

HANMI FINANCIAL CORP  
Form DEF 14A  
June 21, 2013

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

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 Pursuant to §240.14a-12

HANMI FINANCIAL CORPORATION  
(Name of Registrant as Specified In Its Charter)

Not Applicable  
(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:

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(3)	Filing Party:
(4)	Date Filed:

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HANMI FINANCIAL CORPORATION  
3660 Wilshire Boulevard, Penthouse Suite A  
Los Angeles, California 90010  
(213) 382-2200

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS  
TO BE HELD ON JULY 24, 2013

TO THE STOCKHOLDERS OF HANMI FINANCIAL CORPORATION:

NOTICE IS HEREBY GIVEN that the 2013 annual meeting of stockholders (the "Annual Meeting") of Hanmi Financial Corporation ("Hanmi Financial," "the Company," "we," "us" or "our") will be held at the Oxford Palace Hotel, located at 745 S. Oxford Avenue, Los Angeles, California, on Wednesday, July 24, 2013 at 10:30 a.m., Pacific Time, for the following purposes:

1. To elect seven (7) directors to serve for terms expiring at the 2014 annual meeting of stockholders, or until their successors are elected and qualified;
2. To provide an advisory (non-binding) vote on the proposal to approve the compensation of our Named Executive Officers;
3. To approve the Hanmi Financial Corporation 2013 Equity Compensation Plan;
4. To ratify the appointment of KPMG LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2013; and
5. To consider any other business properly brought before the meeting.

Only stockholders of record at the close of business on June 7, 2013 are entitled to receive notice of, and to vote at, the Annual Meeting and any adjournment or postponement thereof.

You are cordially invited to attend the Annual Meeting in person. Whether or not you plan to attend in person, please vote by signing, dating, and returning the enclosed proxy card by mail. You may also vote by telephone or internet. Any stockholder attending the Annual Meeting may vote in person even if he or she previously returned a proxy card.

By Order of Our Board of Directors,

Jean Lim  
Corporate Secretary

Los Angeles, California  
June 14, 2013

Important Notice Regarding the Availability of Proxy Materials for the 2013 Annual Meeting of Stockholders to be held on July 24, 2013: This Proxy Statement and the Company's 2012 Annual Report to Stockholders are available electronically at [www.hanmi.com](http://www.hanmi.com) by clicking on "Investor Relations" and then "Proxy Materials."



PROXY STATEMENT  
FOR THE ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD ON JULY 24, 2013

The Board of Directors (our “Board”) of HANMI FINANCIAL CORPORATION is soliciting your proxy for use at the 2013 Annual Meeting of Stockholders to be held at the Oxford Palace Hotel, located at 745 S. Oxford Avenue, Los Angeles, California, on Wednesday, July 24, 2013, beginning at 10:30 a.m., Pacific Time, and at any adjournments or postponements thereof. This proxy statement (“Proxy Statement”), the enclosed proxy card, and other enclosures are first being mailed to stockholders on or about June 20, 2013.

Questions and Answers about these Proxy Materials and the Annual Meeting

Question: Why did you send me this Proxy Statement?

We sent you this Proxy Statement and the enclosed proxy card because we are soliciting your vote at the Annual Meeting. Our Board is providing these proxy materials to you in connection with the Annual Meeting. As a stockholder of record of our common stock, you are invited to attend the Annual Meeting, and are entitled and requested to vote on the proposals described in this Proxy Statement. This Proxy Statement summarizes the information you need to know to cast an informed vote at the Annual Meeting. However, you do not need to attend the Annual Meeting to vote your shares. Instead, you may simply complete, sign and return the enclosed proxy card by mail. You may also vote by internet or telephone.

We will begin sending this Proxy Statement, notice of the Annual Meeting, and the enclosed proxy card on or about June 20, 2013 to all stockholders entitled to vote. The record date for those entitled to vote is June 7, 2013.

Along with this Proxy Statement, we are also sending our annual report for the fiscal year ended December 31, 2012.

Question: Who is entitled to vote and how many votes do I have?

All stockholders who were stockholders of record of our common stock as of the close of business on June 7, 2013, and only those stockholders, will be entitled to vote at the Annual Meeting. You have one vote for each share of our common stock you owned as of the close of business on the record date.

Question: How many shares are eligible to be voted?

As of June 7, 2013, 31,603,023 shares of our common stock were outstanding. Each outstanding share of our common stock will entitle its holder to one vote on each matter to be voted on at the Annual Meeting.

Question: What is the difference between holding shares as a “record” holder and in “street name”?

- **Record Holders** If your shares of common stock are registered directly in your name on our stock records, you are considered the stockholder of record, or the “record” holder of those shares. As the record holder you have the right to vote your shares in person or by proxy at the Annual Meeting.
- **Street Name Holders** If your shares of common stock are held in an account at a brokerage firm, bank, or other similar entity, then you are the beneficial owner of shares held in “street name.” The entity holding your account is considered the record holder for purposes of voting at the Annual Meeting. As the beneficial owner you have the right to direct this entity on how to vote the shares held in your account. However, as described

below, you may not vote these shares in person at the Annual Meeting unless you obtain a legal proxy from the entity that holds your shares giving you the right to vote the shares at the Annual Meeting.

Question: What am I being asked to vote on at the Annual Meeting?

You are being asked to vote on the following matters:

- **Election of Directors.** The seven (7) director (“Director”) nominees who receive the most votes will be elected. So, if you do not vote “For” a particular nominee or you indicate “Withhold Authority to Vote” for a particular Director nominee on your proxy card, your abstention will have no effect on the election of Directors.
- **Advisory (Non-Binding) Resolution on the Proposal to Approve the Compensation of our Named Executive Officers.** This proposal gives you the opportunity to vote (on an advisory non-binding basis) for or against the compensation of the executive officers identified in the Summary Compensation Table in this Proxy Statement (the “Named Executive Officers”). The compensation programs for our Named Executive Officers are described in the “Executive Compensation—Compensation Discussion and Analysis” section, the executive compensation tables and the related narrative discussion contained in this Proxy Statement. Because your vote is advisory, it will not be binding upon our Board and may not be construed as overruling any decision by our Board. However, the Compensation Committee may, in its sole discretion, take into account the outcome of the vote when considering future executive compensation arrangements.
- **Approval of the Hanmi Financial Corporation 2013 Equity Compensation Plan.** This proposal gives you the opportunity to vote for or against the approval of the Hanmi Financial Corporation 2013 Equity Compensation Plan described under the “Proposal No. 3, Approval of the Hanmi Financial Corporation 2013 Equity Compensation Plan” section in this Proxy Statement. The 2013 Equity Compensation Plan provides flexibility to our Board to offer equity incentives to employees, consultants and non-employee directors as part of their recruitment and retention. The 2013 Equity Compensation Plan in its entirety is also attached as Annex A to this Proxy Statement.
- **Ratification of Selection of Independent Registered Public Accounting Firm.** This proposal gives you the opportunity to ratify our Board’s selection of KPMG LLP (“KPMG”) as our independent registered public accounting firm for the fiscal year ending December 31, 2013. We are submitting the selection of KPMG to you for ratification to obtain our stockholders’ views. If the stockholders do not ratify the selection by a majority vote of the present and voting shares, we will reconsider whether or not to retain KPMG. Even if the selection is ratified, we may, in our discretion, appoint a different independent registered public accounting firm at any time during the year if we determine that such a change would be in our and our stockholders’ best interests.

Question: How does the Board of Directors recommend that I vote on the proposals?

For the reasons set forth in more detail later in this Proxy Statement, our Board unanimously recommends that you vote:

- FOR each of the seven (7) Director nominees named in this Proxy Statement (Proposal No. 1);
- FOR the approval, on an advisory basis, of the compensation of our Named Executive Officers (Proposal No. 2);
  - FOR the approval of the Hanmi Financial Corporation 2013 Equity Compensation Plan (Proposal No. 3);
- FOR the ratification of KPMG as our independent registered public accounting firm for the fiscal year ending December 31, 2013 (Proposal No. 4).

Question: What is the required quorum at the Annual Meeting?

The required quorum for the transaction of business at the Annual Meeting is a majority of the outstanding shares of our common stock. Shares voted on a matter are treated as being present for purposes of establishing a quorum.



Question: What vote is required to approve each proposal at the Annual Meeting?

- Election of Directors. Directors are elected by a plurality of votes cast. The seven (7) Director nominees receiving the most votes will be elected to our Board.
- Advisory Vote on the Compensation of our Named Executive Officers. Approval, on an advisory basis, of the compensation of our Named Executive Officers requires the affirmative vote of a majority of the shares present in person or by proxy at the Annual Meeting and voting on this item.
- Approval of the Hanmi Financial Corporation 2013 Equity Compensation Plan. Approval of the 2013 Equity Compensation Plan requires the affirmative vote of a majority of the shares present in person or by proxy at the Annual Meeting and voting on this item.
- Ratification of Selection of Independent Registered Public Accounting Firm. Ratification of the selection of KPMG as our independent registered public accounting firm for the fiscal year ending December 31, 2013 requires the affirmative vote of a majority of the shares represented and voting.

Question: What is the effect of broker non-votes and abstentions?

Abstentions and broker non-votes will be counted for purposes of determining a quorum. Your broker, however, will not be entitled to vote on the election of Directors, the advisory (non-binding) proposal to approve the compensation of our Named Executive Officers, and the proposal to approve the Hanmi Financial Corporation 2013 Equity Compensation Plan, without your instruction.

Your broker will be authorized to vote your shares on the ratification of our independent registered public accounting firm even if it does not receive instructions from you, and accordingly, broker non-votes will have no effect on this proposal.

Abstentions will have no effect on the election of Directors, the advisory (non-binding) vote to approve the compensation of Named Executive Officers, and the vote to approve the Hanmi Financial Corporation 2013 Equity Compensation Plan, but will have the effect of a vote AGAINST the ratification of our independent registered public accounting firm and the proposal to adjourn or postpone the Annual Meeting to solicit additional proxies.

Question: How can I vote my shares?

If you hold your shares of common stock in your own name and not through a broker or another nominee, you may vote your shares of common stock as follows, subject to compliance with the applicable cutoff times and deadlines described below in the “—Vote by Telephone,” “—Vote by Internet,” and “—Vote by Proxy” paragraphs:

- by using the toll-free telephone number listed on the proxy card;
- by using the Internet website listed on the proxy card;
- by signing, dating and mailing the proxy card in the enclosed postage-paid envelope, or
- by attending the Annual Meeting and voting in person.

Whichever of these methods you select to transmit your instructions, the proxy holders will vote your shares of common stock in accordance with your instructions. If you give a proxy without specific voting instructions, your proxy will be voted by the proxy holders “FOR” each of the Director nominees named in this Proxy Statement, “FOR” the

approval, on an advisory basis, of the compensation of our Named Executive Officers, “FOR” the approval of the Hanmi Financial Corporation 2013 Equity Compensation Plan, and “FOR” the ratification of our independent registered public accounting firm, and, at the proxy holders’ discretion on such other matters, if any, as may properly come before the Annual Meeting (including any proposal to adjourn the Annual Meeting).

**Vote by Telephone.** If you hold your shares of common stock in your own name and not through a broker or another nominee, you can choose to vote your shares of common stock by telephone by dialing the toll-free telephone number printed on your proxy card. Telephone voting is available 24 hours a day until 11:59 p.m., Pacific Time, on July 23, 2013. Easy-to-follow voice prompts allow you to vote your shares of common stock and confirm that your instructions have been properly recorded. If you vote by telephone, you do not need to return your proxy card.

**Vote by Internet.** If you hold your shares of common stock in your own name and not through a broker or another nominee, you can choose to vote your shares of common stock via the Internet. The website for Internet voting is printed on your proxy card. Internet voting is available 24 hours a day until 11:59 p.m., Pacific Time, on July 23, 2013. As with telephone voting, you will be given the opportunity to confirm that your instructions have been properly recorded. If you vote via the Internet, you do not need to return your proxy card.

**Vote by Mail.** You can vote by mail by signing, dating and returning the enclosed proxy card in the enclosed postage-paid envelope. Proxy cards sent by mail must be received by July 23, 2013.

The telephone and Internet voting procedures are designed to authenticate stockholders' identities, to allow stockholders to give their voting instructions, and to confirm that stockholders' instructions have been properly recorded. Stockholders voting via the Internet should understand that there may be costs associated with electronic access, such as usage charges from Internet access providers and telephone companies, that must be borne by the stockholder.

**Question:** Can I change or revoke my vote after I return my proxy card?

You may revoke a proxy at any time before the vote is taken at the Annual Meeting by filing with our Corporate Secretary a properly executed proxy of a later date by mail, telephone or Internet, or by attending the Annual Meeting and voting in person. Any such filing should be made to the attention of Jean Lim, Corporate Secretary, Hanmi Financial Corporation, 3660 Wilshire Boulevard, Penthouse Suite A, Los Angeles, California 90010. Attendance at the Annual Meeting will not by itself constitute revocation of a proxy.

**Question:** How do I vote in person?

If you plan to attend the Annual Meeting and vote in person, we will give you a ballot form when you arrive. However, if your shares of common stock are held in the name of your broker, bank or other nominee, you must bring a legal proxy from your broker, bank or other nominee to vote your shares of common stock at the Annual Meeting.

**Question:** How will proxies be solicited?

In addition to soliciting proxies by mail, our officers, directors, and employees, without receiving any additional compensation, may solicit proxies by telephone, fax, in person, or by other means. Arrangements may also be made with brokerage firms and other custodians, nominees, and fiduciaries to forward proxy solicitation materials to the beneficial owners of our common stock held of record by such persons, and we will reimburse such brokerage firms, custodians, nominees, and fiduciaries for reasonable out-of-pocket expenses incurred by them in connection therewith.

**Question:** Will any other matters be considered at the Annual Meeting?

We are not aware of any matter to be presented at the Annual Meeting other than the proposals discussed in this Proxy Statement. If other matters are properly presented at the Annual Meeting, then the persons named as proxies will have the authority to vote all properly executed proxies in accordance with the direction of our Board, or, if no such direction is given, in accordance with the judgment of the persons holding such proxies on any such matter, including

any proposal to adjourn or postpone the Annual Meeting.

Question: Are there any rules regarding admission to the Annual Meeting?

Yes. You are entitled to attend the Annual Meeting only if you were, or you hold a valid legal proxy naming you to act for, one of our stockholders on the record date. Before we admit you to the Annual Meeting, we must be able to confirm:

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- Your identity by reviewing a valid form of photo identification, such as a driver's license; and
- You were, or are validly acting for, a stockholder of record on the record date by:
  - verifying your name and stock ownership against our list of registered stockholders, if you are the record holder of your shares;
  - reviewing other evidence of your stock ownership, such as your most recent brokerage or bank statement, if you hold your shares in street name; or
  - reviewing a written proxy that shows your name and is signed by the stockholder you are representing, in which case either the stockholder must be a registered stockholder of record or you must have a brokerage or bank statement for that stockholder as described above.

If you do not have a valid form of photo identification and proof that you owned, or are legally authorized to act as proxy for someone who owned, shares of our common stock on June 7, 2013, you will not be admitted to the Annual Meeting.

At the entrance to the Annual Meeting, we will verify that your name appears in our stock records or will inspect your brokerage or bank statement, as your proof of ownership, and any written proxy you present as the representative of a stockholder. We will decide in our sole discretion whether the documentation you present for admission to the Annual Meeting meets the requirements described above.

Question: Is my vote confidential?

Yes. It is our policy that documents identifying your vote are confidential. The vote of any stockholder will not be disclosed to any third party before the final vote count at the Annual Meeting except:

- To meet legal requirements;
- To assert claims for or defend claims against the Company;
- To allow authorized individuals to count and certify the results of the stockholder vote;
- If a proxy solicitation in opposition to our Board takes place; or
  - To respond to stockholders who have written comments on proxy cards or who have requested disclosure.

PROPOSAL NO. 1

ELECTION OF DIRECTORS

Board of Directors and Nominees

Hanmi Financial's Amended and Restated Certificate of Incorporation, as amended, and Amended and Restated Bylaws provide for a Board of Directors consisting of no less than five (5) and no more than eleven (11) Directors, the exact number within this range to be determined by our Board. Currently, our Board consists of seven (7) Directors. Subject to their earlier resignation or retirement, Directors elected at the Annual Meeting will serve until the 2014 annual meeting of stockholders, or until their successors are elected and qualified. Our Board has identified certain minimum qualifications for its Directors, including having a demonstrated breadth and depth of management and/or leadership experience, preferably in a senior leadership role, such as chief executive officer, president or partner, in a large or recognized organization or governmental entity. Our Board believes that these particular qualifications provide our Directors with substantial experience relevant to serving as a Director of our Company, including in areas such as financial management, risk assessment and management, strategic planning, human resources, management succession planning, business development, community affairs, corporate governance, and business operations. Our Board believes that each Director nominee satisfies our director qualification standards and accordingly nominates: I Joon Ahn, John A. Hall, Paul Seon-Hong Kim, Chong Guk (C.G.) Kum, Joon Hyung Lee, William J. Stolte, and Joseph K. Rho.

In addition to each Director nominee's professional experience outlined in the table below, our Board believes that each Director nominee has other key attributes that are important to an effective Board of Directors, such as, integrity and demonstrated high ethical standards; sound judgment; analytical skills; the ability to engage management and each other in a constructive and collaborative fashion; diversity of origin, background, experience, and thought; and the commitment to devote significant time and energy to service on our Board and its Committees.

The Director nominees receiving the most votes will be elected. Each Director nominee has indicated his willingness to serve on our Board. Each proxy will be voted for the election of such Director nominees unless instructions are given on the proxy to withhold authority to vote for them. In the event a Director nominee is unable to serve, your proxy will be voted for an alternative Director nominee as determined by our Board.

None of the Director nominees was nominated pursuant to any arrangement or understanding. There are no family relationships among the Director nominees or the executive officers of Hanmi Financial. As of the date hereof, no Director nominee holds a directorship with another company that has a class of securities registered pursuant to Section 12 of the Securities Exchange Act of 1934, or 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, as amended.

The following tables set forth information with respect to the Director nominees.

Name and Position	Age	Principal Occupation for Past Five Years and 10 Year Legal Proceedings	
I Joon Ahn, Director	74	Principal Occupation:	Retired; former President, Ace's Fashion Company, a garment manufacturing company (1973 to 2001); Founder of Hanmi Bank and Hanmi Financial; former Chairman of our Boards, Hanmi Financial and Hanmi Bank; former member of the Korean American Chamber of Commerce; former member of the Southern California International Trade Federation; attended Dong A University in South

Korea.

Our Board believes that Mr. Ahn should serve as a Director because Mr. Ahn plays a critical role in connection with the Korean-American community. Mr. Ahn has founded and served on a number of important Korean-American organizations, including the Korean-American Garment Association, the Southern California Korean Federation, the Korean-American Chamber of Commerce, and the Southern California International Trade Federation. Furthermore, Mr. Ahn is a founding member of Hanmi Bank and Hanmi Financial.

Director Since: 1982

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John A. Hall, Director 63	Principal Occupation:	Retired; former National Bank Examiner, Office of the Comptroller of the Currency (“OCC”), a division of the U.S. Treasury Department (1974 to 2005); received a Master of Business Administration from the University of Iowa.
		Our Board believes that Mr. Hall should serve as a Director because Mr. Hall’s experience as a bank regulatory examiner, both in credit and operations, is valuable to Hanmi Bank. In his role with the OCC, he served as an examiner in charge of various larger banking institutions and most recently served in the credit position for the Wells Fargo Large Bank Team. Our Board believes that Mr. Hall’s experience as a bank regulatory examiner has provided him with financial expertise that is valuable in his role as Audit Committee Chairman and assisting Hanmi Bank with complying with applicable regulations.
	Director Since:	2009
Paul Seon-Hong Kim, 68 Director	Principal Occupation:	Retired; former President & Chief Executive Officer, Center Financial Corp/Center Bank, where he converted it to a NASDAQ listed company with a 13-fold increase in total market capitalization (1998 to 2007); former President & CEO, Uniti Financial/Uniti Bank (2008); served in various executive capacities, including as Chief Credit Officer and Chief Financial Officer, Hanmi Financial/Hanmi Bank (1986 to 1998); former Adjunctive Professor, Cal State University (2007, 2009); received a Master of Business Administration from the University of California, Berkeley.
		Our Board believes that Mr. Kim should serve as a Director because Mr. Kim’s many years of experience and long distinguished background in the banking industry has provided him with valuable financial expertise and a deep understanding of the Korean-American banking industry, which are important in formulating and carrying out Hanmi Bank’s tactical and strategic plans.
	Director Since:	2009
Chong Guk (C.G.) 58 Kum, Director	Principal Occupation:	President and Chief Executive Officer, Hanmi Financial and Hanmi Bank (June 2013 to present); former President and Chief Executive Officer, First California Financial Group and its subsidiary First California Bank (September 1999 to May 2013); served on the boards of First California Financial Group and First California Bank; former president of the board of directors of Community Bankers of California and is currently member of the board of directors of California Bankers Association; has served on numerous



boards of non- profit organizations including United Way and Boys Scouts of America of Ventura County; graduate of the University of California, Berkeley; Master of Business Administration from Pepperdine University.