

Report of Organizational Actions Affecting Basis of Securities**Part I Reporting Issuer**

- 1 Issuer's name Arctic Slope Regional Corporation
- 2 Issuer's employer identification number (EIN) 92-0044137
- 3 Name of contact for additional information Kristy West
- 4 Telephone No. of contact 1-907-339-6000
- 5 Email address of contact kwest@asrc.com
- 6 Number and street (or P.O. Box if mail is not delivered to street address) of contact PO Box 129
- 7 City, town, or post office, state and Zip code of contact Barrow, AK 99723
- 8 Date of action February 18, 2011
- 9 Classification and description
Classes A, B, C, D and E Common Stock

Part II Organizational Action

- 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
Distribution to shareholders in excess of earnings and profits
- 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.
100% of the cumulative dividend distribution to one newly enrolled Class E shareholder on February 18, 2011 has been determined to be in excess of corporate earnings and profits based on information available as of January 17, 2012.
- 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
A calculation of earnings and profits was completed using the most recent financial information available. Current year earnings and profits are expected to be negative for 2011. As a result, 100% of the 2011 distributions are in excess of earnings and profits.
- 17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based
IRC §301 Distributions of Property – in general, IRC §301 defines the rules used to determine whether, and to what extent, distributions to shareholders are taxable. Distributions to shareholders that do not exceed the corporation's earnings and profits are reported as taxable dividends in accordance with IRC §316. In the event a distribution to shareholders exceeds corporate earnings and profits, as determined under IRC §312, shareholders must apply the rules of IRC §301 to determine if the distribution is a non-taxable return of basis under IRC §301(c)(2) or if the distribution is reported as capital gain under IRC §301(c)(3). The information provided herein is intended to assist shareholders and their tax advisors in making this determination.
- 18 Can any resulting loss be recognized? No
- 19 Provide any other information necessary to implement the adjustment, such as the reportable tax year
Reportable for the 2011 tax year