

PACWEST BANCORP

CHARTER OF THE ASSET/LIABILITY MANAGEMENT COMMITTEE OF THE BOARD OF DIRECTORS

MAY 15, 2019

Purpose of the Committee

The purpose of the Asset/Liability Management Committee (the “Committee”) of the Board of Directors (the “Board”) of PacWest Bancorp (the “Company”) is to monitor the asset and liability strategies of the Company and its subsidiary bank (the “Bank”) and to ensure compliance with all applicable regulatory and reporting requirements with respect thereto. While the Committee has the authority and responsibilities set forth in this charter, management is responsible for designing, implementing and maintaining effective asset and liability strategies.

Committee Membership

The Committee shall consist solely of three or more members of the Board. Members shall be appointed annually by the Board, based on nominations recommended by the Board’s Compensation, Nominating and Governance Committee, and shall serve at the pleasure of the Board and for such term or terms as the Board may determine. Members of the Committee shall have professional experience that will be helpful to the Committee executing the functions set forth below.

Committee Structure and Operations

The Board shall designate one member of the Committee as its chairperson. The Committee shall meet at least four times a year, and more frequently as necessary, in conjunction with regularly scheduled meetings of the Board at regularly scheduled times and places determined by the Committee chairperson, with further meetings to occur, or actions to be taken by unanimous written consent, when deemed necessary or desirable by the Committee or its chairperson. Members of the Committee may participate in a meeting of the Committee by means of a conference call or other similar means of communication in which all persons participating in the meeting can hear one another.

The Committee shall keep written minutes of all meetings, which minutes shall be maintained with the books and records of the Company.

At all meetings of the Committee, a majority of the total number of Committee members shall constitute a quorum. All meetings will be subject to and in accordance with the applicable provisions of Delaware law and the Bylaws of the Company, including notice, quorum, voting and approval requirements thereof.

The Committee may invite such members of management to its meetings as it may deem desirable or appropriate, consistent with the execution of its functions. The Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") shall be invited to attend all regular and special meetings of the Committee, unless the chairperson determines that the meeting shall be held in executive session with only members of the Committee.

Committee Duties and Responsibilities

Each member of the Committee shall perform his or her duties in good faith, in a manner he or she believes to be in the best interests of the Company and its shareholders and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. In discharging that obligation, members should be entitled to rely on the honesty and integrity of the Company's senior executives and its outside advisors and auditors, to the fullest extent permitted by law.

The following are the duties and responsibilities of the Committee:

- On at least an annual basis, review, approve, and as applicable, recommend Board approval of proposed changes to the Board policies that are assigned the Committee's oversight, including the Asset/Liability Management Policy, the Investment Policy, the Interbank Liability Policy, the Liquidity Management Policy, the Volcker Rule Policy, and the Contingency Funding Plan Policy.
- Review the results of the Company's and the Bank's interest rate risk and liquidity monitoring and reporting system, including performance relative to established policy limits, risk categories and operating targets (as set forth in the Risk Appetite Statement).
- Review the results of the consolidated and parent company only liquidity stress test.
- Monitor changes in market conditions, including Federal Open Market Committee ("FOMC") actions and changes in the Treasury and SWAP yield curves.
- Monitor performance of the Bank's investment portfolio and strategies including portfolio activity, unrealized gains and losses, portfolio yield, duration and total return, and credit quality (including Municipal portfolio surveillance).
- Review compliance with the Investment Policy's portfolio concentration limits.
- Review the status of the Company's CRA Investments.
- Review the status of the Company's derivatives and hedge positions.
- Review the composition of the Company's funding, including the core deposits, retail CDs, brokered deposits, and secured and unsecured borrowings.

- Other matters that the Committee deems relevant to managing the assets and liabilities and the strategic direction of the Company and the Bank.

In addition to the duties and responsibilities listed above, the Committee shall perform such other duties and responsibilities as may be directed by the Board or required by applicable laws, rules or regulations.

Committee Reports

The Committee shall produce the following reports and provide them to the Board.

1. An annual performance evaluation of the Committee, which evaluation must compare the performance of the Committee with the requirements of this charter. The performance evaluation should also recommend to the Board any improvements to this charter deemed necessary or desirable by the Committee. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate. The report to the Board may take the form of an oral report by the chairperson of the Committee or any other member of the Committee designated by the Committee to make this report.
2. A summary of the actions taken at each Committee meeting, which shall be presented to the Board at the next Board meeting.

Resources and Authority of the Committee

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to select, retain, terminate, and approve the fees and other retention terms of special counsel or other experts or consultants (other than for services by the Company's independent auditors), as it deems appropriate, without seeking approval of the Board or management.