

SECTION 83(b) ELECTION
EXPLANATORY COVER SHEET
VERY IMPORTANT NOTE
PLEASE READ

If you wish to make a Section 83(b) election, it is **your responsibility** to make the election. The form for making this election is attached to this notice, together with instructions for making the filing. **It must be done within the 30 day period indicated in the instructions to the attached form, and there are NO exceptions.** Please follow the instructions exactly and send copies of the filed documents back to Cooley. Once you get back your file stamped copy, also send a copy of that to Cooley. **The signature on the filing must be an original signature.**¹

By using this form, you understand and agree that it is your sole obligation and responsibility to timely file the 83(b) election, and neither the Company nor the Company's legal or financial advisors (including Cooley LLP) have any obligation or responsibility with respect to such filing even if any of them agree to make such filing for you. You further acknowledge and agree that the Company has directed you to seek independent advice regarding the applicable provisions of the Internal Revenue Code, the income tax laws of any municipality, state or foreign country in which you may reside, and the proper form for making a Section 83(b) election. **FAILURE TO TIMELY MAKE THESE FILINGS CAN RESULT IN MATERIAL AND ADVERSE TAX CONSEQUENCES TO YOU.**

[DELETE THIS PAGE BEFORE USE]

¹ The IRS has announced that it would temporarily (through October 31, 2023) allow Section 83(b) elections to be signed digitally or electronically, instead of requiring handwritten signatures.

[This Form is designed for Individual purchasers. Corporate or Trust purchasers should contact their Tax Professional to review before submitting.]

Instructions for Filing Section 83(b) Election

Attached is a form of election under Section 83(b) of the Internal Revenue Code and an accompanying IRS cover letter. Please fill in your social security number and sign the election and cover letter, then proceed as follows:

- a) Make **three** copies of the completed election form and one copy of the IRS cover letter.
- b) Send the **original**² signed election form and cover letter, the copy of the cover letter, and a self-addressed stamped return envelope to the Internal Revenue Service Center where you would otherwise file your tax return. Even if an address for an Internal Revenue Service Center is already included in the forms below, it is your obligation to verify such address. This can be done by searching for the term “where to file” on www.irs.gov or by calling 1 (800) 829-1040.

Sending the election via certified mail, requesting a return receipt, with the certified mail number written on the cover letter is also recommended.

- c) Deliver one copy of the completed election form to the Company.
- d) Applicable state law may require that you attach a copy of the completed election form to your state personal income tax return(s) when you file it for the year (assuming you file a state personal income tax return).

Please consult your personal tax advisor(s) to determine whether or not a copy of this Section 83(b) election should be filed with your state personal income tax return(s).

- e) Retain one copy of the completed election form for your personal permanent records.

Note: An additional copy of the completed election form must be delivered to the transferee (recipient) of the property if the service provider and the transferee are not the same person.

Please note that the election must be filed with the IRS within 30 days of the date of your restricted stock grant. Failure to file within that time will render the election void and you may recognize ordinary taxable income as your vesting restrictions lapse. The Company and its counsel cannot assume responsibility for failure to file the election in a timely manner under any circumstances.

² See prior note regarding temporary allowance of digital/electronic signatures.

Date: _____

CERTIFIED MAIL NUMBER _____
RETURN SERVICE REQUESTED

Department of the Treasury
Internal Revenue Service
[CITY, STATE ZIP]³

Re: **Election Under Section 83(b) of the Internal Revenue Code**

Dear Sir or Madam:

Enclosed please find an executed form of election under Section 83(b) of the Internal Revenue Code of 1986, as amended, filed with respect to an interest in Refraction Labs, Inc.

Also enclosed is a copy of this letter and a stamped, self-addressed envelope. Please acknowledge receipt of these materials by marking the copy when received and returning it to the undersigned.

Thank you very much for your assistance.

Very truly yours,

Aditya Agashe

Enclosures

³ Per Treasury Regulation § 1.83-2(c), the Section 83(b) election must be filed with the IRS office where the person otherwise files his or her tax return. Click [here](#) (for taxpayers that are individuals) to find the correct address.

Section 83(b) Election

Date: _____

Department of the Treasury
Internal Revenue Service
[CITY, STATE ZIP]⁴

Re: Election Under Section 83(b)

Ladies and Gentlemen:

The undersigned taxpayer hereby elects, pursuant to Section 83(b) of the Internal Revenue Code of 1986, as amended, to include in gross income as compensation for services the excess (if any) of the fair market value of the shares described below over the amount paid for those shares. The following information is supplied in accordance with Treasury Regulation § 1.83-2:

1. The name, social security number, address of the undersigned, and the taxable year for which this election is being made are:

Name: Aditya Agashe
Social Security Number: _____
Address: 11506 84th Avenue NE
Kirkland, Washington 98034
Taxable year: Calendar year 2022.

2. The property that is the subject of this election: 4,500,000 shares of Class B common stock (the “*Shares*”) of Refraction Labs, Inc., a Delaware corporation (the “*Company*”).

3. The date on which the Shares were transferred to the undersigned: May 27, 2022.

4. The Shares are subject to the following restrictions: The Shares are subject to forfeiture or repurchase at less than their fair market value if the undersigned does not continue to provide services for the Company for a designated period of time. The risk of forfeiture or repurchase lapses over a specified vesting period.

5. The fair market value of the Shares at the time of the transfer to the undersigned (determined without regard to any restriction other than a nonlapse restriction as defined in Treasury Regulation § 1.83-3(h)): \$0.00002 per Share x 4,500,000 Shares = \$90.00.

6. The amount paid for the Shares transferred: \$0.00002 per Share x 4,500,000 Shares = \$90.00.

7. The amount to include in gross income is: \$0.00.

⁴ Per Treasury Regulation § 1.83-2(c), the Section 83(b) election must be filed with the IRS office where the person otherwise files his or her tax return. Click [here](#) (for taxpayers that are individuals) to find the correct address.

[Remainder of page intentionally left blank]

The undersigned taxpayer will file this election with the Internal Revenue Service office with which taxpayer files his or her annual income tax return not later than 30 days after the date of transfer of the Shares. A copy of the election also will be furnished to the person for whom the services were performed and the transferee of the Shares, if any. The undersigned is the person performing the services in connection with which the Shares were transferred.

Very truly yours,

Aditya Agashe