

# LICT CORPORATION

## SHAREHOLDER-DESIGNATED CONTRIBUTIONS PROGRAM

### QUESTIONS AND ANSWERS

#### ELIGIBILITY REQUIREMENTS OF SHAREHOLDERS

**Q. What shareholders are eligible to participate?**

A. To be eligible, your shares must be held by you in certificate form or registered in your name in the transfer agent's books on the program's record date, July 20, 2018 and the transfer agent holds the security for you in book-entry form. Shares held in street name on the record date are not eligible.

**Q. What does it mean when shares are "held in street name" and why is this significant?**

A. Simply stated, there are several ways that your ownership of LICT may be represented. Shares may be held in the form of a certificate issued by LICT's stock transfer agent and registered in the name of the owning individual, corporation, partnership or trust. Shares may also be held by an intermediary bank or broker (commonly referred to as a "nominee"), who in turn holds the shares for your direct benefit. The latter category, in which your shares are held by a nominee, is also referred to as shares held in "street name" The bank or broker is responsible for maintain records of beneficial ownership and LICT does not have access to such records.

**Q. If I own shares in street name and own shares directly may I make a designation with respect to the shares held in street name?**

A. No. The shares registered in street name are not eligible to participate.

**Q. Can shares held in an Individual Retirement Account ("IRA") be eligible to participate?**

A. If properly registered in certificate form your shares would be eligible to participate. Shares in an IRA that are held in street name are ineligible. Due to income tax restrictions on IRAs, you will need to make special arrangements with your IRA bank/broker to safe keep your shares, which would be issued in certificate (or physical) form. You should contact your bank/broker and LICT's stock transfer agent for exact instructions on how this may be accomplished.

## **ELIGIBILITY REQUIREMENTS OF CHARITIES**

### **Q. How many charities may I designate?**

A. You may designate one charity to receive the “entitlement” amount shown on the designation form.

### **Q. What charities are eligible for a donation under the program?**

A. You may only designate and we will only make contributions to organizations qualified to receive tax deductible donations. We refer to the *Exempt Organization Select List* of the U.S. Treasury Department to determine whether an organization is a qualified charity. The following link may be used:

<http://www.irs.gov/Charities-&-Non-Profits/Exempt-Organizations-Select-Check>

### **Q. May I nominate a charity to receive a donation from LICT in satisfaction of my personal “pledge” to that charity?**

A. No. Satisfaction of your personal pledge with a donation from this program is deemed an economic benefit to you, which is prohibited. The form that you sign and return to LICT contains a warranty that you do not receive any economic benefit from the donation.

## **DEADLINE FOR SUBMITTING CHARITABLE CONTRIBUTION FORMS**

### **Q. How will LICT determine timely receipt of my contribution form?**

A. We will mail a charitable nomination form to you on or about July 6<sup>th</sup>, 2018. We must physically receive your completed form by the August 10, 2018 deadline to be timely. We do not base timely receipt on the post mark date of your response. Only forms actually received by the August 10, 2018 deadline will be honored.

### **Q. Will LICT accept my form by fax or scanned email?**

A. We will not accept completed forms by either fax or email.

## **TAX CONSEQUENCES**

**Q. Are there any tax consequences to me as a result of this program?**

A. The amounts that you designate are neither income to you nor are you entitled to a tax deduction on your tax return. The result is predicated on your not receiving any personal economic benefit from the donation. The contribution form that you return to LICT contains a warranty to that effect.

## **OTHER MATTERS**

**Q. Will the Company contact me if it has questions about my reply form?**

A. Probably not. The number of shareholders makes this impractical. If the charity has not been listed in the *Exempt Organization Select Check* described above and it is not otherwise obvious to us that the designee is an IRS qualified charity, the Company may not act on the designation. LICT may at its discretion disregard all or a part of your designation forms if it believes the rules have been violated.

**Q. Will the charity know that it received the contribution because of my designation?**

A. Unless you request anonymity, a voucher will be attached to the contribution check when it is sent, showing your name and address exactly as it appears in the reply form enclosed. (Changes to your name or address will not be made for purposes of this program.)

**Q. When should I call or write to the Company to inform that my designated contribution has not been received by the charity that I designated?**

A. Please write, but not until after October 31, 2018. Only limited possibilities for the Company to investigate exist before that time because canceled contribution checks will likely not have been returned before that time.

**Q. How do I contact the Company if I have additional questions?**

A. You may contact us through email at [shareholdergiving@liccorp.com](mailto:shareholdergiving@liccorp.com) or by phone at (914) 921-8821.