

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)	
American Renal Associates Holdings, Inc.		27-2170749	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
Dave Boutin	978-232-3080	dboutin@americanrenal.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	
500 Cummings Center, Suite 6550		Beverly, Massachusetts 01915	
8 Date of action		9 Classification and description	
April 7, 2016		Common Stock, \$0.01 par value per share	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
029227105		ARA	

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 April 7, 2016, American Renal Associates Holdings, Inc. effected a 2.29-for-one stock split of its shares of Common Stock to shareholders of record as of April 7, 2016. Any fractional amounts were eliminated and paid in cash at the applicable rate per share per holder.

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 ▶ The cost basis of each share of Common Stock was decreased by 56.33187773% as a result of the stock split.

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 ▶ Shareholders received 2.29 shares of Common Stock for each share of Common Stock outstanding immediately prior to the stock split. Since the total basis for shares of Common Stock received in the stock split should equal a shareholder's total basis in its Common Stock immediately prior to the stock split, the amount of basis allocable to each share should decrease by 56.33187773%.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► The stock split is a non-taxable recapitalization under Section 368(a)(1)(E) of the Internal Revenue Code (except to the extent of cash received in lieu of fractional shares). Section 354 provides that no gain or loss shall be recognized if stock in a corporation is exchanged solely for stock in such corporation. Section 358(a) provides that the tax basis of stock in a corporation received in an exchange will be the same as the tax basis in the stock exchanged. The tax treatment of the receipt of cash in lieu of fractional shares is tested under Section 302 of the Internal Revenue Code and will depend on each shareholder's specific facts and circumstances.

18 Can any resulting loss be recognized? ► Yes, shareholders receiving cash in lieu of fractional shares that qualify for sale or exchange treatment under Section 302 of the Internal Revenue Code may qualify for loss recognition where the tax basis allocated to the fractional share was greater than the cash payment received in lieu of such fractional share, subject to other relevant provisions of the Internal Revenue Code regarding loss recognition.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► The above information does not constitute tax advice. Shareholders are urged to consult their own tax advisors with respect to the transactions described above.

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 ► *[Handwritten Signature]* Date ► 2-16-17

Print your name ► Jason M Boucka Title ► *[Handwritten Title]*

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.	

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▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name American Renal Associates Holdings, Inc.		2 Issuer's employer identification number (EIN) 27-2170749	
3 Name of contact for additional information Dave Boutin	4 Telephone No. of contact 978-922-3080	5 Email address of contact dboutin@americanrenal.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 500 Cummings Center, Suite 6550		7 City, town, or post office, state, and Zip code of contact Beverly, Massachusetts 01915	
8 Date of action April 26, 2016		9 Classification and description Common Stock, \$0.01 par value per share	
10 CUSIP number 029227105	11 Serial number(s)	12 Ticker symbol ARA	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 April 26, 2016, American Renal Associates Holdings, Inc. paid the following distributions in the amounts set forth below to its shareholders of record as of April 20, 2016: (1) an extraordinary cash dividend of \$1.30 per share of Common Stock; (2) a distribution of rights to contingent payments under the Tax Receivable Agreement dated April 26, 2016, which rights had a fair market value of \$1.05 per share of Common Stock on the date of such distribution; and (3) an in-kind dividend of membership interests of Term Loan Holdings LLC, which membership interests had an aggregate fair market value of \$26.2 million or \$1.18 per share of Common Stock on the date of such distribution. Based on currently available information, American Renal Associates Holdings, Inc. has determined that 56.7757% of these distributions were paid out of (current & accumulated) earnings & profits. Accordingly, 56.7757% of these distributions were taxable as dividends.**

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 ▶ **Each share of Common Stock received a return of capital of: (1) \$0.56 as a result of the extraordinary cash dividend; (2) \$0.45 as a result of the distribution of rights to contingent payments under the Tax Receivable Agreement; and (3) \$0.51 as a result of an in-kind dividend of membership interests of Term Loan Holdings, LLC. This return of capital would reduce basis to the extent of basis. To the extent that these amounts, in sum, exceeded a shareholder's basis per share of Common Stock, the excess is treated as capital gain.**

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 ▶ **American Renal Associates Holdings, Inc. determined that the distributions were 56.7757% dividend based on an estimate of (current & accumulated) earnings & profits. The fair market values of the distribution of rights to contingent payments under the Tax Receivable Agreement and the in-kind dividend of membership interests of Term Loan Holdings LLC were determined by American Renal Associates Holdings, Inc. in consultation with its advisors.**

Part II Organizational Action (continued)


17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► **Under Section 316(a) of the Internal Revenue Code, 56.7757% of the distributions was a dividend. Section 301(c)(2) provides that the portion of a distribution which is not a dividend shall be applied against and reduce the adjusted basis of the shareholder's stock. Under Section 301(c)(3), to the extent that the amount of a distribution which is not a dividend exceeds the adjusted basis of the stock, such excess shall be treated as gain from the sale or exchange of property.**

18 Can any resulting loss be recognized? ► **No loss was realized on the distributions. The reduction in shareholder basis may affect the amount of gain or loss realized on the disposal of the shares.**

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► **The above information does not constitute tax advice. Shareholders are urged to consult their own tax advisors with respect to the transactions described above.**

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 ►  Date ► 2-16-17

Print your name ► Jim Bosta Title ► VP/Officer

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.	