

ANN F. KAPLAN
730 PARK AVENUE # 18 C
NEW YORK, NY 10021

2017

Department of the Treasury
Internal Revenue Service

For calendar year 2017, or tax year

beginning

	/	/	2017
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 ending

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Partner's Share of Income, Deductions, Credits, etc. ▶ See back of form and separate instructions

► See back of form and separate instructions.

Part I Information About the Partnership

A Partnership's employer identification number
47-3961203

B Partnership's name, address, city, state, and ZIP code
HEC ONSHORE FUND LP
C/O HUDSON EXECUTIVE CAPITAL LP
570 LEXINGTON AVENUE
SUITE 3500
NEW YORK, NY 10036

C IRS Center where partnership filed return
E-FILE

D ☐ Check if this is a publicly traded partnership (PTP)

Part II Information About the Partner

E Partner's identifying number
060-40-1394

F	Partner's name, address, city, state, and ZIP code ANN F. KAPLAN 730 PARK AVENUE # 18 C NEW YORK, NY 10021	PARTNER #12
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G ☐ General partner or LLC member-manager ☒ Limited partner or other LLC member

H ☒ Domestic partner ☐ Foreign partner

11 What type of entity is this partner? **INDIVIDUAL**

12 If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here ☐

J Partner's share of profit, loss, and capital (see instructions):

Beginning

Ending

Profit	0.2552 %	0.2033 %
Loss	0.2552 %	0.2033 %
Capital	0.2552 %	0.2033 %

K Partner's share of liabilities at year end:

Nonrecourse	\$ _____
Qualified nonrecourse financing	\$ _____
Recourse	\$ _____

L Partner's capital account analysis:

Beginning capital account	\$	<u>1,025,005</u>
Capital contributed during the year	\$	
Current year increase (decrease)	\$	<u>(283,038)</u>
Withdrawals & distributions	\$ ()
Ending capital account	\$	<u>741,967</u>

☐ Tax basis ☒ GAAP ☐ Section 704(b) book
☐ Other (explain)

M Did the partner contribute property with a built-in gain or loss?

☐ Yes ☒ No

If "Yes," attach statement (see instructions)

Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items

1	Ordinary business income (loss)	15	Credits
2	Net rental real estate income (loss)		
3	Other net rental income (loss)	16	Foreign transactions
4	Guaranteed payments		
5	Interest income		
*	4,509		
6a	Ordinary dividends		
	2,518		
6b	Qualified dividends		
	2,424		
7	Royalties		
8	Net short-term capital gain (loss)		
	2,463		
9a	Net long-term capital gain (loss)	17	Alternative minimum tax (AMT) items
	(37,645)		
9b	Collectibles (28%) gain (loss)		
9c	Unrecaptured section 1250 gain		
10	Net section 1231 gain (loss)	18	Tax-exempt income and nondeductible expenses
11	Other income (loss)		
		19	Distributions
12	Section 179 deduction		
13	Other deductions		
K*	16,459	20	Other information
		A	7,027
		B	16,459
14	Self-employment earnings (loss)	V*	SEE STATEMENT
		*	STMT

*See attached statement for additional information.

For IRS Use Only

This list identifies the codes used on Schedule K-1 for all partners and provides summarized reporting information for partners who file Form 1040. For detailed reporting and filing information, see the separate Partner's Instructions for Schedule K-1 and the instructions for your income tax return.

1. Ordinary business income (loss). Determine whether the income (loss) is passive or nonpassive and enter on your return as follows.

	<i>Report on</i>
Passive loss	See the Partner's Instructions
Passive income	Schedule E, line 28, column (g)
Nonpassive loss	See the Partner's Instructions
Nonpassive income	Schedule E, line 28, column (j)

2. Net rental real estate income (loss)

3. Other net rental income (loss)

Net income	Schedule E, line 28, column (g)
Net loss	See the Partner's Instructions

4. Guaranteed payments

5. Interest income

6a. Ordinary dividends

6b. Qualified dividends

7. Royalties

8. Net short-term capital gain (loss)

9a. Net long-term capital gain (loss)

9b. Collectibles (28%) gain (loss)

9c. Unrecaptured section 1250 gain

10. Net section 1231 gain (loss)

11. Other income (loss)

Code	
A	Other portfolio income (loss)
B	Involuntary conversions
C	Sec. 1256 contracts & straddles
D	Mining exploration costs recapture
E	Cancellation of debt
F	Other income (loss)
12. Section 179 deduction	
13. Other deductions	
A	Cash contributions (50%)
B	Cash contributions (30%)
C	Noncash contributions (50%)
D	Noncash contributions (30%)
E	Capital gain property to a 50% organization (30%)
F	Capital gain property (20%)
G	Contributions (100%)
H	Investment interest expense
I	Deductions—royalty income
J	Section 59(e)(2) expenditures
K	Deductions—portfolio (2% floor)
L	Deductions—portfolio (other)
M	Amounts paid for medical insurance
N	Educational assistance benefits
O	Dependent care benefits
P	Preproductive period expenses
Q	Commercial revitalization deduction
R	from rental real estate activities
S	Pensions and IRAs
T	Reforestation expense deduction
U	Domestic production activities information
V	Qualified production activities income
W	Employer's Form W-2 wages
	Other deductions
14. Self-employment earnings (loss)	

Note: If you have a section 179 deduction or any partner-level deductions, see the Partner's Instructions before completing Schedule SE.

A	Net earnings (loss) from self-employment	Schedule SE, Section A or B
B	Gross farming or fishing income	See the Partner's Instructions
C	Gross non-farm income	See the Partner's Instructions

15. Credits

A	Low-income housing credit (section 42(j)(5)) from pre-2008 buildings	See the Partner's Instructions
B	Low-income housing credit (other) from pre-2008 buildings	
C	Low-income housing credit (section 42(j)(5)) from post-2007 buildings	
D	Low-income housing credit (other) from post-2007 buildings	
E	Qualified rehabilitation expenditures (rental real estate)	
F	Other rental real estate credits	See the Partner's Instructions
G	Other rental credits	
H	Undistributed capital gains credit	
I	Biofuel producer credit	
J	Work opportunity credit	
K	Disabled access credit	

Code		Report on
L	Empowerment zone employment credit	See the Partner's Instructions
M	Credit for increasing research activities	
N	Credit for employer social security and Medicare taxes	
O	Backup withholding	
P	Other credits	
16.	Foreign transactions	
A	Name of country or U.S. possession	Form 1116, Part I
B	Gross income from all sources	
C	Gross income sourced at partner level	
	Foreign gross income sourced at partnership level	
D	Passive category	Form 1116, Part I
E	General category	
F	Other	
	Deductions allocated and apportioned at partner level	
G	Interest expense	Form 1116, Part I
H	Other	Form 1116, Part I
	Deductions allocated and apportioned at partnership level to foreign source income	
I	Passive category	Form 1116, Part I
J	General category	
K	Other	
	Other information	
L	Total foreign taxes paid	Form 1116, Part II
M	Total foreign taxes accrued	Form 1116, Part II
N	Reduction in taxes available for credit	Form 1116, line 12
O	Foreign trading gross receipts	Form 8873
P	Extraterritorial income exclusion	Form 8873
Q	Other foreign transactions	See the Partner's Instructions
17.	Alternative minimum tax (AMT) items	
A	Post-1986 depreciation adjustment	See the Partner's Instructions and the Instructions for Form 6251
B	Adjusted gain or loss	
C	Depletion (other than oil & gas)	
D	Oil, gas, & geothermal—gross income	
E	Oil, gas, & geothermal—deductions	
F	Other AMT items	
18.	Tax-exempt income and nondeductible expenses	
A	Tax-exempt interest income	Form 1040, line 8b
B	Other tax-exempt income	See the Partner's Instructions
C	Nondeductible expenses	See the Partner's Instructions
19.	Distributions	
A	Cash and marketable securities	See the Partner's Instructions
B	Distribution subject to section 737	
C	Other property	
20.	Other information	
A	Investment income	Form 4952, line 4a
B	Investment expenses	Form 4952, line 5
C	Fuel tax credit information	Form 4136
D	Qualified rehabilitation expenditures (other than rental real estate)	See the Partner's Instructions
E	Basis of energy property	See the Partner's Instructions
F	Recapture of low-income housing credit (section 42(j)(5))	Form 8611, line 8
G	Recapture of low-income housing credit (other)	Form 8611, line 8
H	Recapture of investment credit	See Form 4255
I	Recapture of other credits	See the Partner's Instructions
J	Look-back interest—completed long-term contracts	See Form 8697
K	Look-back interest—income forecast method	See Form 8866
L	Dispositions of property with section 179 deductions	See the Partner's Instructions
M	Recapture of section 179 deduction	
N	Interest expense for corporate partners	
O	Section 453(l)(3) information	
P	Section 453A(c) information	
Q	Section 1260(b) information	
R	Interest allocable to production expenditures	
S	CCF nonqualified withdrawals	
T	Depletion information—oil and gas	
U	Reserved	
V	Unrelated business taxable income	
W	Precontribution gain (loss)	
X	Section 108(i) information	
Y	Net investment income	
Z	Other information	

20 OTHER INFORMATION

Y*	NET INVESTMENT INCOME	SEE STATEMENT
Z*	OTHER INFORMATION	SEE STATEMENT

PART II, ITEM L, CURRENT YEAR INCREASE (DECREASE)

INCOME (LOSS) FROM SCH. K-1, BOXES 1 - 11	(28,155)
LESS: DEDUCTIONS FROM SCH. K-1, BOX 12, 13, 16L & 16M	<u>16,459</u>
TOTAL INCOME (LOSS) PER SCHEDULE K-1	(44,614)
UNREALIZED GAIN/(LOSS) & OTHER TEMPORARY DIFFERENCES	9,351
ACCRUED DIVIDENDS	(290)
ORGANIZATIONAL COSTS	(162)
CURRENT YEAR REDEMPTIONS PAYABLE	<u>(247,323)</u>
CURRENT YEAR INCREASE (DECREASE)	<u><u>(283,038)</u></u>

BOX 5 - INTEREST INCOME

OTHER INTEREST INCOME - US	<u>4,509</u>
TOTAL INTEREST INCOME	<u><u>4,509</u></u>

BOX 13, CODE K - DEDUCTIONS - PORTFOLIO (2% FLOOR)

MANAGEMENT FEE EXPENSE	13,055
OTHER PORTFOLIO DEDUCTIONS	<u>3,404</u>
TOTAL DEDUCTIONS - PORTFOLIO (2% FLOOR)	<u><u>16,459</u></u>

PARTNER FOOTNOTES

BOX 20, CODE V: INFORMATION REGARDING UNRELATED BUSINESS TAXABLE INCOME:

NONE OF THE SCHEDULE K-1 ITEMS OF INCOME, GAIN (LOSS) OR DEDUCTIONS ARE CONSIDERED UNRELATED BUSINESS TAXABLE INCOME.

BOX 20, CODE Y: NET INVESTMENT INCOME:

PLEASE NOTE THAT THE PARTNERSHIP CONSIDERS ITSELF TO BE AN INVESTOR FOR FEDERAL INCOME TAX PURPOSES. ALL OF THE DISTRIBUTIVE SHARE ITEMS REPORTED ON SCHEDULE K-1 SHOULD BE TAKEN INTO ACCOUNT IN COMPUTING NET INVESTMENT INCOME UNDER IRC §1411(C)(1). PLEASE CONSULT YOUR TAX ADVISOR WHEN COMPLETING FORM 8960.

BOX 20, CODE Z: OTHER INFORMATION:

FOR CORPORATE MEMBERS, THE FOLLOWING DIVIDENDS REPORTED ON SCHEDULE K-1 QUALIFY FOR THE DIVIDENDS RECEIVED DEDUCTION UNDER IRC SECTION 243:

2,518

NEW YORK STATE FOOTNOTE:

FOR INDIVIDUAL PARTNERS - THE PARTNERSHIP HAS FILED A NYS PARTNERSHIP INFORMATION RETURN WHICH REPORTED NO INCOME FROM NEW YORK SOURCES. THE PARTNERSHIP ACTIVITIES ARE LIMITED TO THE HOLDING, BUYING AND SELLING OF SECURITIES FOR ITS OWN ACCOUNT.

THE PARTNERSHIP IS A PORTFOLIO INVESTMENT PARTNERSHIP AS DEFINED IN NEW YORK BUSINESS CORPORATION FRANCHISE TAX SECTION 1-3.2(a)(6)(iii)(d). IN GENERAL, A CORPORATE LIMITED PARTNER SHOULD NOT BE SUBJECT TO TAX IN NEW YORK BASED SOLELY ON AN INVESTMENT IN A PORTFOLIO INVESTMENT PARTNERSHIP. FOR A CORPORATE PARTNER THAT IS REQUIRED TO FILE A NEW YORK RETURN, PLEASE NOTE THAT THE PARTNERSHIP WILL REPORT BUSINESS AND INVESTMENT INCOME. PLEASE CONTACT THE PARTNERSHIP IF ADDITIONAL INFORMATION IS REQUIRED.