Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2013

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
MECHANICS BANK PROFIT SHARING/401(K) PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 10/10/1945

2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)

MECHANICS BANK

1111 CIVIC DRIVE
WALNUT CREEK, CA 94596

2b Employer Identification Number (EIN)
94-0672780

2c Sponsor's telephone number
925-482-8063

2d Business code (see instructions)
522110

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/08/2014	RICHARD G. STEPHENSON
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/08/2014	RICHARD G. STEPHENSON
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)

Preparer's telephone number (optional)

3a Plan administrator's name and address [X] Same as Plan Sponsor Name [ ] Same as Plan Sponsor Address

3b Administrator's EIN

3c Administrator's telephone number

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	751
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	616
b	Retired or separated participants receiving benefits	**6b**	5
c	Other retired or separated participants entitled to future benefits	**6c**	154
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	775
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f	Total. Add lines **6d** and **6e**.	**6f**	775
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	762
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	6
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
2E 2G 2J 2F 2T 2S 3D

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)	[X]	Insurance
(2)	[ ]	Code section 412(e)(3) insurance contracts
(3)	[X]	Trust
(4)	[ ]	General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)	[X]	Insurance
(2)	[ ]	Code section 412(e)(3) insurance contracts
(3)	[X]	Trust
(4)	[ ]	General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	[X]	**R** (Retirement Plan Information)
(2)	[ ]	**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)	[ ]	**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	[X]		**H** (Financial Information)
(2)	[ ]		**I** (Financial Information – Small Plan)
(3)	[X]	2	**A** (Insurance Information)
(4)	[X]		**C** (Service Provider Information)
(5)	[X]		**D** (DFE/Participating Plan Information)
(6)	[ ]		**G** (Financial Transaction Schedules)

SCHEDULE A (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Insurance Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

OMB No. 1210-0110

2013

This Form is Open to Public Inspection

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan
MECHANICS BANK PROFIT SHARING/401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
MECHANICS BANK

D Employer Identification Number (EIN)
94-0672780

Part I **Information Concerning Insurance Contract Coverage, Fees, and Commissions** Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.

1 Coverage Information:

(a) Name of insurance carrier

PRUDENTIAL RETIREMENT INSURANCE & ANNUITY CO.

(b) EIN	**(c)** NAIC code	**(d)** Contract or identification number	**(e)** Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	**(g)** To
06-1050034	93629	006894	775	01/01/2013	12/31/2013

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	**(b)** Total amount of fees paid
0	0

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4	Current value of plan's interest under this contract in the general account at year end	4	15275037
5	Current value of plan's interest under this contract in separate accounts at year end	5	47779667

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

b	Premiums paid to carrier	6b	
c	Premiums due but unpaid at the end of the year	6c	
d	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount.	6d	

Specify nature of costs ▶

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity

(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee

(3) ☐ guaranteed investment (4) ☒ other ▶ GUARANTEED GENERAL ACCOUNT CONTRACT

b	Balance at the end of the previous year			7b	16534524
c	Additions: (1) Contributions deposited during the year	7c(1)	1188591		
	(2) Dividends and credits	7c(2)			
	(3) Interest credited during the year	7c(3)	346507		
	(4) Transferred from separate account	7c(4)	1040206		
	(5) Other (specify below)	7c(5)	387694		
	▶ LOAN REPAYMENTS TRANSFERS IN MISCELLANEOUS IN				
	(6)Total additions			7c(6)	2962998
d	Total of balance and additions (add lines **7b** and **7c(6)**).			7d	19497522
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	1889783		
	(2) Administration charge made by carrier	7e(2)	1016		
	(3) Transferred to separate account	7e(3)	1348064		
	(4) Other (specify below)	7e(4)	983621		
	▶ LOAN INITIATIONS, TRANSFERS OUT MISCELLANEOUS OUT FORFEITURE DEBITS				
	(5) Total deductions			7e(5)	4222484
f	Balance at the end of the current year (subtract line **7e(5)** from line **7d**)			7f	15275038

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

a ☐ Health (other than dental or vision) **b** ☐ Dental **c** ☐ Vision **d** ☐ Life insurance
e ☐ Temporary disability (accident and sickness) **f** ☐ Long-term disability **g** ☐ Supplemental unemployment **h** ☐ Prescription drug
i ☐ Stop loss (large deductible) **j** ☐ HMO contract **k** ☐ PPO contract **l** ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:				
a Premiums: (1) Amount received	**9a(1)**			
(2) Increase (decrease) in amount due but unpaid	**9a(2)**			
(3) Increase (decrease) in unearned premium reserve	**9a(3)**			
(4) Earned (**(1)** + **(2)** - **(3)**)			**9a(4)**	
b Benefit charges (1) Claims paid	**9b(1)**			
(2) Increase (decrease) in claim reserves	**9b(2)**			
(3) Incurred claims (add **(1)** and **(2)**)			**9b(3)**	
(4) Claims charged			**9b(4)**	
c Remainder of premium: (1) Retention charges (on an accrual basis) --				
(A) Commissions	**9c(1)(A)**			
(B) Administrative service or other fees	**9c(1)(B)**			
(C) Other specific acquisition costs	**9c(1)(C)**			
(D) Other expenses	**9c(1)(D)**			
(E) Taxes	**9c(1)(E)**			
(F) Charges for risks or other contingencies	**9c(1)(F)**			
(G) Other retention charges	**9c(1)(G)**			
(H) Total retention			**9c(1)(H)**	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)			**9c(2)**	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement			**9d(1)**	
(2) Claim reserves			**9d(2)**	
(3) Other reserves			**9d(3)**	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line **9c(2)**.)			**9e**	
10 Nonexperience-rated contracts:				
a Total premiums or subscription charges paid to carrier			**10a**	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount			**10b**	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE A (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Insurance Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

OMB No. 1210-0110

2013

This Form is Open to Public Inspection

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan
MECHANICS BANK PROFIT SHARING/401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
MECHANICS BANK

D Employer Identification Number (EIN)
94-0672780

Part I **Information Concerning Insurance Contract Coverage, Fees, and Commissions** Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.

1 Coverage Information:

(a) Name of insurance carrier

C.M. LIFE INSURANCE COMPANY

(b) EIN	**(c)** NAIC code	**(d)** Contract or identification number	**(e)** Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	**(g)** To
06-1041383	93432	60432120	29	01/01/2013	12/31/2013

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	**(b)** Total amount of fees paid
0	0

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4	Current value of plan's interest under this contract in the general account at year end	**4**	350804
5	Current value of plan's interest under this contract in separate accounts at year end	**5**	

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

b	Premiums paid to carrier	**6b**	9440
c	Premiums due but unpaid at the end of the year	**6c**	
d	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount.	**6d**	

Specify nature of costs ▶

e Type of contract: (1) [X] individual policies (2) [ ] group deferred annuity

(3) [ ] other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ [ ]

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) [ ] deposit administration (2) [ ] immediate participation guarantee

(3) [ ] guaranteed investment (4) [ ] other ▶

b	Balance at the end of the previous year			**7b**	
c	Additions: (1) Contributions deposited during the year	**7c(1)**			
	(2) Dividends and credits	**7c(2)**			
	(3) Interest credited during the year	**7c(3)**			
	(4) Transferred from separate account	**7c(4)**			
	(5) Other (specify below) ▶	**7c(5)**			
	(6) Total additions			**7c(6)**	
d	Total of balance and additions (add lines **7b** and **7c(6)**).			**7d**	
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	**7e(1)**			
	(2) Administration charge made by carrier	**7e(2)**			
	(3) Transferred to separate account	**7e(3)**			
	(4) Other (specify below) ▶	**7e(4)**			
	(5) Total deductions			**7e(5)**	
f	Balance at the end of the current year (subtract line **7e(5)** from line **7d**)			**7f**	

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

a ☐ Health (other than dental or vision) **b** ☐ Dental **c** ☐ Vision **d** ☐ Life insurance
e ☐ Temporary disability (accident and sickness) **f** ☐ Long-term disability **g** ☐ Supplemental unemployment **h** ☐ Prescription drug
i ☐ Stop loss (large deductible) **j** ☐ HMO contract **k** ☐ PPO contract **l** ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:				
a Premiums: (1) Amount received	**9a(1)**			
(2) Increase (decrease) in amount due but unpaid	**9a(2)**			
(3) Increase (decrease) in unearned premium reserve	**9a(3)**			
(4) Earned (**(1)** + **(2)** - **(3)**)			**9a(4)**	
b Benefit charges (1) Claims paid	**9b(1)**			
(2) Increase (decrease) in claim reserves	**9b(2)**			
(3) Incurred claims (add **(1)** and **(2)**)			**9b(3)**	
(4) Claims charged			**9b(4)**	
c Remainder of premium: (1) Retention charges (on an accrual basis) --				
(A) Commissions	**9c(1)(A)**			
(B) Administrative service or other fees	**9c(1)(B)**			
(C) Other specific acquisition costs	**9c(1)(C)**			
(D) Other expenses	**9c(1)(D)**			
(E) Taxes	**9c(1)(E)**			
(F) Charges for risks or other contingencies	**9c(1)(F)**			
(G) Other retention charges	**9c(1)(G)**			
(H) Total retention			**9c(1)(H)**	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)			**9c(2)**	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement			**9d(1)**	
(2) Claim reserves			**9d(2)**	
(3) Other reserves			**9d(3)**	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line **9c(2)**.)			**9e**	
10 Nonexperience-rated contracts:				
a Total premiums or subscription charges paid to carrier			**10a**	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount			**10b**	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2013** **This Form is Open to Public Inspection.**

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan
MECHANICS BANK PROFIT SHARING/401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
MECHANICS BANK

D Employer Identification Number (EIN)
94-0672780

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

PRUDENTIAL RETIREMENT INSURANCE AND

06-1050034

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

CROWE HORWATH, LLP

35-0921680

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10 27	NONE	12195	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

PRUDENTIAL RETIREMENT INSURANCE AND

06-1050034

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
37 50	NONE	6550	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [X] No [ ]

(a) Enter name and EIN or address (see instructions)

MASS MUTUAL ACCOUNT 200 01 00809A0

04-1590850

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
49	NONE	1130	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
PRUDENTIAL RETIREMENT INSURANCE AND	15 64	0
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PRUDENTIAL RETIREMENT INSURANCE AND 06-1050034	10.000 BPS AND $0.00 PER PARTICIPANT INVESTED IN THE FUND FROM 1/1/2013 TO 12/31/2013 GUARANTEED INCOME FUND	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
THE PRUDENTIAL INSURANCE COMPANY OF	61 72	0
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PRUDENTIAL INVESTMENTS, LLC 22-3468527	22.000 BPS AND $0.00 PER PARTICIPANT INVESTED IN THE FUND FROM 1/1/2013 TO 12/31/2013 PRUDENTIAL REAL ASSET Z	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2013

This Form is Open to Public Inspection.

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan
MECHANICS BANK PROFIT SHARING/401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
MECHANICS BANK

D Employer Identification Number (EIN)
94-0672780

Part I **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: INTERNL GROWTH/ARTISAN

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
06-1050034-259	P	2309681

a Name of MTIA, CCT, PSA, or 103-12 IE: SMALL CAP GROWTH/COLUMBUS

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
06-1050034-650	P	566267

a Name of MTIA, CCT, PSA, or 103-12 IE: LCV/BARROW HANLEY FUND

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
06-1050034-312	P	3814064

a Name of MTIA, CCT, PSA, or 103-12 IE: CORE PLUS BOND/PIMCO

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
06-1050034-299	P	4692064

a Name of MTIA, CCT, PSA, or 103-12 IE: GOVERNMENT SEC/PIM FUND

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
06-1050034-133	P	175606

a Name of MTIA, CCT, PSA, or 103-12 IE: BALANCED I/WELLINGTON MGT

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
06-1050034-084	P	180517

a Name of MTIA, CCT, PSA, or 103-12 IE: PRU DAY ONE IFX TARG BAL

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
06-1050034-697	P	968567

a Name of MTIA, CCT, PSA, or 103-12 IE: INTERN VAL/LSV ASSET MGT

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-415	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: MID CAP GR/TIMESSQUARE FD

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-186	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3639873

a Name of MTIA, CCT, PSA, or 103-12 IE: MID CAP VALUE/INTEGRITY

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-441	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1615529

a Name of MTIA, CCT, PSA, or 103-12 IE: SA/T ROWE PR GR STK STRAT

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-435	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 7732030

a Name of MTIA, CCT, PSA, or 103-12 IE: SA/OAK EQ & INC STRAT

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-307	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 13280020

a Name of MTIA, CCT, PSA, or 103-12 IE: SA/WF SM CAP VAL STRAT

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-269	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: DRYDEN S & P 500 INDEX FUND

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-123	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2298125

a Name of MTIA, CCT, PSA, or 103-12 IE: MFS INTERNATIONAL VALUE IS

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-799	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3626284

a Name of MTIA, CCT, PSA, or 103-12 IE: SMALL CAP VALUE/INTEGRITY

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-439	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2881039

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2013

This Form is Open to Public Inspection

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan
MECHANICS BANK PROFIT SHARING/401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
MECHANICS BANK

D Employer Identification Number (EIN)
94-0672780

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	120
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	2315376	2291785
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	2175732	2279808
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)	42515753	47779667
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	3824048	9851816
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	16891849	15625841
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	67722758	77829037
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	67722758	77829037

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	2291785	
	(B) Participants	2a(1)(B)	3434179	
	(C) Others (including rollovers)	2a(1)(C)	407353	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		6133317
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)	70523	
	(F) Other	2b(1)(F)	346507	
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		417030
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	114837	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		114837
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)		
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		9868956
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		1504146
c Other income	2c		23920
d Total income. Add all **income** amounts in column (b) and enter total	2d		18062206
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	7932696	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		7932696
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	23231	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		23231
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		7955927
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		10106279
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: CROWE HORWATH LLP **(2)** EIN: 35-0921680

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		20000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If "Yes," enter the amount of any plan assets that reverted to the employer this year..... ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ..... ☐ Yes ☐ No ☐ Not determined

Part V Trust Information (optional)

6a Name of trust	**6b** Trust's EIN

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2013

This Form is Open to Public Inspection.

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan
MECHANICS BANK PROFIT SHARING/401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
MECHANICS BANK

D Employer Identification Number (EIN)
94-0672780

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 22-1211670

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

Mechanics Bank
Commitment That Lasts Generations

September 23, 2014

Crowe Horwath LLP
330 East Jefferson Blvd
P.O. Box 7
South Bend, IN 46624-0007

Ladies and Gentlemen:

We are providing this letter in connection with your limited-scope audits of the financial statements of The Mechanics Bank Profit Sharing/401(k) Plan ("Plan") as of December 31, 2013 and 2012 and for the year ended 2013. We understand that, at our instruction and as permitted by Regulation 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, you did not perform any audit procedures with respect to information prepared and certified to by Prudential Retirement Insurance and Annuity Company, custodian, Prudential Bank & Trust, F.S.B and The Mechanics Bank, the trustees, in accordance with DOL Regulation 2520.103-5, other than comparing such information to the financial statements and supplemental schedule. Because of the significance of the information which you did not audit, we understand that you will not express an opinion on the financial statements and supplemental schedule taken as a whole.

Some representations in this letter are specifically limited to matters that are material. Items are considered material if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your audits:

1. We are responsible for the fair presentation in the Plan's financial statements of net assets available for benefits and changes in net assets available for benefits in conformity with accounting principles generally accepted in the United States, and for the fair presentation of the accompanying supplemental schedule in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, and we believe the financial statements and supplemental schedule are fairly presented.
2. We are responsible for maintaining internal control that will, among other things, help assure the preparation of the financial statements in conformity with accounting principles generally accepted in the United States. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.

3. We have made available to you:
   a. All financial records and related data and other relevant information, as well as access, as agreed upon in the terms of the audit engagement.
   b. All minutes of the meetings of the Director of Trust Committee, Trust Investment Committee, Trust Administration Committee, or summaries of actions of recent meetings for which minutes have not yet been prepared.
   c. Plan instruments, trust agreements, and amendments to such documents entered into during the year (including amendments made to comply with applicable laws), or insurance contracts.
   d. All correspondence to and from regulatory agencies, including communications concerning compliance with laws and regulations.
4. We have no plans or intentions that may materially affect the carrying amounts or classifications of assets and liabilities.
5. We have identified all accounting estimates that could be material to the financial statements, including the key factors and significant assumptions underlying those estimates, and we believe the estimates are reasonable in the circumstances. These estimates include the fair values of Plan investments and derivative instruments and the classifications of Plan investments and derivative instruments within the fair value hierarchy, pursuant to and in accordance with FASB ASC 820, *Fair Value Measurements and Disclosures*.
6. Adequate provision has been made for adjustments and losses in collection of receivables. There were no investments in default and none are considered to be uncollectible.
7. The following have been properly recorded or disclosed in the financial statements, if applicable:
   a. Related-party transactions and transactions with parties-in-interest (as defined in ERISA section 3(14)), including sales, purchases, loans, transfers, leasing arrangements, and guarantees, and related amounts receivable or payable.
   b. Material liabilities or gain or loss contingencies that are required to be accrued or disclosed by FASB ASC 450, *Contingencies*.
   c. Asserted or unasserted claims or assessments that our attorney has advised us are probable of assertion and must be disclosed in accordance with FASB ASC 450, *Contingencies*.
   d. Significant accounting estimates that are susceptible to changing materially as a result of an event or change in conditions that is reasonably possible of occurrence within one year from the financial statement date.
   e. Concentrations that make the Plan vulnerable to the risk of a severe impact within one year from the financial statement date (including the nature and type of investments held by the Plan, or markets for which events could occur which would significantly disrupt normal finances within the next year).
   f. Amendments to the Plan document during the year or subsequently.
   g. Derivative financial instruments such as futures, forwards, swaps or options, or other financial instruments.
   h. Securities lending arrangements, including the associated collateral and policy for requiring collateral.
   i. Other financial instruments with significant "off-balance-sheet" risk of accounting loss to which the Plan is a party.
   j. Guarantees, whether written or oral, under which the Plan is contingently liable to a bank or other lending institution.

8. Except as disclosed to you, we have no knowledge of any fraud or suspected fraud affecting the Plan involving:
    a. Management, whether material or not.
    b. Employees who have significant roles in internal control, whether material or not.
    c. Others where the fraud could have a material effect on the financial statements.
9. Except as disclosed to you, we have no knowledge of any allegations of fraud or suspected fraud affecting the Plan received in communications from employees, former employees, participants, regulators, service providers, third party administrators, or others.
10. There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in financial reporting practices that could have a material effect on the financial statements in the event of noncompliance.
11. The Plan and trust established under the Plan are qualified under the appropriate section of the Internal Revenue Code, and we intend to continue them as a qualified Plan and trust. The Plan sponsor has operated the Plan and trust in a manner that has not jeopardized this tax exempt status. The Plan has complied with fee disclosure requirements to participants under DOL Regulation Section 2550.404a-5, and has received the required disclosures from service providers under ERISA Section 408(b)(2). We understand that failure to comply could cause the Plan to enter into a prohibited transaction. Required nondiscrimination testing related to Code Section 401(k) and 401(m) arrangements, as applicable, has been completed for the Plan, and any excess deferrals or contributions have been disposed of in accordance with regulations.
12. All required filings of Plan and trust documents have been filed with the appropriate agencies
13. There are no --
    a. Nonexempt transactions with parties in interest, as defined in ERISA section 3(14) and related regulations, that were not disclosed in the supplemental schedules or financial statements.
    b. Investments, loans, or leases in default or considered to be uncollectible that were not disclosed in the supplemental schedules.
    c. Reportable transactions as defined in ERISA section 103(b)(3)(H) and related regulations that were not disclosed in the supplemental schedules.
    d. Untimely remittances of participant contributions to trusts containing assets for the Plan, as determined by the Department of Labor's participant contribution regulation (29 C.F.R. Sec 2510.3-102), that were not properly disclosed in the supplemental schedules.
14. The Plan has complied with the fidelity bonding requirements of ERISA.
15. There are no violations of any laws or regulations (including ERISA, DOL and IRS) whose effects should be considered for disclosure in the financial statements or as a basis for reporting a loss contingency, or other material liabilities or gain or loss contingencies that are required to be accrued or disclosed.
16. All material transactions have been properly recorded in the accounting records underlying the financial statements.
17. The Plan has satisfactory title to all owned assets [state exceptions, if any]. None of the Plan's assets were mortgaged, assigned, pledged, or encumbered by law in any other manner. No security agreements have been executed under the provisions of the Uniform Commercial Code, there are no liens or encumbrances on assets, and no assets have been pledged.
18. The Plan had no purchase commitments for investments at prices in excess of market at the date of the financial statements, no agreements to repurchase items previously sold, and no sales commitments at prices expected to result in losses on fulfillment.
19. All investments are valued at fair value, as defined by FASB ASC 820. Quoted prices in active markets for identical investments are used to determine fair values, when available. All matters of

judgment involved in the calculation and determination of the fair values of investments, and all related valuation methods and assumptions and financial statement disclosures, including the reporting of investments within the fair value hierarchy defined by ASC 820, are the responsibility of management. The valuation methods and assumptions used are reasonable and supportable, have been determined in compliance with ASC 820, and have been adequately disclosed in the financial statements for all periods presented.

20. The methods and significant assumptions used to determine the fair value of Guaranteed Investment Fund are properly disclosed in the financial statements. The methods and significant assumptions used result in a measure of fair value appropriate for financial statement measurement and disclosure purposes, in accordance with ASC 820, *Fair Value Measurements*.
21. The contract value of the Plan's fully benefit-responsive investment contract approximates fair value therefore no adjustment is made to the net assets available for benefits. Management is not aware of any events that are probable of occurrence that would result in contract transactions being executed at less than contract value.
22. The Plan has made no investments during the year that violate the terms of the Plan or Trust Agreement.
23. The Plan has complied with all aspects of debt and other contractual agreements that would have a material effect on the Plan's financial statements in the event of noncompliance.
24. The form and content of the information included in the financial statements and supplemental schedule are presented in compliance with the DOL Rules and Regulations for Reporting and Disclosure under ERISA.
25. We have complied with the applicable reporting and disclosure requirements under ERISA relating to the Summary Plan Description, Summary of Material Modifications, and the Summary Annual Report, as applicable.
26. No events have occurred subsequent to the date of the Plan's financial statements and through the date of this letter that would require adjustments to, or disclosure in, the financial statements.
27. There are no present intentions to terminate the Plan.
28. The Plan, Plan Administrator, or Plan Sponsor on behalf of the Plan has not consulted with or been represented by legal counsel, during the period audited to the date of this letter, regarding any litigation, claims, or assessments asserted or unasserted, or qualification matters relating to the Plan.
29. The Plan administrator has obtained certification from the Prudential Retirement Insurance and Annuity Company, custodian, and Prudential Bank & Trust, F.S.B, and Mechanics Bank as trustees stating that the 2013 and 2012 information provided by the trustee and custodian to the Plan administrator, as disclosed in the financial statements, is complete and accurate.
30. During the course of your audit, we have provided to you physical or electronic copies of various original documents. We understand that you are relying on such copies as audit evidence in your audit and represent that copies provided are an accurate and complete representation of the original documentation and that the copies have not been modified from their original version.
31. As permitted by Regulation 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), we have instructed you not to perform any auditing procedures with respect to the 2012 information prepared and certified to by the Prudential Retirement Insurance and Annuity Company, custodian, and Prudential Bank & Trust, F.S.B, and The Mechanics Bank as trustees, in accordance with DOL Regulation 2520.103-5, except for comparing the information with the related information included in the 2013 and 2012 financial statements.

Very truly yours,

Richard Stephenson
Executive Vice President and Chief Legal & Risk Officer /Plan Administrator

Thomas Leong
Vice President / Finance Manager

Charmagne Compean
Assistant Vice President / Benefits Manager

THE MECHANICS BANK
PROFIT SHARING/401(k) PLAN
PLAN NUMBER 001
EIN 94-0672780

FINANCIAL STATEMENTS
December 31, 2013 and 2012

THE MECHANICS BANK PROFIT SHARING / 401(k) PLAN

FINANCIAL STATEMENTS
December 31, 2013 and 2012

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INDEPENDENT AUDITOR'S REPORT

The Advisory Committee
The Mechanics Bank Profit Sharing / 401(k) Plan
Richmond, California

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of The Mechanics Bank Profit Sharing /401(k) Plan, which comprise the statements of net assets available for benefits as of December 31, 2013 and 2012, and the related statement of changes in net assets available for benefits for the year ended December 31, 2013, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Prudential Retirement Insurance and Annuity Company and Prudential Bank & Trust, F.S.B. and The Mechanics Bank, the trustees of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that Prudential Retirement Insurance and Annuity Company and trustees hold the Plan's investment assets and execute investment transactions. The plan administrator has obtained certifications from Prudential Retirement Insurance and Annuity Company and the trustees as of December 31, 2013 and 2012 and for the year ended December 31, 2013 that the information provided to the plan administrator by the custodian and trustees is complete and accurate.

(Continued)

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter

The supplemental Schedule H, Line 4i-Schedule of Assets (Held at End of Year) as of December 31, 2013 is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for purposes of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the custodian and trustees, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Crowe Horwath LLP

Crowe Horwath LLP

South Bend, Indiana
September 23, 2014

THE MECHANICS BANK PROFIT SHARING/401(k) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2013 and 2012

	2013	2012
ASSETS:		
Investments, at fair value:		
Mutual fund investments	$ 9,851,817	$ 3,824,048
Pooled separate accounts	47,779,666	42,515,753
Guaranteed income contract	15,275,038	16,534,524
Cash surrender value of life insurance policies	350,804	357,325
Total investments	73,257,325	63,231,650
Receivables:		
Employer 401(k) safe harbor matching contribution receivable	1,291,785	1,315,376
Employer 401(k) discretionary contribution receivable	1,000,000	1,000,000
Notes receivable from participants	2,279,927	2,175,732
Total assets	77,829,037	67,722,758
NET ASSETS AVAILABLE FOR BENEFITS	$ 77,829,037	$ 67,722,758

The accompanying notes are an integral part of the financial statements.

THE MECHANICS BANK PROFIT SHARING/401(k) PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
For the year ended December 31, 2013

Additions:	
Contributions:	
Employer 401(k) safe harbor matching contributions	$ 1,291,785
Employer 401(k) discretionary contributions	1,000,000
Participant elective 401(k) deferral contributions	3,434,179
Participant roll-over contributions from other qualified plans	407,353
Total contributions	6,133,317
Net realized gains and unrealized appreciation in fair value of investments	11,397,100
Interest earned on participant loans and investments	417,031
Dividends earned on investments	114,758
Total additions	18,062,206
Deductions:	
Distributions of funds for participant withdrawals and benefits	7,932,696
Administrative expenses	23,231
Total deductions	7,955,927
Net increase in assets available for benefits	10,106,279
NET ASSETS AVAILABLE FOR BENEFITS AT DECEMBER 31, 2012	67,722,758
NET ASSETS AVAILABLE FOR BENEFITS AT DECEMBER 31, 2013	$ 77,829,037

The accompanying notes are an integral part of the financial statements.

NOTE 1. PLAN DESCRIPTION

The following description of The Mechanics Bank Profit Sharing / 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan Document and Summary Plan Description for a complete description of the Plan's provisions.

The Plan was established by The Mechanics Bank (the Bank) on October 10, 1945, to provide deferred compensation benefits for eligible employees. For the first 60 years of its existence, the Plan operated under a separate trust agreement and was named The Mechanics Bank Profit Sharing Plan and Trust. The Bank served as both the Plan Sponsor and Trustee during all these years. Effective January 1, 2006, the Plan was officially restated and converted to a Prudential Retirement Services Prototype Plan ("Prototype Plan"). With this conversion, the name of the Plan was officially changed to The Mechanics Bank Profit Sharing/401(k) Plan. Pursuant to a new Trust Agreement that also became effective January 1, 2006, the Prudential Bank & Trust, F.S.B. ("Prudential") was appointed the successor trustee to the Plan and Prudential Retirement Insurance & Annuity Company serves as Plan custodian. Mechanics Bank remains trustee of the life insurance policies. Prudential then proceeded to receive, hold, manage and reinvest all the assets except the life insurance policies of the Trust Fund and provide specified recordkeeping and administrative services and make appropriate distributions of Trust Funds for the exclusive benefit of the Plan participants or beneficiaries.

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan is a qualified defined contribution plan which contains a "cash or deferred arrangement" (CODA) authorized under section 401(k) of the Internal Revenue Code. The most recent Plan amendments occurring with the adoption of the Prototype Plan enhanced some of the Plan features and benefits and modified some of the eligibility and vesting standards for employee participants. Effective January 1, 2006 most all employees of the Bank are covered and can benefit from the Plan (except for leased and collectively bargained employees). Employees are eligible to participate in the Plan when their employment starts at the Bank, with their first hour of work. Enrollment is therefore open to all covered employees without any waiting period. Upon enrollment, employees may immediately participate in the elective salary deferral component of the Plan. Starting in 2006, the Bank also implemented a 401(k) safe harbor matching feature to the Plan which encourages employees to participate and save for their own retirement. When an eligible employee actively participates in the Plan and electively defers a portion of their salary into the 401(k) segment of the Plan, a portion of each employee's annual salary deferral is matched with Bank contributions according to a prescribed percentage formula. Participants are 100 percent vested in their elective salary deferrals and after being credited with a minimum two years of cumulative service they are 100% vested in their employer matching contributions. In addition to the 401(k) segment of the Plan, there is also a profit sharing feature or segment to the Plan. The Bank may make discretionary employer nonelective contributions into the profit sharing segment of the Plan for the benefit of eligible participants. A participant becomes eligible to receive a portion of a current year's profit sharing contribution following their entry date to the profit sharing segment of the plan, which may occur on the first day of any calendar quarter of the Plan year after being credited with a minimum 1 year of service. A Participant becomes 100% vested in the profit sharing segment of the Plan after being credited with a minimum three years of cumulative service (three year cliff vesting). A year of service for both eligibility and vesting is specified as 12 months of employment determined using the Equivalency Method for hourly employees whereby 190 hours of service are credited for each calendar month during which an employee completes at least 1 hour of service. Any forfeitures of unvested account balances are first used to pay Plan expenses for the year in which forfeitures are to be allocated. Any remaining forfeitures are used to reduce any employer nonelective contributions of that plan year. The Bank used $9,222 of forfeitures to offset the 2012 employer match paid in 2013 and $28,293 of forfeitures to offset the 2013 employer match paid in 2014. The Plan had $28,293 and $9,222 of forfeitures as of December 31, 2013 and 2012.

(Continued)

NOTE 1. PLAN DESCRIPTION (Continued)

The Plan has adopted a Safe Harbor 401(k) Match Contribution formula allowed under the Internal Revenue Code, which provides that the Bank shall annually contribute employer matching contributions equal to 100% of the first 1% and 50% of employee contribution that exceeds 1% up to 6% of eligible participants' Section 401(k) Deferrals ("applicable contributions") of Included Compensation which is defined to be W-2 wages.

The Plan has adopted the ProRata Allocation Method formula for allocating employer discretionary nonelective Profit Sharing contributions. This formula allocates to each participant an equal, uniform percentage of their Included Compensation which is defined to be W-2 wages.

Individual accounts are maintained for each Plan participant to hold their elective deferral contributions, employer matching contributions and employer's discretionary profit sharing contributions (if any). Upon the adoption of the Prudential Prototype Plan and conversion of the Trust Fund over to Prudential during 2006, each Participant was permitted to "direct" the investments within their individual accounts into a broad array of investment alternatives offered through Prudential.

The Plan also allows for loans to participants listed as Notes Receivable from Participants on the Statement of Net Assets. Participants may borrow from their accounts a minimum of $1,000 up to a maximum of $50,000 or 50% of their vested account balance, whichever is less. A participant must be 100 percent vested and employed by the Bank on the date of the loan. Each loan is secured by the balance in the participant's account. The interest rate charged each new loan is fixed at the prime rate in effect on the last business day of the calendar quarter preceding the loan date. The rate will not change during the loan repayment period.

The Plan generally allows an employee participant to withdraw all or a portion of their participant account balance upon the attainment of a normal retirement age of 65 years. Participant withdrawals of vested account balances are also permitted after termination of employment. In service withdrawals and distributions are limited in both frequency and amount until the attainment of age 59.5 unless a participant becomes disabled.

Although it has not expressed any intent to do so, the Bank has the right to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants will become 100 percent vested in their accounts.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies of the Plan are as follows:

Presentation

The accompanying financial statements have been prepared under the accrual basis of accounting based on accounting principles generally accepted in the United States.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein. Actual results could differ from those estimates.

(Continued)

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment Valuation and Income Recognition

The Plan's investments are reported at fair value. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Fully Benefit-Responsive Investment Contracts

While Plan investments are presented at fair value in the statement of net assets available for benefits, any material difference between the fair value of the Plan's direct interests in fully benefit-responsive investment contracts and their contract value is presented as an adjustment line in the statement of net assets available for benefits, because contract value is the relevant measurement attribute for that portion of the Plan's net assets available for benefits. Contract value represents contributions made to a contract, plus earnings, less participant withdrawals and administrative expenses. Participants in fully benefit-responsive contracts may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. The Plan holds a direct interest in a fully benefit-responsive contract. No adjustments from fair value to contract value are presented in the statements of net assets available for benefits, as the amounts of the adjustments have been determined to be immaterial.

Notes Receivable from Participants

Notes receivable from participants are reported at their unpaid principal balance plus any accrued but unpaid interest, with no allowance for credit losses, as repayments of principal and interest are received through payroll deductions and the notes are collateralized by the participants' account balances.

Risks and Uncertainties

The Plan invests in various investments. Investments are exposed to various risks such as interest rate, market, liquidity and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investment will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

Benefits

Benefits are recorded when paid.

(Continued)

NOTE 3. INVESTMENTS AND NOTES RECEIVABLE FROM PARTICIPANTS – UNAUDITED INFORMATION

Investments and notes receivable from participants are held by the Plan trustees, Prudential Bank & Trust, F.S.B. and Mechanics Bank, as well as Prudential Retirement Insurance & Annuity Company. Eligible investments offered by the Plan are periodically reviewed and approved by the Advisory Committee of the Bank. The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, substantially all investment and notes receivable from participant's information included in the Plan's financial statements were certified by trustees of the Plan (Prudential Bank & Trust, F.S.B. and Mechanics Bank) and Prudential Retirement Insurance & Annuity Company to be complete and accurate, and was therefore not subjected to any auditing procedures by independent accountants. The following summarizes the information included in the financial statements that was certified and not subject to auditing procedures by independent accountants:

- Fair value of investments held at December 31, 2013 and 2012
- Contract value of the Guaranteed Income Contract at December 31, 2013 and 2012
- Notes Receivable from Participants at December 31, 2013 and 2012
- Net realized gains and unrealized appreciation in fair value of investments
- Interest earned on participant loans and investments
- Dividends earned on investments

The fair value of individual investments that represent 5 percent or more of the Plan's net assets available for benefits at December 31, 2013 and 2012, respectively, is as follows:

	2013
Prudential Guaranteed Income Contract	$ 15,275,038
Prudential Pooled Separate Account: Oakmark Equity and Income Fund	13,280,020
Prudential Pooled Separate Account: T Rowe Price Growth Stock Fund	7,732,030
Mutual Fund: Dodge & Cox Stock Fund	5,507,063
Prudential Pooled Separate Account: Core Plus Bond / Pimco Fund	4,692,064

	2012
Prudential Guaranteed Income Contract	$ 16,534,524
Prudential Pooled Separate Account: Oakmark Equity and Income Fund	12,199,205
Prudential Pooled Separate Account: T Rowe Price Growth Stock Fund	6,167,560
Prudential Pooled Separate Account: Core Plus Bond / Pimco Fund	5,718,969
Prudential Pooled Separate Account: International Value / LSV Asset Management Fund	3,742,939
Mutual Fund: Dodge & Cox Stock Fund	3,717,467

Net realized gains (losses) and unrealized appreciation (depreciation) in fair values of investments of $11,397,100 reported in the Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2013 was comprised of the following:

	2013
Pooled separate accounts	$ 9,899,476
Mutual fund investments	1,504,145
Life Insurance Policies	(6,521)
Total	$ 11,397,100

(Continued)

NOTE 3. INVESTMENTS AND NOTES RECEIVABLE FROM PARTICIPANTS – UNAUDITED INFORMATION (Continued)

The Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2013 also reported income derived from notes receivable from participants and investments and operations that consisted of interest and dividend income which totaled $531,789.

NOTE 4. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received by the Plan for an asset or paid by the Plan to transfer a liability (an exit price) in an orderly transaction between market participants on the measurement date in the Plan's principal or most advantageous market for the asset or liability. Fair value measurements are determined by maximizing the use of observable inputs and minimizing the use of unobservable inputs. The hierarchy places the highest priority on unadjusted quoted market prices in active markets for identical assets or liabilities (level 1 measurements) and gives the lowest priority to unobservable inputs (level 3 measurements). The three levels of inputs within the fair value hierarchy are defined as follows:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the Plan has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect the Plan's own assumptions about the assumptions that market participants would use in pricing an asset or liability

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy.

The following descriptions of the valuation methods and assumptions used by the Plan to estimate the fair values of investments apply to investments held directly by the Plan.

***Mutual funds*:** The fair values of mutual fund investments are determined by obtaining quoted prices on nationally recognized securities exchanges (level 1 inputs).

***Pooled separate accounts*:** The fair values of participation units held in pooled separate accounts are based on their net asset values, as reported by the managers of the pooled separate accounts as supported by the unit prices of actual purchase and sale transactions occurring as of or close to the financial statement date (level 2 inputs). Each of the pooled separate accounts invests in a single, open-ended mutual fund which is generally identified in the name of the pooled separate account. Each pooled separate account provides for daily redemptions by the Plan with no advance notice requirements, and has redemption prices that are determined by the fund's net asset value per unit.

***Insurance policies*:** The fair value of insurance policies are determined based on the cash surrender values of the policies determined by the carriers on the report date (level 2 inputs).

(Continued)

NOTE 4. FAIR VALUE MEASUREMENTS (Continued)

Guaranteed Income Contract: The fair values of investment contracts have been determined to approximate contract values, based upon their lack of contractual maturities, the frequency of the re-setting of contractual interest rates to market rates, the credit quality of the issuer(s), and the liquidity of the contracts. (level 3 inputs). Contract value represents deposits made to the contract, plus earnings at guaranteed crediting rates, less withdrawals and fees.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Investments measured at fair value on a recurring basis are summarized below:

	Fair Value Measurements at December 31, 2013 Using		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Pooled separate accounts:			
Equity & Income	$ -	$ 13,280,020	$ -
Large Cap	-	13,844,219	-
Fixed Income	-	5,836,237	-
International	-	5,935,965	-
Mid Cap	-	5,255,403	-
Small Cap	-	3,447,306	-
Balanced	-	180,517	-
CSV of life insurance policies	-	350,804	-
Mutual funds			
Equity	5,676,058		
Developing Markets	1,145,085		
International	1,252,864		
Real Assets	1,777,810		
Guaranteed income contract	-	-	15,275,038

(Continued)

NOTE 4. FAIR VALUE MEASUREMENTS (Continued)

	Fair Value Measurements at December 31, 2012 Using		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Pooled separate accounts:			
Equity & Income	$ -	$ 12,199,205	$ -
Large Cap	-	10,834,014	-
Fixed Income	-	6,489,411	-
International	-	6,297,229	-
Mid Cap	-	3,722,348	-
Small Cap	-	2,805,446	-
Balanced	-	168,100	-
CSV of life insurance policies	-	357,325	-
Mutual funds	3,824,048	-	-
Guaranteed income contract	-	-	16,534,524

The table below presents a reconciliation of Plan investments measured at fair value on a recurring basis using significant unobservable inputs (level 3) for the year ended December 31, 2013, including the reporting classifications for the applicable gains and losses included in the statement of changes in net assets available for benefits:

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)
Guaranteed Income Contract:	
Beginning balance, January 1, 2013	$ 16,534,524
Total realized and unrealized gains or losses Included in change in net assets available for benefits:	
Interest income	362,162
Purchases	1,188,591
Sales	(2,736,734)
Other	(73,505)
Ending balance, December 31, 2013	$ 15,275,038

Included in the Plan's 2013 statement of changes in net assets available for benefits is $362,162 of interest and dividend income pertaining to level 3 investments that are still held by the Plan as of December 31, 2013.

(Continued)

NOTE 4. FAIR VALUE MEASUREMENTS (Continued)

The following tables present quantitative information about recurring Level 3 fair value measurements at:

December 31, 2013	Fair value	Valuation Technique	Unobservable Input
Guaranteed Investment Contract	$ 15,275,038	Discounted cash flow	Earnings at guaranteed crediting rate of 2.15% which must be greater than or equal to the contractual minimum crediting rate of 1.5%

December 31, 2012	Fair value	Valuation Technique	Unobservable Input
Guaranteed Investment Contract	$ 16,534,524	Discounted cash flow	Earnings at guaranteed crediting rate of 2.5% which must be greater than or equal to the contractual minimum crediting rate of 1.5%

NOTE 5. CASH SURRENDER VALUE OF LIFE INSURANCE

In accordance with the provisions of the Plan agreement, members could previously elect to have vested portions of their accounts used to purchase life insurance policies. Funds are disbursed from the Plan to pay annual premiums for the policies. Cash surrender values of all active, unredeemed policies are recorded in the accompanying Statements of Net Assets Available for Benefits, totaling $350,804 at December 31, 2013 and $357,325 at December 31, 2012.

NOTE 6. INVESTMENT CONTRACT WITH INSURANCE COMPANY

The Plan holds an investment in a guaranteed income fund (GIF) provided by Prudential Retirement Insurance and Annuity Company. This fund is considered to be a fully benefit-responsive investment contract. Interest is credited to participant accounts based upon the crediting interest rate determined under the terms of the contract, and the accounts are charged for participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investments at contract value. Contract value represents contributions made under the contract, plus earnings at guaranteed crediting rates, less participant withdrawals and administrative expenses. There are no reserves against contract value for credit risk of the Issuer or otherwise.

The plan owns a promise to pay interest at crediting rates which are announced in advance and guaranteed for a specific period of time as outlined in the group annuity contract. There are not any specific securities in the general account that back the liabilities of this annuity contract. This contract has no specified maturity and as a result, the fair value amount shown approximates the contract value. Further, management is not aware of any event that is probable of occurrence that would result in contract transactions being executed at less than contract value.

(Continued)

NOTE 6. INVESTMENT CONTRACT WITH INSURANCE COMPANY (Continued)

The crediting interest rate of the contract is based on an agreed-upon formula with the Issuer, as defined in the contract agreement, but cannot be less than 1.5 percent. Such interest rates are reviewed on a semi-annual basis for resetting. The key factors that influence future interest crediting rates could include the following: the current economic and market conditions, the general interest rate environment, and both the expected and actual experience of a reference portfolio within the issuer's general account.

	2013	2012
Average yields:		
Based on annualized earnings [1]	2.15%	2.50%
Based on interest rate credited to participants [2]	2.15%	2.50%

(1) Computed by dividing the annualized one-day actual earnings of the contract on the last day of the Plan year by the fair value of the contract investments on the same date.
(2) Computed by dividing the annualized one-day earnings credited to participants on the last day of the Plan year by the fair value of the contract investments on the same date.

NOTE 7. FEDERAL INCOME TAX STATUS

The Internal Revenue Service (IRS) has determined and informed Prudential Insurance Co. by a letter dated March 31, 2008, that its Prototype Non-standardized Profit Sharing Plan with CODA is designed in accordance with applicable sections of the Internal Revenue Code (the IRC). Although the prototype Plan has been amended since receiving the IRS opinion letter, the plan administrator and management believe that the Plan, which follows this Prudential Insurance Co. prototype form, has been designed and is currently being operated in compliance with the applicable requirements of the IRC and the Plan and related trust continue to be tax-exempt as of the financial statement date.

The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2013 and 2012, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing authorities; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2010.

NOTE 8. PARTY- IN- INTEREST TRANSACTIONS

Parties-in-interest are defined under DOL regulations as any fiduciary of the plan, any party rendering service to the plan, the employer, and certain others. Parties-in-interest investments include the Guaranteed Income Contract, and Pooled Separate Accounts, issued and managed by Prudential Retirement Insurance and Annuity Company as of December 31, 2013. Notes receivables from participants also qualify as party-in-interest transactions. As of December 31, 2013 and 2012 and for the year ended December 31, 2013, substantially all participant and Plan investments, as well as notes receivables from participants, were accepted, and held by either the trustee, Prudential Bank & Trust, FSB, or the plan custodian, Prudential Retirement Insurance and Annuity Company, which are independent of the Plan and the Bank sponsor. The trustee has requested that the Bank retain in safekeeping the Life Insurance policies of Plan participants having cash surrender values totaling $350,804 as of December 31, 2013. Administrative expenses totaling $6,550 were paid by the Plan to Prudential Retirement Insurance and Annuity Company in 2013.

(Continued)

NOTE 9. SUBSEQUENT EVENTS

Plan management has evaluated subsequent events for recognition and disclosure through September 23, 2014, which is the date the financial statements were available to be issued. On February 21, 2014, the Bank paid $1,291,785 to the Plan, fulfilling the 2013 401(k) employer safe harbor matching contribution. On March 20, 2014, the Bank paid $1,000,000 to the Plan, representing a discretionary contribution. The Bank's contributions are reflected as receivables in the Statements of Net Assets Available for Benefits as of December 31, 2013.

SUPPLEMENTAL SCHEDULE

THE MECHANICS BANK PROFIT SHARING / 401(k) PLAN
FORM 5500, SCHEDULE H, LINE 4i—SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2013

Name of plan sponsor: Mechanics Bank
Employer identification number: 94-0672780
Three-digit plan number: 001

Party -in- Interest	Identity of Issue and Shares or Par Value	Description of Investment, Including Maturity Date, Rate of Interest Collateral, Par or Maturity Value	Cost	Current Value
	Guaranteed Income Contract:			
*	Prudential Retirement Ins and Annuity Company	Group Annuity Contract – Guaranteed Income Fund	**	$15,275,038
	Mutual Fund Investments:			
	Dodge & Cox Funds	Dodge & Cox Stock Fund	**	5,507,063
	LKCM Equity fund	LKCM Equity fund	**	168,995
	Oppenheimer	Oppenheimer Dev. Markets	**	1,145,085
	Prudential Real Asset	Prudential Real Asset	**	1,777,810
	Dreyfus Intl Bond	Dreyfus Intl Bond	**	1,252,864
				9,851,817
	Pooled Separate Accounts			
*	Prudential Retirement Ins and Annuity Company	International Growth / Artisan Fund	**	2,309,681
*	Prudential Retirement Ins and Annuity Company	T Rowe Price Growth Stock Fund	**	7,732,030
*	Prudential Retirement Ins and Annuity Company	Small Cap Growth / Columbus Fund	**	566,267
*	Prudential Retirement Ins and Annuity Company	Small Cap Growth / Integrity	**	2,881,039
*	Prudential Retirement Ins and Annuity Company	Oakmark Equity & Income Fund	**	13,280,020
*	Prudential Retirement Ins and Annuity Company	Easypath Retirement Income / Income Flex	**	968,567
*	Prudential Retirement Ins and Annuity Company	Mid Cap Value / Integrity Fund	**	1,615,529
*	Prudential Retirement Ins and Annuity Company	Mid Cap Growth / Times Square Fund	**	3,639,873
*	Prudential Retirement Ins and Annuity Company	Large Cap Value / Barrow Hanley Fund	**	3,814,064
*	Prudential Retirement Ins and Annuity Company	Government Sec / Pim Fund	**	175,606
*	Prudential Retirement Ins and Annuity Company	Balanced I / Wellington Mgt	**	180,517
*	Prudential Retirement Ins and Annuity Company	Dryden S & P 500 Index Fund	**	2,298,125
*	Prudential Retirement Ins and Annuity Company	MFS INT Value IS	**	3,626,284
*	Prudential Retirement Ins and Annuity Company	Core Plus Bond / Pimco Fund	**	4,692,064
		Total		47,779,666

(Continued)

THE MECHANICS BANK PROFIT SHARING / 401(k) PLAN
FORM 5500, SCHEDULE H, LINE 4i—SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2013

Name of plan sponsor: Mechanics Bank
Employer identification number: 94-0672780
Three-digit plan number: 001

Party -in- Interest	Identity of Issue and Shares or Par Value	Description of Investment, Including Maturity Date, Rate of Interest Collateral, Par or Maturity Value	Cost	Current Value
	Notes Receivable from Participants:			
*	Individual Participants	Loans Advanced to 304 individual Participants, Interest rates ranging from 3.25% to 7.75%	**	$ 2,279,927
	Cash Surrender Value of Life Insurance:			
	CM Life Insurance Co	29 Insurance policies on lives of 29 individual Participants	**	350,804
		Total Investments		$ 75,537,252

* Denotes party-in-interest
** Investment is participant directed, therefore, historical cost is not required.

Mechanics Bank
Commitment That Lasts Generations

September 23, 2014

Crowe Horwath LLP
330 East Jefferson Blvd
P.O. Box 7
South Bend, IN 46624-0007

Ladies and Gentlemen:

We are providing this letter in connection with your limited-scope audits of the financial statements of The Mechanics Bank Profit Sharing/401(k) Plan ("Plan") as of December 31, 2013 and 2012 and for the year ended 2013. We understand that, at our instruction and as permitted by Regulation 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, you did not perform any audit procedures with respect to information prepared and certified to by Prudential Retirement Insurance and Annuity Company, custodian, Prudential Bank & Trust, F.S.B and The Mechanics Bank, the trustees, in accordance with DOL Regulation 2520.103-5, other than comparing such information to the financial statements and supplemental schedule. Because of the significance of the information which you did not audit, we understand that you will not express an opinion on the financial statements and supplemental schedule taken as a whole.

Some representations in this letter are specifically limited to matters that are material. Items are considered material if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your audits:

1. We are responsible for the fair presentation in the Plan's financial statements of net assets available for benefits and changes in net assets available for benefits in conformity with accounting principles generally accepted in the United States, and for the fair presentation of the accompanying supplemental schedule in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, and we believe the financial statements and supplemental schedule are fairly presented.
2. We are responsible for maintaining internal control that will, among other things, help assure the preparation of the financial statements in conformity with accounting principles generally accepted in the United States. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.

3. We have made available to you:
   a. All financial records and related data and other relevant information, as well as access, as agreed upon in the terms of the audit engagement.
   b. All minutes of the meetings of the Director of Trust Committee, Trust Investment Committee, Trust Administration Committee, or summaries of actions of recent meetings for which minutes have not yet been prepared.
   c. Plan instruments, trust agreements, and amendments to such documents entered into during the year (including amendments made to comply with applicable laws), or insurance contracts.
   d. All correspondence to and from regulatory agencies, including communications concerning compliance with laws and regulations.
4. We have no plans or intentions that may materially affect the carrying amounts or classifications of assets and liabilities.
5. We have identified all accounting estimates that could be material to the financial statements, including the key factors and significant assumptions underlying those estimates, and we believe the estimates are reasonable in the circumstances. These estimates include the fair values of Plan investments and derivative instruments and the classifications of Plan investments and derivative instruments within the fair value hierarchy, pursuant to and in accordance with FASB ASC 820, *Fair Value Measurements and Disclosures*.
6. Adequate provision has been made for adjustments and losses in collection of receivables. There were no investments in default and none are considered to be uncollectible.
7. The following have been properly recorded or disclosed in the financial statements, if applicable:
   a. Related-party transactions and transactions with parties-in-interest (as defined in ERISA section 3(14)), including sales, purchases, loans, transfers, leasing arrangements, and guarantees, and related amounts receivable or payable.
   b. Material liabilities or gain or loss contingencies that are required to be accrued or disclosed by FASB ASC 450, *Contingencies*.
   c. Asserted or unasserted claims or assessments that our attorney has advised us are probable of assertion and must be disclosed in accordance with FASB ASC 450, *Contingencies*.
   d. Significant accounting estimates that are susceptible to changing materially as a result of an event or change in conditions that is reasonably possible of occurrence within one year from the financial statement date.
   e. Concentrations that make the Plan vulnerable to the risk of a severe impact within one year from the financial statement date (including the nature and type of investments held by the Plan, or markets for which events could occur which would significantly disrupt normal finances within the next year).
   f. Amendments to the Plan document during the year or subsequently.
   g. Derivative financial instruments such as futures, forwards, swaps or options, or other financial instruments.
   h. Securities lending arrangements, including the associated collateral and policy for requiring collateral.
   i. Other financial instruments with significant "off-balance-sheet" risk of accounting loss to which the Plan is a party.
   j. Guarantees, whether written or oral, under which the Plan is contingently liable to a bank or other lending institution.

8. Except as disclosed to you, we have no knowledge of any fraud or suspected fraud affecting the Plan involving:
    a. Management, whether material or not.
    b. Employees who have significant roles in internal control, whether material or not.
    c. Others where the fraud could have a material effect on the financial statements.
9. Except as disclosed to you, we have no knowledge of any allegations of fraud or suspected fraud affecting the Plan received in communications from employees, former employees, participants, regulators, service providers, third party administrators, or others.
10. There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in financial reporting practices that could have a material effect on the financial statements in the event of noncompliance.
11. The Plan and trust established under the Plan are qualified under the appropriate section of the Internal Revenue Code, and we intend to continue them as a qualified Plan and trust. The Plan sponsor has operated the Plan and trust in a manner that has not jeopardized this tax exempt status. The Plan has complied with fee disclosure requirements to participants under DOL Regulation Section 2550.404a-5, and has received the required disclosures from service providers under ERISA Section 408(b)(2). We understand that failure to comply could cause the Plan to enter into a prohibited transaction. Required nondiscrimination testing related to Code Section 401(k) and 401(m) arrangements, as applicable, has been completed for the Plan, and any excess deferrals or contributions have been disposed of in accordance with regulations.
12. All required filings of Plan and trust documents have been filed with the appropriate agencies
13. There are no --
    a. Nonexempt transactions with parties in interest, as defined in ERISA section 3(14) and related regulations, that were not disclosed in the supplemental schedules or financial statements.
    b. Investments, loans, or leases in default or considered to be uncollectible that were not disclosed in the supplemental schedules.
    c. Reportable transactions as defined in ERISA section 103(b)(3)(H) and related regulations that were not disclosed in the supplemental schedules.
    d. Untimely remittances of participant contributions to trusts containing assets for the Plan, as determined by the Department of Labor's participant contribution regulation (29 C.F.R. Sec 2510.3-102), that were not properly disclosed in the supplemental schedules.
14. The Plan has complied with the fidelity bonding requirements of ERISA.
15. There are no violations of any laws or regulations (including ERISA, DOL and IRS) whose effects should be considered for disclosure in the financial statements or as a basis for reporting a loss contingency, or other material liabilities or gain or loss contingencies that are required to be accrued or disclosed.
16. All material transactions have been properly recorded in the accounting records underlying the financial statements.
17. The Plan has satisfactory title to all owned assets [state exceptions, if any]. None of the Plan's assets were mortgaged, assigned, pledged, or encumbered by law in any other manner. No security agreements have been executed under the provisions of the Uniform Commercial Code, there are no liens or encumbrances on assets, and no assets have been pledged.
18. The Plan had no purchase commitments for investments at prices in excess of market at the date of the financial statements, no agreements to repurchase items previously sold, and no sales commitments at prices expected to result in losses on fulfillment.
19. All investments are valued at fair value, as defined by FASB ASC 820. Quoted prices in active markets for identical investments are used to determine fair values, when available. All matters of

judgment involved in the calculation and determination of the fair values of investments, and all related valuation methods and assumptions and financial statement disclosures, including the reporting of investments within the fair value hierarchy defined by ASC 820, are the responsibility of management. The valuation methods and assumptions used are reasonable and supportable, have been determined in compliance with ASC 820, and have been adequately disclosed in the financial statements for all periods presented.

20. The methods and significant assumptions used to determine the fair value of Guaranteed Investment Fund are properly disclosed in the financial statements. The methods and significant assumptions used result in a measure of fair value appropriate for financial statement measurement and disclosure purposes, in accordance with ASC 820, *Fair Value Measurements*.
21. The contract value of the Plan's fully benefit-responsive investment contract approximates fair value therefore no adjustment is made to the net assets available for benefits. Management is not aware of any events that are probable of occurrence that would result in contract transactions being executed at less than contract value.
22. The Plan has made no investments during the year that violate the terms of the Plan or Trust Agreement.
23. The Plan has complied with all aspects of debt and other contractual agreements that would have a material effect on the Plan's financial statements in the event of noncompliance.
24. The form and content of the information included in the financial statements and supplemental schedule are presented in compliance with the DOL Rules and Regulations for Reporting and Disclosure under ERISA.
25. We have complied with the applicable reporting and disclosure requirements under ERISA relating to the Summary Plan Description, Summary of Material Modifications, and the Summary Annual Report, as applicable.
26. No events have occurred subsequent to the date of the Plan's financial statements and through the date of this letter that would require adjustments to, or disclosure in, the financial statements.
27. There are no present intentions to terminate the Plan.
28. The Plan, Plan Administrator, or Plan Sponsor on behalf of the Plan has not consulted with or been represented by legal counsel, during the period audited to the date of this letter, regarding any litigation, claims, or assessments asserted or unasserted, or qualification matters relating to the Plan.
29. The Plan administrator has obtained certification from the Prudential Retirement Insurance and Annuity Company, custodian, and Prudential Bank & Trust, F.S.B, and Mechanics Bank as trustees stating that the 2013 and 2012 information provided by the trustee and custodian to the Plan administrator, as disclosed in the financial statements, is complete and accurate.
30. During the course of your audit, we have provided to you physical or electronic copies of various original documents. We understand that you are relying on such copies as audit evidence in your audit and represent that copies provided are an accurate and complete representation of the original documentation and that the copies have not been modified from their original version.
31. As permitted by Regulation 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), we have instructed you not to perform any auditing procedures with respect to the 2012 information prepared and certified to by the Prudential Retirement Insurance and Annuity Company, custodian, and Prudential Bank & Trust, F.S.B, and The Mechanics Bank as trustees, in accordance with DOL Regulation 2520.103-5, except for comparing the information with the related information included in the 2013 and 2012 financial statements.

Very truly yours,

Richard Stephenson
Executive Vice President and Chief Legal & Risk Officer /Plan Administrator

Thomas Leong
Vice President / Finance Manager

Charmagne Compean
Assistant Vice President / Benefits Manager

THE MECHANICS BANK
PROFIT SHARING/401(k) PLAN
PLAN NUMBER 001
EIN 94-0672780

FINANCIAL STATEMENTS
December 31, 2013 and 2012

THE MECHANICS BANK PROFIT SHARING / 401(k) PLAN

FINANCIAL STATEMENTS
December 31, 2013 and 2012

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INDEPENDENT AUDITOR'S REPORT

The Advisory Committee
The Mechanics Bank Profit Sharing / 401(k) Plan
Richmond, California

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of The Mechanics Bank Profit Sharing /401(k) Plan, which comprise the statements of net assets available for benefits as of December 31, 2013 and 2012, and the related statement of changes in net assets available for benefits for the year ended December 31, 2013, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Prudential Retirement Insurance and Annuity Company and Prudential Bank & Trust, F.S.B. and The Mechanics Bank, the trustees of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that Prudential Retirement Insurance and Annuity Company and trustees hold the Plan's investment assets and execute investment transactions. The plan administrator has obtained certifications from Prudential Retirement Insurance and Annuity Company and the trustees as of December 31, 2013 and 2012 and for the year ended December 31, 2013 that the information provided to the plan administrator by the custodian and trustees is complete and accurate.

(Continued)

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter

The supplemental Schedule H, Line 4i-Schedule of Assets (Held at End of Year) as of December 31, 2013 is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for purposes of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the custodian and trustees, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Crowe Horwath LLP

Crowe Horwath LLP

South Bend, Indiana
September 23, 2014

THE MECHANICS BANK PROFIT SHARING/401(k) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2013 and 2012

	2013	2012
ASSETS:		
Investments, at fair value:		
Mutual fund investments	$ 9,851,817	$ 3,824,048
Pooled separate accounts	47,779,666	42,515,753
Guaranteed income contract	15,275,038	16,534,524
Cash surrender value of life insurance policies	350,804	357,325
Total investments	73,257,325	63,231,650
Receivables:		
Employer 401(k) safe harbor matching contribution receivable	1,291,785	1,315,376
Employer 401(k) discretionary contribution receivable	1,000,000	1,000,000
Notes receivable from participants	2,279,927	2,175,732
Total assets	77,829,037	67,722,758
NET ASSETS AVAILABLE FOR BENEFITS	$ 77,829,037	$ 67,722,758

The accompanying notes are an integral part of the financial statements.

THE MECHANICS BANK PROFIT SHARING/401(k) PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
For the year ended December 31, 2013

Additions:	
Contributions:	
Employer 401(k) safe harbor matching contributions	$ 1,291,785
Employer 401(k) discretionary contributions	1,000,000
Participant elective 401(k) deferral contributions	3,434,179
Participant roll-over contributions from other qualified plans	407,353
Total contributions	6,133,317
Net realized gains and unrealized appreciation in fair value of investments	11,397,100
Interest earned on participant loans and investments	417,031
Dividends earned on investments	114,758
Total additions	18,062,206
Deductions:	
Distributions of funds for participant withdrawals and benefits	7,932,696
Administrative expenses	23,231
Total deductions	7,955,927
Net increase in assets available for benefits	10,106,279
NET ASSETS AVAILABLE FOR BENEFITS AT DECEMBER 31, 2012	67,722,758
NET ASSETS AVAILABLE FOR BENEFITS AT DECEMBER 31, 2013	$ 77,829,037

The accompanying notes are an integral part of the financial statements.

NOTE 1. PLAN DESCRIPTION

The following description of The Mechanics Bank Profit Sharing / 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan Document and Summary Plan Description for a complete description of the Plan's provisions.

The Plan was established by The Mechanics Bank (the Bank) on October 10, 1945, to provide deferred compensation benefits for eligible employees. For the first 60 years of its existence, the Plan operated under a separate trust agreement and was named The Mechanics Bank Profit Sharing Plan and Trust. The Bank served as both the Plan Sponsor and Trustee during all these years. Effective January 1, 2006, the Plan was officially restated and converted to a Prudential Retirement Services Prototype Plan ("Prototype Plan"). With this conversion, the name of the Plan was officially changed to The Mechanics Bank Profit Sharing/401(k) Plan. Pursuant to a new Trust Agreement that also became effective January 1, 2006, the Prudential Bank & Trust, F.S.B. ("Prudential") was appointed the successor trustee to the Plan and Prudential Retirement Insurance & Annuity Company serves as Plan custodian. Mechanics Bank remains trustee of the life insurance policies. Prudential then proceeded to receive, hold, manage and reinvest all the assets except the life insurance policies of the Trust Fund and provide specified recordkeeping and administrative services and make appropriate distributions of Trust Funds for the exclusive benefit of the Plan participants or beneficiaries.

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan is a qualified defined contribution plan which contains a "cash or deferred arrangement" (CODA) authorized under section 401(k) of the Internal Revenue Code. The most recent Plan amendments occurring with the adoption of the Prototype Plan enhanced some of the Plan features and benefits and modified some of the eligibility and vesting standards for employee participants. Effective January 1, 2006 most all employees of the Bank are covered and can benefit from the Plan (except for leased and collectively bargained employees). Employees are eligible to participate in the Plan when their employment starts at the Bank, with their first hour of work. Enrollment is therefore open to all covered employees without any waiting period. Upon enrollment, employees may immediately participate in the elective salary deferral component of the Plan. Starting in 2006, the Bank also implemented a 401(k) safe harbor matching feature to the Plan which encourages employees to participate and save for their own retirement. When an eligible employee actively participates in the Plan and electively defers a portion of their salary into the 401(k) segment of the Plan, a portion of each employee's annual salary deferral is matched with Bank contributions according to a prescribed percentage formula. Participants are 100 percent vested in their elective salary deferrals and after being credited with a minimum two years of cumulative service they are 100% vested in their employer matching contributions. In addition to the 401(k) segment of the Plan, there is also a profit sharing feature or segment to the Plan. The Bank may make discretionary employer nonelective contributions into the profit sharing segment of the Plan for the benefit of eligible participants. A participant becomes eligible to receive a portion of a current year's profit sharing contribution following their entry date to the profit sharing segment of the plan, which may occur on the first day of any calendar quarter of the Plan year after being credited with a minimum 1 year of service. A Participant becomes 100% vested in the profit sharing segment of the Plan after being credited with a minimum three years of cumulative service (three year cliff vesting). A year of service for both eligibility and vesting is specified as 12 months of employment determined using the Equivalency Method for hourly employees whereby 190 hours of service are credited for each calendar month during which an employee completes at least 1 hour of service. Any forfeitures of unvested account balances are first used to pay Plan expenses for the year in which forfeitures are to be allocated. Any remaining forfeitures are used to reduce any employer nonelective contributions of that plan year. The Bank used $9,222 of forfeitures to offset the 2012 employer match paid in 2013 and $28,293 of forfeitures to offset the 2013 employer match paid in 2014. The Plan had $28,293 and $9,222 of forfeitures as of December 31, 2013 and 2012.

(Continued)

NOTE 1. PLAN DESCRIPTION (Continued)

The Plan has adopted a Safe Harbor 401(k) Match Contribution formula allowed under the Internal Revenue Code, which provides that the Bank shall annually contribute employer matching contributions equal to 100% of the first 1% and 50% of employee contribution that exceeds 1% up to 6% of eligible participants' Section 401(k) Deferrals ("applicable contributions") of Included Compensation which is defined to be W-2 wages.

The Plan has adopted the ProRata Allocation Method formula for allocating employer discretionary nonelective Profit Sharing contributions. This formula allocates to each participant an equal, uniform percentage of their Included Compensation which is defined to be W-2 wages.

Individual accounts are maintained for each Plan participant to hold their elective deferral contributions, employer matching contributions and employer's discretionary profit sharing contributions (if any). Upon the adoption of the Prudential Prototype Plan and conversion of the Trust Fund over to Prudential during 2006, each Participant was permitted to "direct" the investments within their individual accounts into a broad array of investment alternatives offered through Prudential.

The Plan also allows for loans to participants listed as Notes Receivable from Participants on the Statement of Net Assets. Participants may borrow from their accounts a minimum of $1,000 up to a maximum of $50,000 or 50% of their vested account balance, whichever is less. A participant must be 100 percent vested and employed by the Bank on the date of the loan. Each loan is secured by the balance in the participant's account. The interest rate charged each new loan is fixed at the prime rate in effect on the last business day of the calendar quarter preceding the loan date. The rate will not change during the loan repayment period.

The Plan generally allows an employee participant to withdraw all or a portion of their participant account balance upon the attainment of a normal retirement age of 65 years. Participant withdrawals of vested account balances are also permitted after termination of employment. In service withdrawals and distributions are limited in both frequency and amount until the attainment of age 59.5 unless a participant becomes disabled.

Although it has not expressed any intent to do so, the Bank has the right to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants will become 100 percent vested in their accounts.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies of the Plan are as follows:

Presentation

The accompanying financial statements have been prepared under the accrual basis of accounting based on accounting principles generally accepted in the United States.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein. Actual results could differ from those estimates.

(Continued)

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment Valuation and Income Recognition

The Plan's investments are reported at fair value. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Fully Benefit-Responsive Investment Contracts

While Plan investments are presented at fair value in the statement of net assets available for benefits, any material difference between the fair value of the Plan's direct interests in fully benefit-responsive investment contracts and their contract value is presented as an adjustment line in the statement of net assets available for benefits, because contract value is the relevant measurement attribute for that portion of the Plan's net assets available for benefits. Contract value represents contributions made to a contract, plus earnings, less participant withdrawals and administrative expenses. Participants in fully benefit-responsive contracts may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. The Plan holds a direct interest in a fully benefit-responsive contract. No adjustments from fair value to contract value are presented in the statements of net assets available for benefits, as the amounts of the adjustments have been determined to be immaterial.

Notes Receivable from Participants

Notes receivable from participants are reported at their unpaid principal balance plus any accrued but unpaid interest, with no allowance for credit losses, as repayments of principal and interest are received through payroll deductions and the notes are collateralized by the participants' account balances.

Risks and Uncertainties

The Plan invests in various investments. Investments are exposed to various risks such as interest rate, market, liquidity and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investment will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

Benefits

Benefits are recorded when paid.

(Continued)

NOTE 3. INVESTMENTS AND NOTES RECEIVABLE FROM PARTICIPANTS – UNAUDITED INFORMATION

Investments and notes receivable from participants are held by the Plan trustees, Prudential Bank & Trust, F.S.B. and Mechanics Bank, as well as Prudential Retirement Insurance & Annuity Company. Eligible investments offered by the Plan are periodically reviewed and approved by the Advisory Committee of the Bank. The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, substantially all investment and notes receivable from participant's information included in the Plan's financial statements were certified by trustees of the Plan (Prudential Bank & Trust, F.S.B. and Mechanics Bank) and Prudential Retirement Insurance & Annuity Company to be complete and accurate, and was therefore not subjected to any auditing procedures by independent accountants. The following summarizes the information included in the financial statements that was certified and not subject to auditing procedures by independent accountants:

- Fair value of investments held at December 31, 2013 and 2012
- Contract value of the Guaranteed Income Contract at December 31, 2013 and 2012
- Notes Receivable from Participants at December 31, 2013 and 2012
- Net realized gains and unrealized appreciation in fair value of investments
- Interest earned on participant loans and investments
- Dividends earned on investments

The fair value of individual investments that represent 5 percent or more of the Plan's net assets available for benefits at December 31, 2013 and 2012, respectively, is as follows:

	2013
Prudential Guaranteed Income Contract	$ 15,275,038
Prudential Pooled Separate Account: Oakmark Equity and Income Fund	13,280,020
Prudential Pooled Separate Account: T Rowe Price Growth Stock Fund	7,732,030
Mutual Fund: Dodge & Cox Stock Fund	5,507,063
Prudential Pooled Separate Account: Core Plus Bond / Pimco Fund	4,692,064

	2012
Prudential Guaranteed Income Contract	$ 16,534,524
Prudential Pooled Separate Account: Oakmark Equity and Income Fund	12,199,205
Prudential Pooled Separate Account: T Rowe Price Growth Stock Fund	6,167,560
Prudential Pooled Separate Account: Core Plus Bond / Pimco Fund	5,718,969
Prudential Pooled Separate Account: International Value / LSV Asset Management Fund	3,742,939
Mutual Fund: Dodge & Cox Stock Fund	3,717,467

Net realized gains (losses) and unrealized appreciation (depreciation) in fair values of investments of $11,397,100 reported in the Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2013 was comprised of the following:

	2013
Pooled separate accounts	$ 9,899,476
Mutual fund investments	1,504,145
Life Insurance Policies	(6,521)
Total	$ 11,397,100

(Continued)

NOTE 3. INVESTMENTS AND NOTES RECEIVABLE FROM PARTICIPANTS – UNAUDITED INFORMATION (Continued)

The Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2013 also reported income derived from notes receivable from participants and investments and operations that consisted of interest and dividend income which totaled $531,789.

NOTE 4. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received by the Plan for an asset or paid by the Plan to transfer a liability (an exit price) in an orderly transaction between market participants on the measurement date in the Plan's principal or most advantageous market for the asset or liability. Fair value measurements are determined by maximizing the use of observable inputs and minimizing the use of unobservable inputs. The hierarchy places the highest priority on unadjusted quoted market prices in active markets for identical assets or liabilities (level 1 measurements) and gives the lowest priority to unobservable inputs (level 3 measurements). The three levels of inputs within the fair value hierarchy are defined as follows:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the Plan has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect the Plan's own assumptions about the assumptions that market participants would use in pricing an asset or liability

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy.

The following descriptions of the valuation methods and assumptions used by the Plan to estimate the fair values of investments apply to investments held directly by the Plan.

***Mutual funds*:** The fair values of mutual fund investments are determined by obtaining quoted prices on nationally recognized securities exchanges (level 1 inputs).

***Pooled separate accounts*:** The fair values of participation units held in pooled separate accounts are based on their net asset values, as reported by the managers of the pooled separate accounts as supported by the unit prices of actual purchase and sale transactions occurring as of or close to the financial statement date (level 2 inputs). Each of the pooled separate accounts invests in a single, open-ended mutual fund which is generally identified in the name of the pooled separate account. Each pooled separate account provides for daily redemptions by the Plan with no advance notice requirements, and has redemption prices that are determined by the fund's net asset value per unit.

***Insurance policies*:** The fair value of insurance policies are determined based on the cash surrender values of the policies determined by the carriers on the report date (level 2 inputs).

(Continued)

NOTE 4. FAIR VALUE MEASUREMENTS (Continued)

Guaranteed Income Contract: The fair values of investment contracts have been determined to approximate contract values, based upon their lack of contractual maturities, the frequency of the re-setting of contractual interest rates to market rates, the credit quality of the issuer(s), and the liquidity of the contracts. (level 3 inputs). Contract value represents deposits made to the contract, plus earnings at guaranteed crediting rates, less withdrawals and fees.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Investments measured at fair value on a recurring basis are summarized below:

	Fair Value Measurements at December 31, 2013 Using		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Pooled separate accounts:			
Equity & Income	$ -	$ 13,280,020	$ -
Large Cap	-	13,844,219	-
Fixed Income	-	5,836,237	-
International	-	5,935,965	-
Mid Cap	-	5,255,403	-
Small Cap	-	3,447,306	-
Balanced	-	180,517	-
CSV of life insurance policies	-	350,804	-
Mutual funds			
Equity	5,676,058		
Developing Markets	1,145,085		
International	1,252,864		
Real Assets	1,777,810		
Guaranteed income contract	-	-	15,275,038

(Continued)

NOTE 4. FAIR VALUE MEASUREMENTS (Continued)

	Fair Value Measurements at December 31, 2012 Using		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Pooled separate accounts:			
Equity & Income	$ -	$ 12,199,205	$ -
Large Cap	-	10,834,014	-
Fixed Income	-	6,489,411	-
International	-	6,297,229	-
Mid Cap	-	3,722,348	-
Small Cap	-	2,805,446	-
Balanced	-	168,100	-
CSV of life insurance policies	-	357,325	-
Mutual funds	3,824,048	-	-
Guaranteed income contract	-	-	16,534,524

The table below presents a reconciliation of Plan investments measured at fair value on a recurring basis using significant unobservable inputs (level 3) for the year ended December 31, 2013, including the reporting classifications for the applicable gains and losses included in the statement of changes in net assets available for benefits:

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)
Guaranteed Income Contract:	
Beginning balance, January 1, 2013	$ 16,534,524
Total realized and unrealized gains or losses Included in change in net assets available for benefits:	
Interest income	362,162
Purchases	1,188,591
Sales	(2,736,734)
Other	(73,505)
Ending balance, December 31, 2013	$ 15,275,038

Included in the Plan's 2013 statement of changes in net assets available for benefits is $362,162 of interest and dividend income pertaining to level 3 investments that are still held by the Plan as of December 31, 2013.

(Continued)

NOTE 4. FAIR VALUE MEASUREMENTS (Continued)

The following tables present quantitative information about recurring Level 3 fair value measurements at:

December 31, 2013	Fair value	Valuation Technique	Unobservable Input
Guaranteed Investment Contract	$ 15,275,038	Discounted cash flow	Earnings at guaranteed crediting rate of 2.15% which must be greater than or equal to the contractual minimum crediting rate of 1.5%

December 31, 2012	Fair value	Valuation Technique	Unobservable Input
Guaranteed Investment Contract	$ 16,534,524	Discounted cash flow	Earnings at guaranteed crediting rate of 2.5% which must be greater than or equal to the contractual minimum crediting rate of 1.5%

NOTE 5. CASH SURRENDER VALUE OF LIFE INSURANCE

In accordance with the provisions of the Plan agreement, members could previously elect to have vested portions of their accounts used to purchase life insurance policies. Funds are disbursed from the Plan to pay annual premiums for the policies. Cash surrender values of all active, unredeemed policies are recorded in the accompanying Statements of Net Assets Available for Benefits, totaling $350,804 at December 31, 2013 and $357,325 at December 31, 2012.

NOTE 6. INVESTMENT CONTRACT WITH INSURANCE COMPANY

The Plan holds an investment in a guaranteed income fund (GIF) provided by Prudential Retirement Insurance and Annuity Company. This fund is considered to be a fully benefit-responsive investment contract. Interest is credited to participant accounts based upon the crediting interest rate determined under the terms of the contract, and the accounts are charged for participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investments at contract value. Contract value represents contributions made under the contract, plus earnings at guaranteed crediting rates, less participant withdrawals and administrative expenses. There are no reserves against contract value for credit risk of the Issuer or otherwise.

The plan owns a promise to pay interest at crediting rates which are announced in advance and guaranteed for a specific period of time as outlined in the group annuity contract. There are not any specific securities in the general account that back the liabilities of this annuity contract. This contract has no specified maturity and as a result, the fair value amount shown approximates the contract value. Further, management is not aware of any event that is probable of occurrence that would result in contract transactions being executed at less than contract value.

(Continued)

NOTE 6. INVESTMENT CONTRACT WITH INSURANCE COMPANY (Continued)

The crediting interest rate of the contract is based on an agreed-upon formula with the Issuer, as defined in the contract agreement, but cannot be less than 1.5 percent. Such interest rates are reviewed on a semi-annual basis for resetting. The key factors that influence future interest crediting rates could include the following: the current economic and market conditions, the general interest rate environment, and both the expected and actual experience of a reference portfolio within the issuer's general account.

	2013	2012
Average yields:		
Based on annualized earnings [1]	2.15%	2.50%
Based on interest rate credited to participants [2]	2.15%	2.50%

(1) Computed by dividing the annualized one-day actual earnings of the contract on the last day of the Plan year by the fair value of the contract investments on the same date.
(2) Computed by dividing the annualized one-day earnings credited to participants on the last day of the Plan year by the fair value of the contract investments on the same date.

NOTE 7. FEDERAL INCOME TAX STATUS

The Internal Revenue Service (IRS) has determined and informed Prudential Insurance Co. by a letter dated March 31, 2008, that its Prototype Non-standardized Profit Sharing Plan with CODA is designed in accordance with applicable sections of the Internal Revenue Code (the IRC). Although the prototype Plan has been amended since receiving the IRS opinion letter, the plan administrator and management believe that the Plan, which follows this Prudential Insurance Co. prototype form, has been designed and is currently being operated in compliance with the applicable requirements of the IRC and the Plan and related trust continue to be tax-exempt as of the financial statement date.

The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2013 and 2012, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing authorities; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2010.

NOTE 8. PARTY- IN- INTEREST TRANSACTIONS

Parties-in-interest are defined under DOL regulations as any fiduciary of the plan, any party rendering service to the plan, the employer, and certain others. Parties-in-interest investments include the Guaranteed Income Contract, and Pooled Separate Accounts, issued and managed by Prudential Retirement Insurance and Annuity Company as of December 31, 2013. Notes receivables from participants also qualify as party-in-interest transactions. As of December 31, 2013 and 2012 and for the year ended December 31, 2013, substantially all participant and Plan investments, as well as notes receivables from participants, were accepted, and held by either the trustee, Prudential Bank & Trust, FSB, or the plan custodian, Prudential Retirement Insurance and Annuity Company, which are independent of the Plan and the Bank sponsor. The trustee has requested that the Bank retain in safekeeping the Life Insurance policies of Plan participants having cash surrender values totaling $350,804 as of December 31, 2013. Administrative expenses totaling $6,550 were paid by the Plan to Prudential Retirement Insurance and Annuity Company in 2013.

(Continued)

NOTE 9. SUBSEQUENT EVENTS

Plan management has evaluated subsequent events for recognition and disclosure through September 23, 2014, which is the date the financial statements were available to be issued. On February 21, 2014, the Bank paid $1,291,785 to the Plan, fulfilling the 2013 401(k) employer safe harbor matching contribution. On March 20, 2014, the Bank paid $1,000,000 to the Plan, representing a discretionary contribution. The Bank's contributions are reflected as receivables in the Statements of Net Assets Available for Benefits as of December 31, 2013.

SUPPLEMENTAL SCHEDULE

THE MECHANICS BANK PROFIT SHARING / 401(k) PLAN
FORM 5500, SCHEDULE H, LINE 4i—SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2013

Name of plan sponsor: Mechanics Bank
Employer identification number: 94-0672780
Three-digit plan number: 001

Party -in- Interest	Identity of Issue and Shares or Par Value	Description of Investment, Including Maturity Date, Rate of Interest Collateral, Par or Maturity Value	Cost	Current Value
	Guaranteed Income Contract:			
*	Prudential Retirement Ins and Annuity Company	Group Annuity Contract – Guaranteed Income Fund	**	$15,275,038
	Mutual Fund Investments:			
	Dodge & Cox Funds	Dodge & Cox Stock Fund	**	5,507,063
	LKCM Equity fund	LKCM Equity fund	**	168,995
	Oppenheimer	Oppenheimer Dev. Markets	**	1,145,085
	Prudential Real Asset	Prudential Real Asset	**	1,777,810
	Dreyfus Intl Bond	Dreyfus Intl Bond	**	1,252,864
				9,851,817
	Pooled Separate Accounts			
*	Prudential Retirement Ins and Annuity Company	International Growth / Artisan Fund	**	2,309,681
*	Prudential Retirement Ins and Annuity Company	T Rowe Price Growth Stock Fund	**	7,732,030
*	Prudential Retirement Ins and Annuity Company	Small Cap Growth / Columbus Fund	**	566,267
*	Prudential Retirement Ins and Annuity Company	Small Cap Growth / Integrity	**	2,881,039
*	Prudential Retirement Ins and Annuity Company	Oakmark Equity & Income Fund	**	13,280,020
*	Prudential Retirement Ins and Annuity Company	Easypath Retirement Income / Income Flex	**	968,567
*	Prudential Retirement Ins and Annuity Company	Mid Cap Value / Integrity Fund	**	1,615,529
*	Prudential Retirement Ins and Annuity Company	Mid Cap Growth / Times Square Fund	**	3,639,873
*	Prudential Retirement Ins and Annuity Company	Large Cap Value / Barrow Hanley Fund	**	3,814,064
*	Prudential Retirement Ins and Annuity Company	Government Sec / Pim Fund	**	175,606
*	Prudential Retirement Ins and Annuity Company	Balanced I / Wellington Mgt	**	180,517
*	Prudential Retirement Ins and Annuity Company	Dryden S & P 500 Index Fund	**	2,298,125
*	Prudential Retirement Ins and Annuity Company	MFS INT Value IS	**	3,626,284
*	Prudential Retirement Ins and Annuity Company	Core Plus Bond / Pimco Fund	**	4,692,064
		Total		47,779,666

(Continued)

THE MECHANICS BANK PROFIT SHARING / 401(k) PLAN
FORM 5500, SCHEDULE H, LINE 4i—SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2013

Name of plan sponsor: Mechanics Bank
Employer identification number: 94-0672780
Three-digit plan number: 001

Party -in- Interest	Identity of Issue and Shares or Par Value	Description of Investment, Including Maturity Date, Rate of Interest Collateral, Par or Maturity Value	Cost	Current Value
	Notes Receivable from Participants:			
*	Individual Participants	Loans Advanced to 304 individual Participants, Interest rates ranging from 3.25% to 7.75%	**	$ 2,279,927
	Cash Surrender Value of Life Insurance:			
	CM Life Insurance Co	29 Insurance policies on lives of 29 individual Participants	**	350,804
		Total Investments		$ 75,537,252

* Denotes party-in-interest
** Investment is participant directed, therefore, historical cost is not required.

Mechanics Bank
Commitment That Lasts Generations

September 23, 2014

Crowe Horwath LLP
330 East Jefferson Blvd
P.O. Box 7
South Bend, IN 46624-0007

Ladies and Gentlemen:

We are providing this letter in connection with your limited-scope audits of the financial statements of The Mechanics Bank Profit Sharing/401(k) Plan ("Plan") as of December 31, 2013 and 2012 and for the year ended 2013. We understand that, at our instruction and as permitted by Regulation 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, you did not perform any audit procedures with respect to information prepared and certified to by Prudential Retirement Insurance and Annuity Company, custodian, Prudential Bank & Trust, F.S.B and The Mechanics Bank, the trustees, in accordance with DOL Regulation 2520.103-5, other than comparing such information to the financial statements and supplemental schedule. Because of the significance of the information which you did not audit, we understand that you will not express an opinion on the financial statements and supplemental schedule taken as a whole.

Some representations in this letter are specifically limited to matters that are material. Items are considered material if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your audits:

1. We are responsible for the fair presentation in the Plan's financial statements of net assets available for benefits and changes in net assets available for benefits in conformity with accounting principles generally accepted in the United States, and for the fair presentation of the accompanying supplemental schedule in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, and we believe the financial statements and supplemental schedule are fairly presented.
2. We are responsible for maintaining internal control that will, among other things, help assure the preparation of the financial statements in conformity with accounting principles generally accepted in the United States. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.

3. We have made available to you:
   a. All financial records and related data and other relevant information, as well as access, as agreed upon in the terms of the audit engagement.
   b. All minutes of the meetings of the Director of Trust Committee, Trust Investment Committee, Trust Administration Committee, or summaries of actions of recent meetings for which minutes have not yet been prepared.
   c. Plan instruments, trust agreements, and amendments to such documents entered into during the year (including amendments made to comply with applicable laws), or insurance contracts.
   d. All correspondence to and from regulatory agencies, including communications concerning compliance with laws and regulations.
4. We have no plans or intentions that may materially affect the carrying amounts or classifications of assets and liabilities.
5. We have identified all accounting estimates that could be material to the financial statements, including the key factors and significant assumptions underlying those estimates, and we believe the estimates are reasonable in the circumstances. These estimates include the fair values of Plan investments and derivative instruments and the classifications of Plan investments and derivative instruments within the fair value hierarchy, pursuant to and in accordance with FASB ASC 820, *Fair Value Measurements and Disclosures*.
6. Adequate provision has been made for adjustments and losses in collection of receivables. There were no investments in default and none are considered to be uncollectible.
7. The following have been properly recorded or disclosed in the financial statements, if applicable:
   a. Related-party transactions and transactions with parties-in-interest (as defined in ERISA section 3(14)), including sales, purchases, loans, transfers, leasing arrangements, and guarantees, and related amounts receivable or payable.
   b. Material liabilities or gain or loss contingencies that are required to be accrued or disclosed by FASB ASC 450, *Contingencies*.
   c. Asserted or unasserted claims or assessments that our attorney has advised us are probable of assertion and must be disclosed in accordance with FASB ASC 450, *Contingencies*.
   d. Significant accounting estimates that are susceptible to changing materially as a result of an event or change in conditions that is reasonably possible of occurrence within one year from the financial statement date.
   e. Concentrations that make the Plan vulnerable to the risk of a severe impact within one year from the financial statement date (including the nature and type of investments held by the Plan, or markets for which events could occur which would significantly disrupt normal finances within the next year).
   f. Amendments to the Plan document during the year or subsequently.
   g. Derivative financial instruments such as futures, forwards, swaps or options, or other financial instruments.
   h. Securities lending arrangements, including the associated collateral and policy for requiring collateral.
   i. Other financial instruments with significant "off-balance-sheet" risk of accounting loss to which the Plan is a party.
   j. Guarantees, whether written or oral, under which the Plan is contingently liable to a bank or other lending institution.

8. Except as disclosed to you, we have no knowledge of any fraud or suspected fraud affecting the Plan involving:
    a. Management, whether material or not.
    b. Employees who have significant roles in internal control, whether material or not.
    c. Others where the fraud could have a material effect on the financial statements.
9. Except as disclosed to you, we have no knowledge of any allegations of fraud or suspected fraud affecting the Plan received in communications from employees, former employees, participants, regulators, service providers, third party administrators, or others.
10. There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in financial reporting practices that could have a material effect on the financial statements in the event of noncompliance.
11. The Plan and trust established under the Plan are qualified under the appropriate section of the Internal Revenue Code, and we intend to continue them as a qualified Plan and trust. The Plan sponsor has operated the Plan and trust in a manner that has not jeopardized this tax exempt status. The Plan has complied with fee disclosure requirements to participants under DOL Regulation Section 2550.404a-5, and has received the required disclosures from service providers under ERISA Section 408(b)(2). We understand that failure to comply could cause the Plan to enter into a prohibited transaction. Required nondiscrimination testing related to Code Section 401(k) and 401(m) arrangements, as applicable, has been completed for the Plan, and any excess deferrals or contributions have been disposed of in accordance with regulations.
12. All required filings of Plan and trust documents have been filed with the appropriate agencies
13. There are no --
    a. Nonexempt transactions with parties in interest, as defined in ERISA section 3(14) and related regulations, that were not disclosed in the supplemental schedules or financial statements.
    b. Investments, loans, or leases in default or considered to be uncollectible that were not disclosed in the supplemental schedules.
    c. Reportable transactions as defined in ERISA section 103(b)(3)(H) and related regulations that were not disclosed in the supplemental schedules.
    d. Untimely remittances of participant contributions to trusts containing assets for the Plan, as determined by the Department of Labor's participant contribution regulation (29 C.F.R. Sec 2510.3-102), that were not properly disclosed in the supplemental schedules.
14. The Plan has complied with the fidelity bonding requirements of ERISA.
15. There are no violations of any laws or regulations (including ERISA, DOL and IRS) whose effects should be considered for disclosure in the financial statements or as a basis for reporting a loss contingency, or other material liabilities or gain or loss contingencies that are required to be accrued or disclosed.
16. All material transactions have been properly recorded in the accounting records underlying the financial statements.
17. The Plan has satisfactory title to all owned assets [state exceptions, if any]. None of the Plan's assets were mortgaged, assigned, pledged, or encumbered by law in any other manner. No security agreements have been executed under the provisions of the Uniform Commercial Code, there are no liens or encumbrances on assets, and no assets have been pledged.
18. The Plan had no purchase commitments for investments at prices in excess of market at the date of the financial statements, no agreements to repurchase items previously sold, and no sales commitments at prices expected to result in losses on fulfillment.
19. All investments are valued at fair value, as defined by FASB ASC 820. Quoted prices in active markets for identical investments are used to determine fair values, when available. All matters of

judgment involved in the calculation and determination of the fair values of investments, and all related valuation methods and assumptions and financial statement disclosures, including the reporting of investments within the fair value hierarchy defined by ASC 820, are the responsibility of management. The valuation methods and assumptions used are reasonable and supportable, have been determined in compliance with ASC 820, and have been adequately disclosed in the financial statements for all periods presented.

20. The methods and significant assumptions used to determine the fair value of Guaranteed Investment Fund are properly disclosed in the financial statements. The methods and significant assumptions used result in a measure of fair value appropriate for financial statement measurement and disclosure purposes, in accordance with ASC 820, *Fair Value Measurements*.
21. The contract value of the Plan's fully benefit-responsive investment contract approximates fair value therefore no adjustment is made to the net assets available for benefits. Management is not aware of any events that are probable of occurrence that would result in contract transactions being executed at less than contract value.
22. The Plan has made no investments during the year that violate the terms of the Plan or Trust Agreement.
23. The Plan has complied with all aspects of debt and other contractual agreements that would have a material effect on the Plan's financial statements in the event of noncompliance.
24. The form and content of the information included in the financial statements and supplemental schedule are presented in compliance with the DOL Rules and Regulations for Reporting and Disclosure under ERISA.
25. We have complied with the applicable reporting and disclosure requirements under ERISA relating to the Summary Plan Description, Summary of Material Modifications, and the Summary Annual Report, as applicable.
26. No events have occurred subsequent to the date of the Plan's financial statements and through the date of this letter that would require adjustments to, or disclosure in, the financial statements.
27. There are no present intentions to terminate the Plan.
28. The Plan, Plan Administrator, or Plan Sponsor on behalf of the Plan has not consulted with or been represented by legal counsel, during the period audited to the date of this letter, regarding any litigation, claims, or assessments asserted or unasserted, or qualification matters relating to the Plan.
29. The Plan administrator has obtained certification from the Prudential Retirement Insurance and Annuity Company, custodian, and Prudential Bank & Trust, F.S.B, and Mechanics Bank as trustees stating that the 2013 and 2012 information provided by the trustee and custodian to the Plan administrator, as disclosed in the financial statements, is complete and accurate.
30. During the course of your audit, we have provided to you physical or electronic copies of various original documents. We understand that you are relying on such copies as audit evidence in your audit and represent that copies provided are an accurate and complete representation of the original documentation and that the copies have not been modified from their original version.
31. As permitted by Regulation 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), we have instructed you not to perform any auditing procedures with respect to the 2012 information prepared and certified to by the Prudential Retirement Insurance and Annuity Company, custodian, and Prudential Bank & Trust, F.S.B, and The Mechanics Bank as trustees, in accordance with DOL Regulation 2520.103-5, except for comparing the information with the related information included in the 2013 and 2012 financial statements.

Very truly yours,

Richard Stephenson
Executive Vice President and Chief Legal & Risk Officer /Plan Administrator

Thomas Leong
Vice President / Finance Manager

Charmagne Compean
Assistant Vice President / Benefits Manager

THE MECHANICS BANK
PROFIT SHARING/401(k) PLAN
PLAN NUMBER 001
EIN 94-0672780

FINANCIAL STATEMENTS
December 31, 2013 and 2012

THE MECHANICS BANK PROFIT SHARING / 401(k) PLAN

FINANCIAL STATEMENTS
December 31, 2013 and 2012

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INDEPENDENT AUDITOR'S REPORT

The Advisory Committee
The Mechanics Bank Profit Sharing / 401(k) Plan
Richmond, California

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of The Mechanics Bank Profit Sharing /401(k) Plan, which comprise the statements of net assets available for benefits as of December 31, 2013 and 2012, and the related statement of changes in net assets available for benefits for the year ended December 31, 2013, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Prudential Retirement Insurance and Annuity Company and Prudential Bank & Trust, F.S.B. and The Mechanics Bank, the trustees of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that Prudential Retirement Insurance and Annuity Company and trustees hold the Plan's investment assets and execute investment transactions. The plan administrator has obtained certifications from Prudential Retirement Insurance and Annuity Company and the trustees as of December 31, 2013 and 2012 and for the year ended December 31, 2013 that the information provided to the plan administrator by the custodian and trustees is complete and accurate.

(Continued)

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter

The supplemental Schedule H, Line 4i-Schedule of Assets (Held at End of Year) as of December 31, 2013 is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for purposes of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the custodian and trustees, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Crowe Horwath LLP

Crowe Horwath LLP

South Bend, Indiana
September 23, 2014

THE MECHANICS BANK PROFIT SHARING/401(k) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2013 and 2012

	2013	2012
ASSETS:		
Investments, at fair value:		
Mutual fund investments	$ 9,851,817	$ 3,824,048
Pooled separate accounts	47,779,666	42,515,753
Guaranteed income contract	15,275,038	16,534,524
Cash surrender value of life insurance policies	350,804	357,325
Total investments	73,257,325	63,231,650
Receivables:		
Employer 401(k) safe harbor matching contribution receivable	1,291,785	1,315,376
Employer 401(k) discretionary contribution receivable	1,000,000	1,000,000
Notes receivable from participants	2,279,927	2,175,732
Total assets	77,829,037	67,722,758
NET ASSETS AVAILABLE FOR BENEFITS	$ 77,829,037	$ 67,722,758

The accompanying notes are an integral part of the financial statements.

THE MECHANICS BANK PROFIT SHARING/401(k) PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
For the year ended December 31, 2013

Additions:	
Contributions:	
Employer 401(k) safe harbor matching contributions	$ 1,291,785
Employer 401(k) discretionary contributions	1,000,000
Participant elective 401(k) deferral contributions	3,434,179
Participant roll-over contributions from other qualified plans	407,353
Total contributions	6,133,317
Net realized gains and unrealized appreciation in fair value of investments	11,397,100
Interest earned on participant loans and investments	417,031
Dividends earned on investments	114,758
Total additions	18,062,206
Deductions:	
Distributions of funds for participant withdrawals and benefits	7,932,696
Administrative expenses	23,231
Total deductions	7,955,927
Net increase in assets available for benefits	10,106,279
NET ASSETS AVAILABLE FOR BENEFITS AT DECEMBER 31, 2012	67,722,758
NET ASSETS AVAILABLE FOR BENEFITS AT DECEMBER 31, 2013	$ 77,829,037

The accompanying notes are an integral part of the financial statements.

NOTE 1. PLAN DESCRIPTION

The following description of The Mechanics Bank Profit Sharing / 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan Document and Summary Plan Description for a complete description of the Plan's provisions.

The Plan was established by The Mechanics Bank (the Bank) on October 10, 1945, to provide deferred compensation benefits for eligible employees. For the first 60 years of its existence, the Plan operated under a separate trust agreement and was named The Mechanics Bank Profit Sharing Plan and Trust. The Bank served as both the Plan Sponsor and Trustee during all these years. Effective January 1, 2006, the Plan was officially restated and converted to a Prudential Retirement Services Prototype Plan ("Prototype Plan"). With this conversion, the name of the Plan was officially changed to The Mechanics Bank Profit Sharing/401(k) Plan. Pursuant to a new Trust Agreement that also became effective January 1, 2006, the Prudential Bank & Trust, F.S.B. ("Prudential") was appointed the successor trustee to the Plan and Prudential Retirement Insurance & Annuity Company serves as Plan custodian. Mechanics Bank remains trustee of the life insurance policies. Prudential then proceeded to receive, hold, manage and reinvest all the assets except the life insurance policies of the Trust Fund and provide specified recordkeeping and administrative services and make appropriate distributions of Trust Funds for the exclusive benefit of the Plan participants or beneficiaries.

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan is a qualified defined contribution plan which contains a "cash or deferred arrangement" (CODA) authorized under section 401(k) of the Internal Revenue Code. The most recent Plan amendments occurring with the adoption of the Prototype Plan enhanced some of the Plan features and benefits and modified some of the eligibility and vesting standards for employee participants. Effective January 1, 2006 most all employees of the Bank are covered and can benefit from the Plan (except for leased and collectively bargained employees). Employees are eligible to participate in the Plan when their employment starts at the Bank, with their first hour of work. Enrollment is therefore open to all covered employees without any waiting period. Upon enrollment, employees may immediately participate in the elective salary deferral component of the Plan. Starting in 2006, the Bank also implemented a 401(k) safe harbor matching feature to the Plan which encourages employees to participate and save for their own retirement. When an eligible employee actively participates in the Plan and electively defers a portion of their salary into the 401(k) segment of the Plan, a portion of each employee's annual salary deferral is matched with Bank contributions according to a prescribed percentage formula. Participants are 100 percent vested in their elective salary deferrals and after being credited with a minimum two years of cumulative service they are 100% vested in their employer matching contributions. In addition to the 401(k) segment of the Plan, there is also a profit sharing feature or segment to the Plan. The Bank may make discretionary employer nonelective contributions into the profit sharing segment of the Plan for the benefit of eligible participants. A participant becomes eligible to receive a portion of a current year's profit sharing contribution following their entry date to the profit sharing segment of the plan, which may occur on the first day of any calendar quarter of the Plan year after being credited with a minimum 1 year of service. A Participant becomes 100% vested in the profit sharing segment of the Plan after being credited with a minimum three years of cumulative service (three year cliff vesting). A year of service for both eligibility and vesting is specified as 12 months of employment determined using the Equivalency Method for hourly employees whereby 190 hours of service are credited for each calendar month during which an employee completes at least 1 hour of service. Any forfeitures of unvested account balances are first used to pay Plan expenses for the year in which forfeitures are to be allocated. Any remaining forfeitures are used to reduce any employer nonelective contributions of that plan year. The Bank used $9,222 of forfeitures to offset the 2012 employer match paid in 2013 and $28,293 of forfeitures to offset the 2013 employer match paid in 2014. The Plan had $28,293 and $9,222 of forfeitures as of December 31, 2013 and 2012.

(Continued)

NOTE 1. PLAN DESCRIPTION (Continued)

The Plan has adopted a Safe Harbor 401(k) Match Contribution formula allowed under the Internal Revenue Code, which provides that the Bank shall annually contribute employer matching contributions equal to 100% of the first 1% and 50% of employee contribution that exceeds 1% up to 6% of eligible participants' Section 401(k) Deferrals ("applicable contributions") of Included Compensation which is defined to be W-2 wages.

The Plan has adopted the ProRata Allocation Method formula for allocating employer discretionary nonelective Profit Sharing contributions. This formula allocates to each participant an equal, uniform percentage of their Included Compensation which is defined to be W-2 wages.

Individual accounts are maintained for each Plan participant to hold their elective deferral contributions, employer matching contributions and employer's discretionary profit sharing contributions (if any). Upon the adoption of the Prudential Prototype Plan and conversion of the Trust Fund over to Prudential during 2006, each Participant was permitted to "direct" the investments within their individual accounts into a broad array of investment alternatives offered through Prudential.

The Plan also allows for loans to participants listed as Notes Receivable from Participants on the Statement of Net Assets. Participants may borrow from their accounts a minimum of $1,000 up to a maximum of $50,000 or 50% of their vested account balance, whichever is less. A participant must be 100 percent vested and employed by the Bank on the date of the loan. Each loan is secured by the balance in the participant's account. The interest rate charged each new loan is fixed at the prime rate in effect on the last business day of the calendar quarter preceding the loan date. The rate will not change during the loan repayment period.

The Plan generally allows an employee participant to withdraw all or a portion of their participant account balance upon the attainment of a normal retirement age of 65 years. Participant withdrawals of vested account balances are also permitted after termination of employment. In service withdrawals and distributions are limited in both frequency and amount until the attainment of age 59.5 unless a participant becomes disabled.

Although it has not expressed any intent to do so, the Bank has the right to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants will become 100 percent vested in their accounts.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies of the Plan are as follows:

Presentation

The accompanying financial statements have been prepared under the accrual basis of accounting based on accounting principles generally accepted in the United States.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein. Actual results could differ from those estimates.

(Continued)

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment Valuation and Income Recognition

The Plan's investments are reported at fair value. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Fully Benefit-Responsive Investment Contracts

While Plan investments are presented at fair value in the statement of net assets available for benefits, any material difference between the fair value of the Plan's direct interests in fully benefit-responsive investment contracts and their contract value is presented as an adjustment line in the statement of net assets available for benefits, because contract value is the relevant measurement attribute for that portion of the Plan's net assets available for benefits. Contract value represents contributions made to a contract, plus earnings, less participant withdrawals and administrative expenses. Participants in fully benefit-responsive contracts may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. The Plan holds a direct interest in a fully benefit-responsive contract. No adjustments from fair value to contract value are presented in the statements of net assets available for benefits, as the amounts of the adjustments have been determined to be immaterial.

Notes Receivable from Participants

Notes receivable from participants are reported at their unpaid principal balance plus any accrued but unpaid interest, with no allowance for credit losses, as repayments of principal and interest are received through payroll deductions and the notes are collateralized by the participants' account balances.

Risks and Uncertainties

The Plan invests in various investments. Investments are exposed to various risks such as interest rate, market, liquidity and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investment will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

Benefits

Benefits are recorded when paid.

(Continued)

NOTE 3. INVESTMENTS AND NOTES RECEIVABLE FROM PARTICIPANTS – UNAUDITED INFORMATION

Investments and notes receivable from participants are held by the Plan trustees, Prudential Bank & Trust, F.S.B. and Mechanics Bank, as well as Prudential Retirement Insurance & Annuity Company. Eligible investments offered by the Plan are periodically reviewed and approved by the Advisory Committee of the Bank. The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, substantially all investment and notes receivable from participant's information included in the Plan's financial statements were certified by trustees of the Plan (Prudential Bank & Trust, F.S.B. and Mechanics Bank) and Prudential Retirement Insurance & Annuity Company to be complete and accurate, and was therefore not subjected to any auditing procedures by independent accountants. The following summarizes the information included in the financial statements that was certified and not subject to auditing procedures by independent accountants:

- Fair value of investments held at December 31, 2013 and 2012
- Contract value of the Guaranteed Income Contract at December 31, 2013 and 2012
- Notes Receivable from Participants at December 31, 2013 and 2012
- Net realized gains and unrealized appreciation in fair value of investments
- Interest earned on participant loans and investments
- Dividends earned on investments

The fair value of individual investments that represent 5 percent or more of the Plan's net assets available for benefits at December 31, 2013 and 2012, respectively, is as follows:

	2013
Prudential Guaranteed Income Contract	$ 15,275,038
Prudential Pooled Separate Account: Oakmark Equity and Income Fund	13,280,020
Prudential Pooled Separate Account: T Rowe Price Growth Stock Fund	7,732,030
Mutual Fund: Dodge & Cox Stock Fund	5,507,063
Prudential Pooled Separate Account: Core Plus Bond / Pimco Fund	4,692,064

	2012
Prudential Guaranteed Income Contract	$ 16,534,524
Prudential Pooled Separate Account: Oakmark Equity and Income Fund	12,199,205
Prudential Pooled Separate Account: T Rowe Price Growth Stock Fund	6,167,560
Prudential Pooled Separate Account: Core Plus Bond / Pimco Fund	5,718,969
Prudential Pooled Separate Account: International Value / LSV Asset Management Fund	3,742,939
Mutual Fund: Dodge & Cox Stock Fund	3,717,467

Net realized gains (losses) and unrealized appreciation (depreciation) in fair values of investments of $11,397,100 reported in the Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2013 was comprised of the following:

	2013
Pooled separate accounts	$ 9,899,476
Mutual fund investments	1,504,145
Life Insurance Policies	(6,521)
Total	$ 11,397,100

(Continued)

NOTE 3. INVESTMENTS AND NOTES RECEIVABLE FROM PARTICIPANTS – UNAUDITED INFORMATION (Continued)

The Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2013 also reported income derived from notes receivable from participants and investments and operations that consisted of interest and dividend income which totaled $531,789.

NOTE 4. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received by the Plan for an asset or paid by the Plan to transfer a liability (an exit price) in an orderly transaction between market participants on the measurement date in the Plan's principal or most advantageous market for the asset or liability. Fair value measurements are determined by maximizing the use of observable inputs and minimizing the use of unobservable inputs. The hierarchy places the highest priority on unadjusted quoted market prices in active markets for identical assets or liabilities (level 1 measurements) and gives the lowest priority to unobservable inputs (level 3 measurements). The three levels of inputs within the fair value hierarchy are defined as follows:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the Plan has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect the Plan's own assumptions about the assumptions that market participants would use in pricing an asset or liability

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy.

The following descriptions of the valuation methods and assumptions used by the Plan to estimate the fair values of investments apply to investments held directly by the Plan.

***Mutual funds*:** The fair values of mutual fund investments are determined by obtaining quoted prices on nationally recognized securities exchanges (level 1 inputs).

***Pooled separate accounts*:** The fair values of participation units held in pooled separate accounts are based on their net asset values, as reported by the managers of the pooled separate accounts as supported by the unit prices of actual purchase and sale transactions occurring as of or close to the financial statement date (level 2 inputs). Each of the pooled separate accounts invests in a single, open-ended mutual fund which is generally identified in the name of the pooled separate account. Each pooled separate account provides for daily redemptions by the Plan with no advance notice requirements, and has redemption prices that are determined by the fund's net asset value per unit.

***Insurance policies*:** The fair value of insurance policies are determined based on the cash surrender values of the policies determined by the carriers on the report date (level 2 inputs).

(Continued)

NOTE 4. FAIR VALUE MEASUREMENTS (Continued)

Guaranteed Income Contract: The fair values of investment contracts have been determined to approximate contract values, based upon their lack of contractual maturities, the frequency of the re-setting of contractual interest rates to market rates, the credit quality of the issuer(s), and the liquidity of the contracts. (level 3 inputs). Contract value represents deposits made to the contract, plus earnings at guaranteed crediting rates, less withdrawals and fees.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Investments measured at fair value on a recurring basis are summarized below:

	Fair Value Measurements at December 31, 2013 Using		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Pooled separate accounts:			
Equity & Income	$ -	$ 13,280,020	$ -
Large Cap	-	13,844,219	-
Fixed Income	-	5,836,237	-
International	-	5,935,965	-
Mid Cap	-	5,255,403	-
Small Cap	-	3,447,306	-
Balanced	-	180,517	-
CSV of life insurance policies	-	350,804	-
Mutual funds			
Equity	5,676,058		
Developing Markets	1,145,085		
International	1,252,864		
Real Assets	1,777,810		
Guaranteed income contract	-	-	15,275,038

(Continued)

NOTE 4. FAIR VALUE MEASUREMENTS (Continued)

	Fair Value Measurements at December 31, 2012 Using		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Pooled separate accounts:			
Equity & Income	$ -	$ 12,199,205	$ -
Large Cap	-	10,834,014	-
Fixed Income	-	6,489,411	-
International	-	6,297,229	-
Mid Cap	-	3,722,348	-
Small Cap	-	2,805,446	-
Balanced	-	168,100	-
CSV of life insurance policies	-	357,325	-
Mutual funds	3,824,048	-	-
Guaranteed income contract	-	-	16,534,524

The table below presents a reconciliation of Plan investments measured at fair value on a recurring basis using significant unobservable inputs (level 3) for the year ended December 31, 2013, including the reporting classifications for the applicable gains and losses included in the statement of changes in net assets available for benefits:

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)
Guaranteed Income Contract:	
Beginning balance, January 1, 2013	$ 16,534,524
Total realized and unrealized gains or losses Included in change in net assets available for benefits:	
Interest income	362,162
Purchases	1,188,591
Sales	(2,736,734)
Other	(73,505)
Ending balance, December 31, 2013	$ 15,275,038

Included in the Plan's 2013 statement of changes in net assets available for benefits is $362,162 of interest and dividend income pertaining to level 3 investments that are still held by the Plan as of December 31, 2013.

(Continued)

NOTE 4. FAIR VALUE MEASUREMENTS (Continued)

The following tables present quantitative information about recurring Level 3 fair value measurements at:

December 31, 2013	Fair value	Valuation Technique	Unobservable Input
Guaranteed Investment Contract	$ 15,275,038	Discounted cash flow	Earnings at guaranteed crediting rate of 2.15% which must be greater than or equal to the contractual minimum crediting rate of 1.5%

December 31, 2012	Fair value	Valuation Technique	Unobservable Input
Guaranteed Investment Contract	$ 16,534,524	Discounted cash flow	Earnings at guaranteed crediting rate of 2.5% which must be greater than or equal to the contractual minimum crediting rate of 1.5%

NOTE 5. CASH SURRENDER VALUE OF LIFE INSURANCE

In accordance with the provisions of the Plan agreement, members could previously elect to have vested portions of their accounts used to purchase life insurance policies. Funds are disbursed from the Plan to pay annual premiums for the policies. Cash surrender values of all active, unredeemed policies are recorded in the accompanying Statements of Net Assets Available for Benefits, totaling $350,804 at December 31, 2013 and $357,325 at December 31, 2012.

NOTE 6. INVESTMENT CONTRACT WITH INSURANCE COMPANY

The Plan holds an investment in a guaranteed income fund (GIF) provided by Prudential Retirement Insurance and Annuity Company. This fund is considered to be a fully benefit-responsive investment contract. Interest is credited to participant accounts based upon the crediting interest rate determined under the terms of the contract, and the accounts are charged for participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investments at contract value. Contract value represents contributions made under the contract, plus earnings at guaranteed crediting rates, less participant withdrawals and administrative expenses. There are no reserves against contract value for credit risk of the Issuer or otherwise.

The plan owns a promise to pay interest at crediting rates which are announced in advance and guaranteed for a specific period of time as outlined in the group annuity contract. There are not any specific securities in the general account that back the liabilities of this annuity contract. This contract has no specified maturity and as a result, the fair value amount shown approximates the contract value. Further, management is not aware of any event that is probable of occurrence that would result in contract transactions being executed at less than contract value.

(Continued)

NOTE 6. INVESTMENT CONTRACT WITH INSURANCE COMPANY (Continued)

The crediting interest rate of the contract is based on an agreed-upon formula with the Issuer, as defined in the contract agreement, but cannot be less than 1.5 percent. Such interest rates are reviewed on a semi-annual basis for resetting. The key factors that influence future interest crediting rates could include the following: the current economic and market conditions, the general interest rate environment, and both the expected and actual experience of a reference portfolio within the issuer's general account.

	2013	2012
Average yields:		
Based on annualized earnings [1]	2.15%	2.50%
Based on interest rate credited to participants [2]	2.15%	2.50%

(1) Computed by dividing the annualized one-day actual earnings of the contract on the last day of the Plan year by the fair value of the contract investments on the same date.
(2) Computed by dividing the annualized one-day earnings credited to participants on the last day of the Plan year by the fair value of the contract investments on the same date.

NOTE 7. FEDERAL INCOME TAX STATUS

The Internal Revenue Service (IRS) has determined and informed Prudential Insurance Co. by a letter dated March 31, 2008, that its Prototype Non-standardized Profit Sharing Plan with CODA is designed in accordance with applicable sections of the Internal Revenue Code (the IRC). Although the prototype Plan has been amended since receiving the IRS opinion letter, the plan administrator and management believe that the Plan, which follows this Prudential Insurance Co. prototype form, has been designed and is currently being operated in compliance with the applicable requirements of the IRC and the Plan and related trust continue to be tax-exempt as of the financial statement date.

The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2013 and 2012, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing authorities; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2010.

NOTE 8. PARTY- IN- INTEREST TRANSACTIONS

Parties-in-interest are defined under DOL regulations as any fiduciary of the plan, any party rendering service to the plan, the employer, and certain others. Parties-in-interest investments include the Guaranteed Income Contract, and Pooled Separate Accounts, issued and managed by Prudential Retirement Insurance and Annuity Company as of December 31, 2013. Notes receivables from participants also qualify as party-in-interest transactions. As of December 31, 2013 and 2012 and for the year ended December 31, 2013, substantially all participant and Plan investments, as well as notes receivables from participants, were accepted, and held by either the trustee, Prudential Bank & Trust, FSB, or the plan custodian, Prudential Retirement Insurance and Annuity Company, which are independent of the Plan and the Bank sponsor. The trustee has requested that the Bank retain in safekeeping the Life Insurance policies of Plan participants having cash surrender values totaling $350,804 as of December 31, 2013. Administrative expenses totaling $6,550 were paid by the Plan to Prudential Retirement Insurance and Annuity Company in 2013.

(Continued)

NOTE 9. SUBSEQUENT EVENTS

Plan management has evaluated subsequent events for recognition and disclosure through September 23, 2014, which is the date the financial statements were available to be issued. On February 21, 2014, the Bank paid $1,291,785 to the Plan, fulfilling the 2013 401(k) employer safe harbor matching contribution. On March 20, 2014, the Bank paid $1,000,000 to the Plan, representing a discretionary contribution. The Bank's contributions are reflected as receivables in the Statements of Net Assets Available for Benefits as of December 31, 2013.

SUPPLEMENTAL SCHEDULE

THE MECHANICS BANK PROFIT SHARING / 401(k) PLAN
FORM 5500, SCHEDULE H, LINE 4i—SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2013

Name of plan sponsor: Mechanics Bank
Employer identification number: 94-0672780
Three-digit plan number: 001

Party -in- Interest	Identity of Issue and Shares or Par Value	Description of Investment, Including Maturity Date, Rate of Interest Collateral, Par or Maturity Value	Cost	Current Value
	Guaranteed Income Contract:			
*	Prudential Retirement Ins and Annuity Company	Group Annuity Contract – Guaranteed Income Fund	**	$15,275,038
	Mutual Fund Investments:			
	Dodge & Cox Funds	Dodge & Cox Stock Fund	**	5,507,063
	LKCM Equity fund	LKCM Equity fund	**	168,995
	Oppenheimer	Oppenheimer Dev. Markets	**	1,145,085
	Prudential Real Asset	Prudential Real Asset	**	1,777,810
	Dreyfus Intl Bond	Dreyfus Intl Bond	**	1,252,864
				9,851,817
	Pooled Separate Accounts			
*	Prudential Retirement Ins and Annuity Company	International Growth / Artisan Fund	**	2,309,681
*	Prudential Retirement Ins and Annuity Company	T Rowe Price Growth Stock Fund	**	7,732,030
*	Prudential Retirement Ins and Annuity Company	Small Cap Growth / Columbus Fund	**	566,267
*	Prudential Retirement Ins and Annuity Company	Small Cap Growth / Integrity	**	2,881,039
*	Prudential Retirement Ins and Annuity Company	Oakmark Equity & Income Fund	**	13,280,020
*	Prudential Retirement Ins and Annuity Company	Easypath Retirement Income / Income Flex	**	968,567
*	Prudential Retirement Ins and Annuity Company	Mid Cap Value / Integrity Fund	**	1,615,529
*	Prudential Retirement Ins and Annuity Company	Mid Cap Growth / Times Square Fund	**	3,639,873
*	Prudential Retirement Ins and Annuity Company	Large Cap Value / Barrow Hanley Fund	**	3,814,064
*	Prudential Retirement Ins and Annuity Company	Government Sec / Pim Fund	**	175,606
*	Prudential Retirement Ins and Annuity Company	Balanced I / Wellington Mgt	**	180,517
*	Prudential Retirement Ins and Annuity Company	Dryden S & P 500 Index Fund	**	2,298,125
*	Prudential Retirement Ins and Annuity Company	MFS INT Value IS	**	3,626,284
*	Prudential Retirement Ins and Annuity Company	Core Plus Bond / Pimco Fund	**	4,692,064
		Total		47,779,666

(Continued)

THE MECHANICS BANK PROFIT SHARING / 401(k) PLAN
FORM 5500, SCHEDULE H, LINE 4i—SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2013

Name of plan sponsor: Mechanics Bank
Employer identification number: 94-0672780
Three-digit plan number: 001

Party -in- Interest	Identity of Issue and Shares or Par Value	Description of Investment, Including Maturity Date, Rate of Interest Collateral, Par or Maturity Value	Cost	Current Value
	Notes Receivable from Participants:			
*	Individual Participants	Loans Advanced to 304 individual Participants, Interest rates ranging from 3.25% to 7.75%	**	$ 2,279,927
	Cash Surrender Value of Life Insurance:			
	CM Life Insurance Co	29 Insurance policies on lives of 29 individual Participants	**	350,804
		Total Investments		$ 75,537,252

* Denotes party-in-interest
** Investment is participant directed, therefore, historical cost is not required.