

## Report of Organizational Actions Affecting Basis of Securities

OMB No. 1545-0123

▶ See separate instructions.

**Part I Reporting Issuer**

1 Issuer's name  PACIFIC CONTINENTAL CORPORATION		2 Issuer's employer identification number (EIN)  93-1269184	
3 Name of contact for additional information  AMY BETTS	4 Telephone No. of contact  253-471-4065	5 Email address of contact  ABETTS@COLUMBIABANK.COM	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact  COLUMBIA BANKING SYSTEM, INC., PO BOX 2156		7 City, town, or post office, state, and ZIP code of contact  TACOMA, WA 98401	
8 Date of action  11/1/2017		9 Classification and description  COMMON STOCK	
10 CUSIP number  69412V108	11 Serial number(s)	12 Ticker symbol  PCBK	13 Account number(s)

**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 ▶ EFFECTIVE NOVEMBER 1, 2017, COAST MERGER SUB, INC. ("MERGER SUB"), A WHOLLY-OWNED SUBSIDIARY OF COLUMBIA BANKING SYSTEM INC. ("COLUMBIA"), MERGED WITH AND INTO PACIFIC CONTINENTAL CORPORATION ("PACIFIC CONTINENTAL") WITH PACIFIC CONTINENTAL AS THE SURVIVING CORPORATION (THE "FIRST MERGER"). IMMEDIATELY FOLLOWING THE FIRST MERGER, AND AS PART OF A SINGLE INTEGRATED TRANSACTION, PACIFIC CONTINENTAL MERGED WITH AND INTO COLUMBIA, WITH COLUMBIA AS THE SURVIVING ENTITY (THE "SUBSEQUENT MERGER"). IMMEDIATELY FOLLOWING THE SUBSEQUENT MERGER, PACIFIC CONTINENTAL BANK, A WHOLLY-OWNED SUBSIDIARY OF PACIFIC CONTINENTAL, MERGED WITH AND INTO COLUMBIA STATE BANK, A WHOLLY-OWNED SUBSIDIARY OF COLUMBIA, WITH COLUMBIA STATE BANK AS THE SURVIVING BANK.

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 A

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 ▶ WHERE ONE SHARE OF COLUMBIA COMMON STOCK IS RECEIVED IN EXCHANGE FOR MORE THAN ONE SHARE OF PACIFIC CONTINENTAL COMMON STOCK, THEN THE ADJUSTED BASIS MUST BE ALLOCATED TO THE COLUMBIA COMMON SHARES RECEIVED IN A MANNER THAT REFLECTS, TO THE GREATEST EXTENT POSSIBLE, THE BASIS IN PACIFIC CONTINENTAL COMMON SHARES THAT WERE ACQUIRED ON THE SAME DATE AND AT THE SAME PRICE. TO THE EXTENT THAT IT IS NOT POSSIBLE TO ALLOCATE THE AGGREGATE BASIS IN THIS MANNER, THEN THE AGGREGATE BASIS OF THE PACIFIC CONTINENTAL COMMON SHARES SURRENDERED MUST BE ALLOCATED TO THE COLUMBIA COMMON SHARES IN A MANNER THAT MINIMIZES THE DISPARITY IN THE HOLDING PERIODS OF THE PACIFIC CONTINENTAL COMMON SHARES WHOSE BASIS IS ALLOCATED TO ANY PARTICULAR COLUMBIA COMMON SHARE RECEIVED.

**Part II Organizational Action** *(continued)*

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► COLUMBIA AND PACIFIC CONTINENTAL HAVE STRUCTURED THE MERGERS, TAKEN TOGETHER, TO QUALIFY AS A REORGANIZATION WITHIN THE MEANING OF SECTION 368(a) OF THE INTERNAL REVENUE CODE, AS AMENDED. RELEVANT INTERNAL REVENUE CODE PROVISIONS INCLUDE SECTIONS 302, 356, 358 AND 368.

18 Can any resulting loss be recognized? ► SEE ATTACHMENT B

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► THE HOLDING PERIOD OF THE COLUMBIA COMMON STOCK RECEIVED AS A RESULT OF THE EXCHANGE WILL INCLUDE THE HOLDING PERIOD OF THE PACIFIC CONTINENTAL COMMON STOCK THE HOLDERS SURRENDERED IN THE MERGER. IF THE HOLDER RECEIVED CASH IN THE MERGER INSTEAD OF A FRACTIONAL SHARE INTEREST IN COLUMBIA COMMON STOCK, THE HOLDER WILL BE TREATED AS HAVING RECEIVED SUCH FRACTIONAL SHARE IN THE MERGER, AND THEN AS HAVING RECEIVED CASH IN EXCHANGE FOR SUCH FRACTIONAL SHARE. GAIN OR LOSS WOULD BE RECOGNIZED IN AN AMOUNT EQUAL TO THE DIFFERENCE BETWEEN THE AMOUNT OF CASH RECEIVED AND THE HOLDER'S ADJUSTED TAX BASIS ALLOCABLE TO SUCH FRACTIONAL SHARE. THIS GAIN OR LOSS WILL GENERALLY BE A CAPITAL GAIN OR LOSS, AND WILL BE LONG-TERM CAPITAL GAIN OR LOSS IF, AS OF THE EFFECTIVE DATE OF THE MERGER, THE HOLDER HELD HIS OR HER SHARES OF PACIFIC CONTINENTAL COMMON STOCK FOR MORE THAN ONE YEAR.

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.

Sign Here

Signature ► *Brock Lakely* Date ► 10/15/2019  
 Print your name ► BROCK LAKELY Title ► SVP, CHIEF ACCOUNTING OFFICER AND CONTROLLER

**Paid Preparer Use Only**

Print/Type preparer's name <u>JASON ANDERSON</u>	Preparer's signature <u><i>Jason S. Anderson</i></u>	Date <u>10/15/2019</u>	Check <input type="checkbox"/> if self-employed	PTIN <u>P00235490</u>
Firm's name ► <u>DELOITTE TAX LLP</u>	Firm's EIN ► <u>86-1065772</u>		Phone no. <u>206-716-7000</u>	
Firm's address ► <u>925 4TH AVE SUITE 3300, SEATTLE, WA 98104</u>				

FORM 8937  
PACIFIC CONTINENTAL CORPORATION  
93-1269184  
DATE OF ACTION: 11/01/2017

ATTACHMENT A

**QUESTION 15:**

THE MERGER OF PACIFIC CONTINENTAL INTO COLUMBIA QUALIFIES AS A TAX FREE REORGANIZATION WITHIN THE MEANING OF SECTION 368(a) OF THE INTERNAL REVENUE CODE, AS AMENDED. THE AGGREGATE TAX BASIS OF THE COLUMBIA COMMON STOCK RECEIVED AS A RESULT OF THE MERGER (INCLUDING ANY FRACTIONAL SHARES OF COLUMBIA COMMON STOCK DEEMED RECEIVED) WILL BE THE SAME AS THE HOLDER'S AGGREGATE TAX BASIS IN PACIFIC CONTINENTAL COMMON STOCK SURRENDERED IN THE MERGER, DECREASED BY THE AMOUNT OF CASH THE HOLDER RECEIVED THAT WAS TREATED AS RECEIVED IN EXCHANGE FOR PACIFIC CONTINENTAL COMMON STOCK (EXCLUDING ANY CASH RECEIVED IN LIEU OF A FRACTIONAL SHARE OF COLUMBIA COMMON STOCK) AND INCREASED BY THE AMOUNT OF GAIN, IF ANY, THE HOLDER RECOGNIZED IN THE EXCHANGE (EXCLUDING ANY GAIN RESULTING FROM CASH RECEIVED IN LIEU OF A FRACTIONAL SHARE OF COLUMBIA COMMON STOCK).

IF A HOLDER ACQUIRED DIFFERENT BLOCKS OF PACIFIC CONTINENTAL COMMON STOCK AT DIFFERENT TIMES OR AT DIFFERENT PRICES, HE OR SHE SHOULD CONSULT HIS OR HER INDIVIDUAL TAX ADVISOR REGARDING THE MANNER IN WHICH GAIN OR LOSS SHOULD BE DETERMINED.

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**QUESTION 18:**

PURSUANT TO THE MERGER AGREEMENT, HOLDERS EXCHANGING SHARES OF PACIFIC CONTINENTAL COMMON STOCK FOR SOLELY COLUMBIA COMMON STOCK (AND CASH INSTEAD OF FRACTIONAL SHARES OF COLUMBIA COMMON STOCK) WILL GENERALLY NOT RECOGNIZE GAIN OR LOSS, EXCEPT WITH RESPECT TO CASH RECEIVED INSTEAD OF FRACTIONAL SHARES OF COLUMBIA COMMON STOCK.