

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name  <b>Old Line Bancshares, Inc.</b>		<b>2</b> Issuer's employer identification number (EIN)  <b>20-0154352</b>	
<b>3</b> Name of contact for additional information  <b>Christine M. Rush</b>	<b>4</b> Telephone No. of contact  <b>(301) 430-2500</b>	<b>5</b> Email address of contact  <b>crush@oldlinebank.com</b>	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact  <b>1525 Pointer Ridge Place</b>		<b>7</b> City, town, or post office, state, and Zip code of contact  <b>Bowie, Maryland 20716</b>	
<b>8</b> Date of action  <b>April 1, 2011</b>		<b>9</b> Classification and description  <b>Common stock</b>	
<b>10</b> CUSIP number  <b>67984M100</b>	<b>11</b> Serial number(s)	<b>12</b> Ticker symbol  <b>OLBK</b>	<b>13</b> Account number(s)

**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 ▶ **Old Line Bancshares, Inc. issued shares of its common stock in exchange for shares of Maryland Bankcorp, Inc. to effect a merger of Maryland Bankcorp with Old Line Bancshares. The merger was completed on April 1, 2011.**

**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 ▶ **Shareholders of Maryland Bankcorp received, at their election, \$29.11 in cash or 3.4826 shares of Old Line Bancshares common stock in exchange for each share of Maryland Bankcorp common stock. The aggregate adjusted tax basis of the shares of Old Line Bancshares common stock received in the exchange equals the aggregate adjusted tax basis of the shares of Maryland Bankcorp stock surrendered (reduced by the tax basis allocable to any fractional share of Old Line Bancshares stock for which cash was received).**

**Each share of Old Line Bancshares stock received has a basis equal to .28714 (or 1 / 3.4826) times the basis of each share of Maryland Bankcorp stock surrendered.**

**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 ▶ **There is no change in aggregate basis for the shares exchanged.**

**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 merger constitutes a reorganization under Section 368(a) of the Internal Revenue Code.

18 Can any resulting loss be recognized? ▶ Shareholders who elected to receive cash in exchange for their shares of Maryland Bankcorp stock recognize loss if the tax basis of their Maryland Bankcorp stock exceeds the amount of cash received. Shareholders who elected to receive shares of Old Line Bancshares stock may not recognize loss on the exchange of shares.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ Shareholders who elected to receive cash in exchange for their shares of Maryland Bankcorp stock recognize gain or loss on the exchange in the tax year that includes April 1, 2011. For individual taxpayers who report using the calendar year, the gain or loss is recognized on their 2011 tax returns.

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 ▶ Christine M. Rush Date ▶ 11/10/12

Print your name ▶ Christine M. Rush Title ▶ Executive Vice President

**Paid Preparer Use Only**

Print/Type preparer's name <u>Edward C. Beyer</u>	Preparer's signature <u>Edward C. Beyer</u>	Date <u>1-7-12</u>	Check <input type="checkbox"/> if self-employed	PTIN <u>P00383756</u>
Firm's name ▶ <u>Rowles &amp; Company, LLP</u>			Firm's EIN ▶ <u>52-0630619</u>	
Firm's address ▶ <u>101 E. Chesapeake Avenue, Baltimore, Maryland 21286</u>			Phone no. <u>(410) 583-6990</u>	

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