

CORPORATE ACTION INSTRUCTIONS FOR COVIDIEN (COV) MERGER WITH MEDTRONIC

Medtronic plc (NYSE: MDT) announced that it has successfully completed the previously announced acquisition of Covidien plc (NYSE: COV). Under the terms of the acquisition agreement, Medtronic, Inc. and Covidien plc are now combined under Medtronic plc. Shares of Medtronic plc are expected to begin trading on the New York Stock Exchange (NYSE) under the symbol "MDT" on Tuesday, January 27, 2015.



Important

The information provided may be different from that of your custodian, which can affect share and cost basis reconciliation. Your custodian may update position and cost basis information at a later date. As a result, you may see differences in cost basis data between this document and your custodian for a period of time. Contact your custodian for details.



Online

For more information regarding this action, please see:

[Press Release](#)

[Merger Information Website](#)

[Acquisition Frequently Asked Questions](#)

MERGER/EXCHANGE WIZARD DETAILS

The table below contains the details you need to enter into the PortfolioCenter® Merger/Exchange Wizard.



Note

Unless explicitly stated in the data field, the data for the Conversion Price field is only valid for accounts held at Charles Schwab & Co. Inc.



Important

The merger of Covidien (COV) with Medtronic (MDT) was considered a taxable event. Using the Merger/Exchange Wizard will not reconcile Realized Gains/Losses or cost basis. However, due to the complexity of processing a taxable corporate action, and our stance on tax reporting, we recommend clients use the Merger/Exchange Wizard.

FIELD NAME	DATA FOR THIS ACTIVITY
Merger/Exchange Date	01/27/2015
Security Type	Equities
Original Company Symbol	COV
Original Company Price Per Share	\$106.71
New Company Security Type	Equity

FIELD NAME	DATA FOR THIS ACTIVITY
New Company Symbol	MDT
Share Exchange Ratio	0.956
Cash Proceeds	Checked
Fair Market Value	\$75.145
Cash Distribution Ratio	\$35.19
Conversion Price for Cash in Lieu For Fractional Shares	0.00

ADDITIONAL INFORMATION FOR CLIENTS THAT HELD MEDTRONIC (MDT) PRIOR TO THE MERGER

Due to the taxable nature of the merger, clients that held Medtronic (MDT) prior to the merger may receive a debit or sell for the CUSIP 585055106 as well as a credit for MDT. To process this as a non-taxable event, block both transactions received in the download. The accounts should reconcile with no further action.



Online

The [Corporate Actions Center](#) provides you with a number of resources about corporate actions you may find useful. For this activity, however, you might find the following documents helpful:

- [Identifying Corporate Action Transactions in Interface Data](#) for tips on finding custodial interface transactions and how to block them so you can make way for using these wizards.
- [Entering a Merger/Exchange Corporate Action](#) for step-by-step instructions for using this wizard.
- [Tips for Handling Cash in Lieu for Fractional Shares](#) for tips and best practices for entering the appropriate transactions to handle cash in lieu for fractional shares.
- [Understanding Transactions after a Cash/Stock Merger](#) for explanations of the transactions resulting from a cash/stock merger when those settings are used on the Merger/Exchange Wizard.

For institutional audiences only.

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This document is not intended to provide tax or legal advice about the transactions described. Users are urged to consult their tax advisors and legal counsel about the tax consequences and their legal rights of the transactions.