

Report of Organizational Actions Affecting Basis of Securities

OMB No. 1545-0123

► See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
FOUR SPRINGS CAPITAL TRUST		46-0527072	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
LAURA ETIENNE	877-449-8828	INVESTORSERVICES@FSCAP.NET	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and ZIP code of contact	
1901 MAIN STREET		LAKE COMO, NJ 07719	
8 Date of action		9 Classification and description	
MONTHLY PAYMENTS THROUGHOUT 2019		DISTRIBUTIONS TO HOLDERS OF THE ISSUER'S PREFERRED STOCK	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)

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 ► DURING 2019, FOUR SPRINGS CAPITAL TRUST MADE AN AGGREGATE CASH DISTRIBUTION OF \$9,588,207 WHICH INCLUDES \$4,930,585 (\$0.70 PER SHARE) OF SERIES A AND B PREFERRED SHARES; \$1,462,996 (\$0.77 PER SHARE) OF SERIES C PREFERRED SHARES; \$3,133,959 (\$1.40 PER SHARE ON A PER ANNUM BASIS) OF SERIES D PREFERRED SHARES AND \$60,666 (\$1.365 PER SHARE ON A PER ANNUM BASIS) OF SERIES DRIP1 PREFERRED SHARES.

DURING 2019, FOUR SPRINGS CAPITAL TRUST MADE AN AGGREGATE PAID-IN-KIND STOCK DISTRIBUTION VALUED AT \$9,659,036 WHICH INCLUDES \$1,343,186 (\$0.60 PER SHARE ON PER ANNUM BASIS) OF SERIES D PREFERRED SHARES AND \$8,315,851 (\$3.3407 PER SHARE ON A PER ANNUM BASIS) OF SERIES E PREFERRED SHARES.

ATTACHED IS A SCHEDULE FOR MONTHLY BREAKDOWN.

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 ► FOUR SPRINGS CAPITAL TRUST HAS DETERMINED THAT OF SUCH DISTRIBUTIONS DESCRIBED ABOVE, THE FOLLOWING WILL BE TREATED AS A RETURN OF CAPITAL UNDER SECTION 301(C)(2) WITH THE REMAINDER BEING TREATED AS A TAXABLE DIVIDEND.
SERIES A AND B PREFERRED SHARES: \$0.6376 PER SHARE
SERIES C PREFERRED SHARES: \$0.7016 PER SHARE
SERIES D PREFERRED SHARES: \$1.2764 CASH PER SHARE AND \$0.5469 PAID IN-KIND STOCK PER SHARE ON A PER ANNUM BASIS
SERIES DRIP1 PREFERRED SHARES: \$1.2439 PER SHARE ON A PER ANNUM BASIS
SERIES E PREFERRED SHARES \$3.0452 PAID IN-KIND STOCK PER SHARE ON A PER ANNUM BASIS

SEE ATTACHED SCHEDULE FOR MORE DETAIL.

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 NON-DIVIDEND DISTRIBUTION REPRESENTS DISTRIBUTIONS ASSOCIATED WITH THE 2019 TAX YEAR WHICH ARE IN EXCESS OF THE CURRENT YEAR AND ACCUMULATED EARNINGS AND PROFITS. AS SUCH, THE BASIS OF THE SERIES A, SERIES B, SERIES C, SERIES D, SERIES DRIP1, AND SERIES E SECURITIES SHOULD BE REDUCED BY 91.1541% OF THE DISTRIBUTIONS RECEIVED. THE REMAINING 8.8459% WILL BE TREATED AS TAXABLE DIVIDEND.

SEE ATTACHED SCHEDULE FOR MORE DETAIL.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► THE TAX TREATMENT IS BASED ON INTERNAL REVENUE CODE SECTIONS 301(C)(1)-3.

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 REPORTABLE TAX YEAR IS 2019.

**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 ►

Laura Etienne

Date ►

1/31/2020

Print your name ► LAURA ETIENNE

Title ► CONTROLLER

**Paid
Preparer
Use Only**

Print/Type preparer's name

GARRETT T. WELLS, CPA

Preparer's signature

Garrett T. Wells

Date

1/29/2020

Check ☐ if
self-employed

PTIN

P01255364

Firm's name ► COHNREZNICK LLP

Firm's EIN ►

22-1478099

Firm's address ► 500 E PRATT STREET, 4TH FLOOR, BALTIMORE, MD 21202

Phone no.

410-783-4900

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

FOUR SPRINGS CAPITAL TRUST
1901 MAIN STREET, LAKE COMO, NJ 07719
EIN: 46-0527072

FORM 8937
REPORT OF ORGANIZATIONAL ACTIONS AFFECTING BASIS OF SECURITIES

PART II - ORGANIZATIONAL ACTION
QUESTION 14

Payment Date	Cash Dividends			Paid-In-Kind Stock Dividends		
	Series A & B	Series C	Series D	Series D	Series E	
1/15/2019	\$0.0583 PER SHARE	\$0.0642 PER SHARE	\$0.1167 PER SHARE	\$0.05 PER SHARE	\$0.00	
2/15/2019	\$0.0583 PER SHARE	\$0.0642 PER SHARE	\$0.1167 PER SHARE	\$0.05 PER SHARE	\$0.00	
3/15/2019	\$0.0583 PER SHARE	\$0.0642 PER SHARE	\$0.1167 PER SHARE	\$0.05 PER SHARE	\$0.00	
3/31/2019					\$0.8260 PER SHARE	
4/15/2019	\$0.0583 PER SHARE	\$0.0642 PER SHARE	\$0.1167 PER SHARE	\$0.05 PER SHARE	\$0.00	
5/15/2019	\$0.0583 PER SHARE	\$0.0642 PER SHARE	\$0.1167 PER SHARE	\$0.05 PER SHARE	\$0.00	
6/14/2019	\$0.0583 PER SHARE	\$0.0642 PER SHARE	\$0.1167 PER SHARE	\$0.05 PER SHARE	\$0.00	
6/30/2019					\$0.8352 PER SHARE	
7/15/2019	\$0.0583 PER SHARE	\$0.0642 PER SHARE	\$0.1167 PER SHARE	\$0.05 PER SHARE	\$0.00	
8/15/2019	\$0.0583 PER SHARE	\$0.0642 PER SHARE	\$0.1167 PER SHARE	\$0.05 PER SHARE	\$0.00	
9/16/2019	\$0.0583 PER SHARE	\$0.0642 PER SHARE	\$0.1167 PER SHARE	\$0.05 PER SHARE	\$0.00	
9/30/2019					\$0.8444 PER SHARE	
10/15/2019	\$0.0583 PER SHARE	\$0.0642 PER SHARE	\$0.1167 PER SHARE	\$0.05 PER SHARE	\$0.00	
11/15/2019	\$0.0583 PER SHARE	\$0.0642 PER SHARE	\$0.1167 PER SHARE	\$0.05 PER SHARE	\$0.00	
12/16/2019	\$0.0583 PER SHARE	\$0.0642 PER SHARE	\$0.1167 PER SHARE	\$0.05 PER SHARE	\$0.00	
12/31/2019					\$0.8351 PER SHARE	

Paid-in-Kind Stock Dividends							
DECLARATION DATE	RECORD DATE	PAYMENT DATE	TOTAL PER SHARE		2019 TAXABLE DIVIDEND		2019 RETURN OF CAPITAL
			Series D	Series E	Series D	Series E	Series D
1/2/2019	1/8/2019	1/15/2019	\$0.0500		\$0.0044		\$0.0456
2/1/2019	2/8/2019	2/15/2019	\$0.0500		\$0.0500		\$0.0456
3/1/2019	3/8/2019	3/15/2019	\$0.0500		\$0.0044		\$0.0456
3/31/2019	3/31/2019	3/31/2019		\$0.8260		\$0.0731	\$0.7530
4/1/2019	4/8/2019	4/15/2019	\$0.0500		\$0.0044		\$0.0456
5/1/2019	5/8/2019	5/15/2019	\$0.0500		\$0.0044		\$0.0456
6/3/2019	6/7/2019	6/14/2019	\$0.0500		\$0.0044		\$0.0456
6/30/2019	6/30/2019	6/30/2019		\$0.8352		\$0.0739	\$0.7613
7/1/2019	7/8/2019	7/15/2019	\$0.0500		\$0.0044		\$0.0456
8/1/2019	8/8/2019	8/15/2019	\$0.0500		\$0.0044		\$0.0456
9/3/2019	9/9/2019	9/16/2019	\$0.0500		\$0.0044		\$0.0456
9/30/2019	9/30/2019	9/30/2019		\$0.8444		\$0.0747	\$0.7697
10/1/2019	10/8/2019	10/15/2019	\$0.0500		\$0.0044		\$0.0456
11/1/2019	11/8/2019	11/15/2019	\$0.0500		\$0.0044		\$0.0456
12/2/2019	12/9/2019	12/16/2019	\$0.0500		\$0.0044		\$0.0456
12/31/2019	12/31/2019	12/31/2019		\$0.8351		\$0.0739	\$0.7612
TOTAL			\$0.6000	\$3.3407	\$0.0531	\$0.2955	\$0.5469
							\$3.0452