



This Supplemental News Report is published as required, is part of the annual MERGENT INDUSTRIAL and BANK & FINANCE Manuals and will be included in the bound August 2017 Monthly News Reports and is published on our Website.

CALIFORNIA BANCORP

Company Website: www.californiabankofcommerce.com

History: Incorporated in California on Mar. 30, 2017.

On July 3, 2017, California Bank of Commerce ("California Bank") merged with and into Co. Each of California Bank's common shares was converted into 1 share of Co. March 31, 2017. The reorganization was consummated on June 30, 2017 by merging CABM Merger Company into California Bank. Upon the date of the merger of CABM Merger Company into California Bank of Commerce, the shares of capital stock of the respective corporate parties to the Agreement were converted as follows: Each and every share of common stock of California Bank of Commerce issued and outstanding were, by virtue of the merger and without any action on the part of the shareholders, was exchanged for and converted into one share of fully paid and nonassessable common stock of Co. The 100 shares of capital stock of CABM Merger Company issued and outstanding immediately prior to the completion date of the reorganization were converted into and exchanged by Co. for 100 shares of fully paid and nonassessable common stock of California Bank of Commerce as the surviving corporation. CABM Merger Company disappeared and all of the outstanding shares of California Bank of Commerce's common stock are now owned by Co.

The shareholders of California Bank of Commerce, as a result of the reorganization became the shareholders of Co., and they no longer are entitled to vote on matters requiring the approval of California Bank of Commerce's shareholders since Co. owns all of the shares of California Bank of Commerce. Shareholders of Co. are entitled to vote with respect to matters affecting California Bancorp.

Consequences of the Merger Between California Bank of Commerce and CABM Merger Company

CABM Merger Company was merged on June 30, 2017 with and into California Bank of Commerce. The separate existence of CABM Merger Company ceased, and the present directors, officers and employees of California Bank of Commerce remained the directors, officers and employees of California Bank of Commerce, as the surviving corporation.

Pursuant to the Agreement, the Articles of Incorporation of California Bank of Commerce, as in effect immediately prior to the completion date of the reorganization, remained the Articles of Incorporation of the surviving corporation. Further, the Bylaws of California Bank of Commerce remained the Bylaws of the surviving corporation. The Certificate of Authority of California Bank of Commerce issued by the California Department of Business Oversight remains the Certificate of Authority of the surviving corporation. Also, California Bank of Commerce's insurance of deposits coverage by the FDIC remains the deposit insurance of the surviving corporation following the reorganization.

Business Summary: California Bancorp is a bank holding company. Through its subsidiary, California Bank of Commerce, Co. provides deposit and lending products and cash management services to customers who are predominately small to middle-market businesses, personal and not-for-profit organizations located in Contra Costa, Alameda, Santa Clara and surrounding counties. Co. operates in Lafayette, Oakland, San Jose and Fremont, CA. As of Dec 31 2016, Co. had total assets of \$764.8 million and total deposits of \$650.0 million.

Property: Co. maintains its principal executive offices in Oakland, CA.

As of Dec. 31, 2016, Co. operates five offices (its headquarters/branch in Lafayette, CA, branches in Fremont and San Jose, CA and two loan production offices-one in Oakland, CA and other in San Jose, CA).

Subsidiary

California Bank of Commerce

Officers

Stephen A. Cortese, Chairman
Terry A. Peterson, President; Chief Executive Officer
Randall D. Greenfield, Chief Financial Officer; Executive Vice President
Tommiette Rey, Corporate Secretary

Directors

Stephen A. Cortese, Chairman; Director
Andrew J. Armanino, Jr., Director
Edward B. Collins, Director
Kevin J. Cullen, Director
Stephen R. Dathe, Director
Wayne S. Doiguchi, Director
Donald J. Kintzer, Director
Rochelle G. (Roxy) Klein, Director
Thomas R. Morehouse, Director
Terry A. Peterson, Director
Edmond E. Traille, Director
John H. Sears, Director

Auditors: Crowe Horwath LLP

Attorney/Counsel to Company: Stinson Leonard Street LLP

Shareholder Relations: Tommiette Rey, Corporate Secretary
Tel: 510-457-3751

No. of Stockholders: Mar. 29, 2017, 450

No. of Employees: Feb. 28, 2017, 99

Address: 1300 Clay Street Suite 500 , Oakland, CA 94612

Tel: 510 457-3736

Web: www.californiabankofcommerce.com

Consolidated Income Statement, Years Ended Dec. 31 (\$):

	2016	2015
Interest & fees on loans	28,588,884	18,071,786
Interest on investment securities	316,178	425,424
Interest on interest bearing deposits in banks	343,795	140,265
Total interest income	29,248,857	18,637,475
Interest on deposits	1,426,591	932,269
Interest on borrowings & subordinated debentures	672,422	452,545
Total interest expense	2,099,013	1,384,814
Net interest income before provision for loan losses	27,149,844	17,252,661
Provision (benefit) for loan losses	1,403,151	280,408
Net interest income after provision for loan losses	25,746,693	16,972,253
Service charges & other		

fees	1,737,488	1,609,245
Net gains on sales of loans	311,176	...
Net gains on sales of investment securities	(2,050)	(22,174)
Earnings on bank owned life insurance	452,736	300,888
Other non-interest income	558,569	458,315
Total non-interest income	3,057,919	2,346,274
Salaries & employee benefits	12,164,221	9,354,241
Occupancy & equipment	2,323,840	1,219,556
Merger related costs	376,858	1,098,868
Other expenses	5,524,284	3,791,232
Total non-interest expenses	20,389,203	15,463,897
Income before provision for income taxes	8,415,409	3,854,630
Current federal income taxes	2,083,312	1,356,636
Current state income taxes	993,367	553,465
Current income taxes	3,076,679	1,910,101
Deferred federal income taxes	241,313	(225,419)
Deferred state income taxes	(95,520)	(98,509)
Deferred income taxes	145,793	(323,928)
Provision for income taxes	3,222,472	1,586,173
Net income	5,192,937	2,268,457
Preferred stock dividends	151,861	110,000
Income to common shareholders	5,041,076	2,158,457
Weighted average shares outstanding - basic	6,023,563	4,590,360
Weighted average shares outstanding - diluted	6,294,885	4,858,728
Year end shares outstanding	6,165,340	5,814,729
Net earnings (loss) per common share - basic	\$0.84	\$0.47
Net earnings (loss) per common share - diluted	\$0.80	\$0.45
Total number of employees	99	...
Number of common stockholders	450	...

2016 and previous financials are for California Bank of Commerce ; 2 Adjusted for 5% stock dividend, August 16, 2017; 3 As of February 28, 2017; 4 As of March 29, 2017

Consolidated Balance Sheet, Years Ended Dec. 31 (\$):

	2016	2015
Assets:		
Cash & due from banks	10,489,633	12,921,429
Interest bearing deposits		

with banks	76,928,001	55,942,946	Premises & equipment, net	2,574,870	2,350,653	Retained earnings (accumulated deficit)	7,820,983	2,830,463
Total cash & cash equivalents	87,417,634	68,864,375	Bank owned life insurance	15,987,184	15,502,289	Accumulated other comprehensive income (loss), net of taxes	(1,490)	35,095
Investment securities available-for-sale, at estimated fair value	15,561,837	31,786,518	Deferred income taxes, net	6,152,143	6,272,699	Total shareholders' equity	76,569,653	77,938,096
Commercial & industrial loans	253,619,468	221,865,420	Core deposit intangible	502,621	558,468			
Real estate - construction & land loans	31,908,291	36,461,026	Goodwill	7,350,465	7,350,465			
Real estate - other	324,894,759	247,156,474	Accrued interest receivable & other assets	9,311,371	7,753,271			
Real estate - HELOC	4,218,442	3,753,292	Total assets	764,842,578	652,935,346			
Installment & other loans	10,741,635	7,893,104	Liabilities:					
Loans	625,382,595	517,129,316	Non-interest bearing deposits	284,674,085	225,139,528			
Deferred loan origination costs, net	(2,126,858)	(1,242,292)	Savings deposits	47,834,583	44,573,564			
Less: Allowance for loan losses	7,525,000	5,875,000	Money market deposits	200,757,716	172,756,432			
Loans, net	619,984,453	512,496,608	Interest bearing demand deposits	27,406,298	20,146,673			
Furniture, fixtures & equipment	2,898,861	2,269,424	Time, \$250,000 or more	45,322,133	31,031,936			
Leasehold improvements	2,337,997	1,292,518	Other time deposits	44,051,998	48,535,746			
Premises & equipment, gross	5,236,858	3,561,942	Interest bearing deposits	365,372,728	317,044,351			
Less: accumulated depreciation & amortization	2,661,988	1,211,289	Total deposits	650,046,813	542,183,879			
			Other borrowings	29,000,000	29,000,000			
			Subordinated debentures	2,492,564	...			
			Accrued interest payable & other liabilities	4,300,428	3,813,371			
			Total liabilities	688,272,925	574,997,250			
			Preferred stock, series C	10,949,443			
			Common stock	68,750,160	64,123,095			

□ 2016 and previous financials are for California Bank of Commerce ; □ Less unamortized debt issuance cost: \$74,316

Debt: Dec. 31, 2016, \$33,925,684 (including current portion) comprised of:

(1) \$29,000,000 Federal Home Loan Bank, bearing interest ranging from 1.11% to 1.16%, due Feb. 2, 2017. Weighted average interest rate was 1.13% on Dec. 31, 2016.

(2) \$4,925,684 subordinated debentures. The subordinated debentures have a fixed interest rate of 5.875% for first 5 years. After the fifth year, the interest rate is changed to variable at Prime plus 2.00%.

Capital Stock: 1. California Bancorp common; no par.

AUTHORIZED—40,000,000 shs.

OUTSTANDING—Dec. 31, 2016, 5,871,752 shs; no par.

STOCK SPLITS—No par shares split in the form of a 5% stock split on Aug. 16, 2017.

DIVIDENDS— After 5% split:

17-17

Nil

PRIMARY EXCHANGE—National Bulletin Board (NBB):

CALB.

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