

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name Chicken Soup for the Soul Entertainment, Inc.		2 Issuer's employer identification number (EIN) 81-2560811	
3 Name of contact for additional information Daniel Sanchez	4 Telephone No. of contact +1 (203) 861-4000	5 Email address of contact dsanchez@chickensoupforthesoul.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact P.O. Box 700		7 City, town, or post office, state, and ZIP code of contact Cos Cob, CT 06807-0700	
8 Date of action December 31, 2020		9 Classification and description Corporation - 9.75% Series A Cumulative Redeemable Perpetual Preferred Stock	
10 CUSIP number 16842Q209	11 Serial number(s) N/A	12 Ticker symbol CSSEP	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 ▶ **All of the distributions paid out for the 9.75% Series A Cumulative Redeemable Perpetual Preferred Stock during the fiscal year ended December 31, 2020 consists of return of capital. See the attached statement for details.**

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 ▶ **The amount shown as a return of capital in the attached statement represents a reduction of the shareholder tax basis on shares held.**

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 ▶ **At the close of the corporation's fiscal year ended December 31, 2020, the corporation's earnings and profits were calculated under IRC Section 312. Total earnings and profits were compared to the corporation's fiscal year distributions to shareholders. All distributions were determined to be in excess of the corporation's earnings and profits and were recharacterized as a return of capital that reduces each shareholder's tax basis in the applicable shares.**

Part II Organizational Action *(continued)*

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ Pursuant to IRC Section 301(c)(1), the portion of a distribution which is a dividend (as defined under Section 316) is includable in gross income. Pursuant to IRC Section 301(c)(2), the portion of the distribution which is not a dividend shall be applied against and reduce the adjusted basis of the stock.

18 Can any resulting loss be recognized? ▶ Not applicable to this transaction as no loss would be recognized on the return of capital distribution. The shareholder's cost basis should be adjusted to reflect the return of capital distribution which may affect the gain or loss realized upon the disposition of the shares.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ This organizational action is reportable with respect to tax year 2020. The information will also be provided on the shareholders' 2020 Form 1099-DIV, Box 1 and 3. Pursuant to IRC Section 6045, as amended by the Emergency Economic Stabilization Act of 2008, brokers are required to reflect these adjustments in the cost basis reporting for covered securities. If a broker is not required to provide cost basis to a particular shareholder, the cost basis of the shareholder's shares should be adjusted as of the dividend date to reflect the return of capital described above.

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 ▶ **A SIGNED COPY OF THIS FORM IS MAINTAINED AT THE OFFICES OF THE TAXPAYER.** Date ▶ _____
 Print your name ▶ _____ Title ▶ _____

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Stewart W. Robinson	Stewart Robinson	01/08/21		P00415925
	Firm's name ▶ Galleros Robinson CPAs	Firm's EIN ▶ 11-3415708		Phone no. 646-921-0400	
	Firm's address ▶ 488 Madison Ave FL 23, New York, NY 10022				

Chicken Soup for the Soul Entertainment, Inc.

CUSIP: 16842Q209

Ticker: CSSEP

PART II, QUESTION 14

THE CORPORATION DECLARED THE FOLLOWING DISTRIBUTIONS TO SHAREHOLDERS 9.75 CUMULATIVE REDEEMABLE PERPETUAL PREFERRED STOCK. 0% OF EACH DISTRIBUTION IS CONSIDERED A TAXABLE DISTRIBUTION FROM THE CORPORATION'S EARNINGS AND PROFITS AND 100% OF THE DISTRIBUTION IS FROM SOURCES OTHER THAN THE CORPORATION'S EARNINGS AND PROFITS, AND IS THEREFORE A RETURN OF CAPITAL TO THE SHAREHOLDER.

DETAIL OF DISTRIBUTIONS MADE IN 2020 IS DESCRIBED BELOW:

EX DATE	RECORD DATE	PAYABLE DATE	AMOUNT	% TAXABLE DIVIDEND	TAXABLE DIVIDEND AMOUNT	% RETURN OF CAPITAL	RETURN OF CAPITAL AMOUNT
12/30/2019	12/31/2019	01/15/2020	\$ 0.2031	0.00000%	\$ 0.0000	100.00000%	\$ 0.2031
01/29/2020	01/30/2020	02/15/2020	\$ 0.2031	0.00000%	\$ 0.0000	100.00000%	\$ 0.2031
02/28/2020	02/29/2020	03/15/2020	\$ 0.2031	0.00000%	\$ 0.0000	100.00000%	\$ 0.2031
03/30/2020	03/31/2020	04/15/2020	\$ 0.2031	0.00000%	\$ 0.0000	100.00000%	\$ 0.2031
04/29/2020	04/30/2020	05/15/2020	\$ 0.2031	0.00000%	\$ 0.0000	100.00000%	\$ 0.2031
05/30/2020	05/31/2020	06/15/2020	\$ 0.2031	0.00000%	\$ 0.0000	100.00000%	\$ 0.2031
06/29/2020	06/30/2020	07/15/2020	\$ 0.2031	0.00000%	\$ 0.0000	100.00000%	\$ 0.2031
07/30/2020	07/31/2020	08/15/2020	\$ 0.2031	0.00000%	\$ 0.0000	100.00000%	\$ 0.2031
08/30/2020	08/31/2020	09/15/2020	\$ 0.2031	0.00000%	\$ 0.0000	100.00000%	\$ 0.2031
09/29/2020	09/30/2020	10/15/2020	\$ 0.2031	0.00000%	\$ 0.0000	100.00000%	\$ 0.2031
10/30/2020	10/31/2020	11/15/2020	\$ 0.2031	0.00000%	\$ 0.0000	100.00000%	\$ 0.2031
11/29/2020	11/30/2020	12/15/2020	\$ 0.2031	0.00000%	\$ 0.0000	100.00000%	\$ 0.2031