

Report of Organizational Actions
 Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name Acacia Research Corporation		2 Issuer's employer identification number (EIN) 95-4405754	
3 Name of contact for additional information Clayton J. Haynes	4 Telephone No. of contact 949 480 8300	5 Email address of contact chaynes@acaciares.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 500 Newport Center Dr.		7 City, town, or post office, state, and Zip code of contact Newport Beach, CA 92660	
8 Date of action See Below		9 Classification and description Non Dividend Cash Distribution	
10 CUSIP number 3881307	11 Serial number(s) N/A	12 Ticker symbol NASDAQ: ACTG	13 Account number(s) N/A

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 ▶

\$0.125 per share non-dividend cash distribution to shareholders of record on May 1, 2014, payable on May 30, 2014

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 ▶

100% of the May 30, 2014 \$0.125 per share non-dividend cash distribution to shareholders is deemed to be a non-dividend Cash distribution.

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 ▶

Distributions that qualify as a return of capital are not dividends. A return of capital is a return of some or all of your investment in the stock of the company. A return of capital reduces the basis of your stock. Recipients of the non-dividend cash distribution referenced herein must adjust their cost basis. A distribution generally qualifies as a return of capital if the corporation making the distribution does not have any accumulated or current year earnings and profits. Once the basis of your stock has been reduced to zero, any further non-dividend distribution is capital gain.

100% of the distribution referenced herein is deemed to be non-dividend distributions, and hence, a return of capital.

You should consult your tax advisor regarding the tax effects of this action in light of your personal tax circumstances.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ _____

Section 316 covers dividends and 301(c) covers distributions in excess of earnings and profits / accumulated earnings and profits.

18 Can any resulting loss be recognized? ▶ _____

Not Applicable

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

The reportable tax year is December 31, 2014.

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 ▶ *Clayton A. Hagedorn* Date ▶ April 4, 2014

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.