

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**

Multiple horizontal lines for listing applicable Internal Revenue Code sections.

18 Can any resulting loss be recognized? ▶ **SEE ATTACHMENT**


Multiple horizontal lines for providing information regarding loss recognition.

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

Multiple horizontal lines for providing other necessary information.

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 ▶ 4/5/19
Print your name ▶ **DOMINIC C. CANUSO** Title ▶ **CHIEF FINANCIAL OFFICER**

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.	

Attachment to Form 8937
Report of Organizational Actions Affecting Basis of Securities
WSFS Financial Corporation
FEIN: 22-2866913

For purposes of this attachment, WSFS refers to the issuer, WSFS Financial Corporation. Beneficial refers to Beneficial Bancorp, Inc. (FEIN: 47-1569198).

Part II, Line 14

The organizational action was a reorganization for U.S. federal tax purposes in which Beneficial merged with and into WSFS, with WSFS surviving the merger and continuing under the name "WSFS Financial Corporation." The effective time of the merger was March 1, 2019 ("Effective Time"). Shareholders of Beneficial common stock who held their shares of Beneficial common stock of record (directly or through their broker or nominee) as of the Effective Time received the following consideration:

- cash in the amount of \$2.93 per share
- 0.3013 of a share in WSFS common stock per share (or cash in lieu of fractional share).

Part II, Line 15

The basis of WSFS shares received in the merger will be generally determined in accordance with IRC Section 358(a), as follows:

- The basis of Beneficial shares surrendered,
- Reduced by the cash received in the merger, and
- Increased by any gain recognized in the exchange, computed on a per share basis

Each Beneficial common shareholder of record as of the Effective Time became entitled to receive from WSFS 0.3013 shares of WSFS common stock for each of their former shares of Beneficial common stock; plus a cash payment of \$2.93 per share; plus potentially a cash payment in lieu of the issuance of any fractional share of WSFS common stock.

The following information is necessary to compute gain to be recognized in the exchange on a per share basis as to each share of Beneficial common stock that was held by a holder of record as of the Effective Time:

- Cash consideration received per Beneficial common share: \$2.93 per share (plus cash-in-lieu of fractional shares)
- Fair market value of WSFS shares received per Beneficial common share:
 $\$43.28 \times 0.3013 \text{ shares} = \13.04 per share
- Total consideration received per Beneficial common share: $\$2.93 + \$13.04 = \$15.97 \text{ per share}$ (plus cash-in-lieu of fractional shares)

To determine 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 the old basis, the following scenarios should be used to determine the per share gain to be recognized by a holder of record of a share of Beneficial common stock as of the Effective Time. Beneficial shareholders should note that cash payments in lieu of fractional shares are expressly not considered in the scenarios described.

- If the adjusted basis in an individual share of Beneficial stock is greater than or equal to \$15.97, recognized gain should be \$0.
- If the adjusted basis in an individual share of Beneficial stock is greater than \$13.04 but less than \$15.97, recognized gain should equal the excess of \$15.97 over the Beneficial stock basis.
- If the adjusted basis in an individual share of Beneficial stock is less than or equal to \$13.04, recognized gain should equal \$2.93.

Part II, Line 16

The WSFS market value per share was equal to the closing price of WSFS Common Stock, as recorded on NASDAQ, on February 28, 2019.

The basis of WSFS shares received, once computed as per above, must be allocated to the individual WSFS shares received in accordance with Treasury Regulation §1.358-2(a). See also Proposed Treasury Regulation §1.358-2(b). Since fewer shares of WSFS common stock were received than shares of Beneficial common stock surrendered, the basis of the Beneficial shares surrendered must be allocated to the shares of WSFS stock received in a manner that reflects, to the greatest extent possible, that a share of Beneficial stock received is received in respect of Beneficial shares of stock that were acquired on the same date and at the same price. To the extent it is not possible to allocate basis in this manner, the basis of the Beneficial shares surrendered must be allocated to the shares of WSFS stock received in a manner that minimizes the disparity in the holding periods of the surrendered shares whose basis is allocated to any particular WSFS share received. This could result in a single share of WSFS stock having a split basis and a split holding period. See Example (14) of Treasury Regulation §1.358-2(c) for an illustration of this principle.

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: 302(b), 318, 354, 356, 358(a), 368(a), and 1221. See also Treasury Regulation §1.358-2(a) and (c) and Proposed Treasury Regulation §1.358-2(b).

Part II, Line 18

Based upon the merger agreement and the facts and circumstances known by WSFS, no loss will be recognized for federal income tax purposes in this transaction by Beneficial shareholders.

Part II, Line 19

The reportable tax year of the adjustment to the basis of the securities as a result of the organizational action is the tax year including March 1, 2019.