

The example below illustrates the tax basis calculations for a shareholder who became an owner of Plum Creek Timber Company, Inc. through the 2001 merger between the Georgia-Pacific Timber Group (TGP) and Plum Creek Timber Company, Inc.

100 TGP purchased on December 31, 1998 \$23.831
 137 PCL shares received in exchange for 100 TGP shares on October 6, 2001
 137 PCL shares sold December 31, 2014

Tax Basis in 100 shares of Georgia-Pacific Timber Group (TGP) on December 31, 1998	\$	2,383.10	\$23.831/share x 100 shares
Tax Basis in 137 shares of Plum Creek (PCL) on October 6, 2001	\$	2,383.10	tax basis carries forward from investment in TGP
2001 Reported Return of Capital (from 2001 1099-DIV)		(4.00)	\$.02922/share return of capital x 137 shares
2002 Reported Return of Capital (from 2002 1099-DIV)		(39.18)	\$.285962/share return of capital x 137 shares
2003 Reported Return of Capital (from 2003 1099-DIV)		(53.22)	\$.388469/share return of capital x 137 shares
2004 Reported Return of Capital (from 2004 1099-DIV)		(20.06)	\$.146437/share return of capital x 137 shares
2005 Reported Return of Capital (from 2005 1099-DIV)		(26.85)	\$.196/share return of capital x 137 shares
2006 Reported Return of Capital (from 2006 1099-DIV)		-	\$.000/share return of capital x 137 shares
2007 Reported Return of Capital (from 2007 1099-DIV)		-	\$.000/share return of capital x 137 shares
2008 Reported Return of Capital (from 2008 1099-DIV)		-	\$.000/share return of capital x 137 shares
2009 Reported Return of Capital (from 2009 1099-DIV)		-	\$.000/share return of capital x 137 shares
2010 Reported Return of Capital (from 2010 1099-DIV)		-	\$.000/share return of capital x 137 shares
2011 Reported Return of Capital (from 2011 1099-DIV)		-	\$.000/share return of capital x 137 shares
2012 Reported Return of Capital (from 2012 1099-DIV)		-	\$.000/share return of capital x 137 shares
2013 Reported Return of Capital (from 2013 1099-DIV)		-	\$.000/share return of capital x 137 shares
2014 Reported Return of Capital (from 2014 1099-DIV)		-	\$.000/share return of capital x 137 shares
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Tax Basis in 137 shares of PCL as of December 31, 2013	\$	2,239.79	(\$2,383.10 - \$143.31 annual return of capital)
Proceeds from December 31, 2014 sale	\$	5,618.37	137 shares sold at \$41.01/share
Tax Basis as of December 31, 2014	\$	<u>(2,239.79)</u>	
Gain on sale of PCL	\$	3,378.58	

The above is intended as an illustrative example. The impact of brokerage commissions and fees is not considered. No example can cover all circumstances for all shareholders, as each shareholder's tax situation is different. Contact your tax advisor regarding the particular tax consequences for your situation.