



P.O. Box 927
333 Lyon St SE
Albany, Oregon 97321
(541) 926-9000

May 13, 2020

Dear Shareholder:

You are cordially invited to attend the 2020 Annual Meeting of Shareholders of Willamette Community Bank ("the Bank," "we," or "us") to be held at 1:00 p.m. on June 17, 2020 via teleconference. Call-in instructions are as follows. Please ask to join the Willamette Call:

PARTICIPANT DIAL IN (TOLL FREE):	1-877-270-2148
PARTICIPANT INTERNATIONAL DIAL IN:	1-412-902-6510
Canada TF 866-450-4696:	1-866-450-4696

At the annual meeting, the matters to be considered and voted upon will be:

1. electing two (2) directors to serve a three (3)-year term ending 2023;
2. ratifying the appointment of Moss Adams LLP as certifying accountants for the Bank for the fiscal year ending December 31, 2020; and
3. adjourning the meeting, if such adjournment is determined necessary or appropriate by the Chair.

The proposals are described in more detail in the Proxy Statement mailed on March 3, 2020 (the proxy statement can also be found on our website at www.willamettecommunitybank.com), Our Board of Directors believes that the proposals are in the best interests of the Bank and its shareholders, and unanimously recommends that you vote "FOR" each of the proposals. At the meeting the shareholders also may consider such other business as may properly come before the annual meeting or any adjournments thereof. However, our bylaws provide certain requirements that govern most such proposals, and we have received no submissions that qualify for consideration at the annual meeting.

We urge you to review carefully the Proxy Statement, which describes the matters to be considered and voted upon at the annual meeting in detail. Whether or not you plan to attend the annual meeting, we encourage you to sign, date, and return the proxy sheet **as soon as possible**. On behalf of our Board of Directors, we appreciate your cooperation and continued support.

Sincerely,

A handwritten signature in black ink, appearing to read "Kerry Johnson".

Kerry Johnson,
Board Chairman



P.O. Box 927
333 Lyon St SE
Albany, Oregon 97321
(541) 926-9000

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD JUNE 17, 2020**

TO THE SHAREHOLDERS OF WILLAMETTE COMMUNITY BANK:

NOTICE IS HEREBY GIVEN that, pursuant to the Bylaws of Willamette Community Bank and the call of its Board of Directors, the 2020 Annual Meeting of Shareholders of Willamette Community Bank will be held at 1:00 p.m. on June 17, 2020 via teleconference. Call-in instructions are as follows. Please ask to join the Willamette Call:

PARTICIPANT DIAL IN (TOLL FREE):	1-877-270-2148
PARTICIPANT INTERNATIONAL DIAL IN:	1-412-902-6510
Canada TF 866-450-4696:	1-866-450-4696

At the annual meeting, the matters to be considered and voted upon will be:

1. electing two (2) nominees as directors, Kent Hickam and William Joseph LeBlanc, to serve until the 2023 Annual Meeting of Shareholders and until their successors are elected and have been qualified;
2. ratifying the appointment of Moss Adams LLP as certifying accountants for the Bank for the fiscal year ending December 31, 2020; and
3. adjourning the meeting, if such adjournment is determined necessary or appropriate by the Chair.

The proposals are described in more detail in the accompanying Proxy Statement, which you should read carefully in its entirety before voting. We have fixed February 25, 2020, as the record date for the annual meeting. Accordingly, only shareholders of record as of February 25, 2020, are entitled to notice of, to attend, and to vote at, the annual meeting and any adjournment or postponement of the annual meeting. At the meeting the shareholders also may consider such other business as may properly come before the annual meeting or any adjournments thereof.

Shareholders that hold their shares in "street name" may have to follow additional procedures with respect to voting their shares at the annual meeting, as discussed in greater detail below. You may revoke your proxy in the manner described herein at any time before it is voted at the annual meeting.

In compliance with regulations adopted by the Federal Deposit Insurance Corporation, the Bank has prepared an Annual Disclosure Statement containing additional information regarding the Bank's financial condition and results of operations. Shareholders may request free copies of the Bank's Annual Disclosure Statement as well as additional financial materials about us (Annual Reports, quarterly earnings releases, and the Proxy Statement) by written request to: Shelly Ortiz, Corporate Secretary, Vice President and Senior Operations Officer, Willamette Community Bank, P.O. Box 927, 333 Lyon St. SE, Albany, Oregon 97321, or by telephone at 541-971-4307. A link to our financial reports can also be found on our Internet site: www.willamettecommunitybank.com. The contents of our website and the information contained therein or linked therefrom are not incorporated into this proxy statement.

BY ORDER OF THE BOARD OF DIRECTORS

March 3, 2020

A handwritten signature in black ink, appearing to read "Kerry Johnson", written in a cursive style.

Albany, Oregon

Kerry Johnson,
Board Chairman

PROXY STATEMENT FOR THE ANNUAL MEETING OF THE SHAREHOLDERS OF WILLAMETTE COMMUNITY BANK

This Proxy Statement contains information about the 2020 Annual Meeting of the Shareholders of Willamette Community Bank (the “annual meeting”). The annual meeting is scheduled to be held at 1:00 p.m. on June 17, 2020. We are providing this Proxy Statement to you in connection with the solicitation of proxies by our Board of Directors to be used at the annual meeting, or at any adjournment or postponement of the annual meeting. In this Proxy Statement, when we refer to “*Willamette Community Bank*,” “*the Bank*,” “*our Bank*,” “*we*,” “*our*,” and “*us*,” we are referring to Willamette Community Bank.

GENERAL INFORMATION ABOUT THE ANNUAL MEETING

Purpose of the annual meeting

At the annual meeting, you will be asked to consider and vote upon the following matters:

1. electing two (2) nominees as directors, Kent Hickam and William Joseph LeBlanc, to serve until the 2023 Annual Meeting of Shareholders and until their successors are elected and have been qualified;
2. ratifying the appointment of Moss Adams LLP as certifying accountants for the Bank for the fiscal year ending December 31, 2020;
3. adjourning the meeting, if such adjournment is determined necessary or appropriate by the Chair.

These proposals are described in more detail in this Proxy Statement, which you should read carefully in its entirety before voting. You may also be asked to consider any other business as may properly come before the annual meeting or any adjournment of the annual meeting. Shareholders will have an opportunity to ask questions both during the meeting and in an informal setting afterward. However, our Bylaws generally provide that, in order to balance shareholders’ rights to submit proposals for consideration, against their related right to obtain adequate notice, information and opportunity to consider matters in advance of a meeting, any item proposed by a shareholder for consideration at the annual meeting must have been delivered to the Board of Directors during the period that begins 120 days before the anniversary of our most recent annual meeting, and ends 90 days prior to such anniversary date. Please see “Shareholder Proposals” beginning at page 3, below. No eligible shareholder proposals have been received, and none will be considered at the annual meeting. Likewise, the Board may raise items for consideration at the annual meeting without being subject to this requirement; however, the Board generally would not raise such a matter without delivering information to shareholders in advance, and we are aware of no additional matters that are likely to come before the annual meeting.

Voting at the annual meeting; solicitation and revocation of proxies

You are entitled to one vote on each proposal for every share of common stock that you owned on February 25, 2020, our record date. As of the record date, there were 1,857,955 shares of our common stock issued and outstanding.

For business to be conducted at the annual meeting, a quorum must be present. A quorum consists of a majority of the shares of our common stock entitled to vote and present in person or by proxy at the annual meeting, or 928,978 shares. Shares of our common stock represented at the annual meeting in person or by a properly executed proxy (including shares that abstain or do not vote with respect to one or more of the matters to be acted upon) will be counted for purposes of determining whether a quorum exists. If a quorum is not present, the annual meeting may be adjourned until a quorum is obtained. Accordingly, we urge you to vote by proxy even if you plan to attend the meeting so that we will know as soon as possible that enough votes will be present for us to convene the meeting.

You may vote by completing and returning the enclosed proxy sheet or by voting in person at the annual meeting. We encourage you to attend the annual meeting, and execution of the enclosed proxy will not affect your right to attend the annual meeting and vote in person if you wish to do so. However, to ensure that your shares are voted in accordance with your wishes and that a quorum is present, we urge you to vote as promptly as possible. Your prompt response may also help reduce proxy solicitation costs, which would be paid for by us.

Voting by a proxy. You do not have to attend the annual meeting. You may vote your shares by proxy if you wish. If you are the registered owner of your shares, you may mark the enclosed proxy to indicate your vote on the matters presented at the annual meeting, and the individuals whose names appear on the proxy will vote your shares as you instruct. If you vote by proxy and specify a choice with respect to the proposals presented at the annual meeting, your shares will be voted in accordance with your instructions. If you execute a proxy, but do not specify a choice with respect to the proposal concerning the election of directors or the other proposals, your proxy will be voted "FOR" the persons nominated by our Board of Directors to serve as directors and "FOR" the other proposal presented at the annual meeting.

If you hold shares in more than one account or in more than one name (e.g., through a retirement plan or jointly with your spouse), you may have received more than one proxy statement or more than one proxy card. If you do, you should complete, sign and return all proxies so that all your shares can be counted, and all votes recorded. If you receive more than one proxy statement and you wish to help us reduce printing and mailing costs, please contact our corporate secretary, Shelly Ortiz, at Willamette Community Bank, P.O. Box 927, 333 Lyon St. SE, Albany, Oregon 97321, or by telephone at 541-971-4307. She will assist you in reducing the amount of printed material while also assuring that you retain an adequate right to vote all your shares.

In addition, the named proxy holders will vote in their discretion on such other matters that may be considered at the annual meeting. The Board of Directors has named our CFO, Robert Moore and Jim Greene, a member of our Board of Directors whose term does not expire at the annual meeting, as the proxy holders (the "proxy holders"). Their names appear on the proxy sheet accompanying this Proxy Statement. You may name another person to act as your proxy if you wish, but it is not necessary to do so. The Board of Directors does not know of any other matters to be presented for a vote at the annual meeting other than the proposals described herein.

Voting in person. If you attend the annual meeting, you may deliver your completed proxy card in person, or you may vote by completing a ballot that will be available at the annual meeting.

In-person voting by "street name" owners. If your shares are held by a bank, broker or other nominee holder (in "street name"), you must give voting instructions to your broker or other nominee holder, and you must contact that nominee holder to change your vote or revoke your proxy. If your shares are held in street name, you will not be able to vote your shares or change your vote at the annual meeting unless the nominee holder of your shares provides you with written certification that you have instructed the nominee holder of your intention to vote your shares at the annual meeting and that the nominee will not vote your shares or cause your shares to be represented at the annual meeting. If the nominee holder provides you with such certification, you must submit that certification to the Inspector of Elections for the annual meeting prior to the time the votes are taken at the annual meeting. Submissions to the Inspector of Elections can be made at Willamette Community Bank, P.O. Box 927, 333 Lyon St. SE, Albany, Oregon 97321. If you do not give voting instructions to your broker or other nominee holder of your shares, you cannot be sure that your shares will be represented at the annual meeting.

Revocation of proxy. You may revoke your proxy at any time before the vote is taken at the annual meeting. You may revoke your proxy by submitting a proxy bearing a later date or by sending your request to revoke your proxy in writing to Shelly Ortiz, Corporate Secretary, Vice President and Senior Operations Officer, Willamette Community Bank, P.O. Box 927, 333 Lyon St. SE, Albany, Oregon 97321. You may also revoke your proxy by oral request if you are present at the annual meeting. If your shares are held in "street name" you may not change your vote or revoke your proxy at the annual meeting. You will need to contact the nominee holder of your shares to revoke your proxy or change your vote. You may still attend

the annual meeting even if you have submitted a proxy. You should be aware that simply attending the annual meeting will not, of itself, revoke a proxy.

Shares registered in another name. If your shares are not registered in your name, you will need to bring appropriate documentation from the record shareholder to vote in person at the annual meeting. If you have any questions regarding the documentation required, please contact Shelly Ortiz, Corporate Secretary, Vice President and Senior Operations Officer, Willamette Community Bank, P.O. Box 927, 333 Lyon St. SE, Albany, Oregon 97321 or by telephone at 541-971-4307.

How we count votes. The proxy holders will vote your shares as you instruct on your proxy. We will not count abstentions or broker non-votes for or against a matter submitted to a vote of shareholders. Each share is entitled to one vote. A broker non-vote occurs when a broker or other nominee holder, such as a bank, submits a proxy representing shares that another person actually owns, and that person has not given voting instructions to the broker or other nominee. On some matters, such as the ratification of the appointment of independent auditors, a broker or other nominee can vote those shares without instructions from the beneficial owner. On other matters, such as the election of directors, the nominee may not vote the shares without instruction from the beneficial owner of the shares. We will count broker non-votes as present for establishing a quorum.

Vote required to approve proposals

If a quorum is present at the annual meeting, a plurality of the votes cast, in person or by proxy, is necessary to elect directors. This means that the nominees who receive the most votes will be elected, regardless of how many votes each nominee gets. You may not cumulate your votes in electing directors, but rather, you may vote the total number of shares that you own for each open director position. For the second proposal (Ratification of the Appointment of Independent Auditors), a majority of the votes cast, in person or by proxy, is necessary to ratify the selection of independent auditors. For the third proposal (Adjournment), a majority of the votes cast, in person or by proxy, is necessary to approve the proposal, though as discussed below, the meeting may still be adjourned in certain circumstances absent this explicit approval.

Our Board of Directors unanimously recommends that you vote “FOR” each of the proposals presented at the annual meeting. Abstentions and broker non-votes will each be counted as present for determining the presence of a quorum but will not be counted as a vote “FOR” or “AGAINST” any proposal. If you return a signed proxy, the proxy holders will vote the shares represented by the proxy “FOR” each of the proposals presented at the annual meeting, unless you withhold authority to vote for the election of any of the nominees as directors, or indicate a vote “AGAINST” any proposal, by marking your proxy to that effect.

We know of no other business that is likely to be brought before the annual meeting. If any other matters are properly brought before the annual meeting, or any adjournment thereof, the proxy holders, acting under the proxy, will have discretion to vote on those matters in accordance with their best judgment.

PROPOSAL 1: ELECTION OF DIRECTORS

At the annual meeting, we will ask you to vote on the election of two (2) director nominees to serve until the 2023 Annual Meeting of Shareholders until their respective successors are elected and have qualified.

Our bylaws currently provide for a Board of Directors consisting of not less than five (5) and not more than fifteen (15) directors, with the exact number determined from time to time by resolution of the Board of Directors. The Board of Directors has set the number of directors at nine (9). Our articles of incorporation and bylaws provide for the Board of Directors to be divided into three (3) staggered classes, with each class as equal in number of directors as possible, and the classes serving staggered, three (3)-year terms. Two

(2) directors have terms expiring in 2020, three (3) directors have terms expiring in 2021, and four (4) directors have terms expiring in 2022.

Our current directors and their classes are:

<u>2020 Term</u>	<u>2021 Term</u>	<u>2022 Term</u>
Kent Hickam	Kerry Johnson	James E. Green
William Joseph LeBlanc	D. Thomas Ordeman	John Jenks
	R. Bryan Webber	Timothy R. McQueary
		Joan Reukauf

The Board of Directors has nominated Kent Hickam and William Joseph LeBlanc for election to serve a three (3)-year term ending at the annual meeting in 2023. All nominees have indicated a willingness to serve if elected.

If you submit a completed proxy, the proxy holders will vote your shares as you instruct. If you do not specify your choices, then the proxy holders will vote "FOR" the election of each of the nominees.

The Board of Directors does not anticipate that any of the nominees will be unable to serve as director, but if that should occur before the annual meeting, your shares will be voted for substitute nominees chosen by the Board of Directors unless you have instructed otherwise.

Information about individual nominees

The following is a description of the business experience during at least the past five (5) years of each director nominee as well as their specific experience, qualifications, attributes or skills which led to the conclusion that each of the director nominees should serve as a member of our Board of Directors. Each of these directors was previously elected at the 2017 annual meeting of shareholders.

Kent Hickam, age 69, serves as a Founding Director of the Bank. Mr. Hickam has had a law office in downtown Albany for 34 years. Born and raised in Albany, he graduated from Albany Union High School in 1968. After receiving a BA from Stanford University, he then earned a law degree and an MBA from Willamette University. Mr. Hickam is a former Albany City Councilor.

William Joseph LeBlanc, age 62, joined Willamette Community Bank in June of 2016. Mr. LeBlanc worked for the Les Schwab Tire Company as an Area Manager in the State of Oregon. In 2018, Mr. LeBlanc retired with the Les Schwab Company after 38 years. He started in Lakeview, Oregon as a sales and service employee in 1980. He worked his way up from sales and service to assistant manager. This move brought him to Salem in 1985. He then moved into the manager position where he managed 4 stores and in 2000 he became an Area Manager where he oversaw the operations of 27 stores. He has been residing in the Lebanon area since 2000.

Vote required to elect nominees

If a quorum is present at the annual meeting, a plurality of the votes cast, in person or by proxy, are necessary to elect each of the director nominees. This means that nominees receiving the most votes are elected regardless of how many votes they receive. You may not cumulate votes in the election of directors. Rather, each shareholder may cast votes for each of the open positions equal to the number of shares held as of February 25, 2020.

Our Board of Directors unanimously recommends that you vote "FOR" the proposal to elect each of the nominees listed above to our Board of Directors.

If you return a signed proxy, the proxy holders will vote "FOR" the proposal to elect each of the nominees listed above to our Board of Directors, unless you withhold authority to vote "FOR" the proposal to elect the nominees listed above to our Board of Directors by marking your proxy to that effect.

Information about our remaining directors

The following is a description of the business experience during at least the past five years of each of our remaining directors as well as their specific experience, qualifications, attributes or skills.

D. Thomas Ordeman, age 62, serves as a Founding Director of the Bank. Mr. Ordeman began his business career in high school working at Citizens Valley Bank, which was headquartered in Albany, where he remained until 1980 when he joined his family's business, Fisher Funeral Home, Inc. He is part of the fifth generation of the family to operate Fisher's. Mr. Ordeman has served on many local boards of directors, including YMCA and Rotary. He is also past Chair of the Linn County Fair and Expo Center and Albany General Hospital Foundation. He has also served on the board for the Oregon Funeral Directors Association and is a past President of the national organization, Selected Independent Funeral Homes.

James E. Green, age 65, joined the Board in 2017. He holds an undergraduate degree from University of California, Santa Barbara and an MBA from University of California, Los Angeles. Mr. Green previously served as a certified public accountant with PricewaterhouseCoopers in both Seattle and Los Angeles. From 1995 to 2016 he was SVP and CFO for Epic Aviation. Epic Aviation had \$1.5 billion in annual revenue during his tenure from aviation fuel sales throughout North America. His responsibilities at Epic included managing a \$50 million credit facility with major lending institutions, as well as overseeing fuel price hedging. He was a key contributor to the executive team and the strategic direction of that company. Mr. Green resides in Salem, Oregon and now serves as Director of Finance for Marion-Polk Food Share, a non-profit organization.

Joan Reukauf, age 45, joined Willamette Community Bank in 2010 and served as Senior Vice President and Chief Operations Officer until 2018, when she was appointed President and CEO. After graduating with a marketing degree from Boise State University, Ms. Reukauf has built a 25-year banking career including retail sales, branch and regional management, operations, human resources, and information security management. Ms. Reukauf is also a graduate of Pacific Coast Banking School and completed the MBA program at Willamette University in 2015. She is a part of the Linn-Benton Community College budget committee and is currently a member of several boards including the Oregon Bankers Association, Benton Community Foundation, Linn-Benton Community College Foundation, and Good Samaritan Hospital Foundation. Ms. Reukauf resides in Corvallis.

John Jenks, age 61, serves as a Director of the Bank. He earned a Bachelor of Science degree in Business Management from the University of Oregon in 1981. In 1984, Mr. Jenks joined his father at Jenks Hatchery, Inc., a family agribusiness since 1910. Mr. Jenks has served on local boards of directors including the YMCA, Linn County Fair Board, Rotary, Oregon Poultry Industries Association and Oregon Seed Growers League. He is a past president of his Rotary Club and the Oregon Poultry Industries Association. He also served on the Oregon Fryer Commission. Currently, Mr. Jenks is chairman of the Albany Boys and Girls Club foundation and past chairman of the Samaritan Albany General Hospital foundation. Mr. Jenks resides in Albany.

Kerry Johnson, age 58, serves as a Founding Director of the Bank and has been Chairman of the Board since 2008. Ms. Johnson is the Business Manager for Douglas M. Johnson, DMD, a general dentist with offices in Albany and Scio, and has more than 30 years of experience in the healthcare industry. Ms. Johnson was appointed by Executive Order of the Governor of the State of Oregon to the Oregon Racing Commission, where she served as Chairman. Ms. Johnson is a Past Chair of the Commission Budget/Hub fund and ADW Sub Committees, serving two terms. Additionally, Ms. Johnson is a member of the Linn County Fair Board, for which she served as Chairman, and currently serves on the Bio-Security subcommittee. She is also past Chair of the Linn County Expo Advisory Committee, having been appointed by the Linn County Commissioners. She is a lifelong resident of Scio. Ms. Johnson has served on every standing committee of the Bank during her tenure.

R. Bryan Webber, age 52, serves as a Founding Director of the Bank. He is the President of Bryan Webber Farms, Inc. and has been in the farming industry for 31 years. He farms grass seed, specialty seeds, and hazelnuts in Linn, Benton and Polk counties. He has a grass seed processing facility from which he ships grass and vegetable seeds worldwide. He has lived in the local trade area of Benton County all his life.

Timothy R. McQueary, age 75, serves as a Director of the Bank and Vice Chairman of the Board. He is a native Oregonian and has lived in Linn County since 1952. He retired as a Department Manager from ATI Wah Chang after 37 years. Mr. McQueary has served on many local boards and commissions including Governor's Commission on Senior Services, Cascade West Council of Governments, Community Health Clinics of Benton and Linn Counties, Public Transit Advisory Committee, Linn County Fair Board and Rural Development Initiatives. He also served on the Sweet Home City Council as councilor and two terms as Mayor. Mr. McQueary resides in Sweet Home.

PROPOSAL 2: RATIFICATION OF THE APPOINTMENT OF INDEPENDENT AUDITORS

The Board of Directors has appointed the firm of Moss Adams LLP, the Bank's certifying accountants for the year ended December 31, 2019, to act in such capacity for the fiscal year ending December 31, 2020. The Board of Directors recommends that shareholders vote in favor of ratification of such appointment. There are no affiliations between the Bank and Moss Adams LLP, its partners, associates or employees, other than those which pertain to the engagement of Moss Adams LLP in the previous year (i) as independent auditors for the Bank, and (ii) for certain tax advice and tax planning services. A representative of Moss Adams LLP will be present at the annual meeting to respond to questions from shareholders regarding their independence and matters relating to the audit of the Bank's financial statements. The Board of Directors will consider the results of the shareholder vote on this proposal and, in the event of a negative vote, will reconsider its selection of Moss Adams LLP. However, the Board of Directors is not bound by the shareholder vote.

Even if Moss Adams LLP's appointment is ratified by the shareholders, the Board of Directors may, in its discretion, appoint a new independent registered public accounting firm at any time if it determines that such a change would be in the best interests of the Bank and its shareholders.

If a quorum is present at the annual meeting, a majority of the votes cast, in person or by proxy, is necessary to approve this second proposal.

Our Board of Directors unanimously recommends that you vote "FOR" the proposal to ratify the appointment of the Bank's independent auditors.

If you return a signed proxy sheet, the proxy holders will vote "FOR" the proposal to ratify the appointment of the Bank's independent auditors, unless you instruct them to vote otherwise.

PROPOSAL 3: ADJOURNMENT AS DETERMINED BY THE CHAIR

The Board of Directors has proposed that the shareholders approve the authority of the Chair to adjourn the meeting in her discretion as an explicit grant of shareholder support for such actions should they become necessary or appropriate. The meeting may be adjourned by the Chair for a variety of reasons, including but not limited to the failure to obtain a quorum, disruptive attendees, safety emergencies or in other unforeseen circumstances. While the Chair has authority call for such adjournment absent shareholder approval, the Board of Directors recommends that the shareholders vote in favor of an explicit grant of such authority. The Board of Directors will consider the results of the shareholder vote on this proposal, though even if the proposal for adjournment is not approved by the shareholders, the Chair, or shareholders present at the meeting, may determine without such approval to adjourn the meeting at any time.

This proposal will be approved by a majority of the votes cast, regardless of whether or not a quorum is present, in person or by proxy.

Our Board of Directors unanimously recommends that you vote “FOR” the proposal to adjourn the meeting if determined necessary or appropriate by the Chair.

If you return a signed proxy sheet, the proxy holders will vote “FOR” the proposal to adjourn the meeting if determined necessary or appropriate by the Chair, unless you instruct them to vote otherwise.

SECURITY OWNERSHIP OF MANAGEMENT AND CERTAIN SHAREHOLDERS

The following table sets forth information regarding beneficial ownership of our common stock by:

- each of our directors; and
- all our directors and executive officers, as a group.

Under the rules of the Securities and Exchange Commission, beneficial ownership includes voting or investment power that is sole or shared and shares that will vest within sixty (60) days of the record date. The following table sets forth information regarding beneficial ownership based on 1,857,955 shares of our common stock outstanding as of February 25, 2020 the record date. Unless otherwise noted, the address for each of the officers and directors listed below is the same as our address, 333 Lyon Street SE, Albany, Oregon 97321.

Name	Position	Number of shares beneficially owned	Percentage of total shares outstanding
James E. Green	Director	1,112	0.06%
Kent Hickam	Director	15,939 ⁽¹⁾	0.86%
Kerry A. Johnson	Director, Chairman	57,063 ⁽²⁾	3.07%
Timothy R. McQueary	Director, Vice-Chairman	5,759 ⁽²⁾	0.31%
D. Thomas Ordeman	Director	2,624 ⁽²⁾	0.14%
John Jenks	Director	5,841 ⁽²⁾	0.31%
R. Bryan Webber	Director	18,972 ⁽²⁾	1.02%
William Joseph LeBlanc	Director	1,112	0.06%
Selma I. Starns	Director Emeritus	49,147 ⁽³⁾	2.65%
Joan Reukauf	Director, President, Chief Executive Officer	2,101	0.11%
		159,670	8.59%

Notes to beneficial ownership table:

- (1) Includes shares held in the Hickam Family Trust, for which Mr. Hickam serves as trustee.
- (2) Includes shares held jointly with spouse.
- (3) Includes shares held in trust for which Mrs. Starns serves as Trustee and custodial account for which Mrs. Starns serves as custodian.

There are no persons known to us that beneficially own more than five percent (5%) of our common stock except as set forth below:

Name	Number of shares beneficially owned	Percentage of total shares outstanding
Aetos Capital	122,223	6.66%
Commerce Street Capital	173,889	9.36%
Strategic Value Bank Partners LLC	179,926	9.80%

MANAGEMENT

Director and Executive Officer Compensation

The core of Willamette Community Bank's director and executive officer compensation philosophy and practice continues to align real pay delivery with performance. The Bank's directors and executive officers are compensated in a manner consistent with Willamette Community Bank's business strategy, competitive practice, and sound corporate governance principles. Director fees are a fixed amount each month and reviewed periodically by the Compensation Committee with recommended changes voted upon by the full Board. Executive Officer compensation is based on a competitive annual compensation metric and includes performance-based cash incentive bonus payouts. The table below shows a 5-year summary of aggregate compensation for both directors and executive officers.

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Directors	\$63,600	\$96,000	\$100,000	\$144,600	\$218,000
Exec. Officers ⁽¹⁾	\$507,908	\$533,381	\$549,712	\$520,514	\$575,033

(1) Executive Officers include the CEO, CFO, CCO, and CCO/Senior Operations Officer

Board Committees and Meetings

The Bank expects all members of the Board of Directors to attend all meetings, including the annual meeting, except for reasons of health or special circumstances. All directors attended at least 75% of the regularly scheduled monthly meetings of the Board of Directors during 2019.

The Board of Directors maintains a standing Executive Committee, Audit Committee, Asset-Liability Committee, Loan Committee, Compensation Committee, Planning and Budgeting Committee, and Nominating Committee.

The Audit Committee consists of Chairperson John Jenks, Kent Hickam, and James E. Green. This committee is responsible for the review of the report of each examination performed by regulatory authorities and internal and external audits; reporting to the Board of Directors of criticisms and suggestions contained in those reports of examination; comments on any examination matters pertaining to the affairs of the Bank, which in its judgment should be known to the Board of Directors; evaluation and recommendation of independent accountants engaged for audit purposes; and other audit related matters.

The Asset-Liability Management Committee consists of Chairperson James E. Green, Kent Hickam and William Joseph LeBlanc and is responsible for setting and monitoring the asset-liability policy and the Interest Rate Risk policy and monitoring and reviewing the overall asset-liability program of the Bank. This

committee also is responsible for establishing and monitoring the investment policy that governs the operation of the Bank's investment activities. These activities are accomplished by monitoring and reviewing all activities undertaken in the Bank's investment portfolio. This committee is also charged with the responsibility for oversight of the Bank's capital management and liquidity management functions.

The Executive Committee consists of the eight Chairs of the other standing committees and the Chief Executive Officer. The Executive Committee provides general oversight of all Board of Directors functions and is primarily responsible to ensure that appropriate corporate governance procedures and processes are properly established and implemented. The committee also serves as an *ad hoc* committee to address extraordinary issues that may arise from time to time that require Board of Directors attention.

The Compensation Committee consists of Chairperson William Joseph LeBlanc, Timothy R. McQueary and Kerry Johnson. The Compensation Committee is responsible for matters pertaining to compensation of Directors, the performance review and compensation of the President/CEO, and employment offers to Senior Management.

The Loan Committee is responsible for establishing and monitoring the loan policies that govern the operation of the Bank's lending program. This committee consists of Chairperson R. Bryan Webber, William Joseph LeBlanc, Kerry Johnson and John Jenks. The Loan Committee has loan approval authority for all credits of the Bank and delegates certain approval and review authority to certain officers and lending staff. The Loan Committee monitors the overall risk and performance of the loan portfolio and provides independent, objective oversight of the Bank's credit administration.

The Nominating Committee consisting of Chairperson D. Thomas Ordeman, Tim R. McQueary, and Kerry Johnson, recommends the director nominees to be presented for election by the shareholders and screens and recommends qualified candidates for Board of Directors membership. A majority of the members of the committee are independent. The committee seeks to identify potential candidates for membership on the Bank's Board of Directors through conversations with members of the Board of Directors, senior management and other members of the community served by the Bank.

The Planning and Budgeting Committee consists of Chairperson Kent Hickam, Kerry Johnson, Timothy R. McQueary, R. Bryan Webber, James E. Green and D. Thomas Ordeman and is responsible for recommending financial policies, goals, and budgets that support the strategic goals of the Bank. The committee also reviews the Bank's financial performance against its goals and proposes major transactions and products to the Board of Directors.

Transactions with Management

It is the policy of the Bank to encourage our directors and officers to bring their personal banking business as well as the banking business of their related companies to the Bank. Accordingly, from time to time, some of the directors and officers of the Bank, members of their immediate families, and firms and corporations whom they are associated with do business with us in ordinary banking transactions, such as borrowings and investments in time deposits. We make these transactions in the ordinary course of business, on substantially the same terms, including interest rates paid or charged and collateral required, as those prevailing at the time for comparable transactions with unaffiliated persons. Loans to directors and executive officers do not involve more than the normal risk of collectability or have other features that would be disadvantageous to the Bank. All future transactions with officers, directors and shareholders holding 5% or more of our stock must be on terms no less favorable to us than could be obtained from third parties. Regulation O of the Federal Reserve Act governs all loans to executive officers, directors and principal shareholders, and compliance with this regulation is mandatory for the Bank and all other insured depository institutions. We maintain a thorough process for assuring that any and all loans to these individuals and entities affiliated with them are compliant with all applicable regulations, and we are aware of no circumstance in which any such loan is in material violation of or noncompliance with such regulations. At December 31, 2019, the aggregate amount of loans outstanding to or guaranteed by all directors, as a

group, was \$268,169.92, or 1.35% of equity capital. As of the record date, all these loans were in good standing and were being paid in accordance with their terms.

Limitation of Director Liability

The Bank's articles of incorporation provide, among other things, for the elimination of certain liabilities of directors for monetary damages for his/her conduct as a director unless precluded by Oregon law. A director will not be personally liable to the Bank or its shareholders for monetary damages arising out of that director's breach of his or her fiduciary duty of care, except to the extent that Oregon law does not permit exemption from such liabilities. A director remains potentially liable for monetary damages for: (a) any breach of the director's duty of loyalty to the Bank or its shareholders; (b) acts or omissions which involve intentional misconduct or a knowing violation of law; or (c) any transaction from which the director received a benefit in money, property or services, to which the director was not legally entitled.

Indemnification of Directors and Officers

Our articles of incorporation also provide that the Bank will indemnify any officer or director if he or she has been successful on the merits, or otherwise, in the defense of any action, suit or proceeding to which that person is a party by reason of the fact that he or she was a director or officer. Additionally, the articles of incorporation provide that each officer or director shall be indemnified for expenses, judgments and settlements in the case of actions other than those brought by or in the name of the Bank, even though the director or officer was not successful in his defense if he or she acted in good faith, did not engage in intentional misconduct and, with respect to a criminal action or proceeding, did not know his or her conduct was unlawful. The Board also may adopt or approve contractual limitations on liability and contractual indemnification obligations and may maintain insurance to protect against risks of actual or threatened actions relating to such matters. Subject to certain limitations on indemnification payments to directors and executive officers, however, the Bank intends to assume substantially all responsibility for actions taken against directors and officers and arising or alleged to have arisen out of their positions as such.

COST OF ANNUAL MEETING AND SOLICITATION OF PROXIES

We will pay the expenses associated with the annual meeting and with preparing, assembling, printing, and mailing this Proxy Statement and the materials used for the solicitation of proxies to be voted at the annual meeting. In addition to soliciting proxies through the mails, directors, officers, and other employees of the Bank may solicit proxies in person, by telephone, or by facsimile. None of these persons will receive additional compensation for their efforts during this solicitation but may be reimbursed for out-of-pocket expenses incurred in connection with the solicitation. After the original mailing of the Proxy Statement and other solicitation materials, we request that brokers, custodians, nominees, and other record holders of our common stock forward copies of the Notice, this Proxy Statement, the proxy sheet, and other solicitation materials to beneficial owners for whom they hold shares.

SHAREHOLDER PROPOSALS

The Bank's Bylaws provide for a process whereby shareholders may submit proposals for consideration at our annual shareholder meetings, and whereby a shareholder may nominate candidates for election to the Board of Directors. The process for nominating a director is substantially the same as for proposing any other item of business for consideration, and compliance with this process is mandatory: even seemingly insignificant deviations from the policy will result in rejection or disqualification of the proposal. The terms of these requirements are specified in the Bylaws, and shareholders considering a proposal are encouraged to request a copy of our Bylaws from our Corporate Secretary, Shelly Ortiz, at Willamette Community Bank, P.O. Box 927, 333 Lyon Street SE, Albany, OR 97321, or by telephone at 541-971-4307.

This paragraph provides a brief summary of these requirements, but the summary is not complete, and because strict compliance is mandatory for shareholder submissions, you should refer to the precise language of our Bylaws before making a submission. To summarize briefly, in order to nominate a candidate for election to the Board, or to propose an item of business for submission to the shareholders for

consideration, a shareholder must provide a written notice to the Bank's corporate secretary within a specific time period. That period is measured based on the anniversary date of our most recent previous annual shareholder meeting, and the earliest date for a timely submission is the day that is 120 days prior to the first anniversary of our most recent prior annual meeting. The latest permissible date is the day that is 90 days prior to the anniversary of that annual meeting. Note that these deadlines are not adjusted to give effect to holidays: if the earliest date, as so computed, falls on a weekend or a holiday, then the earliest permissible date is the following business day. Likewise, if the latest permissible date falls on a weekend or holiday, then the latest permissible date is the last business day prior to the date as so computed. A shareholder's notice shall set forth: (i) a brief description of each matter desired to be brought before the annual meeting and the reason for conducting such business at the meeting, (ii) the name and address of the shareholder proposing such business, (iii) the class and number of shares of stock of the Bank which are beneficially owned by the proposing shareholder, (iv) any material interest of the shareholder in the business, and (v) as for each person whom the shareholder proposes to nominate for election or re-election as a director (1) the name, age, business address, and residence address of such person, (2) the principal occupation or employment of such person, (3) the class and number of shares of stock of the corporation that are beneficially owned by such person, (4) the proposed nominee's written consent, and (5) any other information relating to such person that is required to be disclosed or is otherwise required by any applicable law.

The Board will not accept more than one proposal or nominee from any shareholder or group of shareholders in any 12-month period. Proposals are limited to 500 words and may not include (i) matters in which the proposing shareholder has a personal grievance or that furthers his or her personal or business interest; (ii) matters that relate to the management of the Bank's ordinary business operations; or (iii) matters that violate, or that if adopted would cause the Bank to violate, any law or regulation. A shareholder proposal that is accepted for consideration at an annual meeting will not be considered unless the propounding shareholder is personally in attendance or, in the case of an entity shareholder, unless a bona fide executive officer, manager, trustee or similar official is personally in attendance, in each case both at the time of commencement of the annual meeting and at the time the proposal is to be introduced for consideration.

AVAILABILITY OF AUDITED FINANCIAL STATEMENTS TO SHAREHOLDERS

A copy of our audited financial statements for the year ended December 31, 2019 can be found on our website at www.willamettecommunitybank.com. You may obtain additional copies of the Annual Report by writing to Shelly Ortiz, Corporate Secretary, Vice President and Senior Operations Officer, Willamette Community Bank, P.O. Box 927, 333 Lyon St. SE, Albany, Oregon 97321, or by telephone at 541-971-4307. Our audited financial statements were prepared by Moss Adams LLP.

OTHER BUSINESS

We are not aware of any other matters to be brought before the shareholders at the annual meeting. In the event other matters are presented for a vote at the annual meeting or any postponement or adjournment thereof, the proxy holders will vote them in their discretion in accordance with their judgment on such matters.

BY ORDER OF THE BOARD OF DIRECTORS



Kerry Johnson,
Board Chairman