



**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 Attachment](#)

Blank lines for listing applicable Internal Revenue Code sections and subsections.

18 Can any resulting loss be recognized? ▶ [See Attachment](#)

Blank lines for indicating if any resulting loss can be recognized.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ [See Attachment](#)

Blank lines for providing other information necessary to implement the adjustment.

ANY INFORMATION DISCLOSED IN THIS INFORMATIONAL RETURN SHOULD NOT BE CONSIDERED, USED, OR RELIED UPON, AS TAX ADVICE ON THE TAX TREATMENT OF THE TRANSACTION. EACH SHAREHOLDER SHOULD CONSULT THEIR TAX ADVISOR AS TO THE TAX CONSEQUENCES OF THE TRANSACTION.

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 ▶ *Todd A. Michel* Date ▶ 8/5/22  
Print your name ▶ TODD A. MICHEL Title ▶ SVP / CONTROLLER

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	JENNIFER M. SANDERS, CPA	<i>Jennifer M. Sanders, CPA</i>	08/04/2022		P00365585
	Firm's name ▶ FORVIS, LLP	Firm's EIN ▶ 44-0160260		Phone no. 513-621-8300	
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**Attachment to Form 8937**  
**Report of Organizational Actions Affecting Basis of Securities**  
**Civista Bancshares, Inc.**  
**FEIN: 34-1558688**

For purposes of this attachment, Civista refers to the issuer, Civista Bancshares, Inc.; and Communibanc refers to Communibanc Corp. (FEIN: 34-1844417).

**Part II, Line 14**

The organizational action was a reorganization for U.S. federal tax purposes in which Communibanc merged with and into Civista, with Civista surviving the merger and continuing under the name "Civista Bancshares, Inc." The effective time of the merger was July 1, 2022 ("Merger Effective Time"). Shareholders of Communibanc common stock who held their shares of Communibanc common stock of record (directly or through their broker or nominee) as of the Merger Effective Time received a per share combination of cash and Civista common stock (or cash in lieu of a fractional share).

**Part II, Line 15**

Each Communibanc common shareholder of record as of the Merger Effective Time became entitled to receive from Civista 1.1888 shares of Civista common stock for each of their former shares of Communibanc common stock subject to surrender of the old Communibanc shares; plus a cash payment of \$30.13 per share; plus potentially a cash payment in lieu of the issuance of any fractional share of Civista common stock.

The basis of Civista shares received in the merger will be generally determined in accordance with IRC Section 358(a), as follows:

- The basis of Communibanc shares surrendered
- Reduced by the cash received in the merger (if any)
- Increased by any gain recognized in the exchange, computed on a per share basis

The following information is necessary to compute gain to be recognized in the exchange on a per share basis as to each share of Communibanc common stock that was held by a holder of record as of the Merger Effective Time:

- Cash consideration received per Communibanc common share: \$30.13 per share
- Fair market value of Civista shares received per Communibanc common share:  $\$21.45 \times 1.1888 \text{ shares} = \$25.50 \text{ per share}$
- Total consideration received per Communibanc common share:  $\$30.13 + \$25.50 = \$55.63 \text{ per share}$

To determine 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 the old basis, the following scenarios should be used to determine the per share gain to be recognized by a holder of record of a share of Communibanc common stock as of the Merger Effective Time. Communibanc shareholders should note that cash payments in lieu of fractional shares are expressly not considered in the scenarios described:

- If the adjusted basis in an individual share of Communibanc stock is greater than or equal to \$55.63, recognized gain should be \$0.
- If the adjusted basis in an individual share of Communibanc stock is greater than \$25.50 but less than \$55.63, recognized gain should equal the excess of \$55.63 over the Communibanc stock basis.
- If the adjusted basis in an individual share of Communibanc stock is less than or equal to \$25.50, recognized gain should equal \$30.13.

**Part II, Line 16**

The Civista Market Price per share was equal to the closing price per share of Civista Common Stock, rounded to the nearest cent, as of the business day preceding the Merger Effective Time, as reported by NASDAQ.

The basis of Civista shares received, once computed as per above, must be allocated to the individual Civista shares received in accordance with Treasury Regulation §1.358-2(a). See also Proposed Treasury Regulation §1.358-2(b). Since fewer shares of Civista common stock were received than shares of Communibanc common stock surrendered, the basis of the Civista shares surrendered must be allocated to the shares of Civista stock received in a manner that reflects, to the greatest extent possible, that a share of Civista stock received is received in respect of Communibanc shares of stock that were acquired on the same date and at the same price. To the extent it is not possible to allocate basis in this manner, the basis of the Communibanc shares surrendered must be allocated to the shares of Civista stock received in a manner that minimizes the disparity in the holding periods of the surrendered shares whose basis is allocated to any particular Civista share received. This could result in a single share of Civista stock having a split basis and a split holding period. See Example (14) of Treasury Regulation §1.358-2(c) for an illustration of this principle.

**Part II, Line 17**

Tax treatment of the merger is based on the following Internal Revenue Code (IRC) sections and subsections as more fully discussed below: 302(b), 318, 354, 356, 358(a), 368(a), 1221 and 1411. See also Treasury Regulation §1.358-2(a) and (c) and Proposed Treasury Regulation §1.358-2(b).

**Part II, Line 18**

Based upon the merger agreement and the facts and circumstances known by Civista, it is believed that no loss will be recognized for federal income tax purposes in this transaction by Communibanc shareholders.

**Part II, Line 19**

The reportable tax year of the adjustment to the basis of the securities as a result of the organizational action is the tax year including July 1, 2022. Further information is available in the following documents prepared as a result of this organizational action:

Prospectus of Civista for the Civista common stock issued in the merger to the former Communibanc stockholders;

Civista's Registration Statement on Form S-4 filed by Civista with the Securities and Exchange Commission (File No. 333-264111, effective April 4, 2022) in connection with this organizational action.

Civista's Registration Statement Amendment on Form S-4/A filed by Civista with the Securities and Exchange Commission (File 333-264111, effective April 18, 2022) in connection with this organizational action.