



**Part II Organizational Action** (continued)

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

Blank lines for listing Internal Revenue Code sections.

18 Can any resulting loss be recognized? ▶ SEE ATTACHED

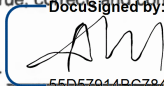
Blank lines for indicating if a resulting loss can be recognized.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ **THE REPORTABLE TAX YEAR IS THE CALENDAR YEAR ENDING DECEMBER 31, 2021.**

Blank lines for providing other information necessary to implement the adjustment.

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

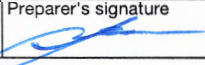
DocuSigned by:  
  
Signature ▶ 55D67914BC78473...

Date ▶ Sep-08-2021

Print your name ▶ AGLIKA DOTCHEVA

Title ▶ CFO

**Paid Preparer Use Only**

Print/Type preparer's name <b>LEO YEN</b>	Preparer's signature 	Date <b>9/7/21</b>	Check <input type="checkbox"/> if self-employed	PTIN <b>P00294919</b>
Firm's name ▶ <b>SAGENT MANAGEMENT</b>	Firm's address ▶ <b>691 S MILPITAS BLVD 212, MILPITAS, CA 95035</b>		Firm's EIN ▶ <b>72-1572989</b>	Phone no. <b>408-263-1040</b>

**Riskified Ltd**

**Reverse Share Split and Class B Issuance**

**Attachment to Form 8937**

THE FOLLOWING DISCUSSION IS A SUMMARY OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE REVERSE SHARE SPLIT AND SUBSEQUENT CLASS B ISSUANCE. THE INFORMATION CONTAINED HEREIN DOES NOT CONSTITUTE TAX ADVICE AND DOES NOT PURPORT TO BE COMPLETE OR TO DESCRIBE THE CONSEQUENCES THAT MAY APPLY TO PARTICULAR CATEGORIES OF SHAREHOLDERS. SHAREHOLDERS ARE URGED TO CONSULT THEIR TAX ADVISORS.

**Part II – Organizational Action**

**Line 14. Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action.**

On July 28, 2021, Riskified Ltd effectuated a two-for-one Reverse Share Split of Class A ordinary shares. No fractional shares have been issued in connection with the Reverse Share Split. Pursuant to the Reverse Share Split, every two shares of issued and outstanding Class A ordinary shares automatically converted into one share of Class A ordinary shares (the "Reverse Share Split").

Immediately after the effectiveness of the Reverse Share Split, Riskified Ltd issued and distributed Class B ordinary shares to holders of the Class A ordinary shares on a two-for-one ratio, such that each holder of Class A ordinary shares received two Class B ordinary shares for each Class A ordinary share (the "Class B Issuance").

**Line 15. Describe the quantitative effect of the organizational action on the basis of the security in the hands of a US taxpayer as an adjustment per share or as a percentage of old basis.**

Upon the effective date of the Reverse Share Split, every two shares of Class A ordinary shares automatically converted into one share of Class A ordinary shares. As a result, shareholders must allocate the aggregate tax basis in their shares held immediately prior to the Reverse Share Split among the shares held immediately after the Reverse Share Split. Shareholders that have acquired different blocks of Class A ordinary shares at different times or at different prices are urged to consult their tax advisors regarding the allocation of their aggregated adjusted basis among, and the holding period of the Class A ordinary shares.

Upon the effective date of the Class B Issuance, shareholders would generally be required to allocate basis of Class A ordinary shares (as adjusted for the effect of the Reverse Share Split described above) between the distributed Class B ordinary shares and the Class A ordinary shares based on their relative fair market value as of the date of the distribution.

**Line 16. Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates.**

**Reverse Share Split:** The basis "per share" after the Reverse Share Split is determined by allocating the aggregate basis of a shareholder's Class A ordinary shares.

**Example:**

Shareholder Z owned 10 Class A ordinary shares with a basis of \$6 per share before the Reverse Share Split. Total basis equals \$60 (10 shares \* \$6). Pursuant to the Reverse Share Split, shareholder Z will hold 5 Class A ordinary shares and the basis of each share will be \$12. Total basis remains the same and equals \$60 (5 shares \* \$12).

**Class B Issuance:** The basis of each Class A ordinary share and each Class B ordinary share is determined by allocating the adjusted basis of each Class A ordinary share before the Class B Issuance between two Class B ordinary shares and one Class A ordinary share, in proportion to their relative fair market values. Fair market value generally is the price at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of the facts. U.S. federal income tax law does not specifically prescribe how you should determine the fair market values of Class A ordinary shares or Class B ordinary shares for purposes of allocating your tax basis. You should consult your tax advisor to determine what measure of fair market value is appropriate.

**Example:**

The Class A ordinary shareholder Z in the above example is issued 2 shares of Class B ordinary shares for each share of Class A ordinary share. So, shareholder Z's total holdings following the Class B Issuance will be 5 Class A ordinary shares and 10 Class B ordinary shares. Assuming that the fair market value of one Class B ordinary share equaled the fair market value of one Class A ordinary share, the basis of each Class A ordinary share and Class B ordinary share will be \$4 per share. The total basis remains the same at \$60 (15 shares \* \$4).

The examples provided above are for illustrative purposes only and are provided pursuant to Section 6045B of the Code as a convenience to shareholders and their tax advisers when establishing their specific tax position. These examples should not be used for any tax reporting purposes.

**Line 17. List the applicable internal revenue code section(s) and subsection(s) upon which the tax treatment is based.**

IRC sections 305, 307, 354, 358, 368, 1001 and 1012.

**Line 18. Can any resulting loss be recognized?**

The Reverse Share Split and Class B Issuance are non-taxable and no loss is recognized as a result of these organizational actions.