



**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ Sec. 316(a)

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18 Can any resulting loss be recognized? ▶ N/A

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19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ Items disclosed on this form affect the 2020 taxable year. The calculation of 2020 Earnings and Profits is based on estimates since the actual amounts are not available prior to the reporting deadline for this form. Should Earnings and profits for the 2020 taxable year exceed \$0, AKI will post a corrected form.

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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 ▶ Michael Bradshaw Date ▶ 1/15/2021

|                               |  |                      |                                  |   |                  |
|-------------------------------|--|----------------------|----------------------------------|---|------------------|
| <b>Paid Preparer Use Only</b> | Print your name ▶ <u>Michael Bradshaw</u>              | Preparer's signature | Title ▶ <u>President and CEO</u> | Check <input type="checkbox"/> if self-employed | PTIN             |
|                               | Print/Type preparer's name                             | <u>Justin Thomas</u> | Date                             |   |                  |
|                               | Firm's name ▶ <u>Thomas &amp; Thomas, LLC</u>          |                      | <u>1/15/2021</u>                 | Firm's EIN ▶ <u>81-3340608</u>                  | <u>P02043445</u> |
|                               | Firm's address ▶ <u>PO Box 733, Girdwood, AK 99587</u> |                      |                                  | Phone no. (907) <u>947-1629</u>                 |                  |

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

Statement 1

Line 16

AKI has no accumulated Earnings and Profits as described in Section 316(a)(1) of the Internal R

Code. In addition, AKI estimates that it will have no Earnings and Profits for the 2019 taxable year.

Accordingly, AKI believes the per share distributions of \$10.44 (4/30/2020) \$10.41 (6/29/2020) and

\$10.41 (11/23/2020) are non-taxable dividends and the shareholders of AKI on the date of those

distributions must reduce their basis in those shares. AKI stock is not traded on a public stock exchange.

There is no active market to value the stock of the corporation.