**FORM OF 83(B) ELECTION AND INSTRUCTIONS**

These instructions are provided to assist you if you choose to make an election under Section 83(b) of the Internal Revenue Code, as amended, with respect to the shares of common stock of \_\_\_\_\_\_\_\_\_\_\_\_\_ (the “Company”) transferred to you. **Please consult with your personal tax advisor as to whether an election of this nature will be in your best interests in light of your personal tax situation.**

The executed original of the Section 83(b) election must be filed with the Internal Revenue Service not later than 30 days after the date the shares were transferred to you. PLEASE NOTE: There is no remedy for failure to file on time. The steps outlined below should be followed to ensure the election is mailed and filed correctly and in a timely manner. ALSO, PLEASE NOTE: If you make the Section 83(b) election, the election is irrevocable.

Complete Section 83(b) election form (attached as Attachment 1) and make three (3) copies of the signed election form. (If you live in a community property state, your spouse or registered domestic partner should sign the Section 83(b) election form as well.)

Prepare the cover letter to the Internal Revenue Service (sample letter attached as Attachment 2).

Send the cover letter with the originally executed Section 83(b) election form and one (1) copy via certified mail, return receipt requested to the Internal Revenue Service at the address of the Internal Revenue Service where you file your personal tax returns. We suggest that you have the package date-stamped at the post office. The post office will provide you with a certified receipt that includes a dated postmark. Enclose a self-addressed, stamped envelope so that the Internal Revenue Service may return a date-stamped copy to you. However, your postmarked receipt is your proof of having timely filed the Section 83(b) election if you do not receive confirmation from the Internal Revenue Service.

One (1) copy must be sent to the Company for its records. Please consult your personal tax advisor with respect to whether you need to attach a copy of your election with your federal income tax return for the applicable calendar year.

Retain the Internal Revenue Service file stamped copy (when returned) for your records.

Please consult your personal tax advisor for the address of the office of the Internal Revenue Service to which you should mail your election form.

**ATTACHMENT 1**

**ELECTION UNDER INTERNAL REVENUE CODE SECTION 83(B)**

The undersigned taxpayer hereby elects pursuant to Section 83(b) of the Internal Revenue Code of 1986, as amended, to include in the undersigned’s gross income for the \_\_\_\_\_\_ taxable year the excess (if any) of the fair market value of the property described below, over the amount the undersigned paid for such property, and supplies herewith the following information in compliance with the Treasury regulations promulgated under Section 83(b):

 1. The undersigned’s name, address and taxpayer identification (social security) number are:

|  |  |  |
| --- | --- | --- |
| Name: |  |  |
|  |  |  |
| Address: |  |  |
|  |  |  |
|  |  |  |
| Social Security Number: |  |  |

 2. The property with respect to which the election is made consists of \_\_\_\_\_\_\_\_\_\_\_\_\_ shares of Common Stock, par value per share, of (the “**Company**”).

 3. The effective date on which the shares were transferred to the undersigned was , 20 , and the date of the imposition on the shares of restrictions constituting a substantial risk of forfeiture was \_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_, and the taxable year to which this election relates is the year ending December 31, 20 .

 4. The Company has a right of first refusal with respect to any proposed transfer of the shares. If the taxpayer’s employment with the Company is terminated, the Company has the right to purchase any unvested shares from the taxpayer at a purchase price of $\_\_\_\_ per share.

 5. The fair market value of the shares at the time of transfer (determined without regard to any restrictions other than those which by their terms will never lapse) is $ per share.

 6. The amount paid for the shares by the undersigned is $ per share.

7. A copy of this election has been furnished to the Company.

The undersigned taxpayer will file this election with the Internal Revenue Service office with which taxpayer files his or her annual income tax return not later than 30 days after the date of transfer of the property. A copy of this statement has been furnished to the Company. The undersigned is the person performing the services in connection with which the property was transferred.

The undersigned understands that the foregoing election may not be revoked except with the consent of the Commissioner.

Dated: , \_\_\_\_ Taxpayer Signature:

The undersigned spouse or registered domestic partner of Taxpayer joins in this election. (Complete if applicable).

Dated: , \_\_\_\_ Spouse’s Signature:

**ATTACHMENT 2**

**SAMPLE COVER LETTER TO INTERNAL REVENUE SERVICE**

 , \_\_\_\_

**VIA CERTIFIED MAIL**

**RETURN RECEIPT REQUESTED**

Internal Revenue Service

[Address where taxpayer files returns]

Re: Election under Section 83(b) of the Internal Revenue Code of 1986

Taxpayer:

Taxpayer’s Social Security Number:

Taxpayer’s Spouse/Domestic Partner:

Taxpayer’s Spouse’s/Domestic Partner’s Social Security Number:

Ladies and Gentlemen:

Enclosed please find an original and one copy of an Election under Section 83(b) of the Internal Revenue Code of 1986, as amended, being made by the taxpayer referenced above. Please acknowledge receipt of the enclosed materials by stamping the enclosed copy of the Election and returning it to me in the self-addressed stamped envelope provided herewith.

Very truly yours,

Enclosures

cc: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_