

BBCN BANCORP INC  
Form 424B3  
January 09, 2013  
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Filed Pursuant to Rule 424(b)(3)  
Registration Statement No. 333-185749

## PROPOSED MERGER YOUR VOTE IS VERY IMPORTANT

To Pacific International Shareholders:

The boards of directors of BBCN Bancorp, Inc. ( **BBCN** ) and Pacific International Bancorp, Inc. ( **Pacific International** ) have approved an agreement to merge the two companies. Before we can complete the merger, we must obtain the approval of the shareholders of Pacific International. The board of directors of Pacific International is sending you this document to ask for your vote to approve the merger agreement, including the terms of the merger, at the special shareholder meeting of Pacific International, which will be held on February 13, 2013.

In the proposed merger, Pacific International will merge with and into BBCN, and Pacific International shareholders will receive a fraction of one share of BBCN common stock for each share of Pacific International common stock in an amount equal to the exchange ratio. The exchange ratio will be determined by dividing \$1.75 by the average of the daily volume-weighted average trading prices of BBCN common stock on the NASDAQ Global Select Market for each of the 15 trading days ending one trading day prior to the effective time of the merger, subject to the limits that if the average price is \$11.50 or less the maximum exchange ratio will be 0.15217 shares of BBCN common stock and if the average price is \$13.00 or more the minimum exchange ratio will be 0.13462 shares of BBCN common stock. The exchange ratio is subject to customary adjustments in the event of certain changes in the outstanding shares of BBCN common stock. The maximum aggregate number of shares of BBCN common stock that may be issued in the merger is 715,478.

The accompanying disclosure document describes the special meeting, the merger and the related merger agreement and includes other important information about the proposals that will be presented for action at the special meeting. **Please read the entire document carefully, including the section entitled Risk Factors beginning on Page 14.**

**Your vote is very important.** Whether or not you plan to attend the special meeting, please take the time to submit your proxy or voting instructions in accordance with the instructions contained in this document. If you do not vote, it will have the same effect as voting against the merger.

**The board of directors of Pacific International unanimously recommends that the shareholders of Pacific International vote FOR the merger.** We strongly support this combination and believe it to be in the best interests of the shareholders of Pacific International.

Paul Sabado

Chief Executive Officer

**Pacific International Bancorp, Inc.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the merger, the issuance of the BBCN common stock in connection with the merger or the other transactions described in this proxy statement/prospectus, or passed upon the adequacy or accuracy of the disclosure in this document. Any representation to the contrary is a criminal offense.**

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**The shares of BBCN common stock to be issued in connection with the merger are not savings accounts, deposits or other obligations of any bank and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.**

This proxy statement/prospectus is dated January 9, 2013 and is expected to first be mailed to shareholders of Pacific International on or about January 10, 2013.

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# PACIFIC INTERNATIONAL BANCORP, INC.

## Notice of Special Meeting of Shareholders

To Be Held February 13, 2013

**To the Shareholders of Pacific International Bancorp, Inc.:**

A special meeting of shareholders of Pacific International Bancorp, Inc. will be held at 1155 N 130th Street, Seattle, Washington 98133 on February 13, 2013 at noon, local time. At the special meeting, you will be asked to consider and vote on the following matters:

1. Adoption and approval of the Agreement and Plan of Merger, dated October 22, 2012, providing for the merger of Pacific International Bancorp, Inc. with and into BBCN Bancorp, Inc. as described in this document.
2. Adjournment of the meeting, if necessary or appropriate in the judgment of our board of directors, to solicit additional proxies or votes in favor of the above proposal that is to be presented at the meeting.

**The board of directors unanimously recommends that you vote FOR the merger and the other proposal described in this document.**

Only shareholders of record at the close of business on December 28, 2012 are entitled to attend, receive notice of and vote at the special meeting.

**Whether or not you plan to attend the special meeting, please submit your proxy or voting instructions as soon as you can by following the instructions contained in this document. The vote of every shareholder is important, and we appreciate your cooperation in submitting your executed proxy or voting instructions promptly.**

Your proxy is revocable and will not affect your right to vote in person if you attend the special meeting and want to vote in person. If your shares are registered in your name and you attend the meeting, you may simply revoke your previously submitted proxy and vote your shares at that time. If your shares are held by a broker or other nominee holder and not registered in your name, you will need additional documentation from your broker or other record holder to vote your shares personally at the meeting.

We appreciate your continuing support of Pacific International.

**By Order of the Board of Directors**

Bonny Teernstra

Secretary

**DATED: January 9, 2013**

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**WHERE YOU CAN FIND MORE INFORMATION**

This document incorporates important business and financial information about BBCN by reference to other documents that are not included in or delivered with this document. See **Documents Incorporated by Reference** for a description of these documents. You can obtain copies of the incorporated documents from the SEC web site at <http://www.sec.gov>. You can also obtain copies of these documents, without charge, by requesting them in writing, by email or by telephone at the address or telephone number below:

**BBCN Bancorp, Inc.**

3731 Wilshire Boulevard, Suite 1000

Los Angeles, California 90010

Attention: Legal Department

Telephone: (213) 639-1700

Email: [legal@BBCNbank.com](mailto:legal@BBCNbank.com)

**If you would like to request any BBCN documents, your request should be sent in time to be received by us no later than February 4, 2013 in order for you to receive the documents before the special meeting.**

**We have not authorized anyone to give any information or make any representation about the merger or our companies that is different from, or in addition to, that contained in this document or in any of the materials that BBCN has incorporated into this document by reference. Neither the delivery of this document to shareholders nor any distribution of BBCN stock in the merger or otherwise pursuant to this document shall, under any circumstances, create any implication that there has been no change in the information set forth or incorporated into this document by reference or in our affairs since the date of this document.**

**The information contained in this document with respect to BBCN was provided solely by BBCN, and the information contained in this document with respect to Pacific International was provided solely by Pacific International.**

**This document does not constitute an offer to sell, or a solicitation of an offer to purchase, the securities offered by this document, or the solicitation of a proxy, in any jurisdiction to or from any person to whom or from whom it is unlawful to make such offer, solicitation of an offer or proxy solicitation in such jurisdiction.**

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**QUESTIONS AND ANSWERS**

*The following questions and answers briefly address some commonly asked questions about the proposed merger and the shareholders meeting. They may not cover all the information that is important to you. Each shareholder of Pacific International Bancorp, Inc. should read this entire document carefully, including the appendices and other documents referred to in this document.*

**Q: Why am I receiving these materials?**

**A:** Pacific International Bancorp, Inc., which is referred to in this document as Pacific International, is sending these materials to its shareholders to help them decide how to vote their shares of Pacific International common stock with respect to the proposed merger and the other proposal to be considered at the special meeting described below.

The merger cannot be completed unless Pacific International shareholders approve the merger agreement. Pacific International is holding a special meeting of shareholders to vote on the merger agreement in addition to the other proposal described under The Special Meeting. Information about this meeting and the merger is contained in this proxy statement/prospectus.

This document constitutes both a proxy statement of Pacific International and a prospectus of BBCN Bancorp, Inc., which is referred to in this document as BBCN. It is a proxy statement because the board of directors of Pacific International is using it to solicit proxies from its shareholders. It is a prospectus because it provides information about BBCN, which will issue shares of its common stock in exchange for shares of Pacific International common stock in the merger.

**Q: What will Pacific International shareholders receive in the merger?**

**A:** Under the terms of the merger agreement, Pacific International shareholders will receive shares of BBCN common stock based on an exchange ratio determined by dividing \$1.75 by a collar price for BBCN common stock. The collar price will be based on the average of the daily volume-weighted average trading prices of BBCN common stock on the NASDAQ Global Select Market over the 15 trading days ending one trading day prior to the effective time of the merger, subject to a collar such that if the average BBCN stock price is \$13.00 or more the exchange ratio will be fixed at 0.13462 shares of BBCN common stock and if the average BBCN stock price is \$11.50 or less the exchange ratio will be fixed at 0.15217 shares of BBCN common stock.

**Q: How are outstanding Pacific International stock options addressed in the merger agreement?**

**A:** At the closing of the merger, each outstanding and unexercised Pacific International stock option will be converted into an option to purchase BBCN common stock as adjusted by the exchange ratio. The manner of such conversion is described under Proposal 1: The Merger Treatment of Stock Options and Other Equity-Based Awards.

**Q: When do BBCN and Pacific International expect to complete the merger?**

**A:** Completion of the merger is subject to all conditions to the merger in the merger agreement being satisfied or waived, including receiving approval of the shareholders of Pacific International and all required regulatory approvals. BBCN and Pacific International currently expect to complete the merger in the first quarter of 2013. It is possible, however, that as a result of factors outside of either company's control, the merger may be completed at a later time, or may not be completed at all.

**Q: What am I being asked to vote on?**

**A:** Pacific International shareholders are being asked to vote on the following proposals:

1. *Approval of the Merger Agreement.* To approve the merger agreement (referred to in this document as the merger proposal ). See Proposal 1: The Merger ; and

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2. *Adjournment of Meeting.* To approve one or more adjournments of the special meeting, if necessary or appropriate, including adjournments to solicit additional proxies in favor of the merger proposal (referred to as the adjournment proposal ). See Proposal 2: Adjournment of the Special Meeting.

**Q: How does Pacific International recommend that I vote?**

**A:** The Pacific International board of directors unanimously recommends that holders of Pacific International common stock vote FOR the proposals described in this proxy statement/prospectus.

**Q: What do I need to do now?**

**A:** After carefully reading and considering the information contained in this proxy statement/prospectus, please vote by telephone or on the Internet, or complete, sign and date the enclosed proxy card and return it in the enclosed envelope as soon as possible so that your shares will be represented at the special meeting.

Please follow the instructions set forth on the proxy card or, if your shares are held in the name of your broker or other nominee, on the voting instruction form provided by the record holder.

**Q: How do I vote?**

**A:** If you are a shareholder of record of Pacific International as of the record date for the special meeting, you may vote by:

using the Internet website specified on your proxy card ([www.investorvote.com/PIBW](http://www.investorvote.com/PIBW));

calling the toll-free number specified on your proxy card (1-800-652-8683); or

signing and dating the enclosed proxy card and returning it in the postage-paid envelope provided.

You may also cast your vote in person at the special meeting.

If your shares are held in street name through a broker, bank or other nominee, that institution will send you separate instructions describing the procedure for voting your shares. Holders in street name who wish to vote in person at the special meeting will need to obtain a proxy form from the institution that holds their shares.

**Q: Where is the special meeting being held?**

**A:** The special meeting of Pacific International shareholders will be held at 1155 N 130th Street, Seattle, Washington 98133, at noon, local time, on February 13, 2013. All shareholders of Pacific International as of the record date, or their duly appointed proxies, may attend the special meeting.



**Q: If my shares are held in street name by a broker or other nominee, will my broker or nominee vote my shares for me?**

**A:** If your shares are held in street name in a stock brokerage account or by a bank or other nominee, you must provide the record holder of your shares with instructions on how to vote your shares. Please follow the voting instructions provided by your bank or broker. Please note that you may not vote shares held in street name by returning a proxy card directly to Pacific International or by voting in person at the meeting unless you provide a legal proxy, which you must obtain from your bank or broker.

Brokers or other nominees who hold shares in street name for a beneficial owner typically have the authority to vote in their discretion on routine proposals when they have not received instructions from beneficial owners. However, brokers or other nominees are not allowed to exercise their voting discretion on matters that are determined to be non-routine without specific instructions from the beneficial owner.

The proposals being considered at the special meeting are viewed as non-routine and, therefore, if you are a Pacific International shareholder and you do not instruct your broker or other nominee on how to vote

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your shares, your broker or other nominee will not be able to vote your shares on the merger proposal or the adjournment proposal. Such broker non-votes will have the same effect as a vote AGAINST these proposals.

**Q: What vote is required to approve each proposal to be considered at the special meeting?**

**A:** The affirmative vote of two-thirds (2/3) of the shares of Pacific International common stock outstanding as of the record date and entitled to vote at the special meeting is required to approve the merger proposal.

The adjournment proposal will be approved if a majority of the shares of Pacific International common stock present at the special meeting, in person or by proxy, are voted in favor of the proposal.

**Q: What if I abstain from voting or do not vote?**

**A:** For the purposes of the merger proposal, an abstention (which occurs when a Pacific International shareholder attends the special meeting in person or by proxy but does not vote) or any other failure to vote will have the same effect as a vote AGAINST the merger proposal.

**Q: May I change my vote or revoke my proxy after I have delivered my proxy or voting instruction card?**

**A:** Yes. You may change your vote at any time before your proxy is voted at the special meeting. You may do this in one of four ways:

by sending a notice of revocation to the corporate secretary of Pacific International;

by sending a completed proxy card bearing a later date than your original proxy card;

by logging onto the website specified on your proxy card in the same manner you would to submit your proxy electronically or by calling the telephone number specified on your proxy card, in each case if you are eligible to do so, and following the instructions on the proxy card; or

by attending the special meeting and voting in person if your shares are registered in your name rather than in the name of a broker, bank or other nominee; however, your attendance alone will not revoke any proxy.

If you choose either of the first two methods, you must take the described action sufficiently in advance so that your revocation or later-dated proxy card is received no later than the beginning of the special meeting.

If your shares are held in an account at a broker or other nominee, you should contact your broker or other nominee to change your vote.

**Q: What happens if I sell my shares after the record date, but before the special meeting?**

**A:**

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The record date for the special meeting is December 28, 2012, which is earlier than the date of the special meeting. If you transfer your Pacific International common stock after the record date, but before the date of the special meeting, you will retain your right to vote at the special meeting, but you will not have the right to receive any merger consideration for the transferred shares. Pacific International shareholders will only be entitled to receive the merger consideration in respect of shares that they hold at the effective time of the merger.

**Q: What do I do if I receive more than one proxy statement/prospectus or set of voting instructions?**

**A:** If you hold shares directly as a record holder and also in street name, or otherwise through a nominee, you may receive more than one proxy statement/prospectus and/or set of voting instructions relating to the special meeting. These should each be voted and returned separately to ensure that all of your shares are voted.

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**Q: Do I have appraisal or dissenters rights?**

**A:** Under Washington law, Pacific International shareholders are entitled to exercise dissenters rights in connection with the merger. See Proposal 1: The Merger Dissenters Rights.

**Q: Should I send in my stock certificates now?**

**A:** No. Please do not send your stock certificates with your proxy card. You will receive written instructions from ComputerShare, the exchange agent, after the merger is completed on how to exchange your stock certificates for BBCN common stock.

**Q: Whom should I contact if I have any questions about the proxy materials or the meetings?**

**A:** If you have any questions about the merger or any of the proposals to be considered at the special meeting, need assistance in submitting your proxy or voting your shares or need additional copies of this proxy statement/prospectus or the enclosed proxy card, you should contact Pacific International at (206) 306-7900.

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**SUMMARY**

*This summary highlights selected information contained in this document. It may not contain all of the information that is important to you in deciding how to vote on the merger or the other matter that will be voted on at the special meeting. You should carefully read this entire document and the other documents referred to in this document for a more complete understanding of the merger and the other matter to be considered and voted on at the special meeting. In addition, you should be aware that important business and financial information about BBCN is incorporated by reference into this document. You may obtain such information incorporated by reference without charge by following the instructions in *Where You Can Find More Information*.*

Unless otherwise indicated in this document or the context otherwise requires, references to **BBCN** are to BBCN Bancorp, Inc., including its subsidiary, BBCN Bank; references to **Pacific International** are to Pacific International Bancorp, Inc., including its subsidiary, Pacific International Bank; and **we**, **our** or **us** refer, unless otherwise indicated, to both BBCN and Pacific International.

**INFORMATION ABOUT BBCN AND PACIFIC INTERNATIONAL**

**BBCN Bancorp, Inc.**

3731 Wilshire Boulevard,

Suite 1000

Los Angeles, California 90010

(213) 639-1700

BBCN Bancorp, Inc. is the parent company of BBCN Bank, the largest Korean-American bank in the United States. BBCN is the result of the merger of equals of Nara Bancorp, Inc. and Center Financial Corporation completed on November 30, 2011. Headquartered in Los Angeles and serving a diverse mix of customers mirroring area communities, BBCN operates 40 branches in California, New York, New Jersey, Washington and Illinois, along with five loan production offices in Seattle, Denver, Dallas, Atlanta and Northern California. BBCN specializes in core business banking products for small and medium-sized businesses, with an emphasis in commercial real estate and business lending, Small Business Administration lending and international trade financing. BBCN Bank is a California-chartered bank and its deposits are insured by the FDIC to the extent provided by law. BBCN is an Equal Opportunity Lender. As of September 30, 2012, BBCN had consolidated assets of \$5.33 billion, total loans of \$4.07 billion, total deposits of \$4.05 billion and total common stockholders' equity of \$734.1 million.

**Pacific International Bancorp, Inc.**

1155 N 130th Street

Seattle, WA 98133

(206) 306-7900

Pacific International is a bank holding company headquartered in Seattle, Washington. Its sole operating subsidiary, Pacific International Bank, is a Washington-chartered and FDIC-insured bank that offers commercial banking loan and deposit products, focusing primarily on small and medium-sized businesses and on individuals in Korean-American markets in Western Washington. Pacific International Bank is a business bank that supports small businesses within minority communities. Pacific International Bank has a total of four banking offices in Seattle, Tacoma, Lynnwood and Federal Way, Washington, and employs 51 people. As of September 30, 2012, Pacific International had consolidated assets of \$197.6 million, total loans of \$53.1 million, total deposits of \$147.8 million, and total shareholders' equity of \$21.6 million.

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Subject to the terms and conditions of the merger agreement described in this document, and in accordance with Delaware and Washington law, Pacific International will merge with and into BBCN. BBCN will be the surviving corporation for legal purposes. We refer in this document to BBCN in its capacity as the legal surviving corporation as the combined company. BBCN's certificate of incorporation and bylaws will be the certificate of incorporation and bylaws of the combined company.

Concurrently with the merger of BBCN and Pacific International, Pacific International's bank subsidiary, Pacific International Bank, will also merge with and into BBCN's bank subsidiary, BBCN Bank. BBCN Bank will be the surviving bank for legal purposes. In this document, we sometimes refer to the merger of these bank subsidiaries as the bank merger, and to the merger of BBCN and Pacific International as the merger or the holding company merger.

**Holders of Pacific International Common Stock Will Receive BBCN Common Stock for Their Pacific International Shares**

In the proposed merger, Pacific International shareholders will receive for each share of Pacific International common stock a fraction of a share of BBCN common stock equal to the exchange ratio determined by dividing \$1.75 by a collar price for BBCN common stock. The collar price will be the average of the daily volume-weighted average trading prices of BBCN common stock on the NASDAQ Global Select Market for each of the 15 trading days ending one trading day prior to the effective time of the merger, subject to limits such that the maximum exchange ratio will be 0.15217 if the average BBCN stock price is \$11.50 or less and the minimum exchange ratio will be 0.13462 if the average BBCN stock price is \$13.00 or more. The exchange ratio is subject to customary adjustments in the event of certain changes in the outstanding shares of BBCN common stock.

The following table shows the amount of BBCN common stock payable pursuant to the exchange ratio determined by dividing \$1.75 by the collar price for BBCN common stock. The table does not reflect the fact that cash will be paid in lieu of issuing fractional shares. On January 7, 2013, the latest practicable date for which information was available prior to the date of this document, the closing price of BBCN's common stock as reported on the NASDAQ Global Select Market was \$12.26 per share.

**BBCN Average**

<b>Closing Price</b>	<b>Exchange Ratio</b>
\$11.50 (or less)	0.15217
\$11.75	0.14894
\$12.00	0.14583
\$12.25	0.14286
\$12.50	0.14000
\$12.75	0.13725
\$13.00 (or more)	0.13462

**Merger Generally Expected to Be Tax-Free to Shareholders**

The merger is expected to qualify as a reorganization for federal income tax purposes. If the merger so qualifies, shareholders of Pacific International generally will not recognize any gain or loss for federal income tax purposes on the exchange of their Pacific International common stock for BBCN common stock in the merger, except for any gain or loss that may result from their receipt of cash in lieu of fractional shares of BBCN common stock otherwise issuable to them.

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However, because certain Pacific International preferred shares issued pursuant to the United States Treasury Department's Troubled Asset Relief Program, or TARP, will be converted into the right to receive payment in cash in connection with the merger, a decrease in the aggregate value (at the time of the merger) of the shares of BBCN common stock that will be received by holders of Pacific International common stock pursuant to the merger could result in the merger failing to qualify as a reorganization for federal income tax purposes. If the merger does not qualify for reorganization treatment, shareholders of Pacific International generally would recognize gain or loss on the exchange of their Pacific International common stock for BBCN common stock in the merger. For a more detailed discussion of the material United States federal income tax consequences of the merger, see Proposal 1: The Merger United States Federal Income Tax Consequences of the Merger.

The discussion of federal income tax effects of the merger included in this document is only a general summary. The federal income tax consequences of the merger to you will depend upon your own situation. In addition, you may be subject to state, local or foreign tax laws, none of which are discussed in this document. You should, therefore, consult with your own tax advisor for a complete understanding of the tax consequences of the merger to you.

### **The Board of Directors of Pacific International Recommends that Pacific International Shareholders Vote For the Merger**

The Pacific International board of directors has determined that the merger agreement is advisable and in the best interests of Pacific International and its shareholders and unanimously recommends that Pacific International shareholders vote FOR approval of the merger agreement.

In determining whether to approve the merger, the Pacific International board of directors consulted with its senior management and legal and financial advisors and considered the strategic, financial and other considerations referred to under Proposal 1: The Merger Pacific International's Reasons for the Merger; Recommendation of the Merger by the Pacific International Board of Directors.

### **Pacific International Has Received an Opinion From Its Financial Advisor that the Per Share Merger Consideration is Fair**

In connection with the Pacific International board of directors' consideration of the merger agreement, Pacific International's financial advisor, Keefe, Bruyette & Woods, Inc., or KBW, provided its opinion to the Pacific International board dated as of October 21, 2012 that, as of that date, and subject to and based on the qualifications and assumptions set forth in its opinion, the per share merger consideration was fair to the shareholders of Pacific International from a financial point of view. The full text of KBW's opinion is attached as Appendix B to this document. Pacific International shareholders should read that opinion and the description of KBW's opinion contained in this document in their entirety. The opinion of KBW does not reflect any developments that may have occurred or may occur after the date of the opinion and prior to the completion of the merger. Pacific International does not expect that it will request an updated opinion from KBW.

Pacific International has agreed to pay a total fee of \$400,000 to KBW in consideration of its services as financial advisor. Pacific International paid \$100,000 to KBW upon signing of the merger agreement and will pay \$300,000 to KBW only upon completion of the merger.

### **Pacific International Shareholders Will Have Dissenters' Appraisal Rights**

Pacific International shareholders have the right under Washington law to dissent from the merger, obtain a court appraisal of the fair value of their Pacific International shares of common stock, and receive cash equal to

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the appraised fair value of their Pacific International common stock (without giving effect to the merger) plus interest instead of receiving the merger consideration. A shareholder electing to dissent from the merger must strictly comply with all procedures required under Washington law. The procedures are summarized in Proposal 1: The Merger Dissenters Rights and a copy of the relevant Washington statutory provisions regarding dissenters rights is included as Appendix C.

A condition to BBCN's obligation to complete the merger is that no more than 15% of Pacific International's common shareholders have given proper notice of their exercise of dissenters rights.

### **Interests of Directors and Executive Officers of Pacific International in the Merger**

Directors and executive officers of Pacific International have certain interests in the merger that are different from, or are in addition to, the interests of the shareholders of Pacific International. These interests include:

rights of Pacific International executive officers and directors to indemnification and liability insurance coverage by BBCN after the merger for acts or omissions occurring prior to the merger; and

the fact that BBCN might in its discretion provide (and in some cases has provided) incentives for Pacific International employees to continue to provide services through a date certain after the data processing system conversion date following the merger, although such incentives are not a condition of the merger.

### **Treatment of Pacific International TARP Preferred Stock and Warrant in the Merger**

The merger agreement provides that Pacific International's Fixed Rate Cumulative Perpetual Preferred Stock, Series A, which Pacific International sold to the United States Treasury Department pursuant to TARP, will be converted into the right to receive payment in cash of their aggregate liquidation preference of \$6.5 million plus all accrued and unpaid dividends on such shares. BBCN may also purchase the warrant to purchase 127,785 shares of Pacific International common stock that Pacific International issued to the Treasury Department in connection with Pacific International's sale of its Series A Preferred Stock.

### **Treatment of Stock Options and Other Equity-Based Awards**

BBCN will assume all outstanding employee stock options under Pacific International's stock option compensation plan, in accordance with their terms, upon completion of the merger, in connection with which (i) each such option will be exercisable for a number of shares of BBCN common stock equal to the number of Pacific International shares issuable prior to the merger multiplied by the exchange ratio, and (ii) the per-share exercise price of each such option will become the exercise price prior to the merger divided by the exchange ratio. As of the date of this document, stock options for the purchase of a total of 95,000 shares of Pacific International common stock were outstanding. See Proposal 1: The Merger Treatment of Stock Options and Other Equity-Based Awards.

### **Certain Regulatory Matters**

To complete the merger and the bank merger, we must notify the Washington Department of Financial Institutions (the Washington DFI) and obtain the approval of the California Department of Financial Institutions (the California DFI), the Federal Deposit Insurance Corporation (the FDIC) and the Board of Governors of the Federal Reserve System (the Federal Reserve Board). Applications were filed with the California DFI and the FDIC on or about November 30, 2012. It is anticipated that the Federal Reserve Bank of San Francisco (the FRBSF) will not separately require an application with respect to the merger. In its discretion, the Federal Reserve Board may waive the requirement of a formal merger approval application for certain transactions that are subject to the review and approval requirements of the FDIC under the Bank Merger



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Act. Based on discussions with the FRBSF, BBCN believes that such a waiver will be granted for the merger. We may not receive the required regulatory approvals prior to the Pacific International special shareholders' meetings at which the merger will be voted on. See Proposal 1: The Merger - Certain Regulatory Matters.

### **Expected Timing of the Merger**

We expect to complete the merger during the first quarter of 2013 if we receive shareholder approval and regulatory consents for the merger. The merger agreement provides that it may be terminated by either BBCN or Pacific International if the merger has not been consummated by June 1, 2013. The merger agreement may also be extended for 90 days beyond June 1, 2013 if the only outstanding condition is receipt of certain required regulatory approvals.

### **Conditions to Completion of the Merger**

Completion of the merger depends on a number of conditions set forth in the merger agreement, including approval of the merger by Pacific International shareholders, receipt of regulatory and government approvals, the absence of material adverse changes in Pacific International's business, and certain other customary closing conditions for a transaction like this one.

### **Termination of the Merger Agreement; Fees Payable**

The merger agreement may be terminated and the merger may be abandoned (whether before or after receipt of the approval of the Pacific International shareholders) at any time prior to the effective time of the merger by mutual consent of BBCN and Pacific International or in certain instances by either party, including:

if the other party's business has suffered a material adverse effect since the date of the merger agreement;

if any required regulatory approval is denied;

if the merger is not consummated on or before June 1, 2013 (subject to being extended by 90 days if the only unsatisfied condition is the receipt of required regulatory approvals), but this termination right is not available to a party whose failure to perform its obligations is the reason the merger is not completed by that date;

if the other party has materially breached its covenants, agreements, representations or warranties in the merger agreement and such breach cannot be cured within 30 days; and

if the merger agreement is not approved at the special meeting of Pacific International shareholders.

Furthermore, BBCN may terminate the merger agreement in certain circumstances if the board of directors of Pacific International changes its recommendation regarding the merger or fails to comply with requirements with regard to other acquisition proposals.

Either party that properly terminates the merger agreement on the basis of the other's material breach will generally be entitled to receive \$250,000 from the other party. Such payment, plus any costs of collection (including reasonable attorneys' fees), is the sole remedy for the non-breaching party, other than specific performance. BBCN is also entitled to up to \$100,000 in expense reimbursement if the Pacific International shareholders do not approve the merger unless such a payment is prohibited by regulatory authorities.

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**THE SPECIAL MEETING**

**The Special Meeting (see The Special Meeting )**

The special meeting will be held at 1155 N 130th Street, Seattle, Washington 98133, on February 13, 2013, starting at noon, local time. At the special meeting, Pacific International's shareholders will be asked to vote on the following matters:

adoption and approval of the merger agreement; and

adjournment of the meeting, if necessary or appropriate, to solicit additional proxies or votes in favor of the matters to be presented at the special meeting.

**Table of Contents****SELECTED HISTORICAL FINANCIAL INFORMATION****Selected Historical Financial Information of BBCN**

The following tables set forth selected consolidated historical financial information of BBCN for the periods and as of the dates indicated. The data as of and for the years ended December 31, 2007 through 2011 are derived from audited consolidated financial statements of BBCN. The data as of and for the nine months ended September 30, 2012 are derived from the unaudited consolidated financial statements of BBCN. The results of operations for the nine months ended September 30, 2012 are not necessarily indicative of the results of operations for the full year or any other interim period. This information should be read in conjunction with the historical consolidated financial statements and related notes of BBCN filed by it with the SEC. See Documents Incorporated by Reference.

	(Unaudited)	As of or for the Year Ended December 31,				
	As of or for the Nine Months Ended September 30, 2012	2011	2010	2009	2008	2007
(in thousands, except per share and ratio data)						
<b>Income Statement Information</b>						
Net interest income	\$ 178,592	\$ 129,818	\$ 108,384	\$ 92,346	\$ 96,221	\$ 97,205
Provision for loan losses	16,682	27,939	84,630	61,023	48,825	7,530
Income (loss) before income tax expense (benefit)	101,159	42,775	(15,139)	(11,922)	4,380	55,798
Net income (loss)	61,696	27,115	(7,239)	(5,723)	2,755	33,199
Net income (loss) available to common stockholders	56,056	22,547	(11,530)	(9,999)	2,281	33,199
<b>Performance Ratios</b>						
Return on average assets	1.60%	0.86%	(0.24%)	(0.19%)		