Financial Services

Capital Changes 2014 Top Ten

1. Sears Holding
Sears distribution of rights to purchase stock of its subsidiary; taxable dividend equal to FMV. Second offering of rights to purchase bond and warrant; nontaxable.

2. Westfield Group

3. Burger King
Merged into Restaurant Brands International Inc., new Canadian holding company. Major corporate inversion event. Per share common optional convert as new common and exchangeable unit or 1:1 exchangeable unit. Expected more than 50% receive new common.

4. Sulliden Gold Corp.
Acquired by Rio Alto Mining Ltd. under plan of arrangement. Share dispersal of common with fractional shares disregarded. Taxable as boot merger under Sec. 368.

5. Kinder Morgan
Corporation acquired related entities – Kinder Morgan Energy Partners LP and El Paso Pipeline Partners LP. Nontaxable Sec. 368(a) reorganization. Basis/holding period carry over.

6. Vodafone Group Plc

7. Endo Health Solutions

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8. Liberty Media

Nontaxable spin-off distribution of 3 classes of stock as part of reclassification of series A and B common into trackable stocks. No trading prices for B series; A shares pricing used for share allocation.

9. Woori Finance Holdings

Spin-off of KJB Financial Group Co., Ltd and KNB Financial Group Co., Ltd. Sold share proceeds flow to ADR holders. Common stock receipt treated as taxable dist. Equal to FMV

10. Elgin Mining

Acquired by Mandalay Resources Corp. Share dispersal to Elgin stockholders of Mandalay common, cash, or combination. Liable to taxation and gain/loss recognition.

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