

## Report of Organizational Actions Affecting Basis of Securities

OMB No. 1545-0123

► See separate instructions.

Part I	Reporting Issuer
--------	------------------

<b>1</b> Issuer's name		<b>2</b> Issuer's employer identification number (EIN)	
BETTERMENT HOLDINGS, INC.		90-0735456	
<b>3</b> Name of contact for additional information	<b>4</b> Telephone No. of contact	<b>5</b> Email address of contact	
PETER LORIMER	212-228-1328	PETER.LORIMER@BETTERMENT.COM	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact		<b>7</b> City, town, or post office, state, and ZIP code of contact	
8 WEST 24TH STREET, 6TH FLOOR		NEW YORK, NY 10010	
<b>8</b> Date of action		<b>9</b> Classification and description	
March 2, 2022		Common Stock	
<b>10</b> CUSIP number	<b>11</b> Serial number(s)	<b>12</b> Ticker symbol	<b>13</b> Account number(s)
N/A	N/A	N/A	N/A

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

**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 ► SEE ATTACHMENT

**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 ► SEE ATTACHMENT

**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 ► SEE ATTACHMENT

**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

**Sign  
Here**

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.

Signature ▶



Date ▶ 02/28/2023

Print your name ▶ PETER LORIMER

Title ▶ CHIEF FINANCIAL OFFICER

**Paid  
Preparer  
Use Only**

Print/Type preparer's name

STEVE CHAPMAN

Preparer's sign:



Date

01/13/23

Check ☐ if  
self-employed

PTIN

P00955739

Firm's name ▶ DELOITTE TAX LLP

Firm's EIN ▶ 86-1065772

Firm's address ▶ 695 EAST MAIN STREET, STAMFORD, CT 06901-2150

Phone no. 203-708-4000

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

**Betterment Holdings, Inc.**  
**EIN: 90-0735456**  
**Argonaut Asset Management, Inc.**  
**EIN: 87-2462195**  
**Attachment to Form 8937**

**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”), and includes a general summary regarding the application of certain U.S. federal income tax laws and regulations related to the effects of the Merger (as defined below) on securities. The information contained herein does not constitute tax advice and does not purport to be complete or describe the tax consequences that may apply to particular persons or categories of persons. Former holders of Argonaut Asset Management, Inc. capital stock are encouraged to consult their independent tax advisors regarding the particular consequences of the Merger to them (including the applicability and effect of all federal, state, local and non-U.S. laws).**

**Line 14**

On March 2, 2022, pursuant to an Agreement and Plan of Merger by and among Betterment Holdings, Inc. (“Buyer”), Oswald Merger Sub, Inc. (“Merger Sub”), a wholly-owned, direct subsidiary of Buyer, Argonaut Asset Management Inc. (the “Company”), and Stockholders’ Representative, dated February 7, 2022 (the “Merger Agreement”), Merger Sub merged with and into the Company, with the Company surviving (the “Merger”).<sup>1</sup>

Under the terms of the Merger Agreement, a holder (“Stockholder”) of shares of Company Class A common stock and Class B common stock (together, “Company Common Stock”) that was issued and outstanding immediately prior to the effective time of the Merger was canceled and extinguished and converted into the right to receive (1) Buyer Common Stock, or (2) a combination of Buyer Common Stock and cash, subject to the terms and conditions described in the Merger Agreement. No Stockholder was issued a fractional share of Buyer Common Stock in the Merger; rather, Stockholders received cash in lieu of fractional shares of Buyer Common Stock.

**Line 15**

In general, the Merger is intended to qualify as a reorganization within the meaning of Section 368(a) of the Code. Stockholders who received solely Buyer Common Stock recognized no gain or loss on the Merger, except for any gain or loss recognized with respect to cash received in lieu of a fractional share of Buyer Common Stock. The aggregate basis that a Stockholder has in Buyer Common Stock received should equal the aggregate basis that such Stockholder had in the Company Common Stock surrendered in the exchange.

---

<sup>1</sup> All capitalized terms not defined herein shall have the meaning ascribed to them in the Merger Agreement.

A Stockholder who received Buyer Common Stock and cash recognized gain, but not loss, on the Merger. The aggregate basis of the shares of Buyer Common Stock received (excluding any fractional share interests received) should equal the aggregate basis of the shares of Company Common Stock exchanged, decreased by the cash received by the Stockholder and increased by the amount of gain recognized by the Stockholder with respect to such holder's Company Common Stock.

#### **Line 16**

The basis of the share or shares of Company stock surrendered should be allocated to the share or shares of Buyer Common Stock (or allocable portions thereof) received in a manner that reflects, to the greatest extent possible, that the share or shares of Buyer Common Stock received is received in respect of shares of Company stock that were acquired on the same date and at the same price. To the extent it is not possible to allocate basis in this manner, the basis of the share or shares of Company stock surrendered will be allocated to the share or shares of Buyer Common Stock (or allocable portions thereof) received in a manner that minimizes the disparity in the holding periods of the surrendered share of Company stock whose basis is allocated to any particular share of Buyer Common Stock received.

*Consult your tax advisor regarding the fair market value of the right to the Deferred Cash Consideration.*

#### **Line 17**

Sections 354, 356, 358(a) and (b), 368(a), and 1001.

#### **Line 18**

No loss may be recognized as a result of the Merger, except with respect to cash, if any, received in lieu of fractional shares of Buyer Common Stock.

#### **Line 19**

The U.S. federal income tax consequences of the Merger are taken into account in the tax year of each shareholder that includes March 2, 2022.