

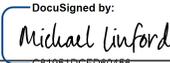
Part II **Organizational Action** (continued)

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 ▶ 2/8/2021

Print your name ▶ **Michael Linford** Title ▶ **Chief Financial Officer**

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.

**Affirm Holdings, Inc.
Stock Reclassification
Attachment to IRS 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 relating to the effects of the Recapitalization (as defined below) on the tax basis of shares of Affirm Holdings, Inc. (“Affirm”) outstanding on January 12, 2021. The information contained herein does not constitute tax advice and does not purport to be complete or to describe the consequences that may apply to particular categories of holders. Holders should consult their own tax advisors regarding the particular tax consequences of the Recapitalization to them, including the applicability and effect of all U.S. federal, state, and local and non-U.S. tax laws.

Part II:

Line 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.

On January 12, 2021, each outstanding share of redeemable convertible preferred stock of Affirm (“Old Preferred”) converted into one share of common stock of Affirm (“Old Common” and such conversion, the “Preferred Conversion”), and immediately thereafter, each outstanding share of Old Common stock (including each share of Old Common stock issued upon the Preferred Conversion) was reclassified into ½ share of Class A common stock of Affirm and ½ share of Class B common stock of Affirm (together with the Preferred Conversion, the “Recapitalization”). Affirm paid cash in lieu of issuing any fractional share of Class A common stock or Class B common stock in the Recapitalization.

Line 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.

The Recapitalization is intended to qualify, and Affirm intends to report the Recapitalization, as a nontaxable recapitalization under Section 368(a)(1)(E) of the Code, except that a holder who received cash in lieu of a fractional share of Class A common stock or Class B common stock is treated as though it received such fractional shares and subsequently exchanged such fractional shares for cash in a taxable transaction resulting in the recognition of gain or loss (measured by the difference between the cash received in lieu of the fractional shares and the holder’s basis in such fractional shares). Assuming this treatment is respected, a holder’s aggregate basis in its shares of Class A common stock and Class B common stock received in the Recapitalization (and any fractional shares treated as received and then exchanged for cash) equals the aggregate basis of the shares

of Old Preferred stock and/or Old Common stock, as applicable, held by the holder immediately prior to the Recapitalization.

Line 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.

As described above, the aggregate basis of a holder's Class A common stock and Class B common stock received in the Recapitalization (including any fractional shares for which the holder received cash in lieu thereof) is the same as the aggregate basis of such holder's Old Preferred stock and/or Old Common stock, as applicable, immediately prior to the Recapitalization. In general, the aggregate basis should be allocated, to the greatest extent possible, among the shares of Class A common stock and Class B common stock received in the Recapitalization (including any fractional shares for which the holder received cash in lieu thereof) in a manner that reflects that a single share of Class A common stock and a single share of Class B common stock were received together in respect of two shares of Old Preferred stock or Old Common stock that were acquired on the same date and at the same price. To the extent not possible, basis should generally be allocated in a manner that minimizes the disparity in the holding periods of the Old Preferred stock and/or Old Common stock, as applicable, whose basis is allocated to any particular share of Class A common stock or Class B common stock received in the Recapitalization. Because cash was issued in lieu of fractional shares, the aggregate basis of a holder's Class A common stock and Class B common stock, after the deemed sale of fractional shares, would be the aggregate basis of the holder's Old Preferred stock and/or Old Common stock, as applicable, less the portion of the holder's basis in the relevant stock that was allocated to the fractional shares.

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

Section 302(a); Section 354; Section 358; Section 368(a)(1)(E); Section 1001.

Line 18. Can any resulting loss be recognized?

Other than loss recognized in connection with the receipt of cash in lieu of a fractional share, as described above in Part II, Line 15, no loss can be recognized in connection with the Recapitalization.

Line 19. Provide any other information necessary to implement the adjustment, such as the reportable tax year.

The basis adjustments described above are taken into account in the tax year of a holder during which the Recapitalization occurred (e.g., 2021 for calendar year taxpayers).