

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

### Part I Reporting Issuer

|   |   |   |                      |
|---|---|---|----------------------|
| 1 Issuer's name<br><br><b>RCM Technologies, Inc</b>   |   | 2 Issuer's employer identification number (EIN)<br><br><b>95-1480559</b>                        |                      |
| 3 Name of contact for additional information<br><br><b>Kevin D. Miller</b>  | 4 Telephone No. of contact<br><br><b>(856) 356-4500</b> | 5 Email address of contact<br><br><b>kevin.miller@rcmt.com</b>                                  |                      |
| 6 Number and street (or P.O. box if mail is not delivered to street address) of contact<br><br><b>2500 Mc Clellan Avenue, Suite 350</b> |   | 7 City, town, or post office, state, and ZIP code of contact<br><br><b>Pennsauken, NJ 08109</b> |                      |
| 8 Date of action<br><br><b>December 28, 2017</b>  |   | 9 Classification and description<br><br><b>1.00 per share dividend on common stock</b>          |                      |
| 10 CUSIP number<br><br><b>749360400</b>   | 11 Serial number(s)                                     | 12 Ticker symbol<br><br><b>RCMT</b>   | 13 Account number(s) |

### Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **On December 11, 2017 RCM Technologies, Inc. declared a \$1.00 per share dividend on their common stock to shareholders of record as of December 22, 2017 to be paid on December 28, 2017.**

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **Shareholders of record should reduce their basis in their shares by \$1.00 per share effective December 28, 2017.**

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **Prior to the start of fiscal 2017 RCM Technologies did not have any accumulated earnings and profits. The Company also did not have earnings and profits in 2017. Therefore the entire dividend of \$1.00 per share is treated as a return of capital and reduces shareholder basis.**

**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► IRC section 301 Distributions of Property - In general, IRC Section 301 defines the rules used to determine whether, and to what extent, distributions to shareholders are taxable. Distributions to shareholders that do not exceed the corporation's earnings and profits are reported as taxable dividends in accordance with IRC section 316. In the event a distribution to shareholders exceeds corporate earnings and profits, as determined under IRC section 312, shareholders must apply the rules of IRC section 301 to determine if the distribution is a non-taxable return of basis under IRC section 301(c)(2) or if the distribution is reported as capital gain under IRC section 301(c)(3). The information provided herein is intended to assist shareholders and their tax advisors in making this determination.

18 Can any resulting loss be recognized? ► N/A

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► The 2017 cash dividend will be reported on the 2017 Forms 1099-DIV as a Nondividend distribution.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here  
Signature ► [Handwritten Signature] Date ► 11/5/18  
Print your name ► Kevin D. Miller Title ► CFO

|                               |                            |                      |      |   |              |
|-------------------------------|----------------------------|----------------------|------|---|--------------|
| <b>Paid Preparer Use Only</b> | Print/Type preparer's name | Preparer's signature | Date | Check <input type="checkbox"/> if self-employed | PTIN         |
|                               | Firm's name ►              |                      |      |   | Firm's EIN ► |
|                               | Firm's address ►           |                      |      |   | Phone no.    |