



**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 lines for listing Internal Revenue Code sections.

18 Can any resulting loss be recognized? ▶ [See attachment](#)

Blank lines 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](#)

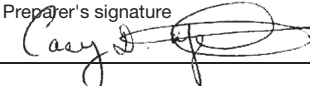
Blank lines for providing other information necessary for the adjustment.

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 ▶  Date ▶ 03/11/2024

Print your name ▶ ERIC WEMPEN

Title ▶ DIRECTOR OF TAX

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input checked="" type="checkbox"/> if self-employed	PTIN
	CASEY D. YANTOSCA		03/11/2024		P01704879
	Firm's name ▶ DELOITTE TAX LLP	Firm's EIN ▶ 86-1065772		Phone no. 617-437-2000	
Firm's address ▶ 200 BERKELEY STREET, BOSTON, MA 02116					

**Franklin BSP Lending Corporation**  
**EIN: 27-2614444**  
**Attachment to Form 8937 – Part II**

**The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended (the “Code”), and includes a general summary regarding the application of certain U.S. federal income tax laws and regulations related to the effects of the Mergers (as defined below) on certain securities. The information contained herein does not constitute tax advice and does not purport to be complete or describe the tax consequences that may apply to particular persons or categories of persons. You are encouraged to consult your own tax advisor regarding the particular consequences of the Mergers to you, including the applicability and effect of all U.S. federal, state, local and foreign tax laws.**

**Line 14**

Effective January 24, 2024 (the “**Effective Time**”), pursuant to the Agreement and Plan of Merger, dated October 2, 2023, by and between Franklin BSP Capital Corporation, a Delaware corporation (“**FBCC**”), Franklin BSP Merger Sub, Inc., a Maryland corporation and a wholly owned direct subsidiary of FBCC (“**Merger Sub**”), and Franklin BSP Lending Corporation, a Maryland corporation (“**FBLC**”), Merger Sub merged with and into FBLC with FBLC continuing as the surviving corporation (the “**Merger**”). After the Merger, FBLC merged with and into the FBCC (the “**Second Merger**” and, together with the Merger, the “**Mergers**”), with FBCC continuing as the surviving company.

In the Mergers, each eligible share FBLC common stock (“**FBLC Common Stock**”) was converted into the right to receive 0.4647 shares of FBCC common stock (“**FBCC Common Stock**”).

**Line 15**

FBCC and FBLC intend for the Mergers, taken together, to qualify as a reorganization within the meaning of Section 368(a) of the Code. In general, FBLC stockholders who received shares of FBCC Common Stock in exchange for shares of FBLC Common Stock pursuant to the Mergers should not recognize gain or loss. If FBLC stockholders acquired different blocks of FBLC Common Stock at different times or at different prices, such holders’ basis in their FBCC Common Stock will be determined by reference to each block of FBLC Common Stock.

Former FBLC stockholders should consult with a qualified tax advisor regarding their specific U.S. federal income tax consequences of the Mergers (including, but not limited to, the computation of gain and tax basis).

**Line 16**

FBLC stockholders who received FBCC Common Stock in exchange for FBLC Common Stock pursuant to the Mergers that was acquired at different times or for different prices should allocate the aggregate adjusted tax basis in the FBLC Common Stock (pursuant to Line 15) to the FBCC Common Stock received in a manner that reflects, to the greatest extent possible, that FBCC Common Stock is received in exchange for blocks of FBLC Common Stock that was acquired on the same date and at the same price. To the extent this is not possible, the aggregate adjusted tax basis of the FBLC Common Stock surrendered must be allocated to the FBCC Common Stock received (or allocable portions thereof) in a manner that minimizes the disparity in the holding periods of FBLC Common Stock whose basis is allocated to the FBCC Common Stock received. This may result in some shares of FBCC Common Stock having split basis and holding period segments.

Former FBLC stockholders should consult with a qualified tax advisor regarding their specific U.S. federal income tax consequences of the Mergers (including, but not limited to, the computation of gain and tax basis).

**Line 17**

Sections 354(a), 358(a), and 368(a)

**Line 18**

FBLC stockholders may not recognize a loss as a result of the Mergers.

**Line 19**

The federal income tax consequences of the Mergers are taken into account in the tax year of each FBLC stockholder that includes January 24, 2024.