



Agence du revenu  
du Canada

Canada Revenue  
Agency

February 6, 2017

Emergent BioSolutions Inc.  
A/S Mr. Robert G. Kramer  
400 Professional Drive, Suite 400  
Gaithersburg, MD 20879

*Votre référence* Your file

*Notre référence* Our file  
Phone: 418-634-2976  
Toll free: 1-877-588-5001(2976)  
Fax: 418-648-3461

**RE: Spin-off of Aptevo Therapeutics Inc. by Emergent BioSolutions Inc.**

Dear Sir:

We are replying to your correspondence dated January 5, 2017, in which was submitted information with regard to the tax treatment of the spin-off undertaken August 1, 2016, by Emergent BioSolutions Inc. of its subsidiary Aptevo Therapeutics Inc.

Based on the information that you provided, the distribution meets the requirements of paragraph 86.1(2)(e) of the Canadian Income Tax Act (the Act). Since you have provided all of the information required under this paragraph, shareholders will be entitled to elect under section 86.1 in respect of the distribution.

We also acknowledge receipt of your consent to publish the fact that you have provided the information required to meet the conditions of paragraph 86.1(2)(e) of the Act.

However, if IRS reviews the distribution at a later date and determines the distribution taxable, we will reverse our decision.

Should you have any questions, please do not hesitate to contact me at (418) 634-2976.

Yours truly,

Sandra Careau  
International Audit  
Quebec Taxation Services Office

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