(December 2017 Department of the Treasury

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

OMB No. 1545-0123

Internal Revenue Service Reporting Issuer 2 Issuer's employer identification number (EIN) Issuer's name MidCountry Financial Corp. 02-0601695 3 Name of contact for additional information Telephone No. of contact 5 Email address of contact 864-286-5355 roy.jones@midcountryfinancial.com **Roy Jones** 6 Number and street (or P.O. box if mail is not delivered to street address) of contact 7 City, town, or post office, state, and ZIP code of contact 30 Patewood Drive, Suite 160 Greenville, SC 29615 9 Classification and description 8 Date of action 10/24/2019 First liquidating distribution to common shareholders of \$4.08 per common share. 10 CUSIP number 11 Serial number(s) 12 Ticker symbol 13 Account number(s) Not applicable Not applicable Part II Organizational Action Attach additional statements if needed. See back of form for additional guestions. Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action MidCountry Financial Corp. distributed \$90.1 million cash to its common shareholders pursuant to a plan of liquidation. Holders of MidCountry Financial Corp.'s common stock received \$4.08 per common share pursuant to a plan of liquidation adopted by the MidCountry Financial Corp. board effective on August 29, 2019. This is the first of at least three remaining distributions, the remainder of which are expected to occur in 2020 and 2021. 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 15 share or as a percentage of old basis ► Liquidating distributions are generally treated as a reduction in the basis of the shareholder's common stock. Accordingly, the shareholder's basis should be reduced by \$4.08 per share. The amount of the distribution in excess of the shareholder's basis, if any, is generally treated as capital gain. 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 ► The change in basis is determined by the amount of the liquidation payment on a per-share basis, which is \$4.08 per share.

Pa	rt II	(Organizational Ac	tion (continued))				
17	List	the a	applicable Internal Reve	enue Code sectior	n(s) and subsection(s) upon which the tax treatment is based \blacktriangleright			is based ►	Section 331
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tran	sacti	on w	ith respect to their in	dividual facts and	d circumstances.				
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