

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name Mission Bancorp		2 Issuer's employer identification number (EIN) 73-1631401	
3 Name of contact for additional information Jason Castle	4 Telephone No. of contact (661) 437-4418	5 Email address of contact castlej@missionbank.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact P.O. Box 317		7 City, town, or post office, state, and ZIP code of contact Bakersfield, CA 93302	
8 Date of action June 8, 2020		9 Classification and description 5% Stock Dividend	
10 CUSIP number 605015106	11 Serial number(s) N/A	12 Ticker symbol MSBC	13 Account number(s) N/A

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

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 April 23, 2020, Mission Bancorp approved a 5% stock dividend. The dividend is payable on June 8, 2020 to shareholders of record on May 26 2020. Cash in lieu was paid on fractional shares based on the stock's market value on the close of business on May 26 2020.

Please contact your tax advisor if you have questions about the tax implications of cash paid for fractional shares.

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 ▶ Each shareholder received a 5% increase in the number of shares they held on May 26, 2020. Mission Bancorp had 1,918,250 shares of record on May 26 2020. Therefore, as a result of the 5% stock dividend, an additional 95,753 shares were issued on June 8, 2020 with the remaining 159.50 fractional shares paid in cash.

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 ▶ On May 26, 2020, the market value of Mission Bancorp's common stock was \$77.00 per share prior to the stock dividend. The change in basis to the individual shareholder as a result of this stock dividend would be calculated by taking the adjusted basis of the old stock and allocating it between the old and new stock on the date of distribution. This organizational action would result in a decreased per share basis and an increase in the number of shares held by each taxpayer.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ The stock dividend is a non-taxable event to shareholders pursuant to Internal Revenue Code Section 305(a), which states that gross income does not include the amount of any distribution of the stock of a corporation made by such corporation to its shareholders with respect to its stock. Pursuant to Internal Revenue Code Section 307(a), a distribution to which section 305(a) applies, then the basis of such new stock and of the stock with respect to which it is distributed (referred to in this section as "old stock"), respectively, shall, in the shareholder's hands, be determined by allocating between the old stock and the new stock the adjusted basis of the old stock. Cash in lieu of fractional shares issued is a taxable event.

18 Can any resulting loss be recognized? ▶ No resulting loss is recognized on the date of distribution to each shareholder.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The 5% stock dividend was issued to shareholders of record on May 26, 2020 and payable on June 8, 2020.

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.

Sign Here Signature ▶ Jason Castle Date ▶ 6/12/2020

Print your name ▶ Jason Castle Title ▶ Chief Financial Officer

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 ▶
	Firm's address ▶				Phone no.