

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name Associated Capital Group, Inc.		2 Issuer's employer identification number (EIN) 47-3965991	
3 Name of contact for additional information Kenneth D. Masiello	4 Telephone No. of contact 914 921 7792	5 Email address of contact kmasiello@gabelli.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 191 Mason Street		7 City, town, or post office, state, and ZIP code of contact Greenwich, CT 06830	
8 Date of action August 5, 2020		9 Classification and description Spin-off distribution of Morgan Group Holding Co. shares	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol AC	13 Account number(s) SEC Commission File No. 001-37387

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 August 5, 2020 (the "Distribution Date") AC distributed to each of its stockholders 0.022356 shares of Morgan Group Holding Co. (MGHL) for every one (1) share of AC Class A and/or Class B stock held.

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 ▶ _____

While no assurance can be given, Associated Capital Group, Inc. expects that the spin-off should qualify for no recognition of a gain or loss under Section 355 of the Internal Revenue Code for U.S. federal income tax purposes.

18 Can any resulting loss be recognized? ▶ _____

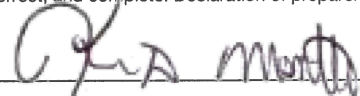
No loss may be recognized by an AC stockholder upon the receipt of MGHL stock in the Distribution.

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

The Distribution was effective on August 5, 2020. For an AC stockholder whose tax year is the calendar year, the reportable tax year is 2020.

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 ▶  Date ▶ September 15, 2020

Print your name ▶ Kenneth D. Masiello Title ▶ Chief Accounting Officer

Paid Preparer Use Only

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

ASSOCIATED CAPITAL
GROUP, INC.

EIN: 47-3965991

ATTACHMENT TO FORM 8937-PART II
REPORT OF ORGANIZATIONAL ACTIONS AFFECTING BASIS OF SECURITIES

CONSULT YOUR TAX ADVISOR

The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended (the "Code"), and includes a general summary regarding the application of certain U.S. federal income tax laws and regulations relating to the effects of the Distribution (as defined below) on the tax basis of Associated Capital Group, Inc. ("AC") stock and the allocation of tax basis between the stock of AC and Morgan Group Holding Co. ("MGHL") following the Distribution. The information contained herein does not constitute tax advice and does not purport to be complete or to describe the consequences that may apply to particular categories of stockholders. Neither AC nor MGHL provides tax advice to its stockholders. The example provided below is illustrative and is being provided pursuant to Section 6045B of the Code and as a convenience to stockholders and their tax advisers when establishing their specific tax position. You are urged to consult your own tax adviser regarding the particular consequences of the Distribution to you, including the applicability and effect of all U.S. federal, state and local tax laws and foreign tax laws. We urge you to read the Registration Statement filed with the Securities and Exchange Commission on July 15, 2020, noting especially the discussion on page 22 therein under the heading "Material U.S. Federal Income Tax Consequences of the Spin-Off". You may access the Registration Statement (Form S-1) for Morgan Group Holding Co. at www.sec.gov.

This notice does not apply to shares of AC class A and/or B stock sold, exchanged or otherwise disposed of prior to the Distribution.

Line 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.

As a result of the Distribution, AC stockholders will be required to allocate the aggregate tax basis in their AC shares held immediately prior to the Distribution among the MGHL shares received in the Distribution and their AC shares held immediately after the Distribution. U.S. federal income tax law does not specifically prescribe how to determine the fair market values of the AC stock and the MGHL stock for purposes of allocating the aggregate tax basis. You should consult your tax advisor to determine what measure of fair market value is appropriate.

One possible method for determining the fair market value is to use the Volume-Weighted Average Price (VWAP) of AC Class A stock and the MGHL stock on the day after the distribution and allocate the pre-distribution basis proportionally. The VWAP of AC class A stock of \$40.3301 is then divided by \$40.58 (the sum of \$40.3301 VWAP of AC class A stock plus the product of 0.022356 times by \$11.2905 VWAP for MGHL stock) to arrive at the AC tax basis allocation percentage of 99.38%. The remaining pre-distribution federal income tax basis in AC Class A stock is allocated to MGHL stock.

AC believes it is appropriate for an AC class A shareholder to allocate 99.38% of pre-distribution tax basis to AC class A stock and 0.62% to MGHL stock. Stockholders that

acquired AC class A and/or class B shares at different times or different prices will need to calculate their tax basis in each tax lot of AC class A and/or B shares and then allocate that tax basis between the shares of AC and the shares MGHL stock received.

Other approaches to determine fair market value may also be possible. You are not bound by the approach described above and illustrated below and may, in consultation with your tax advisor, use other approaches in determining fair market values for AC class A or B stock and MGHL.

Line 16. Describe the calculation of the change in basis and the data that supports the calculation, such as the market value of securities and the valuation date.

The following is an example of how the approach to basis allocation from Line 15 is applied:

AC Class A share example:

Shares of AC class A stock owned	1,000
AC class A common aggregate tax basis (assumed to be \$40 per share)	\$40,000
Shares of MGHL common stock received in the distribution	22

Tax Basis Allocation

	# Shares Owned	Assumed Beginning Basis (A)	Price	Percentage of FMV (B)	Allocated Tax Basis = (A) X (B)
AC class A common stock	1,000	\$ 40,000.00	\$40.3301 ¹	99.38% ³	\$ 39,752.00
MGHL class A common stock	22		\$ 11.2905 ²	0.62% ⁴	\$ 248.00
Total				100.00%	\$ 40,000.00

1 VWAP of AC class A stock on August 6, 2020

2 VWAP of MGHL stock on August 6, 2020

3 \$40.3301/\$40.58

4 (\$11.2905 x 0.022356)/\$40.58