



**Organizational Action** *(continued)*

**17** List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ See Attachment

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**18** Can any resulting loss be recognized? ▶ See Attachment

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**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ See Attachment

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**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.

Signature ▶ Cecilia Situ Date ▶ 11-7-2024

Print your name ▶ Cecilia Situ Title ▶ CFO

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Cody Lewis	<i>Cody Lewis</i>	11/6/2024		P01319227
	Firm's name ▶ Crowe LLP	Firm's EIN ▶ 35-0921680		Phone no. (916) 441-1000	
	Firm's address ▶ 400 Capitol Mall, Suite 1400 Sacramento, CA 95814-4498				

**West Coast Community Bancorp**  
**27-1376408**  
**Attachment to Form 8937**

**Report of Organizational Actions Affecting Basis of Securities**

***CONSULT YOUR TAX ADVISOR***

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 relating to the effects on the tax basis of West Coast Community Bancorp (“WCCB”) stock received in exchange for 1<sup>st</sup> Capital Bancorp (“1CAP”) stock as a result of the merger of 1CAP with and into WCCB. The information contained herein does not constitute tax advice and does not purport to be complete or to describe the consequences that may apply to particular categories of shareholders. WCCB does not provide tax advice to its shareholders. The tax treatment described below may not apply to all former shareholders of 1CAP. You are urged to consult your own tax advisor regarding the particular consequences of the merger to you, including the applicability and effect of all U.S. federal, state and local and foreign tax laws.

**Form 8937 Part I, Box 9**

The securities subject to reporting include all shares of West Coast Community Bancorp (“WCCB”) Common Stock issued in exchange for the outstanding common stock and restricted stock awards (“RSUs”) of 1<sup>st</sup> Capital Bancorp (“1CAP”) as a result of the merger of 1CAP with and into WCCB.

**Form 8937 Part II, Box 14**

On October 1, 2024 (“Effective Time”), pursuant to the Agreement and Plan of Reorganization and Merger dated May 20, 2024 (the “Agreement”), by and between WCCB and 1CAP, 1CAP merged with and into WCCB, with WCCB being the surviving corporation (the “Merger”).

As a result of the Merger, each share of 1CAP Common Stock issued and outstanding immediately prior to the Effective Time was converted into the right to receive 0.36 shares of WCCB Common Stock. Also, each 1CAP RSU outstanding immediately prior to the Effective Time became fully vested and was converted into the right to receive (without interest) 0.36 shares of WCCB Common Stock, rounded down to the nearest whole shares.

No fractional shares of WCCB Common Stock were issued in connection with the Merger, and 1CAP shareholders were entitled to receive cash in lieu of such fractional shares (see Box 16 below for the price paid for the fractional shares).

**Form 8937 Part II, Box 15**

The Merger qualifies as a tax-free reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code").

The receipt by a 1CAP shareholder of WCCB Common Stock in exchange for 1CAP Common Stock or RSUs in the Merger affects such shareholder's tax basis. Generally, the aggregate tax basis of WCCB Common Stock received by a 1CAP shareholder in exchange for shares of 1CAP Common Stock or RSUs for the Merger consideration will be equal to the aggregate adjusted tax basis of the shares of 1CAP Common Stock or RSUs surrendered, decreased by the amount of any cash received in the exchange (excluding any cash received in lieu of a fractional share of WCCB Common Stock), and increased by the amount of gain (excluding any gain or loss resulting from the deemed receipt and redemption of fractional shares), if any, recognized by the 1CAP shareholder on the exchange.

For example, assume a 1CAP shareholder owned 100 shares of 1CAP Common Stock with an aggregate basis of \$1,000 (i.e., \$10 basis per share). In the exchange, the 1CAP shareholder will receive 36 shares of WCCB Common Stock (i.e., 100 shares of 1CAP Common Stock, multiplied by the 0.36 conversion ratio). No gain will be recognized, as there was no cash received; thus, the basis in the 36 shares of WCCB Common Stock received in the exchange will have an aggregate basis of \$1,000, or \$27.78 per share (i.e., \$1,000, divided by 36 shares).

1CAP shareholders who received cash in lieu of a fractional share of WCCB Common Stock are, for purposes of determining the taxability of that cash, deemed to have received a fractional share in the exchange and then as having sold the fractional share for cash. These 1CAP shareholders will generally recognize a taxable gain or loss equal to the difference between the tax basis of the 1CAP Common Stock or RSUs deemed to have been exchanged for the fractional shares and the amount of cash received.

The holding period of any shares of WCCB Common Stock received by 1CAP shareholders in the Merger generally will include the holding period of shares of 1CAP Common Stock or RSUs exchanged for such WCCB Common Stock.

With respect to the 1CAP RSUs, the holders of such RSUs became fully vested in the RSUs as a result of the Merger. As such, the holders of the 1CAP RSUs should have tax basis in the WCCB Common Stock received in exchange for the RSUs in an amount equal to the ordinary income recognized upon vesting, and the holding period of the WCCB Common Stock received in the exchange should begin on the date of the Merger.

**Form 8937 Part II, Box 16**

Refer to the description of the basis calculation in Part II, Box 15 above. The September 30, 2024, closing price of a single share of WCCB Common Stock on OTCQX of \$39.00 was used as fair market value. For purposes of cash paid for fractional shares, however, a value of \$39.1377 per share was used.

**Form 8937 Part II, Box 17**

The Merger qualifies as a tax-free reorganization within the meaning of Section 368(a) of the Code. Other relevant Code sections include 354, 356, 358, 368, 1001, 1221 and 1223.

**Form 8937 Part II, Box 18**

No loss can be recognized upon the exchange of 1CAP Common Stock or RSUs for WCCB Common Stock. If a taxable loss is calculated on the deemed sale of a fractional share of WCCB Common Stock deemed to have been received in the exchange, this loss can be recognized.

**Form 8937 Part II, Box 19**

The Merger was completed on October 1, 2024. Consequently, the reportable tax year of the 1CAP shareholders for reporting the tax effect of the share exchange and cash receipt is the tax year that includes the October 1, 2024, Merger date. This is the 2024 calendar year for those shareholders who report taxable income based on a calendar year.