

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

▶ See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name		<b>2</b> Issuer's employer identification number (EIN)	
CAPITAL BANK FINANCIAL CORP		27-1454759	
<b>3</b> Name of contact for additional information	<b>4</b> Telephone No. of contact	<b>5</b> Email address of contact	
Ken Posner	704-554-5901	kposner@cbfcorp.com	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact		<b>7</b> City, town, or post office, state, and Zip code of contact	
121 Alhambra Plaza, Suite 1601		Coral Gables, FL 33134	
<b>8</b> Date of action		<b>9</b> Classification and description	
10/26/2016		Class A Common Stock of Capital Bank Financial Corp	
<b>10</b> CUSIP number	<b>11</b> Serial number(s)	<b>12</b> Ticker symbol	<b>13</b> Account number(s)
139794101		CBF	

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

**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 October 26, 2016, Capital Bank Financial Corp ("Capital Bank") completed its acquisition of CommunityOne Bancorp ("CommunityOne") through the merger of CommunityOne into Capital Bank. On that date, the outstanding shares of CommunityOne common stock automatically converted into the right to receive either (i) \$14.25 in cash or (ii) 0.43 shares of Capital Bank's Class A common stock.

**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 was treated as a "reorganization" for federal income tax purposes within the meaning of Section 368(a) of the Internal Revenue Code. CommunityOne shareholders receiving Capital Bank common stock in exchange for CommunityOne common stock in the merger will have a tax basis in the shares of Capital Bank common stock received equal to the tax basis in their shares of CommunityOne stock, plus the amount of gain recognized in the exchange (if any), less the amount of cash (if any) received in the merger.

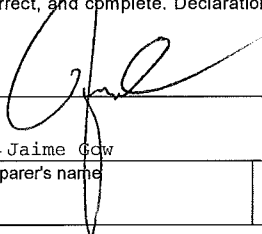
**16** Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ The per share merger consideration calculated in accordance with the Merger Agreement was \$14.25. The exchange ratio was 0.43. This means that for every share of CommunityOne stock, a CommunityOne shareholder will receive .43 share of of Capital Bank's stock.

**Part II Organizational Action (continued)**

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ The federal income tax consequences to the CommunityOne shareholders should be determined under Internal Revenue Code Sections 354, 368(a) and 1221.

18 Can any resulting loss be recognized? ▶ A CommunityOne shareholder generally will not recognize any gain or loss as a result of the exchange except for cash received in lieu of receiving Capital Bank stock. This cash in lieu will be considered as if their stock in CommunityOne was redeemed and gain and loss will be recognized on the redemption.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The merger and resulting stock exchange became effective October 26, 2016. CommunityOne shareholders whose taxable year is a calendar year, the reportable tax year is 2016. CommunityOne shareholders are urged to consult their own tax advisors with respect to their individual tax consequences of the merger.

<b>Sign Here</b>	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.			
	Signature ▶ 	Date ▶ <u>12/1/16</u>		
<b>Paid Preparer Use Only</b>	Print your name ▶ <u>Jaime Gow</u>	Title ▶ <u>Chief Accounting Officer</u>		
	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.		

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