

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
ARCA biopharma, Inc.		36-3855489	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
Brian Selby	(720) 940-2100	brian.selby@arcabio.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and ZIP code of contact	
11080 CirclePoint Rd. #140		Westminster, CO 80020	
8 Date of action		9 Classification and description	
4/3/2019		Common Stock \$0.001 par value	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
00211Y506		ABIO	

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 April 3, 2019, ARCA biopharma, Inc. completed a eighteen (18) for one (1) reverse stock split of common stock.

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 ▶ Upon effectiveness of the reverse stock split, every eighteen (18) shares of ABIO issued and outstanding common stock converted automatically into one (1) issued and outstanding share of common stock, without any change in the par value per share. No fractional shares were issued in the reverse stock split. Stockholders who would otherwise receive a fractional share received a cash payment in lieu of such fractional share. As a result of the reverse stock split, ARCA stockholders will be required to allocate the aggregate tax basis in their ARCA common stock held immediately prior to the reverse stock split among the shares of ARCA common stock held immediately after the reverse stock split, including any fractional share interest in ARCA common stock for which cash is received. In general, a stockholder's aggregate tax basis in his or her shares of ARCA common stock held immediately prior to the reverse stock split should be allocated in proportion to the reduced number of shares of the ARCA common stock under IRC Section 358.

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 ▶ The basis for each share of common stock held by a stockholder after the reverse stock split is eighteen (18) times greater than the basis amount before the reverse stock split.

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 Section 358(b)(1)

18 Can any resulting loss be recognized? ▶ The eighteen (18) for one (1) reverse stock split should not constitute a taxable transaction except for any cash received for fractional shares. Shareholders should consult their tax advisor to determine the tax impact of this transaction with respect to their individual facts and circumstances for the tax year 2019.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ Shareholders should consult their tax advisor to determine the tax impact of this transaction with respect to their individual facts and circumstances for the tax year 2019.

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 ▶ *Brian L. Selby* Date ▶ 4-3-2019

Print your name ▶ Brian L. Selby Title ▶ Vice President, Finance

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.