



**1528 Biddle Road
Medford, Oregon 97504**

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To Be Held April 22, 2020

To the Shareholders of People's Bank of Commerce:

The annual meeting of the shareholders of People's Bank of Commerce (the "Bank") will be held at **Rogue Valley Country Club, 2660 Hillcrest Road, Medford, Oregon** at 2:00 p.m. on Wednesday, April 22, 2020. At the meeting, shareholders will act on the following matters:

1. Election of three directors to serve three-year terms until the 2023 annual meeting and until their successors have been elected and qualified:
 - Robert W. Mayers
 - James E. Teece
 - William C. St. Laurent
2. Ratification of the appointment of Moss Adams LLP as the Bank's independent public accountants for the fiscal year ending December 31, 2020;
3. Amendment of Article IV of the Restated Articles of Incorporation to increase the number of authorized shares from 4,000,000 to 6,000,000; and
4. Transaction of such other business as may properly come before the meeting or any adjournments thereof.

These matters are more fully described in the Proxy Statement, which follows. Only holders of shares of People's Bank of Commerce common stock at the close of business on March 2, 2020, will be entitled to notice of, and to vote at, this annual meeting, and any and all adjournments thereof.

All shareholders will receive a proxy notice in the mail or by email if you have elected that option with a broker. Whether you plan to attend the shareholders' meeting or not, your vote is important. Please vote your shares online, by telephone or by mail today.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ Russell E. Milburn, Corporate Secretary

March 13, 2020
Medford, Oregon

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**1528 Biddle Road
Medford, Oregon 97504**

**PROXY STATEMENT
For the Annual Meeting of Shareholders to be held
April 22, 2020**

This proxy statement contains information related to the annual meeting of the shareholders of People's Bank of Commerce ("Bank") to be held on Wednesday, April 22, 2020, beginning at 2:00 p.m., at **Rogue Valley Country Club, 2660 Hillcrest Road, Medford, Oregon.**

We have prepared and made available this proxy statement to provide you with important information about the business to take place at the meeting. We are providing this information so that you will be fully informed when you vote your shares.

If you owned shares of common stock of record as of March 2, 2020, you may vote at the annual meeting. To have a quorum to conduct business, there must be a majority of the outstanding shares represented at the meeting, in person or by proxy. An abstention from a given matter will not affect the presence of the shares as to determination of a quorum.

The Board of Directors is soliciting proxies to be used at the meeting. You do not need to attend the meeting to vote your shares. Instead, you may simply vote your shares online, by telephone or by mail as instructed on the proxy notice received from the Bank or from your broker. You may still attend the meeting even if you have submitted a revocable proxy.

The cost of this proxy solicitation will be borne by the Bank. The Bank does not expect to pay any compensation for the solicitation of proxies, but may reimburse brokers and other persons holding stock in their names, or in the names of nominees, for their expenses in sending proxy material to principals and obtaining their proxies. In addition to solicitation of proxies by mail, telephone and email, the Bank may also use its directors, officers and regular employees to solicit proxies from shareholders, either in person or by telephone, electronically, or mail, without extra compensation.

People's Bank of Commerce expects to first make this Proxy Statement, accompanying Form of Proxy, Notice of Annual Meeting of Shareholders and Annual Financial Report available to shareholders on or about March 13, 2020.

Please follow the instructions on the proxy notice to vote your shares, even if you plan to attend the meeting.

VOTING AT THE MEETING

What is the purpose of the annual meeting?

At the Bank's annual meeting, shareholders will be asked to (1) elect three directors to serve for three year terms, (2) ratify the appointment of the Bank's independent public accountants, (3) amend the Restated Articles of Incorporation to increase the number of authorized shares of common stock, and (4) transact other business that properly comes before the meeting. In addition, the Bank's management will report on the performance of the Bank during the year ended December 31, 2019, current operations and trends, and respond to questions from shareholders.

Who is entitled to vote?

Only shareholders of record at the close of business on March 2, 2020 (the "Record Date"), are entitled to receive notice of the annual meeting and to vote shares held on that date at the meeting, or any postponement or adjournment of the meeting. Each outstanding share entitles its holder to cast one vote on each matter to be voted upon.

Who can attend the meeting?

All shareholders as of March 2, 2020 (the "Record Date"), or their duly appointed proxies, may attend the meeting, and each may be accompanied by a guest.

What constitutes a quorum?

The presence at the meeting, in person or by proxy, of the holders of a majority of the shares of common stock outstanding on the Record Date will constitute a quorum, permitting the Bank to conduct its business. If you come to the meeting or submit a proxy, but you abstain from voting on a given matter, we will still count your shares as present for determining a quorum. As of March 2, 2020, the Bank had 3,264,513 shares of common stock outstanding. Proxies received, but marked as abstentions and broker non-votes are counted only for purposes of determining whether a quorum is present at the meeting.

Voting by proxy

You do not have to attend the meeting. You may vote your shares by revocable proxy if you wish. The Bank, or your broker, mailed you a proxy notice with instructions on how to view proxy material online or request a copy by mail. The notice also contains a control number and instructions for voting. Have your proxy notice with you when you vote by any of the following methods:

- Vote online at www.proxyvote.com or
- Vote by telephone at 1-800-579-1639 or
- Vote by mail by requesting a paper copy of the proxy materials which includes a proxy card and instructions.

You MAY NOT use your notice to vote.

You may vote your shares, following the instructions on the proxy notice, to indicate your vote on the matters presented at the meeting. The individuals whose names appear on the proxy will vote your shares as you instruct.

If you submit a revocable proxy with no instructions, the named proxy holders will vote your shares in favor of the Board's nominees for directors, in favor of the ratification of the appointment of the independent auditors, and in favor of the Amendment to Article IV of the Restated Articles of Incorporation to increase the authorized shares. In addition, the named proxy holders will vote in their discretion on such other matters that may be considered at the shareholders meeting. The Board of Directors has named James M. Wright and William M. Jacobs, Jr., the proxy holders, to vote the proxies

being solicited by the Board of Directors. Their names appear on the revocable proxy 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.

Revoking a proxy

You may revoke your proxy at any time before the vote is taken at the meeting. If you are a registered shareholder, you may revoke your proxy by submitting a revocable proxy bearing a later date or by notifying Russell E. Milburn, Corporate Secretary of People's Bank of Commerce, personally, in writing, or by mail, of your wish to revoke your proxy. You may also revoke your proxy by oral request if you are present at the meeting. If your shares are held by a Bank, broker or other nominee holder (in "street name") you may not change your vote or revoke your proxy at the 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 meeting even if you have submitted a revocable proxy. You should be aware that simply attending the meeting will not, of itself, revoke a proxy.

How we count votes

The named 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, 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.

Counting votes in the election of directors

Directors are elected by a plurality of votes, which means that the nominees that 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.

Counting votes on other matters

To approve the ratification of the appointment of independent auditors, more votes must be cast in favor of the proposal than votes cast against, regardless of the number of votes cast. Therefore, an abstention or broker non-vote will have no effect on the outcome of the vote on the proposal.

To approve the Amendment to Article IV of the Restated Articles of Incorporation, more than 50% of the outstanding shares must vote in favor of the change. In this case, an abstention or a broker non-vote will count the same as a no vote.

What if I do not mark my proxy?

If you submit a proxy without giving voting instructions, the named proxy holders will vote your shares in their discretion. Those individuals named on the proxy intend to vote for the Board of Directors' nominees for director, for the proposed ratification of the appointment of the independent auditors, for the Amendment to Article IV of the Restated Articles of Incorporation and in their discretion with respect to any other matter that properly comes before the meeting.

How many shares do directors and officers own?

As of March 2, 2020, directors and executive officers of the Bank beneficially owned 1,444,715 shares, constituting 44.26% of total shares outstanding. Of these shares, 1,424,190 or 43.63% of total

shares outstanding are entitled to vote at the meeting. We expect all directors and executive officers to vote for the Board's nominees for directors, vote in favor of the ratification of the appointment of independent auditors, and to vote in favor of the Amendment to Article IV of the Restated Articles of Incorporation.

BUSINESS OF THE MEETING

Agenda Item 1: Election of Directors

At the meeting, we will ask you to vote on the election of three directors who are up for re-election in 2020. Our Restated Articles of Incorporation currently provide for a Board of Directors consisting of not less than seven and not more than fifteen directors, with the exact number determined from time to time by resolution of the Board of Directors. As a result of William M. Jacobs, Jr. upcoming retirement from the Board, our Board of Directors will consist of nine directors immediately following the meeting.

Our Restated Articles of Incorporation also provide for staggered terms, with one-third of the directors elected each year. The three persons named below have been nominated to serve on the Board of Directors for three-year terms and if elected will serve until the 2023 annual meeting and until their successors are elected and qualified. All nominees currently serve as members of the Board and were elected at the 2019 Annual Meeting of Shareholders.

- Robert W. Mayers
- James E. Teece
- William C. St. Laurent

Directors are elected by a plurality of the votes cast by holders of common stock on the Record Date, March 2, 2020, present in person or represented by proxy at the annual meeting. Shareholders have one vote for each director to be elected for each share they hold. Shareholders do not have cumulative voting rights with respect to the election of directors.

The proxy holders named on the accompanying proxy, unless otherwise instructed, intend to vote all of the shares they represent as proxies for each of the nominees named herein. Although it is not contemplated that any director nominee will decline or be unable to serve, if either occurs prior to the annual meeting, the Board of Directors may select a substitute nominee.

Your Board of Directors recommends a vote FOR the election to the Board of each of the nominees.

The director nominations included in this proxy statement were unanimously adopted and approved by the Board of Directors.

Set forth on the following pages are brief summaries of the background and business experience, including principal occupations, of each of the directors:

Robert W. Mayers, age 69, has served as a director since 2004. Mr. Mayers serves on the Bank's Governance and Compensation Committee. He is currently the managing member of Mayers5, LLC, a development company. Mr. Mayers previously served as Chief Executive Officer for Adroit Construction based in Ashland, Oregon until 2018. He was a partner at Adroit from 1981 to 2018 and in the construction industry since 1971. Mr. Mayers was recognized by the Ashland Rotary with the "Outstanding Business Person of the Year" award. He is the chair of the Asante Foundation and sits on the board of trustees for the Ashland YMCA, chairing their annual Scholarship for Kids Campaign. He

also sits on the board of directors for the Rogue Valley Manor and Pacific Retirement Systems, as well as being a past chair of the Medford Chamber.

William C. St. Laurent, age 55, has served as a director since 2017. Mr. St. Laurent serves on the Bank's Governance and Compensation Committee. Mr. St. Laurent is founder and chairman of the board of True Bearing Diagnostics in Washington, D.C., a biotech research company and SeqLL, Inc. a manufacturer of genetic sequencers based in Woburn, Massachusetts. He is also the founder of St. Laurent Land & Cattle Co., Inc., based in Eagle Point, Oregon, which raises beef with no hormones or antibiotics and has 125 acres of vineyards in production. Mr. St. Laurent is CEO of St. Laurent Properties, LLC in Orlando, Florida, and Vancouver, Washington; president of Consolidated Forest Products, Inc., in Perry, Florida, and American Mulch & Groundcover, LLC in Central Florida. He is president and board member for St. Laurent Institute in Vancouver, Washington. Mr. St. Laurent served as vice-chairman of Western Bank from 1989 until the bank sold in 1996. Heavily involved in community and charitable work, St. Laurent is currently Treasurer for the Florida Lacrosse Association and Braveheart Lacrosse Club, where he occasionally coaches youth lacrosse, as well as a board member for the St. Laurent Family Foundation. Mr. St. Laurent earned his Bachelor of Science degree from Cornell University in 1986.

James E. Teece, age 56, was appointed to the Board of Directors in August 2016 and serves on the Asset/Liability Committee. Mr. Teece is the President, CEO and co-founder of Project A, Inc. a custom software development business, which provides comprehensive web and mobile solutions for clients around the world. He is also the President and CEO of Ashland Home Net in Ashland, Oregon, a community-based internet service provider and Chief Technology Officer and co-founder of Art Authority, LLC, as well as creator of Ashland TV 20, Rogue Broadband, and a multitude of other specialized technology projects. Mr. Teece currently serves on the board of directors for the Jackson County Fair and Expo, Southern Oregon University Foundation and Northwest Telecommunications Association. His former board appointments have included the Ashland Independent Film Festival, Ashland Chamber of Commerce, the Southern Oregon Telecommunications and Technology Council, and Software Association of Oregon, Southern Oregon Region. Additional board service included Asante Foundation, Jefferson Public Radio, and Software Association of Oregon.

Compensation of Directors

During 2019, the chairman of the board of directors received a retainer of \$1,500 per month. The chairs of the governance committee and the audit committee received a retainer of \$800 per month. All other non-employee directors received a retainer of \$600 per month. Additionally, all non-employee directors received \$350 for each board meeting and \$150 for each committee meeting attended.

Non-employee directors were eligible for grants of stock options or restricted stock under the 2017 Stock Incentive Plan. Option grants generally vest in installments, have a ten-year term and permit the holder to purchase shares at their fair market value established on the date of the grant. Restricted stock grants vest over 5 years. Directors are entitled to vote restricted shares that have not vested. In 2015 the Bank adopted a phantom stock plan that acts similarly to the restricted stock plan, but with no shareholder dilution. There were no grants of Phantom Stock to directors in 2019.

Board Committees and Meetings

The Board of Directors held 10 regular meetings in 2019. Each director attended at least 75% of those regular meetings.

The Board of Directors has established the following committees:

Audit Committee:

Chairman – Roy Vinyard, Jackie Anderberg, Kurt Kaufman, Bill Jacobs and Jim Wright.

Asset/Liability Committee:

Chairman – Russ Milburn, Jeri Reno, Steve Erb, Ken Trautman, John Boyd, Bill Jacobs, Jim Teece, Jim Wright, and Lindsay Berryman.

Governance & Compensation Committee:

Chairman – Jim Wright, Jackie Anderberg, Bill Jacobs, Roy Vinyard, William St. Laurent, and Bob Mayers.

Security Ownership of Management and Certain Shareholders

The following table sets forth the number of shares that each director and executive officer beneficially owns as of March 2, 2020, and the directors and executive officers as a group. The numbers indicate shares held directly with sole voting and investment power, unless otherwise indicated.

	Beneficial Ownership (1)	
Kurt Kaufman (7)	542,481	16.62%
William C. St. Laurent (12)	512,486	15.70%
Ken Trautman (14)	116,343	3.56%
Bill Jacobs (6)	52,135	1.59%
Russ Milburn (9)	30,937	0.95%
Jim Wright (16)	25,594	0.78%
Jeri Reno (11)	26,221	0.80%
Roy Vinyard (15)	21,237	0.65%
Bob Mayers (8)	22,423	0.69%
John Boyd (3)	16,684	0.51%
Steve Erb (4)	14,409	0.44%
Lindsay Berryman (2)	12,286	0.38%
Jim Teece (13)	5,118	0.16%
Jackie Anderberg (5)	11,208	0.34%
Julia Beattie (10)	18,616	0.57%
Bill Stewart (17)	16,537	0.51%
Officers and Directors (16 persons)	1,444,715	44.25%

(1) Beneficial ownership includes shares that are individually or jointly owned, shares allocated in the bank's ESOP Plan, as well as shares over which the individual has either sole or shared investment or voting authority. May include shares owned by spouse or shares over which spouse has sole or shared investment or voting authority. Certain directors and executive officers disclaim beneficial ownership of some of the shares included in the table.

- (2) No options are exercisable for Ms. Berryman.
- (3) No options are exercisable for Mr. Boyd.
- (4) No options are exercisable for Mr. Erb.
- (5) No options are exercisable for Ms. Anderberg.
- (6) 6,058 options are exercisable and included in the number of shares beneficially owned for Mr. Jacobs.
- (7) No options are exercisable for Mr. Kaufman.
- (8) No options are exercisable for Mr. Mayers.
- (9) No options are exercisable for Mr. Milburn.
- (10) No options are exercisable for Ms. Beattie.
- (11) No options are exercisable for Ms. Reno.
- (12) No options are exercisable for Mr. St. Laurent.
- (13) No options are exercisable for Mr. Teece.
- (14) No options are exercisable for Mr. Trautman.
- (15) No options are exercisable for Mr. Vinyard.
- (16) 6,058 options are exercisable and included in the number of shares beneficially owned for Mr. Wright.

(17) No options are exercisable for Mr. Stewart.

The following are the only persons or entities known to the Bank to have been the beneficial owners of more than five percent of the Bank's common stock as of the Record Date, March 2, 2020:

<u>Name and Address</u>	<u>Number of Shares Beneficially Owned*</u>	<u>Percent of Shares Outstanding *</u>
Kurt Kaufman	542,481	16.62%
Kaufman Bank Stock Trust		
4999 Santa Barbara Dr.		
Medford, OR 97504		
Craig D. Horton		
Lawrence S. Horton & Julia Ann Horton Revocable Trust	315,195	9.66%
1122 Spring Street, #318		
Medford, OR 97504		
William C. St. Laurent, Manager	512,486	15.70%
St. Laurent Investments, LLC		
120 NE 136 Ave, Suite 200		
Vancouver, WA 98684		
AllianceBernstein Financial Services Opportunities Fund	191,826	5.88%
1345 Avenue of the Americas		
New York, NY 10105		

* Beneficially owned includes shares subject to options exercisable within 60 days. Shares held directly unless otherwise indicated.

Certain Relationships and Related Transactions

People's Bank of Commerce has had, and expects to have in the future, banking transactions in the ordinary course of its business with directors, executive officers and principal shareholders of the Bank and the companies with which they are associated.

It is the policy of People's Bank of Commerce to encourage these persons to bring their personal banking business as well as the banking business of their related companies to the Bank to generate deposits and appropriate loans. At December 31, 2019, the aggregate balance of loans and loan commitments outstanding to or guaranteed by all principal shareholders, directors, their related interests, and executive officers, as a group, was \$541,251.

All loans and commitments to loan, included in such transactions, were made in the ordinary course of business. These loans are in compliance with applicable laws, at substantially the same terms, including interest rates, collateral and repayment terms, as those prevailing at the Bank at the time for comparable transactions with other persons. In the opinion of management, these loans did not involve more than the normal risk of collectability nor did they present any unfavorable features.

Executive and Employee Compensation

People's Bank of Commerce has designed its compensation to attract and retain the best officers and employees available. The Bank uses surveys specific to banking in the Northwest and other means to ascertain competitive compensation levels. In addition to salary, the Bank offers performance bonuses, a 401(k) plan, group health, life, vision and dental insurance to all employees. Additionally, stock options and restricted stock are available to executives and other key officers in order to align their interests with those of the shareholders. Stock options and restricted stock are granted at the discretion of the Board of Directors and vest over a 5-year period.

In 2017, the Bank instituted an Employee Stock Ownership Plan ("ESOP"). The ESOP is a qualified plan open to all employees. A contribution equal to 3% of the employees' income is made by the Bank to the ESOP. Previously, the 3% contribution was made to the 401(k) plan. The ESOP contribution replaces the 401(k) contribution. The trustees of the ESOP purchased 75,000 shares of People's Bank of Commerce common stock in 2017. The ESOP borrowed \$784,000 to make the purchase; paying 5.5% interest and making 60 monthly payments of principal plus interest. The Bank's 3% contribution is used to pay principal and an additional contribution is used to pay interest. As of January 2, 2020, the loan balance was paid in full.

Agenda Item 2: Ratification of the Appointment of Independent Auditors

The Board of Directors has selected the public accounting firm of Moss Adams LLP, the Bank's independent auditors for the year ended December 31, 2019, to act in such capacity for the fiscal year ending December 31, 2020, and 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. Moss Adams LLP has served as the Bank's independent auditors since the Bank opened in 1998.

Shareholder ratification of the selection of Moss Adams LLP as our independent auditors is not required by law, by our bylaws or otherwise. The Board of Directors is directly responsible for the appointment, compensation and oversight of the audit work and the independent auditors. The Board 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 is not bound by the shareholder vote.

Even if Moss Adams LLP's appointment is ratified by the shareholders, the Board 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. A representative of Moss Adams LLP may be present at the shareholders' annual meeting and, if present, will be afforded an opportunity to make a statement and/or respond to questions.

Audit Fees

During the year 2019, the Bank paid to Moss Adams LLP approximately \$70,000 for professional services rendered in connection with their audit of the Bank's financial statements.

Financial Information Systems Design and Implementation Fees

Moss Adams LLP performed no information systems design or implementation services for the Bank in 2019.

Rights Common Stock Offering

During 2019, the Bank paid Moss Adams LLP approximately \$7,500 to reviewing the offering circular for the Bank's common stock rights offering.

All Other Fees

During 2019, the Bank paid Moss Adams LLP approximately \$17,000 for work related to tax returns.

The Board of Directors has unanimously approved the appointment of the independent auditors and recommends that shareholders vote in favor of the ratification.

Agenda Item 3. Amendment to the Restated Articles of Incorporation

The Board of Directors has approved, and is recommending to shareholders, the adoption of an amendment to the articles of incorporation to increase the number of authorized shares of common stock from the current four million shares to six million shares. The amendment would cause no other changes in the rights and preferences of the authorized capital stock, nor any other change in the articles of incorporation. The current article and proposed amendment are at the bottom of this agenda item. The Board of Directors unanimously recommends a vote in favor of the proposed amendment.

There are currently four million shares of common stock authorized for issuance, of which 3,241,075 shares were issued and outstanding as of December 31, 2019, and 132,862 shares are reserved for issuance upon the exercise of outstanding awards under the 2010 Stock Incentive Plan and the 2017 Stock Incentive Plan.

As we have recently completed an offering of common stock to increase our capital, we currently have no plans for any further offering of additional shares. Nonetheless, the Board of Directors believes it appropriate to increase the authorized shares at this time in an amount that will provide available shares as may be needed to pursue other corporate transactions.

The proposed amendment would not alter the rights and preferences of any shares of capital stock we are authorized to issue and would not affect any other provisions of the Articles of Incorporation. Moreover, the proposed amendment would have no immediate economic impact on the Bank or our shareholders.

Current Article IV

ARTICLE IV: AUTHORIZED CAPITAL STOCK

*The corporation shall have the authority to issue up to **four million (4,000,000) shares** of capital stock. The capital stock shall consist of one class of common stock with a par value of \$5.00 ("Common Stock"), which shall have unlimited voting rights and which shall be entitled to receive the net assets of the corporation upon dissolution. Each share of Common Stock shall have the same preferences, limitations and relative rights as each other share. Holders of shares of Common Stock shall not be entitled to preemptive rights to acquire shares of the corporation.*

Proposed Article IV

ARTICLE IV: AUTHORIZED CAPITAL STOCK

*The corporation shall have the authority to issue up to **six million (6,000,000) shares** of capital stock. The capital stock shall consist of one class of common stock with a par value of \$5.00 ("Common Stock"), which shall have unlimited voting rights and which shall be entitled to receive the net assets of the corporation upon dissolution. Each share of Common Stock shall have the same preferences, limitations and relative rights as each other share. Holders of shares of Common Stock shall not be entitled to preemptive rights to acquire shares of the corporation.*

The Board of Directors has unanimously approved the proposed amendment and recommends that shareholders vote their shares in favor of the amendment recommendation of the Board.

Agenda Item 4. Other Matters

As of the date of this Proxy Statement, the Board of Directors knows of no other matters to come before the Annual Meeting. If other matters requiring shareholder vote arise at the meeting, the proxy holders will vote the shares in their discretion on any such matters.

SHAREHOLDER PROPOSALS

Proposals by shareholders which are intended to be presented at the Annual Meeting of Shareholders in the year 2021 must be received by the Secretary of People's Bank of Commerce on or before December 31, 2020, in order that they be included in the Proxy Statement and Form of Proxy.

By order of the Board of Directors,

/s/ Russell E. Milburn
Corporate Secretary

March 13, 2020