

# Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

## Part I Reporting Issuer

|  |  |   |                      |
|--|--|---|----------------------|
| 1 Issuer's name<br><b>Ivy Managed European/Pacific Fund</b>  |  | 2 Issuer's employer identification number (EIN)<br><b>76-6225494</b>                                  |                      |
| 3 Name of contact for additional information<br><b>Waddell &amp; Reed Shareholder Support</b>                    | 4 Telephone No. of contact<br><b>(888) 923-3355</b>                              | 5 Email address of contact<br><b>response@waddell.com</b>   |                      |
| 6 Number and street (or P.O. box if mail is not delivered to street address) of contact<br><b>P.O. Box 29217</b> |  | 7 City, town, or post office, state, and Zip code of contact<br><b>Shawnee Mission, KS 66201-9217</b> |                      |
| 8 Date of action<br><b>03-14-14</b>  | 9 Classification and description<br><b>Regulated Investment Company - Merger</b> |   |                      |
| 10 CUSIP number<br><b>See Attached</b>   | 11 Serial number(s)  | 12 Ticker symbol<br><b>See Attached</b>   | 13 Account number(s) |

## 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 ▶ **On March 14, 2014, Ivy Managed European/Pacific Fund merged into the Ivy Managed International Opportunities Fund in a tax-free merger. As a result of the reorganization, the shareholders of all classes of the Ivy Managed European/Pacific Fund exchanged their shares to the Ivy Managed International Opportunities Fund equal in value to the aggregate net asset value of the shares surrendered.**

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 ▶ **Each share of The Ivy Managed European/Pacific Fund (merging fund) is being replaced with shares of the Ivy Managed International Opportunities Fund (acquiring fund), at a ratio noted in the attachment for each share class. The basis of the shares received is the same as the aggregate of the shares exchanged. However, the cost basis per share of the Ivy Managed European/Pacific Fund has changed based upon the number of shares exchanged to the Ivy Managed International Opportunities Fund.**

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 ▶ **For each tax lot you held in the merging fund:**  
**1) Multiply the number of shares held in the lot by the "Merger Ratio" in the attachment to calculate the number of shares that you now hold in the acquiring fund.**  
**2) Multiply the per share cost basis by the "Basis Ratio" in the attachment to calculate the per share basis of the shares that you now hold in the acquiring fund.**



Organizational Action: Fund Merger  
 Date of Action: 03/14/2014  
 Tax Year Ending 2014

| <u>Issuer's Name and EIN</u>              | <u>Class</u> | <u>CUSIP</u> | <u>Ticker Symbol</u> | <u>NAV</u> | <u>Acquiring Fund</u>                   | <u>Class</u> | <u>CUSIP</u> | <u>Ticker Symbol</u> | <u>NAV</u> | <u>Merger Ratio</u> | <u>Basis Ratio</u> |
|---|--------------|--------------|----------------------|------------|---|--------------|--------------|----------------------|------------|---------------------|--------------------|
| IVY Managed European Pacific (76-6225494) | A            | 465898286    | IVMAX                | \$8.655    | IVY Managed International Opportunities | A            | 465898229    | IVTAX                | \$9.972    | 0.8679302           | 1.1521664          |
| IVY Managed European Pacific (76-6225494) | B            | 465898278    | IVMBX                | \$8.399    | IVY Managed International Opportunities | B            | 465898211    | IVTBX                | \$9.820    | 0.8552953           | 1.1691868          |
| IVY Managed European Pacific (76-6225494) | C            | 465898260    | IVMCX                | \$8.448    | IVY Managed International Opportunities | C            | 465898195    | IVTCX                | \$9.843    | 0.8582749           | 1.1651278          |