Department of the Treasury Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

OMB No. 1545-2224 ➤ See separate instructions.

Part I Reporting Iss	uer		-		
I Issuer's name				2 Issuer's employer identification number (EIN)	
AmTrust Financia	ol Commission	,,			
Name of contact for addi	tional information	04-3106389			
Name of contact for additional information 4 Telephone No. of contact			IVO. OF COHEACE	5 Email address of contact	
Jeffrey Johnson		jeff.a.johnson@amtrustgroup.co			
Number and street (or P.	O. box if mail is not	7 City, town, or post office, state, and Zip code of contact			
200 0					
800 Superior Ave E, 21st Floor Date of action				Cleveland, Ohio 44114	
2410 01 4011011		9 Class	sification and description		
aries		5.500	% Convertible Senio	r Notos Des 2001	
CUSIP number	11 Serial num	iber(s)	12 Ticker symbol	13 Account number(s)	
				(0)	
32359AC5	N/A		N/A (Common Stock: AFS:	N/A	
art II Organizationa	Il Action Attach	additional stat	ements if needed. See back	of form for additional questions.	
Describe the organization	onal action and, if a	pplicable, the d	ate of the action or the date agai	inst which shareholders' ownership is measured for	
the action See at	ttached Form	n 8937, Ar	opendix A, B, & C	The state of the s	
<u> </u>			-		
					
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Deposibe the supplifation					
Describe the quantitative	e effect of the orga	nizational action	n on the basis of the security in t	the hands of a U.S. taxpayer as an adjustment per	
share or as a percentage	e of old basis \triangleright S°	ee attach	ed Form 8937, Appen	dix A. B. & C	
				<u> </u>	
Describe the calculation	of the change in t	nasis and the d	ata that supports the solevietics	, such as the market values of securitles and the	
valuation dates ▶ See	attached F	orm 8937,	Appendix A, B, & C	, such as the market values of securities and the	
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Part II	Organizational Action (cont	inued)		1 490
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17 List t	the applicable Internal Revenue Code	e section(s) and subsection(s) upon wi	high the toy treatment to be a live	Soo attached D
8937, 1	Appendix A, B, & C	r dedition(a) and adosection(s) upon wi	ilicit the tax treatment is based	See attached Form
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				<u></u>
				
8 Can a	any resulting loss be recognized?	See attached Form 893	7, Appendix A, B,	& C
		<u> </u>		
9 Provid	do one other information .		_	
a Fidala	re any other information necessary to	implement the adjustment, such as t	he reportable tax year 🕨 See	attached Form
931, A	ppendix A, B, & C			
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To	nder nonalties of partial that the second			<u> </u>
be	elief it is true correct and complete De-	have examined this return, including accomp	panying schedules and statements, a	nd to the best of my knowledge and
- 1	and, it is title, confect, and complete. Dec	claration of preparer (other than officer) is b	ased on all information of which prepa	arer has any knowledge.
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Pr	rint your name ▶ Jeffrey John	son	Title ▶ VP & I	irector of Tax
	Print/Type preparer's name	Preparer's signature	Date	
aid	1		Date	Check if PTIN
reparer				self-employed
eo Oer-	Firm's name			
se Only				Firm's EIN
	Firm's address			Phone no.
end Form 8	3937 (including accompanying statem	nents) to: Department of the Treasury	Internal Revenue Sendos Codo	D LIT 94204 2054

AmTrust Financial Services, Inc Form 8937, Appendix A

On April 1, 2016 (the "Record Date"), each shareholder of the common stock of AmTrust Financial Services, Inc ("AFSI") that was listed as a holder of record became entitled to a cash dividend with respect to its common stock. The cash dividend was paid to each shareholder of the common stock of AFSI on April 15, 2016. On March 30, 2016 ("the Ex-Dividend Date"), the cash dividend resulted in an increase in the Convertible Notes (as defined below) and a deemed distribution under section 301 of the Internal revenue Code of 1986, as amended (the "Code") by reason of Section 305(b)(2) and 305(c) of the Code. Section 6045B of the Code and the underlying Treasury Regulations (the "Regulations") provide that effective January 1, 2016, if a corporation issues a cash dividend with respect to stock that results in a conversion rate adjustment on a convertible debt instrument that is treated as a deemed distribution under Section 305(b)(2) and 305(c) of the Code, an information return (above, Form 8937) must be filed with the Internal Revenue Service ("IRS") describing, among other things, the action and the action's quantitative effect.

The information contained in the attached Form 8937 and this Appendix A thereto is intended to satisfy the requirements of public reporting under Section 6045B of the Code and Sections 1.6045B-1(a)(3) and (b)(4) of the Regulations by AFSI. The information contained in this notice is intended to provide only a general summary of certain U.S. federal income tax consequences of the conversion rate adjustment and is not intended to be a complete analysis or description of all potential U.S. federal income tax consequences of the conversion rate adjustment. You should consult your own tax advisor to determine the particular federal, state, local, or foreign reporting or other tax consequences of the conversion rate adjustment to you.

Line 14 - Description of the Organizational Action:

On the record Date, each shareholder of common stock of AFSI that was listed as a holder of record became entitled to a cash dividend with respect to its common stock. Pursuant to Section 4.04(d) of the indenture, the conversion rate on the 5.500% Convertible Senior Notes Due 2021 (the 'Convertible Notes') was increased on the Record Date to take into account the portion of such dividend which was in excess of 0.0372 cents per share. Such adjustment to the conversion ratio on the Record Date is treated as a deemed distribution of property to the holders of the Unsecured Convertible Notes to which Section 301 of the Code applies by reason of Sections 305(b)(2) and 305(c).

Line 15 - Quantitative Effect of Organizational Action:

Because there was a cash dividend declared and paid with respect to common stock and a corresponding increase in the conversion rate on the Convertible Notes, such increase in conversion rate of the Convertible Notes constitutes a deemed distribution of common stock to the holders of the Convertible Notes to which Section 301 applies. AFSI expects that it will have sufficient current or accumulated earnings and profits to treat the deemed distribution of property to the holders of the Convertible Notes as a dividend for U.S. federal income tax purposes and increase the basis of the Convertible Notes by the fair market value of the deemed distribution. Therefore, as a result of the increase in the conversion ratio of the Convertible Notes, each holder of the Convertible notes is required to include \$8.94 in gross income as a dividend per \$1,000 face amount of Convertible Notes and increase basis in such Convertible Notes by the same amount.

<u>Line 16 – Calculation of Change in Basis:</u>

Sample Calculation: A holder of a Convertible Note has \$1,000 basis in a \$1,000 Convertible Note. A holder of a Convertible Note will increase its basis in such Convertible Note by \$8.94 as a result of the inclusion of the dividend in gross income for U.S. federal income tax purposes.

Line 17 - Code Sections Upon Which Tax Treatment is Based:

Sections 305(b)(2), 305(c), 301(c), 316 and 301(d) of the Code

Line 18 - Recognition of any Resulting Loss:

This is not a loss transaction.

Line 19 - Reportable Tax Year:

The reportable tax year is 2016 for taxpayer reporting taxable income on a calendar year basis.

AmTrust Financial Services, Inc Form 8937, Appendix B

On July 1, 2016 (the "Record Date"), each shareholder of the common stock of AmTrust Financial Services, Inc ("AFSI") that was listed as a holder of record became entitled to a cash dividend with respect to its common stock. The cash dividend was paid to each shareholder of the common stock of AFSI on July 15, 2016. On June 29, 2016 ("the Ex-Dividend Date"), the cash dividend resulted in an increase in the Convertible Notes (as defined below) and a deemed distribution under section 301 of the Internal revenue Code of 1986, as amended (the "Code") by reason of Section 305(b)(2) and 305(c) of the Code. Section 6045B of the Code and the underlying Treasury Regulations (the "Regulations") provide that effective January 1, 2016, if a corporation issues a cash dividend with respect to stock that results in a conversion rate adjustment on a convertible debt instrument that is treated as a deemed distribution under Section 305(b)(2) and 305(c) of the Code, an information return (above, Form 8937) must be filed with the Internal Revenue Service ("IRS") describing, among other things, the action and the action's quantitative effect.

The information contained in the attached Form 8937 and this Appendix A thereto is intended to satisfy the requirements of public reporting under Section 6045B of the Code and Sections 1.6045B-1(a)(3) and (b)(4) of the Regulations by AFSI. The information contained in this notice is intended to provide only a general summary of certain U.S. federal income tax consequences of the conversion rate adjustment and is not intended to be a complete analysis or description of all potential U.S. federal income tax consequences of the conversion rate adjustment. You should consult your own tax advisor to determine the particular federal, state, local, or foreign reporting or other tax consequences of the conversion rate adjustment to you.

Line 14 - Description of the Organizational Action:

On the record Date, each shareholder of common stock of AFSI that was listed as a holder of record became entitled to a cash dividend with respect to its common stock. Pursuant to Section 4.04(d) of the indenture, the conversion rate on the 5.500% Convertible Senior Notes Due 2021 (the 'Convertible Notes') was increased on the Record Date to take into account the portion of such dividend which was in excess of 0.0372 cents per share. Such adjustment to the conversion ratio on the Record Date is treated as a deemed distribution of property to the holders of the Unsecured Convertible Notes to which Section 301 of the Code applies by reason of Sections 305(b)(2) and 305(c).

Line 15 - Quantitative Effect of Organizational Action:

Because there was a cash dividend declared and paid with respect to common stock and a corresponding increase in the conversion rate on the Convertible Notes, such increase in conversion rate of the Convertible Notes constitutes a deemed distribution of common stock to the holders of the Convertible Notes to which Section 301 applies. AFSI expects that it will have sufficient current or accumulated earnings and profits to treat the deemed distribution of property to the holders of the Convertible Notes as a dividend for U.S. federal income tax purposes and increase the basis of the Convertible Notes by the fair market value of the deemed distribution. Therefore, as a result of the increase in the conversion ratio of the Convertible Notes, each holder of the Convertible notes is required to include \$8.93 in gross income as a dividend per \$1,000 face amount of Convertible Notes and increase basis in such Convertible Notes by the same amount.

<u>Line 16 – Calculation of Change in Basis:</u>

Sample Calculation: A holder of a Convertible Note has \$1,000 basis in a \$1,000 Convertible Note. A holder of a Convertible Note will increase its basis in such Convertible Note by \$8.93 as a result of the inclusion of the dividend in gross income for U.S. federal income tax purposes.

Line 17 - Code Sections Upon Which Tax Treatment is Based:

Sections 305(b)(2), 305(c), 301(c), 316 and 301(d) of the Code

Line 18 - Recognition of any Resulting Loss:

This is not a loss transaction.

Line 19 - Reportable Tax Year:

The reportable tax year is 2016 for taxpayer reporting taxable income on a calendar year basis.

AmTrust Financial Services, Inc Form 8937, Appendix C

On October 5, 2016 (the "Record Date"), each shareholder of the common stock of AmTrust Financial Services, Inc ("AFSI") that was listed as a holder of record became entitled to a cash dividend with respect to its common stock. The cash dividend was paid to each shareholder of the common stock of AFSI on October 19, 2016. On October 3, 2016 ("the Ex-Dividend Date"), the cash dividend resulted in an increase in the Convertible Notes (as defined below) and a deemed distribution under section 301 of the Internal revenue Code of 1986, as amended (the "Code") by reason of Section 305(b)(2) and 305(c) of the Code. Section 6045B of the Code and the underlying Treasury Regulations (the "Regulations") provide that effective January 1, 2016, if a corporation issues a cash dividend with respect to stock that results in a conversion rate adjustment on a convertible debt instrument that is treated as a deemed distribution under Section 305(b)(2) and 305(c) of the Code, an information return (above, Form 8937) must be filed with the Internal Revenue Service ("IRS") describing, among other things, the action and the action's quantitative effect.

The information contained in the attached Form 8937 and this Appendix A thereto is intended to satisfy the requirements of public reporting under Section 6045B of the Code and Sections 1.6045B-1(a)(3) and (b)(4) of the Regulations by AFSI. The information contained in this notice is intended to provide only a general summary of certain U.S. federal income tax consequences of the conversion rate adjustment and is not intended to be a complete analysis or description of all potential U.S. federal income tax consequences of the conversion rate adjustment. You should consult your own tax advisor to determine the particular federal, state, local, or foreign reporting or other tax consequences of the conversion rate adjustment to you.

Line 14 - Description of the Organizational Action:

On the record Date, each shareholder of common stock of AFSI that was listed as a holder of record became entitled to a cash dividend with respect to its common stock. Pursuant to Section 4.04(d) of the indenture, the conversion rate on the 5.500% Convertible Senior Notes Due 2021 (the 'Convertible Notes') was increased on the Record Date to take into account the portion of such dividend which was in excess of 0.0372 cents per share. Such adjustment to the conversion ratio on the Record Date is treated as a deemed distribution of property to the holders of the Unsecured Convertible Notes to which Section 301 of the Code applies by reason of Sections 305(b)(2) and 305(c).

Line 15 - Quantitative Effect of Organizational Action:

Because there was a cash dividend declared and paid with respect to common stock and a corresponding increase in the conversion rate on the Convertible Notes, such increase in conversion rate of the Convertible Notes constitutes a deemed distribution of common stock to the holders of the Convertible Notes to which Section 301 applies. AFSI expects that it will have sufficient current or accumulated earnings and profits to treat the deemed distribution of property to the holders of the Convertible Notes as a dividend for U.S. federal income tax purposes and increase the basis of the Convertible Notes by the fair market value of the deemed distribution. Therefore, as a result of the increase in the conversion ratio of the Convertible Notes, each holder of the Convertible notes is

required to include \$10.50 in gross income as a dividend per \$1,000 face amount of Convertible Notes and increase basis in such Convertible Notes by the same amount.

Line 16 - Calculation of Change in Basis:

Sample Calculation: A holder of a Convertible Note has \$1,000 basis in a \$1,000 Convertible Note. A holder of a Convertible Note will increase its basis in such Convertible Note by \$10.50 as a result of the inclusion of the dividend in gross income for U.S. federal income tax purposes.

Line 17 - Code Sections Upon Which Tax Treatment is Based:

Sections 305(b)(2), 305(c), 301(c), 316 and 301(d) of the Code

Line 18 - Recognition of any Resulting Loss:

This is not a loss transaction.

Line 19 - Reportable Tax Year:

The reportable tax year is 2016 for taxpayer reporting taxable income on a calendar year basis.