

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.

18 Can any resulting loss be recognized? ▶ See attachment

Blank lined area 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 lined area for providing other information necessary for 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 ▶ *Nicole Stokes* Date ▶ 8-28-18

Print your name ▶ Nicole Stokes Title ▶ EVP/CFO

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Heather Wallace	<i>Heather Wallace</i>	8/28/18		P01977717
	Firm's name ▶ Dixon Hughes Goodman LLP	Firm's EIN ▶ 56-0747981		Phone no. 205-212-5300	
Firm's address ▶ 800 Shades Creek Parkway Suite 500 Birmingham, AL 35209-4547					

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

Ameris Bancorp
Attachment to Form 9937
EIN: 58-1456434
Report of Organizational Actions Affecting Basis of Securities

Form 9937 Part II, Box 14:

On June 29, 2018, the Hamilton State Bancshares, Inc. (the "Company") completed a merger with Ameris Bancorp ("Ameris"). Pursuant to the terms and conditions of the Agreement and Plan of Merger, dated as of January 25, 2018, the Company merged with and into Ameris. As a result of the merger, Ameris is the surviving corporation while the Company ceased to exist as a corporation.

As noted in the Agreement and Plan of Merger, dated January 25, 2018, the Company shareholders received 0.16 shares of Ameris common stock for each of their former shares of the Company's stock subject to surrender of the old Company shares; plus a cash payment of \$0.93 per share; plus potentially a cash payment in lieu of the issuance of any fractional shares of Ameris common stock.

Form 9937 Part II, Box 15:

The merger of the Company with and into Ameris qualifies as a tax-free reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended. As a result, each Company shareholder will recognize a taxable gain, but not a loss, equal to the lesser of:

- The amount of cash received in the exchange; or
- The amount, if any, by which the sum of the cash received plus the fair market value of the shares of Ameris common stock received in the exchange (measured at the time of the exchange) exceeds the Company shareholder's tax basis in the Company shares surrendered in the exchange.

For purposes of calculating this taxable gain, the amount of cash received in the exchange does not include cash received in lieu of fractional shares of Ameris common stock (see discussion of cash received in lieu of fractional shares below).

Gain or loss must be calculated separately for each identifiable block of the Company common shares surrendered in the exchange having a common tax basis. Each Company shareholder is encouraged to consult their own personal tax advisor regarding the determination of this realized gain or loss on the exchange.

Each Company shareholder is required to determine the tax basis of the shares of Ameris stock received in the exchange by performing the following calculations separately for each identifiable block of the Company common shares surrendered in the exchange having a common tax basis:

- Begin with the aggregate tax basis of the Company common shares surrendered in the exchange
- Add the amount of taxable gain, if any, determined from the above calculation (excluding any gain or loss resulting from the deemed receipt and sale of fractional shares described below)
- Subtract the total amount of cash received (excluding any cash received in lieu of fractional shares described below)
- Subtract the tax basis in any fractional shares of Ameris common stock that were deemed to have been received in the exchange and immediately sold (see the treatment of fractional shares described below)

The resulting figure represents the aggregate tax basis of the shares of Ameris common stock received in the exchange for that identifiable block of the Company common shares transferred. The tax basis of each individual share of Ameris common stock within this identifiable block is determined by dividing this aggregate tax basis by the number of Ameris common shares that comprise this identifiable block.

The Company shareholders who receive cash in lieu of a fractional share of Ameris 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 Company 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.

Form 8937 Part II, Box 16:

Refer to the description of the basis calculation in Part II, Box 15 above. The June 29, 2018 closing price of a single share of Ameris common stock on the NASDAQ Stock Exchange was \$53.35.

Form 8937 Part II, Box 17:

Ameris's acquisition of The Company, pursuant to the merger completed on June 29, 2018, was structured to qualify as reorganization within the meaning of Section 368(a) of the Internal Revenue Code. In general, the income tax consequences to the shareholders are determined under Internal Revenue Code sections 302, 354, 356, 358, and 368.

Form 8937 Part II, Box 18:

In general, each the Company shareholder who received Ameris common stock and cash for all of their Company stock cannot recognize any loss. A Company shareholder who received cash in lieu of a fractional share of Company 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 the Company shareholder as a result of the completion of the Merger should be reported for the taxable year which includes June 29, 2018. A calendar year shareholder would report the transaction on a 2018 income tax return. The holding period of Ameris common stock received in exchange for shares of Company common stock will include the holding period of the Company common stock for which it is exchanged. A holder of Company common stock who received cash in lieu of a fractional share of Ameris common 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.

No ruling from the Internal Revenue Service (the "IRS") has been requested, or will be obtained, regarding the U.S. federal income tax consequences of the Merger 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 Hamilton State Bancshares 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.