Important Notice to Shareholders About ASRC Dividend Taxability

As a recipient of the ASRC quarterly dividend, you are personally responsible for any tax payments that may be due to the IRS for dividend distributions. Based on shareholder requests, ASRC is now offering voluntary federal income tax withholding from shareholder dividend distributions. Therefore, as a recipient of the ASRC dividend distribution, you are encouraged to either:

1) Complete Form W-4V (voluntary withholding request) and provide ASRC with the percentage of the distribution you wish to be withheld for payment of your federal income taxes, or 2) Consider making an estimated tax payment using Form 1040-ES.

Please note that if you complete Form W-4V and elect to voluntarily withhold a portion of your dividend distribution for federal income taxes, the election will continue until revoked. You may revoke the election by completing a new Form W-4V and checking Box 7 on that form to stop withholding federal income tax.

If you do not elect either of these options, we encourage you to save a portion of your dividends to pay for tax payments that may be due for your dividend distributions. You are also encouraged to consult your own independent tax advisor for assistance in making these decisions.

Information Regarding the Taxability of your Dividend

ASRC is required to provide a Form 1099-DIV to you and to the IRS listing certain information about your ASRC dividend. When you receive your year-end Form 1099-DIV, you will notice that all or part of your dividend may be includable in your taxable income. Generally, when ASRC determines the Form 1099-DIV reporting of the dividends paid, we must consider the following rules.

Earnings and Profits and its Effect on Dividends Explained

The tax treatment of a distribution is directly related to a corporation's Earnings and Profits, otherwise referred to as E&P. Distribution payments from ASRC have different tax consequences depending on two primary considerations:

1) ASRC's current and accumulated E&P; and, 2) The shareholder's cost or basis in their ASRC stock.

Tax Consequences

1) Taxable Dividends: To the extent ASRC has current year E&P or accumulated E&P equal to or greater than the current year distribution of cash (or other property), the distribution is treated as a dividend and taxable to the shareholder as ordinary income. These amounts are reported in your Form 1099-DIV, Box 1a, as "Total Ordinary Dividends".

2) Nontaxable Return of Capital: Distributions in excess of ASRC's current year or accumulated E&P are treated as a nontaxable return of capital to the shareholder, to the extent of the shareholder's cost or basis in ASRC stock. These amounts are reported in your Form 1099-DIV, Box 3, as "Nondividend Distributions".

3) Capital Gain: Any remaining distribution, in excess of the shareholder's cost or basis in ASRC stock, is taxed as capital gain. These amounts are also reported in your Form 1099-DIV, Box 3, as "Nondividend Distributions".

Whether or not a nondividend distribution is taxed as capital gain or treated as a nontaxable return of capital is dependent upon your basis in your ASRC stock, which may vary by class of stock and the nature of the transaction in which you received the stock.

ASRC recommends that all shareholders consult with their independent tax advisors for assistance in determining the proper reporting of any "Nondividend Distributions" reported in their Form 1099-DIV, Box 3.

For each quarterly distribution, ASRC will make available on its website (www.asrc.com) Form 8937, which provides the amount (if any) of the distribution that is in excess of current and accumulated E&P. This form will be made available on ASRC's website by January 15 of the following year.

No Legal Advice: The information presented here is general in nature and is intended only for informational purposes. It does not constitute legal advice. The information presented may not apply to your specific situation or may be incomplete. Before acting or delaying action, you should first seek the advice of an attorney qualified in the applicable subject matter and jurisdiction.