

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ 301(c) and 316(a). In the event the issuer has earnings and profits, distributions to shareholders will be reported as taxable dividends to the extent of such earnings and profits under Section 316. Where distributions exceed current and accumulated earnings and profits under Section 312, shareholders must apply the rules of Section 301(c) to determine if the distribution is a non-taxable return of basis under 301(c)(2), or capital gain under Section 301(c)(3).

18 Can any resulting loss be recognized? ▶ As any return of capital will reduce the tax basis in the shares held as of the date of distribution, in the event of any subsequent disposals the relevant tax basis should reflect the reduction due to the capital distribution.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The reduction in tax basis occurs as of the date of the distribution, which is December 2019. Accordingly, any disposition of shares subject to the basis reduction subsequent to the date of the distribution should consider the impact of the basis reduction.

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 ▶ 12/17/2019

Paid Preparer Use Only	Print your name ▶ <u>Chris Kim</u>	Preparer's signature	Date ▶ <u>CFO</u>	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶			Firm's EIN ▶	
	Firm's address ▶			Phone no.	