

People's Utah Bancorp
Form DEF 14A
April 05, 2018
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

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

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

PEOPLE'S UTAH BANCORP

(Name of Registrant as Specified in Its Charter)

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

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- 2) Aggregate number of securities to which transaction applies: N/A
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 - 2) Form, Schedule, or Registration Statement No.: N/A
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PEOPLE'S UTAH BANCORP

1 East Main Street, American Fork, Utah 84003

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS OF

PEOPLE'S UTAH BANCORP

May 23, 2018

TO THE SHAREHOLDERS OF PEOPLE'S UTAH BANCORP:

The annual meeting of the shareholders (the "Annual Meeting") of People's Utah Bancorp (the "Company" or "PUB") will be held on May 23, 2018, at the Historic American Fork City Hall, located at 31 North Church Street, American Fork, Utah 84003. The Annual Meeting will convene at 8:00 a.m. Mountain Daylight Time, to consider and take action on the following proposals, which are more fully described in the Proxy Statement:

1. to elect four members to the Board of Directors to serve until the third annual meeting following the director's election or until the director's successors are duly elected and qualified;

2. to ratify the selection of Moss Adams LLP as the Company's independent registered public accountants for the fiscal year ending December 31, 2018; and

3. to transact such other business as may properly come before the Annual Meeting or any adjournment or postponement thereof.

Only owners of record of the Company's issued and outstanding common shares as of the close of business on March 29, 2018 (the "Record Date") will be entitled to notice of and to vote at the Annual Meeting. Each common share is entitled to one vote.

The Company's Proxy Statement is attached hereto. Financial and other information concerning the Company is contained in the Company's Annual Report for the fiscal year ended December 31, 2017, which accompanies this Proxy Statement.

THE ATTENDANCE AT AND/OR VOTE OF EACH SHAREHOLDER AT THE ANNUAL MEETING IS IMPORTANT, AND EACH SHAREHOLDER IS ENCOURAGED TO ATTEND. TO ASSURE THAT YOUR VOTE IS COUNTED, PLEASE COMPLETE, SIGN, DATE AND PROMPTLY MAIL THE ENCLOSED PROXY WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING.

Important Notice Regarding the Availability of Proxy Materials for the

Shareholders Meeting to be held May 23, 2018:

The proxy statement, notice of annual meeting, and annual report to shareholders are available at www.proxydocs.com/pub or from our Investor Relations website at www.peoplesutah.com.

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PEOPLE'S UTAH BANCORP

BY ORDER OF THE BOARD OF DIRECTORS

/s/Randall D Benson

American Fork, Utah, April 13, 2018 Randall D Benson, Secretary

PEOPLE'S UTAH BANCORP

1 East Main Street, American Fork, Utah 84003

PROXY STATEMENT

PEOPLE'S UTAH BANCORP

ANNUAL MEETING OF SHAREHOLDERS

TO BE HELD ON MAY 23, 2018

This Proxy Statement is furnished in connection with the solicitation of proxies by and on behalf of the Board of Directors (the "Board of Directors" or the "Board") of People's Utah Bancorp, a Utah corporation (the "Company" or "PUB"), for use at the annual meeting of the shareholders (the "Annual Meeting") to be held May 23, 2018 at the Historic American Fork City Hall, located at 31 North Church Street, American Fork, Utah 84003 at 8:00 a.m., Mountain Daylight Time. Directions to the annual meeting can be obtained by calling PUB at (801) 642-3998.

THIS PROXY STATEMENT, THE NOTICE OF ANNUAL MEETING OF SHAREHOLDERS AND FORM OF PROXY ARE FIRST BEING MAILED TO THE COMPANY'S SHAREHOLDERS ON OR ABOUT APRIL 13, 2018.

At the Annual Meeting, the shareholders of the Company will be asked to vote on two proposals:

Proposal 1—The annual election of four directors to serve on the Company's Board of Directors.

Proposal 2—The ratification of the selection of Moss Adams LLP as the Company's independent registered public accountants for the fiscal year ending December 31, 2018.

A proxy for use at the Annual Meeting is enclosed. If you execute and deliver a proxy by mailing a proxy card, or by voting via the internet or telephone, you have the right to revoke your proxy at any time before it is exercised by delivering to the Secretary of the Company an instrument revoking it or a duly executed proxy bearing a later date, or by attending the Annual Meeting and voting in person. Subject to revocation, the proxy holders will vote all shares represented by a properly executed proxy received in time for the Annual Meeting in accordance with the instructions on the proxy. If no instruction is specified with respect to a matter to be acted upon, the shares represented by the proxy will be voted FOR all nominees listed in Proposal 1 and FOR the ratification of the selection of Moss Adams LLP the Company's independent registered public accountants for the next year.

We will bear the expenses of preparing, assembling, printing and mailing this Proxy Statement and the materials used in the solicitation of proxies. Proxies will be solicited through the mail and may be solicited by our officers, directors and employees in person or by telephone. They will not receive additional compensation for this effort. We do not anticipate paying any compensation to any other party for the solicitation of proxies, but may reimburse brokerage firms and others for their reasonable expenses in forwarding solicitation material to beneficial owners.

RECORD DATE AND QUORUM REQUIREMENTS

March 29, 2018 has been fixed as the record date (the "Record Date") for the determination of shareholders entitled to notice of and to vote at the Annual Meeting. As of the Record Date, 18,674,232 common shares were issued and outstanding. Each outstanding common share will be entitled to one vote on each matter submitted to a vote of the

shareholders at the Annual Meeting.

A majority of the holders of the common shares outstanding on the Record Date, present in person or by proxy, will constitute a quorum for the transaction of business at the Annual Meeting and at any adjournment or postponement thereof. Any abstentions and broker non-votes will be deemed as present for purposes of determining a quorum at the Annual Meeting.

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For Proposal 1, the four candidates receiving the highest number of affirmative votes of the shares entitled to vote at the Annual Meeting will be elected as directors. Abstentions and broker non-votes will not have the effect of being counted as voted in favor of or against the election of directors.

Proposal 2 will be approved if the votes cast in favor of the proposal exceed the votes cast opposing the action. Abstentions will have the same effect as votes against the proposal. Because Proposal 2 is a non-routine matter, there will not be any broker non-votes for this proposal.

VOTING PROCEDURES

To vote by mail, you should complete, sign and date your proxy card and mail it in the pre-addressed postage-paid envelope that accompanies the delivery of the proxy card. A proxy card submitted by mail must be received by the time of the Annual Meeting in order for the shares to be voted.

The telephone authorization procedure is designed to authenticate identity to allow you to vote your shares and confirm that your instructions have been properly recorded. Specific instructions to be followed are set forth on the enclosed proxy card. Telephone voting facilities for shareholders of record are available 24 hours a day and will close at 5:00 p.m. Eastern Time on May 22, 2018.

The internet authorization procedure is designed to authenticate identity to allow you to vote your shares and confirm that your instructions have been properly recorded. Specific instructions to be followed are set forth on the enclosed proxy card. Internet voting facilities for shareholders of record are available 24 hours a day and will close at 5:00 p.m. Eastern Time on May 22, 2018.

The Company

People's Utah Bancorp ("PUB" or the "Company") is a Utah registered bank holding company organized in 1998. The Company operates all business activities through its wholly-owned banking subsidiary, People's Intermountain Bank ("PIB" or the "Bank"). Products and services are offered primarily through 25 retail branches located throughout Utah and southern Idaho. PIB has three banking divisions, Bank of American Fork ("BAF"), Lewiston State Bank ("LSB"), and People's Town & Country Bank ("TCB"); a leasing division, GrowthFunding Equipment Finance ("GEF"); and a mortgage division, People's Intermountain Bank Mortgage ("PIM"). Prior to the formation of PUB, BAF operated as a stand-alone entity. References in this Proxy Statement to positions held with the Company by directors and officers refer to BAF until 1998 and PUB thereafter unless otherwise noted.

PROPOSAL 1: ELECTION OF DIRECTORS

At the Annual Meeting, four directors are to be elected to serve until the third annual meeting following his or her election or until his or her successors are duly elected and qualified, or until the death, resignation, or removal of such director. It is intended that the proxies will be voted for the four nominees named below for election to our Board of Directors unless authority to vote for any such nominee is withheld. Each of the nominees is currently a director of the Company. Each person nominated for election has agreed to serve if elected, and the Board of Directors has no reason to believe that any nominee will be unavailable or will decline to serve. In the event, however, that any nominee is unable or declines to serve as a director at the time of the Annual Meeting, the proxies will be voted for any nominee who is designated by the current Board of Directors to fill the vacancy. Unless otherwise instructed, the proxy holders will vote the proxies received by them FOR the nominees named below. The four candidates receiving the highest number of affirmative votes of the shares entitled to vote at the Annual Meeting will be elected as directors.

DIRECTORS

The names of the nominees, their ages and their respective business backgrounds are set forth below.

Name	Age	Since	Director Position with PUB
Paul R. Gunther	77	1998	Director (Class II), Chairman of the Board
R. Brent Anderson	70	2007	Director (Class II)
Douglas H. Swenson	68	2013	Director (Class II)
Len E. Williams	59	2017	Director (Class II), President & Chief Executive Officer

BUSINESS EXPERIENCE AND QUALIFICATIONS OF NOMINEES FOR ELECTION TO THE BOARD OF DIRECTORS

A description regarding the business experience and qualifications of each nominee for election to the Board of Directors can be found in the section titled Directors and Other Executive Officers contained herein.

RECOMMENDATION OF THE BOARD OF DIRECTORS

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT THE SHAREHOLDERS OF THE COMPANY VOTE FOR THE ELECTION OF ALL THE DIRECTOR NOMINEES LISTED ABOVE.

PROPOSAL 2: RATIFICATION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS

As previously disclosed in the Company's current report on Form 8-K filed with the SEC on April 3, 2018 (the "Auditor Current Report"), following a competitive review process of independent registered public accounting firms, on March 28, 2018 the Audit Committee dismissed Tanner LLC as the Company's independent auditor, effective after the filing of the Company's first quarter Form 10-Q. Tanner LLC audited the Company's financial statements as of December 31, 2017 and 2016 and for the three years ended December 31, 2017.

The audit reports of Tanner LLC on the Company's consolidated financial statements for each of the two most recent fiscal years ended December 31, 2016 and 2017 did not contain an adverse opinion or a disclaimer of opinion and were not qualified or modified as to uncertainty, audit scope or accounting principles.

During the fiscal years ended December 31, 2016 and 2017, and the subsequent interim period through March 28, 2018, there were: (i) no disagreements within the meaning of Item 304(a)(1)(iv) of Regulation S-K and the related instructions between the Company and Tanner LLC on any matters of accounting principles or practices, financial statement disclosure, or auditing scope or procedure which, if not resolved to Tanner LLC's satisfaction, would have caused Tanner LLC to make reference thereto in their reports; and (ii) no "reportable events" within the meaning of Item 304(a)(1)(v) of Regulation S-K.

The Company provided Tanner LLC with a copy of the disclosures in the Auditor Current Report prior to its filing with the Securities and Exchange Commission (the "SEC"). The Company requested that Tanner LLC furnish it with a letter addressed to the SEC stating whether Tanner LLC agrees with the statements made by the Company regarding Tanner LLC in this Report and, if not, stating the respects in which it does not agree. A copy of Tanner LLC's letter dated March 30, 2018 to the SEC was filed as Exhibit 16.1 to the Auditor Current Report.

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In addition, as disclosed in the Auditor Current Report, on March 28, 2018, the Audit Committee made the decision to engage Moss Adams LLP (“Moss Adams”) as the Company’s independent registered public accounting firm for the fiscal year ending December 31, 2018, subject to completion of Moss Adam’s standard client acceptance procedures. During the Company’s two most recent fiscal years ended December 31, 2016 and 2017, and during the subsequent interim period through March 28, 2018, neither the Company, nor anyone on its behalf, consulted Moss Adams regarding either (i) the application of accounting principles to a specified transaction, either completed or proposed, or the type of audit opinion that might be rendered on the Company’s financial statements, and neither a written report nor oral advice was provided to the Company that Moss Adams concluded was an important factor considered by the Company in reaching a decision as to any accounting, auditing, or financial reporting issue, or (ii) any matter that was either the subject of a “disagreement” (as defined in Regulation S-K Item 304(a)(1)(iv)) or a “reportable event” (as defined in Regulation S-K Item 304(a)(1)(v)).

We are asking the shareholders to ratify the selection of Moss Adams LLP as the Company’s independent registered public accountants for the fiscal year ending December 31, 2018. Its representatives will be present at the annual meeting, and will have the opportunity to make a statement if they desire to do so and will be available to respond to appropriate questions. Representatives of Tanner LLC will not be present at the Annual Meeting. A majority of the votes present in person or represented by proxy at the Annual Meeting is required to ratify the selection of Moss Adams LLP. Abstentions will have the same effect as votes against the proposal. Broker non-votes will have no effect on the vote for this proposal.

In the event the shareholders fail to ratify the appointment, the Audit Committee will consider it as a direction to select other auditors for the subsequent year. Even if the selection is ratified, the Audit Committee, in its discretion, may direct the appointment of a different independent registered public accounting firm at any time during the year if it determines that such change would be in the best interest of the Company and its shareholders.

PRE-APPROVAL POLICIES

The Audit Committee pre-approved all audit, audit-related and non-audit services performed by our independent auditors and subsequently reviewed the actual fees and expenses paid to Tanner LLC. The Audit Committee has determined that the fees paid to Tanner LLC for services are compatible with maintaining Tanner LLC’s independence as our auditors.

PRINCIPAL ACCOUNTANT FEES AND SERVICES

The following table presents fees for professional services rendered by Tanner LLC for the audit of our annual financial statements for 2017 and 2016, and fees billed for other services rendered by Tanner LLC during those periods.

	2017	2016
Audit fees ⁽¹⁾	\$ 242,223	\$ 207,875
Audit related fees ⁽²⁾	23,503	14,000
Tax fees ⁽³⁾	-	-
	\$ 265,726	\$ 221,875

⁽¹⁾ Audit Fees consist of fees billed for the audit of the Company’s annual financial statements, reviews of the financial statements included in our quarterly reports on Form 10-Q, audits of internal controls as required pursuant to

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Sarbanes Oxley, and services in connection with the Company's various statutory and regulatory filings.

- (2) Audit related fees billed by Tanner LLC during 2017 were related to the review of proxy materials associated with the Town & Country Bank merger and an audit of our employee benefit plan. Audit-related fees in 2016 were related to an audit of our employee benefit plan.
- (3) There were no fees incurred for tax services to Tanner LLC. The Company uses a third party other than Tanner LLC for tax preparation services.

All the services noted above were approved in advance by the Company's Audit Committee in accordance with the requirements of the Audit Committee Charter.

AUDIT COMMITTEE REPORT

The Audit Committee has reviewed and discussed our audited financial statements with management and has discussed with Tanner LLC the matters required to be discussed by Statement on Auditing Standards No. 1301, as adopted by the Public Company Accounting Oversight Board in Rule 3200T.

The Audit Committee has received the written disclosures and the letter from Tanner LLC required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent registered public accountant's communications with the Audit Committee concerning independence, and has discussed with Tanner LLC its independence from us.

Based on its review, the Audit Committee recommended to the Board of Directors that the audited financial statements for our fiscal year ended December 31, 2017 be included in our Annual Report on Form 10-K for our fiscal year ended December 31, 2017.

Submitted by:

R. Brent Anderson, Chairman

Deborah S. Bayle

Douglas H. Swenson

Members of the Audit Committee

RECOMMENDATION OF THE BOARD OF DIRECTORS

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE PROPOSAL TO RATIFY THE SELECTION OF MOSS ADAMS LLP TO SERVE AS THE COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS FOR THE FISCAL YEAR ENDING DECEMBER 31, 2018.

Directors and Other Executive Officers

The following table and descriptions below set forth certain information regarding our directors and executive officers.

Name	Age	Since	Director	Position with PUB
Paul R. Gunther	77	1998		Director (Class II), Chairman of the Board
Dale O. Gunther	79	1998		Director (Class III), Vice Chairman of the Board
Len E. Williams	59	2017		Director (Class II), President & Chief Executive Officer
David G. Anderson	62	1998		Director (Class I), Executive Vice President & Chief Credit Officer
Fred W. Fairclough, Jr.	68	2000		Director (Class I)
Richard T. Beard	65	2004		Director (Class III)
Wolfgang T. N. Muelleck	68	2004		Director (Class III)
R. Brent Anderson	70	2007		Director (Class II)
Douglas H. Swenson	67	2013		Director (Class II)
Deborah S. Bayle	66	2014		Director (Class I)
Jonathan B. Gunther	42	2017		Director (Class I)
Matthew S. Browning	45	2017		Director (Class III)
Mark K. Olson	54	—		Executive Vice President & Chief Financial Officer
Rick W. Anderson	63	—		PIB President/Chief Operations Officer
Lane E. Wilson	64	—		Senior Vice President/Chief Sales Officer
Erich S. Sontag	59	—		Senior Vice President/Commercial Banking

Paul R. Gunther has served as a director of the Company since 1998 and as Chairman of the Board since 2003. Prior to PUB being formed he was a director of BAF since 1984. From 1989 to 2014 he served as Plan Administrator to various businesses in bankruptcy, principally in the retailing industry, after which he retired. He holds a Master's of Business Administration degree from Harvard Business School and a Bachelor of Arts degree in Humanities from Brigham Young University. Paul R. Gunther and Dale O. Gunther are brothers. Jonathan B. Gunther is a nephew of Paul R. Gunther and Dale O. Gunther. Mr. Gunther brings extensive experience and expertise in serving as chairman of the board and director, executive-level leadership in finance and strategic business decision making to the Board.

Dale O. Gunther has served as director of the Company since 1998 and as Vice Chairman since 2006. Prior to PUB being formed he was a director of BAF since 1971. He served as President and CEO of the Company from 1988 to 2005, after which he retired. He currently serves as a member of the Compensation Committee, and the Nominating and Governance Committee. He is President, Chief Executive Officer, and a member of the board of Alpine Financial LLC. He holds a Bachelor of Science degree in Finance and Banking from Brigham Young University and is a graduate of Pacific Coast Banking School. Dale O. Gunther and Paul R. Gunther are brothers. Jonathan B. Gunther is a nephew of Paul R. Gunther and Dale O. Gunther. Mr. Gunther brings leadership skills, his long career in the banking industry in various executive positions in the Company and the Utah Bankers Association and brings valuable knowledge of local real estate trends to the Board.

Len E. Williams has served as a director of the Company since March 2017. On January 2, 2018, Mr. Williams became the Company's President and Chief Executive Officer. Mr. Williams is the former Director, President and Chief Executive Officer of Home Federal Bancorp, a public company. He remained in that position until the company was sold in 2014, after which he retired until his employment with the Company. Mr. Williams has over 35 years of successful commercial banking experience serving in many regional and national bank leadership roles. Mr. Williams holds a M.B.A from the University of Washington and is a graduate of the Pacific Coast Banking School. Mr. Williams brings a strong banking and commercial lending background, mergers and acquisitions, and public company experience.

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David G. Anderson has served as a director of the Company since 1998. Prior to PUB being formed he was a director of BAF since 1988. He has served as Senior Vice President and Chief Credit Officer since November 2013, Senior Vice President, Loan Administration since 2004, and has been with the Company since 1973. He holds a Bachelor of Science degree in Business Management from Brigham Young University and is a graduate of the Pacific Coast Banking School.

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David G. Anderson and Fred W. Fairclough, Jr. are brothers-in-law. Mr. Anderson brings over 40 years of banking experience as a lending executive including extensive knowledge of local real estate development and markets to the Board.

Fred W. Fairclough, Jr. has served as a director of the Company since 2000. He was a consultant from 1998 to 2017 to Bonneville Real Estate Capital, formerly known as Bonneville Mortgage Company, a Salt Lake City, Utah commercial mortgage banking firm he co-founded in 1976. He currently serves on the Board of Directors at various community organizations. He served as a director of Advanta Bank Corp. from 2000 to 2010. In 2009, the FDIC issued an order to cease and desist and an order for restitution to Advanta. In 2010, Advanta was seized by the FDIC and liquidated. He obtained his Bachelor of Science degree in Marketing from the University of Utah in 1971. David G. Anderson and Fred W. Fairclough, Jr. are brothers-in-law. Mr. Fairclough brings experience as an executive in the commercial real estate lending industry, a director of numerous boards and, extensive knowledge of local real estate development and business markets to the Board.

Richard T. Beard has served as director of the Company since 2004. He served as Chief Executive Officer and President of PUB since January 2006 until he retired on January 2, 2018. He served on the Federal Deposit Insurance Corporation Community Bank Advisory Board in Washington D.C. He has served as a member of the Board of Directors of the Utah Bankers Association. He also served as a director on the Board of the Utah Community Reinvestment Corporation, funding low income housing in Utah and the Board of the Utah Department of Financial Institutions, appointed by the Governor of Utah. He has been a Past Chairman of the Board of Directors of Western Independent Bankers, based in San Francisco, California. He holds a Juris Doctor degree from the University of Utah College of Law and a Bachelor of Science degree in Political Science from the University of Utah. He is also a graduate of the Pacific Coast Banking School. Mr. Beard brings extensive expertise and experience to the Board from 26 years in the legal profession advising clients in various industries, including the Company, on mergers and acquisitions, securities matters and his 13 years of experience as the former President and CEO of the Company advising the Board on strategic matters.

Wolfgang T. N. Muelleck has served as a director of the Company since 2004. He served as Executive Vice President and Chief Financial Officer of PUB from January 2004 until he retired on January 2, 2018. He currently serves as the Company's Chairman of the Enterprise Risk Management Committee and as a director of a California-based business services company. He previously served on the advisory committee to the Federal Home Loan Bank of Des Moines. He was a partner with Ernst & Young serving various publicly held clients. He holds a Master's degree in Business Administration from the University of Utah and a Bachelor of Science degree in Accounting from Brigham Young University and is a member of the American Institute of Certified Public Accountants (AICPA). Mr. Muelleck brings experience and expertise to the Board from his 20 year career as a director and financial executive in the banking industry, negotiating and managing mergers and acquisitions, and his 15 year career in public accounting auditing and advising clients in public company matters.

R. Brent Anderson has served as a director of the Company since 2007. He is currently serving as Chairman of the Audit and Compliance Committee, and as a member of the Compensation Committee, the Enterprise Risk Management Committee, and Nominating and Governance Committee. He is currently retired. He holds a Bachelor's degree in Accounting from Weber State University and is a member of the American Institute of Certified Public Accountants (AICPA) and is a Certified Public Accountant. Mr. Anderson brings extensive experience and expertise as a former audit partner in an international public accounting firm serving a number of financial institutions, his experience as a previous chairman of the audit committee and director of another financial institution and executive-level experience to the Board.

Douglas H. Swenson has served as a director of the Company since 2013. He served previously as a director of LSB since 2004 and Chairman of LSB since 2010. He is currently serving as Chairman of the Compensation Committee and on the Audit and Compliance Committee. He is on the Board of Directors and is currently the Executive Vice President and Chief Financial Officer of Jack's Tire and Oil, Inc. where he has served since 1998. He is also a member

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of the board of directors of Vision Insurance Company in connection with the Jack's Tire and Oil, Inc. insurance program. He also serves as a trustee for Logan Regional Hospital. He is a Certified Public Accountant with 40 years of experience and is a member of the AICPA. He is a graduate of Brigham Young University with a Bachelor of Science degree in Accounting. Mr. Swenson brings experience and expertise as a former audit partner in a public accounting firm, as a financial executive in the trucking services industry and as a former chairman of the Board of Lewiston State Bank.

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Deborah S. Bayle has served as a director of the Company since 2014 and serves as the Chairperson of the Nominating and Governance Committee, as a member of the Audit and Compliance Committee and the Compensation Committee. She retired as the President and CEO of United Way of Salt Lake after 16 years of service in 2016. She is currently a consultant to non-profit organizations. She currently serves on the Board of Directors or Committees of various community organizations. She previously spent six years as director of the Salt Lake City Branch of the Federal Reserve Bank of San Francisco. She is an alumnus of Weber State University. Ms. Bayle brings extensive experience in executive-level leadership and innovation, and strategic business decision-making to the Board.

Jonathan B. Gunther was elected as a director of the Company in May 2017. Jonathan is a member of the Nominating and Governance Committee and the Enterprise Risk Management Committee. Jonathan is the nephew of Paul R. Gunther and Dale O. Gunther. He holds a Doctor of Medicine degree from Columbia University, and is Board-certified in Ophthalmology and holds a B.S degree in Finance from Brigham Young University. He has been a practicing physician since 2005, President of Excel Eye Center and a partner/manager of various commercial office buildings. Mr. Gunther brings experience in executive management and commercial real estate to the Board.

Matthew S. Browning was elected a director of the Company in July 2017. Since 2014, Mr. Browning has served as COO of Snap! Finance, a technology-based, alternative-financial-services company. Prior to Snap! Finance, he served as President of Target Bank, the issuer of credit cards and gift cards for Target, the national retailer, from 2007-2012. He has more than 20 years of strategy, finance and operations experience from his roles in general management, corporate strategy, consulting, turnaround work, and investment banking. While his experience spans many industries, he brings particular expertise in the nexus of financial services and technology. Mr. Browning has served in leadership roles of state and national banking trade associations. He holds an MBA from the University of Chicago, Booth School of Business, a B.S. in Business from the University of Southern California, and he completed the Stonier Graduate School of Banking program at Wharton. Mr. Browning brings leadership and management experience along with his many years of financial services and related technologies experience to the Board.

Other Executive Officers

Mark K. Olson has served as Executive Vice President and Chief Financial Officer of the Company since January 2, 2018. Mr. Olson has more than 28 years of financial services and public accounting experience, and has held a number of senior financial management positions. Most recently, Mr. Olson served as EVP and CFO of California Republic Bank in Newport Beach, CA until its sale to Mechanics Bank in 2016, after which in 2017 Mr. Olson joined PIB as Executive Vice President and Chief Financial Officer. Prior to California Republic Bank, Mr. Olson was EVP and CFO at Heritage Oaks Bank in Paso Robles, CA. Prior to Heritage Oaks Bank, Mr. Olson was EVP and CFO at Santa Barbara Bank & Trust, in Santa Barbara, CA until it was sold to Union Bank. Prior to Santa Barbara Bank & Trust, Mr. Olson was VP and Finance Director at Goldman Sachs Bank in Salt Lake City, UT. Prior to Goldman Sachs Bank, Mr. Olson held a number of senior financial positions at Western Financial Bank until it was sold to Wachovia Corporation. Mr. Olson is a Certified Public Accountant and a member of the AICPA. He is a graduate of Utah State University with a Bachelor's degree in Accounting.

Rick W. Anderson has served as President and Chief Operations Officer of PIB, the banking subsidiary of PUB since 2016 and has been with the Company since 2007. He has been in the banking industry for over 37 years, having served as Chief Financial Officer and Chief Operating Officer of Far West Bank before it was acquired by another banking organization in 2006. He holds a Bachelor of Science degree in Business Management from Brigham Young University.

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Lane E. Wilson has served as Senior Vice President, Chief Sales Officer of PIB since April 2013. Previously he served as Regional Senior Vice President, Southern Region from 2004 to 2013. He has over 30 years of banking experience, primarily in the residential mortgage business, commercial real estate and construction lending. He attended Brigham Young University and was a graduate of the Graduate School of Banking at Colorado.

Erich S. Sontag has served as Senior Vice President, Commercial Lending of PIB since October 2017. Mr. Sontag has more than 32 years in the financial services sector. Previously, Mr. Sontag served as Regional President and Division Manager of Banner Bank. Prior to Banner Bank, Mr. Sontag was Northern Utah President and Executive Vice President of Wells Fargo Bank. Mr. Sontag has held other positions in banking including Vice President at First Security Bank. Mr. Sontag is a Certified Public Accountant and Real Estate Broker. He has a M.B.A. from the University of Utah and a Bachelor of Science degree in Economics and Accounting from Eastern Oregon State University.

Composition and Classification of Our Board of Directors

Our Amended and Restated Bylaws currently allow for up to fifteen seats on our Board of Directors, twelve of which are currently authorized by our Board. Pursuant to our Articles, our directors are divided into three classes serving staggered three-year terms. Class I, Class II and Class III directors serve until our annual meetings of shareholders in 2020, 2018 and 2019, respectively. At each annual meeting of shareholders, upon the expiration of the term of a class of directors, the successor to each such director in the class will be elected to serve from the time of election and qualification until the third annual meeting following his or her election and until his or her successor is duly elected and qualified. 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 serving on our Board of Directors.

Our Board of Directors is currently led by its chairman, Paul Gunther. We believe it is currently in the best interest of the Company and its shareholders to have a person other than our Chief Executive Officer serve in such capacity.

Meetings of the Board of Directors and Its Committees

During 2017, our Board of Directors held 12 regular meetings, two special meetings, and one strategic planning meeting. No incumbent director attended fewer than 75% of the total number of Board meetings held during the period for which such director has been a director and committee meetings of which such director was a member. Although we do not have a formal policy of requiring directors to attend the annual shareholders meeting, all directors attended the 2017 annual meeting of shareholders held on May 17, 2017.

Corporate Governance

We will continue to focus on good corporate governance practices. NASDAQ rules define who may be considered an “independent” director and require independent directors to meet periodically in executive session. In addition, PUB has a Code of Ethics and Business Conduct, which is available on our website at www.peoplesutah.com or by contacting Mark K. Olson, PUB’s Chief Financial Officer, at (801) 642-3998. Further actions to enhance our corporate governance mechanisms will be taken as required by law and the exchanges upon which our shares are listed, or as otherwise deemed necessary or appropriate by the Board of Directors, with a continuing focus on high standards of corporate governance.

Independence of Directors

Under the listing requirements of The NASDAQ Capital Market, a majority of our Board of Directors must be comprised of independent directors. Our Board of Directors has determined that a majority of our directors are independent as defined under NASDAQ Stock Market Rules.

Our Board of Directors conducts an annual review of director independence. During this review, our Board of Directors considers transactions and relationships during the prior year between each director or any member of his or her immediate family and PUB and its subsidiaries, affiliates and equity investors, including those reported under “Certain Relationships and Related Party Transactions” below. Our Board of Directors also examines transactions and relationships between directors or their affiliates and members of senior management or their affiliates. The purpose of this review is to determine whether any such relationships or transactions were inconsistent with a determination that the director is independent.

As a result of this review, our Board of Directors has affirmatively determined that the following directors and director nominee are independent under NASDAQ Stock Market Rules and under PUB’s general standard of independence: Paul R. Gunther, Dale O. Gunther, Jonathan B. Gunther, Deborah S. Bayle, R. Brent Anderson, Douglas H. Swenson and Matthew S. Browning. The remaining directors were determined to not be independent.

Director Qualifications

PUB's corporate governance guidelines contain criteria considered by the Nominating and Governance Committee in evaluating nominees for a position on its Board. All nominees, including incumbent directors, board nominees and shareholder nominees are evaluated in the same manner. Generally, the Nominating and Governance Committee believes that directors should possess the highest personal and professional ethics and integrity and should have broad experience in positions with a high degree of responsibility, corporate board experience and the ability to commit adequate time and effort to serve as a director.

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Although we do not have a formal diversity policy, criteria that will be considered include expertise currently desired on our Board of Directors, geography, diversity, finance or financial service industry experience, ethical standards and involvement in the community. The Nominating and Governance Committee also evaluates potential nominees to determine whether they meet the required standard of independence (to ensure that at least a majority of the directors will, at all times, be independent).

Pursuant to our Corporate Governance Guidelines, directors of PUB may not serve on the board of another unaffiliated insured depository institution, bank holding company, financial holding company or thrift holding company having operations in any market area in which PUB or any of its affiliated entities has operations while serving as our director.

Shareholder Nominations

The Nominating and Governance Committee, which is responsible for the nomination of candidates for appointment or election to the Board of Directors, will consider, but shall not be required to nominate, candidates recommended by our shareholders. Generally speaking, the manner in which the Nominating and Governance Committee evaluates nominees for director recommended by a shareholder will be the same as for nominees from other nominating sources. However, the Nominating and Governance Committee will seek and consider information concerning the relationship between a shareholder's nominee and that shareholder to determine whether the nominee can effectively represent the interest of all shareholders. Shareholders wishing to make such recommendation to the Nominating and Governance Committee for its consideration may do so by submitting a written recommendation, including detailed information on the proposed candidate, including education, professional experience and expertise, via mail addressed as follows:

People's Utah Bancorp

C/o Randall D Benson, Secretary

1 East Main Street

American Fork, UT 84003

Committees of the Board of Directors

Our Board of Directors has established standing committees in connection with the discharge of its responsibilities. These committees include the Compensation Committee, the Nominating and Governance Committee, the Audit and Compliance Committee and the Enterprise 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 policies. Information with respect to each of these committees is set forth below.

Compensation Committee. The Compensation Committee consists of Douglas H. Swenson as Chairman, with Dale O. Gunther, Deborah S. Bayle and R. Brent Anderson as members. The Board of Directors has determined that all of the members of the Compensation Committee are independent directors as defined under NASDAQ Stock Market Rules. The Compensation Committee acts under a written charter adopted by the Board of Directors, which charter can be obtained on our website www.peoplesutah.com. This committee oversees our compensation and employee benefit

plans and practices, including our executive compensation plans, and our incentive compensation and equity-based plans. The Compensation Committee annually reviews and approves corporate goals and objectives relevant to the Chief Executive Officer's and Chief Financial Officer's compensation and evaluates the Chief Executive Officer's and Chief Financial Officer's performance in light of those goals and objectives. Additionally, the Compensation Committee reviews and approves the compensation of all other executive officers. Within its charter, the Compensation Committee has the authority to engage the services of outside advisors, experts, and others to assist the committee. During fiscal 2016, the Compensation Committee engaged McLagan as a compensation consultant. This compensation consultant provided information to the Compensation Committee regarding long-term incentive plans, executive compensation and director compensation that were used as components of the overall mix of information used to evaluate our compensation plans. The Compensation Committee reviewed its relationship with McLagan and has determined that its work has not raised any conflicts of interest. This committee met nine times in 2017.

Nominating and Governance Committee. The Nominating and Governance Committee consists of Deborah S. Bayle as Chairperson, with Dale O. Gunther, Jonathan B. Gunther and R. Brent Anderson as members. The Board of Directors has determined that all of the members of the Nominating and Governance Committee are independent directors as defined under NASDAQ Stock Market Rules. The Nominating and Governance Committee acts under a written charter adopted by the PUB Board of Directors, which charter can be obtained on our website www.peoplesutah.com. This committee is responsible for developing and implementing policies and practices relating to corporate governance.

In addition, the Nominating and Governance Committee is responsible for developing criteria for the selection and evaluation of directors and recommends to the Board of Directors candidates for election as directors and senior management. This committee met nine times in 2017.

Audit and Compliance Committee. The Audit and Compliance Committee of PUB consists of R. Brent Anderson serving as Chairman, and Deborah S. Bayle and Douglas H. Swenson serving as members, each of whom have been determined by the Board of Directors to be independent directors as defined under NASDAQ Stock Market Rules and Rule 10A-3 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The Board of Directors has determined that Mr. Anderson and Mr. Swenson are each an "audit committee financial expert," as defined by the rules and regulations of the SEC. A summary of Mr. Anderson's and Mr. Swenson's relevant experience and qualifications can be found in the section labelled "Directors and Executive Officers" contained herein.

The Audit and Compliance Committee acts under a written charter adopted by PUB's Board of Directors, which charter can be obtained on our website www.peoplesutah.com. The Audit and Compliance Committee is primarily responsible for monitoring the integrity of PUB's financial reporting process and systems of internal controls regarding finance, accounting, and legal compliance and public disclosure of financial information; monitoring the independence and performance of PUB's independent registered public accountants and internal auditing department; and maintaining free and open communication between the Audit and Compliance Committee, the independent auditors, management, the internal auditing department, and the Board of Directors. It also reviews all potential affiliated transactions from outside vendors and between the affiliates to determine compliance with regulatory rules. This committee met 12 times in 2017.

Enterprise Risk Management Committee. The Enterprise Risk Management Committee consists of Wolfgang T. N. Muelleck as Chairman, R. Brent Anderson and Jonathan B. Gunther. The committee oversees all major risk areas of PUB. The Committee acts under a written charter adopted by the PUB Board of Directors. The committee is tasked with reviewing all material risks to PUB and the Bank and reviewing risk mitigation policies. This committee met four times in 2017.

Compensation Committee Interlocks and Insider Participation

For the year ended December 31, 2017, our Compensation Committee consisted of Douglas H. Swenson, Dale O. Gunther, Deborah S. Bayle and R. Brent Anderson. No Compensation Committee members have at any time been an officer or associate of PUB, except for Dale O. Gunther. None of the members of our Compensation Committee has had any relationship with us of the type that is required to be disclosed as a related party transaction under Item 404 of Regulation S-K, except as otherwise disclosed in this proxy statement. In addition, none of our executive officers serves or has served as a member of our 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.

Communications with Directors

We have not adopted a formal process for shareholder communications with the Board of Directors. We believe it is appropriate to not have a formal process for shareholder communications with the Board of Directors, because historically we have received such shareholder communications very infrequently. Nevertheless, we have tried to ensure that the views of shareholders are heard by the Board of Directors or individual directors, as applicable, and that appropriate responses are provided to shareholders in a timely manner. We believe our responsiveness to shareholder communications to the Board of Directors has been good. A shareholder may submit any communication with directors to us at our corporate offices, to the attention of Len E. Williams, President and Chief Executive Officer.

Board Role in Risk Oversight

Our Board of Directors is responsible for overseeing the Company's management of risk. The Board established the Enterprise Risk Management Committee to effectively oversee the Company's enterprise-wide risk management in a way that balances managing risks while enhancing the long-term value of the Company for the benefit of the shareholders. The Board of Directors understands that its focus on effective risk oversight is critical to setting the Company's tone and culture towards effective risk management. To administer its oversight function, the Enterprise Risk Management Committee seeks to understand the Company's risk philosophy by having discussions with management to establish a mutual understanding of the Company's overall appetite for risk. Our Board of Directors through the Enterprise Risk Management Committee maintains an active dialogue with management about existing risk management processes and how management identifies, assesses, and manages the Company's most significant risk exposures and expects frequent updates from management about the Company's most significant risks to enable it to evaluate whether management is responding appropriately.

In addition to the Enterprise Risk Management Committee, our Board of Directors relies on each of its other committees to help oversee the risk management responsibilities relating to the functions performed by such committees. Our Audit and Compliance Committee periodically discusses with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies. Our Compensation Committee helps the Board of Directors to identify the Company's exposure to any risks potentially created by our compensation programs and practices. Our Nominating and Governance Committee oversees risks relating to the Company's corporate compliance programs and assists the Board and management in promoting an organizational culture that encourages commitment to ethical conduct and a commitment to compliance with the law. All of the board committees are required to make regular reports of its actions and any recommendations to the Board of Directors, including recommendations to assist the Board of Directors with its overall risk oversight function.

Director Compensation

We believe that our director compensation packages enable us to successfully recruit and retain talented directors of the caliber needed to effectively direct PUB. We also believe that director compensation should serve to solidify the alignment of the shareholders' interests with that of our Board of Directors and relate to our success.

During 2017, our chairman received \$7,450 per month for his service as chairman of the board and the various committees on which he serves. Our other non-employee directors received a monthly retainer of \$1,300 and additional fees for committees ranging from \$150 to \$500 per meeting on which they serve and for those they chair the fees range from \$3,000 to \$7,000. In addition, except for our chairman, all directors received \$1,400 for each monthly board meeting attended. Beginning in 2018, only non-employee directors will receive board fees.

The following table sets forth for the year ended December 31, 2017, the compensation paid or awarded by PUB to each person who was a director on December 31, 2017.

Name ⁽¹⁾	Fees Earned or Paid in					Total Compensation
	Cash	Stock Awards ⁽²⁾	Option Awards ⁽²⁾	All Other Compensation	Total Compensation	
Paul R. Gunther ⁽³⁾	\$ 89,400	\$ 15,008	\$-	\$ -	\$ 104,408	
Dale O. Gunther ⁽⁴⁾	51,400	15,008	-	-	66,408	
Len E. Williams ⁽⁵⁾	18,350	281,408	-	-	299,758	
Fred W. Fairclough, Jr. ⁽⁶⁾	36,350	15,008	-	-	51,358	
David G. Anderson ⁽⁷⁾	16,800	-	-	-	16,800	
R. Brent Anderson ⁽⁸⁾	53,400	15,008	-	-	68,408	
Douglas H. Swenson ⁽⁹⁾	49,400	15,008	-	-	64,408	
Deborah S. Bayle ⁽¹⁰⁾	48,900	15,008	-	-	63,908	
Jonathan B. Gunther ⁽¹¹⁾	24,100	-	17,494	-	41,594	
Matthew S. Browning ⁽¹²⁾	16,200	-	15,001	13,800	45,001	

⁽¹⁾ Richard Beard and Wolfgang Muelleck are omitted from this table because their compensation is set forth in the Summary Compensation Table.

⁽²⁾ The amounts reported in this column represent the aggregate grant date fair value of the stock options or Restricted Stock Units ("RSU's") granted. For information on the valuation assumptions used in calculating these amounts, see Note 11 to our consolidated financial statements.

⁽³⁾

Paul Gunther received RSU's for 560 common shares on July 1, 2017, which vests over one year and had a grant date fair value of \$26.80 per share. In addition to the RSU grant in 2017, as of December 31, 2017, Paul Gunther held option awards for 4,329 common shares. He had aggregate deferred compensation of director's fees of \$108,000 as of December 31, 2017, which were deferred from 2011 through 2013 and in 2015.

- (4) Dale Gunther received RSU's for 560 common shares on July 1, 2017, which vests over one year and had a grant date fair value of \$26.80 per share. In addition to the stock options issued in 2017, as of December 31, 2017, Dale Gunther held option awards for 7,720 common shares.
- (5) Len Williams received RSU's for 560 common shares on July 1, 2017, which vests over one year and had a grant date fair value of \$26.80 per share. In connection with Mr. Williams' appointment as the Company's Chief Executive Officer he received RSU's of 9,600 common shares on September 1, 2017 which vest over three years and had a grant

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date fair value of \$27.75 per share. As of December 31, 2017, Len Williams held RSU awards for 10,160 common shares.

- (6) Fred Fairclough received RSU's for 560 common shares on July 1, 2017, which vest over one year and had a grant date fair value of \$26.80 per share.
- (7) David Anderson held stock options for 13,200 common shares as of December 31, 2017.
- (8) Brent Anderson received RSUs for 560 common shares on July 1, 2017, which vest over one year and had a grant date fair value of \$26.80 per share. In addition to the RSU's issued in 2017, as of December 31, 2017, Brent Anderson also held option awards for 22,000 common shares.
- (9) Douglas Swenson received RSUs for 560 common shares on July 1, 2017, which vest over one year and had a grant date fair value of \$26.80 per share. In addition to the stock options issued in 2017, as of December 31, 2017, Douglas Swenson held option awards for 4,329 common shares.
- (10) Deborah Bayle received RSUs for 560 common shares on July 1, 2017, which vest over one year and had a grant date fair value of \$26.80 per share. In addition to the RSU's issued in 2017, as of December 31, 2017, Deborah Bayle held option awards for 8,004 common shares.
- (11) Jonathan Gunther received a stock option grant for 4,373 common shares on July 1, 2017, which vest over one year and had a grant date fair value of \$4.00 per share.
- (12) Matthew Browning received a stock option grant for 3,750 common shares on July 1, 2017, which vest over one year and had a grant date fair value of \$4.00 per share. In addition to the stock options granted in 2017, Matthew Browning held option awards for 8,800 common shares. Additionally, Mr. Browning has a consulting agreement with the Company wherein he received \$13,800 in consulting fees during 2017 related to Financial Services technology.

Deferred Compensation Plan

In 2012, we adopted a deferred compensation plan for our directors. Under the deferred compensation plan, directors can make an irrevocable election to defer up to 100% of their director fees in any given year. These deferred fees are fully vested and nonforfeitable, and such fees will be paid to the director upon the conclusion of the director's service on the board. Deferred fees will earn interest at no less than three percent per annum and in the same manner as provided by the Company on certificates of deposit issued by the Company for a period of 12 months. As of December 31, 2017, the aggregate amount of deferred director compensation was \$158,400.

Executive Compensation

Summary Compensation Table

The table below sets forth the compensation of our named executive officers.

Name and Principal Positions	Year	Salary ⁽¹⁾	Stock Awards ⁽²⁾	Option Awards ⁽²⁾	Non-Equity	All	Total
					Incentive Plan Compensation ⁽³⁾	Other Compensation ⁽⁴⁾	
Richard T. Beard,	2017	\$ 408,642	-	-	\$ 245,185	\$ 54,787	\$ 708,614
Director, President and Chief Executive Officer	2016	396,740	-	-	208,000	56,236	660,976
Wolfgang T. N. Muelleck,	2017	259,384					