



**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 attachment.

18 Can any resulting loss be recognized? ▶ See attachment.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ See attachment.

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 ▶ Shan Luton Date ▶ 7/30/2020

Print your name ▶ Shan Luton Title ▶ SVP, Taxes

**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.	

**Match Group, Inc. (formerly, IAC/InterActiveCorp)**  
**EIN: 59-2712887**  
**ATTACHMENT TO IRS FORM 9937 – PART II**  
**REPORT OF ORGANIZATIONAL ACTIONS AFFECTING BASIS OF**  
**SECURITIES**

***CONSULT YOUR TAX ADVISOR***

The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended (the “Code”). This attachment includes a general summary regarding the application of certain U.S. federal income tax laws and regulations relating to the effects of the Reclassification and the New IAC Distribution (each as defined below) on the tax basis of shares of IAC/InterActiveCorp (“IAC,” referred to as “New Match” following the name change described below) common stock, and the allocation of tax basis among shares of IAC Class M common stock (referred to as “New Match common stock” following the name change described below) and IAC Holdings Inc. (“New IAC”) common stock (and Class B common stock, as applicable) following the New IAC Distribution. 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 stockholders. Neither New Match nor New IAC provides tax advice to its stockholders. The example provided below is illustrative and is being provided pursuant to Section 6045B of the Code and as a convenience to stockholders and their tax advisers when establishing their specific tax positions. You are urged to consult your own tax advisers regarding the particular consequences of the Reclassification and the New IAC Distribution to you, including the applicability and effect of all U.S. federal, state and local tax laws and foreign tax laws. Please read the joint proxy statement/prospectus, dated April 30, 2020, that was filed with the Securities and Exchange Commission, noting especially the discussion therein under the heading “Material U.S. Federal Income Tax Consequences of the Separation.” You may access the joint proxy statement/prospectus at [www.sec.gov](http://www.sec.gov).

This information does not apply to shares of IAC common stock sold, exchanged or otherwise disposed of prior to the Reclassification.

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

On June 30, 2020, at 1:28 P.M. EDT, pursuant to the terms and conditions of the Transaction Agreement dated December 19, 2019 by and among IAC, New IAC, Valentine Merger Sub LLC (“New Match Merger Sub”) and Match Group, Inc. (“Match”), as amended as of April 28, 2020 and as of June 22, 2020 (the “Agreement”), (i) each outstanding share of IAC common stock was reclassified into 2.1584 shares of IAC Class M common stock and one share of IAC Series 1 mandatorily exchangeable preferred stock (and each outstanding share of IAC Class B common stock was reclassified into 2.1584 shares of IAC Class M common stock and one share of IAC Series 2 mandatorily exchangeable preferred stock) (collectively, the “Reclassification”), and (ii) each outstanding share of IAC Series 1 mandatorily exchangeable preferred stock was exchanged for one share of New IAC common stock (and each outstanding share of IAC Series 2

mandatorily exchangeable preferred stock was exchanged for one share of New IAC Class B common stock) (collectively, the “New IAC Distribution”). No fractional shares of IAC Class M common stock or New IAC common stock (or New IAC Class B common stock) were issued in the Reclassification or in the New IAC Distribution. Instead, IAC shareholders received cash in lieu of any fractional shares of IAC Class M common stock or New IAC common stock (or New IAC Class B common stock). The exchange of IAC common stock (or IAC Class B common stock) for IAC Class M common stock pursuant to the Reclassification is intended to qualify as a “recapitalization” within the meaning of Section 368(a) of the Code, and the receipt by holders of IAC common stock (or IAC Class B common stock) of New IAC common stock (or New IAC Class B common stock) pursuant to the New IAC Distribution is intended to qualify as a tax-free distribution within the meaning of Section 355(a) of the Code. The descriptions and calculations below assume that the Reclassification and the New IAC Distribution so qualify.

Effective following the consummation of the Reclassification and the New IAC Distribution, but after the closing of trading on the Nasdaq Global Select Market (“NQGS”) on June 30, 2020, pursuant to the terms and conditions of the Agreement, Match merged with and into New Match Merger Sub, with New Match Merger Sub surviving the merger as an indirect wholly owned subsidiary of IAC (the “Merger”). Following the Merger, IAC was renamed “Match Group, Inc.” (“New Match”), and IAC Class M common stock was renamed “New Match common stock.” New Match common stock and New IAC common stock started trading on the NQGS under the ticker symbols “MTCH” and “IAC,” respectively, on July 1, 2020. New IAC Class B common stock is not publicly listed.

Please refer to the separate IRS Form 8937 describing the impact of the Merger on the tax basis of shares in Match common stock.

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

*Reclassification.* The receipt by an IAC stockholder of shares of IAC Class M common stock in exchange for shares of IAC common stock (or IAC Class B common stock) in the Reclassification has an effect on such stockholder’s tax basis. Each IAC stockholder’s aggregate tax basis in the shares of IAC Class M common stock received in exchange for shares of IAC common stock (or IAC Class B common stock) in the Reclassification (including any fractional shares deemed received and sold for cash) will equal such IAC stockholder’s aggregate adjusted tax basis in the shares of IAC common stock (or IAC Class B common stock, respectively) surrendered in the Reclassification. If an IAC stockholder held different blocks of IAC common stock (or IAC Class B common stock) (i.e., shares acquired at different times or different prices) at the time of the Reclassification, such stockholder should consult its own tax advisor with respect to the determination of the tax bases of particular shares of IAC Class M common stock received in the Reclassification. For U.S. federal income tax purposes, the receipt by IAC stockholders of IAC Series 1 mandatorily exchangeable preferred stock (or IAC Series 2 mandatorily exchangeable preferred stock) pursuant to the Reclassification was disregarded.

*New IAC Distribution.* The receipt by an IAC stockholder of shares of New IAC common stock (or New IAC Class B common stock) in the New IAC Distribution has an effect on such

stockholder's tax basis. Each IAC stockholder who receives shares of New IAC common stock (or New IAC Class B common stock) in the New IAC Distribution generally will not recognize any gain or loss for U.S. federal income tax purposes, except with respect to cash, if any, received in lieu of fractional shares of New IAC common stock (or New IAC Class B common stock). IAC stockholders will be required to allocate the aggregate tax basis in their IAC Class M common stock held immediately following the Reclassification (determined as described above) between their IAC Class M Common Stock and their New IAC common stock (or New IAC Class B common stock) received in the New IAC Distribution (including any fractional share interest in New IAC common stock (or New IAC Class B common stock) for which cash was received) in proportion to the relative fair market values of the IAC Class M common stock and the New IAC common stock (or New IAC Class B common stock). If an IAC stockholder held different blocks of IAC common stock (or IAC Class B common stock) (i.e., shares acquired at different times or different prices) at the time of the Reclassification, such stockholder should consult its own tax advisor with respect to the determination of the tax bases of particular shares of New IAC common stock (or New IAC Class B common stock) received in the New IAC Distribution.

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 to 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 IAC Class M common stock or New IAC common stock (or New IAC Class B common stock) for purposes of allocating your tax basis. You should consult your tax advisor to determine what measure of fair market value is appropriate.

There are several potential methods for determining the fair market values of IAC Class M common stock (New Match common stock) and New IAC common stock that your tax advisor may discuss with you. As an illustration, one approach that may be possible is to utilize the NQGS closing trading prices on July 1, 2020 for New Match common stock (\$105.67 per share) and New IAC common stock (\$106.71 per share) as an indication of fair market values. Based on that approach and the assumptions and calculations set forth in Item 16 below, with respect to any IAC stockholder receiving solely shares of New IAC common stock (and cash in lieu of fractional shares thereof) in the distribution, 68.12611% of such IAC stockholder's aggregate tax basis in his or her shares of IAC Class M common stock immediately following the Reclassification would be allocated to such stockholder's shares of IAC Class M common stock (New Match common stock) following the New IAC Distribution and 31.87389% would be allocated to such stockholder's shares of New IAC common stock received in the New IAC Distribution (including any fractional share interest in New IAC common stock for which cash was received). You are not bound by the approach illustrated herein, and we take no position as to whether the approach illustrated herein or any other approach is appropriate. You, in consultation with your tax advisor, should determine what approach to take in determining fair market values for IAC Class M common stock (New Match common stock) and New IAC common stock.

Since New IAC Class B common stock is not publicly listed, another approach may need to be used to determine its fair market value.

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

The following is an illustrative example of how the above-described basis allocation would apply with respect to recipients of New IAC common stock, which assumes that all shares of IAC common stock were acquired on the same date and at the same price:

Assumptions:

- Shares of IAC common stock owned immediately prior to the Reclassification: 1,000
- Shares of IAC Class B common stock owned immediately prior to the Reclassification: 0
- IAC stockholder's aggregate tax basis in IAC common stock (assumed to be \$100.00 per share): \$100,000
- Shares of IAC Class M common stock received in the Reclassification (which, following the Merger, were renamed "New Match common stock") (1,000 shares of IAC common stock multiplied by the reclassification ratio of 2.1584): 2,158.4
- IAC stockholder's aggregate tax basis in the IAC Class M common stock received in the Reclassification: \$100,000
- Shares of New IAC common stock received in the New IAC Distribution: 1,000

Tax Basis Allocation:

	<b># Shares Owned Post Reclassification and New IAC Distribution (A)</b>	<b>Assumed Beginning Basis (B)</b>	<b>Price/Share (C)</b>	<b>FMV of Shares Owned Post Reclassification and New IAC Distribution (A) x (C)</b>	<b>% of Total FMV (D)</b>	<b>Allocated Tax Basis = (B) x (D)</b>
IAC Class M common stock (New Match Common Stock) <sup>1</sup>	2,158.4	\$100,000 <sup>2</sup>	\$105.67 <sup>3</sup>	\$228,078.13	68.12611% <sup>5</sup>	\$68,126.11
New IAC Common Stock	1,000		\$106.71 <sup>4</sup>	\$106,710	31.87389% <sup>6</sup>	\$31,873.89
Total				\$334,788.13	100.00%	\$100,000

<sup>1</sup> Following the Merger, the IAC Class M common stock received in the Reclassification was renamed New Match common stock.

<sup>2</sup> Aggregate tax basis in the IAC Class M common stock owned immediately following the Reclassification (including fractional shares of IAC Class M common stock for which cash is received) and prior to the New IAC Distribution.

<sup>3</sup> Closing market price of New Match common stock on July 1, 2020.

<sup>4</sup> Closing market price of New IAC common stock on July 1, 2020.

<sup>5</sup> \$228,078.13 / \$334,788.13

<sup>6</sup> \$106,710 / \$334,788.13

**Line 17. List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.**

Section 368(a)(1)(E), Section 355(a), and Section 358.

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

No loss may be recognized by an IAC stockholder upon the receipt of IAC Class M common stock in the Reclassification or New IAC common stock (or New IAC Class B common stock) in the New IAC Distribution, except, in each case, with respect to cash, if any, received in lieu of fractional shares.

**Line 19. Provide any other information necessary to implement the adjustment, such as the reportable tax year.**

The Reclassification and the New IAC Distribution were effective on June 30, 2020. For an IAC stockholder whose taxable year is the calendar year, the reportable tax year is 2020.