



**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► See attached document.

Horizontal lines for listing applicable Internal Revenue Code sections.

18 Can any resulting loss be recognized? ► See attached document.

Horizontal lines for providing information regarding resulting loss recognition.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► See attached document.

Horizontal lines for providing other necessary information for the adjustment.

**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 ► *Dave Kinross*

Date ► July 25, 2013

Print your name ► Dave Kinross

Title ► Senior Vice President, CFO

**Paid Preparer Use Only**

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ►	Firm's EIN ►		Phone no.	
Firm's address ►				

## ATTACHMENT TO FORM 8937

Central Valley Community Bancorp

***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.***

On July 1, 2013, Central Valley Community Bancorp (NASDAQ: CVCY), a bank holding company headquartered in Fresno, California, and the parent company of Central Valley Community Bank, acquired Visalia Community Bank (OTCBB: VSMU), which was headquartered in Visalia, California, in a forward triangular merger pursuant to which Visalia Community Bank merged with and into Central Valley Community Bank. In connection with the merger, each share of Visalia Community Bank common stock was converted into the right to receive 2.971 shares of Central Valley Community Bancorp common stock and \$26.00 in cash. Central Valley Community Bancorp issued an aggregate of approximately 1.263 million shares of its common stock and aggregate cash of \$11.050 million to Visalia Community Bank shareholders. Based on the closing price of Central Valley Community Bancorp common stock on June 28, 2013 of \$10.08 per share, the aggregate consideration to be paid to Visalia Community Bank common shareholders is approximately \$23.78 million.

***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.***

Because Central Valley Community Bancorp does not have information regarding the basis of former Visalia Community Bank stockholders in their Visalia Community Bank stock exchanged for Central Valley Community Bancorp stock, it does not know whether or to what extent such stockholders recognized gain relating to the receipt of cash and, therefore, it cannot state the quantitative effect of the transaction on the basis of Central Valley Community Bancorp stock now held by former Visalia Community Bank stockholders.

***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.***

Under Internal Revenue Code Section 358, the Central Valley Community Bancorp stock basis of each Visalia Community Bank stockholder who received Central Valley Community Bancorp

common stock and cash will equal the aggregate adjusted tax basis of the shares of Visalia Community Bank common stock surrendered, reduced by the amount of cash received by the stockholder (excluding any cash received in lieu of a fractional share of Central Valley Community Bancorp common stock) and increased by the amount of gain, if any, recognized by the stockholder (excluding any gain recognized with respect to cash received in lieu of a fractional share of Central Valley Community Bancorp common).

**17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.**

This was a merger under Section 368(a)(1)(A) by virtue of Section 368(a)(2)(D). Section 358 determines the basis of former Visalia Community Bank stockholders in their Central Valley Community Bancorp stock.

**18 Can any resulting loss be recognized?**

No

**19 Provide any other information necessary to implement the adjustment, such as the reportable tax year.**

The exchanges of Visalia Community Bank stock for Central Valley Community Bancorp stock occurred during the 2013 calendar year.