

Part II Organizational Action *(continued)*

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ SEE ATTACHMENT

18 Can any resulting loss be recognized? ▶ SEE ATTACHMENT

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ _____

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 ▶ Reed E Steiner Date ▶ 6/13/2019

Print your name ▶ Reed E Steiner Title ▶ CFO

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.

Sorenson Holdings, LLC
Sorenson Communications, LLC
FEIN: 26-1770427

Attachment to Form 8937

Report of Organizational Actions Affecting Basis of Securities

Disclaimer: The information contained in Form 8937 and this attachment does not constitute tax advice and does not purport to take into account any note holder's specific circumstances. Note holders are urged to consult their own tax advisors regarding the U.S. tax consequences of the transaction described herein and the impact to tax basis resulting from the transaction.

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Sorenson Communications, LLC
FEIN: 26-1770427

Attachment to Form 8937

Report of Organizational Actions Affecting Basis of Securities

Form 8937, Part II, Line 14

On April 30, 2014, Sorenson Holdings, LLC (“Holdings”)¹ and Sorenson Finance Corp. (together with Holdings, the “Issuers”) issued the 13.00% Senior Unsecured PIK Toggle Notes due 2021 (the “Existing Notes”) for an aggregate principal of approximately \$300 million. The Existing Notes bore interest at a rate of 13.00% per annum, payable in either cash or as capitalized interest (*i.e.*, PIK Interest). The Existing Notes were to mature on October 31, 2021. On July 8, 2016 the issuers completed a modification to the Existing Notes whereby, among other things, the interest rate on the Existing Notes increased from 13.00% to 13.85%.

On March 27, 2019, Sorenson Communications, LLC (the “Borrower”)² and the Issuers made an exchange offer (the “Exchange Offer”) to holders of the Existing Notes. As of that date, a total of \$98,862,326 of the original principal amount of \$300 million remained outstanding as a result of several repurchases that took place during 2016 and 2017. Prior to March 27, 2019, there was no PIK Interest outstanding, as all prior interest payments had been made in cash.

The Exchange Offer provided holders of the Existing Notes (“Existing Noteholders”) the opportunity to exchange their respective Existing Notes for cash and/or term loans under the Borrower’s new second lien term loan credit facility (the “New Second Lien Term Loans”) issued on April 29, 2019 (the “Closing Date”). The New Second Lien Term Loans issued by the Borrower bear interest at a rate of LIBOR plus an applicable margin of 11.50% per annum (or a base rate plus 10.50%) and have a maturity date of April 29, 2025.

Existing Noteholders holding an aggregate principal amount of \$98,120,048 participated in the Exchange Offer. The Exchange Offer closed on April 29, 2025.

Unless otherwise noted, capitalized terms herein have the same meaning as used in the Exchange Offer.

Exchange Consideration

Pursuant to the Exchange Offer, Existing Noteholders were entitled to receive, for each \$1,000 principal amount of Existing Notes surrendered, \$1,000 of Cash Consideration, \$1,000 principal amount of New Second Lien Term Loans or a combination thereof. The total amount of Cash Consideration available to the participants in the Exchange Offer was \$25 million. Because the pool of Cash Consideration was oversubscribed, the Cash Consideration was pro-rated among participants that elected to receive Cash

¹ Holdings is classified as a C corporation for U.S. federal income tax purposes.

² The Borrower is wholly owned by Holdings and is classified as a disregarded entity for U.S. federal income tax purposes.

Consideration. Therefore, participants received for each \$1,000 principal amount of Existing Notes surrendered either—

- \$1,000 principal amount of New Second Lien Term Loans, or
- A combination of Cash Consideration and principal amount of New Second Lien Term Loans totaling \$1,000.

For participants that received a combination of Cash Consideration and New Second Lien Term Loans, the aggregate Cash Consideration represented 57.21 percent of the total consideration (\$572.10 per \$1,000 principal amount surrendered), and the New Second Lien Term Loans represented 42.79 percent of the total consideration (\$427.90 principal amount per \$1,000 principal amount surrendered).

In addition, all participants received a cash payment equal to interest that had accrued since the last interest payment date.

Form 8937, Part II, Line 15

Effect on Basis to U.S. Holders

The following summary of certain U.S. federal income tax consequences is for informational purposes only and is not a substitute for careful tax planning and advice based upon your individual circumstances. The discussion below is limited to U.S. Holders, as that term is defined in the Exchange Offer. All Existing Noteholders are urged to consult their tax advisor for the U.S. federal, state, local and other tax consequences applicable under the Exchange Offer. The discussion below assumes that the Existing Noteholders acquired their notes prior to the last interest payment date.

Effect on Basis to U.S. Holders if the Exchange Is a Recapitalization

The exchange of a debt instrument that constitutes a “security” for U.S. federal income tax purposes, for consideration received in the Exchange Offer should be treated as part of a “recapitalization” within the meaning of Section 368(a)(1)(E) of the Internal Revenue Code if some or all of the consideration issued in the Exchange Offer also constitutes a “security” for U.S. federal income tax purposes. A U.S. Holder that received a New Second Lien Term Loan in exchange for an Existing Note as part of a recapitalization generally would not recognize gain or loss unless the holder also received Cash Consideration in the Exchange Offer, in which case the holder generally would recognize gain (but not loss) on the exchange, but only up to the amount of the Cash Consideration received (subject to the discussion below regarding cash received for accrued, unpaid interest).

A U.S. Holder’s tax basis in securities received in the Exchange Offer in exchange for Existing Notes (apart from any portion thereof allocable to accrued, unpaid interest) in the case where the exchange is a recapitalization under section 368(a)(1)(E) generally will equal such holder’s adjusted tax basis in the securities surrendered, less the amount of Cash Consideration received, plus the amount of gain recognized by the holder, and a holder’s holding period in such securities received (apart from any portion thereof allocable to accrued, unpaid interest) generally will include the holder’s holding period in the securities surrendered (except to the extent of any consideration received in respect of accrued, unpaid interest).

Alternatively, the receipt of a combination of Cash Consideration and New Second Lien Term Loans could be treated as partly a cash redemption and partly an exchange of an Existing Note. In such case, a U.S. Holder's aggregate tax basis in an Existing Note would be allocated between the Cash Consideration and the New Second Lien Term Loan received (excluding any basis allocable to accrued, unpaid interest). The exchange of an allocable portion of an Existing Note for Cash Consideration would be treated as a sale or exchange under section 1271. As discussed above, the exchange of an allocable portion of an Existing Note for an interest in the New Second Lien Term Loan would be treated as a recapitalization under section 368(a)(1)(E), assuming both the Existing Notes and the New Second Lien Term Loans are considered securities.

To the extent any portion of a U.S. Holder's share of the consideration is allocable to interest on its Existing Notes that accrued while such holder held the Existing Notes, such portion would be generally treated as a payment of interest.

Effect on Basis to U.S. Holders if the Exchange Is Not a Recapitalization

In the event that an exchange did not constitute a recapitalization pursuant to section 368(a)(1)(E), a U.S. Holder would generally recognize gain or loss in an amount equal to the difference, if any, between (i) the U.S. Holder's amount realized and (ii) the U.S. Holder's adjusted tax basis in its Existing Notes. A U.S. Holder's amount realized generally is equal to the amount of Cash Consideration plus the issue price of any New Second Lien Term Loans received by the U.S. Holder with respect to its Existing Notes (subject to the discussion below regarding accrued, unpaid interest).

A U.S. Holder's tax basis in any New Second Lien Term Loans received in a taxable exchange generally would equal the issue price of the New Second Lien Term Loans. A U.S. Holder's holding period in the New Second Lien Term Loans would begin on the day following the day of receipt.

To the extent any portion of the consideration is allocable to accrued but unpaid interest that accrued while such holder held the Existing Notes, such portion would be treated as a payment of interest.

Form 8937, Part II, Line 16

To the extent that the Existing Notes constitute securities for U.S. federal income tax purposes and the exchange for consideration in the Exchange Offer constituted a recapitalization pursuant to section 368(a)(1)(E), a U.S. Holder's aggregate tax basis in the consideration received in respect of its Existing Notes will generally equal such U.S. Holder's aggregate tax basis in its respective Existing Notes surrendered in the Exchange Offer (excluding any basis allocable to accrued, unpaid interest), increased by any gain recognized and decreased by any boot received (*e.g.*, any Cash Consideration).

To the extent the Existing Notes or New Second Lien Term Loans did not constitute securities, the tax basis of any New Second Lien Term Loans received by a U.S. Holder of such Existing Notes under the Exchange Offer would equal the issue price of the New Second Lien Term Loans.

Form 8937, Part II, Line 17

Internal Revenue Code Sections 354, 356, 358, 1001, 1012, and 1223.

Form 8937, Part II, Line 18

Existing Noteholders

The Exchange Offer generally should not result in a recognizable loss to U.S. Holders of Existing Notes to the extent that the exchange qualifies as a recapitalization pursuant to section 368(a)(1)(E). If the Existing Notes did not constitute tax securities or none of the consideration received by a U.S. Holder constituted a tax security, the Exchange Offer would result in a recognizable loss to a holder to the extent the tax basis in its Existing Notes exceeded the consideration received in exchange therefor (other than the basis attributable to accrued, unpaid interest). Holders of Existing Notes should consult their individual tax advisors to determine the tax consequences of the Exchange Offer to them.