

# Report of Organizational Actions Affecting Basis of Securities

OMB No. 1545-2224

► See separate instructions.

## Part I Reporting Issuer

1 Issuer's name  CHINO COMMERCIAL BANCORP		2 Issuer's employer identification number (EIN)  20-4797048	
3 Name of contact for additional information  MELINDA MILINCUI, CFO	4 Telephone No. of contact  (909) 393-8880	5 Email address of contact  MMILINCUI@CHINOCOMMERCIALBANK.COM	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact  14245 PIPELINE AVENUE		7 City, town, or post office, state, and Zip code of contact  CHINO, CA 91710	
8 Date of action  6/27/2016		9 Classification and description  STOCK DIVIDEND	
10 CUSIP number  16957L102	11 Serial number(s)  N/A	12 Ticker symbol  CCBC	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 ► Chino Commercial Bank paid a distribution in the form of additional shares (also known as stock dividend).  
The distribution was made on June 27, 2016 to shareholders on record as of June 6, 2016 and was declared on May 19, 2016.
- 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 ► On June 26, 2016 Chino Commercial Bancorp's shareholders received an additional 20 shares of stock for each 100 shares they owned. Each shareholder's existing tax basis in their shares must now be spread over 120 shares (100 shares plus 20 from the stock dividend; or put another way, each shareholder's existing tax basis per share prior to stock dividend is reduced by 20% for each lot of Chino Commercial Bancorp's shares owned. Only whole shares were issued. Cash was paid in lieu of fractional shares.
- 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 ► See number 15 above.

**Part I** Organizational Action (continued)

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

The share distribution (stock dividend) is a non-taxable event to the shareholders pursuant to Internal Revenue Code 305(a), which states that distributions of corporation's own stock made with respect to its stock are not taxable to the shareholders. However, pursuant to the Internal Revenue Code 307(a), the shareholder must compute basis for the dividend shares received by allocating the basis for the old stock between the old and the new stock. Cash in lieu of shares issued is a taxable event and the bank will issue a 1099-DIV when appropriate.

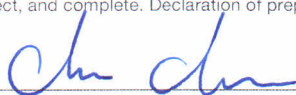
18 Can any resulting loss be recognized? ► This is a non-taxable event per Number 17 above.

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

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 ►



Date ► 7/13/2016

Print your name ► Melinda Milincu

Title ► Chief Financial Officer

**Paid  
Preparer  
Use Only**

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if  
self-employed

PTIN

Firm's name ►

Firm's EIN ►

Firm's address ►

Phone no.