Form **8937**

(December 2017)
Department of the Treasury
Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

► See separate instructions.

OMB No. 1545-0123

Part I Reporting Issuer				
1 Issuer's name			2 Issuer's employer identification number (EIN)	
AMC CARITAL TRUCT II				
AMG CAPITAL TRUST II 3 Name of contact for additional information	4 Tolophone	e No. of contact	27-6769489	
Name of contact for additional information	4 releptions	e No. of contact	5 Email address of contact	
Investor Relations		312-992-0663	Not Applicable	
6 Number and street (or P.O. box if mail is not	7 City, town, or post office, state, and ZIP code of contact			
E40 West Medican Street			01:	
540 West Madison Street 8 Date of action	9 Classi	fication and description	Chicago, IL 60661-2591	
	o classi	noution and description		
08/09/2019	Conversion	on rate adjustment on conv	vertible note due to dividend distribution	
10 CUSIP number 11 Serial number	s)	12 Ticker symbol	13 Account number(s)	
00170F209 Not Applic Part II Organizational Action Attac	able hadditional	Not Applicable	Not Applicable e back of form for additional questions.	
14 Describe the organizational action and, if a	nnlicable the	date of the action or the date	e against which shareholders' ownership is measured for	
the action ► Please see attached.	ipplicable, trie	date of the action of the date	e against which shareholders, ownership is measured for	
ricase see attached.				
				
				
Describe the quantitative effect of the organ share or as a percentage of old basis ► PI	nizational actio	on on the basis of the securit	ty in the hands of a U.S. taxpayer as an adjustment per	
	, , , , , , , , , , , , , , , , , , , 			
Describe the calculation of the change in boundaries ► Please see attached.	asis and the da	ata that supports the calcula	tion, such as the market values of securities and the	

Pa	rt II		Organizational Action (continu	ued)		1 490	
17	List	t the	applicable Internal Revenue Code sec	ction(s) and subsection(s) upon which the ta	x treatment is based ▶	Please see attached.	
		\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\					
	-						
	1	-					
-	-						
18	Car	any	resulting loss be recognized? ► Plea	ase see attached.			
			<u>Jahan Mahan Jingan Ta</u>				
-							
	-	- : .					
· .							
					A A A A		
- 1							
19	Prov	vide	any other information necessary to imp	plement the adjustment, such as the reporta	able tax year ▶ Please	e see attached.	
-		-					
		٠					
	- :						
	-						
	U	Jnder	penalties of perjury, I declare that I have e	examined this return, including accompanying sch	nedules and statements.	and to the best of my knowledge and	
	þ	elief,	it is true, correct, and complete. Declaration	n of preparer (other than officer) is based on all inf	ormation of which prepare	rer has any knowledge.	
Sign			of Marian 11/1				
Here	S	Signature ► / WW/// W//			_ Date ►SEP	1 8 2019	
		rint ·	our name > Laura Thompson		THE Control	o Descident	
Paid		init y	our name ► Laura Thompson Print/Type preparer's name	Preparer's signature	Title ► Senior Vic	e President Charle D if PTIN	
Paic Pre _l		er				Check if self-employed	
Use			Firm's name ▶			Firm's EIN ▶	
			Firm's address 37 (including accompanying statement	s) to: Department of the Treasury, Internal F		Phone no.	
JUITU	. 0111	. 000	m moderning accompanying statement		neverlue service. Udd	EU. U.I. 847U.I-UU54	

AMG Capital Trust II Attachment to Form 8937 CUSIP number: 00170F2091

Date of Organizational Action: August 9, 2019

Part II Box 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

The indenture relating to the 5.15% Junior Convertible Trust Preferred Securities due 2037 (CUSIP 00170F209), dated October 17, 2007 (the "Convertible Trust Preferred Securities") provides holders with a conversion right based on a conversion rate that is subject to adjustment by Affiliated Managers Group, Inc. ("AMG") if certain events described in the indenture occur. Under Internal Revenue Code Section 305 and the Treasury Regulations thereunder, certain conversion rate adjustments may result in deemed distributions of stock and stock rights that are treated as distributions of property to which Section 301 applies.

As a result of the quarterly cash dividends paid by AMG on its common stock since the fourth quarter of 2018 through the quarterly cash dividend announced on July 29, 2019 and payable on August 22, 2019 to stockholders of record as of August 8, 2019, the conversion rate was adjusted, effective as of August 9, 2019 (the "Effective Date"), based on the applicable formula in the indenture. The distribution made on August 22, 2019 was not anticipated to be in excess of current and accumulated earnings and profits of AMG.

Part II Box 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

AMG expects the conversion rate adjustment to be treated for U.S. federal income tax purposes as a Section 305(c) deemed distribution in an amount equal to the fair market value (as of the Effective Date) of the incremental common stock to which the holder is entitled as a result of the adjustment to the conversion rate. The amount of the deemed distribution was calculated to be \$0.27 per \$50 of stated liquidation amount as shown below.

AMG has positive current and accumulated earnings and profits ("E&P") in excess of all distributions made through August 22, 2019. Accordingly, AMG expects that 100% of the deemed distribution described herein to be treated as a dividend. The dividend was \$0.27 per \$50 of stated liquidation amount. A holder's tax basis in the Convertible Trust Preferred Securities should increase by the amount of the dividend.

¹ The CUSIP number has been assigned by CUSIP Global Services (managed by S&P Global Market Intelligence on behalf of the American Bankers Association) and is included solely for convenience. No representation is made as to the correctness of the CUSIP number either as printed on the Convertible Trust Preferred Securities or as contained herein and holders may rely only on the other identification numbers printed on the Convertible Trust Preferred Securities.

Part II Box 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

Per Private Letter Ruling (PLR) 200615024, the deemed distribution can be calculated as the change in the conversion rate multiplied by the stock price as of the Effective Date. This effectively calculates an amount equal to the fair market value (as of the Effective Date) of the incremental common stock to which the holder is entitled as a result of the adjustment to the conversion rate.

The adjusted opening price of AMG's common stock as of the Effective Date (i.e., the adjusted closing price of AMG's common stock on the day prior to the Effective Date) was \$81.12 (A). The conversion rate adjustment entitles the holder to an additional .0033 shares of AMG common stock per \$50 of stated liquidation amount (B). Multiplying (A) x (B), arrives at a deemed distribution of \$0.27 per \$50 of stated liquidation amount.

<u>Part II Box 17: List the applicable Internal Revenue Code section(s) and subsection(s) upon which the</u> tax treatment is based

Section 305(c) of the Internal Revenue Code of 1986, as amended.

Distributions to shareholders to the extent of the corporation's earnings and profits are reported as taxable dividends in accordance with Section 316. In the event a distribution to shareholders exceeds corporate current and accumulated earnings and profits under Section 312, shareholders must apply the rules of Section 301(c) to determine if the distributions are a non-taxable return of basis under Section 301(c)(2) or if the distribution is reported as a capital gain under Section 301(c)(3).

AMG has positive current and accumulated earnings and profits, where earnings and profits were computed in accordance with Section 312.

Part II Box 18: can any resulting loss be recognized?

No loss can be recognized on the 305(c) deemed distribution.

<u>Part II Box 19: Provide any other information necessary to implement the adjustment, such as the reportable tax year</u>

The conversion rate adjustment was effective as of the Effective Date, August 9, 2019. Consequently, the reportable taxable year for the deemed distribution to holders of the Convertible Trust Preferred Securities in 2019.