determinations of the interest rate on the Notes for each interest period during the floating rate period. In accordance with the benchmark transition provisions, after a Benchmark Transition Event and its related Benchmark Replacement Date have occurred, the interest rate on the Notes for each interest period during the floating rate period will be an annual rate equal to the Benchmark Replacement (as defined below) plus basis points.

Absent manifest error, the calculation agent's determination of the interest rate for an interest period for the Notes will be binding and conclusive on you and the Paying Agent. The calculation agent will promptly provide its determination of any interest rate during the floating rate period to the Paying Agent and us.

Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months during the fixed rate period but excluding , 2026 and, during the floating rate period, on the basis of a 360-day year and the actual number of days elapsed. Dollar amounts resulting from that calculation will be rounded to the nearest cent, with one-half cent being rounded upward.

Interest on the Notes, subject to certain exceptions, will accrue during the applicable interest period. When we use the term "interest period," we mean the period from and including the immediately preceding interest payment date in respect of which interest has been paid or duly provided for or, if no interest has been paid or duly provided for, from and including the date of issuance of the Notes to, but excluding, the applicable interest payment date or the Maturity Date or date of earlier redemption, if applicable. If a fixed rate interest payment date or the Maturity Date falls on a day that is not a business day, then the interest payment or the payment of principal and interest at maturity will be postponed to the next succeeding business day, but the payments made on such dates will be treated as being made on the date that the payment was first due and the holders of the Notes will not be entitled to any further interest or other payments in respect thereof. However, if a floating rate interest payment date falls on a day that is not a business day, then such floating rate interest payment date will be postponed to the next succeeding business day unless such day falls in the next succeeding calendar month, in which case such floating rate interest payment date will be accelerated to the immediately preceding business day, and, in each such case, the amounts payable on such business day will include interest accrued to, but excluding, such business day.

Interest on each Note will be payable to the person in whose name such Note is registered on the fifteenth day immediately preceding the applicable interest payment date, whether or not such day is a business day. Any interest which is payable, but is not punctually paid or duly provided for, on any interest payment date shall cease to be payable to the holder on the relevant record date by virtue of having been such holder, and such defaulted interest may be paid by us to the person in whose name the Notes are registered at the close of business on a special record date for the payment of defaulted interest. However, interest that is paid on the Maturity Date will be paid to the person to whom the principal is payable. Interest will be payable by wire transfer in immediately available funds in U.S. dollars to DTC or its nominee or, at our option in the event the Notes are not represented by global notes (as defined below), by check mailed to the address of the person specified for payment in the preceding sentences.

If any of the foregoing provisions concerning the calculation of the interest rate and interest payments during the floating rate period are inconsistent with any of the Three-Month Term SOFR Conventions determined by the calculation agent, then the relevant Three-Month Term SOFR Conventions will apply. Furthermore, if the calculation agent determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to Three-Month Term SOFR at any time when any of the Notes are outstanding, then the foregoing provisions concerning the calculation of the interest rate and interest payments during the floating rate period will be modified in accordance with the benchmark transition provisions.

When we use the term "business day," we mean any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which banking institutions in the City of New York or any place of payment are authorized or required by law, regulation, or executive order to close.

Redemption

The Notes are not subject to redemption or prepayment at the option of the holders.

The Notes are redeemable by the Bank, in whole or in part, beginning with the interest payment date of , 2026, and on every interest payment date thereafter, subject to prior approval of the FDIC and DFPI, to the extent such approval is then required, at a redemption price equal to 100% of the principal amount of the Notes being redeemed plus accrued and unpaid interest to but excluding the date of redemption. The Notes are also redeemable by us, in whole but not in part, upon the occurrence of the following:

- a "tax event," which means the receipt by us of an opinion of independent tax counsel to the effect that (a) an amendment to or change (including any announced prospective amendment or change) in any law or treaty, or any regulation thereunder, of the United States or any of its political subdivisions or taxing authorities, (b) a judicial decision, administrative action, official administrative pronouncement, ruling, regulatory procedure, regulation, notice or announcement, including any notice or announcement of intent to adopt or promulgate any ruling, regulatory procedure or regulation, (c) an amendment to or change in any official position with respect to, or any interpretation of, an administrative or judicial action or a law or regulation of the United States that differs from the previously generally accepted position or interpretation, or (d) a threatened challenge asserted in writing in connection with an audit of our federal income tax returns or positions or a similar audit of any of our subsidiaries or a publicly known threatened challenge asserted in writing against any other taxpayer that has raised capital through the issuance of securities that are substantially similar to the Notes, in each case, occurring or becoming publicly known on or after the date of the issuance of the Notes, resulting in more than an insubstantial risk that the interest payable on the Notes is not, or within 90 days of receipt of such opinion of tax counsel, will not be, deductible by us, in whole or in part, for U.S. federal income tax purposes;

- a "capital event," our good faith determination that, as a result of (a) any amendment to, or change (including any announced prospective change) in, the laws or any regulations thereunder of the United States or any rules, guidelines or policies of an applicable regulatory authority for the Bank or (b) any official administrative pronouncement or judicial decision interpreting or applying such laws or regulations, which amendment or change is effective or which pronouncement or decision is announced on or after the date of original issuance of the Notes, the Notes do not constitute, or within 90 days of the date of such opinion will not constitute, Tier 2 capital (or its then equivalent if we were subject to such capital requirement) for purposes of capital adequacy guidelines of the FDIC (or any successor regulatory authority), as then in effect and applicable to us; or

- an “investment company event,” which means our becoming required to register as an investment company pursuant to the Investment Company Act of 1940, as amended.

Any such redemption of the Notes will be at a redemption price equal to the principal amount of the Notes redeemed, plus accrued and unpaid interest on such notes to, but excluding, the date of redemption. Any redemption of the Notes would require prior written approval of the FDIC and the DFPI.

The Notes are not subject to repayment at the option of the holder thereof, in whole or in part, prior to maturity.

We will give irrevocable notice of our intention to redeem Notes not more than 60 nor less than 10 days prior to the date fixed for redemption, provided that the notice of redemption will be given no earlier than 90 days prior to the effective date of a tax event, capital event or investment company event. From and after any redemption date, if monies for the redemption of Notes will have been made available for redemption on the redemption date, the Notes will cease to bear interest, if applicable, and the only right of the holders of the Notes shall be to receive payment of the principal amount and, if appropriate, all unpaid interest accrued to the redemption date. Holders of the Notes should not expect the Notes to be redeemed prior to maturity. If fewer than all of the Notes are to be redeemed, the Paying Agent will select the Notes for redemption on a pro rata basis, by lot or by such other method in accordance with the depository’s procedures.

Ranking; Subordination

The Bank’s indebtedness evidenced by the Notes, including its obligations to pay principal and interest, is unsecured, subordinate, and junior in right of payment to the Bank’s senior indebtedness (including its deposits and general creditors). In the event of any insolvency, receivership, conservatorship, reorganization, liquidation or similar proceedings of the Bank, all such senior obligations shall be entitled to be paid in full before any payment shall be made on account of the principal of, premium, if any, or interest on, the Notes.

Senior indebtedness includes all deposits, borrowed money (secured and unsecured), obligations of the Bank arising from off-balance sheet guarantees and direct-credit substitutes, and obligations associated with derivative products such as interest rate and foreign-exchange contracts, commodity contracts and similar arrangements and obligations to the Bank’s general creditors (other than in respect of trade receivables). In the event of any such proceeding, after payment in full of all sums owing with respect to such senior obligations, the holders of the Notes, together with any obligations of the Bank ranking equally with such Notes, shall be entitled to be paid from the remaining assets of the Bank the unpaid principal of, premium, if any, and interest on, such Notes or such other obligations before any payment or other distribution, whether in cash, property, or otherwise, shall be made on account of any capital stock or any obligations of the Bank ranking junior to such Notes. Nothing herein shall impair the obligation of the Bank, which is absolute and unconditional, to pay the principal of, premium, if any, and interest on the Notes according to their terms.

Notwithstanding any other provisions contained in the Notes, the FDIC or any receiver or conservator of the Bank appointed by the FDIC, as part of any transaction or plan of reorganization or liquidation may transfer or direct the transfer of the obligations represented by the Notes to any bank selected by such entity which expressly assumes the obligation of the due and punctual payment of the unpaid principal, premium, if any, and interest on the Notes and the due and punctual performance of all covenants and conditions contained in the Notes. Any “depository institution,” as defined in Section 3(c)(1) of the FDIA, which holds a Note (or beneficial interest therein) shall be deemed to have agreed by acquiring such Note (or beneficial interest) to waive any rights to offset all or any portion of the indebtedness represented by such Note (or interest) against any indebtedness or other obligations of such institution to the Bank.

The Notes are not secured or guaranteed by the Bank or any of its other subsidiaries, and are not subject to any other arrangement that legally or economically enhances the seniority of the Notes.

As of March 31, 2021, on a consolidated basis, the Bank’s liabilities totaled approximately $4,908,735,000, which includes approximately $$4,722,499,000 of deposit liabilities, $100 million of Outstanding Debentures that will be redeemed concurrently with the offering of Notes, and $86,236,000 of other liabilities. All of these liabilities are contractually or structurally senior to the Notes.

Effect of Benchmark Transition Event

If the calculation agent determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred on or prior to the Reference Time in respect of any interest period during the floating rate period, then the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes during such interest period and all subsequent interest periods. In connection with the implementation of a Benchmark Replacement, the calculation agent will have the right to make Benchmark Replacement Conforming Changes from time to time.

As used herein:

"Benchmark Replacement" means the Interpolated Benchmark with respect to the then-current Benchmark, plus the Benchmark Replacement Adjustment for such Benchmark; provided that if (i) the calculation agent cannot determine the Interpolated Benchmark as of the Benchmark Replacement Date or (ii) the then-current Benchmark is Three-Month Term SOFR and a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to Three-Month Term SOFR (in which event no Interpolated Benchmark with respect to Three-Month Term SOFR shall be determined), then "Benchmark Replacement" means the first alternative set forth in the order below that can be determined by the calculation agent as of the Benchmark Replacement Date:

- Compounded SOFR;
- the sum of: (a) the alternate rate that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark for the applicable Corresponding Tenor and (b) the Benchmark Replacement Adjustment;
- the sum of: (a) the ISDA Fallback Rate and (b) the Benchmark Replacement Adjustment; and
- the sum of: (a) the alternate rate that has been selected by the calculation agent as the replacement for the then-current Benchmark for the applicable Corresponding Tenor, giving due consideration to any industry-accepted rate as a replacement for the then-current Benchmark for U.S. dollar-denominated floating rate securities at such time, and (b) the Benchmark Replacement Adjustment.

In the event that a Benchmark Replacement is unable to be determined by us or the calculation agent under the foregoing enumerated provisions, or otherwise, the Benchmark Replacement in effect for the applicable period will be the same as the Benchmark in effect for the immediately preceding interest period.

"Benchmark Replacement Adjustment" means the first alternative set forth in the order below that can be determined by the calculation agent as of the Benchmark Replacement Date:

- the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero), that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment; and
- the spread adjustment (which may be a positive or negative value or zero) that has been selected by the calculation agent, giving due consideration to any industry-accepted spread adjustment or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate securities at such time.

"Benchmark Replacement Conforming Changes" means, with respect to any Benchmark Replacement, any technical, administrative, or operational changes (including changes to the definition of "interest period," timing and frequency of determining rates with respect to each interest period and making payments of interest, rounding of amounts or tenors, and other administrative matters) that the calculation agent determines may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the calculation agent determines that adoption of any portion of such market practice is not administratively feasible or if the calculation agent determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the calculation agent determines is reasonably necessary).

"Benchmark Replacement Date" means the earliest to occur of the following events with respect to the then-current Benchmark:

- in the case of clause (1) of the definition of "Benchmark Transition Event," the relevant Reference Time in respect of any determination;

- in the case of clause (2) or (3) of the definition of "Benchmark Transition Event," the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark; or

- in the case of clause (4) of the definition of "Benchmark Transition Event," the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination.

"Benchmark Transition Event" means the occurrence of one or more of the following events with respect to the then-current Benchmark:

- if the Benchmark is Three-Month Term SOFR, (a) the Relevant Governmental Body has not selected or recommended a forward-looking term rate for a tenor of three months based on SOFR, (b) the development of a forward-looking term rate for a tenor of three months based on SOFR that has been recommended or selected by the Relevant Governmental Body is not complete or (c) we determine that the use of a forward-looking term rate for a tenor of three months based on SOFR is not administratively feasible;

- a public statement or publication of information by or on behalf of the administrator of the Benchmark announcing that such administrator has ceased or will cease to provide the Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark;

- a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark, the central bank for the currency of the Benchmark, an insolvency official with jurisdiction over the administrator for the Benchmark, a resolution authority with jurisdiction over the administrator for the Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark has ceased or will cease to provide the Benchmark permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark; or

- a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative.

"Compounded SOFR" means the compounded average of SOFRs for the applicable Corresponding Tenor, with the rate, or methodology for this rate, and conventions for this rate being established by the calculation agent in accordance with:

- the rate, or methodology for this rate, and conventions for this rate selected or recommended by the Relevant Governmental Body for determining compounded SOFR; provided that:

- if, and to the extent that, the calculation agent determines that Compounded SOFR cannot be determined in accordance with clause (1) above, then the rate, or methodology for this rate, and conventions for this rate that have been selected by the calculation agent giving due consideration to any industry-accepted market practice for U.S. dollar-denominated floating rate securities at such time.

- For the avoidance of doubt, the calculation of Compounded SOFR shall exclude the Benchmark Replacement Adjustment and the spread specified above.

"Interpolated Benchmark" with respect to the Benchmark means the rate determined by the calculation agent for the Corresponding Tenor by interpolating on a linear basis between: (i) the Benchmark for the longest period (for which the Benchmark is available) that is shorter than the Corresponding Tenor, and (ii) the Benchmark for the shortest period (for which the Benchmark is available) that is longer than the Corresponding Tenor.

"ISDA" means the International Swaps and Derivatives Association, Inc. or any successor.

"ISDA Definitions" means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time.

"ISDA Fallback Adjustment" means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark for the applicable tenor.

"ISDA Fallback Rate" means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment.

"Unadjusted Benchmark Replacement" means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

The terms "Reference Time," "Relevant Governmental Body," "SOFR" and "Term SOFR" have the meanings set forth under the heading "Principal and Interest Payments."

Determinations and Decisions

The calculation agent is expressly authorized to make certain determinations, decisions, and elections under the terms of the Notes, including with respect to the use of Three-Month Term SOFR as the Benchmark for the floating rate period and under the benchmark transition provisions. Any determination, decision, or election that may be made by us or by the calculation agent under the terms of the Notes, including any determination with respect to a tenor, rate, or adjustment or of the occurrence or non-occurrence of an event, circumstance, or date and any decision to take or refrain from taking any action or any selection:

- will be conclusive and binding on the holders of the Notes and the Paying Agent absent manifest error;

- if made by us as calculation agent, will be made in our sole discretion;

- if made by a calculation agent other than us, will be made after consultation with us, and the calculation agent will not make any such determination, decision, or election to which we reasonably object; and

- notwithstanding anything to the contrary in the Paying Agency Agreement, shall become effective without consent from the holders of the Notes or the Paying Agent.

If the calculation agent fails to make any determination, decision, or election that it is required to make under the terms of the Notes, then we will make that determination, decision, or election on the same basis as described above.

Calculation Agent

We will appoint a calculation agent for the Notes prior to the commencement of the floating rate period. We will act as the initial calculation agent, and we or an affiliate of ours may assume the duties of the calculation agent. If we are not the calculation agent, we shall notify the Paying Agent of the party that has been appointed by us as calculation agent.

The Paying Agent and Certain Other Provisions of the Paying Agency Agreement

Pursuant to the Paying Agency Agreement, the Paying Agent will act as the Bank's sole paying agent with respect to the Notes. The Bank may, pursuant to the terms of the Paying Agency Agreement, rescind the designation of the Paying Agent or appoint a successor Paying Agent.

The Paying Agency Agreement will provide that the Paying Agent shall, in its capacity as paying agent and upon receipt of instructions from the Bank, authenticate global notes representing the Notes and deliver such global notes to DTC. In its capacity as registrar, the Paying Agent will: (i) keep a register to provide for registration of all Notes and transfers thereof; (ii) maintain records showing for each outstanding Note, the principal amount and other terms thereof; (iii) record any transfers of the Notes; and (iv) prepare lists of holders of the Notes as may be required by the Bank or any person needing such information and so authorized by the Bank. Payments of principal and interest will be made in accordance with the procedures set forth under "Clearance and Settlement."

The duties and obligations of the Paying Agent with respect to matters governed by the Paying Agency Agreement will be determined solely by the express provisions thereof, and the Paying Agent will not be liable except for the performance of such duties and obligations as are specifically set forth in the Paying Agency Agreement and the Notes. The Paying Agent will not have any fiduciary duty or obligations to the Bank, any holder of a Note or any third party, nor will it be liable for any costs, expenses, damages, liabilities or claims under the Paying Agency Agreement except to the extent directly arising out of its gross negligence or willful misconduct.

Any money that the Bank pays to the Paying Agent for the purpose of making payments on the applicable Notes and that remains unclaimed two years after the payments were due will, upon written instructions from the Bank, be returned to it. After that time, any holder of such a Note can only look to the Bank for payment on such Notes and all liability of the Paying Agent with respect to such funds will cease.

Events of Default; Waiver

An "Event of Default" in respect of the Notes will occur if the Bank is subject to any receivership, conservatorship, insolvency, liquidation or similar proceeding. The Bank will promptly notify, and provide copies of such notice to, the Paying Agent of the occurrence of any Event of Default. The Paying Agent will promptly send through DTC copies of any such notice to the holders of the Notes.

Each Note will provide that if any Event of Default has occurred and is continuing, the holder of such Note may declare the principal of such Note, together with any unpaid accrued interest thereon, to be immediately due and payable by written notice to the Bank. Upon such declaration and notice, such principal amount and accrued interest shall become immediately due and payable. Any Event of Default with respect to the Notes may be waived by the holder.

Neither the failure to pay principal of or interest on the Notes nor a failure to perform any other obligation of the Bank under the Paying Agency Agreement or the Notes constitutes an "Event of Default" in respect of the Notes, and no right of acceleration exists in any such case. In addition, FDIC or DFPI consent may be required for any payments of interest, if we are or would become undercapitalized.

Consolidation, Merger and Sale of Assets

The Bank will not consolidate with or merge into any other entity or convey, transfer or lease its assets substantially as an entirety to any entity, unless the successor expressly assumes the Bank's obligations on the Notes.

Further Issues

The Bank may from time to time, without the consent of the holders of the Notes, create and issue further Notes having the same terms and conditions as the Notes, except for the issue date, the issue price and first Interest Payment Date. Additional Notes having such identical terms shall be consolidated and form a single series (including the same CUSIP number) with the previously outstanding Notes.

Capital Treatment

The Notes are intended to qualify as "Tier 2 capital" for bank regulatory purposes. At the beginning of each of the last five years prior to maturity, the amount of Notes treated as Tier 2 capital is reduced by 20%, such that in the last year preceding maturity, none of the outstanding Notes will qualify as Tier 2 capital.

Governing Law

The Notes and the Paying Agency Agreement will be governed by and construed in accordance with the laws of the State of New York and, where applicable, the laws of the United States.

Notice

Notices to holders of the Notes will be given by electronic transmission through the facilities of DTC.

Clearance and Settlement

The Notes will be represented by one or more permanent global notes (collectively, the "global notes"), which will be deposited with, or on behalf of, DTC, or any successor thereto, and registered in the name of Cede & Co. ("Cede"), as nominee of DTC. Ownership of beneficial interests in the global notes will be limited to institutions that have accounts with DTC or its nominee (each, a "participant" and collectively, the "participants") or persons that may hold interests through participants. Investors in the global notes that are not participants may hold their interests indirectly through organizations (including Euroclear Bank S.A./N.V., as operator of the Euroclear System ("Euroclear"), and Clearstream Banking, société anonyme ("Clearstream")) that are participants in such systems. Euroclear and Clearstream will hold interests in global notes on behalf of their participants through their respective depositaries, which in turn will hold such interests in global notes in customers' securities accounts in the depositaries' names on the books of DTC. Beneficial ownership of the global notes by persons that hold through participants will only be evidenced by, and transfers of such ownership interests within such participants will be effected only through, records maintained by such participants. The laws of some jurisdictions require that certain purchasers of securities take physical delivery of such securities in definitive form. Such laws may impair the ability to hold or transfer such ownership interests.

The Bank has been advised by DTC that upon issuance of a global note or global notes and the deposit of such global note or global notes with DTC, DTC will immediately credit on its book-entry registration and transfer system the respective principal amounts of Notes represented by such global note or global notes to the accounts of participants. Each owner of a beneficial interest in a global note is required to hold at all times a beneficial interest in a $100,000 principal amount or any integral multiple of $1,000 in excess thereof of such global note.

Principal and interest payments on the Notes registered in the name of DTC or its nominee will be made by the Paying Agent to DTC or its nominee, as the case may be, as the registered owner and holder of the global note or global notes. Such payments to DTC or its nominee, as the case may be, will be made in immediately available funds, provided that in the case of payments of principal and interest on the Maturity Date, the global note or global notes are presented to the Paying Agent in time for the Paying Agent to make such payments in such funds in accordance with its normal procedures. Under the terms of the Paying Agency Agreement, the Bank and the Paying Agent will treat the persons in whose names the Notes are registered as the owners of such Notes for the purpose of receiving payment of principal and interest on such Notes and for all other purposes. Neither the Bank nor the Paying Agent has any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial interests in the global notes or for maintaining, supervising or reviewing any records relating to such beneficial interests.

DTC has advised the Bank and the Paying Agent that upon receipt of any payment of principal or interest in respect of a global note it will immediately credit the accounts of participants with payments in amounts proportionate to their respective beneficial interests in the principal amount of such global note or global notes as shown on the records of DTC or its nominee, unless DTC has reason to believe that it will not receive payment on that payment date. Payments by participants to owners of beneficial interests in the global notes held through such participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers in bearer form or registered in "street names," and will be the responsibility of such participants or indirect participants.

Transfers between participants in DTC will be effected under DTC's procedures and will be settled in same day funds. Transfers between participants in Euroclear and Clearstream will be effected in the ordinary way in accordance with their respective rules and operating procedures.

Cross-market transfers between DTC, on the one hand, and directly or indirectly through Euroclear or Clearstream participants, on the other, will be effected by DTC in accordance with DTC's rules on behalf of Euroclear or Clearstream, as the case may be, by its respective depositary; however, such cross-market transactions will require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counterparty in such system in accordance with its rules and procedures and within its established deadlines (Brussels time). Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depositary to take action to effect final settlement on its behalf by delivering or receiving interests in global notes in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear participants and Clearstream participants may not deliver instructions directly to the depositories for Euroclear or Clearstream.

As a result of the time zone differences, the securities account of a Euroclear or Clearstream participant purchasing an interest in global notes from a DTC participant will be credited during the securities settlement processing day (which must be a business day for Euroclear or Clearstream, as the case may be) immediately following DTC's settlement date, and such credit of any transaction's interests in global notes settled during such processing day will be reported to the relevant Euroclear or Clearstream participant on such day. Cash received in Euroclear or Clearstream as a result of sales of interests in global notes by or through a Euroclear or Clearstream participant to DTC participant will be received with value on DTC's settlement date, but will be available in the relevant Euroclear or Clearstream cash account only as of the business day following settlement in DTC.

Although the Bank expects that DTC, Euroclear and Clearstream will follow the foregoing procedures in order to facilitate transfers of interests in global notes among participants of DTC, Euroclear and Clearstream, DTC, Euroclear and Clearstream are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. Neither the Bank nor the Paying Agent will have any responsibility for the performance by DTC, Euroclear or Clearstream or their participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Participants and owners of beneficial interests in the global notes will not be entitled to receive Notes in definitive form and will not be considered holders of the Notes unless (i) DTC notifies the Bank in writing that it is no longer willing or able to properly discharge its responsibilities as a depository with respect to such global notes, and a successor depositary is not appointed by the Bank within 90 days of receipt by the Bank of such notice, (ii) DTC ceases to be a clearing agency registered under the Exchange Act and no successor is appointed by the Bank within 90 days after obtaining knowledge of such event, (iii) the Bank, at its option, notifies the Paying Agent in writing that it elects to cause the issuance of Notes in definitive form or (iv) any event shall have happened and be continuing that, after notice or lapse of time or both, would constitute an Event of Default with respect to the Notes. In such circumstances, upon surrender by DTC or a successor depositary of the global notes, Notes in definitive form will be issued to each person that DTC or a successor depositary identifies as the beneficial owner of the related Notes. Upon such issuance and receipt of instruction from an Authorized Representative of the Bank, the Paying Agent is required to authenticate and register such Notes in the name or names of, and cause the same to be delivered to, such person or persons (or the nominee thereof). Such Notes would be issued in fully registered form without coupons in denominations of $100,000 and integral multiples of $1,000 in excess thereof. Such Notes may not subsequently be exchanged by a holder for Notes in denominations of less than $100,000, and will contain a legend stating that each such Note is issuable in a minimum denomination of $100,000 and may not be exchanged for securities of the Bank with a smaller denomination.

Except as provided above, beneficial owners of global notes will not be entitled to receive physical delivery of Notes in definitive form and no global note will be exchangeable except for another global note of like denomination and tenor to be registered in the name of DTC or its nominee. Accordingly, each person owning a beneficial interest in a global note must rely on the procedures of DTC and, if such person is not a participant, on the procedures of the participant through which such person owns its interest, to exercise any rights of a holder under the Notes. The Bank understands that under existing industry practices, if the Bank requests any action of holders of the Notes or any holder of beneficial interests in a global note desires to give or take any action a holder of the Notes is entitled to give or take under the terms of the Notes, DTC would authorize the participants owning the relevant beneficial interests to give or take such action, and such participants would authorize the beneficial owners owning through such participants to give or take such action or would otherwise act upon the instructions of the beneficial owners owning through them.

DTC has advised us that DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to Section 17A of the Exchange Act. DTC holds and provides asset servicing for millions of issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments that its participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the depository system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly. The rules applicable to DTC's participants are on file with the Commission. More information about DTC can be found at *www.dtcc.com* and *www.dtc.org*. The information in this section concerning DTC and its book-entry system, as well as information regarding Euroclear and Clearstream, has been obtained from sources that the Bank believes to be reliable, but the Bank takes no responsibility for its accuracy or completeness. The policies and procedures of DTC, which may change periodically, will apply to payments, transfers, exchanges and other matters relating to beneficial interests in the global note. We and the Paying Agent have no responsibility or liability for any aspect of DTC's or any participants' records relating to beneficial interests in the global note, including for payments made on the global note, and we are not responsible for maintaining, supervising or reviewing any of those records.

Clearstream has advised us that it is incorporated under the laws of Luxembourg as a bank. Clearstream holds securities for its participating organizations ("Clearstream participants") and facilitates the clearance and settlement of securities transactions between Clearstream participants through electronic book-entry changes in accounts of Clearstream participants, thereby eliminating the need for physical movement of certificates. Clearstream provides to its participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream interacts with domestic securities markets in over 30 countries through established depository and custodial relationships. As a bank, Clearstream is subject to regulation by the Luxembourg Commission for the Supervision of the Financial Sector (Commission de Surveillance du Secteur Financier) and the Banque Centrale du Luxembourg. Clearstream participants are financial institutions recognized around the world and include initial purchasers, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations, and may include the initial purchasers. Clearstream's U.S. customers are limited to securities brokers and dealers and banks. Indirect access to Clearstream is also available to others, such as banks, brokers, dealers and trust companies, that clear through or maintain a custodial relationship with a Clearstream participant either directly or indirectly.

Euroclear has advised us that it was created in 1968 to hold securities for its participants and to clear and settle transactions between its participants and between its participants and participants of certain other securities intermediaries through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous delivery of securities and cash. Euroclear provides various other services, including securities lending and borrowing, and interacts with domestic markets in several countries. Euroclear participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries, supranationals, custodians, investment managers, corporations, trust companies and certain other organizations, and may include the initial purchasers. Indirect access to Euroclear is also available to others that clear through or maintain a custodial relationship with a Euroclear participant, either directly or indirectly.

Distributions with respect to Notes held beneficially through Euroclear will be credited to the cash accounts of Euroclear participants in accordance with the terms and conditions governing use of Euroclear, when received by the U.S. depositary for Euroclear. Euroclear has further advised the Bank that investors that acquire, hold and transfer interests in the Notes by book-entry through accounts with Euroclear or any securities intermediary are subject to the laws and contractual provisions governing their relationship with their intermediary, as well as the laws and contractual provisions governing the relationship between such an intermediary and each other intermediary, if any, standing between themselves and the global notes.

Euroclear has advised us that under Belgian law, investors which are credited with securities on the records of Euroclear have a co-proprietary right in the fungible pool of interests in securities on deposit with Euroclear in an amount equal to the amount of interests in securities credited to their accounts. In the event of the insolvency of Euroclear, Euroclear participants would have a right under Belgian law to the return of the amount and type of interests in securities credited to their accounts with Euroclear. If Euroclear did not have a sufficient amount of interests in securities on deposit of a particular type to cover the claims of all participants credited with such interests in securities on Euroclear’s records, all participants having an amount of interests in securities of such type credited to their accounts with Euroclear would then have the right under Belgian law only to the return of their pro rata share of the amount of interests in securities actually on deposit.

Under Belgian law, Euroclear is required to pass on the benefits of ownership in any interests in securities on deposit with it (such as dividends, voting rights and other entitlements) to any person credited with such interest in securities on its records.

Initial settlement for the Notes will be made in immediately available funds. Secondary market trading between DTC participants will occur in the ordinary way in accordance with DTC rules and will be settled in immediately available funds using DTC’s Same-Day Funds Settlement System. We make no representations as to the effect that settlement in immediately available funds will have on trading activity in those beneficial interests.

CERTAIN ERISA CONSIDERATIONS

A fiduciary of a pension, profit-sharing or other employee benefit plan subject to the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA") (each such plan, a "Plan"), should consider the fiduciary standards of ERISA in the context of the Plan's particular circumstances before authorizing an investment in the Notes. Among other factors, the fiduciary should consider whether the investment would satisfy the prudence and diversification requirements of ERISA, and whether the investment would be consistent with the documents and instruments governing the Plan. The prudence of a particular investment must be determined by the responsible fiduciary of such Plan by taking into account such Plan's particular circumstances and all of the facts and circumstances of the investment, including, but not limited to, the matters discussed above under "Risk Factors," the fact that the Notes are not subject to redemption or prepayment at the option of the holders, and the fact that in the future there may be no market in which such fiduciary will be able to sell or otherwise dispose of the Notes. The fiduciary should also consider whether the investment would involve a prohibited transaction under ERISA or the Internal Revenue Code of 1986, as amended (the "Code").

Section 406 of ERISA and Section 4975 of the Code prohibit Plans, as well as individual retirement accounts, Keogh plans, any other plans that are subject to Section 4975 of the Code (also "Plans"), from engaging in certain transactions involving "plan assets" with persons who are "parties in interest" under ERISA or "disqualified persons" under the Code with respect to the Plan. A violation of these prohibited transaction rules may result in excise tax or other penalties and liabilities under ERISA and/or Section 4975 Code for those persons, unless exemptive relief is available under an applicable statutory, regulatory or administrative exemption. Employee benefit plans that are governmental plans (as defined in Section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA) and non-U.S. plans (as described in Section 4(b)(4) of ERISA) ("Non-ERISA Arrangements") are not subject to the requirements of Section 406 of ERISA or Section 4975 of the Code but may be subject to Similar Laws.

The issuer and certain of its affiliates, among others, may each be considered a party in interest and a disqualified person with respect to many Plans. The acquisition or holding of the Notes by a Plan or any entity whose underlying assets include "plan assets" by reason of any Plan's investment in the entity (a "Plan Asset Entity") with respect to which the issuer, the underwriter or any of their respective affiliates is or becomes a party in interest or disqualified person may result in a prohibited transaction under ERISA or Section 4975 of the Code, unless the Notes are acquired and held pursuant to an applicable exemption. The U.S. Department of Labor has issued several prohibited transaction class exemptions, or "PTCEs," that may provide exemptive relief if required for direct or indirect prohibited transactions that may arise from the acquisition or holding of the Notes. These exemptions include PTCE 84-14 (for certain transactions determined by independent qualified professional asset managers), PTCE 90-1 (for certain transactions involving insurance company pooled separate accounts), PTCE 91-38 (for certain transactions involving bank collective investment funds), PTCE 95-60 (for transactions involving certain insurance company general accounts), and PTCE 96-23 (for transactions managed by in-house asset managers). In addition, ERISA Section 408(b)(17) and Section 4975(d)(20) of the Code provide an exemption for the acquisition and disposition of the Notes, *provided* that neither the issuer of the Notes nor any of its affiliates have or exercise any discretionary authority or control or render any investment advice with respect to the assets of any Plan involved in the transaction, and *provided further* that the Plan pays no more and receives no less than "adequate consideration" in connection with the transaction (the "service provider exemption"). Adequate consideration means fair market value as determined in good faith by the Plan fiduciary pursuant to regulations to be promulgated by the U.S. Department of Labor. There can be no assurance that any statutory or administrative exemption to the prohibited transaction rules will be available with respect to any particular transaction involving the Notes. .

Because of the foregoing, the Notes should not be acquired or held by any person investing the assets of any Plan, Plan Asset Entity or Non-ERISA Arrangement, unless such acquisition and holding will not constitute a non-exempt prohibited transaction under ERISA and the Code or similar violation of any applicable Similar Laws.

Any acquiror or holder of the Notes or any interest therein will be deemed to have represented by its acquisition and holding of the Notes or any interest therein that it either (1) is not a Plan, a Plan Asset Entity or a Non-ERISA Arrangement and is not acquiring or holding the Notes on behalf of or with the assets of any Plan, Plan Asset Entity or Non-ERISA Arrangement or (2) the acquisition and holding of the Notes will not constitute a non-exempt prohibited transaction or a similar violation under any applicable Similar Laws. Each purchaser and holder of the Notes has exclusive responsibility for ensuring that its purchase, holding and/or disposition of the Notes does not violate the fiduciary or prohibited transaction rules of ERISA, the Code, or any applicable Similar Laws.

The preceding discussion is only a summary of certain of the ERISA and other implications of an investment in the Notes and does not purport to be complete. Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is important that fiduciaries or other persons considering acquiring the Notes on behalf of or with the assets of any Plan, a Plan Asset Entity or Non-ERISA Arrangement consult with their counsel regarding the availability of exemptive relief under any of the PTCEs listed above, the service provider exemption or the potential consequences of any acquisition or holding under ERISA, the Code, or Similar Laws, as applicable. Acquirors of the Notes have exclusive responsibility for ensuring that their acquisition and holding of the Notes do not violate the fiduciary or prohibited transaction rules of ERISA or the Code or any similar provisions of Similar Laws. Neither this discussion nor anything herein is or is intended to be investment advice directed at any potential purchaser or holder that is a Plan, a Plan Asset Entity or a Non-ERISA Arrangement, or at such purchasers and holders generally, and such purchasers and holders should consult and rely on their counsel and advisors as to whether an investment in the Notes is suitable and consistent with ERISA, the Code and any Similar Laws, as applicable. The transfer of any Notes to a Plan, Plan Asset Entity or Non-ERISA Arrangement is in no respect a representation by the issuer or any of its affiliates or representatives that an investment in the Notes meets all relevant legal requirements with respect to investments by any such Plans, Plan Asset Entities or Non-ERISA Arrangements generally or any particular Plan, Plan Asset Entity or Non-ERISA Arrangement or that such investment is appropriate for such Plans, Plan Asset Entities or Non-ERISA Arrangements generally or any particular Plan, Plan Asset Entity or Non-ERISA Arrangement.

CERTAIN MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES

This section describes certain material United States federal income tax consequences of purchasing, owning and disposing of the Notes. This summary is for general information only, does not provide a complete analysis of all potential tax considerations, and is based on the Internal Revenue Code of 1986, as amended, the "Code," administrative pronouncements, judicial decisions and final, temporary and proposed regulations of the United States Department of Treasury, or the Treasury Regulations, as well as existing interpretations relating thereto, all as of the date hereof, and changes to any of which subsequent to the date of this prospectus supplement may affect the tax consequences described herein (possibly with retroactive effect). As a result, the tax considerations when acquiring, owning or disposing of the Notes could differ from those described below. We have not sought, and will not seek, any ruling from the Internal Revenue Service, or the "IRS," with respect to the statements made and the conclusions reached in this summary, and we cannot assure you that the IRS will agree with such statements and conclusions nor that the IRS will not assert, or a court would not sustain, a challenge to one or more of the tax consequences described below.

This section applies to you only if you acquire Notes in the offering at the offering price and you hold your Notes as capital assets for tax purposes. This section addresses only United States federal income taxation and does not discuss all of the tax consequences that may be relevant to you in light of your individual circumstances, including foreign, state or local tax consequences, and tax consequences arising under the Medicare contribution tax on net investment income or the alternative minimum tax. This section does not apply to you if you are a member of a class of holders subject to special rules, such as:

- a broker, dealer or trader in securities or currencies;
- a financial institution or bank;
- a partnership, "S" corporation, or other pass-through entity for United States federal income tax purposes, or persons who hold the Notes through such entities;
- an insurance company;
- a qualified insurance plan;
- a real estate investment trust or regulated investment company;
- a tax-exempt organization;
- a person that owns Notes in an individual retirement account or other tax deferred account;
- a person that owns 10% or more of our voting stock;
- a person that owns Notes that are a hedge or that are hedged against interest rate risks;
- a person that owns Notes as part of a straddle or conversion transaction for tax purposes;
- a person that purchases or sells Notes as part of a wash sale for tax purposes;
- a person subject to the alternative minimum tax provisions of the Code;
- a governmental entity or agency;
- a United States holder (as defined below) whose functional currency for tax purposes is not the U.S. dollar;
- certain U.S. expatriates; and

- persons subject to special tax accounting rules as a result of any item of gross income with respect to the Notes being taken into account in an applicable financial statement (as defined in Section 451 of the Code).

If you purchase Notes at a price other than the offering price, the amortizable bond premium or market discount rules may also apply to you. You should consult your tax advisor regarding this possibility.

This section is based on the Code its legislative history, existing and proposed regulations under the Code, published rulings and court decisions, all as currently in effect. These laws are subject to change, possibly on a retroactive basis.

If an entity or arrangement that is treated as a partnership for United States federal income tax purpose holds the Notes, the United States federal income tax treatment of a partner will generally depend on the status of the partner and the tax treatment of the partnership. A partner in a partnership holding the Notes should consult its tax advisor with regard to the United States federal income tax treatment of an investment in the Notes.

Please consult your own tax advisor concerning the consequences of owning the Notes in your particular circumstances under the Code and the laws of any other taxing jurisdiction.

Tax Classification of the Notes

Generally, the determination of whether an obligation represents debt, equity, or some other instrument for U.S. federal income tax purposes is based on all the relevant facts and circumstances and no single factor is determinative. Because of their level of subordination and the holders' rights in the event of a default, the characterization of the Notes as debt or equity for U.S. federal income tax purposes is uncertain. We believe that the Notes should be treated, and we intend to treat the Notes, as debt for U.S. federal income tax purposes, although no opinions have been sought, and no assurances can be given, with respect to such treatment. Also, no rulings will be sought from the United States Internal Revenue Service ("IRS") regarding the characterization of the Notes. If the treatment of the Notes as debt is not upheld, they may be treated, for U.S. federal income tax purposes, as stock in the Bank, in which case the tax treatment of holders of Notes may differ from the discussion below, and in particular a Non-United States holder (as defined below) of Notes would then generally be subject to withholding tax with respect to the interest payments on the Notes. The following discussion assumes that our treatment of the Notes as debt for U.S. federal income tax purposes will be respected.

United States Holders

This subsection describes the tax consequences to a United States holder. You are a United States holder if you are a beneficial owner of a Note and you are, for United States federal income tax purposes:

- an individual citizen or resident of the United States;
- a domestic corporation;
- an estate whose income is subject to United States federal income tax regardless of its source; or
- a trust if a United States court can exercise primary supervision over the trust's administration and one or more United States persons are authorized to control all substantial decisions of the trust.

If you are not a United States holder, this subsection does not apply to you and you should refer to "Non-United States Holders" below.

Payments of Interest. You will be taxed on interest on your Note as ordinary income at the time you receive the interest or when it accrues, depending on your method of accounting for tax purposes.

Pursuant to U.S. Treasury regulations issued under Sections 1271 through 1275 of the Code (the "Regulations"), we believe that the Notes will be treated as "variable rate debt instruments" that provide for a single, fixed rate and one or more qualified floating rates ("QFR") for U.S. federal income tax purposes. No opinions have been sought, and no assurances can be given, with respect to the treatment of the Notes as "variable rate debt instruments." Nonetheless, the discussion herein assumes that the Notes will be treated as "variable rate debt instruments."

Under the Regulations, solely for the purpose of determining the amount (if any) of original issue discount ("OID") on a "variable rate debt instrument, including the Notes, the initial fixed rate is converted to a QFR (the "replaced QFR"). The replaced QFR must be such that the fair market value of the Notes on the issue date is approximately the same as the fair market value of otherwise identical notes that provide for the replaced QFR (rather than the fixed rate) for the initial period. In determining any OID on the Notes, the Notes must then be converted into "equivalent" fixed rate debt instruments by substituting each QFR provided under the terms of the Notes (including the replaced QFR) with a fixed rate equal to the value of the QFR on the issue date of the Notes. The application of the Regulations to the Notes is complicated and could potentially result in the existence of OID with respect to the Notes. In the event the Notes were treated as issued with OID, the amount and timing of interest income with respect to the Notes would be affected. However, it is expected, and assumed for purposes of this discussion, that the Notes will not be issued with more than a de minimis amount of OID and we intend to treat the Notes in a manner consistent with this assumption. Each holder should consult their tax advisors with respect to this issue.

Purchase, Sale and Retirement of the Notes. You will generally recognize capital gain or loss on the sale or retirement of your Note equal to the difference between the amount you realize on the sale or retirement, excluding any amounts attributable to accrued but unpaid interest (which will be treated as interest payments), and your tax basis in your Note. Your tax basis in your Note generally will be its cost less any principal payments received by such U.S. Holder. Capital gain of a noncorporate United States holder is generally taxed at preferential rates where the property is held for more than one year.

Net Investment Income Tax. Certain U.S. Holders who are individuals, estates and certain trusts are subject to a 3.8% tax on the lesser of: (a) the U.S. Holder's "net investment income" (or "undistributed net investment income" in the case of an estate or trust) for the relevant taxable year (for these purposes, net investment income generally includes interest and gains from sales of Notes); and (b) the excess of the U.S. Holder's modified adjusted gross income for the relevant taxable year over a certain threshold (which, in the case of individuals, is between $125,000 and $250,000, depending on the individual's circumstances). A U.S. Holder's net investment income will generally include gross income from interest on the Notes and net gain attributable to the disposition of certain property, such as the Notes, less certain deductions, unless such interest income or net gains are derived in the ordinary course of the conduct of a trade or business (other than a trade or business that consists of certain passive or trading activities). U.S. Holders that are individuals, estates or trusts are urged to consult their tax advisors regarding the effect, if any, of the net investment income tax on their purchase, ownership and disposition of Notes.

Non-United States Holders

This subsection describes the tax consequences to a Non-United States holder. You are a Non-United States holder if you are a beneficial owner of a Note and you are, for United States federal income tax purposes:

- a nonresident alien individual,
- a foreign corporation, or
- an estate or trust that in either case is not subject to United States federal income tax on a net income basis on income or gain from a Note.

If you are a United States holder, this subsection does not apply to you.

Payments of Interest. Under United States federal income tax law, and subject to the discussions of FATCA withholding and backup withholding below, if you are a Non-United States holder of a Note:

- we and other U.S. payors generally would not be required to deduct United States withholding tax from payments of principal, premium, if any, and interest, to you if, in the case of payments of interest:

    1. such payments are not effectively connected with the conduct by such Non-U.S. Holder of a trade or business in the United States (or, if a treaty applies, are not attributable to a permanent establishment or fixed base maintained by the Non-U.S. Holder in the United States),

    2. you do not actually or constructively own 10% or more of the total combined voting power of all classes of stock of the Bank entitled to vote,

    3. you are not a controlled foreign corporation (as defined in Section 957(a) of the Code) that is related (within the meaning of Section 864(d)(4) of the Code) to the Bank through certain stock ownership, and

    4. either:

        a. you have furnished to the U.S. payor an IRS Form W-8BEN or W-8BEN-E or an acceptable substitute form upon which you certify, under penalties of perjury, that you are a non-United States person,

        b. in the case of payments made outside the United States to you at an offshore account (generally, an account maintained by you at a bank or other financial institution at any location outside the United States), you have furnished to the U.S. payor documentation that establishes your identity and your status as the beneficial owner of the payment for United States federal income tax purposes and as a non-United States person,

        c. the U.S. payor has received a withholding certificate (furnished on an appropriate IRS Form W-8 or an acceptable substitute form) from a person claiming to be:

            i. a withholding foreign partnership (generally a foreign partnership that has entered into an agreement with the IRS to assume primary withholding responsibility with respect to distributions and guaranteed payments it makes to its partners),

            ii. a qualified intermediary (generally a non-United States financial institution or clearing organization or a non-United States branch or office of a United States financial institution or clearing organization that is a party to a withholding agreement with the IRS), or

            iii. a U.S. branch of a non-United States bank or of a non-United States insurance company,

            and the withholding foreign partnership, qualified intermediary or U.S. branch has received documentation upon which it may rely to treat the payment as made to a non-United States person that is, for United States federal income tax purposes, the beneficial owner of the payment on the Notes in accordance with U.S. Treasury regulations (or, in the case of a qualified intermediary, in accordance with its agreement with the IRS),

        d. the U.S. payor receives a statement from a securities clearing organization, bank or other financial institution that holds customers' securities in the ordinary course of its trade or business,

            iv. certifying to the U.S. payor under penalties of perjury that an IRS Form W-8BEN or W-8BEN-E or an acceptable substitute form has been received from you by it or by a similar financial institution between it and you, and

v. to which is attached a copy of the IRS Form W-8BEN or W-8BEN-E or acceptable substitute form, or

e. the U.S. payor otherwise possesses documentation upon which it may rely to treat the payment as made to a non-United States person that is, for United States federal income tax purposes, the beneficial owner of the payments on the Notes in accordance with U.S. Treasury regulations; and

- no deduction for any United States federal withholding tax would be made from any gain that you realize on the sale or exchange of your Note.

Purchase, Sale, Retirement and Other Disposition of the Notes. Subject to the discussions of FATCA and Backup Withholding and Information Reporting below, except with respect to accrued and unpaid interest (which is subject to the rules discussed above under "—Payments of Interest"), you generally would not be subject to United States federal income tax on gain realized on the sale, exchange or retirement of a Note unless:

- the gain is effectively connected with your conduct of a trade or business in the United States; or
- you are an individual, you are present in the United States for 183 or more days during the taxable year in which the gain is realized and certain other conditions exist.

Income or gain effectively connected with a U.S. trade or business. If you are engaged in the conduct of a trade or business in the United States and interest on a Note or gain recognized from the sale, exchange, redemption, retirement or other taxable disposition of a Note is effectively connected with the conduct of that trade or business, you will generally be subject to U.S. federal income tax on such interest or gain on a net income basis in the same manner as if you were a United States person as defined under the Code. You will generally not be subject to the 30% U.S. federal withholding tax on interest if you provide a properly executed IRS Form W-8ECI (or appropriate substitute or successor form) to the applicable withholding agent. If you are eligible for the benefits of an income tax treaty between the United States and your country of residence, any effectively connected income or gain generally will be subject to U.S. federal income tax only if it is also attributable to a permanent establishment or fixed base maintained by you in the United States. In addition, if you are a foreign corporation, you may be subject to an additional branch profits tax equal to 30% (or a lower applicable income tax treaty rate) of your earnings and profits for the taxable year, subject to adjustments, that are effectively connected with your conduct of a trade or business in the United States.

Foreign Account Tax Compliance Withholding

Pursuant to sections 1471 through 1474 of the Code, commonly known as the Foreign Account Tax Compliance Act ("FATCA"), a 30% withholding tax ("FATCA withholding") may be imposed on certain payments to you or to certain foreign financial institutions, investment funds and other non-US persons receiving payments on your behalf if you or such persons fail to comply with certain information reporting requirements. Payments of interest that you receive in respect of the Notes could be affected by this withholding if you are subject to the FATCA information reporting requirements and fail to comply with them or if you hold Notes through a non-US person (e.g., a foreign bank or broker) that fails to comply with these requirements (even if payments to you would not otherwise have been subject to FATCA withholding). Depending on your circumstances, you may be entitled to a refund or credit in respect of some or all of this withholding. However, even if you are entitled to have any such withholding refunded, the required procedures could be cumbersome and significantly delay the holder's receipt of any amounts withheld. You should consult your own tax advisors regarding the relevant U.S. law and other official guidance on FATCA withholding.

Backup Withholding and Information Reporting

In general, if you are a noncorporate United States holder, we and other payors are required to report to the IRS all payments of principal, any premium and interest on your Note. In addition, we and other payors are required to report to the IRS any payment of proceeds of the sale of your Note before maturity within the United States. Additionally, backup withholding (currently at the rate of 24%) would apply to any payments if you fail to provide an accurate taxpayer identification number, or (in the case of interest payments) you are notified by the IRS that you have failed to report all interest and dividends required to be shown on your federal income tax returns.

In general, if you are a Non-United States holder, we and other payors are required to report payments of interest on your Notes on IRS Form 1042-S. Payments of principal, premium or interest made by us and other payors to you would otherwise not be subject to information reporting and backup withholding, provided that the certification requirements described above under "Non-United States Holders" are satisfied or you otherwise establish an exemption from withholding. In addition, payment of the proceeds from the sale of Notes effected at a United States office of a broker will not be subject to backup withholding and information reporting if (i) the payor or broker does not have actual knowledge or reason to know that you are a United States person and (ii) you have furnished to the payor or broker an appropriate IRS Form W-8, an acceptable substitute form or other documentation upon which it may rely to treat the payment as having been made to a non-United States person.

In general, payment of the proceeds from the sale of Notes effected at a foreign office of a broker will not be subject to information reporting or backup withholding. However, a sale effected at a foreign office of a broker could be subject to information reporting in the same manner as a sale within the United States (and in certain cases may be subject to backup withholding as well) if (i) the broker has certain connections to the United States, (ii) the proceeds or confirmation are sent to the United States or (iii) the sale has certain other specified connections with the United States.

You generally may obtain a refund of any amounts withheld under the backup withholding rules that exceed your income tax liability by filing a refund claim with the IRS.

THE SUMMARY OF MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES ABOVE IS INCLUDED FOR GENERAL INFORMATION PURPOSES ONLY. POTENTIAL PURCHASERS OF THE NOTES ARE URGED TO CONSULT THEIR OWN TAX ADVISORS TO DETERMINE THE U.S. FEDERAL, STATE, LOCAL AND NON-U.S. TAX CONSIDERATIONS OF PURCHASING, OWNING AND DISPOSING OF THE NOTES.

PLAN OF DISTRIBUTION

We have entered into a purchase agreement with Piper Sandler & Co., Raymond James & Associates, Inc., Stephens Inc., and B. Riley Securities, Inc. (the "initial purchasers") with respect to the Notes being offered pursuant to this offering circular. Subject to certain conditions, the initial purchasers have agreed to purchase all of the $ aggregate principal amount of Notes in this offering.

The purchase agreement provides that the obligations of the initial purchasers to purchase the Notes offered hereby are subject to certain conditions precedent and that the initial purchasers are obligated to purchase all of the Notes offered by this offering circular if any of the Notes are purchased.

Notes sold by the initial purchasers to the public will be offered at 100% of the principal amount of the Notes. If all the Notes are not sold at the public offering price, the initial purchasers may change the offering price and the other selling terms. The offering of the Notes by the initial purchasers is subject to receipt and acceptance and subject to an initial purchaser's right to reject any order in whole or in part.

The expenses of the offering, not including the initial purchaser discount, are estimated to be approximately $ and are payable by us.

Each of the initial purchasers has advised us that it does not intend to confirm sales to any account over which it exercises discretionary authority.

The purchase agreement provides that the initial purchasers will be entitled to a discount equal to % of the principal amount of the Notes.

The Notes will be offered and sold only to institutional investors that are institutional accredited investors and each beneficial owner of a Note will be required to hold a beneficial interest in such Note in a $100,000 principal amount or any integral multiple of $1,000 in excess thereof at all times. Each purchaser of a Note, in making its purchase, will be deemed to have represented and warranted that it is an institutional accredited investor, that it is purchasing the Note for its own account or the account of another institutional accredited investor and that following such purchase it or such other institutional accredited investor holding a beneficial interest in a Note will hold such beneficial interest in a principal amount of $100,000 or an integral multiple of $1,000 in excess thereof at all times.

New Issuance of Subordinated Notes

There is currently no public trading market for the Notes. In addition, we have not applied and do not intend to apply to list the Notes on any securities exchange or to have the Notes quoted on a quotation system. Each of the initial purchasers has advised us that it intends to make a market in the Notes. However, no initial purchaser obligated to do so and may discontinue any market-making in the Notes at any time in its sole discretion. Therefore, we cannot assure you that a liquid trading market for the Notes will develop, that you will be able to sell your Notes at a particular time, or that the price you receive when you sell will be favorable. If an active public trading market for the Notes does not develop, the market price and liquidity of the Notes may be adversely affected. If the Notes are traded, they may trade at a discount from their initial offering price, depending on prevailing interest rates, the market for similar securities, our operating performance and financial condition, general economic conditions and other factors.

Price Stabilization, Short Positions

In connection with this offering of the Notes, the initial purchasers may engage in overallotment, stabilizing transactions and syndicate covering transactions. Overallotment involves sales in excess of the offering size, which create a short position for the initial purchasers. Stabilizing transactions involve bids to purchase the Notes in the open market for the purpose of pegging, fixing, or maintaining the price of the Notes. Syndicate covering transactions involve purchases of the Notes in the open market after the distribution has been completed in order to cover short positions. The initial purchasers may also impose a penalty bid. This occurs when a particular initial purchaser repays to the other initial purchasers a portion of the initial purchaser discount received by it because the representative has repurchased Notes sold by or for the account of such initial purchaser in stabilizing or syndicate covering transactions. Stabilizing transactions and syndicate covering transactions, and together with the imposition of a penalty bid, may cause the price of the Notes to be higher than it would otherwise be in the absence of those transactions. If the initial purchasers engage in stabilizing or syndicate covering transactions, they may discontinue them at any time.

Neither we nor the initial purchasers make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the Notes. In addition, neither we nor the initial purchasers make any representation that the initial purchasers will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

Other Relationships

The initial purchasers and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with us or our affiliates. The initial purchasers have received, or may in the future receive, customary fees and commissions for these transactions. In addition, in the ordinary course of their business activities, the initial purchasers and their affiliates may make or hold a broad array of investments including serving as counterparties to certain derivative and hedging arrangements and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. If any of the initial purchasers or their affiliates has a lending relationship with us, such initial purchaser or affiliate thereof may hedge their credit exposure to us consistent with their customary risk management policies. These initial purchasers and their affiliates could hedge such exposure by entering into transactions, which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the Notes offered hereby. Any such credit default swaps or short positions could adversely affect future trading prices of the Notes offered hereby. The initial purchasers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

No Sales of Similar Securities

We have agreed that we will not, for a period of 30 days after the date of this offering circular, without first obtaining the prior written consent of the initial purchasers, directly or indirectly, issue, sell, offer to contract or grant any option to sell, pledge, transfer or otherwise dispose of, any debt securities or securities exchangeable for or convertible into debt securities, except for the subordinated notes sold to the initial purchasers pursuant to the purchase agreement.

Indemnification

We have agreed to indemnify the initial purchasers against certain liabilities under the purchase agreement.

Settlement Date

We expect that delivery of the Notes will be made against payment therefor on or about the closing date specified on the cover page of this offering circular, which is the business day following the date hereof. Under Rule 15c6-1 of the Exchange Act, trades in the secondary market generally are required to settle in two business days unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Notes on the date hereof, by virtue of the fact that the Notes initially will settle in T+ , to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement and should consult their own advisor.

VALIDITY OF THE NOTES

The validity of the Notes offered hereby is being passed upon for us by Manatt, Phelps & Phillips, LLP, Los Angeles, California. Attorneys at Manatt own shares of our common stock. Certain legal matters related to the offering will be passed upon for the initial purchasers by Holland & Knight LLP, Denver, Colorado.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The consolidated financial statements of Preferred Bank incorporated in this offering circular by reference to the Annual Report on Form 10-K for the years ended December 31, 2020 and 2019, and for each of the years in the three-year period ended December 31, 2020, and the effectiveness of internal control over financial reporting as of December 31, 2020, have been audited by Crowe LLP, independent registered public accounting firm, as stated in their report incorporated by reference herein.

AUTHORIZATION FOR OFFERING

The Notes are being offered pursuant to a negotiating permit issued by the DFPI pursuant to the provisions of the California Financial Code, as amended, and the rules and regulations of the DFPI thereunder. The sale and delivery of the Notes are conditional upon our receipt of a stock permit to be issued by the DFPI, which we expect to receive prior to the closing of this offering. These permits are permissive only, do not constitute a recommendation or endorsement of the subordinated notes offered hereby and do not contain standards as to the net worth or other qualifications of purchasers of the Notes. The Notes have not been registered under the Securities Act, or the securities laws of any other jurisdiction. The Notes are being offered and sold pursuant to an exemption from the registration requirements of the Securities Act provided by Section 3(a)(2) of the Securities Act.

PREFERRED BANK

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% Fixed-to-Floating Rate Subordinated Notes due 2031

OFFERING CIRCULAR

Piper Sandler & Co.

Raymond James **Stephens Inc.** **B. Riley Securities**

, 2021