## (December 2017 Department of the Treasury

## **Report of Organizational Actions Affecting Basis of Securities**

▶ See separate instructions.

OMB No. 1545-0123

Internal Revenue Service Reporting Issuer Part I 2 Issuer's employer identification number (EIN) Issuer's name THE HERZFELD CARIBBEAN BASIN FUND, INC 65-0396889 3 Name of contact for additional information Telephone No. of contact 5 Email address of contact **ALICE THAM** (305) 777-1660 ATHAM@HERZFELD.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 119 WASHINGTON AVENUE, SUITE 504 MIAMI, FL 33139 8 Date of action 9 Classification and description **VARIOUS** REGULATED INVESTMENT COMPANY ("RIC") SHARES 10 CUSIP number 11 Serial number(s) 12 Ticker symbol CUBA 42804T106 N/A Organizational Action Attach additional statements if needed. See back of form for additional questions. Part II Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ THE HERZFELD CARIBBEAN BASIN FUND, INC. (THE "FUND") IS A REGULATED INVESTMENT COMPANY ("RIC") THAT HAS A QUARTERLY DISTRIBUTION POLICY. THE AMOUNTS DISTRIBUTED BY THE FUND DURING 2021 ARE ESTIMATED TO BE FROM SOURCES OTHER THAN NET INVESTMENT INCOME. PLEASE REFER TO THE ATTACHMENT TO IRS FORM 8937 FOR A MORE DETAILED DESCRIPTION. THESE AMOUNTS ARE ESTIMATES AND THE FUND SHALL ISSUE A REVISED IRS FORM 8937 WHEN THE AMOUNTS ARE FINALIZED. 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 AMOUNTS REFLECTED AS A NON-TAXABLE RETURN OF CAPITAL DISTRIBUTION IN THE ATTACHMENT REPRESENT A REDUCTION TO THE SHAREHOLDER'S TAX BASIS ON THE SHARES HELD ON THE RECORD DATE. THESE AMOUNTS ARE ESTIMATES AND THE FUND SHALL ISSUE A REVISED IRS FORM 8937 WHEN THE AMOUNTS ARE FINALIZED. 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 ► THE BASIS OF EACH SHAREHOLDER OF RECORD ON THE DISTRIBUTIONDATES REFERENCED IN THE ATTACHED STATEMENT SHALL BE REDUCED BY THE AMOUNT OF THE DISTRIBUTION DETERMINED TO BE A NON-TAXABLE RETURN OF CAPITAL THESE AMOUNTS ARE ESTIMATES AND THE FUND SHALL ISSUE A REVISED IRS FORM 8937 WHEN THE AMOUNTS ARE FINALIZED.

Part I		<b>Organizational Action</b> (con	itinued)						
17 Lis	st the	applicable Internal Revenue Code	e section(s	) and subsection(s) up	on which the tax t	reatment	is based ▶	•	
IRC SEC	CTION	IS 301 AND 316.							
<b>18</b> Ca	an any	resulting loss be recognized? ►	A LOSS	WOULD NOT BE REC	OGNIZED AS PA	RT OF A	DISTRIB	UTION. THE BASIS	OF EACH
SHARE	HOLD	ER OF RECORD WOULD NEED	TO BE A	DJUSTED BY THE AN	OUNT OF THE N	ON-TAX	ABLE RET	TURN OF CAPITAL V	VHICH
WOULD	AFF	ECT REALIZED GAIN OR LOSS	ON THE D	DISPOSITION OF FUN	D SHARES.				
		any other information necessary t							
		CHMENT ARE REPORTABLE FO					EACH DIS	STRIBUTION. THESE	E AMOUNTS
ARE ES	TIMA	TES AND THE FUND WILL ISSU	E A FINA	L 8937 ONCE THE AN	OUNTS ARE FIN	ALIZED.			
		r penalties of perjury, I declare that I h							knowledge and
	belief	, it is true, correct, and complete. Declar	aration of p	reparer (other than officer	) is based on all info	mation of	which prepa	arer has any knowledge.	
Sign									
Here	Signa	uture ▶				Date ►			
	-								
	Print	your name ► Zachary P. Richmon	nd_			Title ►	Treasurer	<u>-                                      </u>	
Paid		Print/Type preparer's name		Preparer's signature		Date		Check if PTIN	
Prepa	rer							self-employed	
Use C		Firm's name ▶						Firm's EIN ▶	
OSE C	rilly	Firm's address ▶						Phone no.	
Send Fo	rm 89	37 (including accompanying state	ements) to	: Department of the Tre	easury, Internal Re	evenue Se	ervice, Ogo		

						NON TAXABLE		NON TAXABLE
				TOTAL	ORDINARY	DISTRIBUTION	LONG-TERM	RETURN OF
	RECORD			DISTRIBUTION	DISTRIBUTION	(RETURN OF	CAPITAL GAIN PER	CAPITAL
ISSUER'S NAME	DATE	EX-DATE	PAYABLE DATE	PER SHARE	PER SHARE	CAPITAL)	SHARE	PERCENTAGE
THE HERZFELD CARIBBEAN BASIN FUND, INC.	8/30/2021	8/27/2021	9/30/2021	\$ 0.264750000	\$0.00000000	\$0.264750000	\$0.000000000	100.0000%
	11/19/2021	11/18/2021	12/31/2021	\$ 0.264750000	\$0.00000000	\$0.264750000	\$0.000000000	100.0000%