

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
Pacific Continental Corporation, as successor to Capital Pacific Bank		93-1269184	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
Mick Reynolds	1-541-686-8685	mick.reynolds@therightbank.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and Zip code of contact	
P.O. Box 10727		Eugene, OR 97440	
8 Date of action		9 Classification and description	
March 6, 2015		Common Stock	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
69412V108	N/A	PCBK	N/A

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

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 ▶

The organizational action involves the merger pursuant to which, on March 6, 2015, Capital Pacific Bank merged into Pacific Continental Bank (a wholly-owned subsidiary of Pacific Continental Corporation) with Pacific Continental Bank surviving.

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 ▶

See attachment

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 ▶

See attachment

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶
IRC Sections: 354, 356, 358, 361, 368, and 1221

18 Can any resulting loss be recognized? ▶
No. Capital Pacific Bank shareholders generally will not recognize losses for U.S. federal income tax purposes by reason of the merger. The shareholders are instructed to consult their tax advisors.

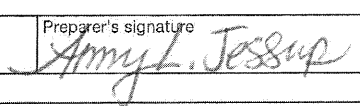
19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶
The reportable tax year is 2015.

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 ▶  Date ▶ 4-20-15

Print your name ▶ Mick Reynolds Title ▶ EVP/CFO

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Amy L. Jessup		4-20-15		P00177566
	Firm's name ▶ Moss Adams LLP	Firm's EIN ▶		91-0189318	
	Firm's address ▶ 805 SW Broadway, STE 1200 Portland, OR 97205	Phone no.		503-242-1447	

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Form 8937 Part II, Line 15:

Each outstanding share of Capital Pacific Bank common stock converted into the right to either receive \$16.00 per share in cash or 1.132 shares of Pacific Continental Corporation common stock, or a combination of 40.0% in the form of cash and 60.0% in the form of Pacific Continental common stock, subject to the proration and allocation procedures set forth in the Merger agreement. In addition, cash in lieu of fractional Pacific Continental Corporation common shares was also paid.

The fair market value per share of Pacific Continental Corporation common stock at close on March 6, 2015 was \$13.26.

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. Consult your tax adviser to determine the particular tax consequences to you related to the transaction.

The receipt by a Capital Pacific Bank stockholder of a combination of Pacific Continental Corporation common stock and cash in exchange for Capital Pacific Bank common stock in the Merger has an effect on such stockholder's tax basis:

Generally, the aggregate tax basis of Pacific Continental Corporation common stock received by a Capital Pacific Bank stockholder that exchanges its shares of Capital Pacific Bank common stock for a combination of Pacific Continental Corporation common stock and cash in the Merger will be equal to the aggregate adjusted tax basis of the shares of Capital Pacific Bank common stock surrendered, reduced by the amount of cash received by the Capital Pacific Bank stockholder pursuant to the Merger (excluding any cash received in lieu of a fractional share of Pacific Continental Corporation common stock) and increased by the amount of any gain (excluding any gain or loss resulting from the deemed receipt and redemption of fractional shares), if any, recognized by the Capital Pacific Bank stockholder on the exchange. The amount of gain recognized is the lesser of (A) the amount of gain realized (i.e., the excess of the sum of the amount of cash and the fair market value of the Pacific Continental Corporation common stock received pursuant to the Merger over the stockholder's aggregate tax basis in the shares of Capital Pacific Bank common stock surrendered) and (B) the amount of cash received pursuant to the Merger (excluding any cash received in lieu of a fractional share of Pacific Continental Corporation common stock).

Form 8937 Part II, Line 16:

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. Consult your tax adviser to determine the particular tax consequences to you related to the transaction.

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The Merger was intended to qualify as a "reorganization" within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code"). If the Merger is respected as a "reorganization" within the meaning of Section 368(a) of the Code, shareholders generally will not recognize any gain or loss upon receipt of Pacific Continental Corporation common stock in exchange for Capital Pacific Bank common stock, except with respect to cash received.

Cash in lieu of a fractional share of Pacific Continental Corporation common stock will be treated as additional cash proceeds for any fraction of a share of Capital Pacific Bank common stock treated as retained, for purposes of determining gain or loss on the exchange.

The aggregate tax basis of the shares of Pacific Continental Corporation common stock received in the Merger (excluding any fractional share interest deemed received and redeemed for cash) generally will be equal to the adjusted tax basis in the shares of Capital Pacific Bank common stock exchanged, reduced by the amount of cash received, and increased by the amount of any gain recognized upon the exchange.

Thus, the basis of each share of Pacific Continental Corporation common stock received should be equal to such shareholders' basis in their Capital Pacific Bank common stock surrendered:

- (1) Decreased by
 - (i) the amount of any money received by such shareholders in the exchange;
 - (ii) the fair market value of any other boot received by such shareholders; and
 - (iii) any loss recognized by such shareholders on the exchange; and
- (2) Increased by any gain recognized by such shareholders on the exchange.

The following is an example of how the basis determination would be applied to a shareholder who made a valid election and received approximately \$7.55 in cash and .598 shares of Pacific Continental stock for each share of Capital Pacific common stock:

Shares of Capital Pacific Bank common stock owned: 100

Capital Pacific Bank stockholder's aggregate adjusted tax basis: \$1,000.00 (assumed to be about \$10.00 per share)

Whole shares of Pacific Continental Corporation common stock received in the Merger (100 shares of Capital Pacific Bank common stock multiplied by .598 and rounded down to the nearest whole number): 59

Number of fractional shares of Pacific Continental Corporation common stock for which cash is paid: 0.80

FMV per share of Pacific Continental Corporation shares received: \$13.26

FMV of the Stock Consideration received (i.e., Pacific Continental Corporation shares received in exchange for Capital Pacific Bank shares, including fractional shares of Pacific Continental Corporation common stock deemed received) (\$13.26 per share of Pacific Continental Corporation multiplied by 59.80 shares of Pacific Continental Corporation common stock): \$792.95

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Cash Consideration received in exchange for Capital Pacific Bank common stock pursuant to the Merger (100 shares of Capital Pacific Bank common stock multiplied by \$7.55 in cash per share): \$755.00

Total Merger Consideration received (\$755.00 in Cash Consideration plus \$792.95 in FMV of Stock Consideration): \$1,547.95

Realized gain (\$1,547.95 total Merger Consideration received minus \$1,000.00 aggregate tax basis): \$547.95

Recognized gain (determined as lesser of realized gain or cash received): \$547.95

Aggregate tax basis of Pacific Continental Corporation common stock received (including fractional shares deemed received) (\$1,000.00 aggregate tax basis in Capital Pacific Bank shares minus \$755.00 cash received (i.e., excluding cash received in lieu of a fractional share of Pacific Continental Corporation common stock) plus \$547.95 recognized gain): \$792.95

Tax basis per share of Pacific Continental Corporation common stock received (including fractional shares deemed received) \$792.95 aggregate basis divided by 59.80): \$13.26

Aggregate tax basis in whole shares of Pacific Continental Corporation common stock received in the Merger (59 x \$13.26): \$782.34

Tax basis in fractional share deemed sold: (0.80 x \$13.26): \$10.608

As indicated above, each shareholder should consult with their own tax advisers concerning specific circumstances regarding each shareholder's individual basis. The actual tax basis will differ with respect to each separate shareholder and, additionally, tax basis may differ with respect to separate and distinct blocks of common shares owned by the shareholder.

The holding period of the shares of the Pacific Continental Corporation common stock received in the Merger generally will include the holding period of the shares of Capital Pacific Bank common stock exchanged.