

January 25, 2017

TO: Cede and Co.
FROM: KGen Power Liquidating Trust
RE: Important Tax Information for the Period 1/1/2016-9/30/2016

As a result of the liquidation of KGen Power Corporation on May 21, 2014, KGen Power Liquidating Trust was formed to hold the assets and liabilities previously held by KGen Power Corporation. KGen Power Liquidating Trust, a liquidating trust as described in Treasury Regulation 301.7701-4(d), is treated as a grantor trust for federal income tax purposes. Form 1041, U.S. Income Tax Return for Estates and Trusts, will be filed annually to report the income and expenses of KGen Power Liquidating Trust until the trust terminates. The following information will be reflected on the 2016 trust return along with a per unit amount for taxable income and deductible expenses.

The former shareholders of KGen Power Corporation received one beneficial unit in KGen Power Liquidating Trust for each share of KGen Power Corporation stock held on the date of liquidation.

KGen Power Liquidating Trust EIN: 46-7470856

**Trustees: W. Kevin Redmond
Thomas B. White
Daniel T. Hudson**

**Trustee address: 9337 Spring Cypress Rd, Suite 214
Spring, TX 77379**

The following table reflects the 2016 per unit amounts.

Income and Expenses	Amount per Unit
Taxable income	\$.088 per unit
Deductible expenses	None