

CENTRAL PACIFIC FINANCIAL CORP
Form DEF 14A
March 08, 2019
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under §240.14a-12

CENTRAL PACIFIC FINANCIAL CORP.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

CENTRAL PACIFIC FINANCIAL CORP.

**220 South King Street
Honolulu, Hawaii 96813
(808) 544-0500**

**APRIL 26, 2019 ANNUAL MEETING
YOUR VOTE IS IMPORTANT**

March 8, 2019

Dear Fellow Shareholder:

On behalf of your Board of Directors, we cordially invite you to attend the 2019 Annual Meeting of Shareholders of Central Pacific Financial Corp. The Annual Meeting will be held on Friday, April 26, 2019, at 11:00 a.m., Hawaii time, at Harbor Square, 4th Floor, Waikiki Room, 225 Queen Street, Honolulu, Hawaii 96813. Your Board and management look forward to greeting those shareholders able to attend the meeting in person.

This year, we will again be using the Notice and Access method of providing proxy materials to shareholders via the Internet. We believe that this process provides shareholders with a convenient and quick way to access the proxy materials and vote, while allowing us to conserve natural resources and reduce the costs of printing and distributing the proxy materials. We will mail to most of our shareholders a Notice of Internet Availability of Proxy Materials containing instructions on how to access our proxy statement and the Form 10-K and vote electronically via the Internet. This notice will also contain instructions on how to receive a paper copy of the proxy materials. All shareholders who do not receive a notice will receive a paper copy of the proxy materials by mail or an electronic copy of the proxy materials by email.

The accompanying Notice of Annual Meeting of Shareholders and Proxy Statement describe proposals to be acted upon at the Annual Meeting. Please give these materials your prompt attention. Then, we ask that you vote by internet, telephone or by mail, as set forth in the voting instructions or proxy card that are included with these materials, to ensure that your shares are represented and voted at the meeting. Shareholders who attend the meeting may withdraw their proxy and vote in person if they wish to do so. Your vote is important, so please act at your earliest convenience.

We appreciate your continued interest in Central Pacific Financial Corp.

Sincerely,

Paul K. Yonamine
Chief Executive Officer

CENTRAL PACIFIC FINANCIAL CORP.

**220 South King Street
Honolulu, Hawaii 96813
(808) 544-0500**

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD APRIL 26, 2019**

TO THE SHAREHOLDERS OF CENTRAL PACIFIC FINANCIAL CORP.:

NOTICE IS HEREBY GIVEN that, pursuant to its Bylaws and the call of its Board of Directors, the Annual Meeting of Shareholders (the Meeting) of Central Pacific Financial Corp. (the Company) will be held at Harbor Square, 4 Floor, Waikiki Room, 225 Queen Street, Honolulu, Hawaii 96813, on Friday, April 26, 2019, at 11:00 a.m., Hawaii time, for the purpose of considering and voting upon the following proposals:

- (1) **Election of Directors.** To elect up to twelve (12) persons to the Board of Directors for a term of one (1) year and to serve until their successors are elected and qualified, as more fully described in the accompanying Proxy Statement.
- (2) **Executive Compensation.** To approve, on a non-binding advisory basis, the compensation of the Company's named executive officers (Say-on-Pay).
- (3) **Ratification of Appointment of Independent Registered Public Accounting Firm.** To ratify the appointment of Crowe LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2019.
- (4) **Other Business.** To transact such other business as may properly come before the Meeting and at any and all adjournments or postponements thereof.

Only those shareholders of record at the close of business on February 22, 2019 shall be entitled to notice of and to vote at the Meeting.

YOUR VOTE IS IMPORTANT. SHAREHOLDERS ARE URGED TO VOTE AND CAN DO SO BY INTERNET, TELEPHONE OR BY MAIL, AS SET FORTH IN THE VOTING INSTRUCTIONS OR PROXY CARD THAT ARE INCLUDED WITH THESE MATERIALS. SHAREHOLDERS WHO ATTEND THE MEETING MAY WITHDRAW THEIR PROXY AND VOTE IN PERSON IF THEY WISH TO DO SO.

Important notice regarding the availability of proxy materials for the annual shareholders meeting to be held on April 26, 2019. Our Proxy Statement and Annual Report on Form 10-K for the fiscal year ended December 31, 2018 are accessible, free of charge, at <https://www.centralpacificbank.com/2019proxy> and <https://www.proxyvote.com>.

By Order of the Board of Directors,

GLENN K.C. CHING

Executive Vice President and Corporate Secretary

Dated: March 8, 2019

CENTRAL PACIFIC FINANCIAL CORP.

**220 South King Street
Honolulu, Hawaii 96813
(808) 544-0500**

**PROXY STATEMENT
ANNUAL MEETING OF SHAREHOLDERS
APRIL 26, 2019**

INTRODUCTION

This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Directors (the Board) of Central Pacific Financial Corp. (the Company) for use at the 2019 Annual Meeting of Shareholders (the Meeting) of the Company to be held at Harbor Square, 4th Floor, Waikiki Room, 225 Queen Street, Honolulu, Hawaii 96813, on Friday, April 26, 2019, at 11:00 a.m., Hawaii time, and at any and all adjournments or postponements thereof. The Notice of Internet Availability of Proxy Materials, this Proxy Statement and accompanying form of proxy or voting instruction card, are first being made available to shareholders on or about March 8, 2019.

Proposals to be Considered

The proposals to be considered and voted upon at the Meeting will be:

- (1) **Election of Directors.** To elect up to twelve (12) persons to the Board of Directors for a term of one (1) year and to serve until their successors are elected and qualified, as more fully described in this Proxy Statement.
- (2) **Executive Compensation.** To approve, on a non-binding advisory basis, the compensation of the Company's named executive officers.
- (3) **Ratification of Appointment of Independent Registered Public Accounting Firm.** To ratify the appointment of Crowe LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2019.
- (4) **Other Business.** To transact such other business as may properly come before the Meeting and at any and all adjournments or postponements thereof.

Record Date, Outstanding Securities and Voting Rights

The Board fixed the close of business on February 22, 2019 as the record date (the Record Date) for the determination of the shareholders of the Company entitled to notice of and to vote at the Meeting. Only holders of record of shares of the Company's Common Stock (Common Stock) at the close of business on the Record Date will be entitled to vote at the Meeting and at any adjournment or postponement of the Meeting. There were 28,836,541 shares of the Company's Common Stock, no par value, issued and outstanding on the Record Date, held by approximately 3,441 holders of record. There are no other classes of shares of the Company's capital stock outstanding.

Each holder of Common Stock will be entitled to one (1) vote, in person or by proxy, for each share of Common Stock standing in the holder's name on the books of the Company as of the Record Date on any matter submitted to the vote of the shareholders.

Quorum

The required quorum for the transaction of business at the Meeting is a majority of the total outstanding shares of Common Stock entitled to vote at the Meeting, either present in person or represented by proxy. Abstentions will be included in determining the number of shares present at the Meeting for the purpose of determining the presence of a quorum.

Broker Authority to Vote

Under the rules of the National Association of Securities Dealers, Inc., member brokers generally may not vote shares held by them in street name for customers unless they are permitted to do so under the rules of any national securities exchange of which they are a member. Under the rules of the New York Stock Exchange, Inc. (NYSE),

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a member broker who holds shares in street name for customers has the authority to vote on certain routine proposals if it has transmitted proxy soliciting materials to the beneficial owner but has not received instructions from that owner. NYSE member brokers will not be permitted to vote on proposal numbers 1 or 2 unless they receive instructions from their customers. NYSE rules permit member brokers that do not receive instructions from their customers, to vote on proposal number 3 as discussed above in their discretion.

Vote Required to Approve the Proposals

The following chart sets forth the required vote to approve each proposal to be considered and voted upon at the Meeting, and the effect of Withhold votes, abstentions, and broker non-votes.

Proposal	Required Vote	Effect of Withhold Votes, Abstentions, Broker Non-Votes
Proposal 1—Election of Directors	Affirmative vote of a plurality of the shares of Common Stock present in person or by proxy and entitled to vote.	Withhold votes will have the effect of a vote AGAINST the election of directors. Broker non-votes will have no effect on the voting for the election of directors.
Proposal 2—Proposal relating to an advisory (non-binding) vote on executive compensation (Say-On-Pay)	Affirmative vote of a majority of the shares of Common Stock represented and voting on the matter.	Abstentions and broker non-votes will have no effect in calculating the votes on this matter.
Proposal 3—Ratification of the appointment of Crowe LLP as the Company’s independent registered public accounting firm for the fiscal year ending December 31, 2019.	Affirmative vote of a majority of the shares of Common Stock represented and voting on the matter.	Abstentions and broker non-votes will have no effect in calculating the votes on this matter.

Additional information regarding each of these proposals is provided in the section titled DISCUSSION OF PROPOSALS RECOMMENDED BY THE BOARD OF DIRECTORS (for Proposals 1 through 3 above).

The following is the Board’s recommendation with respect to each of the proposals to be considered and voted upon at the Meeting:

- Proposal 1—The Board recommends a vote FOR the election of all nominees as directors.**
- Proposal 2—The Board recommends a vote FOR the compensation of the Company’s named executive officers.**
The Board recommends a vote FOR ratification of the appointment of Crowe LLP as the
- Proposal 3—Company’s independent registered public accounting firm for the fiscal year ending December 31, 2019.**

It is not anticipated that any matters will be presented at the Meeting other than as set forth in the accompanying Notice of the Meeting and this Proxy Statement. If any other matters are presented properly at the Meeting, however, the proxy will be voted by the proxy holders in accordance with the recommendations of the Board or, if no recommendation is given, in their own discretion.

Voting

You may vote by internet, telephone or by mail, as set forth in the voting instructions or proxy card that is provided to you.

Voting by Internet or Telephone. Voting by internet or telephone is fast and convenient and your vote is immediately confirmed and tabulated. The internet and telephone voting procedures are designed to authenticate votes cast by use of a personal identification number which is provided with your voting instructions. These procedures allow shareholders to appoint a proxy to vote their shares and to confirm that their instructions have been

properly recorded. If you vote by internet or telephone, you do not have to mail in a proxy card, but your vote must be received by the voting deadline set forth in your voting instructions.

Voting by Mail. If you wish to vote by mail, you may request a paper copy of these materials which will include a proxy card. If you vote by proxy card, be sure to complete, sign, date and mail your proxy card in the accompanying postage-prepaid envelope by the voting deadline set forth on the proxy card.

If your shares are held by a bank, broker or other nominee, please follow the instructions provided with your proxy materials to determine if internet or telephone voting is available. If your bank or broker does make internet or telephone voting available, please follow the voting instructions provided by your bank or broker.

If you vote by internet or by telephone, you should not return a proxy card.

Revocability of Proxies

Any shareholder who executes and delivers a proxy has the right to revoke it at any time before it is exercised by filing with the Corporate Secretary of the Company an instrument revoking it or a duly executed proxy bearing a later date. A proxy may also be revoked by attending the Meeting and voting in person at the Meeting. Subject to such revocation, all shares represented by a properly executed proxy received in time for the Meeting will be voted by the proxy holders in accordance with the instructions on the proxy. If your shares are held in street name, you should follow the instructions of your broker, bank or nominee regarding the revocation of proxies.

Solicitation of Proxies

This solicitation of proxies is made on behalf of the Board and the Company will bear the costs of the preparation of proxy materials and the solicitation of proxies for the Meeting. It is contemplated that proxies will be solicited principally through the mail, but directors, officers and regular employees of the Company or its subsidiary, Central Pacific Bank (the Bank), may solicit proxies personally, by telephone, electronically or by other means of communication. Although there is no formal agreement to do so, the Company may reimburse banks, brokerage houses and other custodians, nominees and fiduciaries for their reasonable expenses in forwarding these proxy materials to beneficial owners. The Company has retained D.F. King & Co., Inc. to assist it in connection with the solicitation of proxies for a fee of approximately \$8,500, plus reimbursement of expenses.

Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to Be Held on April 26, 2019.

The Company's Proxy Statement and Annual Report on Form 10-K for the fiscal year ended December 31, 2018 are available free of charge at <https://www.centralpacificbank.com/2019proxy> and at <https://www.proxyvote.com>.

In addition, the Company will provide without charge, upon the written request of any shareholder, a copy of the Company's Annual Report on Form 10-K including the financial statements and the financial statement schedules, required to be filed with the United States Securities and Exchange Commission (the SEC) for the fiscal year ended December 31, 2018. Requests should be directed to Central Pacific Financial Corp., Attn: Investor Relations, P.O. Box 3590, Honolulu, Hawaii 96811 or to <https://www.proxyvote.com>.

The Company will also deliver promptly upon written or oral request a separate copy of the Company's Annual Report on Form 10-K and the Company's Proxy Statement, to any shareholder who shares an address with other shareholders and where only one (1) set of materials were sent to that address to be shared by all shareholders at that address.

We are furnishing materials to our shareholders primarily via the internet instead of mailing printed copies of those materials to our shareholders. By doing so, we save costs and reduce the environmental impact of the Meeting. On March 8, 2019, the Company mailed a Notice of Internet Availability of Proxy Materials (Notice) to shareholders. The Notice contains instructions about how to access our proxy materials and vote online or by telephone. If you would like to receive a paper copy of our proxy materials, please follow the instructions included in the Notice.

Principal Shareholders

Based on filings made under Section 13(d) and Section 13(g) of the United States Securities Exchange Act of 1934, as amended (the Exchange Act), as of February 22, 2019, the following were the only persons known to management of the Company to beneficially own more than five percent (5%) of the Company's outstanding Common Stock:

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
BlackRock, Inc. ⁽¹⁾ 55 East 52 nd Street New York, New York 10055	4,320,108	14.8 %
The Vanguard Group ⁽²⁾ P.O. Box 2600 Valley Forge, Pennsylvania 19482	3,028,673	10.38 %

Pursuant to Schedule 13G/A filed by BlackRock, Inc. with the SEC on January 24, 2019, wherein BlackRock, Inc. reported sole voting power as to 4,225,081 shares of Company Common Stock, and sole dispositive power as to 4,320,108 shares of Company Common Stock.

Pursuant to Schedule 13G/A filed by The Vanguard Group with the SEC on February 11, 2019, wherein The Vanguard Group reported sole voting power as to 30,595 shares of Company Common Stock, shared voting power as to 2,700 shares of Company Common Stock, sole dispositive power as to 2,998,178 shares of Company Common Stock, and shared dispositive power as to 30,495 shares of Company Common Stock.

Security Ownership of Directors, Nominees and Executive Officers

The following table sets forth certain information regarding beneficial ownership of Common Stock by each of the current directors, nominees, and the Named Executive Officers (as defined under COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS—COMPENSATION DISCUSSION AND ANALYSIS), as well as all directors and executive officers as a group, as of the close of business on February 22, 2019. Unless otherwise noted, the address of each person is c/o Central Pacific Financial Corp., 220 South King Street, Honolulu, Hawaii 96813.

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership⁽¹⁾	Percent of Class⁽²⁾
<i>Directors and Nominees</i>		
Christine H. H. Camp	123,117 ⁽³⁾)	*
John C. Dean	157,791 ⁽⁴⁾)	*
Earl E. Fry	58,262 ⁽⁵⁾)	*
Wayne K. Kamitaki	8,289 ⁽⁶⁾)	*
Paul J. Kosasa	53,595 ⁽⁷⁾)	*
Duane K. Kurisu	19,323 ⁽⁸⁾)	*
Christopher T. Lutes	1,257 ⁽⁹⁾)	*
Colbert M. Matsumoto	310,646 ⁽¹⁰⁾)	1.1 %
A. Catherine Ngo	181,841 ⁽¹¹⁾)	*
Saedene K. Ota	11,359 ⁽¹²⁾)	*
Crystal K. Rose	42,600 ⁽¹³⁾)	*

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Paul K. Yonamine	4,400 ⁽¹⁴⁾)	
<i>Named Executive Officers</i>			
Blenn A. Fujimoto	42,059 ⁽¹⁵⁾)	*
David W. Hudson	36,664 ⁽¹⁶⁾)	*
Arnold D. Martines	16,465 ⁽¹⁷⁾)	*
David S. Morimoto	20,828 ⁽¹⁸⁾)	*
<i>All Directors and Current Executive Officers as a Group (16 persons)</i>	1,088,496 ⁽¹⁹⁾)	3.8 %

* Less than one percent (1%).

Except as otherwise noted below, each person has sole voting and investment power with respect to the shares listed. The numbers shown include the shares actually owned as of February 22, 2019 and, in accordance with (1) Rule 13d-3 under the Exchange Act, any shares of Common Stock that the person has the right or will have the right to acquire within sixty (60) days of February 22, 2019. For restricted stock awards which have not vested, individuals have voting power with respect to such shares but no investment power.

- In computing the percentage of shares beneficially owned by each person or group of persons named above, any shares which the person (or group) has a right to acquire within sixty (60) days after February 22, 2019 are
- (2) deemed outstanding for the purpose of computing the percentage of Common Stock beneficially owned by that person (or group) but are not deemed outstanding for the purpose of computing the percentage of shares beneficially owned by any other person.
- 103,196 shares of Common Stock are held by Ms. Camp as trustee of the Christine Camp Revocable Trust. 6,112 shares of Common Stock are directly held by Ms. Camp. 12,528 shares of Common Stock are held for Ms. Camp's account and benefit under the Company's Directors' Deferred Compensation Plan. 1,065 shares of
- (3) Common Stock are held in Ms. Camp's Simplified Employee Pension Plan Individual Retirement Account. 216 shares of Common Stock are those Ms. Camp has a right to acquire by exercise of stock options vested pursuant to the Company's equity compensation plans.
- 50,000 shares of Common Stock are held in Mr. Dean's Roth Converted IRA account. 56,978 shares of
- (4) Common Stock are held by Mr. Dean as trustee of the John Dean Revocable Trust. 50,813 shares of Common Stock are those Mr. Dean has a right to acquire by exercise of stock options vested pursuant to the Company's equity compensation plans.
- 50,250 shares of Common Stock are held in the Fry Family Trust of which Mr. Fry and his wife are co-trustees and they share voting and investment power. 7,545 shares of Common Stock are held for Mr. Fry's account and
- (5) benefit under the Company's Directors' Deferred Compensation Plan. 251 shares of Common Stock are directly held by Mr. Fry. 216 shares of Common Stock are those Mr. Fry has a right to acquire by exercise of stock options vested pursuant to the Company's equity compensation plans.
- 289 shares of Common Stock are directly held by Mr. Kamitaki. 8,000 shares of Common Stock are held for Mr. Kamataki's account and benefit under the Company's Directors' Deferred Compensation Plan.
- (6) 52,456 shares of Common Stock are directly held by Mr. Kosasa. 923 shares of Common Stock are held jointly by Mr. Kosasa and his wife and they share voting and investment powers. 216 shares of Common Stock are those
- (7) Mr. Kosasa has a right to acquire by exercise of stock options vested pursuant to the Company's equity compensation plans.
- (8) 19,323 shares of Common Stock are directly held by Mr. Kurisu.
- (9) 1,257 shares are held jointly by Mr. Lutes and his wife.
- 70,500 shares of Common Stock are held by Island Insurance Foundation of which Mr. Matsumoto is Vice President and a Director. 40,460 shares of Common Stock are held by Atlas Insurance Foundation of which Mr. Matsumoto is Vice President and a Director. 167,340 shares of Common Stock are held by Island Holdings, Inc. of which Mr. Matsumoto is Chairman of the Board. Mr. Matsumoto shares voting and investment powers over the
- (10) shares held by Island Insurance Foundation, Atlas Insurance Foundation, and Island Holdings, Inc., but disclaims beneficial ownership of such shares except to the extent of any pecuniary interest therein. 6,400 shares of Common Stock are directly held by Mr. Matsumoto. 25,730 shares of Common Stock are held for Mr. Matsumoto's account and benefit under the Company's Directors' Deferred Compensation Plan. 216 shares of Common Stock are those Mr. Matsumoto has the right to acquire by exercise of stock options vested pursuant the Company's equity compensation plans.
- 122,268 shares of Common Stock are held by Ms. Ngo and her husband in their Family Trust of which Ms. Ngo and her husband are co-trustees and share voting and investment powers. 41,493 shares of Common Stock are those Ms. Ngo has a right to acquire by exercise of stock options vested pursuant to
- (11) the Company's equity compensation plans. 9,480 shares of Common Stock are held in Ms. Ngo's Individual Retirement Account. 2,714 shares of Common Stock are held in Ms. Ngo's husband's Individual Retirement Account. 5,886 shares of Common Stock are held by Central Pacific Bank Foundation, of which Ms. Ngo is Vice President and a Director.
- (12) 1,659 shares of Common Stock are directly held by Ms. Ota. 9,700 shares of Common Stock are held for Ms. Ota's account and benefit under the Company's Directors' Deferred Compensation Plan.
- (13) 27,175 shares of Common Stock are directly held by Ms. Rose. 64 shares of Common Stock are held jointly by Ms. Rose and her husband and they share voting and investment powers. 14,915 shares of Common Stock are held for Ms. Rose's account and benefit under the Company's Directors' Deferred Compensation Plan. 230 shares of Common Stock are held by Ms. Rose as trustee of her pension plan. 216 shares of Common Stock are those

Ms. Rose has a right to acquire by exercise of stock options vested pursuant to the Company's equity compensation plans.

(14) 4,400 shares of Common Stock are held for Mr. Yonamine's account and benefit under the Company's Directors' Deferred Compensation Plan.

(15) 26,064 shares of Common Stock are directly held by Mr. Fujimoto. 435 shares of Common Stock are held under Mr. Fujimoto's account under the Central Pacific Bank 401(k) Retirement Savings Plan. 15,560 shares of Common Stock are those Mr. Fujimoto has a right to acquire by exercise of stock options vested pursuant to the Company's equity compensation plans.

(16) 30,592 shares of Common Stock are held by Mr. Hudson and his wife in their Family Trust which Mr. Hudson and his wife are co-trustees and share voting and investment powers. 6,072 shares of Common Stock are those Mr. Hudson has a right to acquire by exercise of stock options vested pursuant to the Company's equity compensation plans.

(17) 5,047 shares of Common Stock are held jointly by Mr. Martines and his wife and they share voting and investment powers. 6,767 shares of Common Stock are held under Mr. Martines's account under the Central Pacific Bank 401(k) Retirement Savings Plan. 4,238 shares of Common Stock are held under Mr. Martines's wife's account under the Central Pacific Bank 401(k) Retirement Savings Plan. 100 shares of Common Stock are those Mr. Martines has a right to acquire by exercise of stock options vested pursuant to the Company's equity compensation plans. On May 2, 2019, 313 Restricted Stock Units of Mr. Martines's wife will vest under the Company's equity compensation plans, and Mr. Martines's wife intends to take such units in shares net of taxes, and to hold title to such shares jointly with Mr. Martines.

(18) 17,646 shares of Common Stock are directly held by Mr. Morimoto. 2,830 shares of Common Stock are held jointly by Mr. Morimoto and his wife and they share voting and investment powers. 277 shares of Common Stock are held under Mr. Morimoto's account under the Central Pacific Bank 401(k) Retirement Savings Plan. 75 shares of Common Stock are those Mr. Morimoto has a right to acquire by exercise of stock options vested pursuant to the Company's equity compensation plans.

(19) Includes 115,381 shares of Common Stock which the directors and current executive officers have the right to acquire by exercise of stock options.

Section 16(a) Beneficial Ownership Reporting Compliance

The Company's directors, executive officers and the beneficial holders of more than ten percent (10%) of the Common Stock are required to file certain reports with the SEC regarding the amount of and changes in their beneficial ownership of the Company's Common Stock. Based on its review of copies of those reports, the Company is required to disclose known failures to file required forms, or failures to timely file required reports during the previous year. To the best knowledge of the Company, there were no failures to file or timely file such required reports during year 2018 by any person who was at any time during year 2018 a director, officer, beneficial owner of more than 10% of the Common Stock, or any other person subject to Section 16 of the Exchange Act with respect to the Company.

ELECTION OF DIRECTORS

The Company currently has twelve (12) directors: Christine H. H. Camp, John C. Dean, Earl E. Fry, Wayne K. Kamitaki, Paul J. Kosasa, Duane K. Kurisu, Christopher T. Lutes, Colbert M. Matsumoto, A. Catherine Ngo, Saedene K. Ota, Crystal K. Rose, and Paul K. Yonamine, all of whom are also nominees for directors. The term of all directors expires at the Meeting. Accordingly, there are twelve (12) directors to be elected at the Meeting to serve one-year terms expiring at the 2020 Annual Meeting of Shareholders and until their respective successors are elected and qualified, subject to the earlier of their death, resignation, retirement, disqualification or removal from office.

All nominees have indicated their willingness to serve and unless otherwise instructed, proxies will be voted for all of the nominees. However, in the event that any of them should be unable to serve, the proxy holders named on the proxy card will vote in their discretion for such persons as the Board may recommend.

There are no family relationships among directors or executive officers of the Company. As of the date hereof and for the past five years, no directorships are held by any director or director nominee with a company with a class of securities registered pursuant to Section 12 of the Exchange Act, or subject to the requirements of Section 15(d) of the Exchange Act or any company registered as an investment company under the Investment Company Act of 1940, except for Director Christine H. H. Camp who is a director of the Federal Home Loan Bank of Des Moines, Director John C. Dean who is a director of Elevate Credit, Inc. (NYSE ticker ELVT), Director Earl E. Fry, who is a director of Hawaiian Holdings, Inc. (NASDAQ ticker HA) and a former director of Xactly Corporation from September 2005 to July 2017, Director Crystal K. Rose, who is also a director of Hawaiian Holdings, Inc. (NASDAQ ticker HA), and Director Duane K. Kurisu who previously served as director of Emmaus Life Sciences, Inc. from May 2014 to December 2014.

The election of directors requires a plurality of the votes cast FOR the election of the directors by the shares entitled to vote in the election at a meeting at which a quorum is present. Accordingly, the twelve (12) directorships to be filled at the meeting will be filled by the twelve (12) nominees receiving the highest number of FOR votes.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR ALL TWELVE (12) NOMINEES.

DIRECTORS AND EXECUTIVE OFFICERS INFORMATION

The following table sets forth certain information with respect to each of the directors (all of whom are nominees), and executive officers. Information for Ms. Ngo and Mr. Yonamine, who are also executive officers, appears under the *Nominees* heading. The term of each director expires at the Meeting.

Name	Principal Occupation for the Past Five Years	Age	First Year Elected or Appointed as Executive Officer or Director of the Company⁽¹⁾
<i>Nominees</i>			
CAMP, Christine H. H.	President and Chief Executive Officer, Avalon Group, LLC (2002—present) (real estate consulting); Managing Director, Avalon Development Company, LLC (1999—present) (real estate development)	52	2004
DEAN, John C.	Executive Chair (non-executive officer), Central Pacific Financial Corp. and Central Pacific Bank (7/1/2015—9/30/18); Chairman of the Board and Chief Executive Officer, Central Pacific Financial Corp. and Central Pacific Bank (6/1/2014—6/30/2015); President and Chief Executive Officer, Central Pacific Financial Corp. and Central Pacific Bank (4/20/2011—5/31/2014); Managing General Partner, Startup Capital Ventures, L.P. (2005—present) (investment); Managing Member, SCV Management Co, LLC (2005—present) (investment); Managing Director, Tuputele Ventures Fund (2003—present) (investment)	71	2010
FRY, Earl E.	Director and Audit Committee Chair, Hawaiian Holdings, Inc. (5/2016—present) (airline); Director, Xactly Corporation (9/2005—7/2017) (technology); Interim Chief Financial Officer, Informatica Corporation (9/2015—1/2016) (technology); Chief Customer Officer and Executive Vice President, Operations Strategy, Informatica Corporation (11/2014—8/2015) (technology); Chief Financial Officer, Chief Administrative Officer and Executive Vice President of Global Customer Support and Services, Informatica Corporation (2010—10/2014) (technology)	60	2005
KAMITAKI, Wayne K.	President and Chief Executive Officer, Maui Varieties, Ltd. (1990—present) (retail)	67	2015
KOSASA, Paul J.	President and Chief Executive Officer, MNS, Ltd., doing business as ABC Stores (1999—present) (retail)	61	2002
KURISU, Duane K. ⁽²⁾		65	2004

Chairman of the Board and Chief Executive Officer, aio, LLC,
doing business as aio Group (2002—present)
(media/sports/food/real estate/investment)

LUTES, Christopher T.	Chief Financial Officer, Elevate Credit, Inc. (2015—present) (technology/risk management/marketing); Chief Financial Officer, Think Finance, Inc. (2007—2014) (technology/risk management/marketing)	51	2018
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Name	Principal Occupation for the Past Five Years	Age	First Year Elected or Appointed as Executive Officer or Director of the Company ⁽¹⁾
MATSUMOTO, Colbert M.	Chairman of the Board, Island Holdings, Inc. (2010—present) (insurance/investment); President, Island Holdings, Inc. (2010—6/2018) (insurance/investment); Executive Chairman, Island Insurance Company, Ltd. (1999—present) (insurance); Executive Chairman, Tradewind Capital Group, Inc. (4/2015—present) (investment/asset management); President, Tradewind Capital Group, Inc. (2006—4/2015) (investment/asset management)	66	2004
NGO, A. Catherine	President, Central Pacific Financial Corp.; President and Chief Executive Officer, Central Pacific Bank (10/1/2018—present); President and Chief Executive Officer, Central Pacific Financial Corp. and Central Pacific Bank (7/1/2015—9/30/18); President, Chief Operating Officer, Central Pacific Financial Corp. and Central Pacific Bank (6/1/2014—6/30/2015); Executive Vice President, Chief Administrative Officer, Central Pacific Financial Corp. and Central Pacific Bank (11/23/2010—5/31/2014); General Partner, Startup Capital Ventures, L.P. (2005—present) (investment); Managing Member, SCV Management Co, LLC (2005—present) (investment)	58	2015
OTA, Saedene K.	President, Sae Design, Inc. (2007—present) (design and marketing); President, Maui Thing LLC (2010—present) (retail)	50	2015
ROSE, Crystal K., J.D.	Partner, Bays Lung Rose & Holma (1989—present) (law); Lead Independent Director, Central Pacific Financial Corp. and Central Pacific Bank (6/1/2014—present); Chairman of the Board, Central Pacific Financial Corp. and Central Pacific Bank (4/20/2011—5/31/2014)	61	2005
YONAMINE, Paul K.	Chairman and Chief Executive Officer, Central Pacific Financial Corp.; Executive Chairman, Central Pacific Bank (10/1/2018—present); Non-executive Chairman, GCA Corporation (10/1/18—present) (investment banking); Executive Chairman, GCA Corporation (6/2017—9/30/18) (investment banking); Executive Advisor and Director, IBM Japan, Ltd. (4/2017—6/2017) (technology); Country	61	2017

General Manager and President, IBM Japan, Ltd.
(1/2015—3/2017) (technology); Executive Vice President,
IBM Japan, Ltd. (1/2013—1/2015) (technology)

Name	Principal Occupation for the Past Five Years	Age	First Year Elected or Appointed as Executive Officer or Director of the Company⁽¹⁾
<i>Executive Officers</i>			
FUJIMOTO, Blenn A.			