To Legos Holdings LLC unit holders,

Please find attached your 2016 Legos Holdings LLC income tax package, which includes your federal and state K-1 schedules.  ***These file(s) are password protected***. **You will receive a separate email with the password.** These schedules reflect your share of Legos Holdings LLC partnership activity in 2016 and are required to be reported on your 2016 personal income tax returns.  Please note that the state K-1s reflect states that you did NOT elect to or could not participate in composite tax filing per the Ernst & Young questionnaire.  In addition, **you may be required to sign the affidavits/composite election forms IF ATTACHED** (only a few states require signed consent forms). **Once you have signed all of the consent forms, please return the signed forms to** [Brian.Goldblatt@ey.com](mailto:Brian.Goldblatt@ey.com) **and** [Pratik.Shah@ey.com](mailto:Pratik.Shah@ey.com).  Their office phone number is  (703) 747-0117.

**Please note**: as a result of addition units being sold to new investors or partners, an adjustment was required to partner’s capital accounts in order to bring the accounts to an equivalent balance based on the allocation provisions from the LLC agreement.  As a result of this adjustment, **legacy Legos investors (pre 9/30/15)** will be receiving an increase in 2016 taxable income.  An additional tax distribution will be made this week at the 40% tax rate to cover taxes associated with this additional taxable income.  As in the past, this cash distribution shall be treated as an advance from your unit holder capital account and is not considered taxable income. **New partners (post 9/29/15)** will be receiving 2016 tax losses as a result of this capital account balancing.  Attached is an Ernst & Young (EY) prepared paper and a list of frequently asked questions regarding the capital account balancing and impact on 2016 taxable income and loss.  Additionally, we have requested EY conduct a conference call to answer questions you may have about the capital account true-up and impacts to taxable income/loss. **The call is scheduled for Monday April 3, 2017 at 2:30pm EDT** and an alternate call will be held on **Wednesday April 5, 2017 at 11:00am EDT.  The conference call phone number is 1-866-259-5440  PIN 84768187.**

In the interim, if you have any questions please contact Michael Slane at 336-279-5826.

**Mike Slane   
LGS Innovations**  
**O** (336) 279-5826  
**P** (866) 547-4243  
[mikeslane@lgsinnovations.com](mailto:mikeslane@lgsinnovations.com)  
[**www.lgsinnovations.com**](http://www.lgsinnovations.com/)

Oscar, I discussed with Pratik and you can expect the NJ and GA forms from EY prior to April 3.  You will not receive the MA form as you have elected to participate in the composite return.

Mike

**From:** Ganteaume, Oscar [Axios]   
**Sent:** Thursday, March 16, 2017 5:53 AM  
**To:** [Robb.Kiley@ey.com](mailto:Robb.Kiley@ey.com); [Pratik.Shah@ey.com](mailto:Pratik.Shah@ey.com); Jones, Linda; Slane, Mike  
**Subject:** Composite returns

All,

                Last year I received some Composite forms from three different states:

* NJ-1080E,
* State of Georgia Affidavit by Nonresident, and
* Massachusetts  Withholding Exemption Certificate for Members of a Pass-through Entity

Should I expect the same this year?  If so, any idea of timeframe?  Thanks

Oscar E. Ganteaume

Office: 703.665.7259

**Legosx123**

The attached K1 package includes copies of your federal and state K-1 schedules.  These schedules reflect your share of Legos Holdings, LLC’s partnership activity in 2015 and are required to be reported on your 2015 personal income tax returns.  Please Note: that the state K-1s reflect states that you did **NOT** elect to participate in composite tax filings per the Ernst & Young questionnaire.

In addition to the K1 package, you are also **required to sign the affidavits/composite election forms attached** (only a few states require signed consent forms).  Once you have signed all of the consent forms, **please return the signed forms** to [Robb.Kiley@ey.com](mailto:Robb.Kiley@ey.com) and [Pratik.Shah@ey.com](mailto:Pratik.Shah@ey.com).  Their office phone number is  (703) 747-0596.

Best Regards,

**Linda Jones | Executive Administrator  
LGS Innovations**  
**O:** (703) 394-1512 **| M:** (202) 695-0934  
[Ljones@lgsinnovations.com](mailto:Ljones@lgsinnovations.com)  
[**www.lgsinnovations.com**](https://vpn.lgsinnovations.com/proxy/http/www.lgsinnovations.com/)

Attached is your 2015 **Federal** Schedule K-1 tax form.  Your K-1 **State** tax form will be provided shortly.

If you have any questions, please contact Pratik Shah at [Pratik.Shah@ey.com](mailto:Pratik.Shah@ey.com) or Robb Kiley at [Robb.kiley@ey.com](mailto:Robb.kiley@ey.com) from Ernst & Young.  Their office phone number is  (703) 747-0596.

Best Regards,

**Linda Jones | Executive Administrator  
LGS Innovations**  
**O:** (703) 394-1512 **| M:** (202) 695-0934  
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