

Part II Organizational Action (continued)

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

IRC § 1036 - NO GAIN OR LOSS RECOGNIZED IF SHARES IN A CORPORATION ARE EXCHANGED SOLELY FOR SHARES IN THE SAME CORPORATION

REG § 1.358-1, REG § 1.358-2 AND ~~REG~~ IRC § 358 - ALLOW FOR THE SUM OF THE BASIS OF ALL OF THE STOCK RECEIVED TO BE THE SAME AS THE BASIS OF STOCK SURRENDERED.

IRC § 368(a)(1)(e) - ALLOWS FOR A TAX FREE EXCHANGE OF SHARES WITH REGARDS TO RECAPITALIZATION

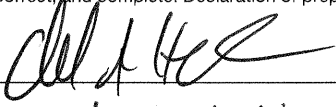
IRC § -354 - ALLOWS FOR A TAX FREE EXCHANGE OF SHARES WITH REGARDS TO A REORGANIZATION

18 Can any resulting loss be recognized? ▶ _____

NO LOSS IS RECOGNIZED TO THE SHAREHOLDERS SINCE THEY SURRENDERED THEIR STOCK IN EXCHANGE FOR OTHER STOCK.

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

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 ▶ 1/07/12

Print your name ▶ Charles Handt Title ▶ Controller

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.