



SAMPLE PARTNER 1000 UNITS  
333 SOUTH GRAND AVE  
28TH FLOOR  
LOS ANGELES, CA 90071

**To Oaktree Capital Group, LLC Unitholders:**

Enclosed is your 2017 Tax Package, which contains your Schedule K-1 and certain information relating to your ownership of Oaktree Capital Group, LLC (NYSE: OAK) units. As a unitholder, you are required to report this activity on your federal and state income tax returns.

In the Tax Package, we are providing the following documents to you:

1. Schedule K-1 (Form 1065)
2. 2017 Supplemental Information (contains details about the amounts reported on Schedule K-1)
3. 2017 Ownership Schedule
4. 2017 Sales Schedule (if applicable)
5. 2017 Schedule K-1 Tax Information, including Frequently Asked Questions and Answers
6. Partner's Instructions for Schedule K-1 (Form 1065)

Please carefully review the information on your 2017 Ownership Schedule. This schedule contains the history of units you bought or sold by date and number of units as reported by your broker or our transfer agent through December 31, 2017. We rely on purchase and sale information obtained from the brokers and transfer agent to prepare the tax information reported to you. If the information provided by the brokers and transfer agent is incorrect, then the information reported to you, as well as the information reported to the Internal Revenue Service, will also be incorrect. If the information is inaccurate, please contact Tax Package Support as indicated below to correct such information, and we will issue you a corrected package.

**This package is intended to be a general guide to reporting your share of our taxable income and any gain or loss from the sale of our units based on our understanding of existing tax laws and regulations. It is not intended to provide tax advice. Therefore, before you prepare and file your income tax return, you are urged to consult your tax advisor.**

If you have any questions concerning your Schedule K-1 or this package, please contact Tax Package Support at (866)-709-8178 during the hours of 8:00 a.m. to 5:00 p.m., Monday thru Friday, Central Time, or visit our website at [www.taxpackagesupport.com/oaktree](http://www.taxpackagesupport.com/oaktree).

Oaktree Capital Group, LLC

Schedule K-1  
(Form 1065)

Department of the Treasury  
Internal Revenue Service

2017

For calendar year 2017, or tax year

beginning / / 2017 ending / /

Partner's Share of Income, Deductions,  
Credits, etc.

See back of form and separate instructions.

Part I Information About the Partnership

- A Partnership's employer identification number  
26-0174894
- B Partnership's name, address, city, state, and ZIP code  
OAKTREE CAPITAL GROUP, LLC  
333 SOUTH GRAND AVE  
28TH FLOOR  
LOS ANGELES, CA 90071
- C IRS Center where partnership filed return  
e-file
- D ☒ Check if this is a publicly traded partnership (PTP)

Part II Information About the Partner

- E Partner's identifying number  
...-6789
- F Partner's name, address, city, state, and ZIP code  
SAMPLE PARTNER 1000 UNITS  
333 SOUTH GRAND AVE  
28TH FLOOR  
LOS ANGELES, CA 90071
- G ☐ General partner or LLC member-manager ☒ Limited partner or other LLC member
- H ☒ Domestic partner ☐ Foreign partner
- I1 What type of entity is this partner? Individual
- I2 If this partner is a retirement plan (IRA/SEP/Keogh/etc.), check here ☐
- J Partner's share of profit, loss, and capital (see instructions):
- |         | Beginning  | Ending     |
|---------|------------|------------|
| Profit  | 0.001631 % | 0.001580 % |
| Loss    | 0.001631 % | 0.001580 % |
| Capital | 0.001631 % | 0.001580 % |
- K Partner's share of liabilities at year end:
- |                                 |    |  |
|---------------------------------|----|--|
| Nonrecourse                     | \$ |  |
| Qualified nonrecourse financing | \$ |  |
| Recourse                        | \$ |  |
- L Partner's capital account analysis:
- |                                     |    |         |
|-------------------------------------|----|---------|
| Beginning capital account           | \$ | 37,587  |
| Capital contributed during the year | \$ | 0       |
| Current year increase (decrease)    | \$ | 3,512   |
| Withdrawals & distributions         | \$ | (3,210) |
| Ending capital account              | \$ | 37,889  |
- ☒ Tax basis ☐ GAAP ☐ Section 704(b) book  
☐ Other (explain)
- M Did the partner contribute property with a built-in gain or loss?  
☐ Yes ☒ No  
If "Yes," attach statement (see instructions)

☐ Final K-1

☐ Amended K-1

651117  
OMB No. 1545-0123

Part III Partner's Share of Current Year Income,  
Deductions, Credits, and Other Items

1	Ordinary business income (loss)	15	Credits
2	Net rental real estate income (loss)		
3	Other net rental income (loss)	16	Foreign transactions
4	Guaranteed payments	A	VARIOUS
5	Interest income	B	3,606
659		C	2,346
6a	Ordinary dividends	D*	407
624			
6b	Qualified dividends	G	41
332			
7	Royalties	I	38
8	Net short-term capital gain (loss)	*	STMT
147			
9a	Net long-term capital gain (loss)	17	Alternative minimum tax (AMT) items
2,255			
9b	Collectibles (28%) gain (loss)		
9c	Unrecaptured section 1250 gain		
10	Net section 1231 gain (loss)	18	Tax-exempt income and nondeductible expenses
11	Other income (loss)	A	6
A	-23	C	0
C	-55		
12	Section 179 deduction	19	Distributions
		A	3,210
13	Other deductions		
H	41	20	Other information
K	56	A	1,260
		B	56
14	Self-employment earnings (loss)	*	STMT

\*See attached statement for additional information.

For IRS Use Only

**This list identifies the codes used on Schedule K-1 for all partners and provides summarized reporting information for partners who file Form 1040. For detailed reporting and filing information, see the separate Partner's Instructions for Schedule K-1 and the instructions for your income tax return.**

**1. Ordinary business income (loss).** Determine whether the income (loss) is passive or nonpassive and enter on your return as follows.

	<i>Report on</i>
Passive loss	See the Partner's Instructions
Passive income	Schedule E, line 28, column (g)
Nonpassive loss	See the Partner's Instructions
Nonpassive income	Schedule E, line 28, column (j)

**2. Net rental real estate income (loss)**

**3. Other net rental income (loss)**

Net income	Schedule E, line 28, column (g)
Net loss	See the Partner's Instructions

**4. Guaranteed payments**

**5. Interest income**

**6a. Ordinary dividends**

**6b. Qualified dividends**

**7. Royalties**

**8. Net short-term capital gain (loss)**

**9a. Net long-term capital gain (loss)**

**9b. Collectibles (28%) gain (loss)**

See the Partner's Instructions
Schedule E, line 28, column (g)
See the Partner's Instructions
Schedule E, line 28, column (j)
Form 1040, line 8a
Form 1040, line 9a
Form 1040, line 9b
Schedule E, line 4
Schedule D, line 5
Schedule D, line 12
28% Rate Gain Worksheet, line 4
(Schedule D instructions)
See the Partner's Instructions
See the Partner's Instructions

**9c. Unrecaptured section 1250 gain**

**10. Net section 1231 gain (loss)**

**11. Other income (loss)**

	<i>Code</i>	
A Other portfolio income (loss)		See the Partner's Instructions
B Involuntary conversions		See the Partner's Instructions
C Sec. 1256 contracts & straddles		Form 6781, line 1
D Mining exploration costs recapture		See Pub. 535
E Cancellation of debt		Form 1040, line 21 or Form 982
F Other income (loss)		See the Partner's Instructions

**12. Section 179 deduction**

**13. Other deductions**

A Cash contributions (50%)	See the Partner's Instructions	
B Cash contributions (30%)		
C Noncash contributions (50%)		
D Noncash contributions (30%)		
E Capital gain property to a 50% organization (30%)		
F Capital gain property (20%)		
G Contributions (100%)		
H Investment interest expense		Form 4952, line 1
I Deductions—royalty income		Schedule E, line 19
J Section 59(e)(2) expenditures		See the Partner's Instructions
K Deductions—portfolio (2% floor)		Schedule A, line 23
L Deductions—portfolio (other)		Schedule A, line 28
M Amounts paid for medical insurance		Schedule A, line 1 or Form 1040, line 29
N Educational assistance benefits		See the Partner's Instructions
O Dependent care benefits		Form 2441, line 12
P Preproductive period expenses		See the Partner's Instructions
Q Commercial revitalization deduction from rental real estate activities		See Form 8582 instructions
R Pensions and IRAs		See the Partner's Instructions
S Reforestation expense deduction		See the Partner's Instructions
T Domestic production activities information		See Form 8903 instructions
U Qualified production activities income		Form 8903, line 7b
V Employer's Form W-2 wages		Form 8903, line 17
W Other deductions		See the Partner's Instructions

**14. Self-employment earnings (loss)**

**Note:** If you have a section 179 deduction or any partner-level deductions, see the Partner's Instructions before completing Schedule SE.

A Net earnings (loss) from self-employment	Schedule SE, Section A or B
B Gross farming or fishing income	See the Partner's Instructions
C Gross non-farm income	See the Partner's Instructions

**15. Credits**

A Low-income housing credit (section 42(j)(5)) from pre-2008 buildings	See the Partner's Instructions	
B Low-income housing credit (other) from pre-2008 buildings		
C Low-income housing credit (section 42(j)(5)) from post-2007 buildings		
D Low-income housing credit (other) from post-2007 buildings		
E Qualified rehabilitation expenditures (rental real estate)		
F Other rental real estate credits		
G Other rental credits		
H Undistributed capital gains credit		Form 1040, line 73; check box a
I Biofuel producer credit		
J Work opportunity credit	See the Partner's Instructions	
K Disabled access credit		

Code		Report on
L	Empowerment zone employment credit	See the Partner's Instructions
M	Credit for increasing research activities	
N	Credit for employer social security and Medicare taxes	
O	Backup withholding	
P	Other credits	
<b>Foreign transactions</b>		
A	Name of country or U.S. possession	Form 1116, Part I
B	Gross income from all sources	
C	Gross income sourced at partner level	
<i>Foreign gross income sourced at partnership level</i>		
D	Passive category	Form 1116, Part I
E	General category	
F	Other	
<i>Deductions allocated and apportioned at partner level</i>		
G	Interest expense	Form 1116, Part I
H	Other	Form 1116, Part I
<i>Deductions allocated and apportioned at partnership level to foreign source income</i>		
I	Passive category	Form 1116, Part I
J	General category	
K	Other	
<i>Other information</i>		
L	Total foreign taxes paid	Form 1116, Part II
M	Total foreign taxes accrued	Form 1116, Part II
N	Reduction in taxes available for credit	Form 1116, line 12
O	Foreign trading gross receipts	Form 8873
P	Extraterritorial income exclusion	Form 8873
Q	Other foreign transactions	See the Partner's Instructions
<b>Alternative minimum tax (AMT) items</b>		
A	Post-1986 depreciation adjustment	See the Partner's Instructions and the Instructions for Form 6251
B	Adjusted gain or loss	
C	Depletion (other than oil & gas)	
D	Oil, gas, & geothermal—gross income	
E	Oil, gas, & geothermal—deductions	
F	Other AMT items	
<b>Tax-exempt income and nondeductible expenses</b>		
A	Tax-exempt interest income	Form 1040, line 8b
B	Other tax-exempt income	See the Partner's Instructions
C	Nondeductible expenses	See the Partner's Instructions
<b>Distributions</b>		
A	Cash and marketable securities	See the Partner's Instructions
B	Distribution subject to section 737	
C	Other property	
<b>Other information</b>		
A	Investment income	Form 4952, line 4a
B	Investment expenses	Form 4952, line 5
C	Fuel tax credit information	Form 4136
D	Qualified rehabilitation expenditures (other than rental real estate)	See the Partner's Instructions
E	Basis of energy property	See the Partner's Instructions
F	Recapture of low-income housing credit (section 42(j)(5))	Form 8611, line 8
G	Recapture of low-income housing credit (other)	Form 8611, line 8
H	Recapture of investment credit	See Form 4255
I	Recapture of other credits	See the Partner's Instructions
J	Look-back interest—completed long-term contracts	See Form 8697
K	Look-back interest—income forecast method	See Form 8866
L	Dispositions of property with section 179 deductions	See the Partner's Instructions
M	Recapture of section 179 deduction	
N	Interest expense for corporate partners	
O	Section 453(l)(3) information	
P	Section 453A(c) information	
Q	Section 1260(b) information	
R	Interest allocable to production expenditures	
S	CCF nonqualified withdrawals	
T	Depletion information—oil and gas	
U	Reserved	
V	Unrelated business taxable income	
W	Precontribution gain (loss)	
X	Section 108(i) information	
Y	Net investment income	
Z	Other information	

**2017 SCHEDULE K-1  
Supplemental Information  
Page 1****Line 5 - Interest income**

The interest income amount on Line 5 of the Schedule K-1 that represents interest from U.S. sources: 596

**Line 6 - Dividend income**

The dividend income amount on Line 6 of the Schedule K-1 that represents dividends from U.S. sources: 280

**Line 16 - Foreign transactions**

16D1 - Foreign gross income sourced at partnership level - Passive category - Interest: 63

16D2 - Foreign gross income sourced at partnership level - Passive category - Dividends: 344

16L - Total foreign taxes paid: 4

The income reported on your Schedule K-1 for this year is portfolio income and should be sourced to your state of residence.

**For Non U.S. Taxpayers - Line 9a Net Long-Term Capital Gain**

A portion of the long-term capital gain reported on Line 9a of your Schedule K-1 is due to the sale of a United States real property holding corporation ("USRPHC"), as such term is defined in Internal Revenue Code ("IRC") Sec. 897(c)(2). As a result, this gain will be treated under IRC Sec. 897(a)(1) as income that is effectively connected with a U.S. trade or business and may be subject to withholding pursuant to IRC Sec. 1446:

153**For Non U.S. Taxpayers and Tax Exempt Taxpayers - Line 11A Other Portfolio Income/(Loss)**

The partnership received a payment from a U.S. corporation for the termination of rights under a tax receivable agreement. This payment is included in the amounts reported on Line 11A of your Schedule K-1. For Non U.S. taxpayers, the partnership believes this payment is not effectively connected income (ECI); however, the payment may be fixed, determinable, annual or periodic income (FDAP), which may be subject to withholding pursuant to IRC Sec. 1441. The partnership believes this payment is not eligible under the IRC Sec. 892 exemption, but does not believe the payment represents commercial activity income. This payment may be characterized as Unrelated Business Income ("UBI") under IRC Sec. 512. Please consult your tax advisor regarding the treatment of this income. Your allocable share of this payment included on Line 11A is

73**For Tax Exempt Taxpayers - Line 20V Unrelated Business Taxable Income**

The partnership owns an interest in partnerships that have debt-financed property within the meaning of IRC Sec. 514 (C)(1). Your share of UBI is as follows:

Line 9a Net Long-Term Capital Gain/(Loss): 6

Line 11A Other Portfolio Income/(Loss): 13

Total 19

**2017 SCHEDULE K-1  
Supplemental Information  
Page 2****For Corporate Taxpayers:**

The amount of Dividend Income reported on Box 6a that qualifies for the Dividends Received Deduction (DRD) under IRC Sec. 243 is: 258

**Foreign Information:**

The partnership owns interests in corporations that may be controlled foreign corporations (CFC) or passive foreign investment companies (PFIC). The partnership has made QEF elections with respect to each foreign corporation that is a PFIC, and has included any Subpart F income from any corporation that is a CFC. The total amount of ordinary income from PFIC and CFC interests that is included in Line 6a is: 242

**State Tax Information:**

The income reported on your Schedule K-1 for this year is portfolio income and should be sourced to your state of residence.

**Net Investment Income Reporting:**

Unless otherwise noted, the distributive share of all items included on your Schedule K-1 are components of net investment income as defined in Treas. Reg. 1.1411-4 and may be subject to the net investment income



During 2017, Oaktree Capital Group, LLC transferred cash/property to one or more non-U.S. entities treated as corporations for U.S. tax purposes. As a unitholder of Oaktree Capital Group, LLC, you are treated as having made indirect transfer(s) to these corporations proportionate to your ownership of Oaktree Capital Group, LLC.

In general, U.S. Persons must report those transfers by filing IRS Form 926 with their income tax return for the year in which such transfer(s) occur.<sup>1</sup> Transfers are generally reportable if, as a result of such transfer, the transferor acquires 10% or more of the transferee OR if such amounts equal or exceed \$100,000.

This determination must be made for each transferee corporation. Transfers to separate entities should not be aggregated. A separate Form 926 should therefore be filed for each corporation to which you made a transfer.

As noted in the Supplemental Disclosure for U.S. Persons above, pre-populated forms are available to view and download from the Tax Information area of Oaktree Capital Group, LLC's website at [www.taxpackagesupport.com/Oaktree](http://www.taxpackagesupport.com/Oaktree).

**If you are required to file one or more Form(s) 926, the information below should be used to prepare those sections of the forms not already populated on your behalf:**

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Transferor: Oaktree Capital Group, LLC

Transferee: OCM Luxembourg ECS S.A.R.L.

Part III (c): Cash: \$ 91

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Transferor: Oaktree Capital Group, LLC

Transferee: Oaktree Emerging Market Opportunities Fund Holdings LTD

Part III (c): Cash: \$ 49

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Transferor: Oaktree Capital Group, LLC

Transferee: MO Togra EquityCo S.A.R.L.

Part III (c): Cash: \$ 42

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<sup>1</sup>U.S. persons not otherwise required to file a U.S. income tax return must file Form 926 at the address shown on the form's instructions.



PARTNER NAME: SAMPLE PARTNER 1000 UNITS  
ACCOUNT NUMBER: 12479096  
FEDERAL ID/ENTITY: ●●●●-6789 Individual  
CUSTODIAN FEDERAL ID:  
PARTNERSHIP FEDERAL ID: 26-0174894

THIS SCHEDULE K-1 IS NOT PROOF OF OWNERSHIP

This schedule details your history of ownership of Oaktree Capital Group, LLC units during 2017. The enclosed tax package reflects your ownership in units registered with the partnership, and units held in a broker account if such information was provided by the broker on your behalf. If your records do not agree with the transactions shown, the enclosed tax information may be incomplete.

TRANSACTION		BROKER OR CERTIFICATE NUMBER	UNITS
DESCRIPTION	DATE		
AC BUY	12/31/2016	BROKER - MAN	1,000.00000
END OF YEAR UNITS			1,000.00000

SEE FAQs FOR ADDITIONAL INFORMATION