

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ Please see attached.

18 Can any resulting loss be recognized? ▶ Please see attached.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ Please see attached.

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 ▶ *Laura Thompson* Date ▶ 11/16/18
Print your name ▶ Laura Thompson Title ▶ SVP

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Patrick Cannone	<i>Patrick Cannone</i>	11/2/18		P01073798
	Firm's name ▶ Ernst and Young LLP	Firm's EIN ▶ 34-6565596		Phone no. (312) 879-2000	
	Firm's address ▶ 155 N Upper Wacker Dr, Chicago, IL 60606				

AMG Capital Trust II
Attachment to Form 8937
CUSIP number: 00170F209¹
Date of Organizational Action: August 10, 2018

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 beginning in the first quarter of 2017 and the quarterly cash dividend announced on July 30, 2018, payable on August 23, 2018 to stockholders of record as of August 9, 2018, the conversion rate was adjusted, effective as of August 10, 2018 (the "Effective Date"), based on the applicable formula in the indenture. The distribution made on August 23, 2018 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 \$0.38 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 23, 2018. Accordingly, AMG expects that 100% of the deemed distribution described herein to be treated as a dividend. As a result, the dividend was \$0.38 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.

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 the 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

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.

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 was \$151.19 (A). The conversion rate adjustment entitles the holder to an additional .0025 shares of AMG common stock per \$50 of stated liquidation amount (B). Multiplying (A) x (B), we arrive at a deemed distribution of \$0.38 per \$50 of stated liquidation amount.

Part II Box 17: List the applicable Internal Revenue Code section(s) and subsection(s) upon which the 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 was 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.

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

The conversion rate adjustment was effective as of the Effective Date, August 10, 2018. Consequently, the reportable taxable year for the deemed distribution to holders of the Convertible Trust Preferred Securities is 2018.