# Form **8937**(December 2017) Department of the Treasury Internal Revenue Service

# Report of Organizational Actions Affecting Basis of Securities

► See separate instructions.

OMB No. 1545-0123

Pa	rt I Reporting I	Issuer			
1	ssuer's name				2 Issuer's employer identification number (EIN)
Sniri	t of Texas Bancshares	s Inc			90-0499552
	Name of contact for add		5 Email address of contact		
				e No. of contact	
Allison Johnson				281-516-4923	ajohnson@sotb.com
	Number and street (or F	P.O. box if mail is not	7 City, town, or post office, state, and ZIP code of contact		
	Spirit of Texas Way				Conroe, TX 77301
8 [	Date of action		9 Class	sification and description	
	6/2017	dd Carial mornala and	Commor		40
10 (	CUSIP number	11 Serial number	(S)	12 Ticker symbol	13 Account number(s)
	040/10102	NI/A		STXB	NIA
Pai	84861D103 rt II Organizatio	N/A  Onal Action Atta	ch additiona		N/A See back of form for additional questions.
14					date against which shareholders' ownership is measured for
	the action ► see atta		.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		
	<u> </u>	acrica ciatoment			
15	Describe the quantitat share or as a percentage				curity in the hands of a U.S. taxpayer as an adjustment per
16	Describe the calculation valuation dates ► See			data that supports the calc	culation, such as the market values of securities and the

Pai	t II	<u> </u>	Organizational Action (continued)				
			,				
17	List the		applicable Internal Revenue Code section(	eatment is based >	see attacl	ned statement	
18	Can a	any	resulting loss be recognized? ► <u>see atta</u>	ached statement			
19	Provi	de a	any other information necessary to implem	nent the adjustment, such as the reportabl	e tax year ► see at	tached stater	nent
			, , , , , , , , , , , , , , , , , , , ,				
0:	Ur	ider lief	penalties of perjury, I declare that I have examit is true, correct, and complete. Declaration of	lined this return, including accompanying scheo preparer (other than officer) is based on all infor	lules and statements,	and to the best	t of my knowledge and
			it is true, contact, and complete. Beclaration of	proparor (outer than onloss) to bacca on all lines	nation of which propa	a or rido diriy kiro	wicago.
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1161	Siç	gnat	ure ▶	Date ►			
		_	our name ➤ Allison Johnson	Preparer's signature	Title ► CFO Date		DTIN
Paid		١.	Print/Type preparer's name	·		Check if	PTIN
	pare		Heather Wallace	/s/ Heather Wallace	05/04/2022	self-employed	P01977717
Use	Onl	y	Firm's name Dixon Hughes Goodma		IF 47	Firm's EIN ▶	56-0747981
			Firm's address ► 800 Shades Creek Park	(way, STE 500, Birmingnam, AL 35209-4	1547	Phone no.	205-212-5300

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

# Spirit of Texas Bancshares, Inc. Attachment to Form 8937 EIN: 90-0499552

## **Report of Organizational Actions Affecting Basis of Securities**

#### Form 8937 Part II, Box 14:

On March 16, 2017, Spirit of Texas Bancshares, Inc. ("Spirit") effected a reverse stock split at a one-for-two ratio.

Pursuant to the terms and conditions, each outstanding share of Spirit was converted to 1/2 of an outstanding share.

Shareholders that would have otherwise received fractional shares as a result of the reverse stock split received cash payments in lieu of fractional shares of \$7.50. Except for adjustments that resulted from the treatment of fractional shares, each shareholder held the same percentage of common stock outstanding after such reverse stock split as that shareholder held immediately prior to such reverse stock split.

#### Form 8937 Part II, Box 15:

A shareholder's tax basis in one (1) share of Spirit common stock subsequent to the reverse stock split is equal to the basis in one (1) share of Spirit common stock prior to the reverse stock split multiplied by 2.

If a shareholder acquired different blocks of common stock at different times or at different prices, the reverse stock split will be allocated pro rata to each block of common stock, and the basis of each block of Spirit common stock received will be determined on a block-for-block basis.

Shareholders who receive cash in lieu of a fractional share of common stock are, for purposes of determining the taxability of that cash, deemed to have received the fractional share in the exchange and then as having sold the fractional share for cash. These shareholders will generally recognize a taxable gain or loss equal to the difference between the tax basis of the common shares deemed to have been exchanged for the fractional share and the amount of cash received.

Each shareholder is encouraged to consult their own personal tax advisor regarding the determination of this realized gain or loss on the exchange.

# Form 8937 Part II, Box 16:

Refer to the description of the basis calculation in Part II, Box 15 above.

#### Form 8937 Part II, Box 17:

Spirit intends for the Reverse Stock Split to qualify as a "recapitalization" within the meaning of Section 368(a) of the Internal Revenue Code for U.S. federal income tax purposes. On the basis that the Reverse Stock Split so qualifies, shareholders whose pre-Reverse Stock Split shares are exchanged in the Reverse Stock Split will not recognize gain or loss for U.S. federal income tax purposes, except to the extent of cash, if any, received in lieu of a fractional share (which fractional share will be treated as received and then exchanged for such cash).

## Form 8937 Part II, Box 18:

In general, a shareholder cannot recognize any loss. A shareholder who received cash in lieu of a fractional share of common stock may recognize loss if the amount of cash received is less than the basis in the fractional share, as applicable.

#### Form 8937 Part II, Box 19:

In general, any adjustment to the tax basis that causes gain or loss recognized by a shareholder should be reported for the taxable year which includes March 16, 2017. A calendar year shareholder would report the transaction on a 2017 income tax return.

The holding period of stock will include the holding period prior to the reverse stock split. A holder of stock who received cash in lieu of a fractional share of stock will generally be treated as having received the fractional share pursuant to the merger and then as having sold the fractional share of common stock for cash.

Each shareholder is encouraged to consult their own personal tax advisor regarding the determination of this realized gain or loss on the exchange.

No ruling from the Internal Revenue Service (the "IRS") has been requested, or will be obtained, regarding the U.S. federal income tax consequences described in this report. This report is not binding on the IRS and the IRS and the U.S. courts could disagree with one or more of the positions described above.

This information in this form does not constitute tax advice and each holder of Spirit of Texas Bancshares, Inc. common stock is urged to consult its tax advisor with respect to the application of United States federal income tax laws to the holder's particular situation.