

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 share distribution (stock dividend) is a non-taxable event to shareholders pursuant to Internal Revenue Code Section 305(a), which states that distributions of a corporation's own stock made with respect to its stock are not taxable to the shareholder. However, pursuant to the Internal Revenue Code Section 307(a), the shareholder must compute basis for the dividend shares received by allocating the basis for the old stock between the old and new stock based on the fair market value of the old and new stock on the day of the distribution. Cash in lieu of fractional shares issued is a taxable event and the bank will issue a 1099-DIV when appropriate.

18 Can any resulting loss be recognized? ▶ This is a non-taxable event per Number 17 above.

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

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 ON FILE

Signature ▶ _____ Date ▶ **MAY 31, 2018**

Print your name ▶ **Russell Milburn** 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.	