

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)	
Inception 4, Inc.		46-3317581	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
David Carroll	(212) 845-8200	david.carroll@ophthotech.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	
One Penn Plaza, Suite 3520		New York, NY 10119	
8 Date of action		9 Classification and description	
October 30, 2018		Common Stock and Series A Preferred Stock	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)

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 ▶ On October 30, 2018, Inception 4, Inc. ("Inception") was acquired by Ophthotech Corporation ("Ophthotech") through the merger of a newly formed, wholly owned subsidiary of Ophthotech ("Merger Sub I") with and into Inception with Inception surviving such merger and becoming a wholly owned subsidiary of Ophthotech, followed by a merger of Inception with and into another newly formed, wholly owned subsidiary of Ophthotech ("Merger Sub II") with Merger Sub II surviving the merger as a wholly owned subsidiary of Ophthotech. The mergers, taken together, are intended to qualify as a reorganization under Section 368(a) of the Internal Revenue Code.

Former Inception shareholders received shares of Ophthotech's common stock and/or the right to receive certain contingent milestone payments in exchange for shares of Inception stock. Milestone payments may be payable in cash or in shares of Ophthotech common stock pursuant to the terms of the merger agreement.

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 ▶ A shareholder's aggregate tax basis in shares of Ophthotech common stock received generally will equal the shareholder's tax basis in the Inception stock surrendered in the exchange therefor, decreased by the amount of cash received (except for any cash treated as imputed interest) and increased by the amount of any gain recognized by the shareholder.

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 ▶ As described in Line 15, a shareholder's tax basis in the shares of Ophthotech common stock depends in part on the amount of gain, if any, recognized as a result of the mergers. The amount of gain so recognized equals the lesser of (i) the amount of cash received in the exchange (other than cash treated as imputed interest) and (ii) the excess of the sum of the cash received in the exchange (including any cash milestone payments but excluding any cash treated as imputed interest) plus the fair market value of the shares of Ophthotech common stock received in the exchange (excluding any shares treated as imputed interest) over the shareholder's adjusted tax basis in the Inception stock surrendered in the exchange. The amount of the gain generally must be determined separately with respect to each block of Inception stock owned by such shareholder.

The closing price of a share of Ophthotech common stock on the closing date of the mergers was \$2.26.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ _____

Section 354, 356, 358 and 368 of the Internal Revenue Code.

18 Can any resulting loss be recognized? ▶ **No. A shareholder may not recognize any loss.**

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ _____

The reportable tax year is the year of the shareholder in which the mergers occurred (e.g., 2018 for calendar year taxpayers).

Sign Here

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.

Signature ▶ David Carroll Date ▶ 11/28/2018

Print your name ▶ David Carroll Title ▶ CFO

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.			