

Form **8937**(December 2011)
Department of the Treasury Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

► See separate instructions.

OMB No. 1545-2224

Part I Reporting	Issuer			
1 Issuer's name				2 Issuer's employer identification number (EIN)
Bluestem Group Inc.				91-1902188
3 Name of contact for ad-	ditional information	4 Telephon	e No. of contact	5 Email address of contact
				o Emilian addition of ostination
John Armbruster			952-683-8926	john.armbruster@bluestembrands.com
6 Number and street (or F	P.O. box if mail is not	delivered to s	street address) of contact	7 City, town, or post office, state, and Zip code of contact
7075 Flying Cloud Drive		1		Eden Prairie, MN 55344
8 Date of action		9 Class	ification and description	
Policio de la constanta				
February 28, 2017 10 CUSIP number	11 Serial number(s		d deemed distribution 12 Ticker symbol	13 Account number(s)
10 COOM Hamber	TT Certai Halliberts	»)	12 Hicker Symbol	Account number(s)
	ľ.		OTC: BGRP	
Part II Organization	onal Action Attac	h additional		back of form for additional questions.
				against which shareholders' ownership is measured for
				f \$0.60 per share on February 28, 2017, and adjusted
				tribution. The excercise price adjustment is
				tion of the warrants, with and without the \$0.60
Contract of the Contract of th	Value 1			bution is expected to exceed the Company's earnings
and profits, making the en				
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) 				
45 5 9 0 0 00				
				in the hands of a U.S. taxpayer as an adjustment per
snare or as a percenta	ige of old basis ► Th	e Company's	s revised estimate is 100.0%	of the distribution represents a return of capital.
				¥.
-				
16 Describe the calculation	on of the change in h	asis and the c	lata that supports the calculati	on, such as the market values of securities and the
	-		* *	Company estimates its current and accumulated
				a final third party warrant valuation, the excess fair
	out the special divid	dena exercis	e price adjustment deemed d	distribution to be \$0. The total cash distribution was
cash was \$80,200,589.				

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Phone no.

Firm's address ▶

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Part II	1	Organizational Action (continue	ed)		
the spec	ial ca	ish dividend as a distribution of proj	tion(s) and subsection(s) upon which the	asury Regulation 1.305-	7 applies to the deemed
			easury Regulation 1.312-1 applies to test taxation of the distribution between		
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18 Ca	n any	resulting loss be recognized? ► No,	the distribution should not result in a	taxable loss to shareh	olders
	_				
-					
					5
-					
19 Pro	ovide	any other information necessary to imp	plement the adjustment, such as the rep	oortable tax year ► Share	holders should consult their ta
			oution for their 2017 tax year. The div		
			Regulation 1.6045B-1(a)(2)(ii). A fina		
capital w	vill be	provided after the Company's fiscal	l 2017 tax return is finalized following	its February 2, 2018 ye	ar end.
			xamined this return, including accompanying n of preparer (other than officer) is based on a		
Sign		0001			
Horo	Signa	ture P		Date ▶ 3//	3/18
١	g. 10				<u> </u>
	Print	rour name ► Brad Atkinson	T-		of Accounting Officer
Paid		Print/Type preparer's name	Preparer's signature	Date	Check if if self-employed
Prepai		Firm's name ▶		1	Firm's EIN ▶
Use Only		Pinnis address &			Phonone

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