



**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 attachment.


\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

<b>Sign Here</b>	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 ▶ 5/10/2018		
<b>Paid Preparer Use Only</b>	Print your name ▶ RYAN PERFIT	Title ▶ INTERIM CFO		
	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.		

Fluent, Inc (Formerly known as Cogint, Inc)  
EIN: 77-0688094  
ATTACHMENT TO IRS FORM 8937 – PART II  
REPORT OF ORGANIZATIONAL ACTIONS AFFECTING BASIS OF SECURITIES

---

**CONSULT YOUR TAX ADVISOR**

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 Distribution (as defined below) on the tax basis of Fluent, Inc. (formerly known as Cogint, Inc.) (“Parent”) stock and the allocation of tax basis between the stock of Parent and Red Violet, Inc. (“SpinCo”) following the Distribution. 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 stockholders. Neither Parent nor SpinCo provides tax advice to its stockholders. The example provided below is illustrative and is being provided pursuant to Section 6045B of the Code and as a convenience to stockholders and their tax advisors when establishing their specific tax position. You are urged to consult your own tax advisor regarding the particular consequences of the Distribution to you, including the applicability and effect of all U.S. federal, state, and local and foreign tax laws. We urge you to read the amended registration statement on Form 10 of SpinCo, as filed with the Securities and Exchange Commission on March 12, 2018 (the “the Form 10”), as amended, noting especially the discussion on beginning on page 33 of the Information Statement therein under the heading “U.S. Federal Income Tax Aspects of the Spin-off.” You may access the Form 10 at SpinCo’s website at [www.redviolet.com](http://www.redviolet.com) in the Investor Relations section under SEC filing, or at [www.sec.gov](http://www.sec.gov).

This does not apply to shares of Parent common stock sold, exchanged, or otherwise disposed of prior to the time of the Distribution.

**14. Describe the organizational action and, if applicable, the date of the action or the date against which stockholders' ownership is measured for the action:**

On or about March 26, 2018, Parent completed the spin-off of the common stock of SpinCo into an independent, publicly traded corporation. Parent transferred the stock of SpinCo pro rata to its stockholders in a taxable distribution for U.S. tax purposes.

**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:**

In a taxable distribution, the distribution is treated first as a dividend to the extent of current and accumulated earnings and profits of the corporation as of the end of the tax year. Once such earnings and profits are absorbed, any additional value received by the stockholders has the effect of reducing stock basis under section 301(c)(2), before being treated as capital gain.

**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:**

The fair market value of the total distribution was determined to be approximately \$41,900,000. To the extent this figure exceeds the current and accumulated earnings and profits of Parent at year-end, the impact will be a reduction to basis on a stockholder by stockholder determination. The appropriate Internal Revenue Form 1099 will be provided by Parent following the close of the 2018 tax year.

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

Section 301(c)(2).

**18. Can any resulting loss be recognized?**

No.

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

The Distribution was effective on March 26, 2018.