

Altaba Inc.

Semi-Annual Report
June 30, 2021

AL TABA INC.
TABLE OF CONTENTS

	Page
<hr/>	
Consolidated Financial Statements for the Period From January 1, 2021 to June 30, 2021	
Consolidated Statement of Assets and Liabilities (unaudited)	1
Consolidated Schedule of Investments (unaudited)	2
Consolidated Statement of Operations (unaudited)	4
Consolidated Statement of Changes in Net Assets (unaudited)	5
Consolidated Financial Highlights (unaudited)	6
Notes to Consolidated Financial Statements (unaudited)	8

AL TABA INC.
CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES
As of June 30, 2021 (unaudited)
(\$ in thousands, except per share amounts)

ASSETS	
Unaffiliated investments (cost \$7,917,754)	\$ 7,917,933
Dividend receivable	126
Other assets	289,388
Total assets	<u>\$ 8,207,447</u>
LIABILITIES	
Deferred and other tax liabilities (Note 8)	\$ 174,210
Payable to directors, officers and employees	16,916
Payable to advisor	94
Other liabilities	10,046
Total liabilities	<u>\$ 201,266</u>
Net assets	<u>\$ 8,006,181</u>
Net assets consist of:	
Total distributable earnings, net of deferred taxes	\$ 8,006,181
Total net assets	<u>\$ 8,006,181</u>
NAV per share	\$ 15.41
Shares outstanding rollforward:	
Shares outstanding at June 30, 2021 and December 31, 2020	<u>519,511,366</u>

See Notes to Consolidated Financial Statements.

AL TABA INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS
As of June 30, 2021 (unaudited)
(\$ in thousands)

Description:	Shares	Fair Value \$			
Unaffiliated Investments:					
<i>Common Shares — 0.0%</i>					
<i>Internet Software & Services — 0.0%</i>					
SeatGeek, Inc. ⁽¹⁾⁽²⁾	47	185			
Total Common Shares (Cost — \$9)	47	185			
	Rate % ⁽³⁾	Final Maturity ⁽⁴⁾	Shares	Fair Value \$	
<i>Money Market Funds ⁽⁶⁾ — 77.4%</i>					
BlackRock Liquidity FedFund — Institutional Class ⁽⁶⁾	0.03		2,689,670	2,689,670	
BlackRock Liquidity Funds T-Fund — Institutional Class	0.01		738	738	
Federated Hermes Government Obligations Fund — Premier Class	0.01		3,504,431	3,504,431	
Total Money Market Investments (Cost — \$6,194,839)			6,194,839	6,194,839	
	Rate Type	Rate % ⁽⁵⁾	Final Maturity	Principal \$	Fair Value \$
<i>Fixed Income Securities</i>					
U.S. Government Debt ⁽⁶⁾ — 21.5%					
United States Treasury	Zero Coupon	0.05	9/28/2021	250,000	249,969
United States Treasury	Zero Coupon	0.04	7/20/2021	250,000	249,996
United States Treasury	Zero Coupon	0.04	7/22/2021	123,000	122,997
United States Treasury	Zero Coupon	0.04	7/27/2021	200,000	199,993
United States Treasury	Zero Coupon	0.04	8/3/2021	250,000	249,991
United States Treasury	Zero Coupon	0.04	8/10/2021	200,000	199,990
United States Treasury	Zero Coupon	0.04	8/17/2021	250,000	249,985
United States Treasury	Zero Coupon	0.04	8/24/2021	200,000	199,988
Total U.S. Government Debt				1,723,000	1,722,909
Total Fixed Income Securities (Cost — \$1,722,906)				1,723,000	1,722,909
Total Unaffiliated Investments (Cost — \$7,917,754) — 98.9%				7,917,839	7,917,933
Other Liabilities/Other Assets — 1.1%					88,248
Net Assets Applicable to Common Shares — 100.0%					\$8,006,181

- (1) Non-income producing securities.
- (2) Fair-value investment. Represents fair value measured in good faith under procedures approved by the Board of Directors.
- (3) Presented rate represents the Money Market Fund's average 7-day % yield as of June 30, 2021.
- (4) Money Market Funds do not have a set maturity date.
- (5) For zero coupon bonds, the rate presented is Yield as of June 30, 2021.

ALTABA INC.
CONSOLIDATED SCHEDULE OF INVESTMENTS—(Continued)
As of June 30, 2021 (unaudited)
(\$ in thousands)

- (6) A portion of this security has been deposited into a separate Altaba U.S. Bank account in connection with the Fund's agreement with the IRS.

At June 30, 2021, the tax basis cost of the Fund's investments was \$7,917,754 and the unrealized appreciation was \$179.

See Notes to Consolidated Financial Statements.

ALTABA INC.
CONSOLIDATED STATEMENT OF OPERATIONS
For the Period From January 1, 2021 through June 30, 2021 (unaudited)
(\$ in thousands)

INVESTMENT INCOME:	
Dividend income	\$ 359
Interest income	2,048
Total investment income	<u>2,407</u>
EXPENSES:	
Professional fees	10,139
Directors, officers and employees compensation and benefits	7,421
General and administrative costs	1,106
Outside administrative fees	238
Other expenses	2,316
Total expenses	<u>21,220</u>
Net investment loss, before current and deferred taxes	(18,813)
Current and deferred income tax expense	<u>(28,776)</u>
Net investment loss	<u><u>\$(47,589)</u></u>
REALIZED AND UNREALIZED GAIN (LOSS):	
Net realized gain (loss) on:	
Unaffiliated investments, before current and deferred taxes	\$ 60
Current and deferred income tax expense	<u>(12)</u>
Net realized gain	<u>\$ 48</u>
Net change in unrealized appreciation (depreciation):	
Unaffiliated investments and foreign currency translation, before current and deferred taxes	\$ (179)
Current and deferred income tax benefit	<u>32</u>
Net change in unrealized appreciation (depreciation):	<u>\$ (147)</u>
Net realized and unrealized gain (loss) on investments	<u>(99)</u>
Net decrease in net assets resulting from operations	<u><u>\$(47,688)</u></u>

See Notes to Consolidated Financial Statements.

AL TABA INC.
CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS
(\$ in thousands)

	For the Period From January 1, 2021 through June 30, 2021 (unaudited)	For the Year Ended December 31, 2020
NET INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS:		
Net investment (loss) income, net of current and deferred taxes	\$ (47,589)	\$ 247,032
Net realized gain on investments, net of current and deferred taxes	48	941,972
Net change in unrealized appreciation (depreciation) on investments, net of current and deferred taxes	(147)	(867,479)
Net (decrease) increase in net assets resulting from operations	<u>(47,688)</u>	<u>321,525</u>
LIQUIDATING DISTRIBUTIONS TO COMMON SHAREHOLDERS:		
Liquidating distribution from distributable earnings (Note 11)	—	(4,327,530)
Net decrease in net assets from distributions	—	(4,327,530)
Net decrease in net assets	<u>(47,688)</u>	<u>(4,006,005)</u>
NET ASSETS:		
Beginning of period	<u>8,053,869</u>	<u>12,059,874</u>
End of period	<u><u>\$8,006,181</u></u>	<u><u>\$ 8,053,869</u></u>

See Notes to Consolidated Financial Statements.

ALTABA INC.
CONSOLIDATED FINANCIAL HIGHLIGHTS

	For the Period From January 1, 2021 through June 30, 2021 (unaudited)	For the Year Ended December 31, 2020	For the Year Ended December 31, 2019	For the Year Ended December 31, 2018	For the period from June 16, 2017 ⁽¹⁾ through December 31, 2017
Net asset value — beginning of period	\$ 15.50	\$ 23.21	\$ 61.95	\$ 75.75	\$ 52.33
Income (loss) from investment operations:					
Net investment income (loss) ⁽²⁾	(0.09)	0.47	1.42	0.37	(1.00)
Net realized and unrealized gain (loss) on investments	0.00	0.15	11.10	(11.07)	23.53
Total income from investment operations	(0.09)	0.62	12.52	(10.70)	22.53
Less liquidating distribution:					
Liquidating distribution from net realized gains (Note 11)	—	(8.33)	(51.50)	—	—
Total liquidating distribution	—	(8.33)	(51.50)	—	—
Accretive (dilutive) impact from capital activity	—	—	0.24	(3.10)	0.89
Net increase (decrease) in net asset value	(0.09)	(7.71)	(38.74)	(13.80)	23.42
Net asset value — end of period	\$ 15.41	\$ 15.50	\$ 23.21	\$ 61.95	\$ 75.75
Per common share market value — end of period	N/A	N/A	N/A	\$ 57.94	\$ 69.85
Total return based on net asset value⁽³⁾	(0.57)%	2.56%	36.36%	(18.22)%	44.75%
Total return based on market value⁽³⁾	N/A	N/A	23.31% ⁽⁸⁾	(17.05)%	32.85%
Ratios and supplemental data:					
Net assets, end of period (in thousands)	\$8,006,181	\$8,053,869	\$12,059,874	\$35,156,075	\$62,485,919
Ratio of expenses to average net assets including current and deferred income taxes ⁽⁴⁾⁽⁵⁾	0.89%	(1.35)%	4.14%	(5.83)%	(9.27)%
Ratio of expenses to average net assets excluding current and deferred income taxes ⁽⁴⁾⁽⁵⁾	0.53%	0.22%	0.46%	0.63%	0.36%
Ratio of net investment income (loss) including current and deferred income taxes to average net assets ⁽⁴⁾⁽⁶⁾	(0.83)%	1.99%	2.34%	0.46%	(1.50)%
Ratio of net investment income (loss) excluding current and deferred income taxes to average net assets ⁽⁴⁾⁽⁶⁾	(0.47)%	0.43%	0.78%	(0.06)%	(0.19)%
Portfolio turnover rate ⁽⁷⁾	0.00%	0.00%	0.35%	0.55%	0.49%

AL TABA INC.
CONSOLIDATED FINANCIAL HIGHLIGHTS—(Continued)

- (1) Commencement of operations.
- (2) Calculated by using weighted average shares method.
- (3) Not annualized for periods less than one year. Total return in the above table represents the rate that the investor would have earned or lost on an investment in the Fund, assuming reinvestment of distributions, if any. The net asset value and market price returns will differ depending upon the level of any discount from or premium to net asset value at which the Fund's shares traded during the period. Total return based on market value does not reflect sales load.
- (4) All income and expenses are annualized for periods of less than one year, with the exception of current and deferred income taxes and other non-recurring fees.
- (5) For the period from January 1, 2021 through June 30, 2021, the Fund accrued \$28,756 in current and deferred income taxes. For the period from January 1, 2020 through December 31, 2020, the Fund accrued \$194,131 in current and deferred income taxes. For the year ended December 31, 2019, the Fund accrued \$1,180,785 in current and deferred income taxes. For the year ended December 31, 2018, the Fund accrued \$3,763,567 in current and deferred income tax benefit. For the period from June 16, 2017 through December 31, 2017, the Fund accrued \$5,591,421 in current and deferred income taxes.
- (6) For the period from January 1, 2021 through June 30, 2021, the Fund accrued \$28,776 in current and deferred income taxes applicable to net investment income. For the period from January 1, 2020 through December 31, 2020, the Fund accrued \$193,650 in current and deferred income tax benefit applicable to net investment income. For the year ended December 31, 2019, the Fund accrued \$500,325 in current and deferred income tax benefit applicable to net investment income. For the year ended December 31, 2018, the Fund accrued \$302,327 in current and deferred income tax benefit applicable to net investment income. For the period from June 16, 2017 through December 31, 2017, the Fund accrued \$762,338 in current and deferred income tax expense applicable to net investment income.
- (7) Not annualized.
- (8) For the period from January 1, 2019 through October 4, 2019 (date of delisting).

See Notes to Consolidated Financial Statements.

ALTABA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2021
(unaudited)

Note 1 Organization and Investment Objective

Organization

Altaba Inc. (“Altaba” or the “Fund”) is an independent non-diversified, closed-end management investment company registered under the Investment Company Act of 1940 (the “1940 Act”). The Fund is organized as a Delaware corporation.

Plan of Liquidation and Dissolution

In seeking to achieve its investment objective of returning capital to stockholders, the Fund’s Board of Directors (the “Board”) unanimously approved and adopted a Plan of Complete Liquidation and Dissolution (the “Plan of Liquidation and Dissolution”) on April 2, 2019 and recommended that the Fund’s stockholders approve the Plan of Liquidation and Dissolution. Stockholders of the Fund approved the Plan of Liquidation and Dissolution at a special meeting of stockholders held on June 27, 2019 (the “Special Meeting”). The Fund made a pre-dissolution liquidating distribution of \$51.50 in cash per share of its common stock on September 23, 2019, to stockholders of record as of September 16, 2019.

On October 4, 2019, the Fund filed a certificate of dissolution (the “Certificate of Dissolution”) with the Secretary of State of the State of Delaware. The Certificate of Dissolution, which became effective at 4:00 p.m. Eastern Time on October 4, 2019 (the “Effective Time”), provided for the dissolution of the Fund under the General Corporation Law of the State of Delaware (the “DGCL”). In connection with the Plan of Liquidation and Dissolution, effective as of the Effective Time, the Fund closed its stock transfer books and discontinued recording transfers of its common stock, \$0.001 par value per share (the “Shares”). Record holders of Shares are no longer able to transfer record ownership of their Shares on the Fund’s stock transfer books, other than transfers by will, intestate succession or operation of law. The Fund also ceased to be traded on The NASDAQ Global Select Market (“Nasdaq”).

On May 28, 2020, in furtherance of the Plan of Liquidation and Dissolution, the Fund filed with the Court of Chancery of the State of Delaware (the “Chancery Court”) a verified petition (the “Petition”) for determinations pursuant to Section 280 of the DGCL (*In re Altaba*, Case No. 2020-0413-JTL (Del. Ch. Ct.) (the “Delaware Proceeding”).

Since the commencement of the Delaware Proceeding, the Fund has resolved a number of disputed claims for which security was being sought by the applicable claimant. On August 18, 2020, the Fund and the U.S. Department of Justice (the “DOJ”), on behalf of the Internal Revenue Service (the “IRS”), filed a joint motion with the Delaware District Court (the “Joint Motion”), pursuant to which the Fund agreed to retain as security for the claims of the IRS an aggregate amount of \$1.76 billion, subject to agreed upon mechanisms for the release of this security as portions of the IRS claims are resolved over time.

On August 18, 2020, as requested by the Fund in the Petition, the Chancery Court entered an order barring claims from potential claimants who received notice of the Fund’s dissolution and did not submit a claim by the claims deadline. For further information, please refer to the full text of the Petition.

On October 19, 2020, the Chancery Court entered an order (the “Interim Order”) authorizing the Fund to make an interim distribution of certain excess assets. On Friday, October 23, 2020, the Board approved a liquidating distribution of \$8.33 in cash per Share or \$4,327,529,678.78 in the aggregate (the “Interim Liquidating Distribution”), which was paid on November 2, 2020.

The Chancery Court held a hearing from April 20 to 22, 2021 to hear evidence regarding the amount and form of security that should be retained by the Fund as security for the remaining disputed claims in the Delaware Proceeding. On May 24, 2021, The Chancery Court entered an order determining the amount of security for certain undisputed claims (“Post-Trial Order”).

The Chancery Court held another hearing in Altaba’s Delaware Proceedings on July 20, 2021. On July 20, 2021, after the Chancery Court hearing on that date, the Chancery Court entered an order (the “Partial Final Order”) authorizing the Fund to make a partial final distribution of certain excess assets. On Friday, July 23, 2021, the Board approved a liquidating distribution of \$7.48 in cash per Share or \$3,885,945,017.68 in the aggregate (the “Partial Final Distribution”), which was paid on August 5, 2021.

On August 19, 2021, the Board approved a liquidating distribution of \$0.54 in cash per share or \$280,536,137.64 in the aggregate (the “August 19, 2021 Distribution”), which will be paid on September 1, 2021.

Following the entry of the Partial Final Order, the Chancery Court is expected to enter one or more orders establishing the final amount and form of security for any remaining contested claims (the “Final Orders” and, together with the Joint Motion, the Interim Order, the Post-Trial Order, and the Partial Final Order, collectively the “Court Orders”).

The Final Orders will reflect the Chancery Court’s own determination as to the amount and form of security reasonably likely to provide sufficient compensation for any remaining disputed claims. There can be no assurance regarding the timing and provisions of the Final Orders and the Chancery Court may require the Fund to withhold an aggregate amount of security in excess of the amount that the Fund believes is reasonably likely to satisfy the Fund’s potential claims and liabilities. There also can be no assurance as to the timing or amount of any additional distributions that the Fund may make.

Any amounts proposed or determined to be held as security for claims against the Fund in the Petition or the Court Orders, or any such amounts actually held as security by the Fund, have not been, and will not be, calculated in accordance with, or by reference to, U.S. GAAP and do not, and will not, reflect any change in the Fund’s current position with respect to its liabilities and reserves from an accounting perspective. For the Court Orders, the Fund may agree with a claimant to set aside an amount as security that exceeds the amount the Fund believes it will ultimately owe such claimant, in order to allow more efficient distribution of excess funds pending final resolution of the liability. Furthermore, under the Court Orders, for claims for which a security amount has not been separately negotiated, the amounts held as security will be those calculated by the Chancery Court to ensure that the Fund has sufficient assets to comply with its obligations to retain adequate security pursuant to the dissolution procedures under Section 280 of the DGCL, which is generally a more conservative standard than the determination required by U.S. GAAP.

The Fund currently expects to deregister as an investment company under the 1940 Act after the Fund has distributed substantially all of its assets.

The Fund’s activities are limited to winding up its business affairs in accordance with the Plan of Liquidation and Dissolution and the Court Orders. Pursuant to the Plan of Liquidation and Dissolution, the Fund has sold, distributed or otherwise disposed of substantially all of its remaining non-cash assets in order to maximize value for the Fund’s stockholders and creditors. The Fund intends to return all of its cash, net of its obligations and expenses, to stockholders through liquidating distributions and in accordance with the Court Orders. The timing, amount and method of any return of capital will be determined by the Board, subject to the Court Orders.

The approval of the Plan of Liquidation and Dissolution by the requisite vote of the stockholders granted full and complete authority to our Board and officers, without the need for further stockholder action, to proceed with the liquidation and dissolution of the Fund pursuant to the Plan of Liquidation and Dissolution in accordance with any applicable provision of Delaware law. Accordingly, the Board may, in order to seek to maximize value for the Fund’s stockholders and creditors, authorize actions in implementing the Plan of Liquidation and Dissolution, including the timing of any distributions to stockholders, without further stockholder approval.

Investments are generally held in cash, money market funds and fixed income securities (the “Marketable Debt Securities Portfolio”) until returned to stockholders or used to satisfy the Fund’s obligations. The Fund may hold all or any portion of its assets, including cash, for an indefinite period of time.

The Fund does not currently anticipate making new investments other than for ordinary course cash management purposes or to protect or enhance the value of the Fund's assets. The Fund's investment objective is not fundamental and may be changed without notice to stockholders.

Note 2 Consolidation

At June 30, 2021, Altaba Holdings Hong Kong Limited ("Altaba HK"), a wholly owned subsidiary of the Fund, no longer engages in any business or operations, and owns no assets.

Altaba HK MC Limited ("Altaba HK MC") is a wholly owned subsidiary of Altaba HK. Altaba HK MC was a special purpose entity formed for the sole purpose of acting as the borrower under the Fund's margin loan agreement, which was repaid in April 2019. Altaba HK MC no longer engages in any business or operations, and owns no assets.

Note 3 Significant Accounting Policies

The following is a summary of significant accounting policies followed by the Fund. These policies are prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") for investment companies, which require the use of estimates by Fund management. Management believes that estimates and valuations are appropriate; however, actual results may differ from those estimates and valuations reflected in the consolidated financial statements may differ from the value the Fund ultimately realizes. The Fund follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board ("FASB") Accounting Standard Codification Topic 946 Financial Services — Investment Companies.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Actual amounts could differ from those estimates.

Securities Valuation

The Fund's investments are reported at fair value, which is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following describes the valuation techniques applied to the Fund's major categories of assets measured at fair value on a recurring basis.

- Fixed income securities — The fair value of this investment class is estimated using various techniques, which may consider recently executed transactions in securities of the issuer or comparable issuers and market price quotations (when observable). Most corporate debt securities, commercial paper and certificates of deposit are priced based on transaction prices, quotations, or similar observable inputs and are categorized in Level 2. U.S. government debt securities are valued using a model that incorporates market observable data, such as reported sales of similar securities, broker quotes, yields, bids, offers, and reference data. Certain securities are valued principally using dealer quotations.
- Money market funds are valued at their respective publicly available net asset value. Money market funds are categorized in Level 1.
- Private placement investment — A market approach is used for valuing this investment class. Under the market approach, the Fund utilizes information from management along with publicly-traded comparable market transaction information to determine a price per share. The private placement investment is categorized in Level 3.

The Board has adopted methods for valuing securities, including in circumstances in which market quotes are not readily available, and will generally delegate authority to management of the Fund to apply those methods in making fair value determinations, subject to Board oversight. Fund management will administer, implement, and oversee the valuation process, and will make fair value decisions. Fund management will review changes in fair value measurements from period to period and may, as deemed appropriate, obtain approval from the Board to change the valuation guidelines to better reflect the results of comparisons of fair value determinations with actual trade prices and address new or evolving issues. The Board and Audit Committee will periodically review reports that describe fair value determinations and methods.

Federal Income Taxes

The Fund is currently not treated as a “regulated investment company” under the Internal Revenue Code (the “Code”). Instead, the Fund is currently treated as a regular corporation, or a “C” corporation, for U.S. federal income tax purposes and, unlike most registered investment companies, will be subject to corporate income tax to the extent the Fund recognizes taxable income and taxable gains.

Deferred income taxes are determined based on the differences between the financial reporting and tax bases of assets and liabilities and are measured using the currently enacted tax rates and laws. Significant judgment will be required in evaluating the Fund’s uncertain tax positions and determining its provision for income taxes. The Fund establishes liabilities for tax-related uncertainties based on estimates of whether, and the extent to which, additional taxes will be due. These liabilities are established when the Fund believes that certain positions might be challenged despite its belief that its tax return positions are in accordance with applicable tax laws. To the extent that the final tax outcome of these matters is different than the amounts recorded, such differences will affect the provision for income taxes in the period in which such determination is made.

Foreign Currency

Expenses denominated in foreign currencies have been translated into U.S. dollars at the exchange rate on the trade date.

The Fund does not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in the market prices of securities held. The effects of exchange rate fluctuations on investments are included with the net realized and unrealized gain (loss) on investment securities.

Leases

Leases are classified as either operating leases or finance leases. The Fund currently leases office space under operating lease arrangements. Whether a lease is classified as an operating lease or a finance lease, the Fund must record a right-of-use asset and a lease liability for all leases at the commencement date of the lease, other than for leases with an initial term of 12 months or less. Right-of-use assets and lease liabilities are reported in other assets and other liabilities, respectively, on the consolidated statement of assets and liabilities. A lease liability is initially and subsequently reported at the present value of the outstanding lease payments determined by discounting those lease payments over the remaining lease term using the incremental borrowing rate of the legal entity entering into the lease as of the commencement date. A right-of-use asset is initially reported at the present value of the corresponding lease liability plus any prepaid lease payments and initial direct costs of entering into the lease, and reduced by any lease incentives. Subsequently, a right-of-use asset is reported at the present value of the lease liability adjusted for any prepaid or accrued lease payments, remaining balances of any lease incentives received, unamortized initial direct costs of entering into the lease and any impairments of the right-of-use asset. The Fund tests for possible impairments of right-of-use assets annually or more frequently whenever events or changes in circumstances indicate that the carrying value of a right-of-use asset may exceed its fair value. If the carrying value of the right-of-use asset exceeds its fair value, then the carrying value of the right-of-use asset is reduced to its fair value. Subsequent to an impairment, the carrying value of the right-of-use asset is amortized on a straight-line basis over the remaining lease term.

Other

The Fund records security transactions based on the trade date. Dividend income is recognized on the ex-dividend date, and interest income is recognized on an accrual basis. Discounts and premiums on securities purchased are accreted and amortized over the lives of the respective securities. Realized gains and losses from security transactions are determined using the specific identification method.

Fund expenses are accrued in the period to which they relate based on estimates performed by management and adjustments are made when actual amounts are known.

Note 4 Fair Value Measurements

Hierarchy of Fair Value Inputs

The Fund categorizes the inputs to valuation techniques used to value its investments into a disclosure hierarchy consisting of three levels as shown below:

Level 1—Unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access.

Level 2—Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates, and similar data.

Level 3—Unobservable inputs for the asset or liability to the extent that relevant observable inputs are not available, representing management's own assumptions about the assumptions that a market participant would use in valuing the asset or liability, and that would be based on the best information available.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The following table reflects the valuation level used in the consolidated schedule of investments as of June 30, 2021 for the Fund's assets (in thousands):

	Level 1	Level 2	Level 3	Total
Unaffiliated investments:				
Common shares	\$ —	\$ —	\$185	\$ 185
Money market funds	6,194,839	—	—	6,194,839
Fixed income securities:				
U.S. government debt	—	1,722,909	—	1,722,909
Total financial assets at fair value	<u>\$6,194,839</u>	<u>\$1,722,909</u>	<u>\$185</u>	<u>\$7,917,933</u>

The following is a reconciliation of investments for which significant unobservable inputs (Level 3) were used in determining fair value (in thousands):

	Assets	
	Total Investments	Unaffiliated Investments
Balance as of January 1, 2021	\$185	\$185
Purchases	—	—
Sales	—	—
Change in unrealized appreciation (depreciation)	—	—
Realized gain (loss)	—	—
Transfers out of Level 3	—	—
Balance as of June 30, 2021	<u>\$185</u>	<u>\$185</u>

The change in unrealized appreciation (depreciation) attributable to assets owned on June 30, 2021, which were valued using significant unobservable inputs (Level 3) amounted to \$0.

The fair values of Altaba’s Level 1 financial assets and liabilities are based on quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access. The fair values of Altaba’s Level 2 financial assets and liabilities are obtained using quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets in markets that are not active; and inputs other than quoted prices (e.g., interest rates and yield curves). Altaba utilizes a pricing service to assist in obtaining fair value pricing for the marketable debt securities.

Type of investment	Fair Value at June 30, 2021 (in thousands)	Valuation Technique	Unobservable Inputs
Unaffiliated investments—common shares	\$185	Market approach	Price per share \$3.90

Note 5 Contingencies

Legal Contingencies

General

The Fund has been regularly involved in claims, suits, government investigations, and proceedings arising from the ordinary course of the Fund’s business, including actions with respect to intellectual property claims, privacy, consumer protection, information security, data protection or law enforcement matters, commercial claims, stockholder derivative actions, purported class action lawsuits, and other matters. Except as otherwise specifically described in this Note 5, during the periods presented we have not: (i) recorded any accrual for loss contingencies associated with the legal proceedings described in such Note 5; (ii) determined that an unfavorable outcome is probable; or (iii) determined that the amount or range of any possible loss is reasonably estimable. The ultimate outcome of legal proceedings involves judgments, estimates and inherent uncertainties, and cannot be predicted with certainty. The Fund will continue to evaluate information as it becomes known and will record an accrual for estimated losses at the time or times it is determined that a loss is both probable and reasonably estimable.

In the event of a determination adverse to the Fund, its subsidiary, directors, or officers in these matters, the Fund may incur substantial monetary liability, and be required to change its business practices. Either of these events could have a material adverse effect on the Fund’s financial position or results of operations. The Fund may also incur substantial legal fees, which are expensed as incurred, in defending against these claims.

From time to time the Fund may enter into confidential discussions regarding the potential settlement of pending proceedings, claims or litigation. There are a variety of factors that influence our decisions to settle and the amount (if any) we may choose to pay, including the strength of our case, developments in the litigation, the behavior of other interested parties, the demand on management time and the possible distraction of our employees associated with the case and/or the possibility that we may be subject to an injunction or other equitable remedy. In light of the numerous factors that go into a settlement decision, it is difficult to predict whether any particular settlement is possible, the appropriate terms of a settlement or the opportune time to settle a matter. The settlement of any pending litigation or other proceedings could require us to make substantial settlement payments and result in us incurring substantial costs.

Security Incidents Contingencies

On September 22, 2016, the Fund disclosed that a copy of certain user account information for approximately 500 million user accounts was stolen from the Fund's network in late 2014 (the "2014 Security Incident"). On December 14, 2016, the Fund disclosed that, based on its outside forensic expert's analysis of data files provided to the Fund in November 2016 by law enforcement, the Fund believes an unauthorized third party stole data associated with more than one billion user accounts in August 2013 (the "2013 Security Incident"). Verizon subsequently disclosed that the 2013 Security Incident involved over three billion user accounts. In November and December 2016, the Fund disclosed that based on an investigation by its outside forensic experts, it believes an unauthorized third party accessed the Fund's proprietary code to learn how to forge certain cookies. The outside forensic experts have identified approximately 32 million user accounts for which they believe forged cookies were used or taken in 2015 and 2016 (the "Cookie Forging Activity"). The 2013 Security Incident, the 2014 Security Incident, and the Cookie Forging Activity are collectively referred to herein as the "Security Incidents." The total cumulative amount accrued and paid related to the Security Incidents was \$154 million.

Numerous putative consumer class action lawsuits were filed against the Fund in U.S. federal and state courts, and in foreign courts, relating to the Security Incidents, including the following: (1) *In Re: Yahoo! Inc. Customer Data Security Breach Litigation*, U.S. District Court for the Northern District of California Case No. 5:16-md-02752-LHK ("federal consumer class action"); (2) *Yahoo! Inc. Private Information Disclosure Cases*, Superior Court of California, County of Orange Case No. JCCP 4895 ("California consumer class action"); (3) *Demers v. Yahoo! Inc., et al.*, Province of Quebec, District of Montreal Superior Court Case Nos. 500-06-000841-177 and 500-06-000842-175; (4) *Gill v. Yahoo! Canada Co., et al.*, Supreme Court of British Columbia, Vancouver Registry Case No. S-168873; (5) *Karasik v. Yahoo! Inc., et al.*, Ontario Superior Court of Justice Case No. CV-16-566248-00CP ("Karasik"); (6) *Larocque v. Yahoo! Inc., et al.*, Court of Queen's Bench for Saskatchewan Case No. QBG 1242 of 2017; ("Larocque action") (7) *Sidhu v. Yahoo Canada Co., et al.*, Court of Queen's Bench for Alberta Case No. 1603-22837; (8) *Lahav v. Yahoo! Inc.*, Tel Aviv-Jaffa District Court Case No. 61020-09-16 ("Lahav"); and (9) *Reinzilber v. Yahoo! Inc.*, Tel Aviv-Jaffa District Court Case No. 7406-08-17 ("Reinzilber"). Plaintiffs, who purport to represent various classes of users, generally claim to have been harmed by the Fund's alleged actions and/or omissions in connection with the Security Incidents and assert a variety of common law and statutory claims seeking monetary damages or other related relief. In October 2018, the Fund announced that it had reached an agreement with plaintiffs' counsel to resolve all pending claims in the federal and California consumer class actions. On December 3, 2018, the Tel Aviv-Jaffa District Court granted plaintiffs' counsel petition to dismiss the Lahav and Reinzilber actions, in view of the proposed settlement of the federal consumer class action. On January 28, 2019, the Court in the federal consumer class action denied the plaintiff's motion for preliminary approval of the proposed settlement. On April 8, 2019, the parties filed a revised settlement agreement and renewed motion for preliminary approval. On July 20, 2019, the Court granted preliminary approval. On July 22, 2020 the Court granted final approval and entered judgment. Several class members who objected to the settlement have filed appeals, which are pending.

The Fund has also reached an agreement with plaintiffs in the Karasik action with the aim of resolving pending claims in the Canadian consumer class action cases. The Ontario Superior Court of Justice has approved the settlement. The settlement is also subject to a condition that the Larocque action be permanently stayed as a class action or dismissed. Defendants have filed a motion before the Queen's Bench for Saskatchewan to permanently stay the Larocque action. Plaintiffs from the Karasik litigation support Defendants' motion, but it is opposed by Ms. Larocque's counsel. The parties are awaiting a ruling.

Additional lawsuits and claims related to the Security Incidents may be asserted by or on behalf of users, partners, or others seeking damages or other related relief.

Following the consummation of the Sale Transaction, pursuant to the transaction agreement with Verizon, the Fund continues to be responsible for 50 percent of certain post-closing cash liabilities under consumer class action cases related to the Security Incidents.

Note 6 Defined Contribution Plan

Altaba maintains a 401(k) plan for its full-time employees. The 401(k) plan allows employees of Altaba to contribute up to the Internal Revenue Code prescribed maximum amount. Employees may elect to contribute from 1 percent to 100 percent of their annual eligible pretax compensation to the 401(k) plan. Altaba matches employee contributions 100 percent up to 6 percent of eligible pretax compensation deferred. Both employee and employer contributions vest immediately upon contributions. For the semi-annual period ended June 30, 2021, Altaba's contributions to the 401(k) plan amounted to approximately \$137 thousand.

Note 7 Long-Term Incentive Plan

Long-Term Deferred Compensation Incentive Plan

The Altaba Inc. Long-Term Deferred Compensation Incentive Plan (the "Plan"), was originally adopted by the Fund's stockholders at its 2017 annual meeting of stockholders, to attract, retain and appropriately incentivize the Fund's executive officers and other key employees by providing them with grants of incentive cash awards and to align the interests of the non-employee members of the Board with stockholders by providing the independent directors with the opportunity to defer director fees into a deferral account under the Plan, in each case, as determined by the Compensation Committee pursuant to the terms of the Plan. No further amounts are payable under the executive and key employee portion of the Plan.

Each independent director who was designated as a participant by the Compensation Committee under the Plan was required to defer a portion of not less than 50% and up to 100% of his or her director fees payable in cash for services rendered by such director during the period following his or her deferral election. The amount of director fees so deferred has been credited to the participant's deferral account under the Plan as of the regularly scheduled payment date of such fees, and the participant is fully vested in his or her deferral account.

As adopted originally, the Plan calculated incentive award payouts based on the change in the Fund's trading discount (measured based on the publicly traded share price of the shares) relative to the pre-tax value of the Fund's net assets, as adjusted to eliminate any impact from share price movements of Alibaba Shares, against a baseline level, as per the individual award agreements, with resulting payout multipliers established by the Fund's Compensation Committee. The Compensation Committee recommended and the Board adopted an amendment to the Plan (as amended, the "Amended Plan") that became automatically effective as of the date the Shares ceased to be listed on Nasdaq. Under the Amended Plan, changes in the Fund's trading discount are determined by reference to the per Share net asset value of the Fund, as determined in accordance with U.S. GAAP and with certain adjustments consistent with the Plan as originally adopted, in lieu of the publicly traded share price of the shares. The Amended Plan was further amended to provide that independent director deferrals would cease as of June 30, 2021 and to provide that the deferral accounts of independent directors will remain subject to the terms described above.

As of June 30, 2021, pursuant to the Amended Plan, these deferral accounts had a collective value of \$15 million and the accounts will be distributed when directors separate from service. Other than distribution, no further adjustments will be made to the deferral accounts.

Note 8 Income Taxes

The Fund is not treated as a “regulated investment company” under the Code. Instead, the Fund is treated as a regular corporation, or a “C” corporation, for U.S. federal income tax purposes and, as a result, unlike most investment companies, is subject to corporate income tax to the extent the Fund recognizes taxable income and taxable gains.

Deferred income taxes reflect the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The components of deferred income tax assets and liabilities as of June 30, 2021 are as follows (in thousands):

Deferred income tax assets:	
Net operating loss and tax credits carryforwards	\$ 18,279
State tax deductions	2,733
Other deferred tax assets	1,513
Total deferred income tax assets	22,525
Valuation allowance	(21,723)
Net deferred income tax assets	802
Deferred income tax liabilities:	
Unrealized investment gains	(38)
Total deferred income tax liabilities	(38)
Net deferred income tax assets (liabilities)	\$ 764

At June 30, 2021, the Fund’s federal and California net operating loss carryforwards for income tax purposes were approximately \$80 million and \$21 million, respectively. The federal and California net operating loss carryforwards are subject to various limitations under Section 382 of the Internal Revenue Code and applicable state tax law. If not utilized, the federal and California net operating loss carryforwards begin to expire in 2021.

As of June 30, 2021, the Fund had a valuation allowance of \$22 million against a portion of its deferred tax assets, the portion of which represents future tax deductible amounts for which the Fund does not believe are more likely than not to be realized. However, the Fund has determined that \$1 million of deferred tax assets may be realized through either carryback or otherwise utilized in any prior period and as such, a valuation allowance has not been recorded for such amounts.

Pursuant to the transaction agreement with Verizon, Altaba is obligated to indemnify Oath Holdings, Inc. (formerly known as “Yahoo Holdings, Inc.”) for future utilization of certain deferred tax assets. As of June 30, 2021, the Fund did not have an indemnification liability to Oath Holdings, Inc.

The provision (benefit) for income taxes is composed of the following as of June 30, 2021 (in thousands):

Current:	
United States federal	\$ 9,905
State	(10,137)
Total current provision (benefit) for income taxes	(232)
Deferred:	
United States federal	28,938
State	50
Total deferred provision (benefit) for income taxes	28,988
Total provision (benefit) for income taxes	\$ 28,756

The income tax benefit differs from the amount computed by applying the federal statutory income tax rate of 21% to net investment income and realized and unrealized gains (losses) on investments before taxes for the six months ended June 30, 2021 were as follows (in thousands):

Income tax at the U.S. federal statutory rate of 21 percent	\$ (3,976)	21.00%
State income taxes, net of federal benefit	(2,556)	13.50%
California settlement	12,470	(65.87)%
Change in uncertain tax positions	(4,081)	21.55%
Change in valuation allowance	(16,641)	87.90%
Change in indemnification	43,200	(228.18)%
Other	340	(1.79)%
Provision (benefit) for income taxes	<u>\$ 28,756</u>	<u>(151.89)%</u>

During the six month period ended June 30, 2021, the Fund recorded a \$13 million out-of-period adjustment to current and deferred income tax expense related to the indemnification receivable in the 2017 opening balance sheet.

The Fund recorded a decrease of its gross unrecognized tax benefits of approximately \$108 million during the year. The decrease was primarily due to the settlement of certain prior year state taxes with state tax authorities, resulting in a reversal of such unrecognized tax benefits and associated interest and penalties.

The total amount of gross unrecognized tax benefits was \$159 million as of June 30, 2021, of which up to \$152 million would affect Altaba's effective tax rate if realized. A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows (in thousands):

Unrecognized tax benefits balance at January 1, 2021	\$267,797
Gross increase for tax positions of prior years	13,735
Gross decrease for tax positions of prior years	(26,821)
Settlements	(95,322)
Unrecognized tax benefits balance at June 30, 2021	<u>\$159,389</u>

The balances are recorded on the Fund's consolidated statement of assets and liabilities as of June 30, 2021 as follows (in thousands):

Total unrecognized tax benefits balance	\$159,389
Amounts netted against related deferred tax assets	—
Unrecognized tax benefits recorded on consolidated statement of assets and liabilities	<u>\$159,389</u>

As primary obligor, Altaba is generally responsible for all U.S. federal, state and local uncertain tax benefits through the date of the Sale Transaction and, as such, the uncertain tax benefits are recorded in other liabilities on the consolidated statement of assets and liabilities. Pursuant to the transaction agreement with Verizon, Oath Holdings, Inc. is obligated to indemnify the Fund for certain pre-acquisition tax liabilities. The Fund has therefore recorded an indemnification asset from Oath Holdings, Inc. of \$7 million included in other assets on the consolidated statement of assets and liabilities.

Altaba recognizes interest and/or penalties related to uncertain tax positions in income tax expense. To the extent accrued interest and penalties do not ultimately become payable, amounts accrued will be reduced and reflected as a reduction of the overall income tax provision in the period that such determination is made. The amount of accrued interest and penalties recorded on the consolidated statement of assets and liabilities as of June 30, 2021 was approximately \$15 million of which \$665 thousand is indemnified by Oath Holdings, Inc. pursuant to the transaction agreement with Verizon, whereby Oath Holdings, Inc. is obligated to indemnify the Fund for certain pre-acquisition tax liabilities.

The Fund is in various stages of examination in connection with its taxes in U.S. federal, state and local jurisdictions.

In June 2021, the Fund received the final Revenue Agent's Report ("RAR") from the Internal Revenue Service ("IRS") for the 2016 and 2017 tax years, which resulted in additional taxes of approximately \$17.7 million and estimated interest of approximately \$2.8 million. The RAR reflected the previously disclosed IRS draft Notice of Proposed Adjustment ("NOPA") reflecting proposed increases in the associated tax liability of approximately \$78.5 million for the 2017 tax year. The Fund paid the \$20.5 million during the six months ended June 30, 2021 and has filed an amended return requesting a full refund of the \$20.5 million. The Fund expects this will result in administrative settlement discussions with the IRS Independent Office of Appeals ("IRS Appeals"). If the Fund is unable to resolve the issues relating to this refund claim with IRS Appeals on an acceptable basis, the Fund plans to pursue judicial remedies, which may include a complaint in federal district court or the United States Court of Federal Claims.

The Fund is currently under examination for income taxes by the IRS for the 2018 and 2019 tax years. The Fund has not yet received a RAR for these tax years, which typically is issued at the conclusion of an IRS examination. Further, the Fund and the IRS agreed to extend the statute of limitations for the 2018 tax year until April 2022, concurrent with the statute of limitations for the 2019 tax year. As previously disclosed, prior to 2021 the Fund had received from the IRS a draft NOPA reflecting a proposed increase in the associated tax liability of approximately \$100 million for the 2018 tax year. In July 2021, the Fund received additional draft NOPAs with respect to several issues under review by the IRS for the 2018 and 2019 tax years. In the aggregate, the draft NOPAs, together with the previously disclosed \$100 million draft NOPA, would result in a proposed increase in the associated tax liability of the Fund of approximately \$566 million for the 2018 and 2019 tax years.

The draft NOPAs taken together do not constitute a final position of the IRS with respect to the tax liability for the 2018 and 2019 tax years. The IRS has not yet stated its position as to how certain adjustments contained in the RAR for the 2016 and 2017 tax years would impact the 2018 tax year, and additional proposed adjustments are possible.

That said the Fund disagrees with the IRS's draft NOPAs for the 2018 and 2019 tax years, and is evaluating the actions it will take in response to the RAR that the IRS will issue at the conclusion of the IRS examination. If the Fund is not able to resolve the proposed adjustments in the draft NOPAs or any future NOPAs at the IRS examination-level, the Fund plans to pursue all available administrative and, if necessary, judicial remedies which may include entering into administrative settlement discussions with IRS Appeals and petitioning the U.S. Tax Court for redetermination if an acceptable outcome cannot be reached with IRS Appeals. However, if the IRS prevails in the assessment of additional tax, interest and penalties, such outcome could be material. The Fund regularly assesses the likelihood of an adverse outcome, settlement or other resolution resulting from these proceedings to determine the adequacy of the Fund's tax accruals.

The Fund settled in appeals with the California Franchise Tax Board for tax years 2009 through 2019 during the period, which includes the Fund's business income apportionment percentage for gains on sale of American Depository Shares of Alibaba Group Holding Limited ("Alibaba Shares"). In 2020, the Fund had also entered into closing agreements with the New York State Department of Taxation and Finance and the New York City Department of Finance related to the Fund's total income tax obligation with respect to the 2018 and 2019 tax years and its business income apportionment percentage for the gain on sale of Alibaba Shares. The Fund's 2020 tax year remains subject to examination by the California Franchise Tax Board, the New York State Department of Taxation and Finance and the New York City Department of Finance.

Note 9 Agreements and Related Party Transactions

Advisory Agreements

The Fund has retained Morgan Stanley Smith Barney LLC ("Morgan Stanley" or "MSSB") as its external investment advisor to manage 100% of the Marketable Debt Securities Portfolio.

The Fund pays Morgan Stanley compensation, quarterly in arrears, at an annual rate of 0.015%.

Administration, Accounting & Custodian

The Fund has engaged U.S. Bancorp Fund Services, LLC (“USBFS”) to serve as the Fund’s administrator and fund accountant. The Fund has engaged U.S. Bank, N.A. (“U.S. Bank”) to serve as the Fund’s custodian. The Fund pays using a tiered fee schedule based on net assets.

Transfer Agent

Computershare Inc. serves as transfer, dividend paying and shareholder servicing agent for the Fund.

Note 10 Purchases and Sales of Securities

Purchase and sales of investment securities, excluding short-term securities and U.S. government obligations, for the period ended June 30, 2021, totaled \$0 and \$35 million, respectively.

Note 11 Capital Share Transactions

Common and Preferred Stock

As of June 30, 2021, there were 5 billion shares of \$0.001 par value common stock authorized, 519,511,366 shares issued and outstanding.

The Board has the authority under the Fund’s certification of incorporation to issue up to 10 million shares of preferred stock and to determine the price, rights, preferences, privileges, and restrictions, including voting rights, of those shares without any further vote or action by the stockholders, though the Fund currently does not anticipate issuing any preferred stock because it has filed the Certificate of Dissolution.

Liquidating Distributions to Shareholders

The liquidating distributions to shareholders were recorded on the ex-dividend date. Liquidating distributions paid by the Fund are subject to recharacterization for tax purposes. See the Fund’s proxy statement dated May 17, 2019 under “Proposal No. 1: Approval of the Plan of Liquidation and Dissolution — Material U.S. Federal Income Tax Consequences of Liquidation and Dissolution.”

Note 12 Principal Risks

Risks Related to the Plan of Liquidation and Dissolution

The Fund cannot assure stockholders of the timing or amount of any post-dissolution liquidating distribution following entry of the Final Orders or of any additional post-dissolution liquidating distributions to stockholders under the Plan of Liquidation and Dissolution.

The Fund has requested the Final Orders establishing the final amount and form of security for the contested claims. There can be no assurances that the Chancery Court will not require the Fund to withhold amounts in excess of the amounts that we believe are sufficient to satisfy the Fund’s potential liabilities with respect to the contested claims. Accordingly, stockholders may not receive distributions of these additional amounts for a substantial period of time. Factors that could impact the aggregate amount of security required to be retained by the Fund pursuant to the Final Orders, and consequently the amount of the post-dissolution liquidating distributions, include the following:

- whether any of the contested claims are resolved;
- whether any litigation is brought against the Fund or its directors and officers; and
- whether the Fund is able to receive any final determination with respect to the underlying liabilities.

Following entry of the Final Orders, to the extent that claims for which the Fund has set aside reserves pursuant to any of the Court Orders are resolved or satisfied at amounts less than such reserves, and assuming no need has arisen to establish additional reserves, the Fund would make additional distributions to stockholders of any portion of such reserves that the Board determines is no longer required because the relevant claim has been resolved or satisfied. However, there may be less funds available than currently anticipated for additional liquidating distributions to the Fund's stockholders. The precise amount and timing of any additional liquidating distributions to the Fund's stockholders will depend on and could be delayed or diminished due to many factors, including:

- whether a claim is resolved for more than the amount of the reserve established for such claim pursuant to the Court Orders;
- whether the Fund is unable to resolve claims with creditors or other third parties, including potential tax claims, or if such resolutions take longer than expected;
- whether a creditor or other third party seeks an injunction against the making of additional distributions to stockholders on the basis that the amounts to be distributed are needed to satisfy the Fund's liabilities or other obligations to the extent not previously reserved for;
- whether due to new facts and developments, a new claim, as the Board reasonably determines, requires additional funds to be reserved for its satisfaction; and
- whether the expenses the Fund incurs in the winding-up process, including expenses of personnel required and other operating expenses (including legal, accounting and other professional fees), necessary to dissolve and liquidate the Fund are more than anticipated.

It is possible that new or existing claimants could bring additional claims against the Fund after the date hereof. To the extent that any such claims are determined to be valid and not barred, then the existence of these claims could have an impact on the amount of funds available for distribution to the Fund's stockholders, or could affect the timing of any such distributions. For example, if a new claim were to arise before the entry of the Final Orders, then the amount and/or timing of the initial distribution to be made after entry of the Final Orders and any subsequent distributions could be affected. And if such a claim were to arise after entry of the Final Orders and the Fund's initial distribution to be made after entry of the Final Orders, then the amount and/or timing of any subsequent distributions could be affected. In some cases, potential claims against the Fund may be subject to an extended statute of limitations under the law applicable to the claim (e.g., certain tax claims) or the claim may be made by a party that has either not yet discovered the basis for the claim, or has the right or ability to revisit potential obligations of the Fund on a retroactive basis notwithstanding the passage of time. To the extent any claim is asserted that should be barred under DGCL Section 280, then the Fund intends to vigorously enforce such bar. While the Fund is not presently aware of any circumstances that are expected to give rise to additional claims against the Fund, it is possible that such claims could arise, and in that event the amount and/or timing of future distributions could be adversely affected, and that effect could be material.

Due to these and other factors, the amounts of any additional post-dissolution liquidating distributions may be substantially less than the amounts currently estimated by the Fund.

Liquidating distributions to stockholders could be substantially reduced and/or delayed due to uncertainty regarding the resolution of certain potential tax claims, litigation matters and other unresolved contingent liabilities of the Fund.

Among other liabilities, the Fund's major known, contingent and potential future liabilities include (i) known and potential U.S. federal, state and local and foreign tax claims, which constitute a significant majority of the Fund's known, contingent and potential future liabilities, (ii) potential liabilities arising out of the Data Breaches and certain other legal contingencies, and (iii) continuing third-party indemnification obligations.

Whether any additional liquidating distributions can be made to stockholders would depend on whether claims for which the Fund has set aside reserves are resolved or satisfied at amounts less than such reserves and whether a need has arisen to establish additional reserves. The Fund cannot assure stockholders that the Fund's liabilities can be settled for less than the amounts the Fund has reserved, or that unknown liabilities that have not been accounted for will not arise. As a result, the Fund may continue to hold back funds and delay additional liquidating distributions to stockholders. It is important for the Fund to retain sufficient funds to pay the expenses and liabilities actually owed to the Fund's creditors, because under Delaware law, if the Fund fails to do so, each stockholder could be held liable for the repayment to creditors, out of the amounts previously received by such stockholder from us or from any liquidating trust or trusts, of such stockholder's pro rata share of such excess (up to the full amount actually received by such stockholder).

The application of, and any changes in, applicable tax laws, regulations, administrative practices, principles and interpretations may adversely affect the Fund's assets and the amount and timing of any liquidating distributions to stockholders.

The Fund may be directly or indirectly affected by tax legislation, regulations and administrative practices or the modification of existing tax laws by U.S. or non-U.S. taxing authorities or other governmental bodies. The application of complex tax laws involves numerous uncertainties, and U.S. and non-U.S. taxing authorities may review and challenge tax positions adopted by the Fund. These challenges may result in adjustments to, or impact the timing or amount of, the Fund's taxable income, deductions, credits or other tax items, which may adversely affect our effective tax rate and tax liability.

On December 22, 2017, the United States enacted tax legislation commonly known as the TCJA, which significantly changed existing U.S. tax law. Among other changes impacting the Fund and its prior investments in Alibaba and Yahoo Japan, the TCJA imposed a one-time deemed repatriation tax on certain accumulated earnings of non-U.S. corporations owned by 10% U.S. shareholders, expanded the constructive ownership rules that are applied for purposes of determining whether a non-U.S. corporation is a "controlled foreign corporation" ("CFC"), and made other significant changes to the CFC rules. These rules are complex and subject to change or differing interpretations, possibly with retroactive effect. In addition, the application of these rules and their consequences to the Fund depend on a number of facts specific to Alibaba, Yahoo Japan, and their respective subsidiaries that are beyond our current knowledge and control. These and other uncertainties resulting from the TCJA could materially affect the Fund's U.S. tax liabilities with respect to its prior investments in Alibaba and Yahoo Japan.

Furthermore, the treatment of the Fund and its assets, and any transactions involving such assets (including liquidating distributions by the Fund), may raise novel and complex issues under other U.S. federal, state and local and foreign tax laws. Accordingly, the application of the relevant tax laws to the Fund's assets and any related past or future transactions, including in connection with the Plan of Liquidation and Dissolution, may be uncertain in many respects. There can be no assurance that the Fund's treatment of such assets and transactions will not be challenged by the IRS or other U.S. or non-U.S. taxing authorities, and any such challenge could adversely affect the Fund's effective tax rate and tax liability, as well as the amount and timing of any liquidating distributions to stockholders. For additional information about income taxes, see Note 8 — "Income Taxes."

The Fund will continue to incur expenses that will reduce the amount available for distribution, including expenses of complying with reporting requirements under the 1940 Act following the Effective Time and paying its service providers, including the External Advisor managing its Marketable Debt Securities Portfolio.

As the Fund continues to wind up, the Fund will continue to incur expenses from operations, including severance costs, compensation to employees who would implement the Plan of Liquidation and Dissolution, compensation to our independent directors, directors' and officers' insurance and other insurance premiums, income, payroll and other taxes, legal, accounting, financial advisory and consulting fees and general and administrative expenses (including the fees of the External Advisor for our Marketable Debt Securities Portfolio).

The Fund continues to be registered as an investment company under the 1940 Act but we currently expect to deregister as an investment company after the Fund has reduced its remaining assets to cash and distributed substantially all of its assets. Accordingly, the Fund will continue complying with the applicable reporting requirements of the 1940 Act even though compliance with such reporting requirements will cause the Fund to incur related expenses. In order to eliminate these expenses, we may seek relief from the SEC from the reporting requirements under the 1940 Act, but no assurances can be given as to when or if such relief will be obtained. If the Fund does not obtain such relief and, in any event, until such time as it obtains such relief, the Fund will continue to incur costs in complying with its reporting requirements as a registered investment company under the 1940 Act.

If the Fund fails to retain sufficient funds to pay the liabilities actually owed to the Fund's creditors, each stockholder receiving liquidating distributions could be liable for payment to the Fund's creditors of his, her or its pro rata share of any shortfall, up to the amount actually distributed to each stockholder in connection with the liquidation and dissolution.

Under Delaware law, in the event the Fund fails to retain sufficient funds to pay the expenses and liabilities actually owed to the Fund's creditors, each stockholder could be held liable for the repayment to those creditors who file unbarred claims before the end of the winding-up period, out of the amounts previously received by such stockholder from us or from any liquidating trust or trusts, of such stockholder's pro rata share of such excess liability (up to the full amount actually received by such stockholder). Moreover, in the event a stockholder has paid taxes on amounts previously received pursuant to the Plan of Liquidation and Dissolution, a repayment of all or a portion of such amount could result in a stockholder incurring a net tax cost if the stockholder's repayment of an amount previously distributed does not cause a reduction in taxes payable. There can be no guarantee that the reserves established by the Fund will be adequate to cover all such expenses and liabilities.

Amounts held in the Marketable Debt Securities Portfolio will be subject to market, credit and interest rate risk.

A substantial portion of the Fund's investment assets will be held in the Marketable Debt Securities Portfolio throughout the liquidation and dissolution process. Pursuant to such guidelines, the Fund generally invests excess cash in money market funds and fixed income securities.

Investments in fixed rate and floating rate interest earning instruments carry a degree of interest rate risk. Fixed rate securities may have their fair market value adversely impacted due to a rise in interest rates, while floating rate securities may produce less income than expected if interest rates fall. Such securities also are subject to the risk that the issuer of the security will be unable to pay interest or repay principal on the security when due. Due in part to these factors, the amounts expected to be realized by the Fund in monetizing the Marketable Debt Securities Portfolio may fall short of expectations due to changes in interest rates or the Fund may suffer losses in principal if it sells securities that have declined in market value due to changes in interest rates or changes in credit quality.

The Shares have been delisted from Nasdaq, and the Fund closed its stock transfer books at the Effective Time as required by Delaware law. Accordingly, the Shares held by the Fund's stockholders after the Effective Time generally are not transferable.

Nasdaq halted trading in the Shares on October 2, 2019. In connection with the filing of a Certificate of Dissolution with the Secretary of State of the State of Delaware, the Fund closed its transfer books as of 4:00 pm Eastern Time on October 4, 2019. As a result, record holders of the Shares generally are prohibited from transferring record ownership of their Shares following the Effective Time (except by will, intestate succession or operation of law). The Shares were delisted from Nasdaq on October 7, 2019. DTC, as a record holder of Shares through its Cede & Co. nominee, maintains records representing the right to receive any post-dissolution liquidating distributions in accordance with Section 4 of the Plan of Liquidation and Dissolution, including any transfers of such rights. Consequently, the Fund expects that any transfers of such rights continue to be tracked by DTC. There is no assurance as to how long a market for interests in the Shares representing the right to receive any post-dissolution liquidating distributions will continue to be maintained or how actively such interests in the Shares will trade. Both trading prices and volumes in any such "over-the-counter" market may be volatile and erratic. To the extent that a stockholder's Shares were not held by a DTC participant as of the Effective Time, it may be more difficult for such stockholder to transfer such stockholder's rights to receive any post-dissolution liquidating distributions.

Interests of stockholders in any liquidating trust that the Fund may establish pursuant to the Plan of Liquidation and Dissolution generally will not be transferable and the transfer of the Fund's assets and liabilities to a liquidating trust could have significant tax consequences to stockholders.

If the Fund establishes a liquidating trust, the interests of the Fund's stockholders in such trust generally will not be transferable. In addition, the interests in the liquidating trust may not be accepted by commercial lenders as security for loans as readily as more conventional securities with established trading markets. Moreover, when seeking "no action" relief from the SEC in connection with the creation of the liquidating trust, it is possible that the SEC could require us to request that The Depository Trust Company ("DTC") terminate further transfers of the DTC escrow CUSIPs. As previously disclosed, beneficial owners who held our stock through DTC now hold the DTC escrow CUSIPs, which currently give these holders the ability to transfer their beneficial ownership interests in the Fund along with the associated right to receive future liquidating distributions. If DTC terminates transfers of the escrow CUSIPs, such action could adversely affect these holders' ability to realize the value of such interests. Furthermore, given that the Fund's stockholders will be deemed to have received a liquidating distribution equal to their pro rata share of the value of the net assets distributed to any entity which is treated as a liquidating trust for U.S. federal income tax purposes, the distribution of non-transferable interests would result in tax liability to the stockholders without their being readily able to realize the value of such interest to pay such taxes or otherwise. This means that the stockholders of the Fund could receive taxable income upon the establishment of the liquidating trust without having received any cash proceeds to satisfy the associated tax obligations.

Stockholders will generally not be able to recognize a loss for U.S. federal income tax purposes until they receive a final distribution from us.

As a result of the Fund's liquidation and dissolution, for U.S. federal income tax purposes, the Fund's stockholders who are U.S. holders will generally recognize gain or loss equal to the difference between (i) the amount of cash and the fair market value (at the time of the distribution) of any other property distributed, less any known liabilities assumed by the stockholder or to which the distributed property is subject, and (ii) such stockholder's tax basis in the Shares. Liquidating distributions pursuant to the Plan of Liquidation and Dissolution may occur at various times and in more than one tax year. Any loss will generally be recognized only when a stockholder receives the final distribution from us and then only if the aggregate value of all liquidating distributions with respect to a Share is less than the stockholder's tax basis in the Share. For a general summary of certain material U.S. federal income tax consequences of the Plan of Liquidation and Dissolution, see the Fund's proxy statement dated May 17, 2019 under "Proposal No. 1: Approval of the Plan of Liquidation and Dissolution — Material U.S. Federal Income Tax Consequences of Liquidation and Dissolution."

Further stockholder approval will not be required in connection with the implementation of the Plan of Liquidation and Dissolution, including the sale or disposition of all or substantially all of the Fund's assets as contemplated in the Plan of Liquidation and Dissolution.

The approval of the Plan of Liquidation and Dissolution by the requisite vote of the stockholders granted full and complete authority to our Board and officers, without further stockholder action, to proceed with the liquidation and dissolution of the Fund pursuant to Plan of Liquidation and Dissolution in accordance with any applicable provision of Delaware law. Accordingly, the Fund may sell, distribute or otherwise dispose of its remaining assets, including non-cash assets, without further stockholder approval. As a result, the Board may, in order to maximize value for the Fund's stockholders and creditors, authorize actions in implementing the Plan of Liquidation and Dissolution, including the specific terms and prices for the sales and dispositions of its remaining assets, with which stockholders may not agree.

The Fund will no longer hold annual meetings of stockholders to elect members of the Board, and consequently the Fund's stockholders will no longer be able to influence management of the Fund through the election of directors.

Under Delaware law, dissolution of the Fund became effective upon the filing of a Certificate of Dissolution on October 4, 2019. Although the Fund's existence is required to continue for a period of three years from the Effective Time for the purpose of prosecuting and defending suits, winding up the Fund and making distributions to stockholders, the Fund is not permitted to continue to engage in any business. As a result, the Fund will not convene annual meetings of stockholders during the winding-up period. Since the Fund will not hold annual meetings of stockholders to elect members of the Board after the Effective Time, the Fund's stockholders will not be able to influence management of the Fund through the election of directors.

As noted above, the approval of the Plan of Liquidation and Dissolution by the requisite vote of the stockholders granted full and complete authority to our Board and officers, without further stockholder action, to proceed with the liquidation and dissolution of the Fund pursuant to Plan of Liquidation and Dissolution in accordance with any applicable provision of Delaware law. See “— Further stockholder approval will not be required in connection with the implementation of the Plan of Liquidation and Dissolution, including the sale or disposition of all or substantially all of the Fund's assets as contemplated in the Plan of Liquidation and Dissolution.”

The tax treatment of the pre-dissolution liquidating distribution and any other post-liquidating distributions may vary from stockholder to stockholder, and stockholders should consult their own tax advisors.

The Fund has not requested a ruling from the IRS with respect to the anticipated U.S. federal income tax consequences of the Plan of Liquidation and Dissolution. As described in the Fund's proxy statement dated May 17, 2019 under “Proposal No. 1: Approval of the Plan of Liquidation and Dissolution — Material U.S. Federal Income Tax Consequences of Liquidation and Dissolution,” we intend to accomplish the liquidation and dissolution in a manner that will qualify as a “complete liquidation” of the Fund within the meaning of Section 346(a) of the Code, but there can be no assurance that our efforts to do so will be successful. If any of the anticipated tax consequences of the Plan of Liquidation and Dissolution described in the proxy statement proves to be incorrect, the result could be increased taxation at the corporate and/or stockholder level, thus reducing the benefit to the Fund's stockholders and the Fund from the liquidation and dissolution. Tax considerations applicable to stockholders may vary with and be contingent upon the particular circumstances of each stockholder. Stockholders are urged to consult their own tax advisors as to the specific tax consequences to them of the Plan of Liquidation and Dissolution in light of each stockholder's particular circumstances.

Risks Related to the Fund's Operations as an Investment Company

The Fund's revenue sources may be limited.

The Fund's investment assets are its interests in the Marketable Debt Securities Portfolio. The Fund's ability to meet its financial obligations and other contractual commitments depends upon its ability to access cash. The Fund's potential sources of cash include available cash balances, including interest income from the Marketable Debt Securities Portfolio.

For the period from January 1, 2021 to June 30, 2021, the Marketable Debt Securities Portfolio generated approximately \$2 million of income. No assurance can be given that the Marketable Debt Securities Portfolio will produce as much income for the Fund in future periods. The emergence of the novel coronavirus in December of 2019 and the resulting COVID-19 pandemic have adversely impacted economies, markets and businesses around the world. In response, many central banks, including the Federal Reserve Bank, have adopted policies seeking to reduce interest rates. These policies and other policies adopted in response to the pandemic have reduced, and in the future may continue to reduce, the amount of income that the Fund can earn from the Marketable Debt Securities Portfolio. In addition, in response to the market volatility and adverse economic environment caused by the pandemic, the Fund has worked with the External Advisor to reduce the duration of the Marketable Debt Securities Portfolio and invested it in securities of issuers with higher credit quality, which also has reduced the income the Fund earns from the Marketable Debt Securities Portfolio. Volatility caused by the pandemic also may adversely impact the price the Fund receives for any securities it sells. The Fund is not able generate material amounts of income from other sources. As a result, the Fund could be unable in the future to obtain cash in amounts sufficient to service its financial obligations or meet its other commitments unless it sells the Marketable Debt Securities Portfolio which would cause the Fund to pay taxes on any capital gain that it realized in connection with the sale.

The Fund's use of service providers means that the Fund is reliant on third parties to perform their obligations.

The Fund relies on service providers for certain functions that are integral to the Fund's operations and financial performance, including management of its Marketable Debt Securities Portfolio, custody of its assets and transfer agency, and administrative services. Failure by any service provider to carry out its obligations to the Fund in accordance with the terms of its appointment, to exercise due care and skill, or to perform its obligations to the Fund at all as a result of insolvency, bankruptcy, or other causes could have a material adverse effect on the Fund's performance and returns to stockholders. The termination of the Fund's relationship with any service provider, or any delay in appointing a replacement for such service provider, could materially disrupt the business of the Fund and could have a material adverse effect on the Fund's performance and returns to stockholders.

The Fund relies on the competence and continued service of its own officers and directors to manage the Fund, other than the Marketable Debt Securities Portfolio.

The Fund is internally managed by its executive officers under the supervision of the Board and does not currently intend to depend on a third-party investment advisor, except that the Fund has hired an External Advisor to manage the Marketable Debt Securities Portfolio. The Fund will incur the operating expenses associated with employing its executive officers and employees. The Fund depends upon the members of its senior management for the monitoring of the Fund's investments, other than the Marketable Debt Securities Portfolio, and for seeking to manage and reduce its liabilities. If the Fund loses the services of any senior management members the Fund may not be able to operate its business as expected, which could cause the Fund's results to suffer. The Fund's status as a registered investment company may limit its ability to attract and retain highly qualified personnel.

The Fund has hired an External Advisor to manage the Marketable Debt Securities Portfolio.

The Marketable Debt Securities Portfolio is managed by an External Advisor that applies the investment guidelines set by the Fund. There can be no assurances that the Fund's investment program for the Marketable Debt Securities Portfolio, as implemented by the External Advisor, will be successful. The External Advisor's investment strategies may not produce the desired results for the Marketable Debt Securities Portfolio. Additionally, the investment guidelines for the Marketable Debt Securities Portfolio may constrain the investment discretion of the External Advisor in a manner that results in the Marketable Debt Securities Portfolio achieving less desirable results than if such investment guidelines were different or did not exist. Moreover, the External Advisor may fail to adhere to the investment guidelines for the Marketable Debt Securities Portfolio, which could result in losses, less desirable results or a greater risk profile for the Marketable Debt Securities Portfolio than the Fund intends. There is no guarantee that the External Advisor will be able to achieve desirable results for the Marketable Debt Securities Portfolio.

By hiring an External Advisor to manage the Marketable Debt Securities Portfolio, the Fund is subject to the risks associated with having third parties exercise discretion over the investment of the Marketable Debt Securities Portfolio.

The Fund is subject to external management risk because its Marketable Debt Securities Portfolio is actively managed by an External Advisor. The External Advisor applies investment techniques and risk analyses in making investment decisions for the Marketable Debt Securities Portfolio, but there can be no guarantee that these will produce the desired results.

A risk of loss also exists due to fraud on the part of the External Advisor, intentional or inadvertent deviations from the Marketable Debt Securities Portfolio's investment guidelines or simply poor judgment. Although the Fund believes the External Advisor is operating with integrity and sound operational and organizational standards, the Fund may have no, or only limited, access to information regarding the activities of the External Advisor, and the Fund cannot guarantee the accuracy or completeness of such information. As a consequence, although the Fund monitors the activities of the External Advisor, it may be difficult, if not impossible, for the Fund to protect itself from the risk of fraud, misrepresentation or material strategy alteration. The Fund has no control over the day-to-day operations of the External Advisor. The failure of operations, information technology systems or contingency/disaster recovery plans may result in significant losses for the Marketable Debt Securities Portfolio. There can be no assurance that the COVID-19 pandemic will not adversely impact the ability of the External Advisor to manage the Marketable Debt Securities Portfolio.

The Fund and its service providers, including the External Advisor, may be the subject of cyber-attacks that could have severe negative impacts on the Fund.

With the increased use of technologies such as the Internet to conduct business, the Fund is susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber-attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber-attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). Cyber security failures or breaches by the External Advisor, or other service providers (including, but not limited to, fund accountants, custodians, transfer agents and administrators), and the issuers of securities in which the Fund invests, have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, interference with the Fund's ability to calculate its net asset value, impediments to trading, the inability of stockholders to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. In addition, substantial costs may be incurred in order to prevent any cyber incidents in the future. While the Fund has implemented business continuity plans in the event of, and risk management systems to prevent, cyber-attacks against its systems, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been identified. Furthermore, the Fund cannot control the cyber security plans and systems put in place by service providers to the Fund and issuers in which the Fund invests. The Fund and its stockholders could be negatively impacted as a result.

Misconduct or misrepresentations by employees of the Fund, the External Advisor or any of the Fund's other service providers could cause significant losses to the Fund.

Employee misconduct may include binding the Fund to transactions that exceed authorized limits or present unacceptable risks and unauthorized trading activities, concealing unsuccessful trading activities (which, in any case, may result in unknown and unmanaged risks or losses) or making misrepresentations regarding any of the foregoing. Losses could also result from actions by the Fund's service providers, including, without limitation, failing to recognize trades and misappropriating assets. In addition, employees and service providers may improperly use or disclose confidential information, which could result in litigation or serious financial harm, including limiting the Fund's business prospects or future marketing activities. Despite the Fund's due diligence efforts, misconduct and intentional misrepresentations may be undetected or not fully comprehended, thereby potentially undermining the Fund's due diligence efforts. As a result, no assurances can be given that the due diligence performed by the Fund will identify or prevent any such misconduct.

Limitations imposed by the 1940 Act may adversely affect the Fund's operations.

The Fund is a registered closed-end management investment company and as such is subject to regulation under the 1940 Act. The 1940 Act regulates many aspects of the Fund's operations and imposes limitations such as limiting the Fund's ability to:

- use leverage;
- enter into transactions with affiliated persons;
- make certain types of investments; and
- use equity compensation plans to attract officers and employees to manage the Fund, and directors to oversee the Fund.

These and other limitations imposed by the 1940 Act may adversely affect the Fund's operations and returns to investors.

The Fund is exposed to litigation and investigations.

The Fund is subject to pending litigation, and may become subject to further litigation, including potential actions by third parties against the Fund, as well as direct actions by the Fund's security holders against the directors and/or officers of the Fund for alleged breaches of fiduciary duty or derivative actions brought by Fund stockholders in the name of the Fund. These claims and investigations may adversely affect how the Fund operates its business, divert the attention of management from the operation of the Fund, and result in additional costs and potential fines. These potential actions and potential liabilities could also have a significant adverse impact on the Fund's net asset value and could delay any actions or transactions aimed at returning assets to stockholders or realizing value for stockholders through transactions involving portfolio assets.

Note 13 Subsequent Events

The Fund has adopted standards, which establish general standards of accounting for disclosure of events that occur after the consolidated statement of assets and liabilities date, but before the financial statements are issued. The Fund has performed an evaluation of subsequent events through the date the financial statements were issued and has determined that no additional events have occurred that require disclosure.

Other Information

June 30, 2021 (unaudited)

Results of Stockholder Votes

Not Applicable.

Proxy Voting

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities is available (i) without charge, upon request, by emailing altabair@altaba.com, and (ii) on the SEC's website at <http://www.sec.gov>. In addition, the Fund is required to file Form N-PX, with its complete proxy voting record for the twelve months ended June 30, no later than August 31. The Fund's Form N-PX filing is available (i) without charge, upon request, by emailing altabair@altaba.com or (ii) by visiting the SEC's website at www.sec.gov.

Availability of Quarterly Portfolio Schedules

The Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form NPORT-P. The Fund's Form NPORT-P is available, without charge and upon request, on the SEC's website at <http://www.sec.gov> or may be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the Public Reference Room may be obtained by calling 1-800-SEC-0330.

Available Information

Our website is located at <https://www.altaba.com>. We make available free of charge on our website under "SEC Filings" all of our SEC filings, and any amendments to those reports as soon as reasonably practicable after we electronically file or furnish such materials to the SEC. We refer our investors to our website homepage for available "New & Noteworthy" information about Altaba.

Privacy Principles of the Fund

The Fund is committed to maintaining the privacy of its stockholders and to safeguarding their non-public personal information. The Fund restricts access to non-public personal information about its stockholders to its employees and service providers with a legitimate business need for the information. The Fund maintains physical, electronic and procedural safeguards designed to protect the non-public personal information of its stockholders. A statement of the Fund's privacy policy may be found on the Fund's website at <https://www.altaba.com/privacyterms>.