


Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ IRC Sections 302, 356, 358, and 368(a)

18 Can any resulting loss be recognized? ▶ No loss can be recognized upon the exchange of the Spartech common stock for the shares of PolyOne common and cash. If a taxable loss is calculated on the deemed sale of the fractional share of PolyOne common stock deemed to have been receive in the exchange, this loss can be recognized.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The adjustment to basis would be taken into account in the year of the shareholder during which the merger was effective (e.g. 2013 for calendar year taxpayers).

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.

Sign Here
Signature ▶  Date ▶ 4-5-13

Print your name ▶ Frank J. VAN Title ▶ VP-Tax

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.	

Spartech Corporation
(Successor: PolyOne Corporation)
34-1730488
Attachment to Form 8937

REPORT OF ORGANIZATIONAL ACTIONS AFFECTING BASIS OF SECURITIES

Form 8937 Part II, Box 14:

The merger of Spartech Corporation ("Spartech") with and into PolyOne Corporation's (PolyOne) wholly owned subsidiary, 2012 Redhawk LLC ("Redhawk"), effective on March 13, 2013. 2012 Redhawk LLC, the surviving entity, has changed its name to PolyOne Designed Structures and Solutions LLC.

As a result of this merger, each share of Spartech common stock was exchanged for 0.3167 fractional shares of PolyOne and \$2.67 in cash.

Form 8937 Part II, Box 15:

The merger of Spartech into PolyOne qualifies as a tax-free reorganization within the meaning of Section 368(a) of the Internal Revenue Code, as amended. As a result, each Spartech shareholder will recognize gain, but not loss, equal to the lesser of (1) the amount of gain realized (that is, the excess, if any, of the sum of the cash and the fair market value of the PolyOne common stock (see below) received over such holder's tax basis in the Spartech stock surrendered in the merger); and (2) the amount of cash received in the merger. For this purpose, gain or loss must be calculated separately for each identifiable block of shares surrendered in the merger, and a loss realized on one block of shares may not be used to offset a gain realized on another block of shares. Cash received and gain realized in connection with the receipt of cash in lieu of a fractional share of PolyOne common stock are not taken into account in making the computations of gain realized or recognized and basis of the shares received.

In general, the former Spartech shareholder's aggregate basis in the PolyOne shares received in the merger is equal to the aggregate basis of the Spartech shares surrendered in the merger, decreased by the sum of the money received and increased by the amount of the gain recognized on the exchange (the "Adjusted Basis").

A holder that receives cash in lieu of a fractional share of PolyOne common stock will be treated as having received such fractional share and then having received such cash in redemption of the fractional share. Such gain or loss will be recognized based on the difference between the amount of cash received and the portion of the holder's Adjusted Basis of the shares of Spartech stock exchanged pursuant to the merger which is allocable to such fractional share. Such capital gain or loss will be long-term capital gain or loss if the holding period for such share of Spartech stock was greater than one year as of the date of the merger.

Form 8937 Part II, Box 16:

Under applicable federal income tax rules, the fair market value of the PolyOne common stock received on March 13, 2013 is \$25.04.

Where one PolyOne share is received in exchange for more than one Spartech share, then the Adjusted Basis must be allocated to the PolyOne shares received in a manner that reflects, to the greatest extent possible, the basis in Spartech shares that were acquired on the same date and at the same price. To the extent it is not possible to allocate the aggregate basis in this manner, the aggregate basis of the Spartech shares surrendered must be allocated to the PolyOne shares in a manner that minimizes the disparity in the holding periods of the Spartech shares whose basis is allocated to any particular PolyOne share received.