



November 6, 2020

Dear Shareholders,

The Board of Directors of Willamette Community Bank (“*WCB*”) is pleased to announce that it has unanimously approved a definitive agreement dated November 5, 2020 with People’s Bank of Commerce, headquartered in Medford, Oregon (“*PBOC*”) whereby *WCB* will merge with and into *PBOC* (the “**Merger**”) with *PBOC* as the resulting bank. At the time the merger is completed, shareholders of *WCB* will receive a combination of stock and cash valued at approximately \$14.9 million based on the trading price of *PBOC* stock on November 5, 2020.

*PBOC* has \$500 million in assets and six branches in Medford, Ashland, Grants Pass, Klamath Falls and Central Point, Oregon. Combined, we will have approximately \$700 million in assets and nine branch offices. *WCB* Chief Executive Officer Joan Reukauf will become Executive Vice President/Chief Operating Officer and Area President of the Willamette Valley Region of *PBOC*. Three *WCB* directors will join the board of directors of *PBOC* after the merger.

We are excited about this combination because our two banks share similar cultures and together provide additional scale and efficiencies to better compete in today’s ever-changing financial services industry. We are excited about this opportunity to grow and diversify our franchise and footprint, and we believe the transaction affords excellent opportunities for our shareholders, customers and employees.

The Merger is subject to customary approvals from regulators and both banks’ shareholders and is expected to close as early as late first quarter of next year. In the future, shareholders will receive a detailed proxy statement which will describe the proposed Merger, give you additional information concerning *PBOC* and the proposed Merger, and notify you of the date for our shareholder meeting to vote on the Merger.

Enclosed for your reference is a copy of the joint news announcement regarding the Merger. Please feel free to call us directly with any questions. We sincerely appreciate the continued support of our loyal shareholders.

Sincerely,

A handwritten signature in black ink that reads "Joan Reukauf".

Joan Reukauf  
Chief Executive Officer

A handwritten signature in black ink that reads "Kerry Johnson".

Kerry Johnson  
Chairman



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