

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
Peoples Federal Bancshares, Inc.		27-2814821	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
Mark Ruggiero	781-982-6281	mark.ruggiero@rocklandtrust.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	
288 Union Street		Rockland, MA 02370	
8 Date of action		9 Classification and description	
02/20/2015		Stock	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
711037101		PEOP	

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 ▶ Effective February 20, 2015, Peoples Federal Bancshares, Inc. ("Peoples"), a Maryland corporation, merged with and into Independent Bank Corp. ("Independent"), a Massachusetts corporation, with Independent as the surviving corporation (the "Merger").

Pursuant to the terms of the Agreement and Plan of Merger by and between Independent and Peoples dated as of August 5, 2014 ("Merger Agreement"), upon completion of the Merger, each share of Peoples common stock outstanding at the effective time of the Merger was converted into the right to receive either \$21.00 in cash or .5523 shares of Independent common stock, at the election of each Peoples stockholder, subject to proration due to limitations on the aggregate amount of cash to be paid by Independent in the Merger and depending on the election of other Peoples stockholders, as specified in the Merger Agreement. See line 16 below for additional details.

Upon closing the Merger, the shares of Peoples common stock, which had traded under the symbol "PEOP", ceased trading on, and were delisted from, the NASDAQ Stock Market LLC.

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 ▶ A Peoples shareholder that exchanged shares of Peoples common stock for shares of Independent common stock pursuant to the Merger must allocate the adjusted tax basis of its shares of Peoples common stock across the total (decreased) number of Independent common stock received in the Merger (including any fractional share of Independent common stock deemed received and redeemed). If a Peoples shareholder exchanged each of its shares of Peoples stock for a combination of shares of Independent common stock and cash, the tax basis of the shares of Independent common stock received will be reduced by the amount of cash received (other than cash received in lieu of fractional shares of Independent common stock) and increased by the amount of gain, if any, recognized by the shareholder (other than the gain resulting from the deemed receipt and redemption of a fractional share of Independent common stock). The actual tax basis will differ with respect to each former Peoples shareholder and, additionally, with regard to separate and distinct blocks of shares of Peoples common stock owned by any former Peoples shareholder. The holding period for the shares of Independent common stock received in the merger will generally include the holding period for the shares of Peoples common stock exchanged therefore.

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 item 15 above and 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 354, 356, 358, 1001, 1221

18 Can any resulting loss be recognized? ▶ The Merger is intended to qualify for U.S. federal income tax purposes as a "reorganization" within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended. Therefore, for U.S. federal income tax purposes, as a result of the Merger, a U.S. holder of shares of Peoples common stock generally will only recognize gain (but not loss) in an amount not to exceed the cash received as part of the merger consideration. In addition, a U.S. holder of Peoples common stock who receives the entirety of his or her consideration in the form of cash generally will recognize gain or loss equal to the difference between the amount of cash received and the basis in his or her Peoples common stock. Further, for cash received in lieu of fractional shares of Independent common stock, a U.S. holder generally will recognize gain or loss equal to the difference between the amount of cash received and the basis in his or her fractional share interest.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The Merger occurred on February 20, 2015. Therefore any gain or loss recognized with respect to the Merger should be reported by Peoples shareholder in the tax year which includes February 20, 2015 (e.g., calendar year shareholder would report the transaction on his or her federal income tax return filed for the 2015 calendar year).

For additional information please refer to the full text of the Merger Agreement, which is included as Annex A in the Pre-Effective Amendment No. 1 to Independent's S-4 Registration Statement filed with the Securities Exchange Commission on October 17, 2014. Also refer to the Form 8-K that was filed on February 23, 2015 for information related to the allocation.

Peoples shareholders are urged to consult their own tax advisors with respect to their individual tax consequences of the Merger. The information in this document does not constitute tax advice and is not intended or written to be used, and cannot be used, for the purposes of avoiding penalties under the Internal Revenue Code of 1986, as amended.

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 ▶ /s/ Mark Ruggiero Date ▶ 4/1/2015

Paid Preparer Use Only	Print your name ▶ <u>Mark Ruggiero</u>	Preparer's signature	Title ▶ <u>Controller, Chief Accounting Officer, SVP</u>	Check <input type="checkbox"/> if self-employed	PTIN
	Print/Type preparer's name		Date		
	Firm's name ▶			Firm's EIN ▶	
	Firm's address ▶			Phone no.	

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:

With respect to a share of Peoples common stock exchanged solely for cash, the cash payment per share was \$21.00. With respect to a share of Peoples common stock exchanged solely for shares of Independent common stock, a Peoples shareholder received 0.5523 shares of Independent common stock. Stock elections were oversubscribed and therefore subject to the pro-ration calculations specified in the Merger Agreement, so that in the aggregate 60% of the shares of Peoples common stock outstanding immediately prior to the Merger were converted into shares of Independent common stock and the remaining 40% of the shares of Peoples common stock outstanding immediately prior to the Merger were converted into the right to receive \$21.00 in cash, without interest. Due to the pro-ration required by the oversubscription of stock elections, Peoples shareholders who validly elected to receive solely stock received 0.5523 shares of Independent common stock for 82.118428% of their shares and \$21.00 in cash, without interest, for 17.881572% of their shares. Under the terms of the Merger Agreement, cash was issued in lieu of fractional shares. Each Peoples shareholder who would otherwise have been entitled to receive a fraction of a share of Independent common stock in the Merger received cash in an amount equal to the product obtained by multiplying (i) the fractional share interest to which such holder would otherwise be entitled to receive by (ii) \$39.92, which was the volume-weighted average trading price of a share of Independent common stock for the five consecutive trading days ending on the fifth trading day immediately preceding the closing date of the Merger.

To calculate the basis of the Independent shares received, divide the aggregate basis in the Peoples shares given up in the exchange by the exchange ratio of 0.5523.

For example, if a U.S. holder owned 10 shares of Peoples stock each with a basis of \$10, the basis in each share of Independent common stock received would be rounded to \$18.11 as evidenced in the table below. The table further illustrates the proration required by the oversubscription of stock elections for shareholders that validly elected to receive solely stock.

	Shares		Cash
Peoples shares held at acquisition date	10.0000		
Consideration allocation	82.118428%		17.881572%
Peoples shares cashed out			1.7882
Peoples shares converted to Independent shares	8.2118		
Conversion ratio	0.5523		
Independent shares held after cash out and after conversion	4.5354		
<i>Basis :</i>			
Original price per share of Peoples (assumption only)	\$ 10.00		
Conversion ratio	0.5523		
Adjusted per share basis in Independent stock	18.11		