

Part II Organizational Action *(continued)*

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ [See attachment](#)

Blank lines for listing applicable Internal Revenue Code sections.

18 Can any resulting loss be recognized? ▶ [See attachment](#)

Blank lines for indicating if a resulting loss can be recognized.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ [See attachment](#)

Blank lines for providing other information necessary to implement the adjustment.

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

DocuSigned by:
 Signature ▶ *Lynn Hopkins* Date ▶ 11/10/2021
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Print your name ▶ Lynn Hopkins Title ▶ EVP, Chief Financial Officer

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.

PACIFIC MERCANTILE BANCORP

EIN: 33-0898238

ATTACHMENT TO IRS FORM 8937 – PART II

REPORT OF ORGANIZATIONAL ACTIONS AFFECTING BASIS OF SECURITIES

The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended (the “Code”), and includes a general summary regarding the application of certain U.S. federal income tax laws and regulations related to the effects of the Merger (as defined below) on the tax basis of shares of common stock of Pacific Mercantile Bancorp received in exchange for shares of common stock of Banc of California, Inc. (“BANC”). The information contained herein does not constitute tax advice and does not purport to be complete or describe the tax consequences that may apply to particular categories of shareholders.

Line 14 - Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action.

On October 18, 2021, pursuant to the terms and conditions of the Agreement and Plan of Merger (the “Merger Agreement”), dated as of March 22, 2021, by and between Banc of California, Inc., a Maryland corporation (“Parent”), and Pacific Mercantile Bancorp, a California corporation (the “Company”), the Company merged with and into Parent (the “Merger”), with Parent continuing as the surviving corporation in the Merger.

In the Merger, each share of Company Common Stock and Company Non-Voting Common Stock, excluding Excluded Shares, issued and outstanding immediately prior to the Effective Time, shall become and be converted into the right to receive 0.50 of a share (the “Exchange Ratio”) of Parent Common Stock (the “Merger Consideration”), without interest thereon. The Merger is intended to qualify as a reorganization within the meaning of Section 368(a) of the Code. The following descriptions and calculations assume that the Merger so qualifies.

Line 15 - Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis.

Provided the Merger qualifies as a “reorganization” within the meaning of Section 368(a) of the Code, a Pacific Mercantile Bancorp shareholder who exchanges its shares of Pacific Mercantile Bancorp Common Stock for shares of Banc of California, Inc. Common Stock in the Merger generally will not recognize any gain or loss for U.S. federal income tax purposes, except with respect to cash, if any, received in lieu of fractional shares of Banc of California Common Stock.

Each such Pacific Mercantile Bancorp shareholder’s aggregate tax basis in the shares of Banc of California, Inc. Common Stock received pursuant to the Merger (including any fractional share of Banc of California, Inc. Common Stock for which cash was received) will equal such Pacific Mercantile Bancorp shareholder’s aggregate adjusted tax basis in the shares of Pacific Mercantile Bancorp Common Stock surrendered in the Merger.

Each such Pacific Mercantile Bancorp shareholder that receives cash in lieu of a fractional share of Banc of California, Inc. Common Stock generally will recognize capital gain or loss equal to the difference

between the amount of cash received and the tax basis in such fractional share, determined as described above.

Line 16 - Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates.

The aggregate tax basis of the Banc of California, Inc. Common Stock received in the Merger (including any fractional share interests in Banc of California, Inc. Common Stock deemed received) will equal the aggregate adjusted tax basis in the shares of Pacific Mercantile Bancorp Common Stock exchanged.

Line 17 - List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.

Sections 354, 358, 368, 1001 and 1223 of the Code.

Line 18 - Can any resulting loss be recognized?

Pacific Mercantile Bancorp shareholders generally may not recognize any loss for U.S. federal income tax purposes as a result of the Merger, except with respect to cash, if any, received in lieu of fractional shares of Banc of California, Inc. Common Stock.

Line 19 - Provide any other information necessary to implement the adjustment, such as the reportable tax year.

The Merger was effective on October 18, 2021. For a Pacific Mercantile Bancorp stockholder whose taxable year is the calendar year, the reportable tax year is 2021.