

COMMUNITY WEST BANCSHARES /
Form PRE 14A
March 27, 2017

United States
Securities and Exchange Commission
Washington, D.C. 20549

Schedule 14A

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934
(Amendment No.)

Filed by the Registrant

File by a party other than the Registrant

Check the appropriate box:

Preliminary proxy statement

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

Definitive proxy statement

Definitive additional materials

Soliciting material under Rule
14a-12

COMMUNITY WEST BANCSHARES
(Name of the Registrant as Specified In Its Charter)

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

Payment of Filing Fee (check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

1. Title of each class of securities to which transaction applies:
2. Aggregate number of securities to which transaction applies:
Per unit price or other underlying value of transaction
computed pursuant to Exchange Act Rule 0-11 (set forth the
3. amount on which the file fee is calculated and state how it was
determined):
4. Proposed maximum aggregate value of transaction:
5. Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

- 1.Amount Previously Paid:
 - 2.Form, Schedule or Registration Statement No.:
 - 3.Filing Party:
 - 4.Date Filed:
-
-

445 Pine Avenue
Goleta, CA 93117-3709
(805) 692-5821
www.communitywest.com

April 10, 2017

To Our Shareholders:

You are cordially invited to attend the 2017 Annual Meeting of Shareholders (Meeting) of Community West Bancshares that will be held at La Cumbre Country Club, 4015 Via Laguna, Santa Barbara, California 93110, on Thursday, May 25, 2017, at 6:30 P.M. local time. There will be refreshments at 5:30 P.M. with the business meeting starting promptly at 6:30 P.M. Please keep in mind that the Club rules prohibit wearing any denim (jeans, skirts, vests, etc.) on its premises. I again look forward to greeting as many of our shareholders as possible.

As set forth in the attached Proxy Statement, the Meeting will be held to consider the election of Directors, to consider approval to amend the Articles of Incorporation, to consider approval to amend the Company's 2014 Stock Option Plan and to consider ratifying the selection of RSM US LLP as the Company's independent auditors and to transact any other business that may properly come before the Meeting.

We will also review operating results for the past year and the progress of Community West Bancshares, and its wholly-owned subsidiary, Community West Bank, and present an opportunity to ask questions of general interest to shareholders.

Your vote is important. Whether or not you attend the Meeting in person, I urge you to promptly vote your Proxy by signing and dating the enclosed Proxy card and returning it in the accompanying postage-paid envelope. If you decide to attend the Meeting and vote in person, you will, of course, have that opportunity.

Thank you for your continued support of Community West Bancshares and, again, I look forward to seeing you at the Annual Meeting on Thursday, May 25, 2017.

Very truly yours,
William R. Peebles
Chairman of the Board of Directors

COMMUNITY WEST BANCSHARES

445 Pine Avenue

Goleta, California 93117-3709

Telephone: (805) 692-5821

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

TO BE HELD MAY 25, 2017

NOTICE IS HEREBY GIVEN that the 2017 Annual Meeting of Shareholders (Meeting) of Community West Bancshares (Company) will be held at La Cumbre Country Club, 4015 Via Laguna, Santa Barbara, California 93110, on Thursday, May 25, 2017, at 6:30 P.M. local time, for the purpose of considering and voting on the following matters:

1. Election of Directors. To elect eight persons to the Board of Directors of the Company (Board) to serve until the 2018 Annual Meeting of Shareholders and until their successors are elected and have qualified. The following persons are the Board of Directors' nominees:

Robert H. Bartlein	Shereef Moharram
Jean W. Blois	William R. Peebles
John D. Illgen	Martin E. Plourd
James W. Lokey	Kirk B. Stovesand

2. Amendment to the Articles of Incorporation. To consider and approve an amendment to the Company's Articles of Incorporation to increase the authorized number of shares of Common Stock, no par value, from twenty million (20,000,000) to sixty million (60,000,000).

3. Amendment to the Community West Bancshares 2014 Stock Option Plan. To consider and approve an amendment to the Community West Bancshares 2014 Stock Option Plan to increase the number of shares of Common Stock reserved for issuance under the plan, and the number of shares of Common Stock for which options may be granted, by 250,000 to an aggregate of 750,000.

4. Ratification of the Independent Auditors. To ratify the selection of RSM US LLP (formerly McGladrey LLP) as the Company's independent auditors for the fiscal year ending December 31, 2017.

5. Other Business. To transact such other business as may properly come before the Meeting and any adjournment thereof, including, without limitation, to approve an adjournment(s) of the Meeting, if necessary, to solicit additional proxies for the eight nominees for election.

The Proxy Statement that accompanies this Notice contains additional information regarding the proposals to be considered at the Meeting and shareholders are encouraged to read it in its entirety.

The Board has fixed the close of business on March 27, 2017 as the record date for determination of shareholders entitled to notice of, and the right to vote at, the Meeting.

As set forth in the enclosed Proxy Statement, proxies are being solicited by and on behalf of the Board. All proposals set forth above are proposals of the Company. It is expected that these materials will be mailed to shareholders on or about April 10, 2017.

The Bylaws of the Company provide for the nomination of Directors in the following manner:

“Nominations for election of members of the board of directors may be made by the board of directors or by any shareholder of any outstanding class of capital stock of the corporation entitled to vote for the election of directors. Notice of intention to make any nominations (other than for persons named in the notice of the meeting at which such nomination is to be made) shall be made in writing and shall be delivered or mailed to the president of the corporation no more than sixty (60) days prior to any meeting of shareholders called for the election of directors and no more than ten (10) days after the date the notice of such meeting is sent to shareholders pursuant to Section 2.4 of these Bylaws; provided, however, that if ten (10) days notice of such meeting is sent to shareholders, such notice of intention to nominate must be received by the president of the corporation not later than the time fixed in the notice of the meeting for the opening of the meeting. Such notification shall contain the following information to the extent known to the notifying shareholder: (a) the name and address of each proposed nominee; (b) the principal occupation of each proposed nominee; (c) the number of shares of capital stock of the corporation owned by each proposed nominee; (d) the name and residence address of the notifying shareholder; (e) the number of shares of capital stock of the corporation owned by the notifying shareholder; (f) with the written consent of the proposed nominee, a copy of which shall be furnished with the notification, whether the proposed nominee has ever been convicted of or pleaded nolo contendere to any criminal offense involving dishonesty or breach of trust, filed a petition in bankruptcy or been adjudged a bankrupt. The notice shall be signed by the nominating shareholder and by the nominee. Nominations not made in accordance herewith shall be disregarded by the chairman of the meeting and, upon his instructions, the inspectors of election shall disregard all votes cast for each such nominee. The restrictions set forth in this paragraph shall not apply to nomination of a person to replace a proposed nominee who has died or otherwise become incapacitated to serve as a director between the last day for giving notice hereunder and the date of election of directors if the procedure called for in this paragraph was followed with respect to the nomination of the proposed nominee. A copy of the preceding paragraph shall be set forth in the notice to shareholders of any meeting at which directors are to be elected.”

Since important matters are to be considered at the Meeting, it is very important that each shareholder vote.

We urge you to sign and return the enclosed proxy as promptly as possible, whether or not you plan to attend the Meeting in person. The enclosed proxy is solicited by the Board. Any shareholder who executes and delivers such a proxy has the right to revoke it at any time before it is exercised by giving written notice of revocation to the Secretary of the Company, by submitting prior to the Meeting a properly executed proxy bearing a later date or by being present at the Meeting and electing to vote in person by advising the Chairman of the Meeting of such election.

Please indicate on the proxy whether or not you expect to attend the Meeting so that the Company can arrange for adequate accommodations.

By Order of the Board of Directors,

John D. Illgen, Secretary

Dated: April 10, 2017
Goleta, California

PROXY MATERIALS AND ANNUAL REPORT ON FORM 10-K

Copies of the Company's Proxy Materials described herein and the 2016 Annual Report on Form 10-K, as filed with the Securities and Exchange Commission, are available upon request to: Charles G. Baltuskonis, Executive Vice President and Chief Financial Officer, Community West Bancshares, 445 Pine Avenue, Goleta, CA 93117-3474, telephone (800) 569-2100, e-mail: cbaltuskonis@communitywestbank.com.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON MAY 25, 2017

This proxy statement, the proxy card, the Company's Annual Report to Shareholders and the Annual Report on Form 10-K for the fiscal year ended December 31, 2016, and directions to the location of the Annual Meeting, are available on the Company's website at www.communitywest.com.

COMMUNITY WEST BANCSHARES

445 Pine Avenue

Goleta, California 93117-3709

PROXY STATEMENT
ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD MAY 25, 2017

SOLICITATION AND VOTING OF PROXIES

Community West Bancshares (Company or CWBC) is furnishing this Proxy Statement to its shareholders in connection with the solicitation by the Board of Directors (Board) of proxies to be used at the Annual Meeting of Shareholders (Meeting), to be held on Thursday, May 25, 2017 at 6:30 P.M. local time at La Cumbre Country Club, 4015 Via Laguna, Santa Barbara, California 93110, and at any and all adjournments and postponements thereof. The designated proxyholders (Proxyholders) are members of the Company's management. Only shareholders of record on March 27, 2017 (Record Date) are entitled to notice of, and to vote in person or by proxy at, the Meeting or any adjournment or postponement thereof. This Proxy Statement and the enclosed proxy card (Proxy) first will be mailed to shareholders on or about April 10, 2017. The Company's Annual Report to Shareholders and the Annual Report on Form 10-K, including consolidated financial statements for the year ended December 31, 2016, accompany this Proxy Statement.

Regardless of the number of shares of Common Stock of the Company (Common Stock) owned, it is important that the holders of a majority of shares be represented by proxy or be present in person at the Meeting. Shareholders are requested to vote by completing the enclosed Proxy and returning it signed and dated in the enclosed postage-paid envelope. Shareholders are to indicate their vote in the spaces provided on the Proxy. Proxies solicited by the Board will be voted in accordance with the directions given therein. Where no instructions are indicated, signed Proxies will be voted "AUTHORITY GIVEN" for all eight nominees in the election of the Directors named in this Proxy Statement; "FOR" approval of the proposed amendment to the Articles of Incorporation; "FOR" approval of the proposed amendment to the Community West Bancshares 2014 Stock Option Plan; and, "FOR" ratification of RSM US LLP (RSM) (formerly McGladrey LLP) as the Company's independent auditors for the fiscal year ending December 31, 2017. If any other business is properly presented at the Meeting, the Proxy will be voted in accordance with the recommendations of the Board.

Other than the matters set forth on the attached Notice of Annual Meeting of Shareholders, the Board knows of no additional matters that will be presented for consideration at the Meeting. Execution of a Proxy, however, confers to each of James Gray and Susan Thompson, as the designated Proxyholders, discretionary authority to vote the shares in accordance with the recommendations of the Board on such other business, if any, which may properly come before the Meeting and at any adjournments or postponements thereof, including whether or not to adjourn the Meeting. In addition, the Proxy being solicited confers, and the holders of each Proxy will have, discretionary authority to vote with respect to any matter if the Company did not have notice of such matter by February 22, 2017, which is at least 45 days before the anniversary date on which the Company first mailed its proxy materials for the then-prior year's Annual Meeting of Shareholders.

You may revoke your Proxy at any time prior to its exercise by filing a written notice of revocation with the Secretary of the Company, by delivering to the Company a duly executed Proxy bearing a later date, or by attending the Meeting and voting in person. However, if you are a shareholder whose shares are not registered in your own name, you will need to provide appropriate documentation from the record holder to vote personally at the Meeting.

The following matters will be considered and voted upon at the Meeting:

1. Election of Directors. To elect eight persons to the Board of Directors of the Company to serve until the 2018 Annual Meeting of Shareholders and until their successors are elected and have qualified. The following persons are the Board of Directors' nominees:

Robert H. Bartlein	Shereef Moharram
Jean W. Blois	William R. Peebles
John D. Illgen	Martin E. Plourd
James W. Lokey	Kirk B. Stovesand

2. Amendment to the Articles of Incorporation. To consider and approve an amendment to the Company's Articles of Incorporation to increase the authorized number of shares of Common Stock, no par value, from twenty million (20,000,000) to sixty million (60,000,000).
3. Amendment to the Community West Bancshares 2014 Stock Option Plan. To consider and approve an amendment to the Community West Bancshares 2014 Stock Option Plan to increase the number of shares of Common Stock reserved for issuance under the plan, and the number of shares of Common Stock for which options may be granted, by 250,000 to an aggregate of 750,000.
4. Ratification of the Company's Independent Auditors. To ratify the appointment of RSM as the Company's independent auditors for the fiscal year ending December 31, 2017.
5. Other Business. To transact such other business as may properly come before the Meeting and any adjournment thereof, including, without limitation, approving an adjournment(s) of the Meeting, if necessary, to solicit additional proxies for the eight nominees for election.

This solicitation of proxies is being made by the Board. The expense of solicitation of proxies for the Meeting will be borne by the Company. It is anticipated that proxies will be solicited primarily through the use of the mail. Proxies may also be solicited personally or by telephone by Directors, officers and employees of the Company, and its wholly-owned subsidiary, Community West Bank (CWB or Bank), without additional compensation therefor. The Company will also request persons, firms and corporations holding shares in their names, or in the name of their nominees, that are beneficially owned by others, to send proxy materials to and obtain proxies from such beneficial owners and will reimburse such holders for their reasonable expenses in doing so. The total estimated cost of the solicitation is \$23,000.

VOTING SECURITIES

The securities that may be voted at the Meeting consist of shares of Common Stock. The close of business on March 27, 2017 has been fixed by the Board as the Record Date for the determination of shareholders of record entitled to notice of and to vote at the Meeting and at any adjournments or postponements thereof. The total number of shares of Common Stock outstanding as of the Record Date was 8,103,139 shares. Each shareholder is entitled to one vote, in person or by proxy, for each share held as of the Record Date, except that in the election of Directors, each shareholder has the right to cumulate votes provided that the candidates' names have been properly placed in nomination prior to commencement of voting and a shareholder has given notice of their intention to cumulate votes prior to commencement of voting. Cumulative voting entitles a shareholder to give one candidate a number of votes equal to the number of Directors to be elected, multiplied by the number of shares of Common Stock held by that shareholder, or to distribute such votes among as many candidates as the shareholder deems fit. The candidates receiving the highest number of votes, up to the number of Directors to be elected, will be elected.

Of the shares of Common Stock issued and outstanding as of the Record Date, 1,727,608 (21.32%) shares were beneficially owned by Directors and executive officers of the Company. Such persons have informed the Company that they will vote "AUTHORITY GIVEN" for all eight nominees in the election of Directors; "FOR" approval of an amendment to the Company's Articles of Incorporation to increase the authorized number of shares of Common Stock from twenty million (20,000,000) to sixty million (60,000,000); "FOR" approval of an amendment to the Community West Bancshares 2014 Stock Option Plan to increase the number of shares of Common Stock reserved for issuance under the plan, and the number of shares of Common Stock for which options may be granted, by 250,000 to an aggregate of 750,000 and, "FOR" ratification of the selection of RSM as the Company's independent auditors for the fiscal year ending December 31, 2017. Under California law and the Company's Bylaws, a quorum consists of the presence in person or by proxy of a majority of the shares entitled to vote at the Meeting, and a matter (other than the election of Directors) voted on by shareholders will be approved if it receives the vote of a majority of the shares both present and voting, which shares also constitute a majority of the required quorum, unless the vote of a greater number

of shares is required. Abstentions and broker non-votes will be included in the number of shares present at the Meeting and entitled to vote for the purpose of determining the presence of a quorum.

If your shares are held in "street name" by a brokerage firm, you will need to follow the directions your brokerage firm provides to you to properly vote your shares. Under the current rules of the New York Stock Exchange (NYSE), if you do not give instructions to your brokerage firm at least ten days before the Meeting, you still will be able to vote your shares with respect to certain "routine" matters, but you will not be allowed to vote your shares with respect to certain "non-routine" matters. For example, the ratification of RSM as the Company's independent auditors (Proposal 4) is considered to be a routine matter under the NYSE rules and your brokerage firm will be able to vote on this proposal if it does not receive instructions from you, so long as it holds your shares in its name. However, the election of Directors (Proposal 1), the approval of the proposed amendment to the Company's Articles of Incorporation to increase the authorized number of shares (Proposal 2) and the approval of the proposed amendment to the Community West Bancshares 2014 Stock Option Plan to increase the number of shares of Common Stock reserved for issuance under the plan by 250,000 to an aggregate of 750,000 shares (Proposal 3) are non-routine matters. Accordingly, if you do not instruct your broker how to vote with respect to Proposals 1, 2 and/or 3, your broker may not vote with respect to these proposals and those votes will be counted as "broker non-votes." "Broker non-votes" are shares that are held in "street name" by a bank or brokerage firm that indicates on its proxy that it does not have or did not exercise discretionary authority to vote on a particular matter. Assuming that a quorum is present at the Meeting, the following chart sets forth the required vote to approve each matter to be considered and voted upon at the Meeting and the effect of "Withhold" votes, abstentions and broker non-votes.

Proposal	Required Vote	Effect of "Withhold" Votes, Abstentions, Broker Non-Votes
Proposal 1 – Election of Directors	The candidates receiving the highest number of votes, up to the number of Directors to be elected, will be elected.	Broker non-votes will have no effect on the voting for the election of Directors.
Proposal 2 – Amendment to the Articles of Incorporation to Increase the Authorized Shares	Affirmative vote of a majority of the outstanding shares entitled to vote.	Abstentions and broker non-votes will have the effect of a vote AGAINST this amendment.
Proposal 3 – Amendment to the Community West Bancshares 2014 Stock Option Plan to increase the number of shares by 250,000 to an aggregate of 750,000 shares	Affirmative vote of a majority of the votes present in person or represented by Proxy and entitled to vote at the Meeting.	Abstentions will have the same effect as votes against such proposal, and broker non-votes will not be counted as votes and will have no effect on the voting of this proposal.
Proposal 4 – Ratification of the Company's Independent Auditors	Affirmative vote of a majority of the votes present in person or represented by Proxy and entitled to vote at the Meeting.	Abstentions will have the same effect as votes against such proposal, and broker non-votes will not be counted as votes and will have no effect on the voting of this proposal.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS, DIRECTORS AND EXECUTIVE OFFICERS

The following table sets forth certain information as of the Record Date, concerning the beneficial ownership of the Company's outstanding Common Stock: (i) by persons (other than depositories) known to the Company to own more than 5% of the Company's outstanding Common Stock; (ii) by each of the Company's Directors or nominees; (iii) by each of the Named Executive Officers; and (iv) by all current Directors and executive officers as a group.

Management is not aware of any change in control of the Company that has occurred since January 1, 2016, or any arrangement that may, at a subsequent date, result in a change in control of the Company.

On December 19, 2008, in connection with the Company's then participation in the TARP-CPP, the Company issued to the Treasury a warrant to purchase up to 521,158 shares of Common Stock at an exercise price of \$4.49 per share. The Warrant is immediately exercisable and has a 10-year term. On June 6, 2013, the warrant was sold in an auction to a private investor, Wellington Management Company, LLP, and such potential shares are included in the following

beneficial ownership table.

Except as indicated, the address of each of the persons listed below is c/o Community West Bancshares, 445 Pine Avenue, Goleta, CA 93117.

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Name and Title	Number of Shares of Common Stock Beneficially Owned (1)	Number of Shares Subject to Vested Stock Options (2)	Number of Shares Subject to Vested Warrants (6)	Percent of Class Beneficially Owned (1) (2)	
Charles G. Baltuskonis, Executive Vice President and Chief Financial Officer, CWBC and CWB	13,000	51,250	-	0.79	%
Robert H. Bartlein, Director, Chairman of the Board, CWB	555,134	15,000	-	7.02	%
Jean W. Blois, Director	61,964	25,000	-	1.07	%
Maureen C. Clark, Executive Vice President, Chief Operating Officer and Chief Information Officer	-	-	-	-	
William F. Filippin, Executive Vice President and Chief Banking Officer, CWB	6,711	5,200	-	*	
John D. Illgen, Director	36,091	25,000	-	0.75	%
Investors of America, Limited Partnership (3)	568,696	-	-	7.02	%
James W. Lokey, Director	5,614	5,000	-	*	
Shereef Moharram, Director	14,425	15,000	-	*	
William R. Peeples, Director, Chairman of the Board, CWBC	939,115	15,000	-	11.75	%
Martin E. Plourd, Director, President and Chief Executive Officer, CWBC and CWB	38,825	55,000	-	1.15	%
Kristine D. Price, Executive Vice President and Chief Credit Officer, CWB	10,000	13,000			