



**Part II** Organizational Action (continued)

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

Blank lines for listing Internal Revenue Code sections.

18 Can any resulting loss be recognized? ▶ SEE ATTACHMENT

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

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

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


Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶ \_\_\_\_\_ Date ▶ \_\_\_\_\_

Print your name ▶ \_\_\_\_\_ Title ▶ \_\_\_\_\_

**Paid Preparer Use Only**

Print/Type preparer's name ROBERT PARKER, CPA	Preparer's signature 	Date 07/11/2022	Check <input type="checkbox"/> if self-employed	PTIN P00868782
Firm's name ▶ CROWE LLP	Firm's address ▶ 720 COOL SPRINGS BLVD, STE 600, FRANKLIN, TN 37067		Firm's EIN ▶ 35-0921680	Phone no. 615-360-5500

**Attachment to Form 8937**  
**Report of Organizational Actions Affecting Basis of Securities**  
**Southern Bancorp, Inc.**  
**FEIN: 71-0646525**

**Part II, Line 14**

Effective May 31, 2022, Southern Bancorp, Inc. ("Southern") acquired FCB Financial Services, Inc. ("FCB") via a merger transaction whereby its wholly owned subsidiary, SBI Acquisition III, Inc. merged with and into FCB with FCB as the surviving entity and wholly owned subsidiary of Southern. Immediately following the merger, FCB's wholly owned subsidiary, Premier Bank of Arkansas ("Premier") merged with and into Southern's wholly owned subsidiary, Southern Bancorp Bank ("SBB"). The merger was a qualified stock purchase under Section 338 of the Internal Revenue Code pursuant to Rev. Ruling 90-95 whereby Southern is treated as having directly purchased all of FCB shares from its shareholders for cash consideration of \$40,200,000.

**Part II, Line 15**

Pursuant to the agreement and plan of merger, each share of FCB common stock was exchanged for \$422.36 from Southern, in addition to \$179.73 per share of cash from FCB as a special dividend. Both Southern and FCB intend the dividend to be part of the merger consideration paid by Southern.

The shareholders of FCB common stock will recognize a capital gain or loss equal to the difference between their tax basis in the common stock and the cash received.

**Part II, Line 16**

Each shareholder of FCB will receive \$422.36 per share from Southern and \$179.73 from FCB in cash. This being the case, the shareholder will generally recognize capital gain or loss (discussed in #18), with the nature of the gain being determined by how long FCB stock was held by each individual shareholder.

**Part II, Line 17**

Tax treatment of the merger is based on the following Internal Revenue Code (IRC) sections and subsections as more fully discussed below: 338, 1001, and 1221.

**Part II, Line 18**

FCB shareholders receiving cash in exchange for their stock will generally recognize capital gain or loss equal to the difference between the total amount of cash received and that shareholder's basis in their respective FCB stock. Shareholders should consult their tax advisors for individual tax impact and specific guidance.

**Part II, Line 19**

The reportable tax year of the capital gain or loss associated with the merger is the shareholder's tax year that includes May 31, 2022.