

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

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): December 11, 2023 (December 7, 2023)

RBB BANCORP

(Exact name of Registrant as Specified in Its Charter)

California
(State or Other Jurisdiction
of Incorporation)

001-38149
(Commission
File Number)

27-2776416
(IRS Employer
Identification No.)

1055 Wilshire Blvd., 12th floor,
Los Angeles, California
(Address of Principal Executive Offices)

90017
(Zip Code)

Registrant's Telephone Number, Including Area Code: (213) 627-9888

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 obligation of the registrant under any of the following provisions (see General Instructions A.2. below):

- 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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Securities registered pursuant to Section 12 (b) of the Act:

Title of each class	Trading Symbol(s)	Name of exchange on which registered
Common Stock, No Par Value	RBB	NASDAQ Global Select Market

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On December 7, 2023, RBB Bancorp (the “Company”) announced the appointment of Ms. Lynn M. Hopkins as Interim Executive Vice President and Chief Financial Officer of the Company and the Company’s subsidiary, Royal Business Bank (the “Bank”), with such appointment effective December 7, 2023. Ms. Hopkins, age 56, has more than 30 years of experience in the financial services industry, predominantly in Southern California, with Chief Financial Officer roles most recently at Banc of California, Inc. from 2019 to 2023, and then previously at First Choice Bancorp and Commercial Bank of California. Prior to those roles, Ms. Hopkins spent 15 years at PacWest Bancorp, where she served in a number of executive finance and corporate leadership roles, including Chief Accounting Officer. Earlier in her career, Ms. Hopkins held senior finance positions at California Community Bancshares and Western Bancorp. Ms. Hopkins began her career as a Certified Public Accountant with KPMG in Los Angeles and London.

Mr. Alex Ko informed the Board he is voluntarily resigning from his position as CFO due to personal reasons and will be pursuing other opportunities. He will be available as a consultant to assist in the transition to the new Interim CFO.

New Employment Agreement

Effective December 7, 2023, the Company and the Bank entered into an employment agreement (the “Employment Agreement”) with Ms. Hopkins, the material terms of which are summarized below. Capitalized terms used below but not defined have the meanings set forth in the Employment Agreement.

Term. The Employment Agreement has a term from December 7, 2023, to May 31, 2024, with an automatic renewal for successive 6-month periods unless Ms. Hopkins, or the Company or the Bank (as applicable), provides written notice of nonrenewal at least one month prior to the extension date.

Compensation. The Employment Agreement provides for a minimum base salary of \$400,000 per year, subject to periodic upward adjustment by the Board of Directors, as well as stock awards, discretionary bonus, automobile allowance, expense reimbursement, medical insurance coverage and certain incentives.

Severance. In the event Ms. Hopkins’s employment is terminated without cause and not otherwise in the event of disability or death, then Ms. Hopkins will be entitled to receive a severance payment in the amount equal to the amount due for the remaining term of the Employment Agreement at her then current salary. In the event such termination occurs other than for cause, after the occurrence of a Change of Control where Ms. Hopkins’ employment is terminated without cause or materially adversely altered (as defined in the Employment Agreement), or as a result of disability or death, Ms. Hopkins will not be entitled to receive any severance payment. Ms. Hopkins cannot terminate employment for a material adverse alteration in employment status unless she has provided written notice to the Company of the existence of circumstances providing grounds for the termination for Good Reason within thirty (30) days of the initial existence or occurrence of such grounds and the Company or the Bank has at least thirty (30) days from the date on which such notice is provided to cure such circumstances. If Ms. Hopkins does not terminate employment for Good Reason within seventy-five (75) days after the first occurrence of the applicable grounds, then she will be deemed to have waived the right to terminate for Good Reason with respect to such grounds. A general release is required to receive severance under the Employment Agreement.

Parachute Payments. The Employment Agreement provides that, if any payments and benefits to Ms. Hopkins would constitute a “parachute payment” under Section 280G of the Internal Revenue Code of 1986, as amended (the “Code”), the payments and benefits will be reduced (by the minimum possible amounts) in a manner determined by the Company that is consistent with the requirements of Section 409A of the Code, until no amount payable to Ms. Hopkins will be subject to the excise tax.

Restrictive Covenants. The Employment Agreement contains certain restrictive covenants, including restrictive covenants related to the use of the Company’s or the Bank’s Confidential Information and misappropriating the Company’s or the Bank’s Trade Secrets. In the event of termination of the Employment Agreement for any reason, Ms. Hopkins will be subject to a limited non-solicitation provision related to the non-solicitation of any officer or employee of the Company or the Bank.

The foregoing is intended only as a summary and is qualified in its entirety by the terms of the Employment Agreement, a copy of which is filed as Exhibit 10.1 to this Current Report on Form 8-K and incorporated by reference into this Item 5.02.

Indemnity Agreement

In connection with entry into the Employment Agreement, Ms. Hopkins also entered into an indemnity agreement with the Company, the form of which was previously filed by the Company as Exhibit 10.12 to the Company’s Registration Statement on Form S-1 (File No. 3330-3219018), initially filed with the Securities Exchange Commission on June 28, 2017. Pursuant to the terms of the indemnity agreement, the Company is obligated to indemnify its directors and executive officers, including Ms. Hopkins, and to assume maximum liability for expenses and damages in connection with claims lodged against the Company’s directors and executive officers, including Ms. Hopkins for their line of duty decisions and action, to the fullest extent permissible under the General Corporations Law of the State of California. This description of the indemnity agreement does not purport to be complete and is qualified in its entirety by reference to the indemnity agreement.

Item 8.01 Other Events.

On December 11, 2023, the Company issued a press release related to the appointment of Ms. Lynn Hopkins as Interim Executive Vice President and Chief Financial Officer of the Company and the Bank effective December 7, 2023, and the resignation of Mr. Ko from the Company and the Bank effective December 31, 2023. A copy of this press release is attached hereto as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

10.1 [Employment Agreement, effective as of December 7, 2023, between RBB Bancorp, Royal Business Bank and Ms. Lynn Hopkins.](#)

99.1 [Press Release](#)

104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

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

Date: December 11, 2023

RBB BANCORP

(Registrant)

By: /s/ David Morris

David Morris
Chief Executive Officer

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT is effective as of December 7, 2023 between ROYAL BUSINESS BANK, a California state banking corporation (the “Bank”), RBB BANCORP, (the “Bancorp”), a California corporation, (collectively referred to as the “Company”) with their principal offices at 1055 Wilshire Boulevard, 12th floor, Suite 1200, Los Angeles, California 90017(hereinafter “Bank”), and LYNN M. HOPKINS (hereinafter “Executive”) whose present RESIDENCE address is 6210 Parima Street, Long Beach, California 90803. Executive may be carried on the records of the Bank as an employee and Executive’s compensation shall be paid by the Bank, subject to the Bank’s right of reimbursement from the Bancorp under other agreements to which the Executive is not a party.

A. TERM OF EMPLOYMENT

Subject to all necessary regulatory approvals, the Bank hereby employs Executive, and Executive hereby accepts employment with the Bank, for the period (the “Term”) commencing on December 7, 2023 (the “Effective Date”) through May 31, 2024, as the Interim Executive Vice President and Chief Financial Officer of the Bancorp and the Bank, subject however to prior termination as hereinafter provided. The Employment Start Date is December 11, 2023. Where used herein, “Term” shall refer to the entire period of the employment of Executive by Bank hereunder, whether for the period provided above, or whether terminated earlier as hereinafter provided, or renewed as provided in the next paragraph.

The term hereof shall be automatically renewed for successive six (6) month periods (the “Extended Term”), unless written notice is given and received not less than one (1) month prior to the end of the Initial Term of the intention of either party not to renew the same. The term for which Executive is employed hereunder (which includes the Initial Term and, if renewed, the Extended Term) is hereinafter referred to as the “Term.”

Any time after sixty (60) days from the Effective Date through May 31, 2024, and in the Company’s complete and absolute discretion, upon the agreement of the Company’s Chief Executive Officer, the Company may offer the Executive full-time employment as the Company’s Executive Vice President and Chief Financial Officer, whereupon a new employment agreement will be prepared and executed between Executive and the Company, and this employment agreement will thereupon terminate.

B. DUTIES OF EXECUTIVE

1. Duties. Executive's duties under this Employment Agreement include all ordinary and reasonable duties customarily performed by the full-time Executive Vice President and Chief Financial Officer of the Bancorp and the Bank, subject to the powers by law vested in the Board of Directors of the Bank and the Bancorp, and in the Bank's shareholders. Executive shall also be an interim officer of the Bancorp, the Bank, RBB Asset Management Company and First American International Capital Corporation. As such, Executive shall oversee all operational aspects of the business and activities of the Bancorp and the Bank. Executive shall render her services to the Bank and the Bancorp, and Executive shall exercise such corporate responsibilities as Executive may be directed by the Chief Executive Officer. Executive's position is a full-time exempt position, and Executive will be expected to work a minimum of 40 hours per week, Monday through Friday, as set by the Chief Executive Officer, which may need to be modified from time to time to meet business needs, and Executive may be required to work additional hours beyond a standard 40 hour work week to fulfill Executive's job duties. Executive shall also be required to travel from time to time in connection with performing Executive's job duties. Executive may work in alternative offices or from home on a specified schedule as agreed upon by the Chief Executive Officer. Executive is required to attend weekly management meetings and monthly Board of Director meetings in person. The majority of the finance and accounting staff of the Company is located in the Buena Park Office with some staff working in the downtown Los Angeles Office, and Executive may work out of either or both offices. Executive shall perform her duties faithfully, diligently and to the best of her ability, consistent with the highest and best standards of the banking industry and in compliance with applicable laws and the Bancorp's and the Bank's Articles of Incorporation and Bylaws.

2. Conflicts of Interest. Executive expressly agrees as a condition to the performance by Bancorp and Bank of their obligations herein that during the term of her Agreement and of any renewals hereof, she will not, directly or indirectly, render any services of an advisory nature or otherwise to or become employed by or participate or engage in any business competitive with any businesses of the Bank, without the prior written consent of the Bank, however, that nothing herein shall prohibit Executive from owning stock or other securities of a competitor which are relatively insubstantial to the total outstanding stock of such competitor, and so long as she in fact does not have the power to control or direct the management or policies of such competitor and does not serve as a director or officer of, and is not otherwise associated with, any competitor except as consented to by the Bank. Nothing contained herein shall preclude substantially passive investments by Executive during the Term that may require nominal amounts of her time, energies and interest.

3. Performance. Except as provided in paragraph G.2. herein, Executive after the Effective Date shall devote substantially her full energies, interests, abilities and productive time to the business of the Bancorp and the Bank. Executive shall at all times loyally and conscientiously perform all of these duties and obligations hereunder and shall at all times strictly adhere to and obey, and instruct and require all that work under and with her strictly to adhere and obey, all applicable federal and state laws, statutes, rules and regulations to the end that the Bancorp and the Bank shall at all times be in full compliance with such laws, statutes, rules and regulations.

C. COMPENSATION

1. Salary. In consideration of the performance by Executive of all of her obligations under this Agreement, the Bank agrees to pay Executive during the Term hereof a base salary of \$33,334 per month (approximately \$400,000 per year on an annualized basis) from the date of commencement of this Agreement for the Term. The Compensation Committee may elect to adjust upward the base annual salary and other compensation of Executive from time to time, at its sole discretion. The Executive's salary shall be reviewed at least annually by the Compensation Committee which may, but shall not be required to, increase the salary during the Employment Term. Executive acknowledges that wages are paid by the Bank semi-monthly in accordance with the Bank's normal payroll procedures, on the 15th and last day of the month. Executive acknowledges that she is not eligible for overtime compensation.

2. Bonuses. During the term of this Agreement, Executive may receive such bonuses, if any, as the Compensation Committee in its sole discretion shall determine. The Company offers a bonus opportunity for all executive officers. Annual bonus compensation for executive officers is subject to the terms and conditions of the annual bonus plan to be determined by the Company in its sole and absolute discretion. Executive shall not be eligible for any bonus in 2023 and unless and until Executive becomes a permanent employee.

3. Stock Awards. After Executive becomes a permanent employee as referenced in the third paragraph of Section A above, the Compensation Committee of the Bancorp in its sole discretion at its next regularly scheduled meeting intends to grant to Executive stock awards.

4. Claw-back Provisions. Notwithstanding any other provisions in this Agreement to the contrary, any incentive-based compensation, or any other compensation, paid to the Executive pursuant to this Agreement or any other agreement or arrangement with the Company which is subject to recovery under any law, government regulation or stock exchange listing requirement, will be subject to such deductions and claw-back as may be required to be made pursuant to such law, government regulation or stock exchange listing requirement (or any policy adopted by the Company pursuant to any such law, government regulation or stock exchange listing requirement).

5. Incentives. For 2024, and except as provided in the following sentence, in the discretion of the Chief Executive Officer, and subject to approval of the Compensation Committee, Executive may be provided project-based incentives as outlined in her employment offer letter based on the completion of certain projects, to be paid at the end of the Term of this Agreement. Notwithstanding the previous sentence, if Executive becomes a permanent employee of the Company as referenced in the third paragraph of Section A above, any project-based incentives described in the previous sentence will be distributed to Executive regardless of whether Executive is hired permanently. In the discretion of the Chief Executive Officer, and subject to the approval of the Compensation Committee, the Bank may pay Executive the annual bonus described in Paragraph C.2 above less any project-based incentives Executive shall have already earned or received. Executive shall also be eligible to further participate in the Company's other incentive plans for executive officers for 2024.

Such bonus incentives are subject to applicable payroll taxes and withholdings.

6. Holidays. The Bank closes for holidays observed by the Federal Reserve and the State of California but is subject to change based on workload and business need. Holiday pay is paid at your base rate of pay at the time of the holiday.

D. EMPLOYEE BENEFITS

1. Vacation. Executive shall be entitled to a vacation each year during the Term, which vacation shall be four (4) weeks (20 days), subject to pre-approval by the Chief Executive Officer, and subject to the Bank's vacation pay policy, subject to the vacation accrual cap, which provides that vacation hours may be accrued up to an annual accrual. The accrual of Executive's vacation upon the Employment Start Date and is pro-rated for 2023. Executive further agrees that she will not take the entire four (4) weeks of vacation consecutively, and that she will not take any vacation at times which would be detrimental to the interests of the Bank. Vacation days must be approved in advance by the Chief Executive Officer. Any vacation time not used shall accumulate up to a certain annual accrual cap, and Executive and the Bank shall conform to the Bank's Human Resources policy then in effect concerning vacations.

2. Travel Expense. During the Term hereunder, the Bank shall provide Executive with an automobile allowance of \$1,500 per month, less payroll taxes and withholdings, payable on a semi-monthly basis. During the Term hereunder, the Compensation Committee would be willing to reanalyze the monthly allowance if Executive's actual and reasonable costs are significantly in excess of the monthly allowance.

3. Group Medical and Life Insurance Benefits. The Bank will provide Executive and Executive's immediate family, and pay for, participation in medical, dental, vision, accident and health benefits as provided to other officers and employees of the Bank, an annual physical examination, and appropriate life and disability insurance, as long as Executive is insurable at a normal premium payment, on the first of the month following the Employment Start Date, which in Executive's case, will be January 1, 2024. The Bank's liability to Executive for any breach of this paragraph shall be limited to the amount of premiums payable by the Bank to obtain the coverage contemplated herein.

4. Salary Continuation Plan and Other Plans. During the Term, Executive shall be eligible to participate in any pension or profit-sharing plan, deferred compensation plan, salary continuation plan, stock purchase plan, or similar benefit or retirement program of the Bank as approved by the Compensation Committee now or hereafter existing, to the extent that she is eligible under the provisions thereof and commensurate with her position in relationship to other participants.

5. Sick Leave. Executive is eligible for paid sick leave, and Executive may accrue up to 80 hours of paid sick leave annually. Sick leave must be used in accordance with the Bank's paid sick leave policy.

E. REIMBURSEMENT FOR BUSINESS EXPENSES

Executive shall be entitled to reimbursement by the Bank for any ordinary and necessary business expenses incurred by Executive in the performance of Executive's duties and in acting for the Bank during the Term, which type of expenditures shall be determined by the Compensation Committee, provided that:

(a) Each such expenditure is of a nature qualifying it as a proper deduction on the federal and state income tax returns of the Bank as a business expense and not as deductible compensation to Executive; and

(b) Executive furnishes to the Bank adequate records and other documentary evidence required by federal and state statutes and regulations issued by the appropriate taxing authorities for the substantiation of such expenditures as deductible business expenses of the Bank and not as deductible compensation to Executive.

Upon timely presentation to the Bank of necessary and proper documentation in accordance with the Regulations of the Internal Revenue Service, the Bank will reimburse Executive for any necessary, usual, customary and reasonable business expenses incurred by Executive in connection with her position or for the Bank's benefit, including the costs of cellular phone service related to the Bank's business.

Any expenses of Executive for her activities in industry association groups, or other business, industry, civic, or charitable organizations, that are not reimbursed by those organizations, will be reimbursed by the Bank to Executive upon presentation of proper documentation.

F. TERMINATION

Notwithstanding any and all other provisions of this Agreement to the contrary, Executive's employment hereunder may be terminated:

1. Without Cause. In the sole and absolute discretion of the Board of Directors for any cause whatsoever; provided, however, that if such termination occurs during the Term and is for any cause other than any more particularly described in Sections F.2. or F.3. hereof, Executive shall receive a severance payment in an amount equal to the remaining term of this Agreement, payable in installments on the normal payroll dates of the Bank, and continuation of Executive's medical and dental insurance coverage for the remaining term of this Agreement, or until Executive has found employment, whichever occurs earlier, in full and complete satisfaction of any and all rights which Executive may enjoy hereunder. In order to qualify for the severance benefit, Executive must execute a general release in favor of the Bank and its officers, directors, employees, shareholders, attorneys, agents and all other related parties.

2. Disability or Death. Upon Executive's physical or mental disability to continue her duties hereunder as the Chief Financial Officer of the Bank during the Term of this Agreement; provided, however, that if such termination occurs as a result of such disability, Executive shall not receive any severance payment. For purposes of this Agreement, physical or mental disability shall be defined as Executive being unable to fully perform under this Agreement for a continuous period of 90 days, and reasonably accommodate for that disability as required by the Americans with Disability Act of 1990.

Upon Executive's death; provided, however, Executive's estate shall not receive any payment.

3. For Cause. The Bank may terminate immediately this Agreement without any further obligation or liability whatsoever to Executive, if:
- (a) Executive engages in misconduct or is negligent in the performance of her material duties hereunder; or
 - (b) Executive is convicted of or pleads guilty or nolo contendere to any felony, or is convicted of or pleads guilty or nolo contendere to any misdemeanor involving moral turpitude; or
 - (c) Bank is required to remove or replace Executive by formal order or formal or informal instruction, including a requested consent order or agreement, from the California Department of Financial Protection and Innovation (DFPI), the Federal Deposit Insurance Corporation ("FDIC") or any other regulatory authority having jurisdiction; or
 - (d) Executive has failed to perform or habitually neglected Executive's duties; or
 - (e) Executive has failed to follow any valid and legal written policy of the Board of Directors, any resolutions of the Board adopted at a duly called meeting or any instructions from the Board of Directors or the Chief Executive Officer; or
 - (f) Due to Executive's lack of care or negligence, the Bank receives a Section 8(a) Order from the FDIC, a Section 8(b) Order from the FDIC, or a Section 1912 or 1913 Order from the DFPI; or
 - (g) Executive's engagement in dishonesty, illegal conduct or gross misconduct; or
 - (h) Executive's willful unauthorized disclosure of Confidential Information (as defined below); or
 - (i) Executive's breach of any obligation under this Agreement or any other written agreement between the Executive and the Company; or
 - (j) any failure by the Executive to comply with the Company's written policies or rules, as they may be in effect from time to time during the Employment Term, if such failure causes material harm to the Company.

Any termination under this paragraph F.3 shall not prejudice any remedy which Bank may otherwise have at law, in equity, or under this Agreement.

4. Change of Control

(a) Except for termination for Cause (pursuant to Section F.3 hereof), disability or death (pursuant to Section F.2 hereof), after the occurrence of a Change in Control (as defined below) and in no other event, if Executive's employment with the Bank is materially adversely altered or Executive is not retained by the Bancorp, the Bank or the surviving bank or company, Executive shall not be entitled to receive any severance payment.

A material adverse alteration in employee status would mean (i) a material breach by the Bancorp or the Bank of their obligations under this Agreement, (ii) a change in Executive's status or position or responsibilities as Chief Financial Officer of the Bank which represents a demotion from her status, title, position and responsibilities, or the assignment to her of any significant duties which are inconsistent with such status, title or position, or (iii) a reduction by the Bank in her base annual salary, or (iv) requiring her to be based anywhere other than the greater Los Angeles area.

The Executive cannot terminate her employment for a material adverse alteration in employee status unless she has provided written notice to the Company of the existence of the circumstances providing grounds for termination for Good Reason within thirty (30) days of the initial existence or occurrence of such grounds and the Company has had at least (30) days from the date on which such notice is provided to cure such circumstances. If the Executive does not terminate her employment for Good Reason within seventy-five (75) days after the first occurrence of the applicable grounds, then the Executive will be deemed to have waived her right to terminate for Good Reason with respect to such grounds.

(b) A "Change in Control" shall be deemed to have occurred if the conditions set forth in any one of the following paragraphs shall have been satisfied:

(i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934 (the "Exchange Act") (other than the Bank; any trustee or other fiduciary holding securities under an employee benefit plan of the Bank; any entity owned, directly or indirectly, by the stockholders of the Bank in substantially the same proportions as their ownership of the stock of the Bank) is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Bank (not including in the securities beneficially owned by such Person any securities acquired directly from the Bank or its affiliates) representing 25% or more of the combined voting power of the Bank's then outstanding securities; or

(ii) the stockholders of the Bank approve a merger or consolidation of the Bank with any other corporation, other than (A) a merger or consolidation which would result in the voting securities of the Bank outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity), in combination with the ownership of any trustee or other fiduciary holding securities under an employee benefit plan of the Bank, at least 75% of the combined voting power of the voting securities of the Bank or such surviving entity outstanding immediately after such merger or consolidation, or (B) a merger or consolidation effected to implement a recapitalization of the Bank (or similar transaction) in which no person acquires more than 50% of the combined voting power of the Bank's then outstanding securities; or

(iii) the stockholders of the Bank approve a plan of complete liquidation of the Bank or an agreement for the sale or disposition by the Bank of all or substantially all the Bank's assets.

Notwithstanding the foregoing, a Change in Control shall not include (A) any event, circumstances or transaction that results from the action of any entity or group that includes, is affiliated with, or is wholly or partly controlled by Executive (e.g., a management-led buyout), or (B) the repurchase by the Bank or the redemption directly or indirectly, of securities of the Bank representing 50% or more of the combined voting power of the Bank's then outstanding securities.

5. Release. Upon termination, Executive will execute and deliver a general release to the Bancorp and the Bank, releasing the Bancorp, the Bank, its employees, officers, directors, stockholders and agents, and each person who controls any of them within the meaning of Section 15 of the Securities Act of 1933, as amended, from any and all claims (other than claims with respect to payments pursuant to such Sections) from the beginning of time to the date of termination.

6. Supervisory Matters.

(a) If the Executive is suspended and/or temporarily prohibited from participating in the conduct of the Bank's or the Bancorp's affairs by notice served under Section 8(e)(3) or 8(g)(1) of the Federal Deposit Insurance Act (12 U.S.C. Section 1818(e)(3) and (g)(1)), the obligations of the Company under this Agreement shall be suspended as of the date of service, unless stayed by appropriate proceedings. If the charges in the notice are dismissed, the Company may, in its discretion: (i) pay the Executive all or part of the compensation withheld while its obligations under this Agreement were suspended; and (ii) reinstate (in whole or in part) any of its obligations which were suspended. If the Executive is removed and/or permanently prohibited from participating in the conduct of the Bank's or the Bancorp's affairs by an order issued under Section 8(e) (3) or 8(g)(1) of the Federal Deposit Insurance Act (12 U.S.C. Section 1818(e)(3) or (g)(1)), all obligations of the Company under this Agreement shall terminate as of the effective date of the order, but vested rights of the parties shall not be affected. If the Company is in default (as defined in Section 3(x)(1) of the Federal Deposit Insurance Act (12 U.S.C. Section 1813(x)(1))), all obligations under this Agreement shall terminate as of the date of default, but vested rights of the parties shall not be affected. All obligations under this Agreement shall be terminated, except to the extent that it is determined that continuation of the Agreement is necessary for the continued operation of the Company; (i) by the Federal Deposit Insurance Corporation at the time that the Federal Deposit Insurance Corporation enters into an agreement to provide assistance to or on behalf of the Bank under the authority contained in Section 11 of the Federal Deposit Insurance Act (12 U.S.C. Section 1821); or (ii) by the Federal Deposit Insurance Corporation or the Federal Reserve Board, at the time that the Federal Deposit Insurance Corporation or the Federal Reserve Board approves a supervisory merger to resolve problems related to the operation of the Bancorp or when the Company is in an unsafe or unsound condition. All rights of the parties that have already vested, however, shall not be affected by such action.

Notwithstanding anything to the contrary contained herein, the obligation to make payment of any severance benefits as provided herein (including without limitation, any payment contemplated under Section F.4), is conditioned upon (i) the Company and/or Bank obtaining any necessary approval from the Board of Governors of the Federal Reserve System and/or the Federal Deposit Insurance Corporation, and (ii) compliance with applicable law, including 12 C.F.R. Part 359. In addition, the Executive covenants and agrees that the Company and its successors and assigns shall have the right to demand the return of any "golden parachute payments" (as defined in 12 C.F.R. Part 359) in the event that any of them obtain information indicating that the Executive committed, is substantially responsible for, or has violated, the respective acts or omissions, conditions, or offenses contained in 12 C.F.R. § 359.4(a)(4), and the Executive shall promptly return any such "golden parachute payment" upon such demand.

7. Section 280G.

(i) If any of the payments or benefits received or to be received by the Executive (including, without limitation, any payment or benefits received in connection with a Change in Control or the Executive's termination of employment, whether pursuant to the terms of this Agreement or any other plan, arrangement or agreement, or otherwise) (all such payments collectively referred to herein as the "280G Payments") constitute "parachute payments" within the meaning of Section 280G of the Code and would, but for this Section F.7, be subject to the excise tax imposed under Section 4999 of the Code (the "Excise Tax"), then such 280G Payments shall be reduced (by the minimum possible amounts) in a manner determined by the Company that is consistent with the requirements of Section 409A, until no amount payable to the Executive will be subject to the Excise Tax. If two economically equivalent amounts are subject to reduction but are payable at different times, the amounts shall be reduced (but not below zero) on a pro rata basis.

(ii) All calculations and determinations under this Section F.7 shall be made by an independent accounting firm or independent tax counsel appointed by the Company (the "Tax Counsel") whose determinations shall be conclusive and binding on the Company and the Executive for all purposes. For purposes of making the calculations and determinations required by this Section F.7, the Tax Counsel may rely on reasonable, good faith assumptions and approximations concerning the application of Section 280G and Section 4999 of the Code. The Company and the Executive shall furnish the Tax Counsel with such information and documents as the Tax Counsel may reasonably request in order to make its determinations under this Section F.7. The Company shall bear all costs the Tax Counsel may reasonably incur in connection with its services.

G. Confidential Information Defined.

(a) Definition.

For purposes of this Agreement, "Confidential Information" includes, but is not limited to, all information not generally known to the public, in spoken, printed, electronic or any other form or medium, relating directly or indirectly to: business processes, practices, methods, policies, plans, documents, operations, services, strategies, agreements, contracts, terms of agreements, transactions, potential transactions, negotiations, trade secrets, policy manuals, records, vendor information, financial information, results, accounting records, legal information, marketing information, pricing information, credit information, payroll information, staffing information, personnel information, employee lists, supplier lists, vendor lists, reports, internal controls, security procedures, market studies, sales information, revenue, costs, notes, communications, product plans, ideas, customer information, customer lists, of the Company or its businesses or any existing or prospective customer, supplier, investor or other associated third party, or of any other person or entity that has entrusted information to the Company in confidence.

The Executive understands that the above list is not exhaustive, and that Confidential Information also includes other information that is marked or otherwise identified as confidential or proprietary, or that would otherwise appear to a reasonable person to be confidential or proprietary in the context and circumstances in which the information is known or used.

The Executive understands and agrees that Confidential Information includes information developed by her in the course of her employment by the Company as if the Company furnished the same Confidential Information to the Executive in the first instance. Confidential Information shall not include information that: (i) is generally available to and known by the public at the time of disclosure to the Executive; provided that, such disclosure is through no direct or indirect fault of the Executive or person(s) acting on the Executive's behalf; (ii) becomes available on a non-confidential basis from a source other than a party to this Agreement or a representative of a party to this Agreement, provided that such source is not bound by a confidentiality agreement with a party or otherwise prohibited from transmitting the information by a contractual, legal or fiduciary obligation, (iii) is disclosed in accordance with an order of a court of competent jurisdiction or applicable law.

(b) Company Creation and Use of Confidential Information.

The Executive understands and acknowledges that the Company has invested, and continues to invest, substantial time, money and specialized knowledge into developing its resources, creating a customer base, generating customer and potential customer lists, training its employees, and improving its product offerings in the field of financial services. The Executive understands and acknowledges that as a result of these efforts, the Company has created, and continues to use and create Confidential Information. This Confidential Information provides the Company with a competitive advantage over others in the marketplace.

(c) Disclosure and Use Restrictions.

The Executive agrees and covenants: (i) to treat all Confidential Information as strictly confidential; (ii) not to directly or indirectly disclose, publish, communicate or make available Confidential Information, or allow it to be disclosed, published, communicated or made available, in whole or part, to any entity or person whatsoever (including other employees of the Company) not having a need to know and authority to know and use the Confidential Information in connection with the business of the Company and, in any event, not to anyone outside of the direct employ of the Company except as required in the performance of the Executive's authorized employment duties to the Company in each instance (and then, such disclosure shall be made only within the limits and to the extent of such duties; and (iii) not to access or use any Confidential Information, and not to copy any documents, records, files, media or other resources containing any Confidential Information, or remove any such documents, records, files, media or other resources from the premises or control of the Company, except as required in the performance of the Executive's authorized employment duties to the Company acting on behalf of the Company in each instance (and then, such disclosure shall be made only within the limits and to the extent of such duties). Nothing herein shall be construed to prevent disclosure of Confidential Information as may be required by applicable law or regulation, or pursuant to the valid order of a court of competent jurisdiction or an authorized government agency, provided that the disclosure does not exceed the extent of disclosure required by such law, regulation or order. The Executive shall promptly provide written notice of any such order to the Company's General Counsel.

The Executive understands and acknowledges that her obligations under this Agreement with regard to any particular Confidential Information shall commence immediately upon the Executive first having access to such Confidential Information (whether before or after she began employment by the Company) and shall continue during and after her employment by the Company until such time as such Confidential Information has become public knowledge other than as a result of the Executive's breach of this Agreement or breach by those acting in concert with the Executive or on the Executive's behalf.

H. Security.

(a) Security and Access. The Executive agrees and covenants (a) to comply with all Company security policies and procedures as in force from time to time including, without limitation, those regarding computer equipment, telephone systems, voicemail systems, facilities access, monitoring, key cards, access codes, Company intranet, internet, social media and instant messaging systems, computer systems, e-mail systems, computer networks, document storage systems, software, data security, encryption, firewalls, and passwords ("Facilities Information Technology and Access Resources"); (b) not to access or use any Facilities Information Technology and Access Resources except as authorized by the Company; and (iii) not to access or use any Facilities Information Technology and Access Resources in any manner after the termination of the Executive's employment by the Company, whether termination is voluntary or involuntary. The Executive agrees to notify the Company promptly in the event she learns of any violation of the foregoing by others, or of any other misappropriation or unauthorized access, use, reproduction or reverse engineering of, or tampering with any Facilities Information Technology and Access Resources or other Company property or materials by others.

(b) Exit Obligations. Upon (a) voluntary or involuntary termination of the Executive's employment or (b) the Company's request at any time during the Executive's employment, the Executive shall (i) provide or return to the Company any and all Company property, including keys, key cards, access cards, identification cards, security devices, employer credit cards, network access devices, computers, cell phones, smartphones, PDAs, pagers, fax machines, equipment, manuals, reports, files, books, compilations, e-mail messages, recordings, disks, thumb drives or other removable information storage devices, hard drives, data and all Company documents and materials belonging to the Company and stored in any fashion, including but not limited to those that constitute or contain any Confidential Information, that are in the possession or control of the Executive, whether they were provided to the Executive by the Company or any of its business associates or created by the Executive in connection with her employment by the Company; and (ii) delete or destroy all copies of any such documents and materials not returned to the Company that remain in the Executive's possession or control, including those stored on any non-Company devices, networks, storage locations and media in the Executive's possession or control.

I. Publicity. The Executive hereby irrevocably consents to any and all uses and displays, by the Company and its agents, representatives and licensees, of the Executive's name, voice, likeness, image, appearance and biographical information in, on or in connection with any pictures, photographs, audio and video recordings, digital images, websites, television programs and advertising, other advertising and publicity, sales and marketing brochures, books, magazines, other publications, CDs, DVDs, tapes and all other printed and electronic forms and media throughout the world, at any time during or after the period of her employment by the Company, for all legitimate commercial and business purposes of the Company ("Permitted Uses") without further consent from or royalty, payment or other compensation to the Executive. The Executive hereby forever waives and releases the Company and its directors, officers, employees and agents from any and all claims, actions, damages, losses, costs, expenses and liability of any kind, arising under any legal or equitable theory whatsoever at any time during or after the period of her employment by the Company, arising directly or indirectly from the Company's and its agents', representatives' and licensees' exercise of their rights in connection with any Permitted Uses.

J. GENERAL PROVISIONS

1. Trade Secrets. During the Term, Executive will have access to and become acquainted with what Executive and the Bank acknowledge are trade secrets, to wit, knowledge or data concerning the Bank, including its operations and business, and the identity of customers of the Bank, including knowledge of their financial conditions their financial needs, as well as their methods of doing business. Executive shall not disclose any of the aforesaid trade secrets, directly or indirectly, or use them in any way, except as required in the course of Executive's employment with the Bank.

2. Covenant Not to Solicit Fellow Employees. If the Bancorp, the Bank or the Executive terminates this Agreement for any reason, Executive agrees not to solicit the services of any officer or employee of the Bancorp or the Bank during such period.

The covenants contained in this Section J.2 shall be considered as a series of separate covenants, one for each political subdivision of California, and one for each entity or individual with respect to whom solicitation is prohibited. Except as provided in the previous sentence, each such separate covenant shall be deemed identical in terms to the covenant contained in this Section J.2. If in any judicial proceeding a court refuses to enforce any of such separate covenants (or any part thereof), then such unenforceable covenant (or such part) shall be eliminated from this Agreement to the extent necessary to permit the remaining separate covenants (or portions thereof) to be enforced. In the event that a provision of this Section J.2 or any such separate covenant or portion thereof, is determined to exceed the time, geographic or scope limitations permitted by applicable law, then such provision shall be reformed to the maximum time, geographic or scope limitations, as the case may be, permitted by applicable law. Executive hereby consents, to the extent Executive may lawfully do so, to the judicial modification of this Agreement as described in this Section J.2.

In the event of a merger or consolidation where Bank is not the surviving corporation, in the event of a transfer of all or substantially all of the assets of Bank, or in the event that the majority of the Bank's Board of Directors, as it exists as of the date of this Agreement, does not have control, the Executive shall be unconditionally released from all of her duties and obligations under this paragraph.

3. Indemnification. To the extent permitted by law, applicable statutes, the Bylaws or resolutions of the Bank in effect from time to time, the Bank and the Bancorp shall indemnify Executive against liability or loss arising out of Executive's actual or asserted misfeasance or nonfeasance in the performance of Executive's duties or out of any actual or asserted wrongful act against, or by, the Bank including but not limited to judgments, fines, settlements and advancement of expenses incurred in the defense of actions, proceedings and appeals therefrom. The Bank shall endeavor to obtain Directors and Officers Liability Insurance to indemnify and insure the Bank and Executive from and against the aforesaid liabilities. The provisions of this paragraph shall apply to the estate, executor, administrator, heirs, legatees or devisees of Executive.

4. Return of Documents. Executive expressly agrees that all manuals, documents, files, reports, studies, instruments or other materials used and/or developed by Executive during the Term are solely the property of the Bank, and that Executive has no right, title or interest therein. Upon termination of this Agreement, Executive or Executive's representative shall promptly deliver possession of all of said property to the Bank in good condition.

5. Notices. Any notice, request, demand or other communication required or permitted hereunder shall be deemed to be properly given when personally served in writing, when deposited in the United States mail, postage prepaid, or when communicated to a public telegraph address appearing at the beginning of this Agreement. Either party may change its address by written notice in accordance with this paragraph.

6. California Law. This Agreement is to be governed by and construed under the laws of the State of California.

7. Captions and Paragraph Headings. Captions and paragraph headings used herein are for convenience only and are not a part of this Agreement and shall not be used in construing it.

8. Invalid Provisions. Should any provision of this Agreement for any reason be declared invalid, the validity and binding effect of any remaining portion shall not be affected, and the remaining portions of this Agreement shall remain in full force and effect as if this Agreement had been executed with said provision eliminated.

9. Entire Agreement. This Agreement contains the entire agreement of the parties. It supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the employment of Executive by the Bank. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, oral or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement, or promise not contained in this Agreement shall be valid or binding. This Agreement may not be modified or amended by oral agreement, but only by an agreement in writing signed by the Bank and Executive.

10. Receipt of Agreement. Each of the parties hereto acknowledges that they or she has read this Agreement in its entirety and does hereby acknowledge receipt of a fully executed copy thereof. A fully executed copy shall be an original for all purposes, and is a duplicate original.

11. Resolution of Disputes: Arbitration. In the event of any dispute, claim or controversy between the Executive and the Bank (or its directors, officers, employees or agents) arising out of this Agreement or the Executive's employment with the Bank, both Parties agree to submit such dispute, claim or controversy to final and binding arbitration under the Federal Arbitration Act, in conformity with the procedures of the California Arbitration Act (Cal. Code Civ. Proc. sec. 1280 et seq. ...). The arbitration will be conducted before the American Arbitration Association ("AAA") in accordance with the AAA Employment Arbitration Rules and Mediation Procedures. These rules are available at the AAA web site at: <http://www.adr.org>. The claims governed by this arbitration provision include, but are not limited to, claims for wages and other compensation, claims for breach of contract (express or implied), claims for violation of public policy, wrongful termination, wrongful demotion, tort claims, claims for fraud and misrepresentation, claims for unlawful discrimination, harassment, and/or retaliation to the extent allowed by law, and claims for violation of any federal, state, or other government law, statute, regulation, or ordinance. The claims which are to be arbitrated under this agreement include claims under Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, the Age Discrimination in Employment Act, the California Fair Employment and Housing Act and the California Labor Code.

(a) The arbitration shall be conducted by a single arbitrator selected either by mutual agreement of the Executive and the Bank or, if they cannot agree, from an odd-numbered list of experienced employment law arbitrators provided by the AAA. Each Party shall strike one arbitrator from the list alternately until only one arbitrator remains.

(b) Each Party shall have the right to conduct reasonable discovery, as determined by the arbitrator.

(c) The arbitrator shall have all powers conferred by law and a judgment may be entered on the award by a court of law having jurisdiction. The arbitrator shall render a written arbitration award that contains the essential findings and conclusions on which the award is based. The award and judgment shall be binding and final on both Parties, subject to such review as is authorized by law.

(d) Either Party may bring an action to confirm the arbitration award in a court of competent jurisdiction. To the maximum extent permitted by law, the decision of the arbitrator shall be final and binding on the Parties to this Agreement and shall be subject to judicial review only to the extent provided by law.

(e) The Parties shall share equally the costs of the arbitrator and the arbitration forum unless a different fee payment arrangement is otherwise required by applicable law to preserve the enforceability of this arbitration provision. Employer will pay the costs of the arbitrator and the arbitration forum to the extent required by applicable law to preserve the enforceability of this arbitration provision.

(f) In the event litigation, mediation, or arbitration is commenced to enforce or construe any of the provisions of this Agreement, to recover damages for breach of any of the provisions of this Agreement, or to obtain declaratory relief in connection with any of the provisions of this Agreement, the prevailing Party shall, to the extent permitted by law without impairing the enforceability of the arbitration provision hereinabove, be entitled to recover reasonable attorneys' fees and costs. In the event this Agreement is asserted, in any litigation, mediation, or arbitration, as a defense to any liability, claims, demands, actions, causes of action, or rights herein released or discharged, the prevailing Party on the issue of that defense shall, to the extent permitted by law without impairing the enforceability of the arbitration provision hereinabove, be entitled to recover reasonable attorneys' fees and costs.

(g) The Executive and the Bank understand that by signing this Agreement, they give up their right to a civil trial in a court of law and their right to a trial by jury.

(h) This agreement to arbitrate does not apply to disputes or claims related to workers' compensation benefits, disputes or claims related to unemployment insurance benefits, unfair labor practice charges under the National Labor Relations Act, or disputes or claims that are expressly excluded from arbitration by statute or are expressly required to be arbitrated under a different procedure pursuant to an employee benefit plan.

(i) This agreement to arbitrate does not prevent Executive from filing a charge or complaint with the California Department of Fair Employment and Housing, or the U.S. Equal Opportunity Commission. It also does not prevent Executive from participating in any investigation or proceeding conducted by an agency. However, if one of these agencies issues a right to sue notice, binding arbitration under this agreement will be Executive's sole remedy.

(j) This agreement to arbitrate shall continue during the Employment Period and thereafter regarding any employment-related disputes.

12. Section 409A. This Agreement is intended to comply with Section 409A or an exemption thereunder and shall be construed and administered in accordance with Section 409A. Notwithstanding any other provision of this Agreement, payments provided under this Agreement may only be made upon an event and in a manner that complies with Section 409A or an applicable exemption. Any payments under this Agreement that may be excluded from Section 409A either as separation pay due to an involuntary separation from service or as a short-term deferral shall be excluded from Section 409A to the maximum extent possible. For purposes of Section 409A, each installment payment provided under this Agreement shall be treated as a separate payment. For purposes of determining the timing of any payments to be made under this Agreement by reference to Executive's termination of employment, "termination" and "termination of employment" shall refer to Executive's "separation from service" as defined for purposes of Section 409A. Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this Agreement comply with Section 409A and in no event shall the Company be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by the Executive on account of non-compliance with Section 409A.

Notwithstanding any other provision of this Agreement, if any payment or benefit provided to the Executive in connection with her termination of employment is determined to constitute "nonqualified deferred compensation" within the meaning of Section 409A and the Executive is determined to be a "specified employee" as defined in Section 409A(a)(2)(b)(i), then such payment or benefit shall be paid on the first payroll date to occur following the six-month anniversary of the Termination Date (the "Specified Employee Payment Date"). The aggregate of any payments that would otherwise have been paid before the Specified Employee Payment Date shall be paid to the Executive in a lump sum on the Specified Employee Payment Date and thereafter, any remaining payments shall be paid without delay in accordance with their original schedule.

IN WITNESS WHEREOF, the Bank has caused this Agreement to be executed by its duly authorized officer or representative and Executive has executed this Agreement to be effective as of the day and year first written above.

ROYAL BUSINESS BANK

By: /s/ Dr. James Kao
Dr. James Kao,
Chairman of the Board

By: /s/ Geraldine Pannu
Geraldine Pannu,
Secretary

RBB BANCORP

By: /s/ Dr. James Kao
Dr. James Kao,
Chairman of the Board

By: /s/ Geraldine Pannu
Geraldine Pannu,
Secretary

EXECUTIVE

/s/ Lynn M. Hopkins
Lynn M. Hopkins



Press Release
For Immediate Release

RBB BANCORP ANNOUNCES APPOINTMENT OF LYNN HOPKINS AS INTERIM EXECUTIVE VICE PRESIDENT AND CHIEF FINANCIAL OFFICER

LOS ANGELES, December 11, 2023 /Businesswire/ -- RBB Bancorp (the "Company", "we", "us" or "our") (NASDAQ: RBB) is pleased to announce the appointment of Ms. Lynn M. Hopkins as Interim Executive Vice President and Chief Financial Officer of Royal Business Bank (the "Bank") and RBB Bancorp effective December 7, 2023. With over 30 years of financial services industry experience, Ms. Hopkins brings a wealth of knowledge as a chief financial officer at various financial institutions, including expertise in banking risk management, corporate governance and operations, strategic planning and forecasting, liquidity, treasury and asset liability risk management, mergers and acquisitions, integration and conversion activities, technical accounting, and additional experience that will be beneficial to the Company.

Prior to joining the Company, Ms. Hopkins held the position of Executive Vice President and Chief Financial Officer, at Banc of California, Inc., a publicly traded bank holding company with \$9.3 billion in assets. During her 3-year tenure at Banc of California, Inc., she served as Chief Financial Officer and contributed significantly to the company's success, which included restructuring the company's balance sheet and earnings profile, substantially increasing returns, and overseeing the issuance of debt, preferred stock redemptions and a significant bank acquisition. Ms. Hopkins also held Chief Financial Officer roles at First Choice Bancorp and Commercial Bank of California, and various executive finance and corporate leadership roles at PacWest Bancorp, California Community Bancshares and Western Bancorp.

David Morris, Chief Executive Officer of the Company, expressed enthusiasm for Ms. Hopkins' appointment, stating, "We are thrilled to have Lynn join us as Interim Chief Financial Officer and look forward to her contributions to the Company. As we strive to deliver value to our customers, community, and shareholders, we continue to attract top-tier banking professionals to our team and directors to our Board."

Commenting on her new appointment, Ms. Hopkins stated, "I am delighted to be part of the Royal Business Bank team. The bank has demonstrated outstanding growth and performance, and its differentiated strategy positions it to generate shareholder value while serving the Asian American community. I look forward to helping the Company achieve success for the benefit of its employees, clients and shareholders."

Ms. Hopkins began her career as a Certified Public Accountant with KPMG Los Angeles and London, and she holds a Bachelor of Arts degree in Economics/Business from the University of California, Los Angeles.

Mr. Alex Ko informed the Board he is voluntarily resigning from his position as CFO due to personal reasons and will be pursuing other opportunities. He will be available as a consultant to assist in the transition to the new Interim CFO.

"On behalf of everyone at the Company, I would like to thank Alex for his contributions during his tenure as CFO," said David Morris, Chief Executive Officer and a member of the Board of Directors. "Alex will be available as a consultant thereafter to ensure a smooth transition. He leaves behind strong accounting, financial planning and financial control teams that are well-positioned to support all related capabilities moving forward. We wish Alex success in his future endeavors."

Corporate Overview

RBB Bancorp is a community-based financial holding company headquartered in Los Angeles, California. As of September 30, 2023, the Company had total assets of \$4.1 billion. Its wholly-owned subsidiary, Royal Business Bank, is a full service commercial bank, which provides business banking services to the Asian communities in Los Angeles County, Orange County, and Ventura County in California, in Las Vegas, Nevada, in Brooklyn, Queens, and Manhattan in New York, in Edison, New Jersey, in the Chicago neighborhoods of Chinatown and Bridgeport, Illinois, and on Oahu, Hawaii. The Bank's services include remote deposit, E-banking, mobile banking, commercial and investor real estate loans, business loans and lines of credit, commercial and industrial loans, SBA 7A and 504 loans, 1-4 single family residential loans, trade finance, a full range of depository account products and wealth management services. The Bank has nine branches in Los Angeles County, two branches in Ventura County, and one branch in Orange County, California, one branch in Las Vegas, Nevada, three branches and one loan operation center in Brooklyn, three branches in Queens, and one branch in Manhattan in New York, one branch in Edison, New Jersey, two branches in Chicago, Illinois, and one branch in Honolulu, Hawaii. The Company's administrative and lending center is located at 1055 Wilshire Blvd., Los Angeles, California 90017, and its finance and operations center is located at 7025 Orangethorpe Ave., Buena Park, California 90621. The Company's website address is www.royalbusinessbankusa.com.

Contacts

David Morris, Chief Executive Officer, (714) 670-2488

Safe Harbor

Certain matters set forth herein (including the exhibits hereto) constitute forward-looking statements relating to the Company's current business plans and expectations and our future financial position and operating results. These forward-looking statements are subject to risks and uncertainties that could cause actual results, performance and/or achievements to differ materially from those projected. These risks and uncertainties include, but are not limited to, the effectiveness of the Company's internal control over financial reporting and disclosure controls and procedures; the potential for additional material weaknesses in the Company's internal controls over financial reporting or other potential control deficiencies of which the Company is not currently aware or which have not been detected; business and economic conditions generally and in the financial services industry, nationally and within our current and future geographic markets, including the tight labor market, ineffective management of the United States, federal budget or debt or turbulence or uncertainty in domestic or foreign financial markets; the strength of the United States economy in general and the strength of the local economies in which we conduct operations; our ability to attract and retain deposits and access other sources of liquidity; possible additional provisions for loan losses and charge-offs; credit risks of lending activities and deterioration in asset or credit quality; extensive laws and regulations and supervision that we are subject to, including potential supervisory action by bank supervisory authorities; increased costs of compliance and other risks associated with changes in regulation, including any amendments to the Dodd-Frank Wall Street Reform and Consumer Protection Act; compliance with the Bank Secrecy Act and other money laundering statutes and regulations; potential goodwill impairment; liquidity risk; fluctuations in interest rates; the transition away from the London Interbank Offering Rate (LIBOR) and related uncertainty as well as the risks and costs related to our adopted alternative reference rate, including the Secured Overnight Financing Rate (SOFR); risks associated with acquisitions and the expansion of our business into new markets; inflation and deflation; real estate market conditions and the value of real estate collateral; environmental liabilities; our ability to compete with larger competitors; our ability to retain key personnel; successful management of reputational risk; severe weather, natural disasters, earthquakes, fires; or other adverse external events could harm our business; geopolitical conditions, including acts or threats of terrorism, actions taken by the United States or other governments in response to acts or threats of terrorism and/or military conflicts, including the conflicts between Russia and Ukraine and in the Middle East, which could impact business and economic conditions in the United States and abroad; public health crises and pandemics, including the COVID-19 pandemic, and their effects on the economic and business environments in which we operate, including our credit quality and business operations, as well as the impact on general economic and financial market conditions; general economic or business conditions in Asia, and other regions where the Bank has operations; failures, interruptions, or security breaches of our information systems; climate change, including any enhanced regulatory, compliance, credit and reputational risks and costs; cybersecurity threats and the cost of defending against them; our ability to adapt our systems to the expanding use of technology in banking; risk management processes and strategies; adverse results in legal proceedings; the impact of regulatory enforcement actions, if any; certain provisions in our charter and bylaws that may affect acquisition of the Company; changes in tax laws and regulations; the impact of governmental efforts to restructure the U.S. financial regulatory system; the impact of future or recent changes in the Federal Deposit Insurance Corporation ("FDIC") insurance assessment rate of the rules and regulations related to the calculation of the FDIC insurance assessment amount; the effect of changes in accounting policies and practices or accounting standards, as may be adopted from time-to-time by bank regulatory agencies, the SEC, the Public Company Accounting Oversight Board, the Financial Accounting Standards Board or other accounting standards setters, including Accounting Standards Update 2016-13 (Topic 326, "Measurement of Current Losses on Financial Instruments, commonly referenced as the Current Expected Credit Losses Model, which changed how we estimate credit losses and may further increase the required level of our allowance for credit losses in future periods; market disruption and volatility; fluctuations in the Bancorp's stock price; restrictions on dividends and other distributions by laws and regulations and by our regulators and our capital structure; issuances of preferred stock; our ability to raise additional capital, if needed, and the potential resulting dilution of interests of holders of our common stock; the soundness of other financial institutions; our ongoing relations with our various federal and state regulators, including the SEC, FDIC, FRB and California Department of Financial Protection and Innovation; our success at managing the risks involved in the foregoing items and all other factors set forth in the Company's public reports, including its Annual Report as filed under Form 10-K and Form 10-K/A for the year ended December 31, 2022, and particularly the discussion of risk factors within that document. The Company does not undertake, and specifically disclaims any obligation, to update any forward-looking statements to reflect occurrences or unanticipated events or circumstances after the date of such statements except as required by law. Any statements about future operating results, such as those concerning accretion and dilution to the Company's earnings or shareholders, are for illustrative purposes only, are not forecasts, and actual results may differ.