

## **FREQUENTLY ASKED QUESTIONS – FORM 8937**

**WHAT ARE THE EXPECTED U.S. FEDERAL INCOME TAX CONSIDERATIONS TO A FORTRESS TRANSPORTATION AND INFRASTRUCTURE INVESTORS LLC (“FTAI”) COMMON SHAREHOLDER (“FTAI SHAREHOLDER”) OF THE SPIN-OFF?**

The distribution of FTAI Infrastructure Inc. (“FIP”) Common Stock from FTAI to FTAI Shareholders on August 1, 2022 (the “Spin Transaction”) should be treated as a distribution of property from a partnership to its partners for U.S. federal income tax purposes. Gain and loss are generally not recognized on such distributions pursuant to Internal Revenue Code of 1986, as amended (“IRC”), Section 731.

However, the tax considerations of the Spin Transaction (and the ownership of FIP Common Stock) for each FTAI Shareholder will be unique and depend on each such shareholder’s particular facts and circumstances. You should consult your tax advisor to determine the specific considerations of the Spin Transaction and the ownership and disposition of FTAI Common Shares and FIP Common Stock, including under any applicable state, local or non-U.S. laws.

**HOW DID THE SPIN TRANSACTION AFFECT MY TAX BASIS AND HOLDING PERIOD IN MY FTAI COMMON SHARES?**

Your tax basis in FTAI Common Shares held at the time of the Spin Transaction generally should be reduced (but not below zero) by FTAI’s U.S. federal income tax basis immediately prior to the distribution in the FIP Common Stock received by you pursuant to IRC Section 733. Your holding period for such FTAI Common Shares was not affected by the distribution.

**WHAT IS MY TAX BASIS IN THE FIP COMMON STOCK RECEIVED IN THE SPIN TRANSACTION?**

Pursuant to IRC Section 732, a holder’s U.S. federal income tax basis in any shares of FIP Common Stock received in the Spin Transaction should generally be equal to the lesser of (i) the holder’s share of FTAI’s basis in such stock on the date of distribution and (ii) the holder’s basis in its FTAI Common Shares immediately prior to the Spin Transaction. Details of FTAI’s basis in the FIP Common Stock distributed will be

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included on the Partnership's 2022 Schedule K-1 that will be issued to FTAI Shareholders with respect to such tax year.

Based on information available to us as of August 1, 2022, we estimate FTAI's tax basis in FIP Common Stock immediately before the Spin Transaction to be approximately \$14.20 per share. The actual basis of the FIP Common Stock distributed to you may differ materially from this estimate. In addition, certain holders, including those who purchased FTAI stock between December 2015 and December 2016 or between March 2020 and October 2020 may have a significantly lower basis in the FIP Common Stock. The actual basis in the FIP Common Stock will be included on your 2022 schedule K-1.

Please consult your tax advisor regarding the computation of your basis in FTAI Common Shares and FIP Common Stock.

#### WHAT TAX DOCUMENTS WILL I RECEIVE FROM THE COMPANY AFTER THE CLOSE OF THE TRANSACTION? WHEN SHOULD I EXPECT TO RECEIVE A K-1?

FTAI Shareholders should receive a Schedule K-1 and supporting materials (expected in March 2023) from FTAI.

#### WHAT ARE THE EXPECTED U.S. FEDERAL INCOME TAX CONSIDERATIONS OF THE OWNERSHIP OF SHARES OF FIP COMMON STOCK?

FIP is classified as a corporation for U.S. federal income tax purposes. Therefore, FIP is subject to U.S. federal income tax on its taxable income. A distribution of cash by FIP to a stockholder who is a U.S. holder will generally be included in such U.S. holder's income as dividend income to the extent of FIP's current or accumulated "earnings and profits," as determined under U.S. federal income tax principles. Any portion of the cash distributed to holders of FIP Common Stock that exceeds FIP's current and accumulated earnings and profits will be treated as a return of capital reducing a holder's adjusted U.S. federal income tax basis in such holder's shares of FIP Common Stock (but not below zero) and, to the extent the distribution exceeds such stockholder's adjusted U.S. federal income tax basis, as capital gain from the sale or exchange of such shares of FIP Common Stock.

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FIP is expected to be treated as a “USRPHC” for U.S. federal income tax purposes based on the value of its U.S. real property interests, as defined in the IRC and applicable Treasury regulations. If FIP is treated as a USRPHC and a non-U.S. person has held (actually or constructively) more than 5% of FIP Common Stock at any time within the shorter of the five-year period ending on the date of a sale, exchange, or other taxable disposition of our shares or the period that such non-U.S. person held FIP Common Stock, such non-U.S. person may be subject to U.S. tax on such disposition of such shares (and may have a U.S. tax return filing obligation). If a non-U.S. person is subject to U.S. tax as described above, gain recognized on the disposition of FIP Common Stock generally will be subject to U.S. federal income tax on a net income basis in the same manner as if the non-U.S. person were a U.S. person. In addition, if FIP is a USRPHC and FIP Common Stock ceases to be treated as “regularly traded on an established securities market,” a non-U.S. person would generally be subject to tax in the manner described in the preceding sentence regardless of what percentage of FIP Common Stock it owned, and the transferee in any disposition would generally be required to withhold 15% of the amount realized on the disposition.

#### WHERE CAN I FIND MORE INFORMATION?

Please refer to FTAI and FIP’s public filings, as applicable, available on the SEC’s website for more information regarding the effects of the Spin Transaction and the ownership and disposition of FTAI Common Shares and FIP Common Stock.

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