

## Report of Organizational Actions Affecting Basis of Securities

OMB No. 1545-0123

► See separate instructions.

### Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
NorthWest Indiana Bancorp		35-1927981	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
Robert T. Lowry	(219) 836-4400	rlowry@ibankpeoples.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and ZIP code of contact	
9204 Columbia Avenue		Munster, Indiana 46321	
8 Date of action	9 Classification and description		
July 26, 2018	SEE ATTACHMENT		
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
667516108		NWIN	

### 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 ► SEE ATTACHMENT

- 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 ► SEE ATTACHMENT

- 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 ► SEE ATTACHMENT

**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 SECTIONS 302, 318, 354, 356, 358, 361, 368, 1001, 1032, and 1223**

**18** Can any resulting loss be recognized? ► **No loss can be recognized in connection with the exchange of First Personal common stock for shares of NorthWest Indiana Bancorp common stock and cash, but if a taxable loss is calculated on the deemed sale of a fractional share of NorthWest Indiana Bancorp common stock deemed to have been received in the exchange, this loss can be recognized.**

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

**The transaction was consummated on July 26, 2018. Consequently, the reportable tax year for reporting the tax effects of the share exchange is the tax year that includes July 26, 2018. This is the 2018 tax year for those shareholders who report taxable income on the basis of a calendar year.**

**Shareholders should consult their own tax advisors as to the specific tax consequences to them resulting from the merger, including tax return reporting requirements. This information is not tax advice and is not intended or written to be used, and cannot be used, by any shareholder of First Personal, any shareholder of NorthWest Indiana Bancorp, or any other person for the purpose of avoiding penalties that may be imposed by the Internal Revenue Service.**

**Sign Here**

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

Signature ►

*Robert T. Lowry*

Date ►

*9/7/18*

Print your name ► **Robert T. Lowry**

Title ► **Chief Financial Officer**

**Paid Preparer Use Only**

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if self-employed PTIN

Firm's name ►

Firm's EIN ►

Firm's address ►

Phone no.

**NORTHWEST INDIANA BANCORP**

**35-1927981**

**ATTACHMENT TO FORM 8937**

**REPORT OF ORGANIZATIONAL ACTIONS  
AFFECTING BASIS OF SECURITIES**

**FORM 8937: PART I, BOX 9:**

NorthWest Indiana Bancorp ("NWIN") common stock issued in exchange for First Personal Financial Corp. ("First Personal") common stock.

**FORM 8937: PART II, BOX 14:**

The reportable organizational action involves the merger of First Personal with and into NWIN on July 26, 2018.

**FORM 8937: PART II, BOX 15:**

Each First Personal shareholder that received shares of NWIN common stock and cash in the exchange is required to determine the tax basis of the shares of NWIN common stock so received by performing the following calculations separately for each identifiable block of First Personal common stock surrendered in the exchange for NWIN common stock having a common tax basis:

- Begin with the aggregate tax basis of the First Personal common stock surrendered in the exchange;
- Add the amount of recognized taxable gain, if any, (excluding any gain or loss resulting from the deemed receipt and sale of fractional shares described below);
- Subtract the total amount of cash received (excluding any cash received in lieu of fractional shares described below); and
- Subtract the tax basis in any fractional shares of NWIN common stock that was deemed to have been received in the exchange and immediately sold.

The resulting figure represents the aggregate tax basis of the shares of NWIN common stock received in the exchange for that identifiable block of First Personal common stock transferred. The tax basis of each individual share of NWIN common stock within this identifiable block is determined by dividing this aggregate tax basis by the number of shares of NWIN common stock that comprise this identifiable block.

**FORM 8937 PART II, BOX 16:**

Refer to the description of the basis calculation in Part II, Box 15 above. Pursuant to the terms of the Agreement and Plan of Merger dated February 20, 2018, each First Personal stockholder holding 100 or more shares of First Personal common stock is entitled to receive \$6.67 and 0.1246 shares of NWIN common stock for each share of First Personal common stock which was exchanged for NWIN common stock. Stockholders of First Personal holding fewer than 100 shares of First Personal common stock are entitled to receive only fixed consideration of \$12.12 per share in cash and are not entitled to receive any shares of NWIN common stock. The July 24, 2018 closing price of a single share of NWIN common stock as quoted on the OTC Pink Marketplace was \$42.85. To the extent the merger resulted in the issuance of a fractional share of NWIN common stock to a First Personal shareholder, a cash payment in the amount of such fraction multiplied by \$42.95 was paid in lieu of issuing a fractional share of NWIN common stock. The NWIN common stock price used to determine the fractional share consideration was the volume-weighted average per share closing price of a share of NWIN common stock as quoted on the OTC Pink Marketplace during the 15 consecutive trading days immediately preceding the second business day prior to the closing of the merger.