



**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 lined area for listing Internal Revenue Code sections and subsections.

18 Can any resulting loss be recognized? ▶ See attachment.

Blank lined area for answering the question regarding resulting loss recognition.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ See attachment.

Blank lined area 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 ▶ Robert H. Young Date ▶ 1/29/20

Print your name ▶ Robert H. Young Title ▶ EVP-CFO

**Paid Preparer Use Only**

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

**OLD LINE BANCSHARES, INC.**

**EIN: 20-0154352**

**Attachment to Form 8937**

**Part II**

**Line 14. Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action.**

On November 22, 2019, Old Line Bancshares, Inc ("OLBK") merged with and into WesBanco, Inc. ("WesBanco"), with WesBanco as the surviving legal entity (the "Merger"). Pursuant to the Merger, each share of OLBK common stock automatically converted into the right to receive 0.7844 shares of WesBanco common stock. On the date of the merger, the closing price of Wesbanco stock was \$36.75.

Any shareholder who would otherwise be entitled to a fractional share of WesBanco common stock as a result of the Merger received a cash payment equal to the fraction of a share of the WesBanco common stock to which such holder would otherwise be entitled to multiplied by an average closing price per share of \$37.81.

**Line 15. Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis.**

The Merger is intended to be treated as a reorganization described in Section 368(a) of the Internal Revenue Code (the "Code"). Except as discussed below in "Cash in Lieu of Fractional Shares of WesBanco Common Stock," it is intended that a U.S. shareholder who exchanged all of its shares of OLBK common stock solely for shares of WesBanco common stock pursuant to the Merger will not recognize gain or loss in connection with such exchange and that, pursuant to Code Section 358(a), a U.S. shareholder's aggregate tax basis in the WesBanco common stock received in the Merger, including any fractional shares deemed received by the U.S. shareholder under the treatment discussed below in "Cash in Lieu of Fractional Shares of WesBanco Common Stock," in exchange for its OLBK common stock generally will equal such U.S. shareholder's aggregate tax basis in the OLBK common stock surrendered by such U.S. shareholder in the Merger.

*Cash in Lieu of Fractional Shares of WesBanco Common Stock*

A U.S. shareholder who received cash instead of a fractional share of WesBanco common stock will generally be treated as having received the fractional share of WesBanco common stock pursuant to the Merger and then as having exchanged the fractional share of WesBanco common stock for cash in a redemption by WesBanco. In general, this deemed redemption will be treated as a sale or exchange and a U.S. shareholder will recognize gain or loss equal to the difference between

(i) the amount of cash received by such U.S. shareholder and (ii) the portion of the basis of the shares of OLBK common stock allocable to such fractional interest.

*This Form 8937 does not constitute tax advice. Shareholders are urged to consult their own tax advisors regarding the particular consequences of the Merger, including the applicability and effect of all U.S. federal, state and local, and foreign tax laws.*

**Line 16. Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates.**

The adjusted tax basis of each share of WesBanco common stock received in the Merger (including fractional shares deemed received) should be the adjusted tax basis in the shares of OLBK common stock surrendered in the Merger in exchange therefor.

**Example:** Assume a U.S. shareholder owned 120 shares of OLBK common stock, 60 of which were acquired on Date 1 with an aggregate tax basis of \$1,500 (or \$25 per share), and 60 of which were acquired on Date 2 with an aggregate tax basis of \$1,200 (or \$20 per share), for a total aggregate basis of \$2,700 (\$1,500 + \$1,200). Pursuant to the Merger, such U.S. shareholder received 94.13 shares of WesBanco common stock (120 shares of OLBK common stock x 0.7844). As a result, the U.S. shareholder would have (i) 47 shares of WesBanco common stock (60 shares x 0.7844) with an aggregate tax basis of \$1,497.96 (or \$31.87 per share) that is treated as having been acquired on Date 1; (ii) 47 shares of WesBanco common stock with an aggregate tax basis of \$1,198.37 (or \$25.50 per share) that is treated as having been acquired on Date 2; and (iii) a fractional share (0.13) that is divided into two equal segments to represent the basis of stock acquired on Dates 1 and 2. Specifically, the fractional share would have one segment with a tax basis of \$2.04 that is treated as having been acquired in Date 1 and a second segment with a tax basis of \$1.63 that is treated as being acquired on Date 2.

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

The applicable Code sections upon which the tax treatment of the Merger is based are Sections 354, 358, and 368. Note that this Form 8937 does not address the treatment of the cash payments made to shareholders related to fractional shares.

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**Line 18. Can any resulting loss be recognized?**

No loss should be recognized on the Merger. Note that this Form 8937 does not address the treatment of the cash payments made to shareholders related to fractional shares.

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

The stock basis adjustments are taken into account in the tax year of a shareholder during which the Merger occurred (e.g., 2019 for calendar year taxpayers).

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