
Section 1: 8-K (8-K)

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 28, 2018

PACIFIC MERCANTILE BANCORP

(Exact name of registrant as specified in its charter)

California
(State or other jurisdiction
of incorporation)

0-30777
(Commission
File Number)

33-0898238
(IRS Employer
Identification No.)

949 South Coast Drive, Costa Mesa, California
(Address of principal executive offices)

92626
(Zip Code)

Registrant's telephone number, including area code: (714) 438-2500

N/A
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter)

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers; Compensatory Arrangements of Certain Officers

Election of New Director

On November 28, 2018, the Board of Directors (the “Board”) of Pacific Mercantile Bancorp (the “Company”) appointed James F. Deutsch to serve as director of the Company, effective immediately. Mr. Deutsch was also appointed as a member of the Board of Directors of the Company’s wholly-owned banking subsidiary, Pacific Mercantile Bank.

Mr. Deutsch was appointed to serve on the Human Resource and Compensation, Audit and Finance and Risk Committees of the Board. There are no arrangements or understandings between Mr. Deutsch and any other persons pursuant to which such person was selected as a director. There are also no family relationships between Mr. Deutsch and any director or executive officer of the Company. Mr. Deutsch has more than 40 years of experience in the banking industry and currently is a partner at Patriot Financial Partners, L.P., a private equity firm focused on investing in community banks, thrifts and financial services-related companies throughout the United States. As of September 30, 2018, Patriot Financial Partners held a 15.6% equity interest in Pacific Mercantile Bancorp.

Subject to approval by the Board, Mr. Deutsch will participate in the current director compensation arrangements applicable to non-employee directors. Under the terms of those arrangements, effective upon Board approval, Mr. Deutsch will receive the annual retainer of \$60,000 paid to all non-employee directors. A total of 70% of the annual retainer will be paid in cash, in substantially equal monthly installments, and the remainder of the retainer will be paid in the form of a restricted stock award (the number of restricted shares subject to the award will be determined by dividing such remaining retainer amount by the market value of the Company’s common stock on the date of grant). The restricted stock award will vest in full on the one-year anniversary of its grant date. The Company will also enter into its standard form of indemnification agreement with Mr. Deutsch.

Item 7.01 Regulation FD Disclosure

On November 28, 2018, the Company issued a press release announcing the appointment of Mr. Deutsch to the Company’s Board of Directors. A copy of that press release is attached as Exhibit 99.1 to this Current Report.

In accordance with General Instruction B. 2 of Form 8-K, the information in this Item 7.01 of this Current Report and Exhibit 99.1 hereto are being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section, nor shall such information or that Exhibit be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description of Exhibit
99.1	<u>Press release issued on November 28, 2018 announcing the appointment of James F. Deutsch to the Board of Directors of the Company and the Bank.</u>

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PACIFIC MERCANTILE BANCORP

Date: November 28, 2018

By:

/s/ THOMAS M. VERTIN

Thomas M. Vertin,
President and Chief Executive Officer

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Section 2: EX-99.1 (EXHIBIT 99.1)

Exhibit 99.1



949 South Coast Drive, Third Floor
Costa Mesa, CA 92626

FOR IMMEDIATE RELEASE

For more information contact

Curt Christianssen, Chief Financial Officer, 714-438-2500

Member FDIC

Equal Housing Lender

Pacific Mercantile Bancorp Appoints James F. Deutsch to Board of Directors

COSTA MESA, Calif., November 28, 2018 (GlobeNewswire) - Pacific Mercantile Bancorp (Nasdaq: PMBC, the “Company”), the holding company of Pacific Mercantile Bank (the “Bank”), a wholly owned banking subsidiary, today announced the appointment of James F. Deutsch to the board of directors of both Pacific Mercantile Bancorp and Pacific Mercantile Bank.

Mr. Deutsch has more than 40 years of experience in the banking industry and currently is a partner at Patriot Financial Partners, L.P., a private equity firm focused on investing in community banks, thrifts and financial services-related companies throughout the United States. As of September 30, 2018, Patriot Financial Partners held a 15.6% equity interest in Pacific Mercantile Bancorp.

“We are very pleased to add Jim to our Board of Directors,” said Edward Carpenter, Chairman of the Board of the Company and the Bank. “Jim’s distinguished banking career includes a strong track record in building community bank franchises. We believe his expertise and perspective will be beneficial to our Bank’s continuing efforts to create long-term shareholder value.”

Mr. Deutsch said, “Pacific Mercantile has built a strong commercial bank that is well positioned in the Southern California market. I look forward to working with the management team and my fellow directors to continue generating profitable growth and to enhancing the value of the franchise.”

Prior to joining Patriot Financial Partners, Mr. Deutsch was one of the founders and served as the President and CEO of Team Capital Bank, a private institution headquartered in Bethlehem, PA. Under Mr. Deutsch’s leadership, Team Capital grew from a one-office startup community bank at its founding on November 1, 2005 to a \$750 million asset bank with 10 offices at the time of Mr. Deutsch’s departure in April 2011. Team Capital’s performance ranked in the top 2% in terms of asset growth of the 330 startup community banks founded in 2005 and 2006. The Company achieved profitability within three years and ultimately returned over 2.5 times original capital to its investors.

Prior to Team Capital, Mr. Deutsch spent 25 years managing various lending groups including community bank lending, regional lending and national lending programs at Commerce Bancorp, Inc., Brown Brothers Harriman and Summit Bancorp. Mr. Deutsch was also responsible for

managing and establishing investment banking, corporate finance, syndication and specialty lending groups at Commerce Bancorp.

Mr. Deutsch has served on the boards of many civic and professional organizations during his career including serving as the Chair of The State Theatre, Valley Youth House, The Bethlehem YMCA and the Hugh Moore Historical Parks and Museums. He currently serves on the board of the Minsi Trails Boy Scout Council. Mr. Deutsch received his B.S. degree in Finance and his MBA from Lehigh University.

About Pacific Mercantile Bancorp

Pacific Mercantile Bancorp (Nasdaq: PMBC) is the parent holding company of Pacific Mercantile Bank, which opened for business March 1, 1999. The Bank, which is an FDIC insured, California state-chartered bank and a member of the Federal Reserve System, provides a wide range of commercial banking services to businesses, business professionals and individual clients. The Bank is headquartered in Orange County and operates a total of seven offices in Southern California, located in Orange, Los Angeles, San Diego, and San Bernardino counties. The Bank offers tailored flexible solutions for its clients including an array of loan and deposit products, sophisticated cash management services, and comprehensive online banking services accessible at www.pmbank.com.

Forward-Looking Information

This news release contains statements regarding our expectations, beliefs and views about our future financial performance and our business, trends and expectations regarding the markets in which we operate, and our future plans. Those statements, which include the quotation from management, constitute “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, can be identified by the fact that they do not relate strictly to historical or current facts. Often, they include words such as “believe,” “expect,” “anticipate,” “intend,” “plan,” “estimate,” “project,” or words of similar meaning, or future or conditional verbs such as “will,” “would,” “should,” “could,” or “may.” Forward-looking statements are based on current information available to us and our assumptions about future events over which we do not have control. Moreover, our business and our markets are subject to a number of risks and uncertainties which could cause our actual financial performance in the future, and the future performance of our markets (which can affect both our financial performance and the market prices of our shares), to differ, possibly materially, from our expectations as set forth in the forward-looking statements contained in this news release.

In addition to the risk of incurring loan losses and provision for loan losses, which is an inherent risk of the banking business, these risks and uncertainties include, but are not limited to, the following: the risk that the credit quality of our borrowers declines; potential declines in the value of the collateral for secured loans; the risk that steps we have taken to strengthen our overall credit administration are not effective; the risk of a downturn in the United States economy, and domestic or international economic conditions, which could cause us to incur additional loan losses and adversely affect our results of operations in the future; the risk that our interest margins and, therefore, our net interest income will be adversely affected by changes in prevailing interest rates; the risk of increases in our nonperforming assets, in which event we would face the prospect of further loan charge-offs and write-downs of assets; the risk that we will not be able to manage our interest rate risks effectively, in which event our operating results could be harmed; the prospect of changes in government regulation of banking and other financial services organizations, which could impact our costs of doing business and restrict our ability to take advantage of business and growth opportunities; the risk that our efforts to develop a robust commercial banking platform may not succeed; and the risk that we may be unable to realize our expected level of increasing deposit inflows. Readers of this news release are encouraged to review the additional information regarding these and other risks and uncertainties to which our business is subject that is contained in our Annual Report on Form 10-K for the year ended December 31, 2017, which is on file with the SEC. Additional information is set forth in our Quarterly Report on Form 10-Q for the three and nine months ended September 30, 2018, and readers of this release are urged to review the additional information contained in those reports.

Due to these and other risks and uncertainties to which our business is subject, you are cautioned not to place undue reliance on the forward-looking statements contained in this news release, which speak only as of its date, or to make predictions about our future financial performance based solely on our historical financial performance. We disclaim any obligation to update or revise any of the forward-looking statements as a result of new information, future events or otherwise, except as may be required by law.

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