Triumph Bancorp, Inc.
Form DEF 14A
April 03, 2019
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

(RULE 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

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 Section 240.14a-12

TRIUMPH BANCORP, INC.

(Name of Registrant as Specified In Its Charter)

N/A

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

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TRIUMPH BANCORP, INC.

12700 Park Central Drive, Suite 1700

Dallas, Texas 75251

(214) 365-6900

April 3, 2019

Dear Triumph Bancorp, Inc. Stockholders,

You are cordially invited to attend the Annual Meeting of Stockholders of Triumph Bancorp, Inc., to be held on May 16, 2019. The Annual Meeting will begin promptly at 1:00 p.m., local time, at 3 Park Central, 12700 Park Central Drive, Basement Level, Conference Room 1, Dallas, Texas 75251.

A Notice of Annual Meeting of Stockholders and the Proxy Statement for the meeting are attached. To ensure your representation at the Annual Meeting, you are urged to vote by proxy via the Internet or telephone pursuant to the instructions provided in the enclosed proxy card; or by completing, dating, signing and returning the enclosed proxy card.

The Notice of Annual Meeting and Proxy Statement on the following pages contain information about the official business of the Annual Meeting. Whether or not you expect to attend, please vote your shares now. Of course, if you decide to attend the Annual Meeting, you will have the opportunity to revoke your proxy and vote your shares in person. This Proxy Statement is also available at www.proxydocs.com/TBK.

Sincerely,

Aaron P. Graft

President and Chief Executive Officer

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TRIUMPH BANCORP, INC.

12700 Park Central Drive, Suite 1700

Dallas, Texas 75251

(214) 365-6900

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD MAY 16, 2019

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of Triumph Bancorp, Inc. will be held at 3 Park Central, 12700 Park Central Drive, Basement Level, Conference Room 1, Dallas, Texas 75251, at 1:00 p.m., local time, on May 16, 2019, for the following purposes:

1. To re-elect four directors to the Board of Directors to serve until the next annual meeting of stockholders or until their respective successors have been elected and qualified;

2. To vote on a non-binding advisory resolution to approve the compensation of the Company s named executive officers as disclosed in the accompanying proxy statement (Say on Pay Proposal);

3. To vote on a non-binding advisory resolution to approve the frequency of future say on pay votes (the Say on Pay Frequency Proposal);

4. To vote on a proposal to approve the First Amendment to the Triumph Bancorp, Inc. 2014 Omnibus Incentive Plan;

5. To vote on a proposal to approve the Triumph Bancorp, Inc. Employee Stock Purchase Plan;

6. To ratify the appointment of Crowe LLP as our independent registered public accounting firm for the current fiscal year; and

7. To transact any business as may properly come before the Annual Meeting or any adjournments or postponements.

We are furnishing our 2018 Annual Report and proxy materials to our stockholders primarily through the Internet this year in accordance with rules adopted by the Securities and Exchange Commission. Stockholders of record have been mailed a Notice of Internet Availability of Proxy Materials on or around April 3, 2019, which provides them with instructions on how to vote and how to access the 2018 Annual Report and proxy materials on the Internet. It also provides instructions on how to request paper copies of these materials.

Stockholders of record who previously enrolled in a program to receive electronic versions of the 2018 Annual Report and proxy materials will receive an email notice with details on how to access those materials and how to vote.

Stockholders of record may vote:

By Internet: go to www.proxypush.com/TBK

By phone: call 866-206-5381

By mail: complete and return the enclosed proxy card in the postage prepaid envelope provided.

If your shares are held in the name of a broker, bank or other stockholder of record, please follow the voting instructions that you receive from the broker, bank or other stockholder of record entitled to vote your shares.

The Board of Directors has fixed the close of business on March 18, 2019 as the record date for the determination of stockholders entitled to notice of, and to vote at, the Annual Meeting.

All stockholders are cordially invited to attend the Annual Meeting in person. Whether you expect to attend the Annual Meeting or not, please vote your shares. If you are a stockholder of record and attend the Annual Meeting, you may vote your shares in person even though you have previously voted your proxy.

By Order of the Board of Directors,

April 3, 2019
Dallas, Texas

Aaron P. Graft
President and Chief Executive Officer

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Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders

to Be Held on May 16, 2019.

The Proxy Statement for the 2019 Annual Meeting, the Notice of the 2019 Annual Meeting, the form of proxy and the Company s 2018 Annual Report are available at www.proxydocs.com/TBK.

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TRIUMPH BANCORP, INC.

12700 Park Central Drive, Suite 1700

Dallas, Texas 75251

(214) 365-6900

PROXY STATEMENT

FOR THE ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD ON

MAY 16, 2019

INFORMATION CONCERNING SOLICITATION AND VOTING

Introduction

We are furnishing this Proxy Statement on behalf of the Board of Directors (the Board of Directors) of Triumph Bancorp, Inc. (Triumph), a Texas corporation, for use at our 2019 Annual Meeting of Stockholders, or at any adjournments or postponements of the meeting (the Annual Meeting), for the purposes set forth below and in the accompanying Notice of Annual Meeting. The Annual Meeting will be held at 3 Park Central, 12700 Park Central Drive, Basement Level, Conference Room 1, Dallas, Texas 75251, at 1:00 p.m. local time, on May 16, 2019.

In accordance with rules and regulations adopted by the Securities and Exchange Commission (SEC), instead of mailing a printed copy of our proxy materials to each stockholder of record, we are furnishing proxy materials to our stockholders on the Internet. You will not receive a printed copy of the proxy materials, unless specifically requested. The Notice of Internet Availability of Proxy Materials will instruct you as to how you may access and review all of the important information contained in the proxy materials. The Notice of Internet Availability of Proxy Materials also instructs you as to how you may submit your proxy on the Internet.

As used in this Proxy Statement, the terms us , we , our , the Company and Triumph refer to Triumph Bancorp, In and, where appropriate, Triumph Bancorp, Inc., and its subsidiaries. The term Common Stock means shares of our Common Stock, par value, $0.01 per share.

Stockholders Entitled to Notice and to Vote; Quorum

Only holders of record of our Common Stock at the close of business on March 18, 2019, which the Board of Directors has set as the record date, are entitled to notice of, and to vote at, the Annual Meeting. As of March 18, 2019 we had 26,709,411 shares of Common Stock outstanding and entitled to vote at the Annual Meeting, and our shares of Common Stock were held by approximately 333 stockholders of record. Each stockholder of record of Common Stock on the record date will be entitled to one vote for each share held on all matters to be voted upon at the Annual Meeting. There are no cumulative voting rights in the election of directors.

The presence, in person or by proxy, of a majority of the votes entitled to be cast on a matter to be voted on at the Annual Meeting constitutes a quorum for action on that matter. The shares of Common Stock represented by properly executed proxy cards or properly authenticated voting instructions recorded electronically through the Internet or by telephone, will be counted for purposes of determining the presence of a quorum at the Annual Meeting. Abstentions and broker non-votes will be counted toward fulfillment of quorum requirements. A broker non-vote occurs when a nominee holding shares for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power with respect to that proposal and has not received instructions from the beneficial owner.

Distinction Between Holding Shares as a Stockholder of Record and as a Beneficial Owner

Some of our stockholders hold their shares through a broker, trustee, or other nominee rather than directly in their own name. As summarized below, there are some distinctions between shares held of record and those shares owned beneficially.

Stockholder of Record. If your shares are registered directly in your name with our transfer agent, EQ Shareowner Services, then you are considered, with respect to those shares, the stockholder of record. As the stockholder of record, you have the right to grant your voting proxy directly to us or to a third party, or to vote in person at the Annual Meeting.

Beneficial Owner. If your shares are held in a brokerage account, by a trustee or, by another nominee, then you are considered the beneficial owner of those shares. As the beneficial owner of those shares, you have the right to direct your broker, trustee, or nominee how to vote and you also are invited to attend the Annual Meeting. However, because a beneficial owner is not the stockholder of record, you may not vote these shares in person at the Annual Meeting unless you obtain a legal proxy from the broker, trustee or nominee that holds your shares, giving you the right to vote the shares at the Annual Meeting.

If you are not a stockholder of record, please understand that we do not know that you are a stockholder, or how many shares you own.

Voting Deadline

If you are a stockholder of record on the record date, then your proxy must be received no later than 11:59 p.m., central time on May 15, 2019 to be counted. If you are the beneficial owner of your shares held through a broker, trustee, or other nominee, please follow the instructions of your broker, trustee, or other nominee in determining the deadline for submitting your proxy.

Voting without Attending the Annual Meeting

Whether you hold shares directly as a stockholder of record or through a broker, trustee, or other nominee, you may direct how your shares are voted without attending the Annual Meeting. You may give voting instructions by the Internet, by telephone, or by mail. Instructions are on the proxy card. The proxy holders will vote all properly executed proxies that are delivered in response to this solicitation, and not later revoked, in accordance with the instructions given by you.

Voting in Person

Shares held in your name as the stockholder of record on the record date may be voted in person at the Annual Meeting. Shares for which you are the beneficial owner but not the stockholder of record may be voted in person at the Annual Meeting only if you obtain a legal proxy from the broker, trustee, or other nominee that holds your shares giving you the right to vote the shares. Even if you plan to attend the Annual Meeting, we recommend that you vote by proxy as described below so that your vote will be counted if you later decide not to attend the Annual Meeting.

The vote you cast in person will supersede any previous votes that you may have submitted, whether by Internet, telephone, or mail.

Required Votes

At the Annual Meeting, stockholders will consider and act upon (1) the re-election of four directors to our Board of Directors to serve until the next annual meeting of stockholders or until their respective successors have been elected and qualified, (2) the Say on Pay Proposal, (3) the Say on Pay Frequency Proposal, (4) a proposal to approve the First Amendment to the Triumph Bancorp, Inc. 2014 Omnibus Incentive Plan, (5) a proposal to

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approve the Triumph Bancorp, Inc. Employee Stock Purchase Plan, (6) the ratification of the appointment of our independent registered public accounting firm, and (7) such other business as may properly come before the Annual Meeting.

Election of Directors. We have implemented majority voting in uncontested director elections. As a result, each director standing for re-election at the Annual Meeting will be elected by a majority of the votes cast by the outstanding shares present in person or by proxy and entitled to vote at the Annual Meeting, meaning that each director nominee must receive a greater number of such shares voted for such director than the number of such shares voted against such director. In a contested election, the director nominees receiving a plurality of the votes cast shall be elected directors.

Say on Pay Frequency Proposal. With respect to this proposal, the alternative that obtains a plurality of the votes cast by the outstanding shares present in person or represented by proxy and entitled to vote at the Annual Meeting will constitute the non-binding recommendation of the stockholders.

All Other Proposals. For all of the other proposals described in this Proxy Statement, the affirmative vote of a majority of the votes cast by the outstanding shares present in person or represented by proxy and entitled to vote at the Annual Meeting is required to approve each such proposal.

Abstentions and Broker Non-Votes

Under certain circumstances, including the election of directors, matters involving executive compensation and other matters considered non-routine, banks and brokers are prohibited from exercising discretionary authority for beneficial owners who have not provided voting instructions to the bank or broker. This is generally referred to as a broker non-vote. In these cases, as long as a routine matter is also being voted on, and in cases where the stockholder does not vote on such routine matter, those shares will be counted for the purpose of determining if a quorum is present, but will not be included as votes cast with respect to those matters. Whether a bank or broker has authority to vote its shares on uninstructed matters is determined by stock exchange rules. We expect that brokers will be allowed to exercise discretionary authority for beneficial owners who have not provided voting instructions only with respect to the proposal to ratify the selection of Crowe LLP as our independent registered public accounting firm but not with respect to any of the other proposals to be voted on at the Annual Meeting.

Abstentions and broker non-votes will not be treated as votes cast for any of the proposals at the Annual Meeting and thus will have no effect on the results of any of such proposals.

Treatment of Voting Instructions

If you provide specific voting instructions, your shares will be voted as instructed.

If you hold shares as the stockholder of record and sign and return a proxy card or vote by Internet or telephone without giving specific voting instructions, then your shares will be voted in accordance with the recommendations of our Board of Directors. Our Board of Directors recommends (1) a vote for the re-election of each of the director nominees to our Board of Directors, (2) a vote for approval, on a non-binding advisory basis, of the compensation of our named executive officers as disclosed in this Proxy Statement, (3) a vote for the one (1) year alternative with respect to frequency for future non-binding advisory votes on the compensation of named executive officers, (4) a vote for approval of the First Amendment to the Triumph Bancorp, Inc 2014 Omnibus Incentive Plan, (5) a vote for approval of the Triumph Bancorp, Inc. Employee Stock Purchase Plan, and (6) a vote for the ratification of the appointment of Crowe LLP as our independent registered public accounting firm.

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You may have granted to your broker, trustee, or other nominee discretionary voting authority over your account. Your broker, trustee, or other nominee may be able to vote your shares depending on the terms of the agreement you have with your broker, trustee, or other nominee.

The persons identified as having the authority to vote the proxies granted by the proxy card will also have discretionary authority to vote, in their discretion, to the extent permitted by applicable law, on such other business as may properly come before the Annual Meeting and any postponement or adjournment. The Board of Directors is not aware of any other matters that are likely to be brought before the Annual Meeting. If any other matter is properly presented for action at the Annual Meeting, including a proposal to adjourn or postpone the Annual Meeting to permit us to solicit additional proxies in favor of any proposal, the persons named in the proxy card will vote on such matter in their own discretion.

Revocability of Proxies

A stockholder of record who has been given a proxy may revoke it at any time prior to its exercise at the Annual Meeting by either (i) giving written notice of revocation to our Corporate Secretary, (ii) properly submitting a duly executed proxy bearing a later date, or (iii) appearing in person at the Annual Meeting and voting in person.

If you are the beneficial owner of shares held through a broker, trustee, or other nominee, you must follow the specific instructions provided to you by your broker, trustee, or other nominee to change or revoke any instructions you have already provided to your broker, trustee, or other nominee.

Costs of Proxy Solicitation

Proxies will be solicited from our stockholders by mail and through the Internet. We will pay all expenses in connection with the solicitation, including postage, printing and handling, and the expenses incurred by brokers, custodians, nominees and fiduciaries in forwarding proxy material to beneficial owners. It is possible that our directors, officers and other employees may make further solicitations personally or by telephone, facsimile or mail. Our directors, officers and other employees will receive no additional compensation for any such further solicitations.

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PROPOSAL 1: ELECTION OF DIRECTORS

Introduction

Our Board of Directors is currently divided into three classes, Class I, Class II and Class III. At the 2018 annual meeting of stockholders, two management proposals were approved by the stockholders effecting an amendment to our Second Amended and Restated Certificate of Formation (as amended, the Charter) and an amendment to our Second Amended and Restated Bylaws (as amended, the Bylaws) to provide for the phasing out of the classified structure of our Board of Directors and to implement majority voting in uncontested director elections.

Consequently, in accordance with the Charter and Bylaws, the terms of the directors in Class II will expire at this Annual Meeting and each has been nominated for re-election for a term to last until the 2020 annual meeting of stockholders or until their respective successors have been elected and qualified. Directors in Class III and Class I, with terms expiring at the 2020 and 2021 annual meetings of stockholders, respectively, will (subject to their earlier resignation or removal) serve the remainder of their respective terms, and thereafter they or their successors will be elected to one (1) year terms. From and after the 2021 annual meeting of stockholders, the Board of Directors will be declassified and all directors shall be elected for a one (1) year term, or until the director s earlier resignation or removal prior to the next such annual meeting of stockholders.

Our Board of Directors is currently divided as follows:

The Class I directors are Aaron P. Graft, Robert Dobrient, Maribess L. Miller and Frederick P. Perpall, and their term will expire at the annual meeting of stockholders expected to be held in 2021;

The Class II directors are Douglas M. Kratz, Richard L. Davis, Michael P. Rafferty and C. Todd Sparks, and their term will expire at this Annual Meeting; and

The Class III directors are Carlos M. Sepulveda, Jr., Charles A. Anderson and Justin N. Trail, and their term will expire at the annual meeting of stockholders expected to be held in 2020.

Any additional directorships resulting from an increase in the number of directors will be distributed among the three classes so that, as nearly as possible, each class will consist of one-third of the directors until declassification occurs.

Upon the recommendation of the Nominating and Corporate Governance Committee, the Board of Directors has nominated Douglas M. Kratz, Richard L. Davis, Michael P. Rafferty and C. Todd Sparks for re-election to the Board of Directors (whom we refer to as the nominees) for a one (1) year term expiring at the 2020 annual meeting of stockholders or until their respective successors have been elected and qualified. All nominees are currently directors of Triumph Bancorp, Inc. and have been previously elected by our stockholders.

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The Board of Directors unanimously recommends a vote FOR the re-election of each of the nominees.

Information Concerning the Nominees and Directors

Biographical information for each director and nominee appears below. The information is based entirely upon information provided by the respective directors and nominees.

Name	Age	Position
Charles A. Anderson	58	Director
Richard L. Davis	65	Director
Robert Dobrient	57	Director
Aaron P. Graft	41	Director, Vice Chairman, Chief Executive Officer & President
Douglas M. Kratz	67	Director
Maribess L. Miller	66	Director
Frederick P. Perpall	44	Director
Michael P. Rafferty	64	Director
Carlos M. Sepulveda, Jr.	61	Director & Chairman
C. Todd Sparks	51	Director
Justin N. Trail	47	Director

Board Nominees with Terms Ending in 2019

Richard L. Davis has served on our Board of Directors since 2010. He is Founder and Chief Executive Officer of Dallas-based DAVACO, Inc., a leading provider of retail, restaurant and hospitality service solutions. In 2000 and 2006, Mr. Davis was a finalist for the Ernst & Young Entrepreneur of the Year award, and in 2006, he was inducted into the Retail Construction Hall of Fame. Mr. Davis currently serves on The Salvation Army s Dallas/ Fort Worth Metroplex Advisory Board and The Board of Advisors of the Baylor Angel Network with the Hankamer School of Business of Baylor University. Mr. Davis extensive experience in business qualifies him to serve on our Board of Directors.

Douglas M. Kratz has been a member of our Board of Directors since October 2013 and also serves on the Board of Directors of our subsidiary bank, TBK Bank, SSB. Mr. Kratz currently serves as Chairman of the Risk Management Committee and is a member of the subsidiary bank s Executive Loan Committee. Prior to Triumph Bancorp s 2013 acquisition of National Bancshares, Inc, Mr. Kratz served as Chairman of the Board of National Bancshares, Inc. and a Director of its subsidiary bank, THE National Bank, since 2001. During that period, for several years, Mr. Kratz served as Chief Executive Officer and Vice Chairman of the parent company and subsidiary bank, respectively. Over the past 30 years, Mr. Kratz has served on the boards of directors of numerous community banking organizations along with being a principal investor in several of the organizations. Mr. Kratz is also a principal investor in privately held non-financial services related entities. Mr. Kratz extensive business and banking experience, as well as his long-standing community business and banking relationships in the Quad Cities Metropolitan Area, qualify him to serve on our Board of Directors.

Michael P. Rafferty has served on our Board of Directors since July 2014 and serves as Chairman of the Audit Committee and also serves as a member of the Risk Management Committee. Mr. Rafferty was a member of the public accounting firm Ernst & Young LLP from 1975 until his retirement in 2013, was admitted as Partner of the Firm in 1988, and served as the Audit Practice Leader for the Southwest Region from 2004 to 2013. During his career with Ernst & Young, he primarily served clients in the financial services and healthcare industries. Mr. Rafferty graduated with a Bachelor of Science degree in Accounting from the University of New Orleans. Mr. Rafferty is a certified public accountant and is licensed in Texas and Louisiana. Mr. Rafferty s

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extensive experience in the financial services industry qualifies him to serve on our Board of Directors. Mr. Rafferty also serves on the Board of Directors and Audit Committee of MoneyGram International, Inc. (NASDAQ:MGI) since 2016.

C. Todd Sparks has served on our Board of Directors since 2010. He also serves as a director of our wholly owned subsidiary bank, TBK Bank, SSB. He is Vice President and Chief Financial Officer of Discovery Operating Inc., where he has been employed since 1992. He currently serves on the Board of Directors of Patriot Drilling, LLC, FirstCapital Bank of Texas and First Bancshares of Texas (Holding Company). Mr. Sparks received a Bachelor of Business Administration from Baylor University in 1989 and a Master of Business Administration from Texas A&M University in 1992. Mr. Sparks extensive business and banking experience, as well as his long- standing business and banking relationships in the community, qualify him to serve on our Board of Directors.

Directors with Terms Ending in 2020 (Continuing Directors)

Charles A. Anderson has served on our Board of Directors since 2010. In 2003, Mr. Anderson cofounded Bandera Ventures, Ltd., a firm focused on industrial development and acquisitions, distressed office acquisitions and long-term lease opportunities. Prior to that, Mr. Anderson was associated with the Trammell Crow Company where he served as Senior Executive Director, responsible for the Development and Investment Group for the Western half of the United States. Since 2014, Mr. Anderson has served on the Board of Directors and as a member of the Investment Committee of Highwoods Properties, Inc. (NYSE:HIW), a publicly traded real estate investment trust. He earned his Bachelor of Business Administration and Master of Business Administration from Southern Methodist University, where he graduated *summa cum laude*. Mr. Andersons extensive experience in business and finance qualify him to serve on our Board of Directors.

Carlos M. Sepulveda, Jr. has served as Chairman of our Board of Directors since 2010. He also serves as chairman of TBK Bank, SSB. Since March 2014, Mr. Sepulveda has served on the Board of Directors of Savoya, a chauffeured ground transportation service provider. In 2007, he joined the Board of Directors of Cinemark Holdings, Inc. (NYSE: CNK) and in 2016 was named Lead Director. In addition, he serves as Chairman of the Audit Committee, and is a member of both the Compensation Committee and the Strategic Planning Committee. From 2013 to January 2017, Mr. Sepulveda served on the Board of Matador Resources Company (NYSE:MTDR), as Director, Chairman of the Audit Committee, Chairman of the Financial Committee, and a member of both the Nominations Committee and Executive Committee. Mr. Sepulveda joined Interstate Battery System International, Inc. in 1990, and served as its President and Chief Executive Officer from 2004 until 2013, and continues to serve on its Board of Directors as he has since 1995. Prior to joining Interstate Battery, Mr. Sepulveda was a partner at KPMG with more than 10 years of audit experience, including a concentration in financial services companies and banks. Mr. Sepulveda received a Bachelor of Business Administration with highest honors from the University of Texas at Austin. He is a certified public accountant (CPA) and is a member of the American Institute of CPAs and Texas Society of CPAs. Mr. Sepulveda s extensive experience in business and finance qualify him to serve on our Board of Directors.

Justin N. Trail has served on our Board of Directors since 2010. He is the Founder and President of Commercial Insurance Solutions Group, LLC, a national retail insurance brokerage company specializing in the risk management of real estate investment portfolios, Founder and CEO of C1 Insurance Group and Cofounder and Director of Spicewood Funding Group, a specialty finance company. Mr. Trail serves as a director at Triumph Business Capital, Chairman at Triumph Insurance Group, and member of the Compensation Committee of our Board of Directors. He also serves as a Director at the National Multi Housing Council and numerous non-profit organizations. Mr. Trail graduated from Texas A&M University with a Bachelor of Science in 1994 and a Master s degree in 1996. Mr. Trail s extensive business and banking experience qualify him to serve on our Board of Directors.

Directors with Terms Ending in 2021 (Continuing Directors)

Aaron P. Graft is the Founder, Vice Chairman and Chief Executive Officer of the Company. He also serves as the Vice Chairman and Chief Executive Officer of TBK Bank, SSB and is the Vice Chairman of Triumph Business Capital and a Director of Triumph Insurance Group, Inc. Mr. Graft also serves as a Director and as Vice Chairman of The Bank of the West of Thomas, Oklahoma. Prior to establishing Triumph Bancorp, Inc., Mr. Graft served as the Founder and President of Triumph Land and Capital Management, LLC, where he oversaw the management of several multi-family and commercial real estate projects in receivership and led the acquisition of multiple pools of distressed debt secured by multi-family projects. Prior to Triumph, Mr. Graft worked for Fulbright & Jaworski, LLP (now Norton Rose Fulbright LLP) where he focused on distressed loan workouts. Mr. Graft received a Bachelor of Arts, Cum Laude, and a Juris Doctorate, Cum Laude, from Baylor University. He is a member of Young Presidents Organization. He also serves on the Baylor University Hankamer School of Business Advisory Board. In 2017, Mr. Graft received the EY Entrepreneur Of The Year® Award in the Business & Financial Services category in the Southwest Region and the Baylor University 2017 Young Alumnus of the Year. In 2014, he was recognized by the Dallas Business Journal with the 40 Under 40 award.

Robert Dobrient has served on our Board of Directors since 2010. He is Chairman and Chief Executive Officer of Travel Research Advisors, the Dallas-based parent company of Savoya and Groundwork, both of which provide secure ground transportation services. Prior to establishing Savoya in 2000, Mr. Dobrient was Cofounder and President of Max America, a same-day delivery and logistics firm that won *Inc.* 500 honors for three consecutive years in the early 1990s. In 1997, Max America was acquired by Dynamex, Inc., a publicly held leading consolidator in the time critical distribution industry. Mr. Dobrient is a Director of privately held Redaway, a medical waste transport and disposal company. Mr. Dobrient earned a Bachelor of Business Administration from University of North Texas. He serves as a mentor and as a Board member at Mercy Street, a program serving inner-city youths and their families. Mr. Dobrients extensive business experience qualifies him to serve on our Board of Directors.

Maribess L. Miller has served on our Board of Directors since July 2014 and serves as Chairperson of our Nominating and Corporate Governance Committee and is a member of the Audit Committee. Ms. Miller was a member of the public accounting firm PricewaterhouseCoopers LLP from 1975 until 2009, including serving as the North Texas Market Managing Partner from 2001 until 2009; as Southwest Region Consumer, Industrial Products and Services Leader from 1998 until 2001; and as Managing Partner of that firm s U.S. Healthcare Audit Practice from 1995 to 1998. Since 2010, Ms. Miller has served as a member of the Board of Directors and Chair of the Audit Committee and member of the Compensation Committee for Zix Corporation (NASDAQ:ZIXI). Ms. Miller is also a member of the Board of Directors and Chair of the Audit Committee and member of the Compensation Committee for Midmark Corp., a privately-held medical supply company. She was on the Texas State Board of Public Accountancy from 2009-2015, past Board Chair for the Texas Health Institute and is a Board member and past Chair of the Board of the North Texas Chapter of the National Association of Corporate Directors. She graduated *cum laude* with a Bachelor s degree in Accounting from Texas Christian University. Ms. Miller is a certified public accountant. Ms. Miller s extensive business experience qualifies her to serve on our Board of Directors.

Frederick P. Perpall was elected to our Board of Directors effective October 24, 2016 and began serving on the Compensation Committee in January 2017. Mr. Perpall serves as the Chief Executive Officer for The Beck Group, an architecture and construction company based in Dallas, Texas. Mr. Perpall has served as CEO of the Beck Group since 2013, and has been with The Beck Group in other roles since 1999. Mr. Perpall began his career in the design and construction industry in 1996 and has been a registered architect since 2003. Prior to his time at Beck, Mr. Perpall worked for Gideon Toal Architects and Alexiou + Associates. Mr. Perpall serves on numerous boards and executive committees, including the Dallas Regional Chamber, the Dallas Citizens Council and The Carter Center. He earned his Bachelor of Science and Master of Architecture degrees from the University of Texas at Arlington.

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Executive Officers

The following table sets forth information regarding individuals who are our executive officers.

Name	Age	Position
Aaron P. Graft	41	Vice Chairman, Chief Executive Officer and President of the Company Vice Chairman, Chief Executive Officer of TBK Bank, SSB
R. Bryce Fowler	65	Executive Vice President, Chief Financial Officer of the Company President and Chief Financial Officer of TBK Bank, SSB
Gail Lehmann	61	Executive Vice President, Secretary of the Company Chief Operating Officer, President of Retail Operations, Secretary of TBK Bank, SSB
Adam D. Nelson	41	Executive Vice President, General Counsel of the Company and TBK Bank, SSB
Daniel J. Karas	58	Executive Vice President, Chief Lending Officer, TBK Bank, SSB

A brief description of the background of each of our executive officers who is not also a director is set forth below.

R. Bryce Fowler has served as our Executive Vice President, Chief Financial Officer since 2010. He also serves as President and Chief Financial Officer of TBK Bank, SSB. Previously, Mr. Fowler was a Partner in Cyma Fund Advisors, which managed a $100 million capital investment in a leveraged mortgage-backed securities portfolio. He also served as a Director, President and Chief Financial Officer of Bluebonnet Savings Bank, FSB, a $3+ billion Southwest Plan institution formed from the acquisition of 15 failed institutions in 1988. He was a member of the Executive Committee that led Bluebonnet through the acquisition and consolidation of these institutions, implemented and managed the government assistance agreement, expanded its state-wide lending operations to be national in scope and was one of the principal architects in the development and implementation of Bluebonnet s transition to a wholesale institution focused primarily in MBS investment strategies. Prior to that, Mr. Fowler was an auditor for David, Kinard & Company, working primarily on financial institution clients. Mr. Fowler received a Bachelor of Business Administration from the University of Texas-Arlington and is a certified public accountant in Texas (license inactive).

Gail Lehmann has served as our Executive Vice President and Secretary since 2010. She also serves as Chief Operating Officer, President of Retail Operations and Secretary of TBK Bank, SSB. Previously, Ms. Lehmann served as Corporate Compliance Officer and Senior Vice President of Risk Management for Bluebonnet Savings Bank, FSB, a $3 billion wholesale thrift. Ms. Lehmann has been in the banking industry for more than 30 years and has experience in all facets of banking operations with particular emphasis on regulatory compliance, risk management, information technology and venture capital environments. She also has expertise in the area of property and subsidiary management. Ms. Lehmann received a Bachelor of Science, with a Major in Public Administration/Political Science and a Minor in Criminal Justice, from the University of Illinois.

Adam D. Nelson has served as our Executive Vice President and General Counsel since 2013. He also serves as Executive Vice President and General Counsel of TBK Bank, SSB. Mr. Nelson previously served as Vice President and Chief Compliance Officer of Trinitas Capital Management, LLC, an independent registered investment adviser. In addition, Mr. Nelson previously served as Vice President and Deputy General Counsel of ACE Cash Express, Inc., a financial services retailer. Prior to that, Mr. Nelson was an attorney with the firm of Weil Gotshal & Manges, LLP, where he focused on mergers and acquisitions, management led buyouts and private equity transactions. Mr. Nelson received a Bachelor of Arts in Economics, *magna cum laude*, from Baylor University and a Juris Doctorate, *cum laude*, from Harvard Law School.

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Daniel J. Karas serves as Executive Vice President, Chief Lending Officer of TBK Bank, SSB. He joined Triumph in 2012 as Executive Vice President Asset Based Lending for Triumph Commercial Finance with more than 30 years of experience in all aspects of commercial finance. Prior to joining Triumph, Mr. Karas served as Executive Vice President and Managing Director of Marquette Business Credit, where he led Marquette s general factoring business as well as marketing for its asset based lending platform. Previously he served with GE Capital/Heller Financial as Managing Director of the Corporate Lending Group, then the Enterprise Client Group and finally Energy Financial Services. He began his career with JPMorgan Chase, formerly Chemical Bank, in New York and gained experience in credit, commercial and leveraged lending prior to opening Bank of America s (formerly NationsBank) New York ABL office. Mr. Karas is currently a member of the Board of Directors of the Commercial Finance Association. He received his Bachelor of Science in Finance and Management from Temple University and his Master of Business Administration from the Stern School of Business at New York University.

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CORPORATE GOVERNANCE

Board of Directors Meetings

During 2018, the Board of Directors held five meetings and committees of the Board held a total of 23 meetings. Each of our directors attended at least 75% of the total meetings of the Board and committees on which he or she served during 2018.

Director Independence

The Board of Directors has determined that with the exception of Aaron P. Graft, each of our current directors is an independent director as defined for purposes of the rules of the Securities and Exchange Commission (SEC) and the listing standards of The Nasdaq Stock Market (NASDAQ). For a director to be considered independent, the Board must determine that the director does not have a relationship with the Company that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In making this determination, the Board will consider all relevant facts and circumstances, including any transactions or relationships between the director and the Company or its subsidiaries.

Carlos M. Sepulveda, Jr. had previously served as the Executive Chairman of the Company until December 31, 2015. Given the passage of more than three (3) years since his service in such capacity, and considering all other relevant facts and circumstances, the Board of Directors concluded that, effective January 1, 2019, Mr. Sepulveda was an independent director as defined for purposes of the rules of the SEC and the NASDAQ.

Board Committees

Our Board of Directors has established standing committees in connection with the discharge of its responsibilities. These committees include the Audit Committee, the Compensation Committee, the Nominating and Corporate Governance Committee and the Risk Management Committee. Our Board of Directors also may establish such other committees as it deems appropriate, in accordance with applicable law and regulations and our corporate governance documents.

Audit Committee. Our Audit Committee is composed of Michael P. Rafferty (Chair), Maribess L. Miller and C. Todd Sparks. The Audit Committee assists the Board of Directors in fulfilling its responsibilities for general oversight of the integrity of our financial statements, compliance with legal and regulatory requirements, the independent auditors qualifications and independence, and the performance of our internal audit function and independent auditors. Among other things, the Audit Committee:

- annually reviews the Audit Committee charter and the committee s performance;
- appoints, evaluates and determines the compensation of our independent auditors;
- reviews and approves the scope of the annual audit, the audit fee and the financial statements;

- reviews disclosure controls and procedures, internal controls, internal audit function and corporate policies with respect to financial information;

- prepares the audit committee report to be included in our proxy statement or annual report filed with the SEC;

- oversees investigations into complaints concerning financial matters, if any; and

- reviews other risks that may have a significant impact on our financial statements.

The Audit Committee works closely with management as well as our independent auditors. The Audit Committee has the authority to obtain advice and assistance from and receive appropriate funding to engage outside legal, accounting or other advisors as the Audit Committee deems necessary to carry out its duties.

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The Audit Committee is composed solely of members who satisfy the applicable independence and other requirements of the SEC and the NASDAQ for Audit Committees and each of whom meet the additional criteria for independence of audit committee members set forth in Rule 10A-3(b)(1) under the Exchange Act. Each of Mr. Rafferty and Ms. Miller is an audit committee financial expert as defined by the SEC. The Audit Committee has adopted a written charter that among other things, specifies the scope of its rights and responsibilities. The charter is available on our website under the link entitled Investor Relations Corporate Governance at www.triumphbancorp.com. Our Audit Committee met nine times during 2018.

Compensation Committee. Our Compensation Committee is composed of, Charles A. Anderson (Chair), Richard Davis, Robert Dobrient, Justin N. Trail and Frederick P. Perpall. The Compensation Committee is responsible for discharging the Board of Directors responsibilities relating to compensation of our executives and team members.

Among other things, the Compensation Committee:

- evaluates human resources and compensation strategies;
- reviews and approves objectives relevant to executive officer compensation;
- evaluates performance and determines the compensation of the Chief Executive Officer and our other executive officers in accordance with those objectives;
- approves any changes to non-equity based benefit plans involving a material financial commitment;
- prepares the compensation committee report to be included in our annual report; and
- evaluates performance in relation to the Compensation Committee charter.

The Compensation Committee is composed solely of members who satisfy the applicable independence requirements of the SEC and the NASDAQ. The Compensation Committee has adopted a written charter that, among other things, specifies the scope of its rights and responsibilities. The charter is available on our website under the link entitled Investor Relations Corporate Governance at www.triumphbancorp.com. Our Compensation Committee met five times during 2018.

Nominating and Corporate Governance Committee. Our Nominating and Corporate Governance Committee is composed of Maribess L. Miller (Chair), Charles A. Anderson and Richard Davis. The Nominating and Corporate Governance Committee is responsible for making recommendations to our Board of Directors regarding candidates for directorships and the size and composition of our Board of Directors. In addition, the Nominating and Corporate Governance Committee is responsible for overseeing our corporate governance guidelines and reporting and making recommendations to our Board of Directors concerning governance matters.

Among other things, the Nominating and Corporate Governance Committee:

identifies individuals qualified to be directors consistent with the criteria approved by the Board of Directors and recommends director nominees to the full Board of Directors;

ensures that the Audit and Compensation Committees have the benefit of qualified independent directors;

reviews and approves any related party transactions in accordance with our related party transaction policy;

makes recommendations to the Board of Directors regarding the compensation of directors of the Company;

oversees management continuity planning;

leads the Board of Directors in its annual performance review; and

takes a leadership role in shaping the corporate governance of our organization.

The Nominating and Corporate Governance Committee is composed solely of members who satisfy the applicable independence requirements of the SEC and the NASDAQ. The written charter for our Nominating and Corporate Governance Committee is available on our website under the link entitled Investor Relations Corporate Governance at www.triumphbancorp.com. Our Nominating and Corporate Governance Committee met five times during 2018.

Risk Management Committee. Our Risk Management Committee is composed of Douglas M. Kratz (Chair), Aaron P. Graft, Robert Dobrient, and Michael P. Rafferty. The Risk Management Committee is responsible for assisting the Board of Directors in the assessment of risk across the Company and its subsidiaries.

Among other things, the Risk Management Committee:

- reviews and implements the Company s enterprise risk assessment program as set forth in its enterprise risk management policy as in place from time to time as adopted by our Board of Directors;

- reviews and recommends changes to the Company s enterprise risk management policy to our Board of Directors; and

- provides updates to our Board of Directors regarding its review of the risks facing the Company and its subsidiaries and its discussions with management on such risks and the steps being taken to mitigate such risks.

The Risk Management Committee is composed of a majority of members who satisfy the applicable independence requirements of the SEC and the NASDAQ. In addition, at least one member of the Risk Management Committee shall be a member of the Company s Audit Committee. The written charter for our Risk Management Committee is available on our website under the link entitled Investor Relations Corporate Governance at www.triumphbancorp.com. Our Risk Management Committee met four times during 2018.

Code of Business Conduct and Ethics and Code of Ethics for Senior Financial Officers

Our Board of Directors has adopted a code of business conduct and ethics (our Code of Ethics) that applies to all of our directors, officers and employees, including our principal executive officer, principal financial officer, principal accounting officer and persons performing similar functions. The Code of Ethics and supplemental code of ethics for CEO and senior financial officers is available upon written request to the Corporate Secretary, Triumph Bancorp, Inc., 12700 Park Central Drive, Suite 1700, Dallas, Texas 75251. If we amend or grant any waiver of a provision of our Code of Ethics that applies to our executive officers, we will publicly disclose such amendment or waiver on our website and as required by applicable law, including by filing a Current Report on Form 8-K.

Board Leadership Structure and Risk Oversight

Different individuals serve as our Chief Executive Officer and Chairman because our Board of Directors has determined that the separation of these offices enhances our Board of Directors independence and oversight. Moreover, the separation of these roles allows our Chief Executive Officer to better focus on his growing responsibilities of running the Company, enhancing stockholder value and expanding and strengthening the Company s franchise while allowing the Chairman to lead our Board of Directors in its fundamental role of providing advice to and independent oversight of management. Consistent with this determination, Carlos M. Sepulveda, Jr., serves as Chairman of our Board of Directors, and Aaron P. Graft serves as our Chief Executive Officer and President.

Risk is inherent with every business, and how well a business manages risk can ultimately determine its success. We face a number of risks, including credit, interest rate, liquidity, operational, strategic and reputation risks. Management is responsible for the day-to-day management of risks the Company faces, while the Board of Directors, as a whole and through its committees, including its Risk Management Committee, has responsibility for the oversight of risk management. In its risk oversight role, the Board of Directors has the responsibility to satisfy itself that the risk management processes designed and implemented by management are adequate and functioning as designed. The Chairman of the Board of Directors and independent members of the Board of Directors work together to provide strong, independent oversight of the Company s management and affairs through its standing committees and, when necessary, special meetings of independent directors.

Compensation Committee Interlocks and Insider Participation

No members of our Compensation Committee are or have been an officer or employee of Triumph or any of our subsidiaries. In addition, none of our executive officers serves or has served as a member of the Board of Directors, Compensation Committee or other board committee performing equivalent functions of any entity that has one or more executive officers serving as one of our directors or on our Compensation Committee.

Nomination of Directors

With respect to directors not nominated by Triumph, the Board of Directors identifies nominees by first evaluating the current members of the Board of Directors willing to continue in service. Current members of the Board of Directors with skills and experience that are relevant to our business and who are willing to continue in service are considered for re-nomination. If any member of the Board of Directors does not wish to continue in service or if the Board of Directors decides not to re-nominate a member for re-election, the Board of Directors then identifies the desired skills and experience of a new nominee in light of the criteria below. Current members of the Board of Directors are polled for suggestions as to individuals meeting the criteria below. The Board of Directors may also engage in research to identify qualified individuals. In evaluating a director nominee, the Board of Directors considers the following factors:

- the appropriate size of our Board of Directors;
- our needs with respect to the particular talents and experience of our directors;
- the nominee s knowledge, skills and experience, including experience in finance, administration or public service, in light of prevailing business conditions and the knowledge, skills and experience already possessed by other members of the Board of Directors;
- whether the nominee is independent, as that term is defined under the NASDAQ listing standards;
- the familiarity of the nominee with our industry;
- the nominee s experience with accounting rules and practices; and
- the desire to balance the benefit of continuity with the periodic injection of the fresh perspective provided by new Board of Directors members.

Our goal is to assemble a Board of Directors that brings together a variety of perspectives and skills derived from high quality business and professional experience. In doing so, the Board of Directors will also consider candidates with appropriate non-business backgrounds.

Other than the foregoing, there are no stated minimum criteria for director nominees. The Board of Directors may also consider such other factors as it may deem in our best interests and the best interests of our stockholders. We also believe it may be appropriate for key members of our management to participate as members of the Board of Directors.

Stockholders may nominate directors for election to the Board of Directors. In order to nominate a director for election to the Board of Directors, stockholders must follow the procedures set forth in our Bylaws, including timely receipt by the Secretary of Triumph of notice of the nomination and certain required disclosures with respect both to the nominating stockholder and the recommended director nominee.

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Directors may currently be elected by a majority of votes cast (in uncontested elections) or a plurality of votes (in contested elections) at any meeting called for the election of directors at which a quorum is present. The presence of a majority of the holders of our Common Stock, whether in person or by proxy, constitutes a quorum. The Board of Directors did not receive any recommendations from stockholders requesting that the Board of Directors consider a candidate for inclusion among the nominees in our Proxy Statement for this Annual Meeting. The absence of such a recommendation does not mean, however, that a recommendation would not have been considered had one been received.

Stockholder Communications with the Board of Directors

Every effort is made to ensure that the Board of Directors or individual directors, as applicable, hear the views of stockholders and that appropriate responses are provided to stockholders in a timely manner. Any matter intended for the Board of Directors, or for any individual member or members of the Board of Directors, should be directed to Adam D. Nelson, our General Counsel, with a request to forward the matter to the intended recipient. All such communications will be forwarded unopened.

Director Attendance at Annual Meeting of Stockholders

We encourage all incumbent directors, as well as all nominees for election as director, to attend the Annual Meeting of Stockholders, although we recognize that conflicts may occasionally arise that will prevent a director from attending an annual meeting. Seven of our eleven then serving directors attended our 2018 annual meeting.

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COMPENSATION DISCUSSION AND ANALYSIS

In this section we discuss and analyze the compensation of our named executive officers including our Chief Executive Officer, the Chief Financial Officer and the three most highly compensated executive officers. This discussion and analysis also includes a description of our compensation practices and philosophy, our decision making process for compensation matters, and the material factors impacting our compensation decisions for 2018 compensation.

Our 2018 named executive officers (NEO s) were:

Name	Position
Aaron P. Graft	Vice Chairman, Chief Executive Officer and President of the Company Vice Chairman, Chief Executive Officer of TBK Bank, SSB
R. Bryce Fowler	Executive Vice President, Chief Financial Officer of the Company President and Chief Financial Officer of TBK Bank, SSB
Gail Lehmann	Executive Vice President, Secretary of the Company Chief Operating Officer, President of Retail Operations and Secretary of TBK Bank, SSB
Adam D. Nelson	Executive Vice President, General Counsel of the Company and TBK Bank, SSB
Daniel J. Karas	Executive Vice President, Chief Lending Officer, TBK Bank, SSB

For additional information regarding compensation of our NEO s, see Summary Compensation Table and other compensation related tables and disclosure below.

Executive Summary

2018 Financial Performance

The Company delivered strong financial results in 2018 while at the same time executing on numerous initiatives and transactions in furtherance of its long-term strategic goals and objectives. These transactions included the acquisition of three banks operating in southern Colorado and New Mexico, which added $675 million of low cost deposits to the Company s retail franchise, and the acquisition of substantially all of the assets of a transportation factoring business which increased the net funds employed in this segment of our business by 34.6% as of the date of acquisition, and which further solidified our presence as a market leader in this differentiating business line for us. In addition, the Company continued to make substantial investments in technology and its product offerings, including investments in its TriumphPay product, technology investments at Triumph Business Capital to improve operating efficiency and customer experience, and investments to ensure best in class product services and offerings at the retail level in its traditional banking operations.

Against this backdrop, the Company continued to achieve its goals of growing net income and return on assets, increasing our loan portfolio and deposit franchise, while continuing to maintain strong asset quality. Specifically, during 2018 our financial results included the following:

Increased net income available to common stockholders by $15.7 million, or 44.2%, to $51.1 million in aggregate, up from $35.4 million in 2017;
Increased our return on average assets (ROA) to 1.33% in 2018, up from 1.27% in 2017;
Loan portfolio growth of 28.4% amounting to $797.8 million, of which $378.9 million or 47.5% was organic;
Deposit growth, including those acquired through the acquisitions described above, of 31.6%, or $829.0 million in aggregate;
Non-performing assets as a percentage of total assets improved to 0.84% as of December 31, 2018 down from 1.39% as of December 31, 2017;

- Net-charge offs as a percentage of average loans improved to 0.23% for 2018, down from 0.28% for 2017;
- While asset quality trends overall improved in 2018 compared to 2017, the Company did report a large loss related to a single asset-based lending credit in the third quarter of 2018. Such item was discussed in a Form 8-K filed with the Securities and Exchange Commission (SEC) on September 20, 2018.

The Company remains focused on achieving continued growth and improvement in its operating leverage and earnings growth that should result in a return on average assets near the top of the banking industry, while operating in a safe and sound manner and preserving credit quality. Such growth should balance near term improvements in operating results with a long-term focus on the Company s strategic vision. Executive interests are aligned with stockholders through a compensation program that properly balances each of these objectives as more fully described herein. The Company believes its results in 2018 represent significant achievements in this regard and have the Company positioned for future growth and success in 2019.

The Company further believes that execution of the strategies above should result in continued long-term value for our stockholders compared to applicable bank indices. Set forth below is a line graph presentation comparing the cumulative return on the Company s common stock, on a dividend reinvested basis, against the cumulative return of the NASDAQ Composite and KBW Bank Index for the period from December 31, 2015 to December 31, 2018. Our total stockholder return over this period substantially outperformed both the NASDAQ Composite and KBW Bank Index.

3-Year Total Stockholder Return

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Compensation Design Principles and Governance Best Practices

Our compensation programs incorporate best practices, including the following:

WHAT WE DO	WHAT WE DON T DO
» Align pay and performance	» No tax gross-ups related to change in control
» Design incentive programs to mitigate undue risks	» Prohibit hedging of company securities by Executive Officers and Directors
» Include caps on all incentives	» No excessive perquisites
» Maintain a clawback policy for incentive compensation	» No stock option repricing without stockholder approval
» Require ownership through Stock Ownership Guidelines	
» Include Double Trigger change in control provisions in NEO employment agreements and equity award agreements	
» Retain an independent compensation consultant	
» Annually conduct a competitive benchmarking analysis of executive compensation	

Say on Pay/Say on Frequency

Prior to January 1, 2019, the Company was an emerging growth company as defined in the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. Consequently, this is the first year we are holding an advisory vote on executive compensation as well as an advisory vote on the frequency of holding future advisory say on pay votes. The Company is recommending that such vote be held on an annual basis, as we believe holding this vote annually provides an effective way to obtain current information on stockholder sentiment about the Company executive compensation program. Additionally, while the say on pay vote is a formal means for soliciting stockholder feedback, the Company welcomes the opportunity to engage with stockholders at any time.

Executive Compensation Objectives and Policies

Below we summarize our compensation philosophy and guiding principles as well as our decision process and the outcomes of that process. Our executive compensation programs are designed to enable the Company to attract, motivate and retain talent needed for the Company s success, reward executives for performance, align executive interests with those of our stockholders, provide competitive compensation and ensure a balanced approach that promotes sound risk management practices.

We plan to achieve these objectives through the following guiding principles.

Compensation Principles	How we achieve these principles
Market Competitive	» Competitive base pay ranges are designed to target market median with flexibility to recognize individual performance, experience and contribution. » Total compensation is targeted to market median for achieving median performance. Actual total compensation varies as appropriate to reflect individual and Company performance. » Market is defined using a combination of published industry survey sources (representing similar size and scope) and a proxy peer group of publicly-traded banks similar in size as asset types is reviewed annually.
Performance-Based	» Annual cash incentive opportunities under our Annual Incentive Program (AIP) tied to performance under financial metrics that align with key strategic objectives including overall financial returns (Core Return on Average Assets) and proper risk management incentives, including preservation of credit quality (Non-Performing Asset and Net Charge-Off Goals). » Equity compensation awards to our NEO s under our long-term incentive program (LTIP) currently consist of 50% stock options that only accrue value in the event of stock price appreciation following the grant date and 50% restricted stock. Starting in 2019, 50% of annual equity compensation awards granted to our NEO s under our LTIP will consist of performance-based restricted stock units on the Company s relative total stockholder return, 25% restricted stock and 25% stock options.
Culture of Ownership	» Stock ownership guidelines encourage significant ownership by directors and executive officers.
Long-Term Focus	

» Long-term equity compensation and vesting requirements align rewards with time horizon of potential risk.

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The table below summarizes the purpose/objective of each compensation component used in our 2018 program.

Compensation Component	Purpose/Objective
Base Salary	Provides a competitive level of fixed income based on role; targets market median.
Annual Incentive Program	Motivates and rewards executives for performance on key objections in support of our overall strategic plan; Includes risk mitigation/credit quality metrics (Non-Performing Asset and Net Charge Off targets) as a meaningful portion of total opportunity; and Rewards vary based on performance (higher performance will result in above market median pay; lower performance will result in below market median pay).
Long-Term Incentive Program	Aligns executive interests with stockholders through equity based compensation; Rewards long-term stockholder value creation; and Multiple year vesting encourages retention.
Other Benefits	Provides a base level of competitive benefits consistent with similarly situated executive talent.
Employment Agreements	Provides employment security to key executives; and Focuses executives on transactions in best interest of stockholders, regardless of impact such transactions may have on the executive s employment.

Role of Compensation Committee Management and the Compensation Consultant

Role of the Compensation Committee

The Compensation Committee is responsible for discharging the Board s duties in executive compensation matters and for administering the Company s annual incentive and equity-based plans. This includes oversight of the total compensation programs of the Company s CEO and other executive officers, including our NEO s. The Compensation Committee reviews all compensation components and performance for the Company s Chief Executive Officer and other executive officers, including base salary, annual short-term incentives, long-term incentives (equity), benefits and other perquisites. In addition to reviewing competitive market values, the Compensation Committee examines the total compensation mix, pay-for-performance relationship and alignment with our compensation philosophy. The Committee also reviews the employment agreements for our NEO s. As the Committee makes decisions regarding the Chief Executive Officer and other executive officers compensation, input and data from management and outside advisors are provided for external reference and perspective. While the Chief Executive Officer makes recommendations on other executive officers compensation, the Committee is ultimately responsible for approving compensation for all executive officers. The Committee meets regularly in executive session without management.

Role of the Compensation Consultant

The Compensation Committee has the sole authority to retain and dismiss its own outside compensation consultants and any other advisors it deems necessary. In 2018, the Compensation Committee engaged Meridian Compensation Partners LLC (Meridian) as its outside compensation consultant. The role of a compensation consultant is to assist the Compensation Committee in analyzing executive compensation packages and to provide the Compensation Committee with information regarding market compensation levels, general compensation trends and best practices. The consultant also provides advice regarding the competitiveness of

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specific pay decisions and actions for our NEO s, as well as the appropriateness of the design of the Company s executive compensation programs. Meridian also advised the Compensation Committee on the implementation of the Company s annual incentive program and long-term incentive program for 2018. Meridian attended meetings of the Compensation Committee, including executive sessions, upon invitation. Meridian did not provide any other services to the Company. The Compensation Committee has assessed the independence of Meridian pursuant to the rules of the SEC and concluded that Meridian s work for the Compensation Committee did not raise any conflicts of interest.

Role of Management

The Compensation Committee made all 2018 compensation decisions for our NEO s. As part of its decision making process, the committee seeks information as appropriate from management (e.g. the Company s CEO, CFO, legal and human resources departments). The Chief Executive Officer annually reviews the performance of each of the Company s and its subsidiaries executive officers (other than himself). The conclusions reached and the compensation recommendations based on these reviews, including with respect to salary adjustments and bonuses, were presented to the Compensation Committee. The Compensation Committee exercised its discretion in modifying any recommended adjustment or award. The Chief Executive Officer s performance is reviewed by the Compensation Committee and the Compensation Committee makes compensation decisions with respect to the Chief Executive Officer taking into account such review.

Peer Group and Competitive Benchmarking

The Committee made its determinations as to the compensation for its NEO s in 2018, including base salary level and annual and long-term incentive targets as a percentage of base salary, by analyzing the Company s practices in comparison to an adopted peer group, which it approved. In identifying and constructing a competitive peer group, the Committee, based on recommendations from Meridian, took into consideration asset size as the primary selection criteria. In order to reflect our unique business model, the peer group was further filtered to include companies with the highest percentage of C&I loans to arrive at a reasonable size (i.e. 20 banks). The Company also considered its acquisition strategy and relative growth rate when evaluating its size against the median of its peer group. This reference group consisted of banks with assets between $1.52 billion and $8.53 billion as of the date of adoption of the peer group by the Company in 2017, compared to $2.6 billion for the Company ($3.5 billion on a pro-forma basis incorporating the impact of previously announced acquisitions expected to close prior to 2018).

Peer Group	
1st Source Corporation	Veritex Holdings, Inc.
Enterprise Financial Services Corp	Preferred Bank
ServisFirst Bancshares, Inc.	Stock Yards Bancorp, Inc.
Lakeland Financial Corporation	First Financial Bancorp.
TriState Capital Holdings, Inc.	Mercantile Bank Corp
Heritage Commerce Corp	Opus Bank
MidSouth Bancorp, Inc.	Atlantic Capital Bancshares, Inc.
Live Oak Bancshares, Inc.	First Financial Corporation
First Business Financial Services, Inc.	LegacyTexas Financial Group, Inc
Green Bancorp, Inc.	Nicolet Bankshares, Inc.

2018 Executive Compensation Program and Pay Decisions

The Company s executive compensation program consists of the following components: base salary, short-term cash incentives paid under our AIP, long-term equity awards under our LTIP, limited perquisites and employee benefit plans.

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Base Salary

The Compensation Committee annually reviews each NEO s base salary. In determining whether to adjust an NEO s base salary, the Compensation Committee considers the following factors: competitive peer group benchmark data, individual performance and the Company s prospects for future growth and performance. The table below shows our NEO s base salaries for fiscal years 2017 and 2018 and the year over year percentage change in salaries.

Executive	2017 Base Salary	2018 Base Salary	Increase
Aaron P. Graft	$460,000	$515,000	11.96%
R. Bryce Fowler	$292,500	$300,000	2.56%
Gail Lehmann	$255,000	$275,000	7.84%
Adam D. Nelson	$250,000	$265,000	6.00%
Daniel J. Karas	$250,000	$275,000	10.00%

Our NEO s base salaries were adjusted in 2018 primarily to remain competitive with market median pay levels and to reflect individual performance.

In January 2019, based on updated market data reflective of the Company s significant asset growth, the Compensation Committee approved the following base salaries for our NEO s effective January 1, 2019:

Executive	2019 Base Salary
Aaron P. Graft	$570,000
R. Bryce Fowler	$350,000
Gail Lehmann	$340,000
Adam D. Nelson	$290,000
Daniel J. Karas	$275,000

* 2019 base salary adjustment for Ms. Lehmann also included benchmarking and consideration of Ms. Lehmann s assumption of the role of President of Retail Operations at TBK Bank, SSB in addition to her Chief Operating Officer role.

Annual Incentive Program

Under the AIP, the Company pays cash incentive payments to our NEO s based on achieved performance against pre-determined annual performance goals. Our AIP is designed to motivate and reward our NEO s for achieving these performance goals, which are linked to our annual business plan.

NEO s 2018 Target Bonus. Target bonuses are established by the Compensation Committee considering competitive market data, individual performance and internal equity with other executives. For the 2018 AIP, the Compensation Committee approved the following target bonuses (expressed as a percentage of base salary) for our NEO s: 50% for Mr. Graft, 45% for Mr. Fowler and 40% for each of Ms. Lehmann, Mr. Nelson and Mr. Karas. Each NEO was eligible to receive an actual bonus payout of between 0% and 150% of his or her respective target bonus, with the applicable percentage based on the level of achieved performance. In addition, at their discretion, the Compensation Committee may increase or decrease by 30% a NEO s annual incentive payout based on Company performance, individual performance or other risk factors.

2018 Performance Measures, Weighting and Goals. For 2018, the Compensation Committee approved financial goals related to the following three measures: (i) Core Return on Average Assets (Core ROA), (ii) Non-Performing Assets/Total Assets, and (iii) Net Charge-Offs/Average Total Loans. The selected performance measures were directly linked to our 2018 business plan and are most reflective of our annual performance. In addition, the selected performance measures provided a balance between incenting our NEO s to drive our financial performance while maintaining sound risk management and credit quality practices.

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Performance goals for each measure was set at threshold, target and stretch levels, which correspond to a range of potential payouts (50% of target bonus for threshold performance, 100% of target bonus for target performance and 150% of target bonus for stretch performance for each metric). Awards are interpolated in between these levels to provide for incremental rewards.

The table below shows that for 2018 the Company exceeded target goals for each performance measure and achieved the stretch goal for the Non-Performing Assets/Total Assets performance measure.

Performance Measure	Weighting	Threshold	Target	Stretch	Actual	Earned %
Core ROA*	70%	1.00%	1.25%	1.50%	1.46%	142.4%
Non-Performing Assets/Total Assets	15%	1.50%	1.25%	1.00%	0.84%	150.0%
Net Charge-Offs/Average Total Loans	15%	0.35%	0.28%	0.20%	0.23%	130.0%
Weighted Percentage of Target Bonus Earned						**141.7%**

* The Company s Return on Average Assets for the year was adjusted to account for the after tax effect of transaction related costs and expenses that were incurred in connection with the Company s acquisition of First Bancorp of Durango, Inc. and Southern Colorado Corp., and substantially all of the factoring assets of Interstate Capital Corp.

The Compensation Committee exercised its discretion to reduce each NEO s annual incentive award by 11%, except for Mr. Karas whose annual incentive award was reduced by 30%. The Compensation Committee made these adjustments to reinforce the importance of credit quality and credit processes after considering the impact of certain credit events during 2018, specifically in the asset-based lending portfolio, which had resulted in a restructuring of processes and personnel in such department in the fourth quarter of 2018.

The following table shows, for each of our NEO s, the target incentive payment under our AIP, the total calculated payout under the AIP, the impact of the discretionary adjustments made by the Committee as described above, and the total payout of annual cash incentives for the Company s 2018 fiscal year.

Executive	2018 Incentive Target	2018 Calculated Payout	Discretionary Adjustment	2018 Incentive Actual	% of Target Incentive
Aaron P. Graft	$ 257,000	$ 364,777	$ (40,125)	$ 324,651	126%
R. Bryce Fowler	$ 135,000	$ 191,242	$ (21,037)	$ 170,206	126%
Gail Lehmann	$ 110,000	$ 155,827	$ (17,141)	$ 138,686	126%
Adam D. Nelson	$ 106,000	$ 150,161	$ (16,518)	$ 133,643	126%
Daniel J. Karas	$ 110,000	$ 155,827	$ (46,748)	$ 109,079	99%

Long-Term Incentive Program

Each year, the Company grants equity awards to our NEO s under our LTIP. The purpose of these grants is to align our NEO s with stockholder interests, reward our NEO s for long-term stockholder value creation and encourage retention of our NEO s. In addition, these equity grants align with our pay for performance philosophy since the value of the grants are directly linked to our share performance (and, in the case of stock option grants, these grants have no value unless the share price appreciates after the grant date).

Target equity awards for each individual are established by the Compensation Committee considering competitive market data, individual performance and internal equity with other executives. For 2018, the Compensation Committee approved the following target grant date fair value (expressed as a percentage of base salary) of equity awards granted to our NEO s: 45% for Mr. Graft, 40% for Mr. Fowler, and 35% for each of Ms. Lehmann, Mr. Nelson and Mr. Karas. In addition, at their discretion, the Compensation Committee may increase or decrease by 30% a NEO s target LTIP award based Company performance, individual performance

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or other risk factors. For 2018, each NEO s LTIP award was approved at target. Each NEO s LTIP award was equally split between restricted stock and nonqualified stock options, as summarized in the below chart:

	Restricted Stock			Options		
Named Executive Officer	# of Shares	Grant Value*		# of Option Shares	Grant Value*	
Aaron P. Graft	3,323	$	128,766	9,739	$	128,749
R. Bryce Fowler	1,548	$	59,985	4,539	$	60,005
Gail Lehmann	1,242	$	48,128	3,640	$	48,120
Adam D. Nelson	1,197	$	46,384	3,508	$	46,375
Daniel J. Karas	1,242	$	48,128	3,640	$	48,120

* The grant value of restricted stock awards are based on a fair market value of $38.75 per share of our common stock as of the May 1, 2018 grant date, which was the closing price of our common stock on the NASDAQ Global Select Market as of such date. The grant value of option awards are based on a Black-Scholes valuation of $13.22 per option share for grants made on May 1, 2018, with an exercise price of $38.75, which was the closing price of our common stock on the NASDAQ Global Select Market as of such date.

The restricted stock grant and stock option grant each vest one-fourth on each of the first four anniversaries of the grant date, generally subject to the NEO s continued employment through each such anniversary. Further detail regarding the treatment of such outstanding equity awards upon termination of employment of our NEO s in various circumstances is described in this proxy in the table included in Executive Compensation Payments upon Termination or Change in Control. Each stock option s exercise price is equal to our share price on the date of grant.

For 2019, the Compensation Committee has approved a structure for our LTIP awards that will be comprised 50% of performance-based restricted stock units that will be based on the Company s relative total stockholder return over a three-year performance period, 25% time vested stock options, and 25% time vested restricted stock. It approved such changes to the mix of our equity based compensation in order to further increase the performance-based nature of our equity compensation and to further link the compensation of our NEO s to performance results and align executive and stockholder interests.

Benefits and Other Compensation

The Company provides limited perquisites to our NEO s that we believe are reasonable, competitive and consistent with the Company s overall compensation philosophy and market practice. In 2018, these perquisites consisted of a car allowance and country club dues for Mr. Graft.

Our NEO s participate in our group health and welfare arrangements and 401(k) plan on the same basis as our other employees. Under the 401(k) plan, our NEO s are eligible to receive an employer match contribution on the same terms as all other employees of the Company.

Additional Information about our Compensation Practices

Employment Agreements

On March 30, 2016, amended and restated employment agreements were executed with each of our NEO s, with retroactive effect to January 1, 2016. The employment agreements have an initial term of one year commencing on the Effective Date, subject to automatic renewal for successive one (1) year terms unless either party delivers 60 days prior written notice of non-renewal (and, in the event that a change in control occurs during the then-current term, such term shall be extended to end no earlier than the second anniversary of the change in control). Each employment agreement provides for an annual base salary, which may be increased or decreased during the term, and specifies that the executive is eligible to participate in the annual and long-term incentive programs maintained by the Company to the same extent as other executives of the Company.

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Either the Company or the executive may terminate the executive s employment prior to the expiration of the then-current term in accordance with the terms and conditions of the employment agreement, and if such termination of employment is by the Company without cause (as defined in the agreement) or by the executive for good reason (as defined in the agreement) (a qualifying termination), then the executive shall be entitled to receive, subject to execution and non-revocation of a release of claims in favor of the Company, cash severance in the amount of 1.5 times base salary for Mr. Graft, 1.25 times base salary for Mr. Fowler, and 1.0 times base salary for each of Ms. Lehmann, Mr. Nelson and Mr. Karas, as well as, in each case, healthcare coverage continuation for a period of 18 months for Mr. Graft, Mr. Fowler and Ms. Lehmann and 12 months for Mr. Nelson and Mr. Karas. However, if the qualifying termination occurs within 24 months following a change in control, then the cash severance amount is increased to a multiple of base salary plus the trailing 3-year average bonus (3.0 times for Mr. Graft, 2.5 times for Mr. Fowler and 2.0 times for each of Ms. Lehmann, Mr. Nelson and Mr. Karas) and the healthcare coverage continuation period is increased to 36 months for Mr. Graft and Mr. Fowler and 24 months for Ms. Lehmann, Mr. Nelson and Mr. Karas.

The employment agreements contain a better net after-tax cutback provision in respect of the excise tax imposed under Sections 280G and 4999 of the tax code, pursuant to which the executive s change in control- related payments and benefits will be reduced to the extent necessary to prevent any portion of such payments and benefits from becoming subject to the excise tax, but only if, by reason of that reduction, the net after-tax benefit received by the executive exceeds the net after-tax benefit that the executive would receive if no reduction was made.

The employment agreements also contain certain restrictive covenants, including a perpetual confidentiality covenant, and non-compete, employee, client, and investor non-solicit, and business non-interference covenants that apply during employment and for the one (1) year period immediately following termination of employment for any reason.

Clawback Policy

The Company has adopted a Clawback Policy, which would be triggered by any restatement of the Company s financial statements. The Clawback Policy covers performance-based incentive and equity compensation awarded when vesting, settlement or payment is contingent upon the achievement of a specified performance metric. Excess compensation, determined to be the amount of compensation that would not have been paid to the executive officer if the financial statements were correct at the time of the payment, would be subject to recoupment at the discretion of the Compensation Committee.

No Option Repricing

Our 2014 Omnibus Incentive Plan prohibits the repricing of stock options and stock appreciation rights without stockholder approval.

Hedging Policy and Pledging Restrictions

We prohibit our senior executive officers and directors from engaging in transactions having the effect of hedging the unvested portion of any equity or equity-linked award. In addition, the Company does not permit shares pledged by senior executive officers and directors to be applied toward stock ownership guidelines, and limits pledging to pre-approved exceptions where the executive officer or director can clearly demonstrate the financial ability to repay the loan without resorting to the pledged securities.

Stock Ownership Guidelines

In 2016, the Company adopted stock ownership guidelines for our non-employee directors and executive officers as part of our commitment to corporate governance and to strengthen the alignment of our non-employee directors and executive officers with the interests of our stockholders. Under the guidelines, our directors, our Chief Executive Officer and our other executive officers are expected to accumulate shares of our common stock

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with a value equal to or exceeding the applicable ownership level prior to the fifth anniversary of adoption of the guidelines, or the fifth anniversary of their election or appointment, whichever is later (the Measurement Date) and thereafter maintain ownership of shares consistent with such guidelines.

For purposes of the guidelines, shares include shares owned outright, directly or indirectly, shares owned jointly or separately by the individual s spouse, shares held in trust for the benefit of the individual, the individual s spouse and/or children, restricted stock or restricted stock units, shares acquirable upon the net exercise of vested stock options, or deferred shares or deferred stock units. Unvested stock options and unearned performance-based restricted stock units do not count toward meeting the applicable guidelines.

Our applicable target stock ownership guidelines are as follows:

Title	Multiple of Base Salary
Chief Executive Officer	3x base salary
Other Executive Officers	1.5x base salary
Non-Employee Directors	3x annual retainer

Our Nominating and Corporate Governance Committee will periodically review each director s or executive officer s progress toward achieving the applicable guidelines. Each of our directors and executive officers is either within compliance with the guidelines or expected to achieve such compliance prior to his or her applicable Measurement Date.

Risk Assessment Review

The Company adheres to a conservative and balanced approach to risk. Management and the Board conduct regular reviews of the business to ensure it remains within appropriate regulatory guidelines and practice. During 2018, the Company conducted a risk assessment of its incentive plans in place. This risk assessment was presented to the Compensation Committee, which concluded that the Company s incentive compensation programs provide appropriate balance across many performance measures and do not create risks that are reasonably likely to have a material adverse effect on the Company.

Accounting and Tax Treatment of Compensation

The Compensation Committee considers the effects of tax and accounting treatments when it determines executive compensation. Under Section 162(m) of the Internal Revenue Code (the Code) compensation paid to a covered executive officer of a publicly traded company in excess of $1 million in one (1) year is not deductible for federal income tax purposes. In structuring the Company s compensation programs and in determining executive compensation, the Compensation Committee takes into consideration the deductibility limit for compensation. However, the Compensation Committee reserves the right, in the exercise of its business judgment, to establish appropriate compensation levels for executive officers that may exceed the limits on tax deductibility established under Section 162(m) of the Code. The employment contracts for the NEO s contain change of control limitation provisions pursuant to the Code Section 280G. If a change of control payment exceeds the limit for deductible payments under Section 280G of the Code, the higher of (i) safe harbor amounts; or (ii) full payments after tax (i.e., best of after-tax benefit) will be paid to the NEO. For the full payments, the NEO is responsible for paying the excise tax. The Compensation Committee takes into consideration the accounting effects of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 718 in determining vesting periods for stock options and restricted stock awards under our 2014 Omnibus Incentive Plan.

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COMPENSATION COMMITTEE REPORT ON EXECUTIVE COMPENSATION

The Compensation Committee has reviewed and discussed with Management the Compensation Discussion and Analysis disclosure appearing above in this Proxy Statement. Based on this review and discussion, the Compensation Committee recommended to the Board of Directors of the Company that the Compensation Discussion and Analysis be included in the Company s Annual Report on Form 10-K for the year ended December 31, 2018, which incorporates by reference the disclosure contained in this Proxy Statement.

April 3, 2019

The Compensation Committee:

Charles A. Anderson, Chairman

Richard L. Davis

Robert Dobrient

Frederick Perpall

Justin Trail

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2018 Summary Compensation Table

The following summary compensation table provides information regarding the compensation of our NEO s for our fiscal years ended December 31, 2018, 2017 and 2016.

Name and Principal Position	Year	Salary ($) [1]	Bonus ($)	Stock Awards ($) [2]	Option Awards ($) [2]	Non-Equity Incentive Plan Compensation ($)	All Other Compensation ($) [3]	Total ($)
AARON P. GRAFT	2018	515,000		128,766	128,749	324,651	26,418	1,123,584
Director, Vice Chairman,	2017	460,000		103,509	103,500	352,157	25,893	1,045,059
CEO & President	2016	427,500		96,188	96,185	201,902	24,580	846,355
R. BRYCE FOWLER	2018	300,000		59,985	60,005	170,206	11,000	601,196
Executive Vice President,	2017	292,500		58,488	58,496	201,533	10,800	621,817
CFO	2016	292,500		58,497	58,499	117,776	10,600	537,872
GAIL LEHMANN	2018	275,000		48,128	48,120	138,686	11,000	520,934
Executive Vice President,	2017	255,000		44,634	44,621	156.174	10,800	511,229
& Secretary	2016	240,000		42,008	42,000	97,447	10,600	432,055
ADAM D. NELSON	2018	265,000		46,384	46,375	133,643	7,067	498,469
Executive Vice President, General	2017	250,000		43,756	43,750	153,112		490,618
Counsel	2016	235,000		61,687	61,683	93,398		451,768
DANIEL J. KARAS	2018	275,000		48,128	48,120	109,079	5,750	486,077
Executive Vice President,	2017	250,000		43,756	43,750	117,778	1,200	456,484
Chief Lending	2016	250,000		68,749	68,747	78,083	4,340	469,919

Officer

(1) Reflects actual base compensation paid during the applicable fiscal year.

(2) Reflects the full grant date value of restricted stock or stock option awards granted to each of our NEO s computed in accordance with ASC 718. Generally, the full grant date fair value is the amount we will expense in our financial statements over an award s vesting period as further described in Note 19 to our Annual Report on Form 10-K for the Fiscal Year ended December 31, 2018, filed with the SEC on February 12, 2019. The values of restricted stock awards presented for our fiscal year ended December 31, 2018 are based on a fair market value of $38.75 per share of our Common Stock for grants made on May 1, 2018, which was the closing price of our Common Stock on the NASDAQ Global Select Market as of such date. The values of option awards presented for our fiscal year ended December 31, 2018 are based on a Black-Scholes valuation of $13.22 per option share for grants made on May 1, 2018.

(3) Includes the following amounts paid to or on behalf of the NEO s during the applicable fiscal year.

The following table shows all amounts included in the All Other Compensation column for each named executive officer in 2018:

2018 All Other Compensation Table

Name	TBK Bank, SSB Contribution to Defined Contribution Plan ($)	Car Allowance ($)	Club Memberships ($)	Total ($)
Aaron P. Graft	11,000	6,000	9,418	26,418
R. Bryce Fowler	11,000			11,000
Gail Lehmann	11,000			11,000
Adam D. Nelson	7,067			7,067
Daniel J. Karas	5,750			5,750

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2018 Grants of Plan-Based Awards Table

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards [1]			Estimated Future Payouts Under Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units	All Other Option Awards: Number of Securities Underlying Options	Exercise or Base Price of Option Awards	Grant Date Fair Value of Stock and Option Awards
(a)	(b)	Threshold ($)(c)	Target ($)(d)	Maximum ($)(e)	Threshold (#)(f)	Target (#)(g)	Maximum (#)(h)	(#)(i)	(#)(j)	($/sh)(k)	(l)
Aaron P. Graft											
	5/1/2018							3,323			$ 128,766
	5/1/2018								9,739	$ 38.75	$ 128,750
		$ 90,125	$ 257,500	$ 502,125							
R. Bryce Fowler											
	5/1/2018							1,548			$ 59,985
	5/1/2018								4,539	$ 38.75	$ 60,000
		$ 47,250	$ 135,000	$ 263,250							
Gail Lehmann											
	5/1/2018							1,242			$ 48,128
	5/1/2018								3,640	$ 38.75	$ 48,125
		$ 38,500	$ 110,000	$ 214,500							
Adam D. Nelson											
	5/1/2018							1,197			$ 46,384
	5/1/2018								3,508	$ 38.75	$ 46,375
		$ 37,100	$ 106,000	$ 206,700							
Daniel J. Karas											
	5/1/2018							1,242			$ 48,128
	5/1/2018								3,640	$ 38.75	$ 48,125
		$ 38,500	$ 110,000	$ 214,500							

(1) The amounts reported in these columns represent the possible range of payments under the AIP incentive compensation program. For information about the amounts actually earned by each named executive officer under the AIP incentive compensation program, see Executive Compensation Tables - 2018 Summary Compensation Table. Amounts are considered earned in fiscal year 2018 although they were not paid until 2019.

(2) Reflects the full grant date value of restricted stock or stock option awards granted to each of our NEO s computed in accordance with ASC 718. Generally, the full grant date fair value is the amount we will expense in our financial statements over an award s vesting period as further described in Note 19 to our Annual Report on Form 10-K for the Fiscal Year ended December 31, 2018, filed with the SEC on February 12, 2019. The values of restricted stock awards presented for our fiscal year ended December 31, 2018 are based on a fair market value of $38.75 per share of our Common Stock for grants made on May 1, 2018, which was the closing price of our Common Stock on the

NASDAQ Global Select Market as of such date. The values of option awards presented for our fiscal year ended December 31, 2018 are based on a Black-Scholes valuation of $13.22 per option share for grants made on May 1, 2018.

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Outstanding Equity Awards at Fiscal Year-End for 2018

The following table sets forth all unexercised stock options and unvested restricted stock awarded to our named executive officers by the Company that were outstanding as of December 31, 2018.

	Option Awards					Stock Awards	
Name (a)	Number of Securities Underlying Unexercised Options (#) Exercisable (b)	Number of Securities Underlying Unexercised Options (#) Unexercisable (c)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)(d)	Option Exercise Price ($)(e)	Option Expiration Date(f)	Number of Shares or Units of Stock That Have Not Vested (#)(g) [1]	Market Value of Shares or Units of Stock That Have Not Vested ($)(h) [2]
Aaron P. Graft Director, Vice Chairman, CEO & President	8,216	8,218 (3)		$ 15.87	4/1/2026		
	2,971	8,912 (4)		$ 25.80	4/1/2027		
		9,739 (5)		$ 38.75	5/1/2028		
						3,031 (6)	$ 90,021
						3,009 (7)	$ 89,366
						3,323 (8)	$ 98,693
R. Bryce Fowler Executive Vice President, CFO	4,996	4,999 (3)		$ 15.87	4/1/2026		
	1,679	5,037 (4)		$ 25.80	4/1/2027		
		4,539 (5)		$ 38.75	5/1/2028		
						1,842 (6)	$ 54,707
						1,701 (7)	$ 50,520
						1,548 (8)	$ 45,976
Gail Lehmann Executive Vice President, Secretary	3,588	3,588 (3)		$ 15.87	4/1/2026		
	1,281	3,842 (4)		$ 25.80	4/1/2027		
		3,640 (5)		$ 38.75	5/1/2028		
						1,323 (6)	$ 39,293
						1,298 (7)	$ 38,551
						1,242 (8)	$ 36,887
Adam D. Nelson Executive Vice President &	5,268	5,271 (3)		$ 15.87	4/1/2026		
	1,256	3,767 (4)		$ 25.80	4/1/2027		

General Counsel		3,508 [(5)]	$ 38.75	5/1/2028		
					1,943 [(6)]	$ 57,707
					1,272 [(7)]	$ 37,778
					1,197 [(8)]	$ 35,551
Daniel J. Karas	5,872	5,874 [(3)]	$ 15.87	4/1/2026		
Executive Vice President,	1,256	3,767 [(4)]	$ 25.80	4/1/2027		
Chief Lending Officer		3,640 [(5)]	$ 38.75	5/1/2028		
					2,166 [(6)]	$ 64,330
					1,272 [(7)]	$ 37,778
					1,242 [(8)]	$ 36,887

(1) Vesting of all such stock options and shares of restricted stock may be accelerated upon termination of employment for death or disability, or upon a qualifying termination of employment following a change of control (as defined in our 2014 Omnibus Incentive Plan).

(2) The market values for the outstanding stock awards presented as of December 31, 2018, are based on the closing price of our Common Stock of $29.70 per share on December 31, 2018.

(3) Stock option vests at the rate of 25% per year one-fourth of each indicated award vests on April 1, 2017, 2018, 2019 and 2020.

(4) Stock option vests at the rate of 25% per year one-fourth of each indicated award vests on April 1, 2018, 2019, 2020 and 2021.

(5) Stock option vests at the rate of 25% per year one-fourth of each indicated award vests on May 1, 2019, 2020, 2021 and 2022.

(6) Restricted stock award vests at the rate of 25% per year one-fourth of each indicated award vests on April 1, 2017, 2018, 2019 and 2020.

(7) Restricted stock award vests at the rate of 25% per year one-fourth of each indicated award vests on April 1, 2018, 2019, 2020 and 2021.

(8) Restricted stock award vests at the rate of 25% per year one-fourth of each indicated award vests on May 1, 2019, 2020, 2021 and 2022.

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The following information sets forth the stock awards vested and stock options exercised by the named executive officers during the fiscal year ended December 31, 2018.

	Option Awards		Stock Awards	
Name	Number of Shares Acquired on Exercise	Value Realized Upon Exercise ($)	Number of Shares Acquired on Vesting	Value Realized on Vesting ($) [(1)]
Aaron P. Graft			4,724	$ 194,629
R. Bryce Fowler			2,710	$ 111,652
Gail Lehmann			1,984	$ 81,741
Adam D. Nelson			1,802	$ 74,242
Daniel J. Karas			2,274	$ 93,689

(1) The value realized on vesting is determined by multiplying the number of vested restricted stock units by the closing price of the Company s common stock on the vesting date.

Equity Compensation Plan Information

The following table provides certain information with respect to all of our equity compensation plans in effect as of December 31, 2018.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	231,467	$ 23.43	217,129
Equity compensation plans not approved by security holders			
Total	231,467	23.43	217,129

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Potential Payments as a Result of Termination or Change in Control (CIC)

The table below describes the value of compensation and benefits payable to each named executive officer upon termination that would exceed the compensation or benefits generally available to salaried employees in each termination scenario. Benefits and payments are calculated assuming a December 31, 2018, employment termination date.

Name/Termination Scenario	Severance ($) [4]	Stock Awards ($) [5]	Stock Options ($) [6]	Welfare Benefits ($)	Total
Aaron P. Graft					
Voluntary Resignation					
Termination for Cause					
Qualifying Termination (no change in control) [1]	$ 772,500			$ 32,400	$ 804,900
Qualifying Termination - Change in Control [2]	$ 2,484,060	$ 1,339,826	$ 273,626	$ 64,800	$ 4,162,312
Death		$ 1,339,826	$ 273,626		$ 1,613,452
Disability		$ 1,339,826	$ 273,626		$ 1,613,452
Retirement [3]					
R. Bryce Fowler					
Voluntary Resignation					
Termination for Cause					
Qualifying Termination (no change in control) [1]	$ 375,000			$ 32,400	$ 407,400
Qualifying Termination - Change in Control [2]	$ 1,245,258	$ 1,218,591	$ 164,423	$ 64,800	$ 2,693,072
Death		$ 1,218,591	$ 164,423		$ 1,383,014
Disability		$ 1,218,591	$ 164,423		$ 1,383,014
Retirement [3]		$ 1,218,591	$ 164,423		
Gail Lehmann					
Voluntary Resignation					
Termination for Cause					
Qualifying Termination (no change in control) [1]	$ 275,000			$ 32,400	$ 307,400
Qualifying Termination Change in Control [2]	$ 839,748	$ 666,735	$ 119,224	$ 43,200	$ 1,668,907
Death		$ 666,735	$ 119,224		$ 785,959
Disability		$ 666,735	$ 119,224		$ 785,959
Retirement [3]					
Adam D. Nelson					
Voluntary Resignation					
Termination for Cause					
Qualifying Termination (no change in control) [1]	$ 265,000			$ 21,600	$ 286,600
	$ 796,174	525,987	$ 165,344	$ 43,200	$ 1,530,705

Qualifying Termination Change in Control (2)					
Death		525,987	$ 165,344		$ 691,331
Disability		525,987	$ 165,344		$ 691,331
Retirement (3)					
Daniel J. Karas					
Voluntary Resignation					
Termination for Cause					
Qualifying Termination (no change in control) (1)	$ 275,000			$ 21,600	$ 296,600
Qualifying Termination Change in Control (2)	$ 741,908	$ 391,743	$ 149,095	$ 43,200	$ 1,325,946
Death		$ 391,743	$ 149,095		$ 540,838
Disability		$ 391,743	$ 149,095		$ 540,838
Retirement (3)					

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(1) A Qualifying Termination is a termination of employment by the Company other than for Cause, or a termination of employment by the executive for Good Reason, in each case as such terms are defined in the employment agreement for the applicable named executive officer.

(2) A termination of employment is considered a termination in connection with a Change in Control if such termination occurs within 24 months after a Change in Control (as such term is defined in the employment agreement for the applicable named executive officer).

(3) Retirement is defined as termination (other than for cause) after reaching age 65; early retirement is defined as termination (other than for cause) after reaching age 62 and completing at least five (5) years of employment. As of December 31, 2018, Mr. Fowler is the only named executive eligible to retire in accordance with the Company s policy and the terms of its equity incentive compensation and benefit plans.

(4) Our equity award agreement permits continued vesting of unvested equity awards upon retirement assuming conditions are met as specified within the applicable award agreement.

(5) Unvested stock awards vest in full upon a Qualifying Termination within 24 months of a change in control, death or disability.

(6) Unvested stock options vest in full upon a Qualifying Termination within 24 months of a change in control, death or disability. For stock option awards, the value was calculated as the difference between the closing price of the Company stock on December 31, 2018 and the option exercise price.

CEO Pay Ratio

As required by Section 953(b) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 402(u) of the SEC s Regulation S-K, we are providing the following information about the relationship of the annual total compensation of our employees and the annual total compensation of our CEO. The CEO to median employee pay ratio included in this disclosure is a reasonable estimate calculated in a manner consistent with Item 402(u) of Regulation S-K. Given the different methodologies that various public companies will use to determine an estimate of their pay ratio, the estimated ratio reported below should not be used as a basis for comparison between companies.

We identified the median employee from a list of all employees (full-time and part-time) employed as of December 31, 2018. We determined the median employee based on each employee s annual cash earnings (consisting of salaries, bonuses and commissions), and annualizing earnings for employees who were not employed for a full year in 2018. After determining the median employee, we calculated the CEO s and the median employee s 2018 total compensation in the same manner as the CEO s compensation provided in the summary compensation table. Based on the foregoing, the CEO s 2018 annual total compensation is $1,123,584 and the median annual total compensation of all employees (except for the CEO) is $46,640, resulting in a CEO pay ratio of approximately 24.1 to 1.

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DIRECTOR COMPENSATION FOR FISCAL 2018

2018 Director Compensation

In connection with their service on our Board of Directors in 2018, we compensated our non-employee directors through a combination of stock awards and cash retainers related to their service or chairmanship on the board and each board committee. In addition, those of our directors who also served on the board or board committees of TBK Bank, SSB or its subsidiaries also received compensation for such service through a combination of stock awards and cash retainers. These fees are outlined in the table below.

	CHAIR ($)		MEMBER ($)	
Triumph Bancorp, Inc. Board and Committees	**CASH**	**STOCK**	**CASH**	**STOCK**
Board	$ 45,000	$ 45,000(1)	$ 30,000	$ 30,000(2)
Audit Committee	$ 37,500		$ 12,500	
Compensation Committee	$ 12,000		$ 3,000	
Nominating & Corporate Governance Committee	$ 7,500		$ 2,000	
Risk Management Committee	$ 12,000		$ 3,000	
TBK Bank, SSB Board and Committees				
Board	$ 18,750	$ 18,750(1)	$ 15,000	$ 15,000(3)
Executive Loan Committee	$ 15,000		$ 13,500	
ALCO Committee	$ 5,250		$ 3,000	
Triumph Business Capital				
Board			$ 10,000	

(1) The grant date fair value of Mr. Sepulveda s award is based on the number of shares granted and the NASDAQ closing price of our common stock on the grant date of January 31, 2018 and July 1, 2018, respectively, in which we granted an aggregate of 1,609 shares of common stock to Mr. Sepulveda for his service as Chair of Triumph Bancorp, Inc. and TBK Bank, SSB.

(2) The grant date fair value of each award is based on the number of shares granted and the NASDAQ closing price of our common stock on the grant date of January 31, 2018 in which we granted 389 shares of common stock to each non-employee director and on the grant date of July 1, 2018 in which we granted 368 shares of common stock to each non-employee director, excluding Mr. Sepulveda.

(3) The Company commenced the granting of restricted stock awards to non-employee directors of its subsidiary TBK Bank, SSB, effective January 31, 2018. The grant date fair value of each award is based on the number of shares granted and the NASDAQ closing price of our common stock on the grant date of January 31, 2018 in which we granted 194 shares of common stock to each non-employee director and on the grant date of July 1, 2018 in which we granted 184 shares of common stock to each non-employee director.

All stock awards were fully vested on the date of grant. All cash retainers are paid quarterly (i.e. one-fourth of the total annual retainer is paid to each director on the first day of each of our fiscal quarters or as soon as practicable thereafter).

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The following table sets forth compensation paid, earned or awarded during 2018 to each of our directors. The table also includes compensation earned by each director that is attributable to such director s service on TBK Bank, SSB, as applicable.

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($) (1)	All Other Compensation ($) (2)	Total Compensation ($)
Charles A. Anderson	44,000	29,973		73,973
Richard Davis	35,000	29,973		64,973
Robert Dobrient	36,000	29,973	13,095	79,068
Aaron P. Graft				
Douglas M. Kratz	42,000	44,940	28,500	115,440
Maribess L. Miller	50,000	29,973	2,002	81,975
Frederick Perpall	33,000	29,973		62,973
Michael P. Rafferty	70,500	29,973		100,473
Carlos M. Sepulveda, Jr.	45,000	63,706	39,750	148,456
C. Todd Sparks	42,500	44,940	33,750	121,190
Justin N. Trail	33,000	29,973	10,000	72,973

(1) The grant date fair value of each award is based on the number of shares granted and the NASDAQ closing price of our common stock on the grant date of January 31, 2018 and July 1, 2018. Non-employee directors of Triumph Bancorp, Inc. were granted an aggregate of 757 shares of common stock in 2018. Non-employee directors of TBK Bank, SSB, including Mr. Sepulveda, Mr. Kratz, and Mr. Sparks, were granted an aggregate of 378 shares of common stock in 2018. In addition to the aforementioned awarded shares, Mr. Sepulveda was granted 474 shares of common stock for his service as Chairman of Triumph Bancorp, Inc. and TBK Bank, SSB.

(2) Reflects cash retainers received for service on the boards of directors and board committees of TBK Bank, SSB and its subsidiaries. In addition, with respect to Mr. Dobrient and Ms. Miller, also includes amounts paid to such individuals as reimbursement for a medical wellness exam pursuant to program available to Company executive officers and directors.

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SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires our directors and executive officers and any persons who own more than 10% of our Common Stock to file reports with the SEC with respect to their ownership of Common Stock. Directors, executive officers and persons owning more than 10% of our Common Stock are required to furnish us with copies of all Section 16(a) reports they file.

Based solely on our review of the copies of such reports received by us and any written representations from reporting persons that no other reports were required of those persons, we believe that during 2018 all such reports required to be filed by our directors and executive officers were filed in a timely manner under Section 16(a), with the exception of a late Form 4 that was filed on behalf of Mr. Graft to report a gift of 2,438 shares of common stock to 501(c)(3) charitable organizations on December 28, 2018. Such from was not timely filed due to a manual processing error and was filed on March 25, 2019 following identification of such error.

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CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Review and Approval of Transactions with Related Persons

Transactions by the Company or our subsidiaries with related parties are subject to a formal written policy, as well as regulatory requirements and restrictions. These requirements and restrictions include Sections 23A and 23B of the Federal Reserve Act (which govern certain transactions by our bank subsidiaries with their respective affiliates) and the Federal Reserve s Regulation O (which governs certain loans by our bank subsidiaries to their respective executive officers, directors and principal stockholders). We have adopted policies to comply with these regulatory requirements and restrictions.

In addition, our Board of Directors has adopted a written policy governing the approval of related party transactions that complies with all applicable requirements of the SEC and NASDAQ concerning related party transactions. Related party transactions are transactions in which we are a participant, the amount involved exceeds $120,000 and a related party has or will have a direct or indirect material interest. Related parties of the Company include directors (including nominees for election as directors), executive officers, 5% stockholders and the immediate family members of these persons. Our General Counsel, in consultation with management and outside counsel, as appropriate, will review potential related party transactions to determine if they are subject to the policy. If so, the transaction will be referred to the Nominating and Corporate Governance Committee for approval. In determining whether to approve a related party transaction, the Nominating and Corporate Governance Committee will consider, among other factors, the fairness of the proposed transaction, the direct or indirect nature of the related party s interest in the transaction, the appearance of improper conflicts of interest for any director or executive officer taking into account the size of the transaction and the financial position of the related party, whether the transaction would impair an outside director s independence, the acceptability of the transaction to our regulators and the potential violations of other corporate policies. Our Related Party Transactions Policy is available on our website at www.triumphbancorp.com, as an annex to our Corporate Governance Guidelines.

Triumph Consolidated Cos., LLC Warrant and Registration Rights

On December 12, 2012, we issued a warrant to Triumph Consolidated Cos., LLC (TCC) for the purchase of 259,067 shares of our Common Stock (the TCC Warrant). The TCC Warrant provided TCC with certain registration rights if we proposed to register any of our capital stock in a public offering. On August 2, 2017, TCC exercised the TCC Warrant in full in connection with its liquidation and winding up. In connection therewith, the TCC Warrant was amended by TCC and the Company to permit such exercise to be made on a net exercise basis.

Trinitas Capital Management, LLC

Trinitas Capital Management, LLC (Trinitas) is an independent Collateralized Loan Obligation (CLO) asset manager formed in 2015. Certain of the Company s officers and other personnel served as officers of Trinitas (which positions were terminated as to our executive officers during 2017 as part of the sale of our Triumph Capital Advisors, LLC (TCA) subsidiary) and certain members of the Company s board of directors also hold minority membership interests in Trinitas. The Company does not hold any membership interests in Trinitas.

The Company s former subsidiary, TCA, provided certain middle and back office services to Trinitas as the asset manager of various CLO funds issued by Trinitas. On March 31, 2017, the Company sold 100% of its membership interests in TCA. For the year ended December 31, 2017 and 2016, the Company (through its interest in TCA) earned fees from Trinitas totaling $521,000 and $907,000, respectively. As a result of the TCA sale, as of March 31, 2017, the Company no longer acts as a staffing and services provider for Trinitas. Consequently, no fees were earned by the

Company from Trinitas for the year ended December 31, 2018. The Company holds investments in the subordinated notes of Trinitas IV CLO Ltd., Trinitas V CLO Ltd., and Trinitas VI CLO Ltd., CLOs managed by Trinitas, with a carrying amount of $8,487,000, $8,557,000 and $3,380,000 at December 31, 2018, 2017 and 2016, respectively.

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TBK Bank Sports Complex Naming Rights Agreement

Director Doug Kratz is owner and principal of The BettPlex LLC, an entity that has developed and is operating a multi-use youth athletic complex in Bettendorf, IA. The Company s subsidiary bank, TBK Bank, SSB, has made a Regulation O loan to The BettPlex LLC in connection with the development and financing of this facility. In December 2017, the Company entered into an agreement with The BettPlex LLC to become the naming rights sponsor of the facility, which is known as the TBK Bank Sports Complex. The naming rights agreement provides that TBK Bank will retain these rights for a term of seven years and will pay an annual fee of $250,000 per year in years one through five and $275,000 per year in years six and seven. No payments were made under this agreement in 2017. In 2018, the Company paid an amount equal to $250,000 in respect of the first year (covering the period from June 1, 2018 to May 31, 2019) of such naming rights. The naming rights agreement was approved by our Nominating and Corporate Governance Committee which, in addition to the factors set forth above, reviewed and considered applicable naming rights arrangements for similar facilities in the same region as this facility.

Cratebind LLC/Jordan Graft

Triumph Business Capital, a wholly-owned subsidiary of TBK Bank, SSB, has engaged Cratebind LLC (Cratebind) to provide certain software consulting services, in particular as related to the development of its blockchain and payments technologies as a complement to its traditional factoring operations. Jordan Graft, the brother of Chief Executive Officer Aaron Graft, was previously a principal of Cratebind LLC, a role he relinquished in connection with his hire by the Company in 2018. Payments for work performed by Cratebind in respect of the Company s 2017 and 2016 fiscal years totaled $138,334 and $80,431 respectively. Payments for the Company s 2018 fiscal year totaled $281,245, of which $91,353 was attributable to the period following Mr. Jordan Graft s separation from such entity. The Cratebind arrangement was approved by our Nominating and Corporate Governance Committee, which in addition to the factors described above considered the unique skills of the Cratebind personnel (including Mr. (Jordan) Graft) with respect to blockchain and payments applications, and the fees to be charged as part of the engagement compared to other software consulting firms engaged by the Company for other projects.

In March 2018, the Company hired Mr. (Jordan) Graft in a full time capacity to continue to oversee the Company s development of blockchain and payments technologies. Mr. (Jordan) Graft s compensation included a pro-rated base salary of $250,000 for 2018, annual equity awards equal to 35% of his base salary, and participation in an incentive compensation pool to be based on the performance of Mr. (Jordan) Graft s business unit (with the allocation of such pool to be approved by our Compensation Committee). No additional incentive compensation was paid to Mr. Graft in 2018. Mr. Graft s employment and compensation were reviewed and approved by each of the Company s Compensation and Nominating and Corporate Governance Committees.

HPI Corporate Services LLC Brokerage Engagements

The Company has engaged HPI Corporate Services LLC to provide tenant advisory services in connection with certain real estate leasing transactions entered into by the Company and its subsidiaries, including the expansion and extension of our corporate headquarters office lease and the lease for the main office of Triumph Business Capital, our factoring subsidiary. Richard Anderson, brother of Director Charles Anderson, is a minority investor in HPI Corporate Services LLC. The total amount of brokerage fees, net of commissions rebated to the Company per the terms of such brokerage arrangements, paid by the landlords for such transactions to HPI Corporate Services, LLC for our 2018 fiscal year totaled $626,351. Our Nominating and Corporate Governance Committee approved (with Director Anderson abstaining) the engagement of HPI Corporate Services LLC for such transactions after considering, among other factors, the rates payable for such brokerage engagement compared to similar industry transactions and the expertise of HPI Corporate Services LLC in corporate real estate transactions.

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Loans and Banking Relationships

Certain of our officers, directors and 5% stockholders, as well as their immediate family members and affiliates, are customers of, or have or have had transactions with, our bank subsidiaries or the Company in the ordinary course of business. These transactions include deposits, loans, wealth management products and other financial services related transactions. Related party transactions are made in the ordinary course of business, on substantially the same terms, including interest rates and collateral (where applicable), as those prevailing at the time for comparable transactions with persons not related to us and do not involve more than normal risk of collectability or present other features unfavorable to us. We expect to continue to enter into transactions in the ordinary course of business on similar terms with our officers, directors and 5% stockholders, as well as their immediate family members and affiliates. No related party loans were categorized as nonaccrual, past due, restructured or potential problem loans as of the date of this proxy statement.

In December 2018, the Company sold a loan with an aggregate principal balance of $9,781,000 to an entity in which Director Todd Sparks, together with members of his family, have a majority interest. The loan, which was originated as a Regulation O loan due to the interests of Director Sparks in the borrower for such loan, was sold at a purchase price equal to 100% of the outstanding principal balance of the loan plus accrued interest and therefore, resulted in no gain or loss for the year ended December 31, 2018. The loan was sold by the Company due to credit deterioration at the borrower which would have caused the loan to be classified as a substandard non-performing loan had it remained on the Company s balance sheet as of December 31, 2018. Our Nominating and Corporate Governance Committee approved this transaction after determining that the terms of such purchase were at least as favorable as those that could be obtained from any third-party purchaser.

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SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The tables set forth below contain information regarding the amount and percent of shares of Common Stock that as of March 18, 2019 are deemed under the rules of the SEC to be beneficially owned by each member of our Board of Directors, by each nominee for election to our Board of Directors, by each of our executive officers, by all of our directors and executive officers as a group, and by any person or group (as that term is used in the Exchange Act) known to us to be a beneficial owner of more than 5% of the outstanding shares of Common Stock as of that date. The information concerning the beneficial ownership of our directors and officers is based solely on information provided by those individuals. Unless otherwise stated, the beneficial owner has sole voting and investment power over the listed Common Stock or shares such power with his or her spouse. As of March 18, 2019, there were 26,709,411 shares of Common Stock outstanding.

Unless otherwise noted, the address for each stockholder listed on the table below is: c/o Triumph Bancorp, Inc., 12700 Park Central Drive, Suite 1700, Dallas, Texas 75251.

	As of March 18, 2019	
Name of Beneficial Owner	**Number of**	**Percent of**
Greater than 5% stockholders	**Shares**	**Class**
BlackRock, Inc. [(1)]	3,588,809	13.44%
Wellington Management Group, LLP [(2)]	2,342,880	8.77%
RMB Capital Holdings, LLC [(3)]	1,978,251	7.41%
The Vanguard Group [(4)]	1,445,875	5.41%

(1) Consists of 3,588,809 shares of Common Stock beneficially owned of record by clients of one or more investment advisers directly or indirectly owned by BlackRock, Inc. Based on information set forth in a Schedule 13G/A filed by such persons on January 31, 2019. The address of such persons is BlackRock, Inc., 55 East 52nd Street, New York, NY 10055.

(2) Consists of 2,342,880 shares of Common Stock beneficially owned of record by clients of one or more investment advisers directly or indirectly owned by Wellington Management Group LLP. Based on information set forth in a Schedule 13G/A filed by such persons on February 12, 2019. The address of such persons is c/o Wellington Management Company, LLP, 280 Congress Street, Boston, MA 02210.

(3) Consists of 1,978,251 shares of Common Stock beneficially owned of record by clients of one or more investment advisers directly or indirectly owned by RMB Capital Holdings, LLC. Based on information set forth in a Schedule 13G/A filed by such persons on February 14, 2019. The address of such persons is RMB Capital Holdings, LLC, 115 S. LaSalle Street, 34th Floor, Chicago, IL 60603.

(4) Consists of 1,445,875 shares of Common Stock beneficially owned of record by clients of one or more investment advisers directly or indirectly owned by The Vanguard Group. Based on information set forth in a Schedule 13G filed by such persons on February 12, 2019. The address of such persons is The Vanguard Group, 100 Vanguard Blvd., Malvern, PA 19355.