

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

**FORM S-8
REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933**

STELLAR BANCORP, INC.

(Exact name of registrant as specified in its charter)

Texas (State or other jurisdiction of incorporation or organization)	20-8339782 (I.R.S. Employer Identification No.)
9 Greenway Plaza, Suite 110 Houston, Texas (Address of Principal Executive Offices)	77046 (Zip Code)

Stellar Bancorp, Inc. 2022 Omnibus Incentive Plan
(Full title of the plan)

Robert R. Franklin, Jr.
Chief Executive Officer
Stellar Bancorp, Inc.
9 Greenway Plaza, Suite 110
Houston, Texas 77046
(713) 210-7600
(Name, address, and telephone number, including area code, of agent for service)

With a copy to:

Michael G. Keeley, Esq.
Blake H. Redwine, Esq.
Norton Rose Fulbright US, LLP
2200 Ross Avenue, Suite 3600
Dallas, Texas 75201
(214) 855-3906

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

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act. S

PART I

INFORMATION REQUIRED IN THE SECTION 10(A) PROSPECTUS

The documents containing the information specified by Part I, Items 1 and 2, of this Registration Statement on Form S-8 (this “Registration Statement”) have been or will be delivered to participants in the Stellar Bancorp, Inc. 2022 Omnibus Incentive Plan, 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”), and the instructions to Form S-8. In accordance with the rules and regulations of the Commission and the instructions to Form S-8, such documents are not being filed with the Commission.

Item 1. Plan Information.

Not required to be filed with this Registration Statement.

Item 2. Registrant Information and Employee Plan Annual Information.

Not required to be filed with this Registration Statement.

PART II

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference.

The following documents, which have been filed (and excluding any documents or portions thereof furnished) by Stellar Bancorp, Inc. (the “Company”) with the Commission pursuant to the Securities Act and the Securities Exchange Act of 1934, as amended (the “Exchange Act”), are hereby incorporated by reference in, and shall be deemed to be a part of, this Registration Statement:

(a) the Company’s Annual Report on Form 10-K (the “Annual Report”) for the year ended December 31, 2021, filed with the Commission February 25, 2022;

(b) the Company’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2022, filed with the Commission April 28, 2022, its Quarterly Report Form 10-Q for the quarter ended June 30, 2022, filed with the Commission on July 28, 2022, and its Quarterly Report Form 10-Q for the quarter ended September 30, 2022, filed with the Commission on October 28, 2022;

(c) the Company’s Current Reports on Form 8-K filed with the Commission on January 28, 2022, January 28, 2022, March 17, 2022, March 18, 2022, April 28, 2022, April 28, 2022, May 17, 2022, May 25, 2022, June 16, 2022, June 30, 2022, August 23, 2022, August 25, 2022, August 26, 2022, September 15, 2022, September 21, 2022, September 22, 2022, September 26, 2022, September 30, 2022, October 3, 2022, and October 26, 2022 (in each case, other than the portions of those documents not deemed to be filed); and

(d) the description of the Common Stock, par value \$0.01 per share, contained in the Company’s Registration Statement on Form 8-A filed with the Commission on November 6, 2017 (File No. 001-38280), together with any amendment thereto filed with the Commission for the purpose of updating such description.

All documents filed by the Company pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act (other than those documents or portions of those documents that may be “furnished” and not filed with the Commission, unless otherwise indicated therein), subsequent to the effective date of this Registration Statement and prior to the filing of a post-effective amendment to this Registration Statement 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 into this Registration Statement and to be a part hereof from the date of filing of such documents.

Any statement contained in this Registration Statement or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Registration Statement to the extent that a statement contained or incorporated by reference herein or in any subsequently filed document that is deemed to be, incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Registration Statement.

Item 4. Description of Securities.

Not applicable.

Item 5. Interest of Named Experts and Counsel.

Not applicable.

Item 6. Indemnification of Directors and Officers.

The Texas Business Organizations Code (“TBOC”) permits a corporation to indemnify a director who was, is or is threatened to be a named defendant or respondent in a proceeding as a result of the performance of his duties if such person acted in good faith and, in the case of conduct in the person’s official capacity as a director, in a manner he reasonably believed to be in the best interests of the corporation and, in all other cases, that the person’s conduct was not opposed to the best interests of the corporation and with respect to any criminal action or proceeding, that such person had no reasonable cause to believe his conduct was unlawful. The TBOC further permits a corporation to eliminate in its charter all monetary liability of the corporation’s directors to the corporation or its shareholders for conduct in performance of such director’s duties. Company’s certificate of formation provides that its directors are not liable to Company or its shareholders for monetary damages for an act or omission in their capacity as a director, except that there will be no limitation of liability to the extent the director has been found liable under applicable law for: (i) breach of the director’s duty of loyalty owed to Company or Company’s shareholders; (ii) an act or omission not in good faith that constitutes a breach of duty of the director to Company or that involves intentional misconduct or a knowing violation of the law; (iii) a transaction from which the director received an improper benefit, regardless of whether the benefit resulted from an action taken within the scope of the director’s duties; or (iv) an act or omission for which the liability of the director is expressly provided for by an applicable statute.

Sections 8.101 and 8.103 of the TBOC provide that a corporation may indemnify a person who was, is or is threatened to be a named defendant or respondent in a proceeding because the person is or was a director only if a determination is made that such indemnification is permissible under the TBOC: (i) by a majority vote of the directors who at the time of the vote are disinterested and independent, regardless of whether such directors constitute a quorum; (ii) by a majority vote of a board committee designated by a majority of disinterested and independent directors and consisting solely of disinterested and independent directors; (iii) by special legal counsel selected by the board of directors or a committee of the board of directors as set forth in (i) or (ii); (iv) by the shareholders in a vote that excludes the shares held by directors who are not disinterested and independent; or (v) by a unanimous vote of the shareholders.

Section 8.104 of the TBOC provides that the corporation may pay or reimburse, in advance of the final disposition of the proceeding, reasonable expenses incurred by a present director who was, is or is threatened to be made a named defendant or respondent in a proceeding after the corporation receives a written affirmation by the director of his good faith belief that he has met the standard of conduct necessary for indemnification under Section 8.101 and a written undertaking by or on behalf of the director to repay the amount paid or reimbursed if it is ultimately determined that he has not met that standard or if it is ultimately determined that indemnification of the director is not otherwise permitted under the TBOC. Section 8.105 also provides that reasonable expenses incurred by a former director or officer, or a present or former employee or agent of the corporation, who was, is or is threatened to be made a named defendant or respondent in a proceeding may be paid or reimbursed by the corporation, in advance of the final disposition of the action, as the corporation considers appropriate.

Section 8.105 of the TBOC provides that a corporation may indemnify and advance expenses to a person who is not a director, including an officer, employee or agent of the corporation as provided by: (i) the corporation’s governing documents; (ii) an action by the corporation’s governing authority; (iii) resolution by the shareholders; (iv) contract; or (v) common law. As consistent with Section 8.105, a corporation may indemnify and advance expenses to persons who are not directors to the same extent that a corporation may indemnify and advance expenses to directors.

Further, Company’s certificate of formation and bylaws provide that Company must indemnify its directors and officers to the fullest extent authorized by law. Company is also expressly required to advance certain expenses to its directors and officers. Company may also purchase insurance on behalf of an existing or former officer, employee, director or agent against any liability asserted against and incurred by that person in such capacity, or arising out of that person’s status in such capacity. Company believes that these indemnification provisions and the directors’ and officers’ insurance are useful to attract and retain qualified directors and executive officers.

Company is party to indemnification agreements with each of its directors and certain of its officers. The indemnification agreements provide, among other things, for indemnification to the fullest extent permitted by law and Company’s certificate of formation and bylaws against (i) any and all direct and indirect liabilities and reasonable expenses, including judgments, fines, penalties, interest and amounts paid in settlement of any claim with Company’s approval and reasonable counsel fees and

disbursements, (ii) any liability pursuant to a loan guarantee, or otherwise, for any of Company's indebtedness and (iii) any liabilities incurred as a result of acting on behalf of Company (as a fiduciary or otherwise) in connection with an employee benefit plan. The indemnification agreements provide for the advancement or payment of expenses to the indemnitee and for reimbursement to Company if it is found that such indemnitee is not entitled to such indemnification under applicable law and Company's certificate of formation and bylaws.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling Company under any of the foregoing provisions, in the opinion of the SEC, that indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable. Finally, Company's ability to provide indemnification to its directors and officers is limited by federal banking laws and regulations, including, but not limited to, 12 U.S.C. 1828(k).

Item 7. Exemption from Registration Claimed.

Not applicable.

Item 8. Exhibits.

<u>Exhibit No.</u>	<u>Exhibit Description</u>
4.1	Second Amended and Restated Certificate of Formation of Stellar Bancorp, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Form 8-K filed with the Commission on October 3, 2022)
4.2	Bylaws of Stellar Bancorp, Inc. (incorporated by reference to Exhibit 3.2 to the Company's Form 8-K filed with the Commission on October 3, 2022)
5.1*	Opinion of Norton Rose Fulbright US LLP
23.1*	Consent of Grant Thornton LLP
23.2*	Consent of Crowe LLP
23.3*	Consent of Norton Rose Fulbright US LLP (included in Exhibit 5.1)
24.1*	Power of Attorney of Directors and Officers of Stellar Bancorp, Inc.
99.1	Stellar Bancorp, Inc. 2022 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.5 to the Company's Form 8-K filed with the Commission on October 3, 2022)
99.2*	Stellar Bancorp, Inc. Form of Restricted Stock Award Agreement
99.3*	Stellar Bancorp, Inc. Form of Performance Share Award Agreement
107*	Filing fee table.

* Filed herewith.

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 this 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 this Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective Registration Statement;

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

Provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in 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.

(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 this 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 of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on October 31, 2022.

STELLAR BANCORP, INC.

By: /s/ Robert R. Franklin, Jr.
Robert R. Franklin, Jr.
Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed below by the following persons in the capacities and the dates indicated.

Signature	Title	Date
<u>/s/ Robert R. Franklin, Jr.</u> Robert R. Franklin, Jr.	Chief Executive Officer and Director (Principal Executive Officer)	October 31, 2022
*	Chief Financial Officer (Principal Financial and Accounting Officer)	October 31, 2022
<u>Paul P. Egge</u>	Director	October 31, 2022
*		
<u>John Beckworth</u>	Director	October 31, 2022
*		
<u>Jon-Al Duplantier</u>	Director	October 31, 2022
*		
<u>Michael A. Havard</u>	Director	October 31, 2022
*		
<u>Frances H. Jeter</u>	Director	October 31, 2022
*		
<u>George Martinez</u>	Director	October 31, 2022
*		
<u>William S. Nichols, III</u>	Director	October 31, 2022
*		
<u>Joe E. Penland, Sr.</u>	Director	October 31, 2022
*		
<u>Reagan A. Reaud</u>	Director	October 31, 2022
*		
<u>Steven F. Retzloff</u>	Director	October 31, 2022
*		
<u>Fred S. Robertson</u>	Director	October 31, 2022
*		
<u>Joseph B. Swinbank</u>	Director	October 31, 2022
*		
<u>John E. Williams</u>	Director	October 31, 2022
*		
<u>William E. Wilson Jr.</u>		

* By: /s/ Robert R. Franklin, Jr.
Robert R. Franklin, Jr.
Attorney-in-Fact
October 31, 2022



Norton Rose Fulbright US LLP
2200 Ross Avenue, Suite 3600
Dallas, Texas 75201-7932
United States

October 31, 2022

Stellar Bancorp, Inc.
9 Greenway Plaza, Suite 110
Houston, Texas 77046

Ladies and Gentlemen:

We have acted as special counsel to Stellar Bancorp, Inc., a Texas corporation (the "Company"), in connection with the registration under the Securities Act of 1933, as amended (the "Securities Act"), of the offer and sale of up to 2,000,000 shares (the "Shares") of common stock, par value \$0.01 per share, of the Company ("Common Stock") which may be issued pursuant to the Stellar Bancorp, Inc. 2022 Omnibus Incentive Plan (the "Plan") as described in the Company's Registration Statement on Form S-8 (as may subsequently be amended, the "Registration Statement").

In rendering the opinions set forth below, we have reviewed, examined, and relied upon: (i) the Company's Second Amended and Restated Certificate of Formation, (ii) the Company's Bylaws; (iii) resolutions of the Company's Board of Directors (or any committee thereof) relating to the Registration Statement and the Plan; (iv) the Plan; and (v) such other certificates, statutes and other instruments and documents as we considered necessary or appropriate for purposes of rendering the opinions expressed in this letter. As to matters of fact relevant to the opinions expressed below and as to factual matters arising in connection with our review of corporate documents, records and other documents and writings, we have relied upon certificates and other communications of officers and employees of the Company without further investigation as to the facts set forth in such certificates and communications. We have assumed the genuineness of all signatures on, and the authenticity of, all documents submitted to us as originals, the conformity to authentic original documents of all documents submitted to us as copies thereof, the due authorization, execution and delivery by the parties thereto other than the Company of all documents examined by us, and the legal capacity of each individual who signed any of those documents. We have further assumed that there will be no material changes in the documents we have examined and that, at all times prior to the issuance of any Shares, the Company will maintain a sufficient number of authorized but unissued shares of Common Stock available for issuance.

Based upon the foregoing, and subject to the assumptions, qualifications, limitations and exceptions set forth in this letter, we are of the opinion that the Shares, when issued and sold in the manner described in the Plan and pursuant to the agreements that accompany the Plan, will be validly issued, fully paid, and non-assessable.

The foregoing opinions are limited in all respects to the applicable provisions of the laws of the State of Texas and the applicable federal laws of the United States of America, and we do not express any opinion as to the applicability or effect of the laws of any other jurisdiction. We express no opinion as to any matter other than as set forth in this letter, and no other opinion may be inferred or implied. Our opinion is given as of the date of this letter, and we undertake no, and disclaim any, obligation to advise you of any change in any matter set forth in this letter.

Norton Rose Fulbright US LLP is a limited liability partnership registered under the laws of Texas.

Norton Rose Fulbright US LLP, Norton Rose Fulbright LLP, Norton Rose Fulbright Australia, Norton Rose Fulbright Canada LLP and Norton Rose Fulbright South Africa Inc are separate legal entities and all of them are members of Norton Rose Fulbright Verein, a Swiss verein. Norton Rose Fulbright Verein helps coordinate the activities of the members but does not itself provide legal services to clients. Details of each entity, with certain regulatory information, are available at nortonrosefulbright.com.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and the reference to this firm wherever it appears in the Registration Statement. By giving such consent, we do not admit that we are within the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations thereunder.

Very truly yours,

/s/ Norton Rose Fulbright US LLP

Norton Rose Fulbright US LLP

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have issued our report dated February 25, 2022, with respect to the consolidated financial statements of CBTX, Inc. included in the Annual Report on Form 10-K for the year ended December 31, 2021, which are incorporated by reference in this Registration Statement of Stellar Bancorp, Inc., formerly known as CBTX, Inc. We consent to the incorporation by reference of the aforementioned report in this Registration Statement.

/s/ GRANT THORNTON LLP

Houston, Texas
October 31, 2022

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in this Registration Statement of Stellar Bancorp, Inc. on Form S-8 of our report dated February 25, 2022, with respect to the consolidated financial statements and effectiveness of internal control over financial reporting, included in the Annual Report on Form 10-K of Allegiance Bancshares, Inc. for the year ended December 31, 2021, which is incorporated by reference from Stellar Bancorp, Inc.'s Current Report on Form 8-K/A filed on October 26, 2022.

/s/ Crowe LLP

Dallas, Texas
October 31, 2022

POWER OF ATTORNEY

Each person whose signature appears below constitutes and appoints Robert R. Franklin, Jr., Justin M. Long and Shanna Kuzdzal, and each of them individually, his true or her and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead to affix his or her signature as director or officer or both, as the case may be, of the registrant, to this Registration Statement on Form S-8 under the Securities Act of 1933, as amended, and any and all amendments thereto (including post-effective amendments), and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed below by the following persons in the capacities and the dates indicated.

Signature	Title	Date
<u>/s/ Robert R. Franklin, Jr.</u> Robert R. Franklin, Jr.	Chief Executive Officer and Director (Principal Executive Officer)	October 1, 2022
<u>/s/ Paul P. Egge</u> Paul P. Egge	Chief Financial Officer (Principal Financial and Accounting Officer)	October 1, 2022
<u>/s/ John Beckworth</u> John Beckworth	Director	October 1, 2022
<u>/s/ Jon-Al Duplantier</u> Jon-Al Duplantier	Director	October 1, 2022
<u>/s/ Michael A. Havard</u> Michael A. Havard	Director	October 1, 2022
<u>/s/ Frances H. Jeter</u> Frances H. Jeter	Director	October 1, 2022
<u>/s/ George Martinez</u> George Martinez	Director	October 1, 2022
<u>/s/ William S. Nichols, III</u> William S. Nichols, III	Director	October 1, 2022
<u>/s/ Joe E. Penland, Sr.</u> Joe E. Penland, Sr.	Director	October 1, 2022
<u>/s/ Reagan A. Reaud</u> Reagan A. Reaud	Director	October 1, 2022
<u>/s/ Steven F. Retzloff</u> Steven F. Retzloff	Director	October 1, 2022
<u>/s/ Fred S. Robertson</u> Fred S. Robertson	Director	October 1, 2022
<u>/s/ Joseph B. Swinbank</u> Joseph B. Swinbank	Director	October 1, 2022
<u>/s/ John E. Williams</u> John E. Williams	Director	October 1, 2022
<u>/s/ William E. Wilson Jr.</u> William E. Wilson Jr.	Director	October 1, 2022

**RESTRICTED STOCK AWARD GRANT NOTICE
STELLAR BANCORP, INC.
2022 OMNIBUS INCENTIVE PLAN**

Stellar Bancorp, Inc., a Texas corporation (the “**Company**” or “**Stellar**”), pursuant to its 2022 Omnibus Incentive Plan (the “**Plan**”), hereby grants to the individual listed below (“**Participant**”), the award (“**Award**”) of shares of restricted stock set forth below. This Award is subject to all of the terms and conditions set forth herein and in the Terms and Conditions to the Restricted Shares (the “**Terms and Conditions**”) and in the Plan, each of which is incorporated herein by reference. Unless otherwise defined, the terms in this Restricted Stock Award Grant Notice (this “**Grant Notice**”) and the Terms and Conditions shall have the same defined meanings assigned to them in the Plan.

Participant: _____

Grant Date: _____

Number of Shares of Restricted Stock: _____

Vesting Schedule: _____

By his or her signature below or by electronic acceptance or authentication in a form authorized by the Company, Participant hereby: (a) agrees to be bound by the terms and conditions of the Plan, the Terms and Conditions and this Grant Notice; (b) acknowledges and agrees that Participant has reviewed the Plan, the Terms and Conditions and this Grant Notice in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Notice and fully understands all provisions of the Plan, the Terms and Conditions and this Grant Notice; (c) agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan, the Terms and Conditions or this Grant Notice (including any exhibit attached hereto); and (d) acknowledges and agrees that if he or she fails to execute and return this Grant Notice within 90 days of the Grant Date, then this Award may be immediately cancelled and forfeited and he or she will not be entitled receive any other benefits or compensation as replacement for this Award.

STELLAR BANCORP, INC.

PARTICIPANT

By: _____
Print Name: _____
Title: _____

By: _____
Print Name: _____

**TERMS AND CONDITIONS
RESTRICTED STOCK AWARD
STELLAR BANCORP, INC. 2022 OMNIBUS INCENTIVE PLAN**

These Terms and Conditions, collectively with the accompanying Restricted Stock Award Grant Notice (the “**Grant Notice**”) comprise your agreement (the “**Agreement**”) with the Company regarding the shares of restricted stock awarded under the Stellar Bancorp, Inc. 2022 Omnibus Incentive Plan (as amended and restated, the “**Plan**”). Capitalized terms not specifically in the Agreement have the same meanings assigned to them in the Plan.

1. **The Grant.** Subject to the conditions set forth below, the Company hereby grants you effective as of the Grant Date set forth in the Grant Notice, as a matter of separate inducement but not in lieu of any salary or other compensation for your services for the Company, an award (the “**Award**”) of the Number of Shares of Restricted Stock (as set forth in the Grant Notice) (the “**Restricted Shares**”), subject to the conditions and restrictions set forth in the Agreement and in the Plan.

2. **Issuance of Restricted Shares.** Upon issuance of the Restricted Shares, such Restricted Shares will be registered in a book entry account in your name. Until such time as the Restricted Shares are vested, any statement of ownership representing the Restricted Shares that may be issued, and any securities constituting Retained Distributions (defined below) will bear a restrictive legend to the effect that ownership of the Restricted Shares (and such Retained Distributions), and the enjoyment of all rights appurtenant thereto, are subject to the restrictions, terms and conditions provided in the Plan and this Agreement.

3. **Restrictions.** The Restricted Shares will constitute issued and outstanding shares of Stock for all corporate purposes. You will have the right to vote such Restricted Shares, to receive and retain such dividends and distributions paid or distributed on such Restricted Shares and to exercise all other rights, powers and privileges of a holder of Stock with respect to such Restricted Shares, except that: (a) you will not be entitled to delivery of the Restricted Shares until such Restricted Shares become vested or the applicable vesting conditions are waived in writing; (b) the Company or its designee will retain custody of the Restricted Shares until such time, if ever, as the Restricted Shares vest; (c) the Company or its designee will retain custody of all distributions (“**Retained Distributions**”) made or declared with respect to the Restricted Shares (and such Retained Distributions will be subject to the same restrictions, terms and vesting and other conditions as are applicable to the Restricted Shares) until such time, if ever, as the Restricted Shares with respect to which such Retained Distributions shall have been made, paid or declared shall have become vested, and such Retained Distributions will not bear interest or be segregated in a separate account; and (d) except as provided in Section 7, you may not sell, assign, transfer, pledge, exchange, encumber or dispose of the Restricted Shares or any Retained Distributions or your interest in any of them until the Restricted Shares and/or the Retained Distributions become vested.

4. **Vesting of Restricted Shares.**

(a) **Vesting.** Each vesting tranche of the Restricted Shares (and related Retained Distributions) will vest pursuant to the Vesting Schedule set forth in the Grant Notice; *provided*, that you continue to be an employee, director or consultant of the Company or a Subsidiary (a “**Service Provider**”) from the Grant Date through the applicable vesting date for such vesting tranche.

(b) **Death; Disability.** Notwithstanding anything in Section 4(a) to the contrary, if you cease to be a Service Provider due to your death or Disability (as hereinafter defined), then a portion of your then-outstanding unvested Restricted Shares (and related Retained Distributions) will fully vest effective as the date you cease to be a Service Provider, with such portion equal to a fraction, (i) the numerator of which is the number of calendar days that elapsed from the Grant Date until the date you cease to be a Service Provider, and (ii) the denominator of which is the total number of calendar days between the Grant Date until the last vesting date in the Vesting Schedule. For purposes of this Agreement, “**Disability**” means that you are unable to perform your duties with the Company and its Subsidiaries on a full-time basis as a result of incapacity due to mental or physical illness, which inability exists for 90 continuous days or 180 days during any 12-month period, as determined by a physician selected by the Company or its insurers.

(c) **Change of Control.** Notwithstanding anything in Section 4(a) to the contrary, if the Company experiences a Change of Control (as defined in the Plan) and provided that you remain a Service Provider from the Grant Date to the date of the Change of Control, all unvested Restricted Shares will fully vest effective as of immediately prior to the Change of Control.

5. **Forfeiture of Restricted Shares.** Except as otherwise provided in Section 4(b), all unvested Restricted Shares (and all related Retained Distributions) will be forfeited to the Company for no consideration on the date you cease for any reason to be a Service Provider, and you will not thereafter have any rights (including dividend and voting rights) with respect to such Restricted Shares (or related Retained Distributions). All Restricted Shares (and all related Retained Distributions), whether vested or unvested, shall be immediately forfeited for no consideration upon termination of your employment or service by the Company and its Subsidiaries for Cause (as hereinafter defined) or your resignation at a time when Cause to terminate your employment or service exists, and, in such event, the Company may also require you to pay to the Company the amount of any proceeds received by you from your sale or disposition of any vested Restricted Shares covered by this Award. Notwithstanding any provision herein to the contrary,

in the event of any inconsistency between this Section 5 and any employment agreement entered into by and between you and the Company (your “**Employment Agreement**”), the terms of the employment agreement shall control.

For purposes of this Award, your status as a Service Provider will be considered terminated (regardless of the reason for termination and whether or not the termination is in breach of applicable laws) effective as of the date you are no longer employed by or providing services to the Company or Subsidiary. The Administrator will have the exclusive discretion to determine when your status as a Service Provider terminates for purposes of this Award (including whether you may still be considered to be employed by or providing services to the Company or a Subsidiary while on a leave of absence).

For purposes of this Award, “**Cause**” has the meaning given in your Employment Agreement; *provided, however*, that if you are not party to an Employment Agreement or if such Employment Agreement does not define “Cause” (or terms of similar meaning), then “Cause” means, as determined by the Administrator in its discretion: (i) your commission of, conviction for, or plea of no contest to, a felony or any other crime involving moral turpitude; (ii) your commission of an act or omission involving misappropriation, embezzlement, theft, or fraud with respect to the Company or any of its Subsidiaries, or any of their customers or suppliers; (iii) your failure to comply with the Company’s or its Subsidiaries’ material policies, procedures, and guidelines, including corporate governance, human relations, anti-harassment, and anti-discrimination policies, and applicable laws with respect to the Company’s or its Subsidiaries’ business operations; (iv) your breach of fiduciary duty or willful misconduct that causes material and demonstrable injury, monetarily or otherwise, to the Company or its Subsidiaries; or (v) your material breach of any confidentiality, noncompetition, nonsolicitation, or no-hire obligations set forth in any other written agreement between you, on the one hand, and the Company or any of its Subsidiaries, on the other hand.

6. **Delivery by the Company.** As soon as practicable after the Restricted Shares become vested pursuant to this Agreement, but no later than 30 days after such event occurs, and subject to the withholding referred to in Section 8, the Company will (a) cause to be removed from the Restricted Shares the restrictions described in Section 3 or cause to be issued and delivered to you (in certificate or electronic form) an equal number of shares of Stock, and (b) shall cause to be delivered to you any Retained Distributions with respect to such Restricted Shares. If delivery of certificates is by mail, delivery of shares of Stock will be deemed effected for all purposes when a stock transfer agent of the Company has deposited the certificates in the United States mail, addressed to you.

7. **Nontransferability of Restricted Shares.** Restricted Shares that have not become earned and vested are not transferable (either voluntarily or involuntarily), before or after your death, except as follows: (a) during your lifetime, pursuant to a domestic relations order, issued by a court of competent jurisdiction, that is not contrary to the terms and conditions of the Plan or this Agreement, and in a form acceptable to the Administrator; or (b) after your death, by will or pursuant to the applicable laws of descent and distribution, as may be the case. Any person to whom Restricted Shares are transferred in accordance with the provisions of the preceding sentence shall take such Restricted Shares subject to all of the terms and conditions of the Plan and this Agreement, including that the vesting and termination provisions of this Agreement will continue to be applied with respect to you. Certificates representing Restricted Shares that have vested may be delivered (or, in the case of book entry registration, registered) only to you (or during your lifetime, to your court appointed legal representative) or to a person to whom the Restricted Shares have been transferred in accordance with this Section 7.

8. **Responsibility for Taxes.** Regardless of any action the Company or, if different, your employer (the “**Employer**”) takes with respect to any or all income tax, social insurance, payroll tax, fringe benefit tax, payment on account or other tax-related items related to your participation in the Plan and legally applicable to you (“**Tax-Related Items**”), you acknowledge that the ultimate liability for all Tax-Related Items is and remains your responsibility and may exceed the amount actually withheld by the Company or the Employer. You further acknowledge that the Company and/or the Employer: (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Shares, including, but not limited to, the grant or vesting of the Restricted Shares, the subsequent sale of vested Restricted Shares and the receipt of any dividends; and (b) do not commit to and are under no obligation to structure the terms of the Award or any aspect of the Restricted Shares to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. Further, if you are subject to tax in more than one jurisdiction, you acknowledge that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax withholding event, as applicable, you will pay or make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, you authorize the Company, the Employer, and their respective agents, at their discretion, to satisfy any applicable withholding obligations with regard to all Tax-Related Items by one or a combination of the following:

- (a) withholding from your wages or other cash compensation payable to you by the Company and/or the Employer;

- (b) withholding from proceeds of the sale of Restricted Shares issuable or issued to you upon vesting of the Restricted Shares either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization without your further consent or direction);
- (c) withholding earned and vested Restricted Shares upon vesting of such Restricted Shares; or
- (d) requiring you to make a payment in cash by certified check acceptable to the Company or wire transfer.

Depending on the withholding method, the Company may withhold or account for Tax-Related Items by considering statutory withholding rates or other withholding rates, including maximum rates applicable in your jurisdiction(s), in which case you may receive a refund of any over-withheld amount in cash and will have no entitlement to the equivalent amount in Shares. If the obligation for Tax-Related Items is satisfied by withholding earned and vested Restricted Shares, you are deemed for tax purposes to have been issued the full number of earned and vested Restricted Shares notwithstanding that a number of the earned and vested Restricted Shares are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of your participation in the Plan.

9. **Other Terms and Conditions.**

(a) **The Plan.** The Agreement is further subject to the terms and provisions of the Plan. Only certain provisions of the Plan are described in the Agreement. As a condition to your receipt of this Award and the Restricted Shares covered hereby, you acknowledge and agree to the terms and conditions of the Agreement and the terms and provisions of the Plan, a copy of which you acknowledge receiving.

(b) **Employment/Service Relationship.** Nothing in the Agreement will confer on you any right to continue in the employ or service of the Company or the Employer or interfere with or restrict rights of the Company or the Employer, which are hereby expressly reserved, to terminate your employment or service at any time.

(c) **Recovery in the Event of a Financial Restatement; Claw-Back Policy.** If the Company is required to prepare an accounting restatement due to material noncompliance of the Company with any financial reporting requirement under applicable securities laws, the Administrator will review all equity-based compensation (including this Award) awarded to you. If the Administrator (in its sole discretion) determines that you were directly involved with fraud, misconduct or gross negligence that contributed to or resulted in such accounting restatement, the Administrator may, to the extent permitted by applicable laws, recover for the benefit of the Company all or a portion of the equity-based compensation awarded to you, including (without limitation) by cancellation, forfeiture, repayment and disgorgement of profits realized from the sale of securities of the Company; *provided, however*, the Administrator will not have the authority to recover any equity-based compensation awarded more than twenty-four (24) months prior to the date of the first public issuance or filing with the U.S. Securities and Exchange Commission (the “**SEC**”) (whichever first occurs) of the financial document embodying such financial reporting requirement. In determining whether to seek recovery, the Administrator may take into account any considerations it deems appropriate, including applicable laws and whether the assertion of a recovery claim may prejudice the interests of the Company or any Subsidiary in any related proceeding or investigation. Further, and notwithstanding the foregoing, the Restricted Shares (including any proceeds, gains or other economic benefit actually or constructively received by you upon any receipt of the Restricted Shares or upon the receipt or resale of any Restricted Shares) shall be subject to the provisions of any claw-back policy implemented by the Company, including, without limitation, any claw-back policy adopted to comply with the requirements of applicable laws, including without limitation, the Dodd-Frank Wall Street Reform and Consumer Protection Act and any rules or regulations promulgated thereunder, to the extent set forth in such claw-back policy.

(d) **Adjustments.** The Restricted Shares will be subject to adjustment (including, without limitation, as to the number of Restricted Shares) in such manner as the Administrator, in its sole discretion, deems equitable and appropriate in connection with the occurrence of any of the events described in Section 4(c) of the Plan following the Grant Date.

10. **Nature of Grant.** By accepting this Award, you acknowledge, understand and agree that:

- (a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time;
- (b) the grant of the Restricted Shares to you is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of equity awards, or benefits in lieu of equity awards, even if equity awards have been granted to you in the past;
- (c) all decisions with respect to future grants of equity awards, if any, will be at the sole discretion of the Company;

- (d) you are voluntarily participating in the Plan;
- (e) the Restricted Shares, and the value of and income from such Restricted Shares, are not intended to replace any pension rights, retirement benefits or other compensation;
- (f) the Restricted Shares, and the value of and income from such Restricted Shares, are not part of normal or expected compensation or salary for any purpose;
- (g) this Award and your participation in the Plan will not be interpreted to form an employment contract or other service relationship with the Company, the Employer or any Affiliate;
- (h) the future value of the Restricted Shares is unknown and cannot be predicted with certainty; and
- (i) no claim or entitlement to compensation or damages will arise from forfeiture of the Restricted Shares resulting from termination of your status as a Service Provider (for any reason whatsoever and whether or not in breach of applicable laws), and in consideration of the grant of this Award to which you are otherwise not entitled, you irrevocably agree to (i) never institute any such claim against the Company, the Employer or any of their respective Affiliates, (ii) waive your ability, if any, to bring any such claim against the Company, the Employer or any of their respective Affiliates, (iii) forever release the Company, the Employer and each of their respective Affiliates from any such claim, and (iv) execute any and all documents necessary, or reasonably requested by the Company, to request dismissal or withdrawal of any such claim that is allowed by a court of competent jurisdiction, in each case to the maximum extent permitted by applicable laws.

11. **No Advice Regarding Grant.** The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding your participation in the Plan, or your acquisition or sale of the Restricted Shares. You are hereby advised to consult with your own personal tax, legal and financial advisors regarding your participation in the Plan before taking any action related to the Plan.

12. **Data Privacy.** *You understand that the Company and the Employer hold certain personal information about you, including, but not limited to, your name, home address, email address, and telephone number, date of birth, social insurance number, or other identification number, salary, nationality, job title, any shares of Stock or directorships held in the Company, details of all Restricted Shares or any other entitlement to shares of Stock awarded, canceled, exercised, vested, unvested or outstanding in your favor (your "Data"), for the exclusive purpose of implementing, administering and managing the Plan.*

You understand that it will be necessary for your Data to be collected, used and transferred, in electronic or other form, as described in the Agreement and any other award documentation by and among, as applicable, the Employer, the Company and any Affiliate. Such processing will be for the exclusive purpose of implementing, administering and managing your participation in the Plan, and therefore for the performance of the Agreement. The provision of your Data is a contractual requirement. Without the provision of your Data, it will not be possible for the Company and/or the Employer to perform their obligations under the Agreement.

You understand that, in performing the Agreement, it will be necessary for:

- *your Data to be transferred to a Company-designated Plan broker, or such other stock plan service provider as may be selected by the Company in the future, which is assisting the Company with the implementation, administration and management of the Plan;*
- *the Company, its Plan broker and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan, to receive, possess, use, retain and transfer your Data, in electronic or other form, for the sole purpose of implementing, administering and managing your participation in the Plan; and*
- *your Data to be held only as long as is necessary to implement, administer and manage your participation in the Plan.*

13. **Compliance with Laws and Regulations.** You will not require the Company to deliver any Restricted Shares or Retained Distributions and the Company will not be obligated to deliver any Restricted Shares or Retained Distributions if counsel to the Company determines that such delivery would violate any applicable law or any rule or regulation of any governmental authority or any rule or regulation of, or agreement of the Company with, any securities exchange or association upon which shares of Stock are listed or quoted. The Company will in no event be obligated to take any affirmative action in order to cause the delivery of any Restricted Shares and Retained Distributions to comply with any such law, rule, regulation or agreement.

14. **Successors and Assigns.** The Company may assign any of its rights under the Agreement. The Agreement will be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer contained herein, the Agreement will be binding upon you and your heirs, executors, administrators, legal representatives, successors and assigns.
15. **Governing Law; Jurisdiction; Severability.** The Agreement is to be governed by and construed in accordance with the internal laws of the State of Texas, as such laws are applied to agreements between Texas residents entered into and to be performed entirely within Texas, excluding that body of laws pertaining to conflict of laws. For purposes of litigating any dispute that arises directly or indirectly from the relationship of the Company and you evidenced by this grant or the Agreement, the Company and you hereby submit to and consent to the exclusive jurisdiction of the State of Texas and agree that such litigation will be conducted only in the courts of Harris County, Texas, or the federal courts for the United States for the Southern District of Texas, and no other courts, where this grant is made and/or to be performed. If any provision of the Agreement is determined by a court of law to be illegal or unenforceable, in whole or in part, that provision will be enforced to the maximum extent possible and the other provisions will remain fully effective and enforceable.
16. **Further Instruments.** You agree to execute further instruments and to take further actions as may be reasonably necessary to carry out the purposes and intent of the Agreement.
17. **Administrator Authority.** The Administrator has the power to interpret the Plan and the Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret or revoke any such rules (including, but not limited to, the determination of whether or not any Restricted Shares or Retained Distributions have vested). All actions taken and all interpretations and determinations made by the Administrator will be final and binding upon you, the Company and all other interested persons. The Administrator will not be personally liable for any action, determination or interpretation made with respect to the Plan or the Agreement.
18. **Electronic Delivery and Acceptance.** The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.
19. **Headings.** The captions and headings of the Agreement are included for ease of reference only and will be disregarded in interpreting or construing the Agreement. All references herein to Sections will refer to Sections of these Terms and Conditions, unless otherwise noted.
20. **Waiver.** You acknowledge that a waiver by the Company of breach of any provision of the Agreement will not operate or be construed as a waiver of any other provision of the Agreement, or of any subsequent breach by you or any other Participant.
21. **Amendment.** Notwithstanding any other provision hereof, this Agreement may be supplemented or amended from time to time as approved by the Administrator as contemplated by Section 23 of the Plan. Without limiting the generality of the foregoing, without your consent,
- (a) this Agreement may be amended or supplemented from time to time as approved by the Administrator (i) to cure any ambiguity or to correct or supplement any provision herein that may be defective or inconsistent with any other provision herein, (ii) to add to the covenants and agreements of the Company for your benefit or surrender any right or power reserved to or conferred upon the Company in this Agreement, subject to any required approval of the Company's shareholders, and provided, in each case, that such changes or corrections will not adversely affect your rights with respect to the Award evidenced hereby or (iii) to make such other changes as the Company, upon advice of counsel, determines are necessary or advisable because of the adoption or promulgation of, or change in the interpretation of, any law or governmental rule or regulation, including any applicable federal or state securities laws; and
 - (b) subject to any required action by the Board of Directors or the shareholders of the Company, the Award evidenced by this Agreement may be canceled by the Plan Administrator and a new Award made in substitution therefor, provided that the Award so substituted will satisfy all of the requirements of the Plan as of the date such new Award is made and no such action will adversely affect the Restricted Shares to the extent then earned and vested.
22. **Entire Agreement.** The Plan, these Terms and Conditions, the Grant Notice and your Employment Agreement (if applicable) constitute the entire agreement and understanding of the parties with respect to the subject matter of the Agreement, and supersede all prior understandings and agreements, whether oral or written, between the parties with respect to the specific subject matter hereof.

23. **Notices.** Unless the Company notifies the Grantee in writing of a different procedure or address, any notice or other communication to the Company with respect to this Agreement will be in writing and will be delivered personally or sent by first class mail, postage prepaid, to the address of the Company's principal office. Unless the Company elects to notify you electronically pursuant to the online grant and administration program or via email, any notice or other communication to you with respect to this Agreement will be in writing and will be delivered personally, or will be sent by first class mail, postage prepaid, to your address as listed in the records of the Company or any Subsidiary of the Company on the Grant Date, unless the Company has received written notification from you of a change of address.

24. **Construction.** References in this Agreement to "this Agreement" and the words "herein," "hereof," "hereunder" and similar terms include all Exhibits and Schedules appended hereto, including the Plan. All references to "Sections" in this Agreement shall be to Sections of this Agreement unless explicitly stated otherwise. The word "include" and all variations thereof are used in an illustrative sense and not in a limiting sense. All decisions of the Administrator upon questions regarding the Plan or this Agreement will be conclusive. Unless otherwise expressly stated herein, in the event of any inconsistency between the terms of the Plan and this Agreement, the terms of the Plan will control. The headings of the sections of this Agreement have been included for convenience of reference only, are not to be considered a part hereof and will in no way modify or restrict any of the terms or provisions hereof.

25. **Nonalienation of Benefits.** Except as provided in Section 7 and prior to the vesting of any Restricted Share, (a) no right or benefit under this Agreement will be subject to anticipation, alienation, sale, assignment, hypothecation, pledge, exchange, transfer, encumbrance or charge, and any attempt to anticipate, alienate, sell, assign, hypothecate, pledge, exchange, transfer, encumber or charge the same will be void, and (b) no right or benefit hereunder will in any manner be subjected to or liable for the debts, contracts, liabilities or torts of you or other person entitled to such benefits.

26. **Limitations Applicable to Section 16 Persons.** Notwithstanding any other provision of the Plan or the Agreement, if you are subject to Section 16 of the Exchange Act, then the Plan, the Restricted Shares and the Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by applicable laws, the Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

27. **Section 409A.** Neither the Restricted Shares nor the Retained Distributions are intended to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code (together with any U.S. Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, "**Section 409A**"). However, notwithstanding any other provision of the Plan or the Agreement, if at any time the Administrator determines that the Restricted Shares or Retained Distributions (or any portion of any of the foregoing) may be subject to Section 409A, the Administrator shall have the right in its sole discretion (without any obligation to do so or to indemnify you or any other person for failure to do so) to adopt such amendments to the Plan or the Agreement, or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Administrator determines are necessary or appropriate either for the Restricted Shares and/or Retained Distributions to be exempt from the application of Section 409A or to comply with the requirements of Section 409A.

28. **Counterparts.** This Agreement may be executed in one or more counterparts, including by way of any electronic signature, subject to applicable law, each of which shall be deemed an original and all of which together shall constitute one instrument.

By signing the Grant Notice or otherwise accepting the Restricted Shares, you agree to be bound by terms of the Agreement and the Plan.

**PERFORMANCE SHARE AWARD GRANT NOTICE
STELLAR BANCORP, INC.
2022 OMNIBUS INCENTIVE PLAN**

Stellar Bancorp, Inc., a Texas corporation (the “*Company*” or “*Stellar*”), pursuant to its 2022 Omnibus Incentive Plan (the “*Plan*”), hereby grants to the individual listed below (“*Participant*”), the award (“*Award*”) of shares of performance-based restricted stock (the “*Performance Shares*”) set forth below. This Award is subject to all of the terms and conditions set forth herein and in the Terms and Conditions to the Performance Shares (the “*Terms and Conditions*”) and in the Plan, each of which is incorporated herein by reference. Unless otherwise defined, the terms in this Performance Share Award Grant Notice (this “*Grant Notice*”) and the Terms and Conditions shall have the same defined meanings assigned to them in the Plan.

Participant: _____

Grant Date: _____

Target Number of Performance Shares: _____

Maximum Number of Performance Shares: _____

Vesting Date: _____

Performance Vesting Conditions: _____

By his or her signature below or by electronic acceptance or authentication in a form authorized by the Company, Participant hereby: (a) agrees to be bound by the terms and conditions of the Plan, the Terms and Conditions and this Grant Notice; (b) acknowledges and agrees that Participant has reviewed the Plan, the Terms and Conditions and this Grant Notice in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Notice and fully understands all provisions of the Plan, the Terms and Conditions and this Grant Notice; (c) agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan, the Terms and Conditions or this Grant Notice (including any exhibit attached hereto); and (d) acknowledges and agrees that if he or she fails to execute and return this Grant Notice within 90 days of the Grant Date, then this Award may be immediately cancelled and forfeited and he or she will not be entitled receive any other benefits or compensation as replacement for this Award.

STELLAR BANCORP, INC.

PARTICIPANT

By: _____
Print Name: _____
Title: _____

By: _____
Print Name: _____

**TERMS AND CONDITIONS
PERFORMANCE SHARE AWARD
STELLAR BANCORP, INC. 2022 OMNIBUS INCENTIVE PLAN**

These Terms and Conditions, collectively with the accompanying Performance Share Award Grant Notice (the “**Grant Notice**”) comprise your agreement (the “**Agreement**”) with the Company regarding the shares of performance-based restricted stock awarded under the Stellar Bancorp, Inc. 2022 Omnibus Incentive Plan (as amended and restated, the “**Plan**”). Capitalized terms not specifically in the Agreement have the same meanings assigned to them in the Plan.

1. **The Grant.** Subject to the conditions set forth below, the Company hereby grants you effective as of the Grant Date set forth in the Grant Notice, as a matter of separate inducement but not in lieu of any salary or other compensation for your services for the Company, an award (the “**Award**”) of the Maximum Number of Performance Shares (as set forth in the Grant Notice) (the “**Performance Shares**”), subject to the conditions and restrictions set forth in the Agreement and in the Plan.

2. **Issuance of Performance Shares.** Upon issuance of the Performance Shares, such Performance Shares will be registered in a book entry account in your name. Until such time as the Performance Shares are earned and vested, any statement of ownership representing the Performance Shares that may be issued, and any securities constituting Retained Distributions (defined below) will bear a restrictive legend to the effect that ownership of the Performance Shares (and such Retained Distributions), and the enjoyment of all rights appurtenant thereto, are subject to the restrictions, terms and conditions provided in the Plan and this Agreement.

3. **Restrictions.** The Performance Shares will constitute issued and outstanding shares of Stock for all corporate purposes. You will have the right to vote such Performance Shares, to receive and retain such dividends and distributions paid or distributed on such Performance Shares and to exercise all other rights, powers and privileges of a holder of Stock with respect to such Performance Shares, except that: (a) you will not be entitled to delivery of the Performance Shares until such Performance Shares become earned and vested, or the applicable performance and/or vesting conditions are waived in writing; (b) the Company or its designee will retain custody of the Performance Shares during the Restriction Period; (c) the Company or its designee will retain custody of all distributions (“**Retained Distributions**”) made or declared with respect to the Performance Shares (and such Retained Distributions will be subject to the same restrictions, terms and vesting and other conditions as are applicable to the Performance Shares) until such time, if ever, as the Performance Shares with respect to which such Retained Distributions shall have been made, paid or declared shall have become earned and vested, and such Retained Distributions will not bear interest or be segregated in a separate account; and (d) except as provided in Section 7, you may not sell, assign, transfer, pledge, exchange, encumber or dispose of the Performance Shares or any Retained Distributions or your interest in any of them until the Performance Shares and/or the Retained Distributions become earned and vested.

4. **Earning and Vesting of Performance Shares.**

(a) **Earning of Performance Shares.** The Performance Shares will be earned if and to the extent the Performance Vesting Conditions (as set forth in the Grant Notice) are satisfied. Any Performance Shares that become earned are herein referred to as “**Earned Performance Shares**”. Any Performance Shares (and related Retained Distributions) that do not become Earned Performance Shares due to the failure to satisfy the Performance Vesting Conditions will be forfeited to the Company, and you will not thereafter have any rights (including dividend and voting rights) with respect to such Performance Shares or any Retained Distributions that are so forfeited.

(b) **Vesting.** Earned Performance Shares (and related Retained Distributions) will vest on the Vesting Date set forth in the Grant Notice; *provided*, that you continue to be an employee, director or consultant of the Company or a Subsidiary (a “**Service Provider**”) from the Grant Date through the Vesting Date. Any Performance Shares (and related Retained Distributions) that do not become vested as of the Vesting Date will be forfeited to the Company for no consideration, and you will not thereafter have any rights (including dividend and voting rights) with respect to such Performance Shares or any Retained Distributions that are so forfeited.

(c) **Death; Disability.** Notwithstanding anything in Section 4(a) to the contrary, if you cease to be a Service Provider due to your death or Disability (as hereinafter defined), then a portion of the Target Number of Performance Shares (as set forth in the Grant Notice) and related Retained Distributions will fully vest effective as the date you cease to be a Service Provider, with such prorated portion equal to a fraction, (i) the numerator of which is the number of calendar days that elapsed from the Grant Date until the date you cease to be a Service Provider, and (ii) the denominator of which is the total number of calendar days between the Grant Date until the Vesting Date. For purposes of this Agreement, “**Disability**” means that you are unable to perform your duties with the Company and its Subsidiaries on a full-time basis as a result of incapacity due to mental or physical illness, which inability exists for 90 continuous days or 180 days during any 12-month period, as determined by a physician selected by the Company or its insurers.

(d) **Change of Control.** Notwithstanding anything in this Agreement to the contrary, in the event that the Company experiences a Change of Control (as defined in the Plan), then the Administrator shall determine and approve the Company's performance with respect to the Performance Vesting Conditions no later than three (3) business days before the date on which such Change of Control occurs. Provided that you remain a Service Provider from the Grant Date to the date of the Change of Control, you will be deemed to have earned and vested, effective as of immediately prior to the Change of Control, the number of Performance Shares determined based on the Company's performance (as determined by the Administrator in its sole discretion) and subject to any limitations set forth in the Grant Notice. All unearned Performance Shares will be automatically forfeited to and reacquired by the Company without consideration immediately upon the Change of Control.

5. **Forfeiture of Performance Shares.** Except as otherwise provided in Section 4(c), if your status as a Service Provider terminates for any reason before the Vesting Date, all of your Performance Shares (and all Retained Distributions) will be forfeited to the Company for no consideration, and you will not thereafter have any rights (including dividend and voting rights) with respect to such Performance Shares or Retained Distributions. All Performance Shares (and all related Retained Distributions), whether vested or unvested, shall be immediately forfeited for no consideration upon termination of your employment or service by the Company and its Subsidiaries for Cause (as hereinafter defined) or your resignation at a time when Cause to terminate your employment or service exists, and, in such event, the Company may also require you to pay to the Company the amount of any proceeds received by you from your sale or disposition of any vested Performance Shares covered by this Award. Notwithstanding any provision herein to the contrary, in the event of any inconsistency between this Section 5 and any employment agreement entered into by and between you and the Company (your "**Employment Agreement**"), the terms of the employment agreement shall control.

For purposes of this Award, your status as a Service Provider will be considered terminated (regardless of the reason for termination and whether or not the termination is in breach of applicable laws) effective as of the date you are no longer employed by or providing services to the Company or Subsidiary. The Administrator will have the exclusive discretion to determine when your status as a Service Provider terminates for purposes of this Award (including whether you may still be considered to be employed by or providing services to the Company or a Subsidiary while on a leave of absence).

For purposes of this Award, "**Cause**" has the meaning given in your Employment Agreement; *provided, however*, that if you are not party to an Employment Agreement or if such Employment Agreement does not define "Cause" (or terms of similar meaning), then "Cause" means, as determined by the Administrator in its discretion: (i) your commission of, conviction for, or plea of no contest to, a felony or any other crime involving moral turpitude; (ii) your commission of an act or omission involving misappropriation, embezzlement, theft, or fraud with respect to the Company or any of its Subsidiaries, or any of their customers or suppliers; (iii) your failure to comply with the Company's or its Subsidiaries' material policies, procedures, and guidelines, including corporate governance, human relations, anti-harassment, and anti-discrimination policies, and applicable laws with respect to the Company's or its Subsidiaries' business operations; (iv) your breach of fiduciary duty or willful misconduct that causes material and demonstrable injury, monetarily or otherwise, to the Company or its Subsidiaries; or (v) your material breach of any confidentiality, noncompetition, nonsolicitation, or no-hire obligations set forth in any other written agreement between you, on the one hand, and the Company or any of its Subsidiaries, on the other hand.

6. **Delivery by the Company.** As soon as practicable after the Performance Shares become earned and vested pursuant to Sections 4, but no later than 30 days after such event occurs, and subject to the withholding referred to in Section 8, the Company will (a) cause to be removed from the Performance Shares the restrictions described in Section 3 or cause to be issued and delivered to you (in certificate or electronic form) an equal number of shares of Stock, and (b) shall cause to be delivered to you any Retained Distributions with respect to such Performance Shares. If delivery of certificates is by mail, delivery of shares of Stock will be deemed effected for all purposes when a stock transfer agent of the Company has deposited the certificates in the United States mail, addressed to you.

7. **Nontransferability of Performance Shares.** Performance Shares that have not become earned and vested are not transferable (either voluntarily or involuntarily), before or after your death, except as follows: (a) during your lifetime, pursuant to a domestic relations order, issued by a court of competent jurisdiction, that is not contrary to the terms and conditions of the Plan or this Agreement, and in a form acceptable to the Administrator; or (b) after your death, by will or pursuant to the applicable laws of descent and distribution, as may be the case. Any person to whom Performance Shares are transferred in accordance with the provisions of the preceding sentence shall take such Performance Shares subject to all of the terms and conditions of the Plan and this Agreement, including that the vesting and termination provisions of this Agreement will continue to be applied with respect to you. Certificates representing Performance Shares that have vested may be delivered (or, in the case of book entry registration, registered) only to you (or during your lifetime, to your court appointed legal representative) or to a person to whom the Performance Shares have been transferred in accordance with this Section 7.

8. **Responsibility for Taxes.** Regardless of any action the Company or, if different, your employer (the "**Employer**") takes with respect to any or all income tax, social insurance, payroll tax, fringe benefit tax, payment on account or other tax-related items related

to your participation in the Plan and legally applicable to you (“**Tax-Related Items**”), you acknowledge that the ultimate liability for all Tax-Related Items is and remains your responsibility and may exceed the amount actually withheld by the Company or the Employer. You further acknowledge that the Company and/or the Employer: (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Performance Shares, including, but not limited to, the grant, earning or vesting of the Performance Shares, the subsequent sale of earned and vested Performance Shares and the receipt of any dividends; and (b) do not commit to and are under no obligation to structure the terms of the Award or any aspect of the Performance Shares to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. Further, if you are subject to tax in more than one jurisdiction, you acknowledge that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax withholding event, as applicable, you will pay or make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, you authorize the Company, the Employer, and their respective agents, at their discretion, to satisfy any applicable withholding obligations with regard to all Tax-Related Items by one or a combination of the following:

- (a) withholding from your wages or other cash compensation payable to you by the Company and/or the Employer;
- (b) withholding from proceeds of the sale of Performance Shares issuable or issued to you upon vesting of the Performance Shares either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization without your further consent or authorization);
- (c) withholding earned and vested Performance Shares upon vesting of such Performance Shares; or
- (d) requiring you to make a payment in cash by certified check acceptable to the Company or wire transfer.

Depending on the withholding method, the Company may withhold or account for Tax-Related Items by considering statutory withholding rates or other withholding rates, including maximum rates applicable in your jurisdiction(s), in which case you may receive a refund of any over-withheld amount in cash and will have no entitlement to the equivalent amount in Shares. If the obligation for Tax-Related Items is satisfied by withholding earned and vested Performance Shares, you are deemed for tax purposes to have been issued the full number of earned and vested Performance Shares notwithstanding that a number of the earned and vested Performance Shares are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of your participation in the Plan.

9. **Other Terms and Conditions.**

(a) **The Plan.** The Agreement is further subject to the terms and provisions of the Plan. Only certain provisions of the Plan are described in the Agreement. As a condition to your receipt of this Award and the Performance Shares covered hereby, you acknowledge and agree to the terms and conditions of the Agreement and the terms and provisions of the Plan, a copy of which you acknowledge receiving.

(b) **Employment/Service Relationship.** Nothing in the Agreement will confer on you any right to continue in the employ or service of the Company or the Employer or interfere with or restrict rights of the Company or the Employer, which are hereby expressly reserved, to terminate your employment or service at any time.

(c) **Recovery in the Event of a Financial Restatement; Claw-Back Policy.** In the event the Company is required to prepare an accounting restatement due to material noncompliance of the Company with any financial reporting requirement under applicable securities laws, the Administrator will review all equity-based compensation (including this Award) awarded to you. If the Administrator (in its sole discretion) determines that you were directly involved with fraud, misconduct or gross negligence that contributed to or resulted in such accounting restatement, the Administrator may, to the extent permitted by applicable laws, recover for the benefit of the Company all or a portion of the equity-based compensation awarded to you, including (without limitation) by cancellation, forfeiture, repayment and disgorgement of profits realized from the sale of securities of the Company; *provided, however,* the Administrator will not have the authority to recover any equity-based compensation awarded more than twenty-four (24) months prior to the date of the first public issuance or filing with the U.S. Securities and Exchange Commission (the “**SEC**”) (whichever first occurs) of the financial document embodying such financial reporting requirement. In determining whether to seek recovery, the Administrator may take into account any considerations it deems appropriate, including applicable laws and whether the assertion of a recovery claim may prejudice the interests of the Company or any Subsidiary in any related proceeding or investigation. Further, and notwithstanding the foregoing, the Performance Shares (including any proceeds, gains or other economic benefit actually or constructively received by you upon any receipt of the Performance Shares or upon the receipt or resale of any Performance Shares) shall be subject to the provisions of any claw-back policy implemented by the Company, including, without limitation, any claw-back

policy adopted to comply with the requirements of applicable laws, including without limitation, the Dodd-Frank Wall Street Reform and Consumer Protection Act and any rules or regulations promulgated thereunder, to the extent set forth in such claw-back policy.

(d) **Adjustments.** The Performance Shares will be subject to adjustment (including, without limitation, as to the number of Performance Shares) in such manner as the Administrator, in its sole discretion, deems equitable and appropriate in connection with the occurrence of any of the events described in Section 4(c) of the Plan following the Grant Date.

10. **Nature of Grant.** In accepting this Award, you acknowledge, understand and agree that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time;

(b) the grant of the Performance Shares to you is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of equity awards, or benefits in lieu of equity awards, even if equity awards have been granted to you in the past;

(c) all decisions with respect to future grants of equity awards, if any, will be at the sole discretion of the Company;

(d) you are voluntarily participating in the Plan;

(e) the Performance Shares, and the value of and income from such Performance Shares, are not intended to replace any pension rights, retirement benefits or other compensation;

(f) the Performance Shares, and the value of and income from such Performance Shares, are not part of normal or expected compensation or salary for any purpose;

(g) this Award and your participation in the Plan will not be interpreted to form an employment contract or other service relationship with the Company or any Subsidiary;

(h) the future value of the Performance Shares is unknown and cannot be predicted with certainty; and

(i) no claim or entitlement to compensation or damages will arise from forfeiture of the Performance Shares resulting from termination of your status as a Service Provider (for any reason whatsoever and whether or not in breach of applicable laws), and in consideration of the grant of this Award to which you are otherwise not entitled, you irrevocably agree to (i) never institute any such claim against the Company, the Employer or any of their respective Affiliates, (ii) waive your ability, if any, to bring any such claim against the Company, the Employer or any of their respective Affiliates, (iii) forever release the Company, the Employer and each of their respective Affiliates from any such claim, and (iv) execute any and all documents necessary, or reasonably requested by the Company, to request dismissal or withdrawal of any such claim that is allowed by a court of competent jurisdiction, in each case to the maximum extent permitted by applicable laws.

11. **No Advice Regarding Grant.** The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding your participation in the Plan, or your acquisition or sale of the Performance Shares. You are hereby advised to consult with your own personal tax, legal and financial advisors regarding your participation in the Plan before taking any action related to the Plan.

12. **Data Privacy.** *You understand that the Company and the Employer hold certain personal information about you, including, but not limited to, your name, home address, email address, and telephone number, date of birth, social insurance number, or other identification number, salary, nationality, job title, any shares of Stock or directorships held in the Company, details of all Performance Shares or any other entitlement to shares of Stock awarded, canceled, exercised, vested, unvested or outstanding in your favor (your "Data"), for the exclusive purpose of implementing, administering and managing the Plan.*

You understand that it will be necessary for your Data to be collected, used and transferred, in electronic or other form, as described in the Agreement and any other award documentation by and among, as applicable, the Employer, the Company and any Affiliate. Such processing will be for the exclusive purpose of implementing, administering and managing your participation in the Plan, and therefore for the performance of the Agreement. The provision of your Data is a contractual requirement. Without the provision of your Data, it will not be possible to for the Company and/or the Employer to perform their obligations under the Agreement.

You understand that, in performing the Agreement, it will be necessary for:

- *your Data to be transferred to a Company-designated Plan broker, or such other stock plan service provider as may be selected by the Company in the future, which is assisting the Company with the implementation, administration and management of the Plan;*
- *the Company, its Plan broker and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan, to receive, possess, use, retain and transfer your Data, in electronic or other form, for the sole purpose of implementing, administering and managing your participation in the Plan; and*
- *your Data to be held only as long as is necessary to implement, administer and manage your participation in the Plan.*

13. **Compliance with Laws and Regulations.** You will not require the Company to deliver any Performance Shares or Retained Distributions and the Company will not be obligated to deliver any Performance Shares or Retained Distributions if counsel to the Company determines that such delivery would violate any applicable law or any rule or regulation of any governmental authority or any rule or regulation of, or agreement of the Company with, any securities exchange or association upon which shares of Stock are listed or quoted. The Company will in no event be obligated to take any affirmative action in order to cause the delivery of any Performance Shares and Retained Distributions to comply with any such law, rule, regulation or agreement.

14. **Successors and Assigns.** The Company may assign any of its rights under the Agreement. The Agreement will be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer contained herein, the Agreement will be binding upon you and your heirs, executors, administrators, legal representatives, successors and assigns.

15. **Governing Law; Jurisdiction; Severability.** The Agreement is to be governed by and construed in accordance with the internal laws of the State of Texas, as such laws are applied to agreements between Texas residents entered into and to be performed entirely within Texas, excluding that body of laws pertaining to conflict of laws. For purposes of litigating any dispute that arises directly or indirectly from the relationship of the Company and you evidenced by this grant or the Agreement, the Company and you hereby submit to and consent to the exclusive jurisdiction of the State of Texas and agree that such litigation will be conducted only in the courts of Harris County, Texas, or the federal courts for the United States for the Southern District of Texas, and no other courts, where this grant is made and/or to be performed. If any provision of the Agreement is determined by a court of law to be illegal or unenforceable, in whole or in part, that provision will be enforced to the maximum extent possible and the other provisions will remain fully effective and enforceable.

16. **Further Instruments.** You agree to execute further instruments and to take further actions as may be reasonably necessary to carry out the purposes and intent of the Agreement.

17. **Administrator Authority.** The Administrator has the power to interpret the Plan and the Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret or revoke any such rules (including, but not limited to, the determination of whether or not any Performance Shares or Retained Distributions have vested). All actions taken and all interpretations and determinations made by the Administrator will be final and binding upon you, the Company and all other interested persons. The Administrator will not be personally liable for any action, determination or interpretation made with respect to the Plan or the Agreement.

18. **Electronic Delivery and Acceptance.** The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

19. **Headings.** The captions and headings of the Agreement are included for ease of reference only and will be disregarded in interpreting or construing the Agreement. All references herein to Sections will refer to Sections of these Terms and Conditions, unless otherwise noted.

20. **Waiver.** You acknowledge that a waiver by the Company of breach of any provision of the Agreement will not operate or be construed as a waiver of any other provision of the Agreement, or of any subsequent breach by you or any other Participant.

21. **Amendment.** Notwithstanding any other provision hereof, this Agreement may be supplemented or amended from time to time as approved by the Administrator as contemplated by Section 23 of the Plan. Without limiting the generality of the foregoing, without your consent:

- (a) this Agreement may be amended or supplemented from time to time as approved by the Administrator (i) to cure any ambiguity or to correct or supplement any provision herein that may be defective or inconsistent with any other provision herein, (ii) to add to the covenants and agreements of the Company for your benefit or surrender any right or power reserved to or conferred upon the Company in this Agreement, subject to any required approval of the Company's shareholders, and provided, in each case, that such changes or corrections will not adversely affect your rights with respect to the Award evidenced hereby or (iii) to make such other changes as the Company, upon advice of counsel, determines are necessary or advisable because of the adoption or promulgation of, or change in the interpretation of, any law or governmental rule or regulation, including any applicable federal or state securities laws; and
- (b) subject to any required action by the Board of Directors or the shareholders of the Company, the Award evidenced by this Agreement may be canceled by the Plan Administrator and a new Award made in substitution therefor, provided that the Award so substituted will satisfy all of the requirements of the Plan as of the date such new Award is made and no such action will adversely affect the Performance Shares to the extent then earned and vested.

22. **Entire Agreement.** The Plan, these Terms and Conditions and the Grant Notice, including Exhibit A thereto and your Employment Agreement, constitute the entire agreement and understanding of the parties with respect to the subject matter of the Agreement, and supersede all prior understandings and agreements, whether oral or written, between the parties with respect to the specific subject matter hereof.

23. **Notices.** Unless the Company notifies the Grantee in writing of a different procedure or address, any notice or other communication to the Company with respect to this Agreement will be in writing and will be delivered personally or sent by first class mail, postage prepaid, to the address of the Company's principal office. Unless the Company elects to notify you electronically pursuant to the online grant and administration program or via email, any notice or other communication to you with respect to this Agreement will be in writing and will be delivered personally, or will be sent by first class mail, postage prepaid, to your address as listed in the records of the Company or any Subsidiary of the Company on the Grant Date, unless the Company has received written notification from you of a change of address.

24. **Construction.** References in this Agreement to "this Agreement" and the words "herein," "hereof," "hereunder" and similar terms include all Exhibits and Schedules appended hereto, including the Plan. All references to "Sections" in this Agreement shall be to Sections of this Agreement unless explicitly stated otherwise. The word "include" and all variations thereof are used in an illustrative sense and not in a limiting sense. All decisions of the Administrator upon questions regarding the Plan or this Agreement will be conclusive. Unless otherwise expressly stated herein, in the event of any inconsistency between the terms of the Plan and this Agreement, the terms of the Plan will control. The headings of the sections of this Agreement have been included for convenience of reference only, are not to be considered a part hereof and will in no way modify or restrict any of the terms or provisions hereof.

25. **Nonalienation of Benefits.** Except as provided in Section 7 and prior to the earning and vesting of any Performance Share, (a) no right or benefit under this Agreement will be subject to anticipation, alienation, sale, assignment, hypothecation, pledge, exchange, transfer, encumbrance or charge, and any attempt to anticipate, alienate, sell, assign, hypothecate, pledge, exchange, transfer, encumber or charge the same will be void, and (b) no right or benefit hereunder will in any manner be subjected to or liable for the debts, contracts, liabilities or torts of you or other person entitled to such benefits.

26. **Limitations Applicable to Section 16 Persons.** Notwithstanding any other provision of the Plan or the Agreement, if you are subject to Section 16 of the Exchange Act, then the Plan, the Performance Shares and the Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by applicable laws, the Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

27. **Section 409A.** Neither the Performance Shares nor the Retained Distributions are intended to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code (together with any U.S. Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, "**Section 409A**"). However, notwithstanding any other provision of the Plan or the Agreement, if at any time the Administrator determines that the Performance Shares or Retained Distributions (or any portion of any of the foregoing) may be subject to Section 409A, the Administrator shall have the right in its sole discretion (without any obligation to do so or to indemnify you or any other person for failure to do so) to adopt such amendments to the Plan or the Agreement, or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Administrator determines are necessary or appropriate either for the Performance Shares and/or Retained Distributions to be exempt from the application of Section 409A or to comply with the requirements of Section 409A.

28. **Counterparts.** This Agreement may be executed in one or more counterparts, including by way of any electronic signature, subject to applicable law, each of which shall be deemed an original and all of which together shall constitute one instrument.

By signing the Grant Notice or otherwise accepting the Performance Shares, you agree to be bound by terms of the Agreement and the Plan.

Calculation of Filing Fee Table

Form S-8
(Form type)

Stellar Bancorp, Inc.
(Exact Name of Registrant as Specified in its Charter)

Table I: Newly Registered Securities

Security Type	Security Class Title	Fee Calculation Rule	Amount Registered⁽¹⁾	Proposed Maximum Offering Price Per Unit⁽²⁾	Maximum Aggregate Offering Price	Fee Rate	Amount of Registration Fee
Equity	Common Stock, par value \$0.01 per share	Other	2,000,000	\$28.98	\$57,960,000	\$110.20 per million dollars	\$6,387.19
Total Offering Amounts					\$57,960,000		\$6,387.19
Total Fee Offsets							—
Net Fee Due							\$6,387.19

- (1) Pursuant to Rule 416 under the Securities Act of 1933, as amended (the “Securities Act”), this Registration Statement shall also cover any additional indeterminable number of shares of common stock, par value \$0.01 per share (“Common Stock”), that may become issuable under the Stellar Bancorp, Inc. 2022 Omnibus Incentive Plan (the “Plan”) by reason of any stock dividend, stock split, recapitalization or any other similar transaction.
- (2) Estimated solely for purposes of calculating the registration fee in accordance with Rules 457(c) and 457(h) under the Securities Act. The maximum offering price per share and the maximum aggregate offering price are based on a price of \$28.98 per share, which is the average of the high and low sales prices of shares of Common Stock on The Nasdaq Stock Market LLC on October 25, 2022.