

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM S-8**

**REGISTRATION STATEMENT  
UNDER THE SECURITIES ACT OF 1933**

**First Hawaiian, Inc.**

(Exact Name of Registrant as Specified in its Charter)

**Delaware**  
(State or Other Jurisdiction of  
Incorporation)

**999 Bishop St., 29th Floor**  
**Honolulu, Hawaii**  
(Address of Principal Executive Offices)

**99-0156159**  
(I.R.S. Employer Identification No.)

**96813**  
(Zip Code)

**First Hawaiian, Inc. 2016 Omnibus Incentive Compensation Plan**  
**First Hawaiian, Inc. 2016 Non-Employee Director Plan**  
**First Hawaiian, Inc. Employee Stock Purchase Plan**  
(Full Title of Plans)

**Robert S. Harrison**  
**First Hawaiian, Inc.**  
**999 Bishop St., 29th Floor**  
**Honolulu, Hawaii 96813**  
**(808) 525-7000**

(Name, address, and telephone number, including area code, of agent for service)

**With copies to:**  
**Catherine M. Clarkin**  
Sullivan & Cromwell LLP  
125 Broad Street  
New York, NY 10004  
(212) 558-4000

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer   
Non-accelerated filer  (Do not check if a smaller reporting company) Smaller reporting company

**CALCULATION OF REGISTRATION FEE**

Title of securities to be registered	Amount to be registered(1)	Proposed maximum offering price per share(2)	Proposed maximum aggregate offering price(2)	Amount of registration fee(2)
Common Stock, par value \$0.01 per share, under the First Hawaiian, Inc. 2016 Omnibus Incentive Compensation Plan	5,578,385	\$ 23.00	\$ 128,302,855	\$ 12,920.10
Common Stock, par value \$0.01 per share, under the First Hawaiian, Inc. 2016 Non-Employee Director Plan	75,000	\$ 23.00	\$ 1,725,000	\$ 173.71
Common Stock, par value \$0.01 per share, under the First Hawaiian, Inc. Employee Stock Purchase Plan	600,000	\$ 23.00	\$ 13,800,000	\$ 1,389.66
<b>Total</b>	<b>6,254,385</b>	<b>\$ 23.00</b>	<b>\$ 143,827,855</b>	<b>\$ 14,483.47</b>

(1) Any additional shares of Common Stock of First Hawaiian, Inc. to be issued as a result of stock dividends, stock splits or similar transactions shall be covered by this Registration Statement as provided in Rule 416(a) under the Securities Act of 1933, as amended.

(2) Calculated in accordance with Rule 457(h) under the Securities Act of 1933, as amended, solely for the purpose of calculating the registration fee, which is based on the initial public offering price of First Hawaiian, Inc.'s common stock as set forth in First Hawaiian, Inc.'s Prospectus filed with the Securities and Exchange Commission on August 5, 2016 pursuant to Rule 424(b) under the Securities Act of 1933, as amended.



## PART I

### INFORMATION REQUIRED IN THE SECTION 10(A) PROSPECTUS

The document(s) containing information specified by Part I of this Registration Statement will be sent or given to participants in the First Hawaiian, Inc. 2016 Omnibus Incentive Compensation Plan, the First Hawaiian, Inc. 2016 Non-Employee Director Plan and the First Hawaiian, Inc. Employee Stock Purchase Plan (collectively, the "Plans"), as specified in Rule 428(b)(1) promulgated by the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act"). Such documents are not being filed with the Commission but constitute (along with the documents incorporated by reference into the Registration Statement pursuant to Item 3 of Part II hereof), a prospectus that meets the requirements of Section 10(a) of the Securities Act.

## PART II

### INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

#### Item 3. Incorporation of Documents By Reference

The following documents that First Hawaiian, Inc. (the "Company") has filed with the Commission under the Securities Act and the Securities Exchange Act of 1934 (the "Exchange Act") are incorporated by reference into this Registration Statement:

- The Company's prospectus filed with the Commission on August 5, 2016, pursuant to Rule 424(b) under the Securities Act relating to the Registration Statement on Form S-1, as amended (File No. 333-212451), which contains the Company's audited financial statements for the latest fiscal year for which such statements have been filed; and
- The description of the registrant's Common Stock contained in the Company's Registration Statement on Form 8-A (File No. 001-14585) filed with the Commission on August 4, 2016 pursuant to Section 12(b) of the Exchange Act, including any amendment or report filed for the purpose of updating such description.

In addition, all reports and other documents subsequently filed by the Company pursuant to Sections 13(a), 14 and 15(d) of the Exchange Act, prior to the filing of a post-effective amendment that indicates that all securities offered have been sold or that deregisters all securities then remaining unsold, shall be deemed to be incorporated by reference in this Registration Statement and to be a part thereof from the date of filing of such documents with the Commission. Any statement contained in a document incorporated or deemed to be incorporated by reference in this Registration Statement shall be deemed to be modified or superseded for purposes of this Registration Statement to the extent that a statement contained in this Registration Statement, or in any other subsequently filed document that also is or is deemed to be incorporated by reference in this Registration Statement, modifies or supersedes such prior statement. Any statement contained in this Registration Statement shall be deemed to be modified or superseded to the extent that a statement contained in a subsequently filed document that is or is deemed to be incorporated by reference in this Registration Statement modifies or supersedes such prior statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Registration Statement.

No document or information deemed to be furnished and not filed in accordance with rules of the Commission shall be deemed to be incorporated herein by reference unless such document or information expressly provides to the contrary.

#### Item 4. Description of Securities

Not applicable.

#### Item 5. Interests of Named Experts and Counsel

Not applicable.

#### Item 6. Indemnification of Directors and Officers

The Company is incorporated under the Delaware General Corporation Law (the "DGCL"). Section 145 of the DGCL provides that a corporation organized thereunder may indemnify directors and officers as well as other employees and

individuals against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with any threatened, pending or completed actions, suits or proceedings in which such person is made a party by reason of such person being or having been a director, officer, employee or agent to the corporation. The DGCL provides that Section 145 is not exclusive of other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of the Company's stockholders or disinterested directors or otherwise. The Company's amended and restated bylaws provide for indemnification of its directors, officers and employees to the fullest extent permitted by the DGCL, subject to limited exceptions.

Section 102(b)(7) of the DGCL permits a corporation to provide in its certificate of incorporation that a director of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) for unlawful payments of dividends or unlawful stock purchases, redemptions or other distributions or (iv) for any transaction from which the director derived an improper personal benefit. The Company's amended and restated certificate of incorporation provides for such limitation of liability. The Company will maintain, or has contracted with its parent to maintain on its behalf, policies of insurance under which coverage is provided (a) to its directors and officers, in their respective capacities as such, against loss arising from a claim made for any actual or alleged wrongful act, and (b) to the Company with respect to payments which the Company may make to such officers and directors pursuant to the above indemnification as a matter of law.

Reference is made to the form of underwriting agreement filed as Exhibit 1.1 to the Company's Registration Statement on Form S-1 (Registration No. 333-212451) for provisions providing that the underwriters are obligated, under certain circumstances, to indemnify the Company's directors, officers and controlling persons against certain liabilities under the Securities Act.

#### **Item 7. Exemption from Registration Claimed**

Not applicable.

#### **Item 8. Exhibits**

The exhibits filed herewith or incorporated by reference herein are set forth in the Exhibit Index filed as part of this Registration Statement.

#### **Item 9. Undertakings**

(a) The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement;

*provided, however*, that paragraphs (1)(i) and (1)(ii) above do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Commission by the registrant pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference in this Registration Statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of this Registration Statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

## SIGNATURES

Pursuant to the requirements of the Securities Act, the Company has duly caused this Registration Statement on Form S-8 to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Honolulu, Hawaii, on August 8, 2016.

First Hawaiian, Inc.

By: /s/ Robert S. Harrison  
Robert S. Harrison  
Chairman of the Board and Chief Executive Officer

## POWERS OF ATTORNEY

The undersigned officers and directors do hereby constitute and appoint Robert S. Harrison, Eric K. Yeaman and Michael Ching, and any of them, with full power of substitution and re-substitution, as our true and lawful attorneys-in-fact and agents, to do any and all acts and things in our name and behalf in our capacities as directors and officers, and to execute any and all instruments for us and in our names in the capacities indicated below, that such person may deem necessary or advisable to enable the Company to comply with the Securities Act and any rules, regulations and requirements of the Commission in connection with this Registration Statement, including specifically, but not limited to, power and authority to sign for us, any of us, in the capacities indicated below, any and all amendments hereto (including post-effective amendments); and we do hereby ratify and confirm all that said attorney-in-fact and agent, or his or her substitute, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act, this Registration Statement has been signed by the following persons in the capacities indicated on August 8, 2016.

<u>Name</u>	<u>Title</u>
<u>/s/ Robert S. Harrison</u> Robert S. Harrison	Chairman of the Board and Chief Executive Officer (Principal Executive Officer)
<u>/s/ Michael Ching</u> Michael Ching	Chief Financial Officer and Treasurer (Principal Financial Officer)
<u>/s/ Matthew Cox</u> Matthew Cox	Director
<u>/s/ W. Allen Doane</u> W. Allen Doane	Director
<u>/s/ Thibault Fulconis</u> Thibault Fulconis	Director
<u>/s/ Gérard Gil</u> Gérard Gil	Director
<u>/s/ Jean-Milan Givadinovitch</u> Jean-Milan Givadinovitch	Director
<u>/s/ J. Michael Shepherd</u> J. Michael Shepherd	Director

/s/ Allen B. Uyeda

Allen B. Uyeda

Director

/s/ Michel Vial

Michel Vial

Director

## EXHIBIT INDEX

Exhibit No.	Description
4.1	Second Amended and Restated Certificate of Incorporation of First Hawaiian, Inc. (incorporated by reference to Exhibit 3.1 to the Registration Statement on Form S-1, as amended (File No. 333-212451))
4.2	Second Amended and Restated Bylaws of First Hawaiian, Inc. (incorporated by reference to Exhibit 3.2 to the Registration Statement on Form S-1, as amended (File No. 333-212451))
5.1	Opinion of Sullivan & Cromwell LLP*
10.1	First Hawaiian, Inc. 2016 Omnibus Incentive Compensation Plan*
10.2	First Hawaiian, Inc. 2016 Non-Employee Director Plan*
10.3	First Hawaiian, Inc. Employee Stock Purchase Plan*
23.1	Consent of Sullivan & Cromwell LLP (included in Exhibit 5.1)*
23.2	Consent of Deloitte & Touche LLP*
24.1	Power of Attorney (set forth on signature page)*

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\* Filed herewith.



[Sullivan & Cromwell LLP Letterhead]

August 8, 2016

First Hawaiian, Inc.,  
999 Bishop Street, 29<sup>th</sup> Floor,  
Honolulu, Hawaii 96813.

Ladies and Gentlemen:

In connection with the registration under the Securities Act of 1933 (the "Act") of 6,253,385 shares (the "Securities") of Common Stock, par value \$0.01 per share, of First Hawaiian, Inc., a Delaware corporation (the "Company"), issuable under the First Hawaiian, Inc. 2016 Omnibus Incentive Compensation Plan, the First Hawaiian, Inc. 2016 Non-Employee Director Plan and the First Hawaiian, Inc. Employee Stock Purchase Plan (collectively, the "Plans"), we, as your counsel, have examined such corporate records, certificates and other documents, and such questions of law, as we have considered necessary or appropriate for the purposes of this opinion. Upon the basis of such examination, it is our opinion that when the registration statement relating to the Securities (the "Registration Statement") has become effective under the Act, the terms of the sale of the Securities have been duly established in conformity with the Company's amended and restated certificate of incorporation and the respective Plan, and the Securities have been duly issued and sold as contemplated by the Registration Statement and the respective Plan, the Securities will be validly issued, fully paid and nonassessable.

In rendering the foregoing opinion, we are not passing upon, and assume no responsibility for, any disclosure in any registration statement or any related prospectus or other offering material relating to the offer and sale of the Securities.

The foregoing opinion is limited to the Federal laws of the United States and the General Corporation Law of the State of Delaware, and we are expressing no opinion as to the effect of the laws of any other jurisdiction.

We have relied as to certain factual matters on information obtained from public officials, officers of the Company and other sources believed by us to be responsible.

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We hereby consent to the filing of this opinion as an exhibit to the Registration Statement. In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Act.

Very truly yours,

/s/ Sullivan & Cromwell LLP

FIRST HAWAIIAN, INC.

2016 OMNIBUS INCENTIVE COMPENSATION PLAN

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**FIRST HAWAIIAN, INC.**  
**2016 OMNIBUS INCENTIVE COMPENSATION PLAN**

**ARTICLE I**  
**GENERAL**

**1.1 Purpose**

The purpose of the First Hawaiian, Inc. 2016 Omnibus Incentive Compensation Plan (as amended from time to time, the "**Plan**") is to help the Company (as hereinafter defined): (1) attract, retain and motivate key employees (including prospective employees) (other than non-employee directors of First Hawaiian, Inc., a Delaware corporation ("**First Hawaiian**")); (2) align the interests of such persons with First Hawaiian's stockholders; and (3) promote ownership of First Hawaiian's equity. Awards made pursuant to the Plan will be subject to the laws and regulations that may apply to First Hawaiian from time to time.

**1.2 Definitions of Certain Terms**

For purposes of this Plan, the following terms have the meanings set forth below:

1.2.1 "**Acquisition Awards**" has the meaning set forth in Section 1.6.1.

1.2.2 "**Award**" means an award made pursuant to the Plan.

1.2.3 "**Award Agreement**" means the written document by which each Award is evidenced, and which may, but need not be (as determined by the Committee) executed or acknowledged by a Grantee as a condition to receiving an Award or the benefits under an Award, and which sets forth the terms and provisions applicable to Awards granted under the Plan to such Grantee. Any reference herein to an agreement in writing will be deemed to include an electronic writing to the extent permitted by applicable law.

1.2.4 "**Board**" means the Board of Directors of First Hawaiian.

1.2.5 "**Business Combination**" has the meaning provided in the definition of Change in Control.

1.2.6 "**Cause**" means (a) with respect to a Grantee employed pursuant to a written employment agreement which agreement includes a definition of "Cause," "Cause" as defined in that agreement or (b) with respect to any other Grantee, the occurrence of any of the following: (i) such Grantee's willful failure to perform his or her duties for the Company (other than any such failure resulting from such Grantee's Disability), after written demand for substantial performance has been delivered to the Grantee by the Committee that specifically identifies how the Grantee has not substantially performed his or her duties, and the Grantee fails to remedy the situation within fifteen (15) business days of such written demand from the Committee, (ii) gross negligence in the performance of such Grantee's duties, (iii) such Grantee's conviction of, or plea of nolo contendere, to any felony whatsoever or any other crime involving the person enrichment of such Grantee at the expense of the Company, (iv) such Grantee's willful

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engagement in conduct that is demonstrably and materially injurious to the Company, monetarily or otherwise, (v) a material violation of any federal or state banking law or regulation or (vi) a material violation of any provision of the Company's code of business conduct and ethics (including any successor thereto) or any other Company-established code of conduct to which such Grantee is subject.

1.2.7 "**Certificate**" means a stock certificate (or other appropriate document or evidence of ownership) representing Shares.

1.2.8 "**Change in Control**" means, except in connection with any initial public offering of the Common Stock and except for any event that occurs prior to the 50% Date (as defined in the Stockholders Agreement to be entered into between BNP Paribas and First Hawaiian in connection with the initial public offering of Common Stock (the "**Stockholders Agreement**")), the occurrence of any of the following events after the completion of the initial public offering of the Company:

(a) during any period of not more than 36 months, individuals who constitute the Board as of the beginning of the period (the "**Incumbent Directors**") cease for any reason to constitute at least a majority of the Board, provided that any person becoming a director subsequent to the beginning of such period, whose election or nomination for election was approved by a vote of at least two-thirds of the Incumbent Directors then on the Board (either by a specific vote or by approval of the proxy statement of First Hawaiian in which such person is named as a nominee for director, without written objection to such nomination) will be an Incumbent Director; provided, however, that no individual initially elected or nominated as a director of First Hawaiian as a result of an actual or publicly threatened election contest with respect to directors or as a result of any other actual or publicly threatened solicitation of proxies by or on behalf of any person other than the Board will be deemed to be an Incumbent Director; provided, further, that this Section 1.2.8(a) shall not be in effect until there are no BNPP Directors (as defined in the Stockholders Agreement) on the Board;

(b) any "person" (as such term is defined in Section 3(a)(9) of the Exchange Act and as used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act), is or becomes a "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of First Hawaiian representing 50% or more of the combined voting power of First Hawaiian's then-outstanding securities eligible to vote for the election of the Board ("**Company Voting Securities**"); provided, however, that the event described in this paragraph (b) will not be deemed to be a Change in Control by virtue of the ownership, or acquisition, of Company Voting Securities: (A) by the Company, (B) by any employee benefit plan (or related trust) sponsored or maintained by the Company, (C) by any underwriter temporarily holding securities pursuant to an offering of such securities, (D) pursuant to a Non-Qualifying Transaction (as defined in paragraph (c) of this definition), or (E) by BNP Paribas or any of its direct or indirect Subsidiaries;

(c) the consummation of a merger, consolidation, statutory share exchange or similar form of corporate transaction involving First Hawaiian that requires the approval of First Hawaiian's stockholders, whether for such transaction or the issuance of securities in the transaction (a "**Business Combination**"), excluding such a Business Combination with BNP

Paribas or any of its direct or indirect Subsidiaries, unless immediately following such Business Combination: (A) more than 50% of the total voting power of (x) the entity resulting from such Business Combination (the “**Surviving Entity**”), or (y) if applicable, the ultimate parent corporation that directly or indirectly has beneficial ownership of at least 95% of the voting power, is represented by Company Voting Securities that were outstanding immediately prior to such Business Combination (or, if applicable, is represented by shares into which such Company Voting Securities were converted pursuant to such Business Combination), and such voting power among the holders thereof is in substantially the same proportion as the voting power of such Company Voting Securities among the holders thereof immediately prior to the Business Combination, (B) no person (other than BNP Paribas or any employee benefit plan (or related trust) sponsored or maintained by the Surviving Entity or the parent), is or becomes the beneficial owner, directly or indirectly, of 50% or more of the total voting power of the outstanding voting securities eligible to elect directors of the parent (or, if there is no parent, the Surviving Entity) and (C) at least 50% of the members of the board of directors of the parent (or, if there is no parent, the Surviving Entity) following the consummation of the Business Combination were Incumbent Directors at the time of the Board’s approval of the execution of the initial agreement providing for such Business Combination (any Business Combination which satisfies all of the criteria specified in (A), (B) and (C) of this paragraph (c) will be deemed to be a “**Non-Qualifying Transaction**”); or

(d) the consummation of a sale of all or substantially all of First Hawaiian’s assets (other than to BNP Paribas or any of its direct or indirect Subsidiaries or an affiliate of First Hawaiian); or

(e) First Hawaiian’s stockholders approve a plan of complete liquidation or dissolution of First Hawaiian.

Notwithstanding the foregoing, a Change in Control will not be deemed to occur solely because any person acquires beneficial ownership of more than 50% of the Company Voting Securities as a result of the acquisition of Company Voting Securities by the Company which reduces the number of Company Voting Securities outstanding; provided that if after such acquisition by the Company such person (other than BNP Paribas or any of its direct or indirect Subsidiaries) becomes the beneficial owner of additional Company Voting Securities that increases the percentage of outstanding Company Voting Securities beneficially owned by such person, a Change in Control will then occur.

1.2.9 “**Code**” means the Internal Revenue Code of 1986, as amended from time to time, or any successor thereto, and the applicable rulings and regulations thereunder.

1.2.10 “**Committee**” has the meaning set forth in Section 1.3.1.

1.2.11 “**Common Stock**” means the common stock of First Hawaiian, par value \$0.01 per share, and any other securities or property issued in exchange therefor or in lieu thereof pursuant to Section 1.6.3.

1.2.12 “**Company**” means First Hawaiian and any Subsidiary, and any successor entity thereto.

1.2.13 “**Company Voting Securities**” has the meaning provided in the definition of Change in Control.

1.2.14 “**Consent**” has the meaning set forth in [Section 3.3.2](#).

1.2.15 “**Covered Person**” has the meaning set forth in [Section 1.3.4](#).

1.2.16 “**Director**” means a member of the Board.

1.2.17 “**Disability**” means the Grantee (a) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, or (b) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, receiving income replacement benefits for a period of not less than three (3) months under an accident and health plan covering employees of the Company. In addition to the foregoing, a Grantee will be deemed Disabled as of the date the Social Security Administration determines the Grantee to be totally disabled.

1.2.18 “**Effective Date**” has the meaning set forth in [Section 3.25](#).

1.2.19 “**Employee**” means a regular, active employee, or a prospective employee of the Company and/or solely with respect to his or her final year of service, a former employee of the Company, but not including a non-employee Director.

1.2.20 “**Employment**” means a Grantee’s performance of services for the Company, as determined by the Committee. The terms “employ” and “employed” will have their correlative meanings. The Committee in its sole discretion may determine (a) whether and when a Grantee’s leave of absence results in a termination of Employment, (b) whether and when a change in a Grantee’s association with the Company results in a termination of Employment and (c) the impact, if any, of any such leave of absence or change in association on outstanding Awards. Unless expressly provided otherwise, any references in the Plan or any Award Agreement to a Grantee’s Employment being terminated will include both voluntary and involuntary terminations.

1.2.21 “**Exchange Act**” means the Securities Exchange Act of 1934, as amended from time to time, or any successor thereto, and the applicable rules and regulations thereunder.

1.2.22 “**Fair Market Value**” means, with respect to a Share, the closing price reported for the Common Stock on the applicable date as reported on the NASDAQ Global Select Market or, if not so reported, as determined in accordance with a valuation methodology approved by the Committee, unless determined as otherwise specified herein. For purposes of the grant of any Award, the applicable date will be the trading day on which the Award is granted or, if the date the Award is granted is not a trading day, the trading day immediately prior to the date the Award is granted. For purposes of the exercise of any Award, the applicable date is the date a notice of exercise is received by the Company or, if such date is not a trading day, the trading day immediately following the date a notice of exercise is received by the Company.



1.2.23 “**Good Reason**” means (a) with respect to a Grantee employed pursuant to a written employment agreement which agreement includes a definition of “Good Reason,” “Good Reason” as defined in that agreement or (b) with respect to any other Grantee, the occurrence of any of the following in the absence of the Grantee’s prior written consent: (i) such Grantee has incurred a material reduction in base salary, authority, duties or responsibilities, or in the budget over which the Grantee has authority at the Company; (ii) such Grantee has incurred a material reduction in the authority, duties or responsibilities of the Grantee’s supervisor; or (iii) such Grantee has been provided notice that his principal place of work will be relocated to a different Hawaiian Island or to a place more than 50 miles from the Grantee’s base of employment immediately prior to the Change in Control. Provided in each case, that no event or circumstance described by the foregoing sentence will constitute Good Reason unless (i) the Grantee provides the Company notice thereof within ninety (90) days after the occurrence or existence of such event or circumstance, (ii) the Company fails to cure such event or circumstance within thirty (30) days after delivery of such notice and (iii) the Grantee’s employment with the Company terminates within thirty (30) days after the expiration of such cure period.

1.2.24 “**Grantee**” means an Employee who receives an Award.

1.2.25 “**Incentive Stock Option**” means a stock option to purchase Shares that is intended to be an “incentive stock option” within the meaning of Sections 421 and 422 of the Code, as now constituted or subsequently amended, or pursuant to a successor provision of the Code, and which is designated as an Incentive Stock Option in the applicable Award Agreement.

1.2.26 “**Incumbent Directors**” has the meaning provided in the definition of Change in Control.

1.2.27 “**Non-Qualifying Transaction**” has the meaning provided in the definition of Change in Control.

1.2.28 “**Other Stock-Based or Cash-Based Awards**” has the meaning set forth in [Section 2.8.1](#).

1.2.29 “**Performance-Based Awards**” means certain Other Stock-Based or Cash-Based Awards granted pursuant to [Section 2.8.2](#).

1.2.30 “**Performance Criteria**” has the meaning set forth in [Section 2.8.2](#).

1.2.31 “**Performance Goals**” means the performance goals established by the Committee in connection with the grant of Awards, which may or may not be based on Performance Criteria.

1.2.32 “**Plan**” has the meaning set forth in [Section 1.1](#).

1.2.33 “**Plan Action**” has the meaning set forth in [Section 3.3.1](#).

1.2.34 “**Section 409A**” means Section 409A of the Code, including any amendments or successor provisions to that section, and any regulations and other administrative guidance

thereunder, in each case as they may be from time to time amended or interpreted through further administrative guidance.

1.2.35 “**Securities Act**” means the Securities Act of 1933, as amended from time to time, or any successor thereto, and the applicable rules and regulations thereunder.

1.2.36 “**Share Limit**” has the meaning set forth in Section 1.6.1.

1.2.37 “**Shares**” means shares of Common Stock.

1.2.38 “**Subsidiary**” means any corporation, partnership, limited liability company or other legal entity in which First Hawaiian, directly or indirectly, owns stock or other equity interests possessing 50% or more of the total combined voting power of all classes of the then-outstanding stock or other equity interests.

1.2.39 “**Surviving Entity**” has the meaning provided in the definition of Change in Control.

1.2.40 “**Ten Percent Stockholder**” means a person owning stock possessing more than 10% of the total combined voting power of all classes of stock of First Hawaiian and of any Subsidiary or parent corporation of First Hawaiian.

1.2.41 “**Treasury Regulations**” means the regulations promulgated under the Code by the United States Treasury Department, as amended.

### **1.3 Administration**

1.3.1 The Compensation Committee of the Board (as constituted from time to time, and including any successor committee, the “**Committee**”) will administer the Plan. In particular, the Committee will have the authority in its sole discretion to:

- (a) exercise all of the powers granted to it under the Plan;
- (b) construe, interpret and implement the Plan and all Award Agreements;
- (c) prescribe, amend and rescind rules and regulations relating to the Plan, including rules governing the Committee’s own operations;
- (d) make all determinations necessary or advisable in administering the Plan;
- (e) correct any defect, supply any omission and reconcile any inconsistency in the Plan;
- (f) amend the Plan to reflect changes in applicable law;
- (g) grant, or recommend to the Board for approval to grant, Awards and determine who will receive Awards, when such Awards will be granted and the terms of such Awards, including setting forth provisions with regard to the effect of a termination of Employment on such Awards and conditioning the vesting of, or the lapsing of any applicable

vesting restrictions or other vesting conditions on, Awards upon the attainment of Performance Goals and/or upon continued service;

- (h) amend any outstanding Award Agreement in any respect including, without limitation, to
  - (1) accelerate the time or times at which the Award becomes vested, unrestricted or may be exercised (and, in connection with such acceleration, the Committee may provide that any Shares acquired pursuant to such Award will be restricted shares, which are subject to vesting, transfer, forfeiture or repayment provisions similar to those in the Grantee's underlying Award),
  - (2) accelerate the time or times at which Shares are delivered under the Award (and, without limitation on the Committee's rights, in connection with such acceleration, the Committee may provide that any Shares delivered pursuant to such Award will be restricted shares, which are subject to vesting, transfer, forfeiture or repayment provisions similar to those in the Grantee's underlying Award),
  - (3) waive or amend any goals, restrictions, vesting provisions or conditions set forth in such Award Agreement, or impose new goals, restrictions, vesting provisions and conditions or
  - (4) reflect a change in the Grantee's circumstances (*e.g.*, a change to part-time employment status or a change in position, duties or responsibilities); and
- (i) determine at any time whether, to what extent and under what circumstances and method or methods, subject to Section 3.15,
  - (1) Awards may be
    - (A) settled in cash, Shares, other securities, other Awards or other property (in which event, the Committee may specify what other effects such settlement will have on the Grantee's Award, including the effect on any repayment provisions under the Plan or Award Agreement),
    - (B) exercised or
    - (C) canceled, forfeited or suspended,
  - (2) Shares, other securities, other Awards or other property and other amounts payable with respect to an Award may be deferred either automatically or at the election of the Grantee thereof or of the Committee,
  - (3) to the extent permitted under applicable law, loans (whether or not secured by Common Stock) may be extended by the Company with respect to any Awards,

(4) Awards may be settled by First Hawaiian, any of its Subsidiaries or affiliates or any of their designees and

(5) the exercise price for any stock option (other than an Incentive Stock Option, unless the Committee determines that such a stock option will no longer constitute an Incentive Stock Option) or stock appreciation right may be reset.

1.3.2 Actions of the Committee may be taken by the vote of a majority of its members present at a meeting (which may be held telephonically). Any action may be taken by a written instrument signed by a majority of the Committee members, and action so taken will be as fully effective as if it had been taken by a vote at a meeting. The determination of the Committee on all matters relating to the Plan or any Award Agreement will be final, binding and conclusive. The Committee may allocate among its members and delegate to any person who is not a member of the Committee, or to any administrative group within the Company, any of its powers, responsibilities or duties. In delegating its authority, the Committee will consider the extent to which any delegation may cause Awards to fail to be deductible under Section 162(m) of the Code or to fail to meet the requirements of Rule 16(b)-3(d)(1) or Rule 16(b)-3(e) under the Exchange Act. Except as specifically provided to the contrary, references to the Committee include any administrative group, individual or individuals to whom the Committee has delegated its duties and powers.

1.3.3 Notwithstanding anything to the contrary contained herein, the Board may, in its sole discretion, at any time and from time to time, grant Awards or administer the Plan. In any such case, the Board will have all of the authority and responsibility granted to the Committee herein.

1.3.4 No member of the Committee or any person to whom the Committee delegates its powers, responsibilities or duties in writing, including by resolution (each such person, a "**Covered Person**"), will have any liability to any person (including any Grantee) for any action taken or omitted to be taken or any determination made with respect to the Plan or any Award, except as expressly provided by statute. Each Covered Person will be indemnified and held harmless by the Company against and from:

(a) any loss, cost, liability or expense (including attorneys' fees) that may be imposed upon or incurred by such Covered Person in connection with or resulting from any action, suit or proceeding to which such Covered Person may be a party or in which such Covered Person may be involved by reason of any action taken or omitted to be taken under the Plan or any Award Agreement, in each case, in good faith and

(b) any and all amounts paid by such Covered Person, with the Company's approval, in settlement thereof, or paid by such Covered Person in satisfaction of any judgment in any such action, suit or proceeding against such Covered Person, provided that the Company will have the right, at its own expense, to assume and defend any such action, suit or proceeding and, once the Company gives notice of its intent to assume the defense, the Company will have sole control over such defense with counsel of the Company's choice.

The foregoing right of indemnification will not be available to a Covered Person to the extent that a court of competent jurisdiction in a final judgment or other final adjudication, in either case, not subject to further appeal, determines that the acts or omissions of such Covered Person giving rise to the indemnification claim resulted from such Covered Person's bad faith, fraud or willful misconduct. The foregoing right of indemnification will not be exclusive of any other rights of indemnification to which Covered Persons may be entitled under First Hawaiian's Amended and Restated Certificate of Incorporation or Amended and Restated Bylaws, pursuant to any individual indemnification agreements between such Covered Person and the Company, as a matter of law, or otherwise, or any other power that the Company may have to indemnify such persons or hold them harmless.

#### 1.4 Persons Eligible for Awards

Awards under the Plan may be made to Employees.

#### 1.5 Types of Awards Under Plan

Awards may be made under the Plan in the form of cash-based or stock-based Awards. Stock-based Awards may be in the form of any of the following, in each case in respect of Common Stock:

- (a) stock options,
- (b) stock appreciation rights,
- (c) restricted shares,
- (d) restricted stock units,
- (e) dividend equivalent rights and

(f) Performance-based shares or other equity-based or equity-related Awards (as further described in [Section 2.8](#)), that the Committee determines to be consistent with the purposes of the Plan and the interests of the Company.

#### 1.6 Shares of Common Stock Available for Awards

1.6.1 **Common Stock Subject to the Plan.** Subject to the other provisions of this [Section 1.6](#), the total number of Shares that may be granted under the Plan will be 5,578,385(1) (the "**Share Limit**"). Shares of Common Stock subject to awards that are assumed, converted or substituted under the Plan as a result of the Company's acquisition of another company (including by way of merger, combination or similar transaction) ("**Acquisition Awards**") will not count against the number of shares that may be granted under the Plan. Available shares under a stockholder approved plan of an acquired company (as appropriately adjusted to reflect

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(1) The Share Limit is based on 139,459,620 total Shares outstanding as of the date the Plan is adopted by the Board.

the transaction) may be used for Awards under the Plan and do not reduce the maximum number of shares available for grant under the Plan, subject to applicable stock exchange requirements. With respect to Awards of stock-settled share appreciation rights, the Share Limit will be reduced by the full number of Shares underlying the exercised portion of such Award (rather than only the Shares actually delivered upon exercise).

1.6.2 **Replacement of Shares.** Shares subject to an Award that is forfeited (including any restricted shares repurchased by the Company at the same price paid by the Grantee so that such Shares are returned to the Company), expires or is settled for cash (in whole or in part), to the extent of such forfeiture, expiration or cash settlement will be available for future grants of Awards under the Plan and will be added back in the same number of Shares as were deducted in respect of the grant of such Award. The payment of dividend equivalent rights in cash in conjunction with any outstanding Awards will not be counted against the Shares available for issuance under the Plan. Shares tendered by a Grantee or withheld by the Company in payment of the exercise price of a stock option or to satisfy any tax withholding obligation with respect to an Award will not again be available for Awards.

1.6.3 **Adjustments.** The Committee will:

- (a) adjust the number of Shares authorized pursuant to Section 1.6.1,
- (b) adjust the individual Grantee limitations set forth in Sections 1.7, 2.3.1 and 2.4.1,
- (c) adjust the number of Shares set forth in Section 2.3.2 that can be issued through Incentive Stock Options and
- (d) adjust the terms of any outstanding Awards (including, without limitation, the number of Shares covered by each outstanding Award, the type of property or securities to which the Award relates and the exercise or strike price of any Award),

in such manner as it deems appropriate (including, without limitation, by payment of cash) to prevent the enlargement or dilution of rights, as a result of any increase or decrease in the number of issued Shares (or issuance of shares of stock other than Shares) resulting from a recapitalization, stock split, reverse stock split, stock dividend, spinoff, split up, combination, reclassification or exchange of Shares, merger, consolidation, rights offering, separation, reorganization or liquidation or any other change in the corporate structure or Shares, including any extraordinary dividend or extraordinary distribution; provided that no such adjustment may be made if or to the extent that it would cause an outstanding Award to cease to be exempt from, or to fail to comply with, Section 409A of the Code.

## 1.7 Individual Limitations

The maximum number of Shares with respect to which Awards (other than stock options and stock appreciation rights) may be granted during any fiscal year to any Grantee who is an Employee will be 500,000 (or, in the event of a Cash-Based Award, the equivalent cash value thereof on the first day of the performance period to which such Award relates, as determined by the Committee) (as adjusted pursuant to the provisions of Section 1.6.3). The grant limit under

the preceding sentence will (i) apply to an Award other than a stock option or stock appreciation right only if the Award is intended to be “performance-based compensation” as that term is used in Section 162(m) of the Code and (ii) be adjusted upward or downward, as applicable, on a pro rata basis for each full or partial fiscal year in the applicable performance period.

## ARTICLE II AWARDS UNDER THE PLAN

### 2.1 Agreements Evidencing Awards

Each Award granted under the Plan will be evidenced by an Award Agreement that will contain such provisions and conditions as the Committee deems appropriate. Unless otherwise provided herein, the Committee may grant Awards in tandem with or, subject to Section 3.15, in substitution for or satisfaction of any other Award or Awards granted under the Plan or any award granted under any other plan of the Company. By accepting an Award pursuant to the Plan, a Grantee thereby agrees that the Award will be subject to all of the terms and provisions of the Plan and the applicable Award Agreement.

### 2.2 No Rights as a Stockholder

No Grantee (or other person having rights pursuant to an Award) will have any of the rights of a stockholder of First Hawaiian with respect to Shares subject to an Award until the delivery of such Shares. Except as otherwise provided in Section 1.6.3, no adjustments will be made for dividends, distributions or other rights (whether ordinary or extraordinary, and whether in cash, Common Stock, other securities or other property) for which the record date is before the date the Certificates for the Shares are delivered, or in the event the Committee elects to use another system, such as book entries by the transfer agent, before the date in which such system evidences the Grantee’s ownership of such Shares.

### 2.3 Options

2.3.1 **Grant.** Stock options may be granted to eligible recipients in such number and at such times during the term of the Plan as the Committee may determine; provided, however, that the maximum number of Shares as to which stock options may be granted under the Plan to any one individual in any fiscal year may not exceed 500,000 Shares (as adjusted pursuant to the provisions of Section 1.6.3).

2.3.2 **Incentive Stock Options.** At the time of grant, the Committee will determine:

- (a) whether all or any part of a stock option granted to an eligible Employee will be an Incentive Stock Option and
- (b) the number of Shares subject to such Incentive Stock Option; provided, however, that
- (1) the aggregate Fair Market Value (determined as of the time the option is granted) of the stock with respect to which Incentive Stock Options are exercisable for the first time by an eligible Employee during any fiscal year

(under all such plans of First Hawaiian and of any Subsidiary or parent corporation of First Hawaiian) may not exceed \$100,000 and

(2) no Incentive Stock Option (other than an Incentive Stock Option that may be assumed or issued by the Company in connection with a transaction to which Section 424(a) of the Code applies) may be granted to a person who is not eligible to receive an Incentive Stock Option under the Code.

The form of any stock option which is entirely or in part an Incentive Stock Option will clearly indicate that such stock option is an Incentive Stock Option or, if applicable, the number of Shares subject to the Incentive Stock Option. No more than 500,000 Shares (as adjusted pursuant to the provisions of Section 1.6.3) that can be delivered under the Plan may be issued through Incentive Stock Options.

2.3.3 **Exercise Price.** The exercise price per share with respect to each stock option will be determined by the Committee but, except as otherwise permitted by Section 1.6.3, may never be less than the Fair Market Value of a share of Common Stock (or, in the case of an Incentive Stock Option granted to a Ten Percent Stockholder, 110% of the Fair Market Value). Unless otherwise noted in the Award Agreement, the Fair Market Value of the Common Stock will be its Fair Market Value on the date of grant of the Award of stock options.

2.3.4 **Term of Stock Option.** In no event will any stock option be exercisable after the expiration of 10 years (or, in the case of an Incentive Stock Option granted to a Ten Percent Stockholder, 5 years) from the date on which the stock option is granted.

2.3.5 **Vesting and Exercise of Stock Option and Payment for Shares.** A stock option may vest and be exercised at such time or times and subject to such terms and conditions as will be determined by the Committee at the time the stock option is granted and set forth in the Award Agreement. Subject to any limitations in the applicable Award Agreement, any Shares not acquired pursuant to the exercise of a stock option on the applicable vesting date may be acquired thereafter at any time before the final expiration of the stock option.

To exercise a stock option, the Grantee must give written notice to the Company specifying the number of Shares to be acquired and accompanied by payment of the full purchase price therefor in cash or by certified or official bank check or in another form as determined by the Company, which may include:

- (a) personal check,
- (b) Shares, based on the Fair Market Value as of the exercise date,
- (c) any other form of consideration approved by the Company and permitted by applicable law and
- (d) any combination of the foregoing.

The Committee may also make arrangements for the cashless exercise of a stock option. Any person exercising a stock option will make such representations and agreements and furnish



such information as the Committee may, in its sole discretion, deem necessary or desirable to effect or assure compliance by the Company on terms acceptable to the Company with the provisions of the Securities Act, the Exchange Act and any other applicable legal requirements. The Committee may, in its sole discretion, also take whatever additional actions it deems appropriate to effect such compliance including, without limitation, placing legends on share certificates and issuing stop-transfer notices to agents and registrars. If a Grantee so requests, Shares acquired pursuant to the exercise of a stock option may be issued in the name of the Grantee and another jointly with the right of survivorship.

2.3.6 **Repricing.** Except as otherwise permitted by Section 1.6.3, reducing the exercise price of stock options issued and outstanding under the Plan, including through amendment, cancellation in exchange for the grant of a substitute Award or repurchase for cash or other consideration (in each case that has the effect of reducing the exercise price), will require approval of First Hawaiian's stockholders.

## 2.4 Stock Appreciation Rights

2.4.1 **Grant.** Stock appreciation rights may be granted to eligible recipients in such number and at such times during the term of the Plan as the Committee may determine; provided, however, that the maximum number of Shares as to which stock appreciation rights may be granted under the Plan to any one individual in any fiscal year may not exceed 500,000 Shares (as adjusted pursuant to the provisions of Section 1.6.3).

2.4.2 **Exercise Price.** The exercise price per share with respect to each stock appreciation right will be determined by the Committee but, except as otherwise permitted by Section 1.6.3, may never be less than the Fair Market Value of the Common Stock. Unless otherwise noted in the Award Agreement, the Fair Market Value of the Common Stock will be its Fair Market Value on the date of grant of the Award of stock appreciation rights.

2.4.3 **Term of Stock Appreciation Right.** In no event will any stock appreciation right be exercisable after the expiration of 10 years from the date on which the stock appreciation right is granted.

2.4.4 **Vesting and Exercise of Stock Appreciation Right and Delivery of Shares.** Each stock appreciation right may vest and be exercised in such installments as may be determined in the Award Agreement at the time the stock appreciation right is granted. Subject to any limitations in the applicable Award Agreement, any stock appreciation rights not exercised on the applicable vesting date may be exercised thereafter at any time before the final expiration of the stock appreciation right.

To exercise a stock appreciation right, the Grantee must give written notice to the Company specifying the number of stock appreciation rights to be exercised. Upon exercise of stock appreciation rights, Shares, cash or other securities or property, or a combination thereof, as specified by the Committee, equal in value to:

- (a) the excess of:
- (1) the Fair Market Value of the Common Stock on the date of exercise *over*

- (2) the exercise price of such stock appreciation right

*multiplied by*

- (b) the number of stock appreciation rights exercised, will be delivered to the Grantee.

Any person exercising a stock appreciation right will make such representations and agreements and furnish such information as the Committee may, in its sole discretion, deem necessary or desirable to effect or assure compliance by the Company on terms acceptable to the Company with the provisions of the Securities Act, the Exchange Act and any other applicable legal requirements. If a Grantee so requests, Shares purchased may be issued in the name of the Grantee and another jointly with the right of survivorship.

2.4.5 **Repricing.** Except as otherwise permitted by Section 1.6.3, reducing the exercise price of stock appreciation rights issued and outstanding under the Plan, including through amendment, cancellation in exchange for the grant of a substitute Award or repurchase for cash or other consideration (in each case that has the effect of reducing the exercise price), will require approval of First Hawaiian's stockholders.

## 2.5 Restricted Shares

2.5.1 **Grants.** The Committee may grant or offer for sale restricted shares in such amounts and subject to such terms and conditions as the Committee may determine. Upon the delivery of such shares, the Grantee will have the rights of a stockholder with respect to the restricted shares, subject to any other restrictions and conditions as the Committee may include in the applicable Award Agreement. Each Grantee of an Award of restricted shares will be issued a Certificate in respect of such shares, unless the Committee elects to use another system, such as book entries by the transfer agent, as evidencing ownership of such shares. In the event that a Certificate is issued in respect of restricted shares, such Certificate may be registered in the name of the Grantee, and will, in addition to such legends required by applicable securities laws, bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Award, but will be held by the Company or its designated agent until the time the restrictions lapse.

2.5.2 **Right to Vote and Receive Dividends on Restricted Shares.** Each Grantee of an Award of restricted shares will, during the period of restriction, be the beneficial and record owner of such restricted shares and will have full voting rights with respect thereto. Unless the Committee determines otherwise in an Award Agreement, during the period of restriction, all ordinary cash dividends or other ordinary distributions paid upon any restricted share will be paid to the relevant Grantee (any extraordinary dividends or other extraordinary distributions will be treated in accordance with Section 1.6.3).

## 2.6 Restricted Stock Units

The Committee may grant Awards of restricted stock units in such amounts and subject to such terms and conditions as the Committee may determine. A Grantee of a restricted stock unit will have only the rights of a general unsecured creditor of First Hawaiian, until delivery of Shares,

cash or other securities or property is made as specified in the applicable Award Agreement. On the delivery date specified in the Award Agreement, the Grantee of each restricted stock unit not previously forfeited or terminated will receive one share of Common Stock, cash or other securities or property equal in value to a share of Common Stock or a combination thereof, as specified by the Committee.

## 2.7 Dividend Equivalent Rights

The Committee may include in the Award Agreement with respect to any Award a dividend equivalent right entitling the Grantee to receive amounts equal to all or any portion of the regular cash dividends that would be paid on the Shares covered by such Award if such Shares had been delivered pursuant to such Award. The grantee of a dividend equivalent right will have only the rights of a general unsecured creditor of First Hawaiian until payment of such amounts is made as specified in the applicable Award Agreement. In the event such a provision is included in an Award Agreement, the Committee will determine whether such payments will be made in cash, in Shares or in another form, whether they will be conditioned upon the exercise of the Award to which they relate (subject to compliance with Section 409A of the Code), the time or times at which they will be made, and such other terms and conditions as the Committee will deem appropriate.

## 2.8 Performance-Based Shares and Other Stock-Based or Cash-Based Awards

2.8.1 **Grant.** The Committee may grant other types of equity-based, equity-related or cash-based Awards (including the grant or offer for sale of unrestricted Shares, performance share awards, performance units settled in cash) ("**Other Stock-Based or Cash-Based Awards**") in such amounts and subject to such terms and conditions as the Committee may determine. The terms and conditions set forth by the Committee in the applicable Award Agreement may relate to the achievement of Performance Goals, as determined by the Committee at the time of grant. Such Awards may entail the transfer of actual Shares to Award recipients and may include Awards designed to comply with or take advantage of the applicable local laws of jurisdictions other than the United States.

2.8.2 **Performance-Based Awards.** Notwithstanding anything to the contrary herein, Other Stock-Based or Cash-Based Awards may, at the discretion of the Committee, be granted in a manner which is intended to be deductible by the Company under Section 162(m) of the Code. In such event, the Committee will follow the following procedures to the extent required to comply with Section 162(m) of the Code (taking into account any transition relief available thereunder):

(a) **Establishment of the Performance Period, Performance Goals and Formula.** A Grantee's Performance-Based Award will be determined based on the attainment of written objective Performance Goals approved by the Committee for a performance period established by the Committee (i) while the outcome for that performance period is substantially uncertain and (ii) no more than 90 days after the commencement of the performance period to which the Performance Goal relates or, if the performance period is less than one year, the number of days which is equal to 25% of the relevant performance period. At the same time as the Performance Goals are established, the Committee will prescribe a formula to determine the

amount of the Performance-Based Award that may be payable based upon the level of attainment of the Performance Goals during the performance period.

(b) **Performance Criteria.** The Performance Goals will be based on one or more of the following business criteria (either separately or in combination) with regard to First Hawaiian (or a Subsidiary, division, other operational unit or administrative department of First Hawaiian) ("**Performance Criteria**"): measures of efficiency (including operating efficiency, productivity ratios or other similar measures); measures of achievement of expense targets, costs reductions or general expense ratios; earnings per share; value creation targets; income or operating income measures; net income, before or after taxes; return measures (including return on capital, total capital, tangible capital equity, net assets or total shareholder return); increase in the Fair Market Value of Common Stock; credit quality; loan growth; deposit growth; loan portfolio performance; tangible book value or tangible book value growth and strategic business objectives, consisting of one or more objectives based on meeting specified cost targets; business expansion goals and goals relating to joint ventures collaborations (including objective project milestones).

Except as otherwise expressly provided, all financial terms are used as defined under Generally Accepted Accounting Principles ("GAAP") or such other objective principles, as may be designated by the Committee. To the extent financial terms are defined under GAAP, all determinations will be made in accordance with GAAP, as applied by the Company in the preparation of its periodic reports to stockholders.

Any Performance Goals may be measured in absolute terms or relative to historic performance or the performance of other companies or an index.

To the extent permitted under Section 162(m) of the Code (including, without limitation, compliance with any requirements for stockholder approval), for each fiscal year of First Hawaiian, the Committee may (i) designate additional business criteria on which the Performance Goals may be based or (ii) provide for objectively determinable adjustments, modifications or amendments to any of the Performance Criteria described above, as the Committee may deem appropriate (including, but not limited to, for one or more of the items of gain, loss, profit or expense: (A) determined to be extraordinary or unusual in nature or infrequent in occurrence, (B) related to the disposal of a segment of a business, (C) related to a change in accounting principle under GAAP, (D) related to discontinued operations that do not qualify as a segment of business under GAAP or (E) attributable to the business operations of any entity acquired by the Company during the fiscal year).

(c) **Certification of Performance.** Following the completion of each performance period, the Committee will have the sole discretion to determine whether the applicable Performance Goals have been met with respect to a given Grantee and, if they have, will so certify in writing and ascertain the amount of the applicable Performance-Based Award. No Performance-Based Awards will be paid for such performance period until such certification is made by the Committee. The amount of the Performance-Based Award actually paid to a given Grantee may be less (but not more) than the amount determined by the applicable Performance Goal formula, at the discretion of the Committee. The amount of the Performance-Based Award determined by the Committee for a performance period will be paid to the Grantee

at such time as determined by the Committee in its sole discretion after the end of such performance period.

## **2.9 Repayment If Conditions Not Met**

If the Committee determines that all terms and conditions of the Plan and a Grantee's Award Agreement were not satisfied, and that the failure to satisfy such terms and conditions is material, then the Grantee will be obligated to pay the Company immediately upon demand therefor, (a) with respect to a stock option and a stock appreciation right, an amount equal to the excess of the Fair Market Value (determined at the time of exercise) of the Shares that were delivered in respect of such exercised stock option or stock appreciation right, as applicable, over the exercise price paid therefor, (b) with respect to restricted shares, an amount equal to the Fair Market Value (determined at the time such shares became vested) of such restricted shares and (c) with respect to restricted stock units, an amount equal to the Fair Market Value (determined at the time of delivery) of the Shares delivered with respect to the applicable delivery date, in each case with respect to clauses (a), (b) and (c) of this Section 2.9, without reduction for any amount applied to satisfy withholding tax or other obligations in respect of such Award.

## **ARTICLE III MISCELLANEOUS**

### **3.1 Amendment of the Plan**

3.1.1 Unless otherwise provided in the Plan or in an Award Agreement, the Board may at any time and from time to time suspend, discontinue, revise or amend the Plan in any respect whatsoever but, subject to Sections 1.3, 1.6.3 and 3.7, no such amendment may materially adversely impair the rights of the Grantee of any Award without the Grantee's consent. Subject to Sections 1.3, 1.6.3 and 3.7, an Award Agreement may not be amended to materially adversely impair the rights of a Grantee without the Grantee's consent.

3.1.2 Unless otherwise determined by the Board, stockholder approval of any suspension, discontinuance, revision or amendment will be obtained only to the extent necessary to comply with any applicable laws, regulations or rules of a securities exchange or self-regulatory agency; provided, however, if and to the extent the Board determines that it is appropriate for Awards granted under the Plan to constitute performance-based compensation within the meaning of Section 162(m)(4)(C) of the Code (taking into account any "transition relief" available to the Company under the Code), no amendment that would require stockholder approval in order for amounts paid pursuant to the Plan to constitute performance-based compensation within the meaning of Section 162(m)(4)(C) of the Code will be effective without the approval of First Hawaiian's stockholders as required by Section 162(m) of the Code and, if and to the extent the Board determines it is appropriate for the Plan to comply with the provisions of Section 422 of the Code, no amendment that would require stockholder approval under Section 422 of the Code will be effective without the approval of First Hawaiian's stockholders.

### 3.2 Tax Withholding

Grantees will be solely responsible for any applicable taxes (including, without limitation, income and excise taxes) and penalties, and any interest that accrues thereon, that they incur in connection with the receipt, vesting or exercise of any Award. As a condition to the delivery of any Shares, cash or other securities or property pursuant to any Award or the lifting or lapse of restrictions on any Award, or in connection with any other event that gives rise to a federal or other governmental tax withholding obligation on the part of the Company relating to an Award (including, without limitation, the Federal Insurance Contributions Act (FICA) tax),

- (a) the Company may deduct or withhold (or cause to be deducted or withheld) from any payment or distribution to a Grantee whether or not pursuant to the Plan (including Shares otherwise deliverable),
- (b) the Committee will be entitled to require that the Grantee remit cash to the Company (through payroll deduction or otherwise) or
- (c) the Company may enter into any other suitable arrangements to withhold, in each case in an amount not to exceed in the opinion of the Company the minimum amounts of such taxes required by law to be withheld.

### 3.3 Required Consents and Legends

3.3.1 If the Committee at any time determines that any Consent (as hereinafter defined) is necessary or desirable as a condition of, or in connection with, the granting of any Award, the delivery of Shares or the delivery of any cash, securities or other property under the Plan, or the taking of any other action thereunder (each such action a "**Plan Action**"), then, subject to Section 3.15 such Plan Action will not be taken, in whole or in part, unless and until such Consent will have been effected or obtained to the full satisfaction of the Committee. The Committee may direct that any Certificate evidencing Shares delivered pursuant to the Plan will bear a legend setting forth such restrictions on transferability as the Committee may determine to be necessary or desirable, and may advise the transfer agent to place a stop transfer order against any legended shares.

3.3.2 The term "**Consent**" as used in this Article III with respect to any Plan Action includes:

- (a) any and all listings, registrations or qualifications in respect thereof upon any securities exchange or under any federal, state, or local law, or law, rule or regulation of a jurisdiction outside the United States,
- (b) any and all written agreements and representations by the Grantee with respect to the disposition of Shares, or with respect to any other matter, which the Committee may deem necessary or desirable to comply with the terms of any such listing, registration or qualification or to obtain an exemption from the requirement that any such listing, qualification or registration be made,

(c) any and all other consents, clearances and approvals in respect of a Plan Action by any governmental or other regulatory body or any stock exchange or self-regulatory agency,

(d) any and all consents by the Grantee to:

(i) the Company's supplying to any third party recordkeeper of the Plan such personal information as the Committee deems advisable to administer the Plan,

(ii) the Company's deducting amounts from the Grantee's wages, or another arrangement satisfactory to the Committee, to reimburse the Company for advances made on the Grantee's behalf to satisfy certain withholding and other tax obligations in connection with an Award and

(iii) the Company's imposing sales and transfer procedures and restrictions and hedging restrictions on Shares delivered under the Plan and

(e) any and all consents or authorizations required to comply with, or required to be obtained under, applicable local law or otherwise required by the Committee. Nothing herein will require the Company to list, register or qualify the Shares on any securities exchange.

### **3.4 Right of Offset**

The Company will have the right to offset against its obligation to deliver Shares (or other property or cash) under the Plan or any Award Agreement any outstanding amounts (including, without limitation, travel and entertainment or advance account balances, loans, repayment obligations under any Awards, or amounts repayable to the Company pursuant to tax equalization, housing, automobile or other employee programs) that the Grantee then owes to the Company and any amounts the Committee otherwise deems appropriate pursuant to any tax equalization policy or agreement. Notwithstanding the foregoing, if an Award provides for the deferral of compensation within the meaning of Section 409A of the Code, the Committee will have no right to offset against its obligation to deliver Shares (or other property or cash) under the Plan or any Award Agreement if such offset could subject the Grantee to the additional tax imposed under Section 409A of the Code in respect of an outstanding Award.

### **3.5 Nonassignability; No Hedging**

Unless otherwise provided in an Award Agreement, no Award (or any rights and obligations thereunder) granted to any person under the Plan may be sold, exchanged, transferred, assigned, pledged, hypothecated or otherwise disposed of or hedged, in any manner (including through the use of any cash-settled instrument), whether voluntarily or involuntarily and whether by operation of law or otherwise, other than by will or by the laws of descent and distribution, and all such Awards (and any rights thereunder) will be exercisable during the life of the Grantee only by the Grantee or the Grantee's legal representative. Notwithstanding the foregoing, the Committee may permit, under such terms and conditions that it deems appropriate in its sole discretion, a Grantee to transfer any Award to any person or entity that the Committee so determines. Any sale, exchange, transfer, assignment, pledge, hypothecation, or other disposition in violation of the provisions of this Section 3.5 will be null and void and any Award

which is hedged in any manner will immediately be forfeited. All of the terms and conditions of the Plan and the Award Agreements will be binding upon any permitted successors and assigns.

### **3.6 Change in Control**

3.6.1 Unless the Committee determines otherwise or as otherwise provided in the applicable Award Agreement, if a Grantee's Employment is terminated by the Company or any successor entity thereto without Cause, or the Grantee resigns his or her Employment for Good Reason, in either case, on or within two (2) years after a Change in Control, (i) each Award granted to such Grantee prior to such Change in Control will become fully vested (including the lapsing of all restrictions and conditions) and, as applicable, exercisable, (ii) any outstanding Performance-Based Awards will be deemed earned at the greater of the target level and the actual performance level at the date of the change in control with respect to all open performance periods and will cease to be subject to any further performance conditions but will continue to be subject to time-based vesting following the change in control in accordance with the original performance period and (iii) any Shares deliverable pursuant to restricted stock units will be delivered promptly (but no later than 15 days) following such Grantee's termination of Employment.

3.6.2 In the event of a Change in Control, a Grantee's Award will be treated, to the extent determined by the Committee to be permitted under Section 409A, in accordance with one or more of the following methods as determined by the Committee in its sole discretion: (i) settle such Awards for an amount (as determined in the sole discretion of the Committee) of cash or securities, where in the case of stock options and stock appreciation rights, the value of such amount, if any, will be equal to the in-the-money spread value (if any) of such awards; (ii) provide for the assumption of or the issuance of substitute awards that will substantially preserve the otherwise applicable terms of any affected Awards previously granted under the Plan, as determined by the Committee in its sole discretion; (iii) modify the terms of such awards to add events, conditions or circumstances (including termination of Employment within a specified period after a Change in Control) upon which the vesting of such Awards or lapse of restrictions thereon will accelerate; (iv) deem any performance conditions satisfied at target, maximum or actual performance through closing or provide for the performance conditions to continue (as is or as adjusted by the Committee) after closing or (v) provide that for a period of at least 20 days prior to the Change in Control, any stock options or stock appreciation rights that would not otherwise become exercisable prior to the Change in Control will be exercisable as to all Shares subject thereto (but any such exercise will be contingent upon and subject to the occurrence of the Change in Control and if the Change in Control does not take place within a specified period after giving such notice for any reason whatsoever, the exercise will be null and void) and that any stock options or stock appreciation rights not exercised prior to the consummation of the Change in Control will terminate and be of no further force and effect as of the consummation of the Change in Control. For the avoidance of doubt, in the event of a Change in Control where all stock options and stock appreciation rights are settled for an amount (as determined in the sole discretion of the Committee) of cash or securities, the Committee may, in its sole discretion, terminate any stock option or stock appreciation right for which the exercise price is equal to or exceeds the per share value of the consideration to be paid in the Change in Control transaction without payment of consideration therefor. Similar actions to



those specified in this [Section 3.6.2](#) may be taken in the event of a merger or other corporate reorganization that does not constitute a Change in Control.

### **3.7 No Continued Employment or Engagement; Right of Discharge Reserved**

Neither the adoption of the Plan nor the grant of any Award (or any provision in the Plan or Award Agreement) will confer upon any Grantee any right to continued Employment, or other engagement, with the Company, nor will it interfere in any way with the right of the Company to terminate, or alter the terms and conditions of, such Employment or other engagement at any time.

### **3.8 Nature of Payments**

3.8.1 Any and all grants of Awards and deliveries of Common Stock, cash, securities or other property under the Plan will be in consideration of services performed or to be performed for the Company by the Grantee. Awards under the Plan may, in the discretion of the Committee, be made in substitution in whole or in part for cash or other compensation otherwise payable to a Grantee. Only whole Shares will be delivered under the Plan. Awards will, to the extent reasonably practicable, be aggregated in order to eliminate any fractional shares. Fractional shares may, in the discretion of the Committee, be forfeited or be settled in cash or otherwise as the Committee may determine.

3.8.2 All such grants and deliveries of Shares, cash, securities or other property under the Plan will constitute a special discretionary incentive payment to the Grantee, will not entitle the Grantee to the grant of any future Awards and will not be required to be taken into account in computing the amount of salary or compensation of the Grantee for the purpose of determining any contributions to or any benefits under any pension, retirement, profit-sharing, bonus, life insurance, severance or other benefit plan of the Company or under any agreement with the Grantee, unless the Company specifically provides otherwise.

### **3.9 Non-Uniform Determinations**

3.9.1 The Committee's determinations under the Plan and Award Agreements need not be uniform and any such determinations may be made by it selectively among persons who receive, or are eligible to receive, Awards under the Plan (whether or not such persons are similarly situated). Without limiting the generality of the foregoing, the Committee will be entitled, among other things, to make non-uniform and selective determinations under Award Agreements, and to enter into non-uniform and selective Award Agreements, as to (a) the persons to receive Awards, (b) the terms and provisions of Awards and (c) whether a Grantee's Employment has been terminated for purposes of the Plan.

3.9.2 To the extent the Committee deems it necessary, appropriate or desirable to comply with foreign law or practices and to further the purposes of the Plan, the Committee may, in its sole discretion and without amending the Plan, (a) establish special rules applicable to Awards to Grantees who are foreign nationals, are employed outside the United States or both and grant Awards (or amend existing Awards) in accordance with those rules and (b) cause First Hawaiian to enter into an agreement with any local Subsidiary pursuant to which such Subsidiary will reimburse the Company for the cost of such equity incentives.

### **3.10 Other Payments or Awards**

Nothing contained in the Plan will be deemed in any way to limit or restrict the Company from making any award or payment to any person under any other plan, arrangement or understanding, whether now existing or hereafter in effect.

### **3.11 Plan Headings**

The headings in the Plan are for the purpose of convenience only and are not intended to define or limit the construction of the provisions hereof.

### **3.12 Termination of Plan**

The Board reserves the right to terminate the Plan at any time; provided, however, that in any case, the Plan will terminate on the day before the tenth anniversary of the Effective Date, and provided further, that all Awards made under the Plan before its termination will remain in effect until such Awards have been satisfied or terminated in accordance with the terms and provisions of the Plan and the applicable Award Agreements.

### **3.13 Clawback/Recapture Policy**

Awards under the Plan will be subject to any clawback or recapture policy that the Company may adopt from time to time to the extent provided in such policy and, in accordance with such policy, may be subject to the requirement that the Awards be repaid to the Company after they have been distributed to the Grantee.

### **3.14 FDIC Limits on Golden Parachute Payments**

Notwithstanding anything to the contrary, the Company will not be required to make any payment or grant any Award under the Plan or any Award Agreement that would otherwise be a prohibited golden parachute payment within the meaning of Section 18(k) of the Federal Deposit Insurance Act.

### **3.15 Section 409A**

3.15.1 All Awards made under the Plan that are intended to be “deferred compensation” subject to Section 409A will be interpreted, administered and construed to comply with Section 409A, and all Awards made under the Plan that are intended to be exempt from Section 409A will be interpreted, administered and construed to comply with and preserve such exemption. The Board and the Committee will have full authority to give effect to the intent of the foregoing sentence. To the extent necessary to give effect to this intent, in the case of any conflict or potential inconsistency between the Plan and a provision of any Award or Award Agreement with respect to an Award, the Plan will govern.

3.15.2 Without limiting the generality of Section 3.15.1, with respect to any Award made under the Plan that is intended to be “deferred compensation” subject to Section 409A:

(a) any payment due upon a Grantee's termination of Employment will be paid only upon such Grantee's separation from service from the Company within the meaning of Section 409A;

(b) any payment due upon a Change in Control of the Company will be paid only if such Change in Control constitutes a "change in ownership" or "change in effective control" within the meaning of Section 409A, and in the event that such Change in Control does not constitute a "change in the ownership" or "change in the effective control" within the meaning of Section 409A, such Award will vest upon the Change in Control and any payment will be delayed until the first compliant date under Section 409A;

(c) any payment to be made with respect to such Award in connection with the Grantee's separation from service from the Company within the meaning of Section 409A (and any other payment that would be subject to the limitations in Section 409A(a)(2)(B) of the Code) will be delayed until six months after the Grantee's separation from service (or earlier death) in accordance with the requirements of Section 409A;

(d) if any payment to be made with respect to such Award would occur at a time when the tax deduction with respect to such payment would be limited or eliminated by Section 162(m) of the Code, such payment may be deferred by the Company under the circumstances described in Section 409A until the earliest date that the Company reasonably anticipates that the deduction or payment will not be limited or eliminated;

(e) to the extent necessary to comply with Section 409A, any other securities, other Awards or other property that the Company may deliver in lieu of Shares in respect of an Award will not have the effect of deferring delivery or payment beyond the date on which such delivery or payment would occur with respect to the Shares that would otherwise have been deliverable (unless the Committee elects a later date for this purpose in accordance with the requirements of Section 409A);

(f) with respect to any required Consent described in Section 3.3 or the applicable Award Agreement, if such Consent has not been effected or obtained as of the latest date provided by such Award Agreement for payment in respect of such Award and further delay of payment is not permitted in accordance with the requirements of Section 409A, such Award or portion thereof, as applicable, will be forfeited and terminate notwithstanding any prior earning or vesting;

(g) if the Award includes a "series of installment payments" (within the meaning of Section 1.409A-2(b)(2)(iii) of the Treasury Regulations), the Grantee's right to the series of installment payments will be treated as a right to a series of separate payments and not as a right to a single payment;

(h) if the Award includes "dividend equivalents" (within the meaning of Section 1.409A-3(e) of the Treasury Regulations), the Grantee's right to the dividend equivalents will be treated separately from the right to other amounts under the Award; and

(i) for purposes of determining whether the Grantee has experienced a separation from service from the Company within the meaning of Section 409A, "subsidiary"

will mean a corporation or other entity in a chain of corporations or other entities in which each corporation or other entity, starting with First Hawaiian, has a controlling interest in another corporation or other entity in the chain, ending with such corporation or other entity. For purposes of the preceding sentence, the term “controlling interest” has the same meaning as provided in Section 1.414(c)-2(b)(2)(i) of the Treasury Regulations, provided that the language “at least 20 percent” is used instead of “at least 80 percent” each place it appears in Section 1.414(c)-2(b)(2)(i) of the Treasury Regulations.

### **3.16 Section 162(m)**

The provisions of the Plan with respect to Section 162(m) of the Code will only be applicable to the extent necessary to comply with Section 162(m) of the Code. The Plan is intended to constitute a plan described in Treasury Regulation Section 1.162-27(f)(1), pursuant to which the deduction limits under Section 162(m) of the Code do not apply during the applicable reliance period. The reliance period will end on the earliest to occur of the following: (i) the first material modification of the Plan after the Company becomes a publicly held corporation; (ii) the first meeting of First Hawaiian shareholders at which members of the Board are to be elected that occurs after the close of the third calendar year following the calendar year in which occurred the first registration of an equity security of First Hawaiian under Section 12 of the Exchange Act; or (iii) such other date required by Section 162(m) of the Code.

### **3.17 Governing Law**

THE PLAN AND ALL AWARDS MADE AND ACTIONS TAKEN THEREUNDER WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF HAWAII, WITHOUT REFERENCE TO PRINCIPLES OF CONFLICT OF LAWS.

### **3.18 Disputes; Choice of Forum**

3.18.1 The Company and each Grantee, as a condition to such Grantee’s participation in the Plan, hereby irrevocably submit to the exclusive jurisdiction of any state or federal court located in the County of Honolulu, State of Hawaii, over any suit, action or proceeding arising out of or relating to or concerning the Plan or, to the extent not otherwise specified in any individual agreement between the Company and the Grantee, any aspect of the Grantee’s Employment with the Company or the termination of that Employment. The Company and each Grantee, as a condition to such Grantee’s participation in the Plan, acknowledge that the forum designated by this Section 3.18.1 has a reasonable relation to the Plan and to the relationship between such Grantee and the Company. Notwithstanding the foregoing, nothing herein will preclude the Company from bringing any action or proceeding in any other court for the purpose of enforcing the provisions of this Section 3.18.1.

3.18.2 The agreement by the Company and each Grantee as to forum is independent of the law that may be applied in the action, and the Company and each Grantee, as a condition to such Grantee’s participation in the Plan, (i) agree to such forum even if the forum may under applicable law choose to apply non-forum law, (ii) hereby waive, to the fullest extent permitted by applicable law, any objection which the Company or such Grantee now or hereafter may have to personal jurisdiction or to the laying of venue of any such suit, action or proceeding in any

court referred to in Section 3.18.1, (iii) undertake not to commence any action arising out of or relating to or concerning the Plan in any forum other than the forum described in this Section 3.18 and (iv) agree that, to the fullest extent permitted by applicable law, a final and non-appealable judgment in any such suit, action or proceeding in any such court will be conclusive and binding upon the Company and each Grantee.

3.18.3 Each Grantee, as a condition to such Grantee's participation in the Plan, hereby irrevocably appoints the General Counsel of the Company as such Grantee's agent for service of process in connection with any action, suit or proceeding arising out of or relating to or concerning the Plan, who will promptly advise such Grantee of any such service of process.

3.18.4 Each Grantee, as a condition to such Grantee's participation in the Plan, agrees to keep confidential the existence of, and any information concerning, a dispute, controversy or claim described in Section 3.20, except that a Grantee may disclose information concerning such dispute, controversy or claim to the court that is considering such dispute, controversy or claim or to such Grantee's legal counsel (provided that such counsel agrees not to disclose any such information other than as necessary to the prosecution or defense of the dispute, controversy or claim).

### **3.19 Waiver of Jury Trial**

EACH GRANTEE WAIVES ANY RIGHT IT MAY HAVE TO TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED ON, ARISING OUT OF, UNDER OR IN CONNECTION WITH THE PLAN.

### **3.20 Waiver of Claims**

Each Grantee of an Award recognizes and agrees that before being selected by the Committee to receive an Award the Grantee has no right to any benefits under the Plan. Accordingly, in consideration of the Grantee's receipt of any Award hereunder, the Grantee expressly waives any right to contest the amount of any Award, the terms of any Award Agreement, any determination, action or omission hereunder or under any Award Agreement by the Committee, the Company or the Board, or any amendment to the Plan or any Award Agreement (other than an amendment to the Plan or an Award Agreement to which his or her consent is expressly required by the express terms of an Award Agreement). Nothing contained in the Plan, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between the Company and any Grantee. The Plan is not intended to be subject to the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

### **3.21 Severability; Entire Agreement**

If any of the provisions of the Plan or any Award Agreement is finally held to be invalid, illegal or unenforceable (whether in whole or in part), such provision will be deemed modified to the extent, but only to the extent, of such invalidity, illegality or unenforceability and the remaining provisions will not be affected thereby; provided that if any of such provisions is finally held to be invalid, illegal, or unenforceable because it exceeds the maximum scope determined to be acceptable to permit such provision to be enforceable, such provision will be deemed to be modified to the minimum extent necessary to modify such scope in order to make such provision

enforceable hereunder. The Plan and any Award Agreements contain the entire agreement of the parties with respect to the subject matter thereof and supersede all prior agreements, promises, covenants, arrangements, communications, representations and warranties between them, whether written or oral with respect to the subject matter thereof.

**3.22 No Liability With Respect to Tax Qualification or Adverse Tax Treatment**

Notwithstanding anything to the contrary contained herein, in no event will the Company be liable to a Grantee on account of an Award's failure to (a) qualify for favorable United States or foreign tax treatment or (b) avoid adverse tax treatment under United States or foreign law, including, without limitation, Section 409A.

**3.23 No Third-Party Beneficiaries**

Except as expressly provided in an Award Agreement, neither the Plan nor any Award Agreement will confer on any person other than the Company and the Grantee of any Award any rights or remedies thereunder. The exculpation and indemnification provisions of Section 1.3.4 will inure to the benefit of a Covered Person's estate and beneficiaries and legatees.

**3.24 Successors and Assigns of the Company**

The terms of the Plan will be binding upon and inure to the benefit of the Company and any successor entity, including as contemplated by Section 3.6.

**3.25 Date of Adoption and Approval of Stockholders**

The Plan was adopted by the Board on June 16, 2016 and was approved by First Hawaiian's stockholders on July 22, 2016 (the "**Effective Date**").

FIRST HAWAIIAN, INC.  
2016 NON-EMPLOYEE DIRECTOR PLAN

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**FIRST HAWAIIAN, INC.**  
**2016 NON-EMPLOYEE DIRECTOR PLAN**

**ARTICLE I**  
**GENERAL**

**1.1 Purpose**

The purpose of the First Hawaiian, Inc. 2016 Non-Employee Director Plan (as amended from time to time, the "**Plan**") is to: (1) attract, retain and motivate non-employee directors of the Board of Directors of First Hawaiian, Inc., a Delaware corporation ("**First Hawaiian**") (each such director, a "**Non-Employee Director**") and non-employee directors of First Hawaiian's Subsidiaries; (2) align the interests of such persons with First Hawaiian's stockholders; and (3) promote ownership of First Hawaiian's equity. Awards made pursuant to the Plan will be subject to the laws and regulations that may apply to First Hawaiian from time to time.

**1.2 Definitions of Certain Terms**

For purposes of this Plan, the following terms have the meanings set forth below:

1.2.1 "**Award**" means an award made pursuant to the Plan.

1.2.2 "**Award Agreement**" means the written document by which each Award is evidenced, and which may, but need not be (as determined by the Committee) executed or acknowledged by a Grantee as a condition to receiving an Award or the benefits under an Award, and which sets forth the terms and provisions applicable to Awards granted under the Plan to such Grantee. Any reference herein to an agreement in writing will be deemed to include an electronic writing to the extent permitted by applicable law.

1.2.3 "**Board**" means the Board of Directors of First Hawaiian.

1.2.4 "**Business Combination**" has the meaning provided in the definition of Change in Control.

1.2.5 "**Certificate**" means a stock certificate (or other appropriate document or evidence of ownership) representing Shares.

1.2.6 "**Change in Control**" means, except in connection with any initial public offering of the Common Stock and except for any event that occurs prior to the 50% Date (as defined in the Stockholders Agreement to be entered into between BNP Paribas and First Hawaiian in connection with the initial public offering of Common Stock (the "**Stockholders Agreement**")), the occurrence of any of the following events after the completion of the initial public offering of the Company:

(a) during any period of not more than 36 months, individuals who constitute the Board as of the beginning of the period (the "**Incumbent Directors**") cease for any reason to

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constitute at least a majority of the Board, provided that any person becoming a director subsequent to the beginning of such period, whose election or nomination for election was approved by a vote of at least two-thirds of the Incumbent Directors then on the Board (either by a specific vote or by approval of the proxy statement of First Hawaiian in which such person is named as a nominee for director, without written objection to such nomination) will be an Incumbent Director; provided, however, that no individual initially elected or nominated as a director of First Hawaiian as a result of an actual or publicly threatened election contest with respect to directors or as a result of any other actual or publicly threatened solicitation of proxies by or on behalf of any person other than the Board will be deemed to be an Incumbent Director; provided, further, that this Section 1.2.8(a) shall not be in effect until there are no BNPP Directors (as defined in the Stockholders Agreement) on the Board;

(b) any “person” (as such term is defined in Section 3(a)(9) of the Exchange Act and as used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act), is or becomes a “beneficial owner” (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of First Hawaiian representing 50% or more of the combined voting power of First Hawaiian’s then-outstanding securities eligible to vote for the election of the Board (“**Company Voting Securities**”); provided, however, that the event described in this paragraph (b) will not be deemed to be a Change in Control by virtue of the ownership, or acquisition, of Company Voting Securities: (A) by the Company, (B) by any employee benefit plan (or related trust) sponsored or maintained by the Company, (C) by any underwriter temporarily holding securities pursuant to an offering of such securities, (D) pursuant to a Non-Qualifying Transaction (as defined in paragraph (c) of this definition) or (E) by BNP Paribas or any of its direct or indirect Subsidiaries;

(c) the consummation of a merger, consolidation, statutory share exchange or similar form of corporate transaction involving First Hawaiian that requires the approval of First Hawaiian’s stockholders, whether for such transaction or the issuance of securities in the transaction (a “**Business Combination**”), excluding such a Business Combination with BNP Paribas or any of its direct or indirect Subsidiaries, unless immediately following such Business Combination: (A) more than 50% of the total voting power of (x) the entity resulting from such Business Combination (the “**Surviving Entity**”), or (y) if applicable, the ultimate parent corporation that directly or indirectly has beneficial ownership of at least 95% of the voting power, is represented by Company Voting Securities that were outstanding immediately prior to such Business Combination (or, if applicable, is represented by shares into which such Company Voting Securities were converted pursuant to such Business Combination), and such voting power among the holders thereof is in substantially the same proportion as the voting power of such Company Voting Securities among the holders thereof immediately prior to the Business Combination, (B) no person (other than BNP Paribas or any employee benefit plan (or related trust) sponsored or maintained by the Surviving Entity or the parent), is or becomes the beneficial owner, directly or indirectly, of 50% or more of the total voting power of the outstanding voting securities eligible to elect directors of the parent (or, if there is no parent, the Surviving Entity) and (C) at least 50% of the members of the board of directors of the parent (or, if there is no parent, the Surviving Entity) following the consummation of the Business Combination were Incumbent Directors at the time of the Board’s approval of the execution of the initial agreement providing for such Business Combination (any Business Combination

which satisfies all of the criteria specified in (A), (B) and (C) of this paragraph (c) will be deemed to be a “**Non-Qualifying Transaction**”); or

(d) the consummation of a sale of all or substantially all of First Hawaiian’s assets (other than to BNP Paribas or any of its direct or indirect Subsidiaries or an affiliate of First Hawaiian); or

(e) First Hawaiian’s stockholders approve a plan of complete liquidation or dissolution of First Hawaiian.

Notwithstanding the foregoing, a Change in Control will not be deemed to occur solely because any person acquires beneficial ownership of more than 50% of the Company Voting Securities as a result of the acquisition of Company Voting Securities by the Company which reduces the number of Company Voting Securities outstanding; provided that if after such acquisition by the Company such person (other than BNP Paribas or any of its direct or indirect Subsidiaries) becomes the beneficial owner of additional Company Voting Securities that increases the percentage of outstanding Company Voting Securities beneficially owned by such person, a Change in Control will then occur.

1.2.7 “**Code**” means the Internal Revenue Code of 1986, as amended from time to time, or any successor thereto, and the applicable rulings and regulations thereunder.

1.2.8 “**Committee**” has the meaning set forth in Section 1.3.1.

1.2.9 “**Common Stock**” means the common stock of First Hawaiian, par value \$0.01 per share, and any other securities or property issued in exchange therefor or in lieu thereof pursuant to Section 1.6.3.

1.2.10 “**Company**” means First Hawaiian and any Subsidiary, and any successor entity thereto.

1.2.11 “**Company Voting Securities**” has the meaning provided in the definition of Change in Control.

1.2.12 “**Consent**” has the meaning set forth in Section 3.3.2.

1.2.13 “**Covered Person**” has the meaning set forth in Section 1.3.4.

1.2.14 “**Effective Date**” has the meaning set forth in Section 3.23.

1.2.15 “**Exchange Act**” means the Securities Exchange Act of 1934, as amended from time to time, or any successor thereto, and the applicable rules and regulations thereunder.

1.2.16 “**Fair Market Value**” means, with respect to a Share, the closing price reported for the Common Stock on the applicable date as reported on the Nasdaq Global Select Market or, if not so reported, as determined in accordance with a valuation methodology approved by the Committee, unless determined as otherwise specified herein. For purposes of the grant of any Award, the applicable date will be the trading day on which the Award is granted or, if the date

the Award is granted is not a trading day, the trading day immediately prior to the date the Award is granted. For purposes of the exercise of any Award, the applicable date is the date a notice of exercise is received by the Company or, if such date is not a trading day, the trading day immediately following the date a notice of exercise is received by the Company.

1.2.17 “**Grantee**” means a Non-Employee Director or a non-employee director of a Subsidiary of First Hawaiian who receives an Award.

1.2.18 “**Incumbent Directors**” has the meaning provided in the definition of Change in Control.

1.2.19 “**Non-Employee Director**” has the meaning set forth in Section 1.1. For the avoidance of doubt, a director who is also an employee of First Hawaiian, BNP Paribas] or any of their respective Subsidiaries will not be a Non-Employee Director.

1.2.20 “**Non-Qualifying Transaction**” has the meaning provided in the definition of Change in Control.

1.2.21 “**Other Stock-Based or Cash-Based Awards**” has the meaning set forth in Section 2.8.

1.2.22 “**Plan**” has the meaning set forth in Section 1.1.

1.2.23 “**Plan Action**” has the meaning set forth in Section 3.3.1.

1.2.24 “**Section 409A**” means Section 409A of the Code, including any amendments or successor provisions to that section, and any regulations and other administrative guidance thereunder, in each case as they may be from time to time amended or interpreted through further administrative guidance.

1.2.25 “**Securities Act**” means the Securities Act of 1933, as amended from time to time, or any successor thereto, and the applicable rules and regulations thereunder.

1.2.26 “**Share Limit**” has the meaning set forth in Section 1.6.1.

1.2.27 “**Shares**” means shares of Common Stock.

1.2.28 “**Subsidiary**” means any corporation, partnership, limited liability company or other legal entity in which First Hawaiian, directly or indirectly, owns stock or other equity interests possessing 50% or more of the total combined voting power of all classes of the then-outstanding stock or other equity interests.

1.2.29 “**Surviving Entity**” has the meaning provided in the definition of Change in Control.

1.2.30 “**Treasury Regulations**” means the regulations promulgated under the Code by the United States Treasury Department, as amended.

### 1.3 Administration

1.3.1 The Compensation Committee of the Board (as constituted from time to time, and including any successor committee, the “**Committee**”) will administer the Plan. In particular, the Committee will have the authority in its sole discretion to:

- (a) exercise all of the powers granted to it under the Plan;
- (b) construe, interpret and implement the Plan and all Award Agreements;
- (c) prescribe, amend and rescind rules and regulations relating to the Plan, including rules governing the Committee’s own operations;
- (d) make all determinations necessary or advisable in administering the Plan;
- (e) correct any defect, supply any omission and reconcile any inconsistency in the Plan;
- (f) amend the Plan to reflect changes in applicable law;
- (g) grant, or recommend to the Board for approval to grant, Awards and determine who will receive Awards, when such Awards will be granted and the terms of such Awards, including setting forth provisions with regard to the effect of a termination of directorship on such Awards and conditioning the vesting of, or the lapsing of any applicable vesting restrictions or other vesting conditions on, Awards upon continued service;
- (h) amend any outstanding Award Agreement in any respect, including, without limitation, to
  - (1) accelerate the time or times at which the Award becomes vested, unrestricted or may be exercised (and, in connection with such acceleration, the Committee may provide that any Shares acquired pursuant to such Award will be restricted shares, which are subject to vesting, transfer, forfeiture or repayment provisions similar to those in the Grantee’s underlying Award),
  - (2) accelerate the time or times at which Shares are delivered under the Award (and, without limitation on the Committee’s rights, in connection with such acceleration, the Committee may provide that any Shares delivered pursuant to such Award will be restricted shares, which are subject to vesting, transfer, forfeiture or repayment provisions similar to those in the Grantee’s underlying Award),
  - (3) waive or amend any restrictions, vesting provisions or conditions set forth in such Award Agreement, or impose new restrictions, vesting provisions and conditions or
  - (4) reflect a change in the Grantee’s circumstances (*e.g.*, a change in position, duties or responsibilities); and

- (i) determine at any time whether, to what extent and under what circumstances and method or methods, subject to Section 3.15,
  - (1) Awards may be
    - (A) settled in cash, Shares, other securities, other Awards or other property (in which event, the Committee may specify what other effects such settlement will have on the Grantee's Award, including the effect on any repayment provisions under the Plan or Award Agreement),
    - (B) exercised or
    - (C) canceled, forfeited or suspended,
  - (2) Shares, other securities, other Awards or other property and other amounts payable with respect to an Award may be deferred either automatically or at the election of the Grantee thereof or of the Committee,
  - (3) to the extent permitted under applicable law, loans (whether or not secured by Common Stock) may be extended by the Company with respect to any Awards,
  - (4) Awards may be settled by First Hawaiian, any of its Subsidiaries or affiliates or any of their designees and
  - (5) the exercise price for any stock option or stock appreciation right may be reset.

1.3.2 Actions of the Committee may be taken by the vote of a majority of its members present at a meeting (which may be held telephonically). Any action may be taken by a written instrument signed by a majority of the Committee members, and action so taken will be as fully effective as if it had been taken by a vote at a meeting. The determination of the Committee on all matters relating to the Plan or any Award Agreement will be final, binding and conclusive. The Committee may allocate among its members and delegate to any person who is not a member of the Committee, or to any administrative group within the Company, any of its powers, responsibilities or duties. In delegating its authority, the Committee will consider the extent to which any delegation may cause Awards to fail to meet the requirements of Rule 16(b)-3(d)(1) or Rule 16(b)-3(e) under the Exchange Act. Except as specifically provided to the contrary, references to the Committee include any administrative group, individual or individuals to whom the Committee has delegated its duties and powers.

1.3.3 Notwithstanding anything to the contrary contained herein, the Board may, in its sole discretion, at any time and from time to time, grant Awards or administer the Plan. In any such case, the Board will have all of the authority and responsibility granted to the Committee herein.

1.3.4 No member of the Committee or any person to whom the Committee delegates its powers, responsibilities or duties in writing, including by resolution (each such person, a "**Covered Person**"), will have any liability to any person (including any Grantee) for any action

taken or omitted to be taken or any determination made with respect to the Plan or any Award, except as expressly provided by statute. Each Covered Person will be indemnified and held harmless by the Company against and from:

(a) any loss, cost, liability or expense (including attorneys' fees) that may be imposed upon or incurred by such Covered Person in connection with or resulting from any action, suit or proceeding to which such Covered Person may be a party or in which such Covered Person may be involved by reason of any action taken or omitted to be taken under the Plan or any Award Agreement, in each case, in good faith and

(b) any and all amounts paid by such Covered Person, with the Company's approval, in settlement thereof, or paid by such Covered Person in satisfaction of any judgment in any such action, suit or proceeding against such Covered Person, provided that the Company will have the right, at its own expense, to assume and defend any such action, suit or proceeding and, once the Company gives notice of its intent to assume the defense, the Company will have sole control over such defense with counsel of the Company's choice.

The foregoing right of indemnification will not be available to a Covered Person to the extent that a court of competent jurisdiction in a final judgment or other final adjudication, in either case, not subject to further appeal, determines that the acts or omissions of such Covered Person giving rise to the indemnification claim resulted from such Covered Person's bad faith, fraud or willful misconduct. The foregoing right of indemnification will not be exclusive of any other rights of indemnification to which Covered Persons may be entitled under First Hawaiian's Amended and Restated Certificate of Incorporation or Amended and Restated Bylaws, pursuant to any individual indemnification agreements between such Covered Person and the Company, as a matter of law, or otherwise, or any other power that the Company may have to indemnify such persons or hold them harmless.

#### **1.4 Persons Eligible for Awards**

Awards under the Plan may be made only to Non-Employee Directors and non-employee directors of First Hawaiian's Subsidiaries. Any Non-Employee Director who is an employee of BNP Paribas or is nominated by BNP Paribas to serve on the Board shall not be eligible to receive awards under the Plan.

#### **1.5 Types of Awards Under Plan**

Awards may be made under the Plan in the form of cash-based or stock-based Awards. Stock-based Awards may be in the form of any of the following, in each case in respect of Common Stock:

- (a) stock options,
- (b) stock appreciation rights,
- (c) restricted shares,
- (d) restricted stock units,

(e) dividend equivalent rights and

(f) other equity-based or equity-related Awards (as further described in Section 2.8), that the Committee determines to be consistent with the purposes of the Plan and the interests of the Company.

#### 1.6 Shares of Common Stock Available for Awards

1.6.1 **Common Stock Subject to the Plan.** Subject to the other provisions of this Section 1.6, the total number of Shares that may be granted under the Plan will be 75,000(1) (the "**Share Limit**"). Aggregate Awards to any one Grantee in respect of any fiscal year, solely with respect to his or her service as a director of the Board, may not exceed \$500,000 based on the aggregate value of cash Awards and Fair Market Value of stock-based Awards, in each case, determined as of the date of grant.

1.6.2 **Replacement of Shares.** Shares subject to an Award that is forfeited (including any restricted shares repurchased by the Company at the same price paid by the Grantee so that such Shares are returned to the Company), expires or is settled for cash (in whole or in part), to the extent of such forfeiture, expiration or cash settlement will be available for future grants of Awards under the Plan and will be added back in the same number of Shares as were deducted in respect of the grant of such Award. The payment of dividend equivalent rights in cash in conjunction with any outstanding Awards will not be counted against the Shares available for issuance under the Plan. Shares tendered by a Grantee or withheld by the Company in payment of the exercise price of a stock option or to satisfy any tax withholding obligation with respect to an Award will not again be available for Awards.

1.6.3 **Adjustments.** The Committee will:

(a) adjust the number of Shares authorized pursuant to Section 1.6.1, and

(b) adjust the terms of any outstanding Awards (including, without limitation, the number of Shares covered by each outstanding Award, the type of property or securities to which the Award relates and the exercise or strike price of any Award),

in such manner as it deems appropriate (including, without limitation, by payment of cash) to prevent the enlargement or dilution of rights, as a result of any increase or decrease in the number of issued Shares (or issuance of shares of stock other than Shares) resulting from a recapitalization, stock split, reverse stock split, stock dividend, spinoff, split up, combination, reclassification or exchange of Shares, merger, consolidation, rights offering, separation, reorganization or liquidation or any other change in the corporate structure or Shares, including any extraordinary dividend or extraordinary distribution; provided that no such adjustment may be made if or to the extent that it would cause an outstanding Award to cease to be exempt from, or to fail to comply with, Section 409A of the Code.

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(1) The Share Limit is based on 139,459,620 total Shares outstanding as of the date the Plan is adopted by the Board.



**ARTICLE II  
AWARDS UNDER THE PLAN**

**2.1 Agreements Evidencing Awards**

Each Award granted under the Plan will be evidenced by an Award Agreement that will contain such provisions and conditions as the Committee deems appropriate. Unless otherwise provided herein, the Committee may grant Awards in tandem with or, subject to Section 3.15, in substitution for or satisfaction of any other Award or Awards granted under the Plan or any award granted under any other plan of the Company. By accepting an Award pursuant to the Plan, a Grantee thereby agrees that the Award will be subject to all of the terms and provisions of the Plan and the applicable Award Agreement.

**2.2 No Rights as a Stockholder**

No Grantee (or other person having rights pursuant to an Award) will have any of the rights of a stockholder of First Hawaiian with respect to Shares subject to an Award until the delivery of such Shares. Except as otherwise provided in Section 1.6.3, no adjustments will be made for dividends, distributions or other rights (whether ordinary or extraordinary, and whether in cash, Common Stock, other securities or other property) for which the record date is before the date the Certificates for the Shares are delivered, or in the event the Committee elects to use another system, such as book entries by the transfer agent, before the date in which such system evidences the Grantee's ownership of such Shares.

**2.3 Options**

2.3.1 **Grant.** Stock options may be granted to eligible recipients in such number and at such times during the term of the Plan as the Committee may determine.

2.3.2 **Exercise Price.** The exercise price per share with respect to each stock option will be determined by the Committee but, except as otherwise permitted by Section 1.6.3, may never be less than the Fair Market Value of a share of Common Stock. Unless otherwise noted in the Award Agreement, the Fair Market Value on the date of grant of the Award of stock options.

2.3.3 **Term of Stock Option.** In no event will any stock option be exercisable after the expiration of 10 years from the date on which the stock option is granted.

2.3.4 **Vesting and Exercise of Stock Option and Payment for Shares.** A stock option may vest and be exercised at such time or times and subject to such terms and conditions as will be determined by the Committee at the time the stock option is granted and set forth in the Award Agreement. Subject to any limitations in the applicable Award Agreement, any Shares not acquired pursuant to the exercise of a stock option on the applicable vesting date may be acquired thereafter at any time before the final expiration of the stock option.

To exercise a stock option, the Grantee must give written notice to the Company specifying the number of Shares to be acquired and accompanied by payment of the full

purchase price therefor in cash or by certified or official bank check or in another form as determined by the Company, which may include:

- (a) personal check,
- (b) Shares, based on the Fair Market Value as of the exercise date,
- (c) any other form of consideration approved by the Company and permitted by applicable law and
- (d) any combination of the foregoing.

The Committee may also make arrangements for the cashless exercise of a stock option. Any person exercising a stock option will make such representations and agreements and furnish such information as the Committee may, in its sole discretion, deem necessary or desirable to effect or assure compliance by the Company on terms acceptable to the Company with the provisions of the Securities Act, the Exchange Act and any other applicable legal requirements. The Committee may, in its sole discretion, also take whatever additional actions it deems appropriate to effect such compliance including, without limitation, placing legends on share certificates and issuing stop-transfer notices to agents and registrars. If a Grantee so requests, Shares acquired pursuant to the exercise of a stock option may be issued in the name of the Grantee and another jointly with the right of survivorship.

2.3.5 **Repricing.** Except as otherwise permitted by Section 1.6.3, reducing the exercise price of stock options issued and outstanding under the Plan, including through amendment, cancellation in exchange for the grant of a substitute Award or repurchase for cash or other consideration (in each case that has the effect of reducing the exercise price), will require approval of First Hawaiian's stockholders.

## 2.4 Stock Appreciation Rights

2.4.1 **Grant.** Stock appreciation rights may be granted to eligible recipients in such number and at such times during the term of the Plan as the Committee may determine.

2.4.2 **Exercise Price.** The exercise price per share with respect to each stock appreciation right will be determined by the Committee but, except as otherwise permitted by Section 1.6.3, may never be less than the Fair Market Value of the Common Stock. Unless otherwise noted in the Award Agreement, the Fair Market Value of the Common Stock will be its Fair Market Value on the date of grant of the Award of stock appreciation rights.

2.4.3 **Term of Stock Appreciation Right.** In no event will any stock appreciation right be exercisable after the expiration of 10 years from the date on which the stock appreciation right is granted.

2.4.4 **Vesting and Exercise of Stock Appreciation Right and Delivery of Shares.** Each stock appreciation right may vest and be exercised in such installments as may be determined in the Award Agreement at the time the stock appreciation right is granted. Subject to any limitations in the applicable Award Agreement, any stock appreciation rights not

exercised on the applicable vesting date may be exercised thereafter at any time before the final expiration of the stock appreciation right.

To exercise a stock appreciation right, the Grantee must give written notice to the Company specifying the number of stock appreciation rights to be exercised. Upon exercise of stock appreciation rights, Shares, cash or other securities or property, or a combination thereof, as specified by the Committee, equal in value to:

- (a) the excess of:
  - (1) the Fair Market Value of the Common Stock on the date of exercise *over*
  - (2) the exercise price of such stock appreciation right

*multiplied by*
- (b) the number of stock appreciation rights exercised, will be delivered to the Grantee.

Any person exercising a stock appreciation right will make such representations and agreements and furnish such information as the Committee may, in its sole discretion, deem necessary or desirable to effect or assure compliance by the Company on terms acceptable to the Company with the provisions of the Securities Act, the Exchange Act and any other applicable legal requirements. If a Grantee so requests, Shares purchased may be issued in the name of the Grantee and another jointly with the right of survivorship.

2.4.5 **Repricing.** Except as otherwise permitted by Section 1.6.3, reducing the exercise price of stock appreciation rights issued and outstanding under the Plan, including through amendment, cancellation in exchange for the grant of a substitute Award or repurchase for cash or other consideration (in each case that has the effect of reducing the exercise price), will require approval of First Hawaiian's stockholders.

## 2.5 Restricted Shares

2.5.1 **Grants.** The Committee may grant or offer for sale restricted shares in such amounts and subject to such terms and conditions as the Committee may determine. Upon the delivery of such shares, the Grantee will have the rights of a stockholder with respect to the restricted shares, subject to any other restrictions and conditions as the Committee may include in the applicable Award Agreement. Each Grantee of an Award of restricted shares will be issued a Certificate in respect of such shares, unless the Committee elects to use another system, such as book entries by the transfer agent, as evidencing ownership of such shares. In the event that a Certificate is issued in respect of restricted shares, such Certificate may be registered in the name of the Grantee, and will, in addition to such legends required by applicable securities laws, bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Award, but will be held by the Company or its designated agent until the time the restrictions lapse.

2.5.2 **Right to Vote and Receive Dividends on Restricted Shares.** Each Grantee of an Award of restricted shares will, during the period of restriction, be the beneficial and record owner of such restricted shares and will have full voting rights with respect thereto. Unless the Committee determines otherwise in an Award Agreement, during the period of restriction, all ordinary cash dividends or other ordinary distributions paid upon any restricted share will be paid to the relevant Grantee (any extraordinary dividends or other extraordinary distributions will be treated in accordance with Section 1.6.3).

## **2.6 Restricted Stock Units**

The Committee may grant Awards of restricted stock units in such amounts and subject to such terms and conditions as the Committee may determine. A Grantee of a restricted stock unit will have only the rights of a general unsecured creditor of First Hawaiian, until delivery of Shares, cash or other securities or property is made as specified in the applicable Award Agreement. On the delivery date specified in the Award Agreement, the Grantee of each restricted stock unit not previously forfeited or terminated will receive one share of Common Stock, cash or other securities or property equal in value to a share of Common Stock or a combination thereof, as specified by the Committee. Unless otherwise specified in an Award Agreement, in the event that a Grantee is removed or terminated as a director, or otherwise ceases to be a director of the Company, then, subject to and in accordance with the terms of this Plan, each vested restricted stock unit then held by the Grantee as of the date of such cessation of services will be settled as of such date.

## **2.7 Dividend Equivalent Rights**

The Committee may include in the Award Agreement with respect to any Award a dividend equivalent right entitling the Grantee to receive amounts equal to all or any portion of the regular cash dividends that would be paid on the Shares covered by such Award if such Shares had been delivered pursuant to such Award. The grantee of a dividend equivalent right will have only the rights of a general unsecured creditor of First Hawaiian until payment of such amounts is made as specified in the applicable Award Agreement. In the event such a provision is included in an Award Agreement, the Committee will determine whether such payments will be made in cash, in Shares or in another form, whether they will be conditioned upon the exercise of the Award to which they relate (subject to compliance with Section 409A of the Code), the time or times at which they will be made, and such other terms and conditions as the Committee will deem appropriate.

## **2.8 Other Stock-Based or Cash-Based Awards**

The Committee may grant other types of equity-based, equity-related or cash-based Awards (including retainers and meeting-based fees and the grant or offer for sale of unrestricted Shares) ("**Other Stock-Based or Cash-Based Awards**") in such amounts and subject to such terms and conditions as the Committee may determine. Such Awards may entail the transfer of actual Shares to Award recipients and may include Awards designed to comply with or take advantage of the applicable local laws of jurisdictions other than the United States.

## **2.9 Repayment If Conditions Not Met**

If the Committee determines that all terms and conditions of the Plan and a Grantee's Award Agreement were not satisfied, and that the failure to satisfy such terms and conditions is material, then the Grantee will be obligated to pay the Company immediately upon demand therefor, (a) with respect to a stock option and a stock appreciation right, an amount equal to the excess of the Fair Market Value (determined at the time of exercise) of the Shares that were delivered in respect of such exercised stock option or stock appreciation right, as applicable, over the exercise price paid therefor, (b) with respect to restricted shares, an amount equal to the Fair Market Value (determined at the time such shares became vested) of such restricted shares and (c) with respect to restricted stock units, an amount equal to the Fair Market Value (determined at the time of delivery) of the Shares delivered with respect to the applicable delivery date, in each case with respect to clauses (a), (b) and (c) of this Section 2.9, without reduction for any amount applied to satisfy withholding tax or other obligations in respect of such Award.

## **ARTICLE III MISCELLANEOUS**

### **3.1 Amendment of the Plan**

3.1.1 Unless otherwise provided in the Plan or in an Award Agreement, the Board may at any time and from time to time suspend, discontinue, revise or amend the Plan in any respect whatsoever but, subject to Sections 1.3, 1.6.3 and 3.7, no such amendment may materially adversely impair the rights of the Grantee of any Award without the Grantee's consent. Subject to Sections 1.3, 1.6.3 and 3.7, an Award Agreement may not be amended to materially adversely impair the rights of a Grantee without the Grantee's consent.

3.1.2 Unless otherwise determined by the Board, stockholder approval of any suspension, discontinuance, revision or amendment will be obtained only to the extent necessary to comply with any applicable laws, regulations or rules of a securities exchange or self-regulatory agency.

### **3.2 Tax Withholding**

Grantees will be solely responsible for any applicable taxes (including, without limitation, income and excise taxes) and penalties, and any interest that accrues thereon, that they incur in connection with the receipt, vesting or exercise of any Award. As a condition to the delivery of any Shares, cash or other securities or property pursuant to any Award or the lifting or lapse of restrictions on any Award, or in connection with any other event that gives rise to a federal or other governmental tax withholding obligation on the part of the Company relating to an Award (including, without limitation, the Federal Insurance Contributions Act (FICA) tax),

- (a) the Company may deduct or withhold (or cause to be deducted or withheld) from any payment or distribution to a Grantee whether or not pursuant to the Plan (including Shares otherwise deliverable),
- (b) the Committee will be entitled to require that the Grantee remit cash to the Company (through payroll deduction or otherwise) or

(c) the Company may enter into any other suitable arrangements to withhold, in each case in an amount not to exceed in the opinion of the Company the minimum amounts of such taxes required by law to be withheld.

### 3.3 Required Consents and Legends

3.3.1 If the Committee at any time determines that any Consent (as hereinafter defined) is necessary or desirable as a condition of, or in connection with, the granting of any Award, the delivery of Shares or the delivery of any cash, securities or other property under the Plan, or the taking of any other action thereunder (each such action a "**Plan Action**"), then, subject to Section 3.15, such Plan Action will not be taken, in whole or in part, unless and until such Consent will have been effected or obtained to the full satisfaction of the Committee. The Committee may direct that any Certificate evidencing Shares delivered pursuant to the Plan will bear a legend setting forth such restrictions on transferability as the Committee may determine to be necessary or desirable, and may advise the transfer agent to place a stop transfer order against any legended shares.

3.3.2 The term "**Consent**" as used in this Article III with respect to any Plan Action includes:

- (a) any and all listings, registrations or qualifications in respect thereof upon any securities exchange or under any federal, state, or local law, or law, rule or regulation of a jurisdiction outside the United States;
- (b) any and all written agreements and representations by the Grantee with respect to the disposition of Shares, or with respect to any other matter, which the Committee may deem necessary or desirable to comply with the terms of any such listing, registration or qualification or to obtain an exemption from the requirement that any such listing, qualification or registration be made;
- (c) any and all other consents, clearances and approvals in respect of a Plan Action by any governmental or other regulatory body or any stock exchange or self-regulatory agency;
- (d) any and all consents by the Grantee to:
  - (i) the Company's supplying to any third party recordkeeper of the Plan such personal information as the Committee deems advisable to administer the Plan,
  - (ii) the Company's deducting amounts from the Grantee's wages, or another arrangement satisfactory to the Committee, to reimburse the Company for advances made on the Grantee's behalf to satisfy certain withholding and other tax obligations in connection with an Award and
  - (iii) the Company's imposing sales and transfer procedures and restrictions and hedging restrictions on Shares delivered under the Plan; and

(e) any and all consents or authorizations required to comply with, or required to be obtained under, applicable local law or otherwise required by the Committee. Nothing herein will require the Company to list, register or qualify the Shares on any securities exchange.

### **3.4 Right of Offset**

The Company will have the right to offset against its obligation to deliver Shares (or other property or cash) under the Plan or any Award Agreement any outstanding amounts (including, without limitation, travel and entertainment or advance account balances, loans, repayment obligations under any Awards, or amounts repayable to the Company pursuant to tax equalization, housing, automobile or other programs) that the Grantee then owes to the Company and any amounts the Committee otherwise deems appropriate pursuant to any tax equalization policy or agreement. Notwithstanding the foregoing, if an Award provides for the deferral of compensation within the meaning of Section 409A of the Code, the Committee will have no right to offset against its obligation to deliver Shares (or other property or cash) under the Plan or any Award Agreement if such offset could subject the Grantee to the additional tax imposed under Section 409A of the Code in respect of an outstanding Award.

### **3.5 Nonassignability; No Hedging**

Unless otherwise provided in an Award Agreement, no Award (or any rights and obligations thereunder) granted to any person under the Plan may be sold, exchanged, transferred, assigned, pledged, hypothecated or otherwise disposed of or hedged, in any manner (including through the use of any cash-settled instrument), whether voluntarily or involuntarily and whether by operation of law or otherwise, other than by will or by the laws of descent and distribution, and all such Awards (and any rights thereunder) will be exercisable during the life of the Grantee only by the Grantee or the Grantee's legal representative. Notwithstanding the foregoing, the Committee may permit, under such terms and conditions that it deems appropriate in its sole discretion, a Grantee to transfer any Award to any person or entity that the Committee so determines. Any sale, exchange, transfer, assignment, pledge, hypothecation, or other disposition in violation of the provisions of this Section 3.5 will be null and void and any Award which is hedged in any manner will immediately be forfeited. All of the terms and conditions of the Plan and the Award Agreements will be binding upon any permitted successors and assigns.

### **3.6 Change in Control**

3.6.1 Unless the Committee determines otherwise or as otherwise provided in the applicable Award Agreement, each Award will become fully vested (including the lapsing of all restrictions and conditions) and, as applicable, exercisable upon a Change in Control, and any Shares deliverable pursuant to restricted stock units will be delivered promptly (but no later than 15 days) following such Change in Control.

3.6.2 In the event of a Change in Control, a Grantee's Award will be treated, to the extent determined by the Committee to be permitted under Section 409A, in accordance with one or more of the following methods as determined by the Committee in its sole discretion: (i) settle such Awards for an amount (as determined in the sole discretion of the Committee) of cash or securities, where in the case of stock options and stock appreciation rights, the value of such

amount, if any, will be equal to the in-the-money spread value (if any) of such awards; (ii) provide for the assumption of or the issuance of substitute awards that will substantially preserve the otherwise applicable terms of any affected Awards previously granted under the Plan, as determined by the Committee in its sole discretion; (iii) modify the terms of such awards to add events, conditions or circumstances (including termination of directorship within a specified period after a Change in Control) upon which the vesting of such Awards or lapse of restrictions thereon will accelerate; or (iv) provide that for a period of at least 20 days prior to the Change in Control, any stock options or stock appreciation rights that would not otherwise become exercisable prior to the Change in Control will be exercisable as to all Shares subject thereto (but any such exercise will be contingent upon and subject to the occurrence of the Change in Control and if the Change in Control does not take place within a specified period after giving such notice for any reason whatsoever, the exercise will be null and void) and that any stock options or stock appreciation rights not exercised prior to the consummation of the Change in Control will terminate and be of no further force and effect as of the consummation of the Change in Control. For the avoidance of doubt, in the event of a Change in Control where all stock options and stock appreciation rights are settled for an amount (as determined in the sole discretion of the Committee) of cash or securities, the Committee may, in its sole discretion, terminate any stock option or stock appreciation right for which the exercise price is equal to or exceeds the per share value of the consideration to be paid in the Change in Control transaction without payment of consideration therefor. Similar actions to those specified in this [Section 3.6.2](#) may be taken in the event of a merger or other corporate reorganization that does not constitute a Change in Control.

### **3.7 Right of Discharge Reserved**

Neither the adoption of the Plan nor the grant of any Award (or any provision in the Plan or Award Agreement) will (1) confer upon any Grantee the right to remain in the service of First Hawaiian or any of its Subsidiaries as a Non-Employee Director, (2) affect any right which First Hawaiian or any of its Subsidiaries may have to terminate or alter the terms and conditions of such service or (3) create any obligation on behalf of the Board to nominate any Non-Employee Director for re-election to the Board by First Hawaiian's stockholders or to nominate and elect such person to the board of directors of any of First Hawaiian's Subsidiaries.

### **3.8 Nature of Payments**

3.8.1 Any and all grants of Awards and deliveries of Common Stock, cash, securities or other property under the Plan will be in consideration of services performed or to be performed for the Company by the Grantee. Awards under the Plan may, in the discretion of the Committee, be made in substitution in whole or in part for cash or other compensation otherwise payable to a Grantee. Only whole Shares will be delivered under the Plan. Awards will, to the extent reasonably practicable, be aggregated in order to eliminate any fractional shares. Fractional shares may, in the discretion of the Committee, be forfeited or be settled in cash or otherwise as the Committee may determine.

3.8.2 All such grants and deliveries of Shares, cash, securities or other property under the Plan will constitute a special discretionary incentive payment to the Grantee, will not entitle the Grantee to the grant of any future Awards and will not be required to be taken into account in



computing the amount of salary or compensation of the Grantee for the purpose of determining any contributions to or any benefits under any pension, retirement, profit-sharing, bonus, life insurance, severance or other benefit plan of the Company or under any agreement with the Grantee, unless the Company specifically provides otherwise.

### **3.9 Non-Uniform Determinations**

3.9.1 The Committee's determinations under the Plan and Award Agreements need not be uniform and any such determinations may be made by it selectively among persons who receive, or are eligible to receive, Awards under the Plan (whether or not such persons are similarly situated). Without limiting the generality of the foregoing, the Committee will be entitled, among other things, to make non-uniform and selective determinations under Award Agreements, and to enter into non-uniform and selective Award Agreements, as to (a) the persons to receive Awards, (b) the terms and provisions of Awards and (c) whether a Grantee's directorship has been terminated for purposes of the Plan.

3.9.2 To the extent the Committee deems it necessary, appropriate or desirable to comply with foreign law or practices and to further the purposes of the Plan, the Committee may, in its sole discretion and without amending the Plan, establish special rules applicable to Awards to Grantees who are foreign nationals and grant Awards (or amend existing Awards) in accordance with those rules.

### **3.10 Other Payments or Awards**

Nothing contained in the Plan will be deemed in any way to limit or restrict the Company from making any award or payment to any person under any other plan, arrangement or understanding, whether now existing or hereafter in effect.

### **3.11 Plan Headings**

The headings in the Plan are for the purpose of convenience only and are not intended to define or limit the construction of the provisions hereof.

### **3.12 Termination of Plan**

The Board reserves the right to terminate the Plan at any time; provided, however, that in any case, the Plan will terminate on the day before the tenth anniversary of the Effective Date, and provided further, that all Awards made under the Plan before its termination will remain in effect until such Awards have been satisfied or terminated in accordance with the terms and provisions of the Plan and the applicable Award Agreements.

### **3.13 Clawback/Recapture Policy**

Awards under the Plan will be subject to any clawback or recapture policy that the Company may adopt from time to time to the extent provided in such policy and, in accordance with such policy, may be subject to the requirement that the Awards be repaid to the Company after they have been distributed to the Grantee.

### 3.14 FDIC Limits on Golden Parachute Payments

Notwithstanding anything to the contrary, the Company will not be required to make any payment or grant any Award under the Plan or any Award Agreement that would otherwise be a prohibited golden parachute payment within the meaning of Section 18(k) of the Federal Deposit Insurance Act.

### 3.15 Section 409A

3.15.1 All Awards made under the Plan that are intended to be “deferred compensation” subject to Section 409A will be interpreted, administered and construed to comply with Section 409A, and all Awards made under the Plan that are intended to be exempt from Section 409A will be interpreted, administered and construed to comply with and preserve such exemption. The Board and the Committee will have full authority to give effect to the intent of the foregoing sentence. To the extent necessary to give effect to this intent, in the case of any conflict or potential inconsistency between the Plan and a provision of any Award or Award Agreement with respect to an Award, the Plan will govern.

3.15.2 Without limiting the generality of Section 3.15.1, with respect to any Award made under the Plan that is intended to be “deferred compensation” subject to Section 409A:

(a) any payment due upon a Grantee’s ceasing to provide services to the Company will be paid only upon such Grantee’s separation from service from the Company within the meaning of Section 409A;

(b) any payment due upon a Change in Control of the Company will be paid only if such Change in Control constitutes a “change in ownership” or “change in effective control” within the meaning of Section 409A, and in the event that such Change in Control does not constitute a “change in the ownership” or “change in the effective control” within the meaning of Section 409A, such Award will vest upon the Change in Control and any payment will be delayed until the first compliant date under Section 409A;

(c) any payment to be made with respect to such Award in connection with the Grantee’s separation from service from the Company within the meaning of Section 409A (and any other payment that would be subject to the limitations in Section 409A(a)(2)(B) of the Code) will be delayed until six months after the Grantee’s separation from service (or earlier death) in accordance with the requirements of Section 409A;

(d) if any payment to be made with respect to such Award would occur at a time when the tax deduction with respect to such payment would be limited or eliminated by Section 162(m) of the Code, such payment may be deferred by the Company under the circumstances described in Section 409A until the earliest date that the Company reasonably anticipates that the deduction or payment will not be limited or eliminated;

(e) to the extent necessary to comply with Section 409A, any other securities, other Awards or other property that the Company may deliver in lieu of Shares in respect of an Award will not have the effect of deferring delivery or payment beyond the date on which such delivery or payment would occur with respect to the Shares that would otherwise have been

deliverable (unless the Committee elects a later date for this purpose in accordance with the requirements of Section 409A);

(f) with respect to any required Consent described in [Section 3.3](#) or the applicable Award Agreement, if such Consent has not been effected or obtained as of the latest date provided by such Award Agreement for payment in respect of such Award and further delay of payment is not permitted in accordance with the requirements of Section 409A, such Award or portion thereof, as applicable, will be forfeited and terminate notwithstanding any prior earning or vesting;

(g) if the Award includes a “series of installment payments” (within the meaning of Section 1.409A-2(b)(2)(iii) of the Treasury Regulations), the Grantee’s right to the series of installment payments will be treated as a right to a series of separate payments and not as a right to a single payment;

(h) if the Award includes “dividend equivalents” (within the meaning of Section 1.409A-3(e) of the Treasury Regulations), the Grantee’s right to the dividend equivalents will be treated separately from the right to other amounts under the Award; and

(i) for purposes of determining whether the Grantee has experienced a separation from service from the Company within the meaning of Section 409A, “subsidiary” will mean a corporation or other entity in a chain of corporations or other entities in which each corporation or other entity, starting with First Hawaiian, has a controlling interest in another corporation or other entity in the chain, ending with such corporation or other entity. For purposes of the preceding sentence, the term “controlling interest” has the same meaning as provided in Section 1.414(c)-2(b)(2)(i) of the Treasury Regulations, provided that the language “at least 20 percent” is used instead of “at least 80 percent” each place it appears in Section 1.414(c)-2(b)(2)(i) of the Treasury Regulations.

### **3.16 Governing Law**

THE PLAN AND ALL AWARDS MADE AND ACTIONS TAKEN THEREUNDER WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF HAWAII, WITHOUT REFERENCE TO PRINCIPLES OF CONFLICT OF LAWS.

### **3.17 Disputes; Choice of Forum**

3.17.1 The Company and each Grantee, as a condition to such Grantee’s participation in the Plan, hereby irrevocably submit to the exclusive jurisdiction of any state or federal court located in the County of Honolulu, State of Hawaii, over any suit, action or proceeding arising out of or relating to or concerning the Plan or, to the extent not otherwise specified in any individual agreement between the Company and the Grantee, any aspect of the Grantee’s continuation of service with the Company or the termination of that service. The Company and each Grantee, as a condition to such Grantee’s participation in the Plan, acknowledge that the forum designated by this [Section 3.17.1](#) has a reasonable relation to the Plan and to the relationship between such Grantee and the Company. Notwithstanding the foregoing, nothing herein will preclude the Company from bringing any action or proceeding in any other court for the purpose of enforcing the provisions of this [Section 3.17.1](#).

3.17.2 The agreement by the Company and each Grantee as to forum is independent of the law that may be applied in the action, and the Company and each Grantee, as a condition to such Grantee's participation in the Plan, (i) agree to such forum even if the forum may under applicable law choose to apply non-forum law, (ii) hereby waive, to the fullest extent permitted by applicable law, any objection which the Company or such Grantee now or hereafter may have to personal jurisdiction or to the laying of venue of any such suit, action or proceeding in any court referred to in [Section 3.17.1](#), (iii) undertake not to commence any action arising out of or relating to or concerning the Plan in any forum other than the forum described in this [Section 3.17](#) and (iv) agree that, to the fullest extent permitted by applicable law, a final and non-appealable judgment in any such suit, action or proceeding in any such court will be conclusive and binding upon the Company and each Grantee.

3.17.3 Each Grantee, as a condition to such Grantee's participation in the Plan, hereby irrevocably appoints the General Counsel of the Company as such Grantee's agent for service of process in connection with any action, suit or proceeding arising out of or relating to or concerning the Plan, who will promptly advise such Grantee of any such service of process.

3.17.4 Each Grantee, as a condition to such Grantee's participation in the Plan, agrees to keep confidential the existence of, and any information concerning, a dispute, controversy or claim described in [Section 3.19](#), except that a Grantee may disclose information concerning such dispute, controversy or claim to the court that is considering such dispute, controversy or claim or to such Grantee's legal counsel (provided that such counsel agrees not to disclose any such information other than as necessary to the prosecution or defense of the dispute, controversy or claim).

### **3.18 Waiver of Jury Trial**

EACH GRANTEE WAIVES ANY RIGHT IT MAY HAVE TO TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED ON, ARISING OUT OF, UNDER OR IN CONNECTION WITH THE PLAN.

### **3.19 Waiver of Claims**

Each Grantee of an Award recognizes and agrees that before being selected by the Committee to receive an Award the Grantee has no right to any benefits under the Plan. Accordingly, in consideration of the Grantee's receipt of any Award hereunder, the Grantee expressly waives any right to contest the amount of any Award, the terms of any Award Agreement, any determination, action or omission hereunder or under any Award Agreement by the Committee, the Company or the Board, or any amendment to the Plan or any Award Agreement (other than an amendment to the Plan or an Award Agreement to which his or her consent is expressly required by the express terms of an Award Agreement). Nothing contained in the Plan, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between the Company and any Grantee. The Plan is not intended to be subject to the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

### **3.20 Severability; Entire Agreement**

If any of the provisions of the Plan or any Award Agreement is finally held to be invalid, illegal or unenforceable (whether in whole or in part), such provision will be deemed modified to the extent, but only to the extent, of such invalidity, illegality or unenforceability and the remaining provisions will not be affected thereby; provided that if any of such provisions is finally held to be invalid, illegal, or unenforceable because it exceeds the maximum scope determined to be acceptable to permit such provision to be enforceable, such provision will be deemed to be modified to the minimum extent necessary to modify such scope in order to make such provision enforceable hereunder. The Plan and any Award Agreements contain the entire agreement of the parties with respect to the subject matter thereof and supersede all prior agreements, promises, covenants, arrangements, communications, representations and warranties between them, whether written or oral with respect to the subject matter thereof.

### **3.21 No Liability With Respect to Tax Qualification or Adverse Tax Treatment**

Notwithstanding anything to the contrary contained herein, in no event will the Company be liable to a Grantee on account of an Award's failure to (a) qualify for favorable United States or foreign tax treatment or (b) avoid adverse tax treatment under United States or foreign law, including, without limitation, Section 409A.

### **3.22 No Third-Party Beneficiaries**

Except as expressly provided in an Award Agreement, neither the Plan nor any Award Agreement will confer on any person other than the Company and the Grantee of any Award any rights or remedies thereunder. The exculpation and indemnification provisions of Section 1.3.4 will inure to the benefit of a Covered Person's estate and beneficiaries and legatees.

### **3.23 Successors and Assigns of the Company**

The terms of the Plan will be binding upon and inure to the benefit of the Company and any successor entity, including as contemplated by Section 3.6.

### **3.24 Date of Adoption and Approval of Stockholders**

The Plan was adopted by the Board on June 16, 2016 and was approved by First Hawaiian's stockholders on July 22, 2016 (the "Effective Date").

FIRST HAWAIIAN, INC.  
EMPLOYEE STOCK PURCHASE PLAN

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## FIRST HAWAIIAN, INC. EMPLOYEE STOCK PURCHASE PLAN

### PLAN SUMMARY

This is a Summary of the First Hawaiian, Inc. Employee Stock Purchase Plan (“Plan”). The Summary gives an overview of the Plan in plain language and is intended to help Plan participants and others to interpret the Plan. This Summary is not part of the Plan. Accordingly, any conflict between this Summary and the language of the Plan will be resolved in favor of the latter.

The Plan is an employee stock purchase plan (“ESPP”) governed by Section 423 of the Internal Revenue Code (“Code”). An ESPP permits employees to buy stock in their employer on a payroll deduction basis. An ESPP may also give employees a discount of up to 15% on the price of their employer’s stock. For example, if a company’s stock were selling at \$10 per share, an employee could purchase stock in the company through its ESPP for as little as \$8.50 per share. The trade-off for this discount is that a participant must hold stock purchased on a discounted basis for a holding period which is generally two years in length. If a participant sells such stock before the end of the holding period, then the discount received at the time of purchase is treated as compensation and reported on the participant’s W-2, and any gain in the stock is treated as ordinary income.

As of the effective date of the Plan, and until further notice, the Plan provides participants a discount of 5% on the price of Company stock purchased through the Plan.

From time-to-time, the Company will offer employees the opportunity to buy stock in the Company through the Plan. The offer will be made by means of a writing called an “offering.” The offering will specify the number of shares which will be available for purchase, the employees entitled to participate in the offering, the dates on which the offering period will begin and end, and the other terms and conditions under which the Company’s stock will be offered for purchase.

All employees of the Company are eligible to participate in offerings except for employees owning 5% or more of the Company’s stock. The Company may also elect to exclude from offerings employees who are highly compensated, work 20 hours or less per week, have been employed for less than two years, or customarily work less than five months per year.

The “offering period” is the period of time over which contributions will be collected from Plan participants on a payroll deduction basis for the purpose of funding the purchase of the Company stock made available in an offering. The offering period is at least 3 calendar months and no more than 24 calendar months in length. The first day of the offering period is called the

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“grant date” because that is the date on which employees are granted the option to buy stock in the Company. The last day of the offering period is called the “exercise date” because that is the date on which the option to purchase stock is exercised by participating employees, and the stock is actually purchased.

An employee who wishes to participate in the Plan must elect to do so in an enrollment period. The enrollment period will generally be the calendar month immediately prior to the first day of the offering period. The employee’s election will specify an amount or percentage of after-tax compensation to be contributed to the Plan on each payroll date during the offering period. Payroll deduction is the only method for funding the purchase of Company stock through the Plan. For example, a participant may not make contributions out-of-pocket. The Plan permits a participant to contribute no more than 10% of after-tax compensation to the Plan.

Once made, an election to make contributions to the Plan is “evergreen.” This means that the election will automatically apply to each new offering under the Plan. However, a participant may change the amount of an election once during an offering period. A participant may also suspend contributions once during an offering period. If contributions are suspended, then, at the participant’s election, any amounts contributed to the Plan will either be held by the Plan and used to purchase stock or refunded to the participant as soon as administratively feasible. A suspension will stay in effect until the participant makes a new election. A participant may also terminate participation in the Plan by revoking the election to make contributions. If participation is terminated, then any amounts contributed to the Plan in the current offering period will be refunded as soon as administratively feasible.

On the last day or “exercise date” of an offering period, the total amount of contributions collected from all participants will be used to purchase the shares of the Company’s stock which have been made available for purchase in that offering. The purchase price will be the publicly traded price of the stock on the exercise date (the last day of the offering period) minus any discount provided by the Plan.

Tax rules limit the amount of stock which may be purchased by a participant through an ESPP to \$25,000 per calendar year. This limit is applied using the undiscounted price of the stock on the grant date, not the discounted stock price. For example, if the undiscounted stock price is \$10 per share on the grant date and the discounted stock price is \$9.50, the greatest number of shares which can be purchased is 2,500 ( $\$25,000/\$10$ ), not 2,631 ( $\$25,000/\$9.50$ ).

Since no more than \$25,000 worth of stock on an undiscounted basis may be purchased in a calendar year, contributions to an ESPP for a calendar year should not exceed \$25,000 minus the discount, if any, offered by the ESPP. Consequently, if an ESPP offers a discount of 5% of the share price, a participant should contribute no more to the ESPP in a calendar year than \$23,750 (since  $\$25,000 * 95\% = \$23,750$ ). If a participant contributes more to the Plan than may be used to purchase stock, the excess contributions will be returned to the participant as soon as



administratively feasible after the exercise date. A participant may not rollover excess contributions (except for an amount which is less than the price of a single share). It is up to the participant to monitor contributions to insure that they do not exceed the amount which can be used to purchase stock.

If the contributions of all employees during an offering period exceed the total cost of the shares made available for purchase in that period, then the permissible contributions of each participant will be reduced by the same percentage until the total amount of contributions is equal to the total cost of the stock available for purchase. Any excess contributions will be refunded to participants.

As soon after the exercise date as administratively feasible, the shares of Company stock purchased by a participant through the Plan will be deposited in a brokerage account established by the Company in the participant's name. The shares held in the account may be sold at any time. However, if the stock was purchased at a discount, then the tax consequences of a sale will vary with how long the stock is held. To get the best tax treatment, a participant must hold stock purchased through an ESPP at a discount for two years from the grant date (the first day of the offering period) or, if later, one year from the exercise date (the last day of the offering period). If the stock is sold before the end of the applicable holding period, then any discount provided at the time of purchase is treated as compensation and reported on the employee's W-2 for the year. In addition, any gain on the stock is taxed at the ordinary income rate, not the capital gains rate.

To enable the Company to discharge its duty with respect to income tax reporting, stock purchased through the Plan at a discount must be held in the brokerage account established for the participant for the duration of the applicable holding period.

As adopted by the Company, the Plan incorporates certain default terms and conditions for offerings made under the Plan. Unless the Company elects otherwise for purposes of an offering, the Plan shall provide four offering periods per year, each of three months' duration. The offering periods shall commence on January 1<sup>st</sup>, April 1<sup>st</sup>, July 1<sup>st</sup> and October 1<sup>st</sup> and shall end, respectively, on March 31<sup>st</sup>, June 30<sup>th</sup>, September 30<sup>th</sup>, and December 31<sup>st</sup>. No employees will be excluded from participating in offerings except 5% owners. Shares of the Company will be offered for purchase at a discount of 5%, and the purchase price and employees' elections to contribute after-tax compensation to the Plan must be made in whole percentage points.

The Company may decide to retain the services of a stock broker or financial institution ("ESPP Broker") to help it administer the Plan. If the Company does so, then it will delegate its duties under the Plan to the ESPP Broker, and participants will take action under the Plan with the ESPP Broker, rather than with the Company. Such actions will include, but are not limited to, elections to contribute to the Plan and to change, suspend, or revoke such elections. Further, the procedures of the ESPP Broker are likely to be automated over the internet.

For further information about the Plan, please contact the Human Resources Department of First Hawaiian Bank.

FIRST HAWAIIAN, INC. EMPLOYEE STOCK PURCHASE PLAN

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**FIRST HAWAIIAN, INC.**

**EMPLOYEE STOCK PURCHASE PLAN**

**Adopted by the Board of Directors: June 16, 2016**

**Approved by the Stockholders: July 22, 2016**

**ARTICLE 1. INTRODUCTON**

1.1 Purpose. The purpose of the First Hawaiian Inc. Employee Stock Purchase Plan ("Plan") is to assure a closer identification of interest between the Company and its employees, to stimulate the employees' efforts for the Company, and to strengthen employees' desire to remain with the Company by encouraging and assisting them to acquire a direct stake in the welfare of the Company through ownership of shares of its common stock.

1.2 Intended Design. The Company intends that the design of the Plan meet the requirements of Section 423 of the Internal Revenue Code of 1986 (the "Code"), and the Plan shall be interpreted consistently with this intent.

**ARTICLE 2. DEFINITIONS**

2.1 Definitions. Whenever the initial letters of the following terms are capitalized, the terms shall have the meanings shown.

(a) "Allocation Date" has the meaning defined by Section 6.4(f) of the Plan.

(b) "Board" means the Board of Directors of the Company.

(c) "Code" means the Internal Revenue Code of 1986, as amended.

(d) "Common Stock" means the Class A common stock of the Company, par value, or of any successor corporation by merger, reorganization, consolidation, or otherwise.

(e) "Company" means First Hawaiian, Inc.

(f) "Compensation" means, with respect to any Offering Period, a Participant's wages subject to income tax withholding, as defined by Code Section 3401. The Plan Administrator may modify the definition of Compensation for one or more Offerings as deemed appropriate, provided that any such modification shall be consistent with Code Section 423.

(g) "Effective Date" has the meaning defined by Section 7.1 of the Plan.

(h) “Eligible Employee” means an Employee of an Employer. Employees of a Subsidiary which is not a Participating Subsidiary are not Eligible Employees and shall be excluded from the Plan.

(i) “Employee” means an individual carried as such on the payroll records of the Employer and does not include independent contractors, leased employees, or other individuals not treated as such for payroll purposes, notwithstanding the reclassification of any such individuals as employees by Federal, State, or local authority.

(j) “Employer” means the Company (for so long as it maintains the Plan) and any Participating Subsidiary. With respect to an Employee, Employer means the entity that is the direct Employer of the Employee.

(k) “Enrollment Period” has the meaning defined by Section 5.1(a) of the Plan.

(l) “ESPP Broker” has the meaning defined by Section 3.3 of the Plan.

(m) “Exercise Date” means the last day of each Offering Period.

(n) “Fair Market Value” per share of Common Stock on any date means the closing sale price per share during regular trading hours of Common Stock on such date on the principal securities market in which the Common Stock is then traded; or, if there were no trades on that date, the closing sale price during regular trading hours of the Common Stock on the first trading day prior to that date.

(o) “Grant Date” means the first day of each Offering Period.

(p) “Holding Period” has the meaning defined by Section 6.4(f)(ii) of the Plan.

(q) “Individual Brokerage Account” shall mean the account specified in Section 6.4(f) of the Plan.

(r) “Offering” means an offering of Common Stock for purchase pursuant to this Plan and Section 1.432-2(a)(1) of the Treasury Regulations, and also refers to the specification of the terms and conditions under which such offer is made. Such specification must be made in writing, including in electronic form, before the start of the Offering Period.

(s) “Offering Period” has the meaning defined by Section 6.2 of the Plan.

(t) “Participant” means an Eligible Employee who has enrolled in the Plan pursuant to Section 5.1 of the Plan.

(u) “Participating Subsidiary” means a Subsidiary that is specifically authorized by resolution of the Board to extend the benefits of the Plan to its eligible Employees. As of the Effective Date, the only Participating Subsidiary is First Hawaiian Bank.

- (v) “Plan” means the First Hawaiian, Inc. Employee Stock Purchase Plan.
- (w) “Plan Administrator” means the Board or such person or entity appointed by the Board to administer the Plan.
- (x) “Purchase Price” has the meaning defined by Section 6.4(d) of the Plan.
- (y) “Stock Purchase Contributions” means deductions from after-tax Compensation made during an Offering Period for the purpose of purchasing shares under the Plan.
- (z) “Subsidiary” means any subsidiary corporation of the Company (as determined in accordance with Code Section 424), whether now existing or subsequently established.

### **ARTICLE 3. PLAN ADMINISTRATION**

3.1 Plan Administrator. The Plan shall be administered by the Board. The Board may delegate its administrative authority over the Plan to a person or committee who shall serve as Plan Administrator, provided, however, that the Plan Administrator shall not have the authority to (i) increase the maximum number of shares available for issuance under the Plan or the maximum number of shares that may be purchased per Participant for any Offering Period (other than for adjustments under Section 6.8), (ii) modify the eligibility requirements under the Plan (except that the eligibility requirements for an Offering may be modified by the Plan Administrator in accordance with Section 4.2(a)), (iii) designate a Subsidiary as a Participating Subsidiary, (iv) change the duration of the Offering Periods, or (v) change the Purchase Price for any Offering Period.

3.2 Authority of Plan Administrator. The Plan Administrator shall have the discretion and authority to interpret the Plan, to prescribe, amend and rescind rules and regulations relating to the Plan, to make all other determinations necessary or advisable for administering the Plan, and to take all actions necessary for operating the Plan, including authorizing, making, and setting the terms for Offerings. The Plan Administrator may correct any defect, supply any omission or reconcile any inconsistency in the Plan in the manner and to the extent that it shall deem necessary or advisable, in its sole discretion, to carry it into effect. The determinations of the Plan Administrator shall be final and binding on all persons.

3.3 ESPP Broker. The Plan Administrator may contract with a stock broker or financial institution authorized to take custody of shares of the Company pursuant to this Plan to act as a broker and third-party administrator for purposes of the Plan (“ESPP Broker”). In such case, the terms and conditions of the Plan may be implemented and given effect by the procedures of the ESPP Broker, including, but not limited to, such matters as Offerings, elections to participate in the Plan, and the making, changing, suspension, and cancellation of Stock Purchase Contributions.

#### ARTICLE 4. ELIGIBILITY

4.1 Eligibility. Subject to Section 4.2, all Employees of the Company and of Participating Subsidiaries shall be Eligible Employees and shall have the right to participate in the Plan, provided, however, that only Eligible Employees in the employ of an Employer on the first day of an Offering Period shall have the right to participate in such Offering Period.

4.2 Exceptions.

(a) Discretionary Exclusions. Notwithstanding Section 4.1, the Plan Administrator, in its sole discretion, may (but is not required to) exclude under the written terms of any Offering, otherwise Eligible Employees

- (i) whose customary employment is twenty (20) hours or less per week,
- (ii) whose customary employment is for not more than five (5) months in any calendar year,
- (iii) who have been employed less than two (2) years, or
- (iv) who are highly compensated employees (within the meaning of Section 414(q) of the Code).

(b) 5% Owners. Notwithstanding Section 4.1, any otherwise Eligible Employee who, immediately after a purchase right is granted, and applying the rules under Sections 423(b)(3) and 424(d) of the Code to determine stock ownership, owns stock possessing five percent (5%) or more of the total combined voting power or value of all classes of stock of the Company or of any Subsidiary, shall not be entitled to participate in the Plan.

4.3 Loss of Eligibility.

(a) An Eligible Employee shall lose eligibility to participate in this Plan, and shall cease to participate in it, if then a Participant, upon the earliest to occur of the following:

- (i) the Participant's termination of employment from the Company or a Participating Subsidiary for any reason except transfer of employment between or among the Company and any Participating Subsidiary;
- (ii) the Company's or the Participant's Employer's ceasing to maintain or participate in the Plan, as applicable;
- (iii) the Participant's failure to meet the requirements of an Offering; or
- (iv) any other event which causes a Participant to no longer meet the requirements of Section 4.1.

(b) An individual shall be considered employed while such individual is on sick leave or other approved leave, even if unpaid, provided, however, that if such period of leave is unpaid (except for differential wages as defined by Section 3401(h) of the Code), then such individual's participation shall be deemed to terminate on the next Exercise Date. Any Stock Purchase Contributions remaining to the Participant's credit after such next Exercise Date shall be refunded by the Plan or by an agent of the Plan to the former Participant as soon as administratively feasible.



## ARTICLE 5. PARTICIPATION

### 5.1 Enrollment in the Plan.

(a) Payroll Deduction Election; Enrollment Period. An Eligible Employee shall become a Participant in the Plan by making an election in the Enrollment Period to deduct Stock Purchase Contributions from his or her after-tax Compensation and to contribute such Stock Purchase Contributions to the Plan for the purpose of funding the purchase of shares of the Company in an Offering. The Enrollment Period shall be the calendar month ending prior to the first day of the Offering Period. An Eligible Employee's Stock Purchase Contributions shall be credited to the Plan for his or her benefit and shall be applied in accordance with the terms of the Plan to the purchase of shares of the Company on the last day of the Offering Period.

(b) Form and Manner of Election. The form and manner of making a payroll deduction election for Stock Purchase Contributions shall be specified by the Plan Administrator and shall apply on a weekly, bi-weekly, semi-monthly, or monthly basis, as determined by the Plan Administrator, subject to any elections with respect to the timing of deductions made available by the Plan Administrator to the Participant. Payroll deductions shall be in whole percentages of after-tax Compensation or in flat dollar amounts, as prescribed by the Plan Administrator for purposes of an Offering. Until and unless an Offering provides otherwise, elections to make Stock Purchase Contributions shall be in the form of whole percentages of after-tax Compensation.

(c) Amount of Election and Commencement of Deductions. Stock Purchase Contributions shall be in the amount or percentage elected by the Participant. Such elections may be subject to a minimum or maximum amount or percentage specified by the Plan Administrator. Until and unless the Plan Administrator determines otherwise, such elections shall be subject to a maximum equal to the lesser of (i) of ten percent (10%) of Compensation or (ii) the limits specified in Section 6.9. As soon as practicable after the start date of an Offering Period, the Company or the Participating Subsidiary with whom a Participant is employed, will commence to deduct Stock Purchase Contributions from the Participant's Compensation.

(d) Evergreen Election. Once a Participant has enrolled in the Plan and made a payroll deduction election with respect to an Offering Period, such election shall be deemed to apply automatically to all subsequent Offering Periods, until and unless such enrollment and payroll deduction authorization is modified, suspended, or terminated in accordance with Section 5.2 of the Plan and procedures prescribed by the Plan Administrator.

5.2 Modification of Election. Stock Purchase Contributions shall continue in effect at the rate elected throughout the Participant's participation in the Plan, except as provided in this Section 5.2.

(a) Changing Stock Purchase Contributions. A Participant may change the amount of Stock Purchase Contributions by delivering notice in accordance with the procedures established by the Company. Any such change shall become effective as soon as is administratively feasible. A Participant may make one such change per calendar year quarter.

(b) Suspending Stock Purchase Contributions. A Participant may at any time suspend the Participant's Stock Purchase Contributions under the Plan by delivering notice in accordance with procedures established by the Plan Administrator. Such suspension shall become effective as soon as administratively practicable during the then current Offering Period, or, to the extent consistent with the procedures established by the Plan Administrator, effective with the commencement of the first Offering Period to begin after such notice is delivered. Such a suspension will not result in a refund of previously accumulated Stock Purchase Contributions, unless the Participant affirmatively elects to withdraw the balance of the Participant's Stock Purchase Contributions in the notice delivered pursuant to this Section 5.2(b), in which case the withdrawal will become effective as soon as administratively practicable and will result in a refund of the then outstanding balance of Stock Purchase Contributions attributable to such Participant.

(c) Terminating Participation. A Participant may at any time terminate the Participant's participation in the Plan by delivering notice in accordance with procedures established by the Plan Administrator. Such suspension shall become effective as soon as administratively practicable. Upon termination, the then outstanding balance of Stock Purchase Contributions attributable to such Participant shall be refunded to the Participant as soon as administratively feasible.

5.3 Status of Stock Purchase Contributions. A Participant's Stock Purchase Contributions shall not represent a separate fund, but shall have the status of a hypothetical account only, shall not be held in trust, and shall be included in the general funds of the Participant's Employer. No interest shall be paid or credited on Stock Purchase Contributions, and they may be used for any corporate purpose. With respect to Stock Purchase Contributions, a Participant shall have the status of an unsecured creditor.

## ARTICLE 6. OFFERINGS AND STOCK PURCHASES

6.1 Shares of Stock Subject to Plan. The total number of shares of Common Stock which may be sold pursuant to the Plan, subject to adjustment as provided in Section 6.8, shall be no more than 600,000 shares. The shares sold under the Plan may be either authorized and unissued shares, or issued shares reacquired by the Company. If rights granted under the Plan terminate or expire for any reason without having been exercised in full, the shares not purchased hereunder pursuant to such rights shall be available again for purposes of the Plan. Until and unless an Offering provides otherwise, shares of Common Stock of the Company shall be made available for purchase under each Offering.

### 6.2 Offering Periods.

(a) Shares of Common Stock shall be offered for purchase under the Plan, and contributions to fund such purchases shall be collected, in a series of successive Offering Periods until the earlier of (i) the date the maximum number of shares of Common Stock available for issuance under the Plan have been purchased or (ii) the Plan has been terminated.

(b) Each Offering Period shall be not less than three (3) and not more than twenty-four (24) months in duration, as determined by the Plan Administrator. Unless provided otherwise for purposes of an Offering, each Offering Period shall have a duration of three (3) calendar months and shall commence on the first day of January, April, July, and October.

6.3 Terms and Conditions of Offering Periods.

(a) The terms and conditions of each Offering Period shall be specified in the Offering by the Plan Administrator. Such terms and conditions may vary from Offering to Offering, and two or more Offering Periods may run concurrently under the Plan, each with its own terms and conditions. In addition, special Offering Periods may be established with respect to entities that are acquired by the Company (or any Subsidiary of the Company) or under such other circumstances as the Plan Administrator may deem appropriate.

(b) In no event, shall the terms and conditions of any Offering Period contravene the express limitations and restrictions of the Plan or Section 423 of the Code and the Treasury Regulations thereunder, and the Participants in each separate Offering Period shall have equal rights and privileges under that Offering in accordance with the requirements of Section 423(b)(5) of the Code.

6.4 Allocation of Shares to Participant.

(a) Grant Date. The right to purchase shares in an Offering Period shall be granted to each Participant, automatically, without further action by the Company, on the first day of the Offering Period, which shall be defined as the Grant Date.

(b) Exercise Date. A Participant's right to purchase shares shall be exercised on the Exercise Date, which is the last day of the Offering Period.

(c) Number of Shares Purchased on Exercise Date.

(i) The actual number of shares purchased for each Participant on the Exercise Date shall be that whole number of shares determined by dividing the Purchase Price for that Offering Period into the amount of Stock Purchase Contributions accumulated for such Participant by the Exercise Date.

(ii) If the total of all shares to be purchased by all Participants on an Exercise Date as computed pursuant to (i), above, exceeds the number of shares available for such Offering Period, then all such purchases shall be adjusted proportionately to eliminate such excess, and the authorized Stock Purchase Contributions of each Participant, to the extent in excess of the aggregate Purchase Price payable for shares of Common Stock prorated to such individual, shall be refunded by the Plan or by an agent of the Plan. In applying this subsection, a Participant's Stock Purchase Contributions shall first be reduced by such amount as may be necessary to bring such Stock Purchase Contributions into compliance with the limitation set forth in Section 6.9 of this Plan and Section 423(b)(8) of the Code.

(iii) Notwithstanding anything to the contrary in this Section 6.4(c), the Plan Administrator shall have the discretion to limit the maximum number of shares of Common Stock which may be purchased by a Participant for an Offering Period.

(d) Purchase Price on Exercise Date. The Purchase Price per share for Common Stock on the Exercise Date shall be established by the Plan Administrator prior to the start of the Enrollment Period and shall be disclosed to Employees on the first day of the Enrollment Period. The Purchase Price shall not be less than ninety-five percent (95%) of the Fair Market Value per share of Common Stock on the Exercise Date of the Offering Period. Unless provided otherwise for purposes of an Offering, the Purchase Price per share under the Plan shall be equal to ninety-five percent (95%) of the Fair Market Value per share of Common Stock on the Exercise Date of the Offering Period.

(e) Payment. Payment for shares of Common Stock purchased under the Plan shall be made on the Exercise Date solely by deduction from the Participant's accumulated Stock Purchase Contributions. No contributions to the Plan may be made outside of payroll deduction. To the extent that the Participant's Stock Purchase Contributions exceed the price of the shares allocated to the Participant, such excess shall be refunded as soon as administratively feasible after the Exercise Date, provided, however, that the Plan Administrator shall not be required to refund an amount which is less than the Purchase Price of a single share.

(f) Delivery to Individual Brokerage Account; Holding Period.

(i) As soon as practicable after the end of each Offering Period, the shares of Common Stock purchased for a Participant pursuant to the Plan shall be delivered directly to an individual account established for such Participant with a brokerage firm selected by the Company (the "Individual Brokerage Account"). The date of such delivery is the Allocation Date.

(ii) If the Purchase Price was less than 100% of the lesser of the Fair Market Value of the Company's Common Stock on the Grant Date or Exercise Date, then the deposited shares may not be transferred from the Individual Brokerage Account until the date that is two (2) years from the applicable Grant Date or, if later, one (1) year from the applicable Exercise Date. Such two or one year period shall be referred to as the "Holding Period."

(g) Transfer or Sale of Shares. Any shares held for the required holding period may thereafter be transferred to other accounts or to other brokerage firms. The procedures of these paragraphs (f) and (g) shall not in any way limit when the employee may sell his or her shares but are designed solely to assure that any sale of shares prior to the satisfaction of the required holding period is made through the Individual Brokerage Account. Shares may not be transferred from the Individual Brokerage Account for use as collateral for a loan, unless those shares have been held for the required holding period. These procedures shall apply to all shares purchased by a Participant, whether or not the Participant remains an Employee.

(h) No Rights as Shareholder Until Allocation Date. No Participant shall, by reason of the Plan or any rights granted pursuant thereto, or by the fact that there are Stock Purchase Contributions attributable to a Participant sufficient to purchase shares which the Participant has elected to purchase, have any rights of a shareholder of the Company until shares of Common Stock have been delivered to such Participant on the Allocation Date in the manner provided in Section 6.4(f).

6.5 No Transferability. Rights to purchase shares of Common Stock granted under the Plan to any Employee are not transferable. In the event of violation of this provision, the Plan Administrator shall terminate the Employee's right to purchase Common Stock and refund, either by the Plan or by an agent of the Plan, the Stock Purchase Contributions attributable to such Employee during the relevant Offering Period.

6.6 Termination of Employment. If a Participant ceases to be employed by the Company or by a Participating Subsidiary for any reason, all rights to purchase stock granted to the Participant with respect to the then current Offering Period hereunder shall immediately cease (unless otherwise directed by the Plan Administrator in its sole discretion). The amount of Stock Purchase Contributions attributable to such a former Participant shall be refunded, either by the Plan or by an agent of the Plan, to the former Participant as soon as administratively practicable (or in the case of death, to the person or persons to whom the former Participant's rights hereunder shall pass) in the currency in which collected.

6.7 Leave of Absence. If a Participant ceases to remain in active service by reason of an approved, unpaid leave of absence, then the Stock Purchase Contributions authorized by the Participant and collected to date on his or her behalf for that Offering Period shall be held for the purchase of shares on his or her behalf on the next scheduled Exercise Date. Upon the Participant's return to active service his or her authorized Stock Purchase Contributions shall automatically resume at the rate in effect at the time the leave began, unless the individual withdraws from the Plan or modifies the then existing election prior to his or her return to active service.

6.8 Adjustments for Changes in Capitalization. If the outstanding shares of Common Stock are changed into or exchanged for a different number or kind of shares or other securities of the Company by reason of any (i) stock dividend, spinoff, recapitalization, stock split, or combination or exchange of shares, subdivision or similar transaction, (ii) a merger, reorganization or consolidation, (iii) a reclassification or change in par value, or (iv) other extraordinary or unusual event affecting the outstanding Common Stock as a class without the Company's receipt of consideration, or if the value of outstanding shares of Company Stock is substantially reduced as a result of a spinoff or the Company's payment of an extraordinary dividend or distribution to its stockholders (each, a "Corporate Transaction"), then, subject to any required action by the stockholders of the Company, the number and kind of shares of Common Stock available under the Plan or subject to any limit or maximum hereunder shall automatically be proportionately adjusted, with no action required on the part of the Compensation Committee or otherwise to the extent necessary to prevent dilution or enlargement of the rights of Participants under the Plan. Any adjustments to outstanding Awards shall be consistent with Code Section 424, to the extent applicable.

6.9 \$25,000 Limitation on Share Purchases Per Calendar Year.

- (a) A Participant may not purchase more than \$25,000 of shares of Common Stock in any calendar year, based on the Fair Market Value per share of Common Stock at Grant Date.
- (b) If the Participant's Stock Purchase Contributions exceed the amount necessary to reach such limitation, then the excess shall be refunded as soon as administratively feasible after the Exercise Date.
- (c) In the event there of any conflict between this Section 6.9 and other provisions of the Plan, this Section 6.9 shall control. The Company shall have no obligation to identify employees whose Stock Purchase Contributions exceed the amount necessary to reach the limitation stated in Section 6.9(a) or to counsel employees regarding the amount of their Stock Purchase Contributions.

**ARTICLE 7. MISCELLANEOUS**

7.1 Effective Date; Term of Plan. Following adoption of the Plan by the Board, the Plan shall become effective on the date on which the Plan is approved by the stockholders of the Company who are present and represented at a special or annual meeting of stockholders where a quorum is present ("Effective Date"), which approval shall occur not earlier than one (1) year before and not later than one (1) year after the date the Plan is adopted by the Board. The Plan shall terminate on the earlier of (i) the termination of the Plan pursuant to Section 7.2 and (ii) when no more shares are available for issuance under the Plan.

7.2 Termination and Amendment of Plan. The Plan may be terminated at any time by the Board. At any time prior to the termination of the Plan, the Board may make such changes and additions to the Plan as it shall deem advisable; provided, however, that except as provided in Section 6.8 hereof, the Board may not, without approval of the Company's stockholders, increase the maximum number of shares issuable under the Plan or modify the eligibility requirements for participation in the Plan. No termination or amendment of the Plan may terminate or materially and adversely affect a Participant's rights under the Plan without such Participant's consent. The termination of the Plan made effective after the next Exercise Date and before the next Grant Date shall be deemed not to materially and adversely affect a Participant's rights under the Plan, provided that any excess Stock Purchase Contributions are refunded to the Participants as soon as administratively feasible.

7.3 Change of Control. If the Company or its stockholders enter into an agreement to dispose of all or substantially all of the assets or outstanding capital stock of the Company by means of a sale, merger, or reorganization in which the Company will not be the surviving corporation (other than a reorganization effected primarily to change the state in which the Company is incorporated, a merger or consolidation with a wholly-owned Subsidiary, or any other transaction in which there is no substantial change in the stockholders of the Company or their relative stock holdings, regardless of whether the Company is the surviving corporation) or

in the event the Company is liquidated, then all outstanding purchase rights under the Plan shall automatically be exercised immediately prior to the consummation of such sale, merger, reorganization, or liquidation (deemed the end of the Offering Period in such case), by causing all Stock Purchase Contributions credited to each Participant to be applied to purchase as many shares of Common Stock as possible pursuant to the procedure set forth in Section 6.4, treating the day before the date of such triggering event as the Exercise Date. Any remaining Stock Purchase Contributions after the purchase of shares shall be refunded to the Participants as soon as administratively feasible.

7.4 No Constraint on Corporate Action. Nothing contained in the Plan shall be construed to prevent the Company, any Subsidiary or any other affiliate, from taking any corporate action (including, but not limited to, the Company's right or power to make adjustments, reclassifications, reorganizations or changes of its capital or business structure, or to merge or consolidate, or dissolve, liquidate, sell, or transfer all or any part of its business or assets) which is deemed by it to be appropriate, or in its best interest, whether or not such action would have an adverse effect on this Plan or any purchase rights granted under the Plan. No Participant, Employee, beneficiary, or other person, shall have any claim against the Company, any Subsidiary, or any of its other affiliates, as a result of any such action.

7.5 Special Circumstances.

(a) If at any time the Board shall determine, in its discretion, that the listing, registration and/or qualification of shares of Common Stock upon any securities exchange or under any applicable laws, or the consent or approval of any governmental regulatory body, is necessary or desirable as a condition of, or in connection with, the sale or purchase of such shares hereunder, the Company shall have no obligation to allow the grant, exercise or payment of any purchase right, or to issue or deliver evidence of title for shares issued under the Plan, in whole or in part, unless and until such listing, registration, qualification, consent and/or approval shall have been effected or obtained, or otherwise provided for, free of any conditions not acceptable to the Board.

(b) If at any time counsel to the Company shall be of the opinion that any sale or delivery of shares of Common Stock pursuant to a purchase right is or may be in the circumstances unlawful or result in the imposition of excise taxes on the Company or any Subsidiary, the Company shall have no obligation to make such sale or delivery, or to make any application or to effect or to maintain any qualification or registration under the Securities Act of 1933, as amended, or otherwise with respect to shares of Common Stock. In any such case, the right to purchase shares of Common Stock under the Plan shall be suspended until, in the opinion of such counsel, such sale or delivery shall be lawful or will not result in the imposition of excise taxes on the Company or any Subsidiary.

(c) The Board may require each person receiving shares of Common Stock in connection with any Purchase Right to represent and agree with the Company in writing that such person is acquiring such shares for investment without a view to the distribution thereof, and/or provide such other representations and agreements as the Board may prescribe. The Board, in its absolute discretion, may impose such restrictions on the ownership and

transferability of the shares of Common Stock purchasable or otherwise receivable by any person under any Purchase Right as it deems appropriate.

7.6 Participants Deemed to Accept Plan. By accepting any benefit under the Plan, each Participant and each person claiming under or through any such Participant shall be conclusively deemed to have indicated their acceptance and ratification of, and consent to, all of the terms and conditions of the Plan and any action taken under the Plan by the Board in any case in accordance with the terms and conditions of the Plan.

7.7 Rights of Participants; Not an Employment Contract. No person shall have any rights or claims under the Plan except in accordance with the provisions of the Plan and any applicable agreement or offering document. The liability of the Company and any Subsidiary under the Plan is limited to the obligations expressly set forth in the Plan, and no term or provision of the Plan may be construed to impose any further or additional duties, obligations, or costs on the Company, any Subsidiary or any other affiliate thereof, or the Board not expressly set forth in the Plan. The grant of a Purchase Right under the Plan shall not confer any rights upon the Employee holding such Purchase Right other than such terms, and subject to such conditions, as are specified in the Plan as being applicable to such type of Purchase Right, or to all Purchase Rights, or as are expressly set forth in any applicable agreement, offering document or sub-plan evidencing such Purchase Right. Without limiting the generality of the foregoing, the Plan does not and shall not be deemed to constitute a contract of employment with any Employee. Terms of employment and the right of the Company or any of its Subsidiaries to terminate the employment of any Employee, with or without cause, shall depend entirely upon the terms of employment otherwise existing between any Employee and the Company or any of its Subsidiaries without regard to the Plan.

7.8 Construction; Headings. Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine, the plural shall include the singular, and the singular shall include the plural. The word, "Section," herein shall refer to provisions of the Plan, unless expressly indicated otherwise. The words "include," "includes," and "including" herein shall be deemed to be followed by "without limitation" whether or not they are in fact followed by such words or words of similar import, unless the context otherwise requires. The headings and captions appearing herein are inserted only as a matter of convenience. They do not define, limit, construe, or describe the scope or intent of the provisions of the Plan.

7.9 Indemnification of Board and Plan Administrator. In addition to such other rights of indemnification as they may have, the Board and Plan Administrator (but not any ESPP Broker) shall be indemnified by the Company against all costs and expenses reasonably incurred by them in connection with any action, suit, or proceeding to which they or any of them may be a party by reason of any action taken or failure to act under or in connection with the Plan or any rights granted thereunder and against all amounts paid by them in settlement thereof or in satisfaction of a judgment in any such action, suit or proceeding, except a judgment based upon a finding of bad faith. Upon the institution of any such action, suit or proceeding, the Board and the Plan Administrator shall notify the Company in writing, giving the Company an opportunity at its own cost to defend the same before such Board or Plan Administrator undertakes to defend the same on their own behalf.



7.10 Section 16 Requirements. Any other provisions of the Plan notwithstanding, to the extent that any Employee participating in the Plan is subject to the provisions of Section 16 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations promulgated thereunder, such Employee's participation in the Plan shall be subject to, and such Employee shall be required to comply with, any and all additional restrictions and/or requirements imposed by the Plan Administrator, in its sole discretion, in order to insure that the exemption made available pursuant to Rule 16b-3 is available with respect to all transactions pursuant to the Plan effected by or on behalf of any such Employee.

7.11 Claims Procedures. No action may be commenced by an individual against the Company with respect to causes of action arising under the Plan unless the individual first makes a claim to the Plan Administrator with respect to such matters. The Plan Administrator shall respond to any such claim within sixty (60) days. If the Plan Administrator's response is adverse to the individual, then no action may be commenced by the individual unless the individual first appeals such adverse decision. Such appeal shall be considered by a representative of the Company other than the person or persons who considered the individual's original claim and other than a subordinate of such person or persons. The Company's response to the individual's appeal shall be made within sixty (60) days.

7.12 Administrative Costs. The Company shall bear all costs and expenses incurred in administering the Plan, including expenses of issuing shares of Common Stock pursuant to Purchase Rights granted hereunder.

7.13 Severability. If any provision of the Plan shall be held illegal or invalid for any reason, such illegality or invalidity shall not affect the remaining parts of the Plan, and the Plan shall be construed and enforced as if the illegal or invalid provision had not been included

7.14 Governing Law. The Plan shall be governed by, and all questions arising hereunder shall be determined in accordance with, the laws of the State of Hawaii.

**EXECUTION**

IN WITNESS WHEREOF, FIRST HAWAIIAN, INC. has caused this First Hawaiian, Inc. Employee Stock Purchase Plan to be adopted by its duly authorized officer this 8th day of August, 2016.

**FIRST HAWAIIAN, INC.**

By /s/ Eric K. Yeaman  
Its President and Chief Operating Officer

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We consent to the incorporation by reference in this Registration Statement on Form S-8 of our report dated March 4, 2016, (May 13, 2016 as to Notes 1, 18, 21 and 22), relating to the combined financial statements of First Hawaiian Combined, as described in the notes to the combined financial statements, appearing in the Prospectus included in Amendment No. 1 to Registration Statement No. 333-212451 filed on July 26, 2016.

/s/ DELOITTE & TOUCHE LLP

Honolulu, Hawaii  
August 8, 2016

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