

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 attached statement.

18 Can any resulting loss be recognized? ▶ See attached statement.

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

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 ▶ Beth W. Sims Date ▶ September 28, 2020
Print your name ▶ Beth W. Sims Title ▶ General Counsel and Corp. Secretary

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Mary Kathryn Allen, CPA	<i>Mary Kathryn Allen, CPA</i>			P01261418
	Firm's name ▶ HORNE LLP	Firm's address ▶ 661 Sunnybrook Rd., Ste 100, Ridgeland, MS 39157		Firm's EIN ▶ 20-1941244	Phone no. 601-326-1000

FB Financial Corporation
EIN 62-1216058
Attachment to Form 8937
Report of Organizational Actions Affecting Basis of Securities

Form 8937, Part I, Box 9:

The securities subject to reporting include all shares of FB Financial Corporation (“FB Financial”) common stock issued in exchange for the outstanding common stock of Franklin Financial Network, Inc. (“Franklin”) as a result of the Merger of Franklin with and into FB Financial on August 15, 2020.

Form 8937, Part II, Box 14:

On August 15, 2020, pursuant to the terms and conditions of the Agreement and Plan of Merger, dated as of January 21, 2020, Franklin merged with and into FB Financial with FB Financial continuing as the surviving corporation (the “Merger”). As a result of the Merger, holders of Franklin common stock received, without interest, \$2.00 in cash and 0.9650 shares of FB Financial common stock for each share of Franklin common stock they own.

No fractional shares of FB Financial common stock were issued in the Merger, rather FB Financial paid cash in lieu of fractional shares.

Form 8937, Part II, Box 15:

The information contained herein does not constitute tax advice. It does not address the tax consequences that may apply to particular categories of shareholders, and each shareholder is urged to consult his or her own tax advisor regarding the tax consequences of the Merger.

Further discussion of the U.S. federal income tax consequences of the Merger can be found in the Form S-4 for FB Financial as filed with the Securities and Exchange Commission on April 29, 2020, under the heading “Material U.S. Federal Income Tax Considerations” (available at: <https://www.sec.gov/Archives/edgar/data/1649749/000162828020005851/0001628280-20-005851-index.htm>) (the “Form S-4”).

Consistent with the tax discussion in the Form S-4, FB Financial and Franklin structured the Merger with the intent to qualify it as a “reorganization” within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the “Code”). FB Financial and Franklin will not seek any ruling from the IRS on the tax consequences of the Merger.

Assuming that the Merger constitutes a reorganization within the meaning of Section 368(a) of the Code, with respect to holders of Franklin common stock that are U.S. taxpayers not in a special class of holders subject to special rules as described in the Form S-4 (“U.S. Holders”), the following is applicable:

Franklin Shareholders Receiving Cash and FB Financial Common Stock

A U.S. Holder of Franklin common stock will generally recognize gain (but not loss) in an amount equal to the lesser of (1) the amount of gain realized (i.e., the excess of the sum of the amount of cash and the fair market value of the FB Financial common stock received pursuant to the Merger over the adjusted tax basis in the shares of Franklin common stock surrendered) and (2) the amount of cash received pursuant to the Merger (excluding any cash received in lieu of a fractional share). If different blocks of Franklin common stock were acquired at different times or different prices, the shareholder should consult his own tax advisor regarding the manner in which gain or loss should be determined. Any recognized gain generally will be long-term capital gain if, as of the effective date of the Merger, the holding period with respect to the Franklin common stock surrendered exceeds one year. If, however, the cash received has the effect of the distribution of a dividend, the gain will be treated as a dividend to the extent of the holder's ratable share of accumulated earnings and profits as calculated for United States federal income tax purposes.

The aggregate tax basis in the shares of FB Financial common stock that are received in the Merger, including any fractional share interests deemed received and redeemed as described below, will equal the aggregate adjusted tax basis in the Franklin common stock surrendered, reduced by the amount of cash received (excluding any cash received in lieu of a fractional share) and increased by the amount of gain, if any, recognized by you (excluding any gain recognized with respect to cash received in lieu of a fractional share) on the exchange. Your holding period for the shares of FB Financial common stock that you receive in the Merger (including a fractional share interest deemed received and sold as described below) will include your holding period for the shares of Franklin common stock that you surrender in the exchange.

A U.S. Holder of Franklin common stock who receives cash in lieu of a fractional share of FB Financial common stock will be treated as having received the fractional share in the Merger and then as having the fractional share redeemed by FB Financial in exchange for the cash actually distributed instead of the fractional share. Accordingly, a U.S. Holder will generally recognize gain or loss equal to the difference between the tax basis of its Franklin common stock allocable to that fractional share and the amount of cash received. The gain or loss generally will be capital gain or loss, and long-term capital gain or loss if the Franklin common stock exchanged has been held for more than one year. The deductibility of capital losses is subject to limitations.

Form 8937, Part II, Box 16:

There are several possible methods for determining the fair market value of the FB Financial common stock received in the Merger. One possible approach is to utilize the market closing price on August 15, 2020, the effective time of the Merger. The August 14, 2020 closing price of a single share of FB Financial common stock on the New York Stock Exchange was \$29.43, the last trading day prior to closing. Other approaches to determine fair market value may also be possible.

Form 8937, Part II, Box 17:

Assuming the Merger qualifies as a reorganization within the meaning of Section 368(a) of the Code, the U.S. federal income tax consequences of the reorganization to the Franklin shareholders are generally determined under Code Sections 302, 354, 356, 358 and 1221.

Form 8937, Part II, Box 18:

As discussed in the tax discussion in the Form S-4 and above in Part II, Box 15, a Franklin shareholder who received a combination of FB Financial common stock and cash as a result of the Merger cannot generally recognize any loss.

Form 8937, Part II, Box 19:

In general, any adjustment to the tax basis that causes gain or loss recognized by a holder of Franklin common stock as a result of the completion of the Merger should be reported for the taxable year which includes August 15, 2020. A calendar year shareholder would report the transaction on a 2020 U.S. federal income tax return.

As previously stated, the information contained herein does not constitute tax advice. It does not address the tax consequences that may apply to particular categories of shareholders, and each shareholder is urged to consult his or her own tax advisor regarding the tax consequences of the Merger.