

**Report of Organizational Actions
 Affecting Basis of Securities**

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name Zebit, Inc.		2 Issuer's employer identification number (EIN) 46-4900331	
3 Name of contact for additional information Marc Schneider	4 Telephone No. of contact 858-342-5923	5 Email address of contact marc.schneider@zebit.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 9920 Pacific Heights Blvd, Suite 150		7 City, town, or post office, state, and ZIP code of contact San Diego, CA 92121	
8 Date of action 10/5/2022		9 Classification and description Common Stock	
10 CUSIP number ZBTTPVT08	11 Serial number(s) N/A	12 Ticker symbol N/A	13 Account number(s) N/A

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ Effective October 4, 2022, Zebit, Inc. effected a 1 for 2,500 reverse stock split of its outstanding common stock where 2,500 shares were combined into one share of common stock.
All fractional shares of remaining stockholders will be paid out in cash and without interest.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ Each share of common stock outstanding immediately prior to the reverse stock split approved by shareholders during a Special Meeting of Shareholders held on October 4, 2022, has been reclassified and changed into 1-2500TH of a share of common stock of the Company. All fractional shares will be paid out according to the fair value per share.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ In lieu of issuing fractional shares, the Company will pay cash for such fractional shares in the amount of \$0.16 per share on a pre-split basis. As a result, shares held by stockholders owning less than 2,500 shares of common stock of the company immediately prior to the reverse stock split have been canceled and converted into the right to receive the cash amount, without interest. Existing stockholders that have fractional shares will remain on the Company's capital table, but their fractional shares will be paid out at \$0.16 per share on a pre-split basis and will receive the cash amount, without interest. The pre-split per share payout calculation is based on the Fair Value of a share of common stock as determined in good faith by Zebit's board of directors. The board reviewed among other things, the earnings history and financial condition of the Company, the current prospects and expected operating results for the Company, the value of the Company's tangible and intangible assets, the present value of anticipated future cash-flows, the market value of similar companies engaged in a substantially similar business, the lack of current market for the securities and an appropriate discount in valuation as a result thereof, and recent arms-length transactions in the Company's securities.

For Paperwork Reduction Act Notice, see the separate instructions.

Part II Organizational Information

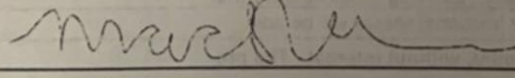
17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶
IRC SECTION 302 APPLIES TO THIS TRANSACTION AS IT IS CONSIDERED A SALE. CASH IN LIEU OF FRACTIONAL SHARES WILL BE REPORTED ON 1099-B.

18 Can any resulting loss be recognized? ▶
Some shareholders may have a loss relative to the price they paid for the stock initially (i.e., their cost basis) is greater than \$0.16 per share purchased.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶
This transaction is reportable in the 2022 tax year

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ▶ 

Date ▶ 10/5/2022

Print your name ▶ Marc Schneider

Title ▶ President & CEO

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054