

HANMI FINANCIAL CORP
Form DEFR14A
July 25, 2013

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

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

(Amendment No. 1)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

<input type="checkbox"/>	<input type="checkbox"/>	Preliminary Proxy Statement
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<input type="checkbox"/>	<input type="checkbox"/>	Definitive Additional Materials
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HANMI FINANCIAL CORPORATION
(Name of Registrant as Specified In Its Charter)

Not Applicable
(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

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

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

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON AUGUST 23, 2013

TO THE STOCKHOLDERS OF HANMI FINANCIAL CORPORATION:

NOTICE IS HEREBY GIVEN that the 2013 annual meeting of stockholders (the “Annual Meeting”) of Hanmi Financial Corporation (“Hanmi Financial,” “the Company,” “we,” “us” or “our”) will be held at the Sheraton Universal Hotel, located at 333 Universal Hollywood Drive, Universal City, California, on Friday, August 23, 2013 at 10:30 a.m., Pacific Time, for the following purposes:

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

Only stockholders of record at the close of business on July 19, 2013 are entitled to receive notice of, and to vote at, the Annual Meeting and any adjournment or postponement thereof.

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

Please note that we previously filed with the U.S. Securities and Exchange Commission (the "SEC") on, and may have mailed to you on or about, June 21, 2013, a proxy statement for the Annual Meeting (the "Prior Proxy Statement"). This amendment to proxy statement for the Annual Meeting (this "Proxy Statement") amends and replaces the Prior Proxy Statement.

IF YOU PREVIOUSLY SUBMITTED THE PRIOR WHITE PROXY CARD OR VOTING INSTRUCTIONS FURNISHED WITH THE PRIOR PROXY STATEMENT, THOSE VOTES WILL NOT BE COUNTED. THE PRIOR WHITE PROXY CARDS ATTACHED TO THE PRIOR PROXY STATEMENT SHOULD BE DISCARDED. IN ORDER FOR YOUR VOTES TO BE COUNTED, YOU MUST SUBMIT THE **BLUE PROXY CARDS OR VOTING INSTRUCTIONS FURNISHED TOGETHER WITH THIS PROXY STATEMENT, OR VOTE IN PERSON AT THE ANNUAL MEETING.**

By Order of Our Board of Directors,

/s/ Jean Lim
Jean Lim
Corporate Secretary
Los Angeles, California
July 24, 2013

Important Notice Regarding the Availability of Proxy Materials for the 2013 Annual Meeting of Stockholders to be held on August 23, 2013: This Proxy Statement and the Company's 2012 Annual Report to Stockholders are available electronically at www.hanmi.com by clicking on "Investor Relations" and then "Proxy Materials."

All stockholders who were stockholders of record of our common stock as of the close of business on July 19, 2013, and only those stockholders, will be entitled to vote at the Annual Meeting. You have one vote for each share of our common stock you owned as of the close of business on the record date.

Question: How many shares are eligible to be voted?

As of July 19, 2013, 31,604,587 shares of our common stock were outstanding. Each outstanding share of our common stock will entitle its holder to one vote on each matter to be voted on at the Annual Meeting.

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

Record
Holders

If your shares of common stock are registered directly in your name on our stock records, you are considered the stockholder of record, or the “record” holder of those shares. As the record holder you have the right to vote your shares in person or by proxy at the Annual Meeting.

Street
Name
Holders

If your shares of common stock are held in an account at a brokerage firm, bank, or other similar entity, then you are the beneficial owner of shares held in “street name.” The entity holding your account is considered the record holder for purposes of voting at the Annual Meeting. As the beneficial owner you have the right to direct this entity on how to vote the shares held in your account. However, as described below, you may not vote these shares in person at the Annual Meeting unless you obtain a legal proxy from the entity that holds your shares giving you the right to vote the shares at the Annual Meeting.

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

You are being asked to vote on the following matters:

Election of Directors. The seven (7) director (“Director”) nominees who receive the most votes will be elected. So, if you do not vote “For” a particular nominee or you indicate “Withhold Authority to Vote” for a particular Director nominee on your proxy card, your abstention will have no effect on the election of Directors.

Advisory (Non-Binding) Resolution on the Proposal to Approve the Compensation of our Named Executive Officers. This proposal gives you the opportunity to vote (on an advisory non-binding basis) for or against the compensation of the executive officers identified in the Summary Compensation Table in this Proxy Statement (the “Named Executive Officers”). The compensation programs for our Named Executive Officers are described in the “*Executive Compensation—Compensation Discussion and Analysis*” section, the executive compensation tables and the related narrative discussion contained in this Proxy Statement. Because your vote is advisory, it will not be binding upon our Board and may not be construed as overruling any decision by our Board. However, the Compensation Committee may, in its sole discretion, take into account the outcome of the vote when considering future executive compensation arrangements.

Approval of the Amended and Restated Hanmi Financial Corporation 2013 Equity Compensation Plan. This proposal gives you the opportunity to vote for or against the approval of the Amended and Restated Hanmi Financial Corporation 2013 Equity Compensation Plan described under the “*Proposal No. 3, Approval of the Amended and Restated Hanmi Financial Corporation 2013 Equity Compensation Plan*” section in this Proxy Statement. The Amended and Restated Hanmi Financial Corporation 2013 Equity Compensation Plan provides flexibility to our Board to offer equity incentives to employees, consultants and non-employee directors as part of their recruitment and retention. The Amended and Restated Hanmi Financial Corporation 2013 Equity Compensation Plan in its entirety is also attached as Annex A to this Proxy Statement.

Ratification of Selection of Independent Registered Public Accounting Firm. This proposal gives you the opportunity to ratify our Board’s selection of KPMG LLP (“KPMG”) as our independent registered public accounting firm for the fiscal year ending December 31, 2013. We are submitting the selection of KPMG to you for ratification to obtain our stockholders’ views. If the stockholders do not ratify the selection by a majority vote of the present and voting shares, we will reconsider whether or not to retain KPMG. Even if the selection is ratified, we may, in our discretion, appoint a different independent registered public accounting firm at any time during the year if we determine that such a change would be in our and our stockholders’ best interests.

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

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

FOR each of the seven (7) Director nominees named in this Proxy Statement (Proposal No. 1);

FOR the approval, on an advisory basis, of the compensation of our Named Executive Officers (Proposal No. 2);

FOR the approval of the Amended and Restated Hanmi Financial Corporation 2013 Equity Compensation Plan (Proposal No. 3);

FOR the ratification of KPMG as our independent registered public accounting firm for the fiscal year ending December 31, 2013 (Proposal No. 4).

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

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

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

Election of Directors. Directors are elected by a plurality of votes cast. The seven (7) Director nominees receiving the most votes will be elected to our Board.

Advisory Vote on the Compensation of our Named Executive Officers. Approval, on an advisory basis, of the compensation of our Named Executive Officers requires the affirmative vote of a majority of the shares present in person or by proxy at the Annual Meeting and voting on this item.

Approval of the Amended and Restated Hanmi Financial Corporation 2013 Equity Compensation Plan. Approval of the Amended and Restated Hanmi Financial Corporation 2013 Equity Compensation Plan requires the affirmative vote of a majority of the shares present in person or by proxy at the Annual Meeting and voting on this item.

Ratification of Selection of Independent Registered Public Accounting Firm. Ratification of the selection of KPMG as our independent registered public accounting firm for the fiscal year ending December 31, 2013 requires the affirmative vote of a majority of the shares represented and voting.

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

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

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

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

Question: How can I vote my shares?

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

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

Whichever of these methods you select to transmit your instructions, the proxy holders will vote your shares of common stock in accordance with your instructions. If you give a proxy without specific voting instructions, your proxy will be voted by the proxy holders “FOR” each of the Director nominees named in this Proxy Statement, “FOR” the approval, on an advisory basis, of the compensation of our Named Executive Officers, “FOR” the approval of the Amended and Restated Hanmi Financial Corporation 2013 Equity Compensation Plan, and “FOR” the ratification of our independent registered public accounting firm, and, at the proxy holders’ discretion on such other matters, if any, as may properly come before the Annual Meeting (including any proposal to adjourn the Annual Meeting).

Vote by Telephone. If you hold your shares of common stock in your own name and not through a broker or another nominee, you can choose to vote your shares of common stock by telephone by dialing the toll-free telephone number printed on your proxy card. Telephone voting is available 24 hours a day until 11:59 p.m., Pacific Time, on August 22, 2013. Easy-to-follow voice prompts allow you to vote your shares of common stock and confirm that your instructions have been properly recorded. If you vote by telephone, you do not need to return your proxy card.

Vote by Internet. If you hold your shares of common stock in your own name and not through a broker or another nominee, you can choose to vote your shares of common stock via the Internet. The website for Internet voting is printed on your proxy card. Internet voting is available 24 hours a day until 11:59 p.m., Pacific Time, on August 22, 2013. As with telephone voting, you will be given the opportunity to confirm that your instructions have been properly recorded. If you vote via the Internet, you do not need to return your proxy card.

Vote by Mail. You can vote by mail by signing, dating and returning the enclosed proxy card in the enclosed postage-paid envelope. Proxy cards sent by mail must be received by August 22, 2013.

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

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

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

Question: How do I vote in person?

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

Question: How will proxies be solicited?

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

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

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

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

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

· Your identity by reviewing a valid form of photo identification, such as a driver's license; and

· You were, or are validly acting for, a stockholder of record on the record date by:

verifying your name and stock ownership against our list of registered stockholders, if you are the record holder of your shares;

reviewing other evidence of your stock ownership, such as your most recent brokerage or bank statement, if you hold your shares in street name; or

reviewing a written proxy that shows your name and is signed by the stockholder you are representing, in which case either the stockholder must be a registered stockholder of record or you must have a brokerage or bank statement for that stockholder as described above.

If you do not have a valid form of photo identification and proof that you owned, or are legally authorized to act as proxy for someone who owned, shares of our common stock on July 19, 2013, you will not be admitted to the Annual Meeting.

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

Question: Is my vote confidential?

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

- To meet legal requirements;

- To assert claims for or defend claims against the Company;

- To allow authorized individuals to count and certify the results of the stockholder vote;

- If a proxy solicitation in opposition to our Board takes place; or
 - To respond to stockholders who have written comments on proxy cards or who have requested disclosure.

Question: Is this Proxy Statement the same as the Prior Proxy Statement?

No. The Prior Proxy Statement was previously filed with the SEC on, and may have been mailed to you on or about, June 21, 2013. **This Proxy Statement amends and replaces the Prior Proxy Statement.**

If you previously received the Prior Proxy Statement, you should disregard the Prior Proxy Statement, the white proxy card, and other materials furnished with the Prior Proxy Statement.

Question: What if I already submitted the white proxy card or voting instructions furnished with the Prior Proxy Statement?

If you previously submitted the prior white proxy card or voting instructions FURNISHED WITH the Prior Proxy Statement, those votes will not be counted. The prior white proxy cards attached to the Prior Proxy Statement should be discarded.

In order for your votes to be counted, you must submit the blue proxy cards OR voting instructions furnished together with this Proxy Statement, or vote in person at the Annual Meeting.

PROPOSAL NO. 1

ELECTION OF DIRECTORS

Board of Directors and Nominees

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

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

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

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

15(d) of the Exchange Act, or any company registered as an investment company under the Investment Company Act of 1940, as amended.

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

Name and Position Age Principal Occupation for Past Five Years and 10 Year Legal Proceedings

I Joon Ahn, <i>Director</i>	74	<i>Principal Occupation:</i>	Retired; former President, Ace’s Fashion Company, a garment manufacturing company (1973 to 2001); Founder of Hanmi Bank and Hanmi Financial; former Chairman of our Boards, Hanmi Financial and Hanmi Bank; former member of the Korean American Chamber of Commerce; former member of the Southern California International Trade Federation; attended Dong A University in South Korea.
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Our Board believes that Mr. Ahn should serve as a Director because Mr. Ahn plays a critical role in connection with the Korean-American community. Mr. Ahn has founded and served on a number of important Korean-American organizations, including the Korean-American Garment Association, the Southern California Korean Federation, the Korean-American Chamber of Commerce, and the Southern California International Trade Federation. Furthermore, Mr. Ahn is a founding member of Hanmi Bank and Hanmi Financial.

Director Since: 1982

John A. Hall,
Director

63 *Principal Occupation:* Retired; former National Bank Examiner, Office of the Comptroller of the Currency (“OCC”), a division of the U.S. Treasury Department (1974 to 2005); received a Master of Business Administration from the University of Iowa.

Our Board believes that Mr. Hall should serve as a Director because Mr. Hall’s experience as a bank regulatory examiner, both in credit and operations, is valuable to Hanmi Bank. In his role with the OCC, he served as an examiner in charge of various larger banking institutions and most recently served in the credit position for the Wells Fargo Large Bank Team. Our Board believes that Mr. Hall’s experience as a bank regulatory examiner has provided him with financial expertise that is valuable in his role as Audit Committee Chairman and assisting Hanmi Bank with complying with applicable regulations.

Director Since: 2009

Paul Seon-Hong Kim,
Director

69 *Principal Occupation:* Retired; former President & Chief Executive Officer, Center Financial Corp/Center Bank, where he converted it to a NASDAQ listed company with a 13-fold increase in total market capitalization (1998 to 2007); former President & CEO, Uniti Financial/Uniti Bank (2008); served in various executive capacities, including as Chief Credit Officer and Chief Financial Officer, Hanmi Financial/Hanmi Bank (1986 to 1998); former Adjunctive Professor, Cal State University (2007, 2009); received a Master of Business Administration from the University of California, Berkeley.

Our Board believes that Mr. Kim should serve as a Director because Mr. Kim’s many years of experience and long distinguished background in the banking industry has provided him with valuable financial expertise and a deep understanding of the Korean-American banking industry, which are important in formulating and carrying out Hanmi Bank’s tactical and strategic plans.

Director Since: 2009

Chong Guk (C .G.)
Kum, *Director*

59 *Principal Occupation:* President and Chief Executive Officer, Hanmi Financial and Hanmi Bank (June 2013 to present); former President and Chief Executive Officer, First California Financial Group and its subsidiary First California Bank (September 1999 to May 2013); served on the boards of First California Financial Group and First California Bank; former president of the board of directors of Community Bankers of California and is currently member of the board of directors of California Bankers Association; has served on numerous boards of non- profit organizations including United Way and Boys Scouts of America of Ventura County; graduate of the University of California, Berkeley; Master of Business Administration from Pepperdine University.

Our Board believes that Mr. Kum should serve as a Director because Mr. Kum brings to the board his extensive experience in the banking industry, his many successes in safely and profitably growing his organization, his business acumen and good relationship with investors and regulators. Additionally, our Board felt that it is important to have the Chief Executive Officer of Hanmi Financial serve as a director in order to effectively execute our Board's direction.

Director Since: June 2013

Joon Hyung
Lee,
Director

69 *Principal
Occupation:*

Principal, Root-3 Corporation, a property management, real estate investment, and development company (1983 to present); former Chairman of our Boards, Hanmi Financial and Hanmi Bank; former President, Byucksan America, Inc. (1988 to 1999); received a Master of Business Administration from New York University.

Our Board believes that Mr. Lee should serve as a Director because Mr. Lee's knowledge of, and connections to, the real estate development and investment markets are important for Hanmi Bank and make him a valuable asset, particularly in the area of asset/liability management. In addition to his property management experience, Mr. Lee has a general contractor's license, a real estate broker's license, as well as, international trading experience. Mr. Lee's long tenure with Hanmi Bank is also helpful in setting Hanmi Bank's strategic direction.

Director Since: 1989

William J.
Stolte,
Director

66 *Principal
Occupation:*

Retired; former Senior Executive Vice President, Union Bank of California in San Francisco (2000 to 2008); former Director, Deloitte & Touche, LLP (1995 to 2000); former Partner, The Secura Group (1992 to 1995); served in various bank regulatory capacities, including Deputy Comptroller of the Currency, Chief National Bank Examiner, Deputy Director Multinational & Regional Bank Supervision, National Bank Examiner, Office of the Comptroller of the Currency (1968-1992); graduate of Saint Ambrose University.

In nominating Mr. Stolte to serve as a Director, our Board considered Mr. Stolte's banking experience as a senior bank executive, an examiner, as well as, a consultant to the banking industry, and his ability to assist our Board in setting and meeting Hanmi Bank's strategic goals.

Director Since: 2009

Joseph K.
Rho,
Chairman of
our Board

72 *Principal
Occupation:*

Retired; current and former Chairman of the Boards, Hanmi Financial and Hanmi Bank (2007-present; 1999-2002); J & S Investment (2002 to 2010); former Partner, Korea Plaza LP (1987 to 2002); former President and Owner of Joseph K. Rho Insurance Agency; graduate of Seoul National University in South Korea.

In nominating Mr. Rho to serve as a Director and appointing him as Chairman of Hanmi Financial and Hanmi Bank, our Board considered, in particular, the importance of the Chairman's role in ensuring the effective role and operation of our Board. Our Board believes that Mr. Rho is an effective coordinator of multiple Hanmi Bank constituencies, including its stockholders, customers, officers, employees, and regulators. In addition, our Board considered the critical role Mr. Rho played in assisting Hanmi Financial in raising capital twice during the past three years. Lastly, in appointing Mr. Rho as Chairman, our Board considered that Mr. Rho is the largest individual stockholder, and as such, can speak to building long-term stockholder value and provide valuable insight into the concerns of stockholders and investors.

1984

Director Since

:

***OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT THE STOCKHOLDERS VOTE
“FOR” EACH OF THE SEVEN DIRECTOR NOMINEES***

CORPORATE GOVERNANCE PRINCIPLES AND BOARD MATTERS

Hanmi Financial is committed to sound corporate governance principles. These principles are essential to running Hanmi Financial's business efficiently and to maintaining Hanmi Financial's integrity in the marketplace. Hanmi Financial has adopted formal Corporate Governance Guidelines to explain Hanmi Financial's corporate governance principles to investors. Hanmi Financial has adopted a Code of Business Conduct and Ethics for employees and officers as well as for Directors. These Corporate Governance Guidelines, as well as Hanmi Financial's Codes of Business Conduct and Ethics and other governance matters of interest to investors, are available through Hanmi Financial's website at www.hanmi.com by clicking on "Investor Relations" and then "Corporate Overview" and then "Governance Documents."

Our Board and Its Committees

During the fiscal year ended December 31, 2012, our Board held 14 Board meetings. No Director attended fewer than 94% of the aggregate number of meetings of our Board and the committees on which he served. Hanmi Financial's policy is to encourage all Directors to attend all Annual and Special Meetings of Stockholders. Hanmi Financial's 2012 Annual Meeting of Stockholders was attended by all Directors.

Our Board has a process for stockholders to send communications to Directors. Hanmi Financial's stockholders and interested parties may send communications to our Board by writing to our Board at Hanmi Financial Corporation, 3660 Wilshire Boulevard, Penthouse Suite A, Los Angeles, California 90010, Attention: Board of Directors. All such communications will be relayed directly to our Board. Any interested party wishing to communicate directly with Hanmi Financial's independent Directors regarding any matter may send such communication in writing to Hanmi Financial's independent Directors at Hanmi Financial Corporation, 3660 Wilshire Boulevard, Penthouse Suite A, Los Angeles, California 90010, Attention: Chairman of the Board. Any interested party wishing to communicate directly with the Audit Committee regarding any matter, including any accounting, internal accounting controls, or auditing matter, may submit such communication in writing to Hanmi Financial Corporation, 3660 Wilshire Boulevard, Penthouse Suite A, Los Angeles, California 90010, Attention: Chairman of the Audit Committee.

Any of the submissions may be anonymous and/or confidential. Confidentiality is a priority, and all reports will be treated confidentially to the fullest extent possible. Stockholders may communicate to our Board on an anonymous basis and submissions of complaints or concerns will not be traced. For submissions that are not anonymous, the sender may be contacted in order to confirm information or to obtain additional information.

Our Board has three standing committees: the Audit Committee; the Nominating and Corporate Governance and Compensation Committee; and the Planning Committee. Each committee is governed by a charter, each of which is

available through Hanmi Financial's website at www.hanmi.com by clicking on "Investor Relations" and then "Corporate Overview" and then "Governance Documents."

Audit Committee

The Audit Committee appoints an independent registered public accounting firm to conduct the annual audit of Hanmi Financial's books and records. The Audit Committee also reviews with such accounting firm the scope and results of the annual audit, the performance by such accounting firm of professional services in addition to those related to the annual audit, and the adequacy of Hanmi Financial's internal controls. The current members of Hanmi Financial's Audit Committee are John A. Hall, Paul Seon-Hong Kim, Joon Hyung Lee, Joseph K. Rho and William J. Stolte, with Mr. Hall serving as its Chairman. Each member is an outside (or non-employee) Director and meets the independence requirements of the Securities and Exchange Commission ("SEC") and The NASDAQ Stock Market, Inc. ("NASDAQ"). Mr. Hall and Mr. Kim are "audit committee financial experts" within the meaning of the current rules of the SEC. The Audit Committee held 14 meetings during the fiscal year ended December 31, 2012. See "*Report of the Audit Committee of the Board of Directors.*"

Nominating and Corporate Governance and Compensation Committee

The Nominating and Corporate Governance and Compensation ("NCGC") Committee assists our Board as follows: identifies individuals qualified to become Directors; recommends to our Board the Director nominees for our Board and its committees for the next Annual Meeting of Stockholders; develops, recommends, and implements a set of corporate governance principles applicable to Hanmi Financial; and monitors the process to determine the effectiveness of our Board and its committees.

The members of the NCGC Committee are Paul Seon-Hong Kim, I Joon Ahn, John Hall, Joon Hyung Lee, and Joseph K. Rho, with Mr. Kim serving as its Chairman. Each member is an outside (or non-employee) Director and meets the independence requirements of the SEC and NASDAQ. The NCGC Committee held 11 meetings during the fiscal year ended December 31, 2012. See “*NCGC Committee Report*” in this Proxy Statement.

The NCGC Committee believes that our Board as a whole should encompass a range of talent, skill, diversity, and expertise enabling it to provide sound guidance with respect to Hanmi Financial’s operations and interests. In addition to considering a candidate’s background and accomplishments, candidates are reviewed in the context of the current composition of our Board and the evolving needs of Hanmi Financial’s business.

The NCGC Committee seeks directors with strong reputations and experience in areas relevant to the strategy and operations of Hanmi Financial’s business, particularly industries and growth segments that Hanmi Financial serves, such as the banking and financial services industry, as well as key geographic markets where Hanmi Financial operates. Each of Hanmi Financial’s current Directors holds or has held senior executive positions in large, complex organizations and has operating experience that meets this objective. In those positions, they have also gained experience in core management skills, such as strategic and financial planning, public company financial reporting, corporate governance, risk management and leadership development.

The NCGC Committee also believes that each of the current Directors has other key attributes that are important to an effective board: integrity and demonstrated high ethical standards; sound judgment; analytical skills; the ability to engage management and each other in a constructive and collaborative fashion; diversity of origin, background, experience, and thought; and the commitment to devote significant time and energy to service on our Board.

The NCGC Committee annually reviews the individual skills and characteristics of the Directors, as well as the composition of our Board as a whole. This assessment includes a consideration of independence, diversity, age, skills, expertise, time availability, and industry background in the context of the needs of our Board and Hanmi Financial. Although Hanmi Financial has no policy regarding diversity, the NCGC Committee seeks a broad range of perspectives and considers both the personal characteristics (gender, ethnicity, age) and experience (industry, professional, public service) of its Directors and prospective nominees to our Board.

Recommendations by any stockholder for Director nominees must be submitted in writing to the Chairman of the NCGC Committee at Hanmi Financial’s principal executive offices, no later than the last business day of January of the year that Hanmi Financial’s next Annual Meeting of Stockholders will be held, to be considered at such Annual Meeting of Stockholders. Stockholders shall include in such recommendation:

- The name, age, and address of each proposed nominee;

- The principal occupation of each proposed nominee;
- The number of shares of voting stock of Hanmi Financial owned by each proposed nominee;
- The name and address of the nominating stockholder;
- The number of shares of voting stock of Hanmi Financial owned by the nominating stockholder; and

• A letter from the proposed nominee indicating that such proposed nominee wishes to be considered as a nominee for our Board and will serve as a Director if elected.

In addition, each recommendation must set forth, in detail, the reasons why the nominating stockholder believes the proposed nominee meets the following general qualifications, which are the same qualifications used by the NCGC Committee in evaluating nominees:

• Nominees must possess high personal and professional ethics, integrity, and values, and be committed to representing the long-term interests of Hanmi Financial's stockholders;

- Nominees must have an inquisitive and objective perspective, practical wisdom, and mature judgment;

Nominees must possess a broad range of skills, expertise, industry knowledge, and contacts useful to Hanmi Financial's business;

Nominees must be willing to devote sufficient time to carrying out their duties and responsibilities effectively, and should be committed to serve on our Board for an extended period of time;

Pursuant to the Corporate Governance Guidelines, nominees, once elected, should not serve on the boards of directors of more than two other public companies and, unless granted an exception by our Board, nominees cannot serve simultaneously as a Director of Hanmi Financial and as a director or officer of any other depository organization other than a subsidiary bank of Hanmi Financial; and

Pursuant to the Corporate Governance Guidelines, nominees are encouraged to own shares of common stock of Hanmi Financial at a level that demonstrates a meaningful commitment to Hanmi Financial and Hanmi Bank, and to better align the nominee's interests with the stockholders of Hanmi Financial.

In identifying and evaluating Director candidates, the NCGC Committee will solicit and receive recommendations, and review qualifications of potential Director candidates. The NCGC Committee also may use search firms to identify Director candidates. To enable the NCGC Committee to effectively evaluate Director candidates, the NCGC Committee also may conduct appropriate inquiries into the backgrounds and qualifications of Director candidates, including reference checks. As stated above, the NCGC Committee will consider Director candidates recommended by stockholders utilizing the same criteria as candidates identified by the NCGC Committee.

Additionally, the NCGC Committee is responsible for determining the compensation of all of Hanmi Financial's executive officers, including Hanmi Financial's Chief Executive Officer, as well as administering Hanmi Financial's compensation plans. The NCGC Committee has the authority to delegate such decisions to subcommittees of the NCGC Committee. The NCGC Committee also is authorized to retain outside consultants to assist it in determining executive officer compensation.

Planning Committee

The Planning Committee recommends planning policy, new lines of business, capital and financial plans, and dividend plans to our Board, and monitors Hanmi Financial's planning activities and Hanmi Financial's performance against its plans and budget. During 2012, the members of the Planning Committee were William J. Stolte, I Joon Ahn, Paul Seon-Hong Kim, Joseph K. Rho, and Jay S. Yoo, with Mr. Stolte serving as its Chairman. Except for Mr. Yoo, each member is an outside (or non-employee) Director and meets the independence requirements of the SEC and NASDAQ. The Planning Committee held nine meetings during the fiscal year ended December 31, 2012.

Leadership Structure

Our Board does not have a policy regarding the separation of the roles of Chief Executive Officer and Chairman of the Board, as our Board believes it is in the best interests of the Company to make that determination based on the position and direction of the Company and the membership of our Board at any given time. Our Board has determined that having an independent director serve as Chairman of the Board is in the best interest of the Company's stockholders at this time. This structure ensures a greater role for the independent Directors in the oversight of the Company and active participation of the independent Directors in setting agendas and establishing Board priorities and procedures. Further, this structure permits the Chief Executive Officer to focus on the management of the Company's day-to-day operations.

Risk Oversight

The Company has a risk management program overseen by Jean Lim, the Chief Risk Officer of Hanmi Bank, who reports directly to Hanmi Bank's Chief Executive Officer. Material risks are identified and prioritized by management, and each prioritized task is referred to a Board committee or our full Board for oversight. For example, strategic risks are referred to our full Board while financial risks are referred to the Audit Committee. Our Board regularly reviews information regarding the Company's credit, liquidity, and operations, as well as the risks associated with each, and annually reviews the Company's risk management program as a whole. Also, the NCGC Committee periodically reviews the most important risks to the Company to ensure that compensation programs do not encourage excessive risk-taking.

Director Compensation

The following table sets forth certain information regarding compensation paid to persons who served as outside (or non-employee) Directors of Hanmi Financial for the fiscal year ended December 31, 2012:

DIRECTOR COMPENSATION

Name	Fees		Stock Awards	Option Awards	Non-Equity Incentive Plan Compensation	Change in Pension Value and Non-Qualified Deferred Compensation Earnings	All Other Compensation	Total
	(1)	(2)						
(a)	(b)	(c)	(3)	(4)	(5)	(6)	(7)	(8)
I Joon Ahn	\$67,200	\$ -	\$43,200	\$ 3,750	\$ -	\$ 16,054	(6)	\$130,204
John A. Hall	\$74,400	\$ -	\$43,200	\$ 4,000	\$ -	\$ 100	(7)	\$121,700
Paul Seon-Hong Kim	\$69,400	\$ -	\$43,200	\$ 3,750	\$ -	\$ 16,082	(8)	\$132,432
Joon Hyung Lee	\$76,000	\$ -	\$43,200	\$ 4,500	\$ -	\$ 16,062	(9)	\$139,762
Joseph K. Rho	\$134,050	\$ -	\$81,000	\$ 7,000	\$ -	\$ 19,931	(10)	\$241,981
William J. Stolte	\$69,500	\$ -	\$43,200	\$ 4,500	\$ -	\$ 8,252	(11)	\$125,452

(1) All cash compensation and perquisites paid to Directors are paid by Hanmi Bank, which is then reimbursed by Hanmi Financial.

(2) Each Director who is not an employee of Hanmi Financial (an outside Director) is paid a monthly retainer fee of \$3,000 and \$1,000 for attendance at Board meetings (\$500 for telephonic attendance at Board meetings). In addition, the Chairman of the Board receives an additional \$3,000 each month. The Audit Committee Chairman receives an additional \$1,000 each month, and the Loan Committee Chairman receives an additional \$1,500 each month. The chairmen of the remaining committees receive an additional \$750 each month, and committee members receive an additional \$200 each for attending committee meetings (\$100 each for telephonic attendance at committee meetings). In addition, each Director who is not an employee of Hanmi Financial (an outside Director) is paid \$100 per hour for time spent above and beyond attendance at Board and committee meetings for special Company business, e.g., meetings with regulators and stockholders.

(3) All equity awards are made by Hanmi Financial, are for shares of Hanmi Financial's common stock, and are made pursuant to the 2007 Plan.

(4) Pursuant to new SEC regulations regarding the valuation of equity awards, amounts in column (c) represent the applicable full grant date fair values of stock awards in accordance with FASB ASC Topic 718, excluding the effect for forfeitures. For further information, see Note 12 to Hanmi Financial's audited financial statements for the year ended December 31, 2012 included in Hanmi Financial's Annual Report on Form 10-K filed with the SEC on March 15, 2013.

(5)

Pursuant to new SEC regulations regarding the valuation of equity awards, amounts in column (d) represent the applicable full grant date fair values of option awards in accordance with FASB ASC Topic 718, excluding the effect for forfeitures. For further information, see Note 12 to Hanmi Financial's audited financial statements for the year ended December 31, 2012 included in Hanmi Financial's Annual Report on Form 10-K filed with the SEC on March 15, 2013.

(6) *Amount consists of: (a) health insurance premiums of \$15,825; (b) life insurance premiums of \$129; (c) a Holiday gift card of \$100.*

(7) *Amount consists of a Holiday gift card of \$100.*

(8) *Amount consists of: (a) health insurance premiums of \$15,825; (b) life insurance premiums of \$157; (c) a Holiday gift card of \$100.*

(9) *Amount consists of; (a) health insurance premiums of \$15,825; (b) life insurance premiums of \$137; (c) a Holiday gift card of \$100.*

(10) *Amount consists of; (a) health insurance premiums of \$15,791; (b) life insurance premiums of \$129; (c) club membership of \$3,912; (d) a Holiday gift card of \$100*

(11) *Amount consists of; (a) health insurance premiums of \$8,035; (b) life insurance premiums of \$117; (c) a Holiday gift card of \$100.*

(12) *See “—Outstanding Equity Awards at Fiscal Year-End” below for information regarding Hanmi Financial's Directors unexercised stock options as of December 31, 2012.*

Outstanding Equity Awards at Fiscal Year-End

The following table shows information as of December 31, 2012 for Hanmi Financial's Directors concerning unexercised stock options:

Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$)	Option Expiration Date
I Joon Ahn	3,000	(a) -	\$ 173.04	11/15/2016
	1,500	(b) 1,000	(b) \$ 10.80	04/08/2019
	2,000	(d) 6,000	(d) \$ 12.54	12/22/2022
John A. Hall	1,500	(b) 1,000	(b) \$ 10.80	04/08/2019
	2,000	(d) 6,000	(d) \$ 12.54	12/22/2022
Paul Seon-Hong Kim	1,500	(b) 1,000	(b) \$ 10.80	04/08/2019
	2,000	(d) 6,000	(d) \$ 12.54	12/22/2022
Joon Hyung Lee	3,000	(a) -	\$ 173.04	11/15/2016
	1,000	(b) 1,000	(b) \$ 10.80	04/08/2019
	2,000	(d) 6,000	(d) \$ 12.54	12/22/2022
Joseph K. Rho	3,000	(a) -	\$ 173.04	11/15/2016
	1,500	(b) 1,000	(b) \$ 10.80	04/08/2019
	3,750	(e) 11,250	(e) \$ 12.54	12/22/2022
William J. Stolte	1,500	(c) 1,000	(c) \$ 12.56	04/22/2019
	2,000	(d) 6,000	(d) \$ 12.54	12/22/2022

(a) On November 15, 2006, pursuant to the 2000 Plan, 8,000 stock options were granted to each Director with vesting as follows: 33.33% to vest on November 15, 2007 and 33.33% on each of the next two anniversary dates.

(b) On April 8, 2009, pursuant to the 2007 Plan, 2,500 stock options were granted to each Director with vesting as follows: 20% to vest on April 8, 2010 and 20% on each of the next four anniversary dates.

(c) On April 22, 2009, pursuant to the 2007 Plan, 2,500 stock options were granted to Mr. Stolte with vesting as follows: 20% to vest on April 22, 2010 and 20% on each of the next four anniversary dates.

(d) On December 12, 2012, pursuant to the 2007 Plan, 8,000 stock options were granted to each Director (except to Mr. Rho, the Chairman of the Board) with vesting as follows: 25% to vest immediately and 25% on each of the next three anniversary dates.

(e) On December 12, 2012, pursuant to the 2007 Plan, 15,000 stock options were granted to Mr. Rho, the Chairman of the Board, with vesting as follows: 25% to vest immediately and 25% on each of the next three anniversary dates.

NCGC Committee Interlocks and Insider Participation

Paul Seon-Hong Kim, I Joon Ahn, John Hall, Joon H. Lee, and Joseph K. Rho served as members of the NCGC Committee during the last completed fiscal year. No member of the NCGC Committee was an officer or employee of Hanmi Financial or Hanmi Bank during the fiscal year ended December 31, 2012. No member of the NCGC Committee is or was on the compensation committee of any other entity whose officers served either on our Board or on the NCGC Committee.

REPORT OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

Our Board maintains an Audit Committee composed of a minimum of three (3) outside (or non-employee) Directors. Currently, the Audit Committee consists of five (5) outside Directors. Our Board and the Audit Committee believe that the Audit Committee's current member composition satisfies Rule 5605(c)(2)(A) of NASDAQ, which governs audit committee composition, because all Audit Committee members are "independent directors."

The primary responsibility of the Audit Committee is to assist our Board in fulfilling its responsibility to oversee management's conduct of Hanmi Financial's financial reporting process, including: overseeing the integrity of the financial reports and other financial information provided to governmental or regulatory bodies (such as the SEC), the public, and other users thereof; Hanmi Financial's systems of internal accounting and financial controls; and the annual independent audit of Hanmi Financial's financial statements.

Management has the primary responsibility for the financial statements and the reporting process, including the system of internal controls. The independent registered public accounting firm, or the independent auditor, appointed by the Audit Committee is responsible for auditing the financial statements and expressing an opinion on the conformity of those financial statements with U.S. generally accepted accounting principles.

In fulfilling its oversight responsibilities, the Audit Committee reviewed the 2012 audited financial statements with management and the independent auditor. The Audit Committee discussed with the independent auditor the matters required to be discussed in accordance with Statement of Auditing Standards No. 114 (as amended by AICPA, Professional Standards, Vol. 1, AU Section 380), as adopted by the Public Company Accounting Oversight Board ("PCAOB") in Rule 3200T regarding "Communication with Audit Committees." This included a discussion of the independent auditor's judgments as to the quality, not just the acceptability, of the accounting principles, the reasonableness of significant judgments, the disclosures in the financial statements, and any other matters that are required to be discussed with the Audit Committee under PCAOB standards. In addition, the Audit Committee received from the independent auditor written disclosures and the letter required by the applicable requirements of the PCAOB regarding the independent auditor's communication with the Audit Committee concerning independence, and the Audit Committee has discussed with the independent auditor the independent auditor's independence.

In addition, in response to the requirements set forth in Section 404 of the Sarbanes-Oxley Act of 2002 and related regulations, management assessed the effectiveness of Hanmi Financial's internal control over financial reporting as of December 31, 2012. Management based this assessment on criteria for effective internal control over financial reporting described in *Internal Control-Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Management's assessment included an evaluation of the design of Hanmi Financial's internal control over financial reporting and testing of the operational effectiveness of its internal control over financial reporting. At the conclusion of management's assessment, the Audit Committee reviewed a report submitted by management on the effectiveness of Hanmi Financial's internal control over financial reporting.

The Audit Committee discussed with Hanmi Financial's independent auditor the overall scope and plans for its audits. The Audit Committee met with the independent auditor, with and without management present, to discuss the results of its audits and its evaluations of Hanmi Financial's internal controls and the overall quality of Hanmi Financial's financial reporting. The Audit Committee also discussed the independence of the independent auditor and concluded that its services provided to Hanmi Financial, including its tax and non-audit related work, were compatible with maintaining its independence.

Based on the reviews and discussions referred to above, the Audit Committee recommended to our Board, and our Board approved, that the audited financial statements be included in Hanmi Financial's Annual Report on Form 10-K for the fiscal year ended December 31, 2012 for filing with the SEC.

THE AUDIT COMMITTEE

John A. Hall (Chairman)
Paul Seon-Hong Kim
Joon Hyung Lee
Joseph K. Rho
William J. Stolte

EXECUTIVE COMPENSATION**Named Executive Officers**

The following tables set forth information with respect to the named executive officers of Hanmi Financial (our “Named Executive Officers”).

Name and Position	Age	Principal Occupation for Past Five Years and 10 Year Legal Proceedings
Chong Guk (C. G.) Kum, <i>President and Chief Executive Officer</i>	58	<p><i>Current Position:</i> President and Chief Executive Officer, Hanmi Financial and Hanmi Bank (June 2013 to present)</p> <p><i>Previous Positions:</i> President, and Chief Executive Officer, First California Financial Group, Inc. and its subsidiary First California Bank (September 1999 to May 2013)</p>
Shick (Mark) Yoon, <i>Senior Vice President and Chief Financial Officer</i>	45	<p><i>Current Position:</i> Senior Vice President and Chief Financial Officer, Hanmi Financial and Hanmi Bank (April 2013 to present)</p> <p><i>Previous Positions:</i> Senior Vice President and Interim Chief Financial Officer, Hanmi Financial and Hanmi Bank (November 2012 to April 2013)</p> <p>Senior Vice President and Chief Strategy Officer, Hanmi Bank (October 2011 to April 2013)</p> <p>Senior Vice President and Deputy Chief Financial Officer, Hanmi Bank (April 2011 to October 2011)</p> <p>Senior Vice President, Treasurer and Senior Strategy Officer, Hanmi Bank (September 2008 to April 2011)</p> <p>First Vice President and Controller, First Standard Bank (January 2008 to July 2008)</p>
Jung Hak Son, <i>Executive Vice President and Chief Credit Officer</i>	54	<p><i>Current Position:</i> Executive Vice President and Chief Credit Officer, Hanmi Bank (October 2009 to present)</p>

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Previous Positions: Senior Vice President and District Leader of various districts, Hanmi Bank (2006 – 2009)

Jay S. Yoo,	66	<i>Current Position:</i>	N/A
<i>Former President and Chief Executive Officer</i>		<i>Previous Positions:</i>	President and Chief Executive Officer, Hanmi Financial and Hanmi Bank (June 2008 to June 2013) Chairman, President, and Chief Executive Officer, Woori America Bank, a subsidiary of Woori Bank (2001 to 2007)

Name and Position	Age	Principal Occupation for Past Five Years and 10 Year Legal Proceedings
Lonny D. Robinson, <i>Former Executive Vice President and Chief Financial Officer</i>	55	<p><i>Current Position:</i> N/A</p> <p><i>Previous Positions:</i> Executive Vice President and Chief Financial Officer, Hanmi Financial and Hanmi Bank (October 2011 to November 2012)</p> <p>Executive Vice President and Chief Financial Officer, Opportunity Bancshares (September 2010 to October 2011)</p> <p>Executive Vice President and Chief Financial Officer, Western Community Bancshares (June 2010 to September 2010)</p> <p>Executive Vice President and Chief Financial Officer, Center Financial Corporation (April 2007 to May 2010)</p>

The current President and Chief Executive Officer of Hanmi Financial and Hanmi Bank, Chong Guk (C. G.) Kum, was appointed by our Board effective June 12, 2013. The current Chief Financial Officer of Hanmi Financial and Hanmi Bank, Shick (Mark) Yoon, was appointed by our Board as interim Chief Financial Officer effective November 13, 2012, and was appointed by our Board as permanent Chief Financial Officer effective April 11, 2013.

The former President and Chief Executive Officer of Hanmi Financial and Hanmi Bank, Jay S. Yoo, resigned effective June 11, 2013. The former Executive Vice President and Chief Financial Officer of Hanmi Financial and Hanmi Bank, Lonny D. Robinson, resigned effective November 13, 2012.

None of the Named Executive Officers was hired pursuant to any arrangement or understanding. There are no family relationships among the Directors or the Named Executive Officers.

Compensation Discussion and Analysis

Overview

This Compensation Discussion and Analysis (“CD&A”) describes our compensation philosophy, methodologies and our current practices with respect to the remuneration programs for our Named Executive Officers. The compensation programs of our Named Executive Officers are established, evaluated and maintained by the NCGC Committee of Hanmi Financial’s Board of Directors. The NCGC Committee is comprised entirely of outside Directors that satisfy the NASDAQ listing requirements and relevant Internal Revenue Code and SEC regulations on independence.

Compensation Philosophy and Objectives

The compensation programs provided to our Named Executive Officers are designed to attract and retain high caliber banking executives, and to appropriately reward them for their achievement of business objectives that further the success of Hanmi Financial. Another objective is to encourage continued performance by offering long-term incentives, such as stock options, that align executive and stockholders’ interest. In the end, the overriding goal is to maximize stockholder value.

Methodology for Establishing Compensation

To assist the NCGC Committee in its administration of the compensation programs for our Named Executive Officers, the Human Resources Department of Hanmi Financial gathers data from competing financial institutions. The compensation data is obtained from both proxy statements of publicly traded banks and from salary survey data provided by the California Department of Financial Institutions. In addition to the market data, the NCGC Committee also reviews and considers the recommendations from our Chief Executive Officer with respect to our Named Executive Officers other than our Chief Executive Officer.

In establishing the target compensation levels and pay mix for our Named Executive Officers, the NCGC Committee periodically reviews publicly disclosed compensation data of California banks with total assets ranging between \$1.0 and \$7.0 billion (the “Peer Group”), including:

	<u>Total Assets</u>
	<u>At December 31, 2012</u>
	<i>(in billions)</i>
CVB Financial Corporation	\$ 6.4
BBCN Bancorp, Inc.	\$ 5.6
Westamerica Bancorporation	\$ 5.0
Wilshire Bancorp Inc.	\$ 2.8
First California Bank	\$ 1.9
Pacific Mercantile Bancorp	\$ 1.1

The Peer Group was selected to include banks comparable in size and those that the Hanmi Financial competes with in the market for executive talent, including two banks that are direct competitors in the Los Angeles Korean-American community. The survey data was used by the NCGC Committee as a second point of reference in determining the appropriate levels of compensation and pay mix for our Named Executive Officers.

Although the decisions regarding the compensation levels are guided by the information provided from the Peer Group and survey data, the NCGC Committee also takes into account the prevailing economic environment and the current financial condition of Hanmi Financial. The objective of the NCGC Committee is to establish compensation programs that are motivating but affordable, with the purpose of aligning the interests of our Named Executive Officers with those of our stockholders.

Elements of the Compensation Program

The following describes the various components of the compensation mix that Hanmi Financial provides to our Named Executive Officers, the objectives of each pay component and how each component is used to create a total competitive compensation package.

The NCGC Committee provides our Named Executive Officers with a compensation package that includes annual base salary, short-term cash incentive compensation, long-term incentive awards, executive perquisites and a broad-based benefits program.

Annual Base Salary

Annual base salaries are the fixed portion of our Named Executive Officers' cash compensation and are intended to reward the day-to-day aspects of their roles and responsibilities. Our Named Executive Officers' annual salaries were set at the time they first joined the bank. The initial salaries were established by taking into account several factors including, but not limited to, the executive's experience, responsibilities, management abilities and job performance. Hanmi Financial targets base salaries for its Named Executive Officers at market median. The NCGC Committee believes that the fiscal year 2012 base salaries of Hanmi Financial's Named Executive Officers are competitive with companies of similar size. Pay adjustments, if any, are generally made annually, after reviewing overall company performance, individual performance and the affordability of the increase. For fiscal year 2012, there were minimal salary adjustments for our Named Executive Officers. Our President and Chief Executive Officer is the only Named Executive Officer who has an Employment Agreement with Hanmi Financial. All other Named Executive Officers are employed at will.

Short-Term Cash Incentive Compensation

In accordance with Hanmi Financial's compensation philosophy, a significant portion of the compensation of our Named Executive Officers is performance-based. For each Named Executive Officer, target bonuses are stated as a percentage of annual base salary. The annual bonus payable to our President and Chief Executive Officer is capped at 100% of his annual base salary. The annual bonuses payable to the other Named Executive Officers' are capped at 50% of their respective annual base salary.

Generally, the NCGC Committee reviews performance against pre-established financial and non-financial goals on an annual basis to determine the short-term cash incentive compensation of our Named Executive Officers. In 2012, there were no formal financial performance measures set to calculate short-term bonuses. Payment of short-term cash incentives are solely at the discretion of the NCGC Committee based on the overall financial performance of the organization.

Long-Term Incentive Awards

Long-term incentive awards, such as stock options and restricted stock, are the third key component of our Named Executive Officers' total compensation. The members of the NCGC Committee believe that employee stock ownership is a significant incentive for our Named Executive Officers to build stockholder wealth, and thereby aligning the interests of employees and stockholders. The members of the NCGC Committee also believe that equity-based compensation complements the short-term cash incentive compensation by forcing executives to recognize the impact their short-term decisions might have on long-term outcomes. This compensation approach limits an executive's ability to reap short-term gains at the expense of Hanmi Financial's long-term success. This is also an important tool in retaining Named Executive Officers, particularly through less rewarding years.

Long-term incentive awards were granted to our Named Executive Officers pursuant to the Hanmi Financial Corporation 2007 Equity Compensation Plan, as may be amended from time to time (the "2007 Plan"). On July 24, 2013, our Board adopted the Amended and Restated Hanmi Financial Corporation 2013 Equity Compensation Plan (the "2013 Plan") and recommended that it be submitted to the Company's stockholders for their approval at the Annual Meeting. Subject to stockholder approval of the 2013 Plan, long-term incentive awards will be granted to our Named Executive Officers pursuant to the 2013 Plan, as may be amended from time to time. The NCGC Committee has not established grant guidelines; rather, the size, timing, and other material terms of the long-term incentive awards for our Named Executive Officers are made at the discretion of the NCGC Committee. Factors considered by the NCGC Committee include awards to industry peers and each executive's previous grant history. Stock options and restricted stock grants awarded are included in the Summary Compensation Table.

The NCGC Committee approved all awards under the 2007 Plan and acted as the administrator of the 2007 Plan, and, subject to stockholder approval of the 2013 Plan at the Annual Meeting, will approve all awards under the 2013 Plan and will act as the administrator of the 2013 Plan. On December 12, 2012, the NCGC Committee approved stock option grants under the 2007 Plan to the directors, management and officers of Hanmi bank from Vice President level and up. In connection with the appointment of Chong Guk (C. G.) Kum as our President and Chief Executive Officer, the NCGC Committee approved grants of a stock option and restricted shares of common stock under the 2013 Plan to Mr. Kum, subject to stockholder approval of the 2013 Plan at the Annual Meeting. For more information regarding the equity awards to Mr. Kum, please see the "*—Named Executive Officers' Compensation—Compensation for President and Chief Executive Officer, Chong Guk (C. G.) Kum*" section below.

Executive Perquisites

Our Named Executive Officers and other senior management employees receive the following benefits in addition to their other compensation: gasoline card; cellular phone allowance; and automobile allowance. Our President and Chief Executive Officer, Chong Guk (C. G.) Kum, also receives a membership in a golf country club. These additional benefits of our Named Executive Officers are detailed under the “—*Named Executive Officers’ Compensation*” section and in the Summary Compensation Table below.

Broad-Based Benefits Programs

Our Named Executive Officers participate in the benefit programs that are available to all full-time employees. These benefits include health, dental, vision, and life insurance, short-term and long-term disability insurance, healthcare reimbursement accounts, paid vacation, and contributions to a 401(k) profit sharing retirement plan.

Severance Arrangements

The Employment Agreement of our President and Chief Executive Officer, Chong Guk (C. G.) Kum, contains provisions for severance arrangements in case of the involuntary termination of his employment by Hanmi Financial and Hanmi Bank without cause. In the event Mr. Kum's employment is terminated by Hanmi Financial and Hanmi Bank without cause, then, subject to his execution of an effective general release of claims, Mr. Kum is entitled to receive (i) continuation of his then annual base salary for one year, (ii) the pro-rated portion of his bonus for the prior year based on the number of days worked during the year of termination, (iii) any accrued and/or unpaid salary, unused vacation, expense reimbursements, and other benefits to which he is entitled, and (iv) reimbursement of health insurance premiums, subject to certain limitations. In addition, all outstanding and then unvested stock options, restricted stock and other equity awards granted to Mr. Kum under any of the Company's equity incentive plans will be deemed to have vested as if Mr. Kum's employment has continued for one year following his actual termination date. Furthermore, if within 18 months following a change in control (as defined in Mr. Kum's Employment Agreement) of the Company, if Hanmi Financial and Hanmi Bank terminates Mr. Kum's employment without cause or he terminates his employment for good reason (as defined in the Employment Agreement), then, subject to his execution of an effective general release of claims and certain limitations, Mr. Kum is entitled to receive (a) any accrued and/or unpaid salary, unused vacation, expense reimbursements, and other benefits to which he is entitled, and (b) two times the sum of (1) his then current annual base salary and (2) the then maximum annual bonus amount. And in the event of any change in control of the Company, all of Mr. Kum's equity awards will fully and automatically vest. The other Named Executive Officers do not have any such severance arrangements.

Compensation Policy Risk Assessment

The NCGC Committee reviews the compensation of our Named Executive Officers, as well as the overall compensation practices for the organization. Any performance incentive programs, awarding of bonus payments, and the budgeting for annual salary adjustments are reviewed and approved by the NCGC Committee before being presented to our full Board for ratification. An important aspect of the review is an assessment of whether the programs in any way encourage our Named Executive Officers or any other employee of Hanmi Financial to take unacceptable risk, in the short or long term.

Named Executive Officers' Compensation

Our Chief Executive Officer meets with the NCGC Committee to review our Chief Executive Officer's compensation recommendation for the other Named Executive Officers.

Compensation for, and Employment Agreement of, President and Chief Executive Officer, Chong Guk (C. G.) Kum

Chong Guk (C. G.) Kum joined Hanmi Financial and Hanmi Bank as our President and Chief Executive Officer effective June 12, 2013.

Term

His Employment Agreement, dated as of May 24, 2013, has a four-year term, which expires on the earlier of (i) June 12, 2017 or (ii) the effective date of termination of his employment pursuant to the terms of his Employment Agreement.

Compensation

His Employment Agreement provides for an annual base salary of \$450,000, which may be increased, but not decreased, in the sole discretion of the NCGC Committee, and under the terms of his Employment Agreement, Mr. Kum is eligible to receive an annual bonus capped at 100% of his annual base salary. Mr. Kum's annual bonus, which is to be paid in cash, is generally dependent on the attainment of certain financial goals set by the NCGC Committee. In addition, under Mr. Kum's Employment Agreement, he is entitled to the use of a company car, a bank issued cellular telephone, membership in a golf country club, and payment of reasonable business related expenses.

Equity Awards

His Employment Agreement also provides for the granting of a stock option to purchase 180,000 shares of Hanmi Financial common stock under the 2013 Plan, subject to stockholder approval of the 2013 Plan at the Annual Meeting. The stock option will be subject to the terms and conditions set forth in the 2013 Plan, and will vest ratably in equal installments over three years, subject to Mr. Kum continuing employment with the Company. Mr. Kum's Employment Agreement also provides for the granting of 30,000 restricted shares of Hanmi Financial common stock under the 2013 Plan, subject to stockholder approval of the 2013 Plan at the Annual Meeting. The restricted shares will be subject to the terms and conditions set forth in the 2013 Plan, and will vest ratably in equal installments over three years, subject to Mr. Kum continuing employment with the Company.

Termination Without Cause

Pursuant to the terms of Mr. Kum's Employment Agreement, if Mr. Kum's employment is terminated by Hanmi Financial and Hanmi Bank without cause (as defined in the Employment Agreement), then, subject to his execution of an effective general release of claims, Mr. Kum is entitled to receive (i) continuation of his then annual base salary for one year, (ii) the pro-rated portion of his bonus for the prior year based on the number of days worked during the year of termination, (iii) any accrued and/or unpaid salary, unused vacation, expense reimbursements, and other benefits to which he is entitled, and (iv) reimbursement of health insurance premiums, subject to certain limitations. In addition, all outstanding and then unvested stock options, restricted stock and other equity awards granted to Mr. Kum under any of the Company's equity incentive plans will be deemed to have vested as if Mr. Kum's employment has continued for one year following his actual termination date.

Termination Following a Change in Control

If within 18 months following a change in control (as defined in Mr. Kum's Employment Agreement) of the Company, if Hanmi Financial and Hanmi Bank terminates Mr. Kum's employment without cause or he terminates his employment for good reason (as defined in the Employment Agreement), then, subject to his execution of an effective general release of claims and certain limitations, Mr. Kum is entitled to receive (i) any accrued and/or unpaid salary, unused vacation, expense reimbursements, and other benefits to which he is entitled, and (ii) two times the sum of (a) his then current annual base salary and (b) the then maximum annual bonus amount. In addition, in the event of any change in control of the Company, all of Mr. Kum's equity awards will fully and automatically vest.

Compensation for Chief Financial Officer, Shick (Mark) Yoon

Mr. Shick (Mark) Yoon, Senior Vice President & Chief Financial Officer joined the organization in September 2008. He does not have an employment agreement and his employment is at-will. His annual base salary was adjusted to \$180,000 when he was appointed as interim Chief Financial Officer in November 2012, and when he subsequently was appointed as permanent Chief Financial Officer in April 2013, his annual base salary was adjusted to \$200,000. He is also eligible to receive incentive cash compensation of up to 50% of his annual base salary. Any annual bonus payable to Mr. Yoon is dependent on the bank's performance and his individual performance, and is at the sole discretion of the NCGC Committee. In December 2012, he received a \$15,000 cash bonus.

In 2012, he received a base salary of \$165,423 as well as an auto allowance of \$700 per month, a cell phone allowance of \$100 per month, a gas card, and other general benefits afforded to all employees. On December 12, 2012, the NCGC Committee awarded Mr. Yoon an option to purchase 5,500 shares of the common stock of Hanmi Financial under the 2007 Plan. 25% of the option vested immediately and an additional 25% will vest on the anniversary date

for the next three years.

Compensation for Chief Credit Officer, Jung Hak Son

Mr. Jung Hak Son, Executive Vice President and Chief Credit Officer since December 2009, also does not have an employment agreement and his employment is at-will. In 2012, he received an annual base salary of \$226,892, as well as an auto allowance of \$700 per month, a cell phone allowance of \$100 per month, a gas card, and other general benefits afforded to all employees. He is also eligible to receive incentive cash compensation of up to 50% of his annual base salary. Any annual bonus payable to Mr. Son is dependent on the bank's performance and his individual performance, and is at the sole discretion of the NCGC Committee. In December 2012, he received a \$19,000 cash bonus.

On December 12, 2012, the NCGC Committee awarded Mr. Son an option to purchase 6,000 shares of the common stock of Hanmi Financial under the 2007 Plan. 25% of the option vested immediately and an additional 25% will vest on the anniversary date for the next three years.

Compensation for Former Chief Executive Officer, Jay S. Yoo

Jay S. Yoo, our former President and Chief Executive Officer joined the organization in June 2008 and resigned in June 2013. His Employment Agreement, as amended by an Amendment to Employment Agreement, dated as of February 23, 2011, provided for an annual base salary of \$370,000 and a target bonus of up to 75% of his annual base salary. Mr. Yoo's annual bonus, which was paid in cash, was generally dependent on the attainment of certain financial goals set by the NCGC Committee. The financial goals for bonus calculations were not set in 2012. Instead, in December 2012, the performance of Hanmi Bank as a whole was evaluated and our Board awarded a cash bonus of \$30,800 to Mr. Yoo.

In addition, under Mr. Yoo's Employment Agreement, as amended, he was entitled to the use of a company car, a bank issued cellular telephone, membership in a golf country club, and payment of reasonable business related expenses. The Amendment to his Employment Agreement also provided for the granting of an option to purchase 18,750 shares of Hanmi Financial stock. The terms of the stock options are subject to the terms and conditions set forth in the 2007 Plan. The options vested in equal installments over three years starting one year after the date of the grant. The Amendment to Mr. Yoo's Employment Agreement also provided for the issuance of 7,500 shares of restricted stock. The terms of the restricted stock are subject to the terms and conditions set forth in the 2007 Plan. This restricted stock vested in equal installments over three years starting one year after the issuance date. The first two vestings occurred in June 2011 and June 2012 and are detailed in the compensation table included in this report.

On December 12, 2012, the NCGC Committee awarded 7,000 stock options to Mr. Yoo under the 2007 Plan. 25% of the stock option vested immediately and an additional 25% will vest on the anniversary date for the next three years. Upon Mr. Yoo's resignation, all unvested stock options were accelerated.

Upon Mr. Yoo's resignation, he is not entitled to any severance payments under his Employment Agreement.

Compensation for Former Chief Financial Officer, Lonny D. Robinson

Lonny D. Robinson, our former Executive Vice President & Chief Financial Officer joined the organization in October 2011 and resigned in November 2012. He did not have an employment agreement and his employment was at-will. Per his employment letter executed on September 13, 2011, his annual base salary was \$230,000 and he was eligible to receive an annual bonus of up to 50% of his annual base salary. The bonus payable to Mr. Robinson was dependent on the bank's performance and his individual performance.

In 2012, he received a base salary of \$205,231, as well as an auto allowance of \$700 per month, a cell phone allowance of \$100 per month, a gas card, and other general benefits afforded to all employees. His employment letter also provided for the granting of an option to purchase 6,250 shares of the common stock of Hanmi Financial. The terms of the stock options are subject to the terms and conditions set forth in the 2007 Plan. The options vested in equal installments over five years starting one year after the date of the grant. In addition to the stock options, the letter also provided for the granting of 2,500 shares of restricted common stock of Hanmi Financial. The restricted stock vested in equal installments over five years starting one year after the date of grant. He resigned in November 2012, at which time, he forfeited the entire unvested portion of both the stock options and restricted stock that were previously granted to him.

Administrative Policies and Practices

To evaluate and administer the compensation programs of our Named Executive Officers, the NCGC Committee meets at least four times a year. In addition, the NCGC Committee also holds special meetings to discuss extraordinary items. At the end of a meeting, the NCGC Committee may choose to meet in executive session, when necessary. During the fiscal year 2012, the NCGC Committee met 11 times.

Stock Ownership Guidelines

The NCGC Committee has not implemented stock ownership guidelines for our Named Executive Officers; however, the NCGC Committee continues to periodically review best practices and re-evaluate whether stock ownership guidelines are consistent with our compensation philosophy and stockholders' interests.

Tax Deductibility of Executive Officer Compensation

Internal Revenue Code Section 162(m) precludes a public corporation from taking a deduction for compensation in excess of \$1 million for its chief executive officer or any of its three other highest paid executive officers (excluding the chief financial officer), unless certain specific and detailed criteria are satisfied. However, performance-based compensation that has been approved by stockholders is excluded from the \$1 million limit. The NCGC Committee will continue to carefully consider the impact of Section 162(m) in determining the appropriate pay mix and compensation levels for our Named Executive Officers.

Potential Payments Upon Termination

Pursuant to the Employment Agreement of our President and Chief Executive Officer, Chong Guk (C. G.) Kum, Hanmi Financial will be required to provide compensation to our President and Chief Executive Officer in the event of a termination of his employment in different situations. The amount of compensation payable to our President and Chief Executive Officer in each situation is listed in the tables below.

The following table describes the potential payments upon termination for Mr. Kum:

Executive Benefits and Payments Upon Termination (1)	Voluntary Termination	Termination Without Cause	Termination For Cause	Termination Following a Change in Control	Death	Disability
Compensation:						
Base Salary and Bonus	\$ -	\$ 450,000	(2) \$ -	\$ 900,000	(3) \$-	(4) \$ - (4)
Benefits and Perquisites:						
Disability Income	\$ -	\$ -	\$ -	\$ -	\$-	\$ - (5)
Accrued Vacation Pay	\$ - (6)	\$ 19,210	(6) \$ 19,210	(6) \$ 19,210	(6) \$ 19,210	(6) \$ 19,210 (6)
Total	\$ -	\$ 469,210	\$ 19,210	\$ 919,210	\$ 19,210	\$ 19,210

(1) Assumes Mr. Kum's date of termination is December 31, 2013.

(2) Amount represents total salary and bonus to be paid to Mr. Kum, which is (a) his then annual base salary for one year and (b) the pro-rated portion of his bonus for the prior year based on the number of days worked during the year of termination. No bonus will be payable to Mr. Kum until after his continued employment in the fiscal year ending December 31, 2014, therefore, no bonus payment is reflected.

(3) Amount represents total salary and bonus to be paid to Mr. Kum, which is two times the sum of (a) his then current annual base salary and (b) the then maximum annual bonus amount. No bonus will be payable to Mr. Kum until after his continued employment in the fiscal year ending December 31, 2014, therefore, no bonus payment is reflected.

(4) Amount represents total bonus to be paid to Mr. Kum, which is a pro-rated portion of his prior year's bonus based on the number days worked during the year of termination. No bonus will be payable to Mr. Kum until after his continued employment in the fiscal year ending December 31, 2014, therefore, no bonus payment is reflected.

(5) Amount is indeterminable at this time.

(6) Amount represents cash lump-sum payment for unused vacation days as of termination date.

Below is a description of the assumptions that were used in creating the table above. The descriptions of the payments below are applicable only to our President and Chief Executive Officer's potential payments upon termination.

Termination For Cause or Voluntary Termination

Hanmi Financial and Hanmi Bank may terminate Mr. Kum's employment for "cause." Also, at any time after the commencement of employment, Mr. Kum may terminate his employment agreement. In the event of a termination for cause, or if Mr. Kum voluntarily resigns, then, subject to his execution of an effective general release of claims, he is entitled to receive any accrued and/or unpaid salary, unused vacation, expense reimbursements, and other benefits to which he is entitled.

Termination Without Cause

Hanmi Financial and Hanmi Bank may terminate Mr. Kum's employment without a showing of "cause." If Hanmi Financial and Hanmi Bank terminates Mr. Kum's employment agreement without "cause," then, subject to his execution of an effective general release of claims, Mr. Kum is entitled to receive (i) continuation of his then annual base salary for one year, (ii) the pro-rated portion of his bonus for the prior year based on the number of days worked during the year of termination, (iii) any accrued and/or unpaid salary, unused vacation, expense reimbursements, and other benefits to which he is entitled, and (iv) reimbursement of health insurance premiums, subject to certain limitations. In addition, all outstanding and then unvested stock options, restricted stock and other equity awards granted to Mr. Kum under any of the Company's equity incentive plans will be deemed to have vested as if Mr. Kum's employment has continued for one year following his actual termination date.

Termination Following a Change in Control

If within 18 months following a “change in control” of the Company, if Hanmi Financial and Hanmi Bank terminates Mr. Kum’s employment without cause or he terminates his employment for “good reason,” then, subject to his execution of an effective general release of claims and certain limitations, Mr. Kum is entitled to receive (i) any accrued and/or unpaid salary, unused vacation, expense reimbursements, and other benefits to which he is entitled, and (ii) two times the sum of (a) his then current annual base salary and (b) the then maximum annual bonus amount. And in the event of any change in control of the Company, all of Mr. Kum’s equity awards will fully and automatically vest.

Termination Due to Death or Disability

If Mr. Kum’s employment terminates because of disability or death, then, subject to his or his estate’s execution of an effective general release of claims, he or his estate is entitled to receive (i) any accrued and/or unpaid salary, unused vacation, expense reimbursements, and other benefits to which he is entitled, and (ii) a pro-rated portion of his prior year’s bonus based on the number days worked during the year of termination.

Other Executives

Hanmi Financial does not have an employment agreement with any other executives. Because other executives’ employment are “at-will,” Hanmi Financial does not owe any compensation to other executives in the event of a termination of employment or a change in control of Hanmi Financial other than accrued salary and accrued vacation not used.

Summary Compensation Table

The following table summarizes the total compensation paid or earned by our Named Executive Officers for the fiscal years ended December 31, 2012, 2011 and 2010.

SUMMARY COMPENSATION TABLE

**Change
in
Pension**

Name and Principal Position	Year	Salary (1)	Bonus (1) (5)	Stock Awards (2) (3)	Option Awards (2) (4)	Non-Equity Incentive Plan Compensation (g)	Value and Non- Qualified Deferred Compensation (h)	All Other Compensation (i)		Total (j)
Shick (Mark) Yoon, Senior Vice President and Chief Financial Officer	2012	\$ 165,423	\$ 15,000	\$-	\$ 29,700	\$ -	\$ -	\$ 37,998	(9)	\$ 248,121
	2011	\$ 149,385	\$-	\$-	\$-	\$ -	\$ -	\$ 20,199	(9)	\$ 169,584
	2010	\$ 117,404	\$-	\$-	\$-	\$ -	\$ -	\$ 43,628	(9)	\$ 161,032
Jung Hak Son, Executive Vice President and Chief Credit Officer	2012	\$ 226,892	\$ 19,000	\$ 3,503	\$ 32,400	\$ -	\$ -	\$ 33,878	(10)	\$ 315,673
	2011	\$ 218,815	\$-	\$-	\$-	\$ -	\$ -	\$ 43,708	(10)	\$ 262,523
	2010	\$ 210,000	\$-	\$-	\$-	\$ -	\$ -	\$ 91,960	(10)	\$ 301,960
Jay S. Yoo, Former President, Chief Executive Officer and Director (6)	2012	\$ 365,385	\$ 30,833	\$ 27,205	\$ 37,800	\$ -	\$ -	\$ 51,282	(11)	\$ 512,505
	2011	\$ 364,538(8)	\$-	\$ 78,000	\$ 114,795	\$ -	\$ -	\$ 139,579	(11)	\$ 696,912
	2010	\$ 350,000	\$-	\$-	\$-	\$ -	\$ -	\$ 66,456	(11)	\$ 416,456
Lonny D. Robinson, Former Executive Vice President and Chief Financial Officer (7)	2012	\$ 205,231	\$-	\$-	\$-	\$ -	\$ -	\$ 16,161	(12)	\$ 221,392
	2011	\$ 47,769	\$-	\$ 4,160	\$ 8,206	\$ -	\$ -	\$ 6,436	(12)	\$ 66,571

(1) All cash compensation and perquisites paid to our Named Executive Officers are paid by, and are the responsibility of, Hanmi Financial's subsidiary, Hanmi Bank.

(2) All equity awards are made by Hanmi Financial, are for shares of Hanmi Financial's common stock, and are made pursuant to the 2007 Equity Compensation Plan, as amended (the "2007 Plan").

Pursuant to SEC regulations regarding the valuation of equity awards, amounts in columns (e) represent the applicable full grant date fair values of stock awards in accordance with FASB ASC Topic 718, excluding the effect for forfeitures. To facilitate year-to-year comparisons, the SEC regulations require companies to present recalculated disclosures for each preceding year required under the rules so that equity awards and stock options reflect the applicable full grant date fair values, excluding the effect of forfeitures. The total compensation column is recalculated accordingly. For further information, see Note 12 to Hanmi Financial's audited financial statements for the year ended December 31, 2012 included in Hanmi Financial's Annual Report on Form 10-K filed with the SEC on March 15, 2013.

- Pursuant to SEC regulations regarding the valuation of equity awards, amounts in columns (f) represent the applicable full grant date fair values of option awards in accordance with FASB ASC Topic 718, excluding the effect for forfeitures. To facilitate year-to-year comparisons, the SEC regulations require companies to present recalculated disclosures for each preceding year required under the rules so that equity awards and stock options reflect the applicable full grant date fair values, excluding the effect of forfeitures. The total compensation column is recalculated accordingly. For further information, see Note 12 to Hanmi Financial's audited financial statements for the year ended December 31, 2012 included in Hanmi Financial's Annual Report on Form 10-K filed with the SEC on March 15, 2013.
- (4) reflect the applicable full grant date fair values, excluding the effect of forfeitures. The total compensation column is recalculated accordingly. For further information, see Note 12 to Hanmi Financial's audited financial statements for the year ended December 31, 2012 included in Hanmi Financial's Annual Report on Form 10-K filed with the SEC on March 15, 2013.
- (5) The amounts in column (d) reflect the discretionary bonuses paid to our Named Executive Officers for services performed in the prior years.
- (6) Jay S. Yoo resigned from all positions he held at Hanmi Financial and Hanmi Bank effective June 11, 2013.
- (7) Lonny D. Robinson resigned from all positions he held at Hanmi Financial and Hanmi Bank effective November 13, 2012.
- (8) This amount includes the retroactive increase in Mr. Yoo's annual base salary from \$330,000 to \$350,000 pursuant to the terms of the Amendment to Mr. Yoo's Employment Agreement entered into on February 23, 2011. Amounts consist of: (a) life insurance premiums (\$325 for 2012); (b) automobile allowance (\$8,400 for 2012; \$8,400 for 2011; \$8,077 for 2010); (c) health insurance premiums (\$10,492 for 2012); (d) employer contributions under the 401(k) plan (\$9,926 for 2012; \$8,963 for 2011; \$4,515 for 2010); (e) retention payment (\$20,000 for 2010); (f) other perquisites (\$8,855 for 2012; \$2,836 for 2011; \$11,036 for 2010) such as cellular phone allowance, gasoline card, meal allowance and Holiday gift cards.
- (9) Amounts consist of: (a) life insurance premiums (\$392 for 2012; \$392 for 2011; \$375 for 2010); (b) automobile allowance (\$8,400 for 2012; \$8,400 for 2011; \$8,400 for 2010); (c) health insurance premiums (\$10,192 for 2012; \$12,042 for 2011; \$9,843 for 2010); (d) employer contributions under the 401(k) plan (\$12,750 for 2012; \$12,375 for 2011; \$12,375 for 2010); (e) retention payment (\$52,500 for 2010); and (f) other perquisites (\$8,869 for 2012; \$1,498 for 2011; \$8,467 for 2010) such as cellular phone allowance, gasoline card, meal allowance and Holiday gift cards.
- (10) Amounts consist of: (a) life insurance premiums (\$378 for 2012; \$390 for 2011; \$392 for 2010); (b) company automobile (\$10,618 for 2012; \$10,618 for 2011; \$26,711 for 2010); (c) health insurance premiums (\$14,163 for 2012; \$15,590 for 2011; \$15,315 for 2010); (d) employer contributions under the 401(k) plan (\$12,750 for 2012; \$12,375 for 2011; \$12,375 for 2010); (e) club memberships (\$8,005 for 2012; \$7,315 for 2011; \$6,971 for 2010); (f) retention pay (\$87,500 for 2011) and (g) other perquisites (\$5,372 for 2012; \$5,790 for 2011; \$4,691 for 2010) such as cellular phone allowance, gasoline card, meal allowance and Holiday gift cards.
- (11) Amounts consist of: (a) life insurance premiums (\$327 for 2012; \$98 for 2011); (b) automobile allowance (\$7,495 for 2012; \$1,745 for 2011); (c) health insurance premiums (\$6,612 for 2012; \$1,327 for 2011); (d) employer contributions under the 401(k) plan (\$11,677 for 2012; \$2,123 for 2011); and (e) other perquisites (\$9,687 for 2012; \$1,144 for 2011) such as cellular phone allowance, gasoline card, meal allowance and Holiday gift cards.
- (12) Amounts consist of: (a) life insurance premiums (\$327 for 2012; \$98 for 2011); (b) automobile allowance (\$7,495 for 2012; \$1,745 for 2011); (c) health insurance premiums (\$6,612 for 2012; \$1,327 for 2011); (d) employer contributions under the 401(k) plan (\$11,677 for 2012; \$2,123 for 2011); and (e) other perquisites (\$9,687 for 2012; \$1,144 for 2011) such as cellular phone allowance, gasoline card, meal allowance and Holiday gift cards.

Grants of Plan-Based Awards

The following table complements the "Summary Compensation Table" disclosure of the grant date fair value of stock and option awards granted to Hanmi Financial's Named Executive Officers during the fiscal year ended December 31, 2012:

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Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards		Estimated Future Payouts Under Equity Incentive Plan Awards		All Other Stock Awards	All Other Option Awards	Exercise Price of Option Awards	Grant Date Fair Value of Stock and Option Awards
		Threshold	Target	Threshold	Target	Maximum	Underlying		
	(\$)	(\$)	(\$)	(#)	(#)	(#)	Units (#)	Options (#)	(\$/Share)
Shick (Mark)									
Yoon									