



**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

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18 Can any resulting loss be recognized? ► SEE ATTACHMENT

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19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► SEE ATTACHMENT

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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 ►  Date ► 2/20/2023  
Print your name ► Matt Musso Title ► SVP, Tax Services

<b>Paid Preparer Use Only</b>	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.	

## **Envision Healthcare Corporation**

### **Attachment to Form 8937 (Report of Organizational Actions Affecting Basis of Securities)**

The information contained in Form 8937 and this attachment does not constitute tax advice and does not purport to take into account any Holder's specific circumstances (including Holders that may be subject to special tax rules or that held the relevant debt as other than a capital asset). Holders are urged to consult their own tax advisors regarding U.S. tax consequences of the transaction described herein and the impact to tax basis resulting from the transaction.

## Form 8937, Part I, Lines 9-13

Classification and Description (Line 9)	CUSIP Number (Line 10)	Serial Number (Line 11)	Ticker Symbol (Line 12)	Account Number (Line 13)
Envision Third Out Tranche	29373UAG6	N/A	N/A	N/A
New First Lien Term Loans (the “ <u>New First Lien Term Loans</u> ”)	03233AAF7	N/A	N/A	N/A

## Form 8937, Part II, Line 14

On January 23, 2023, certain subsidiaries of Envision Healthcare Corporation, a Delaware corporation (“Envision”) issued approximately \$56.3 million of new first lien term loans (the “New First Lien Term Loans”), and it is expected that the proceeds will be used to consummate negotiated open market repurchases of approximately \$166.7 million in principal amount of outstanding term loans issued by Envision (the “Existing Term Loans”) from participating term lenders (collectively, the “Transactions”). The parties that funded the New First Lien Term Loans are expected to be the same parties that hold the Existing Term Loans that will be repurchased using the proceeds of such funding (the “Holders”). The repurchases are anticipated to occur once trades in respect of the applicable Existing Term Loans are settled.

The anticipated U.S. federal income tax consequences of the Transactions are described below for the Holders. Further, Envision’s determinations pursuant to Treasury Regulations Section 1.1273-2(f)(9)(i) (the “Regulation”) regarding whether the New First Lien Term Loans are “traded on an established market” and their issue price is set forth below.

## Form 8937, Part II, Line 15

Because the proceeds of any issuance of New First Lien Term Loans will be used by Envision to repurchase Existing Term Loans from the same parties that funded such issuance, for U.S. federal income tax purposes, Envision expects to take the position that the issuance of New First Lien Term Loans will be treated as exchanged for the Existing Term Loans that are repurchased using the proceeds of such New First Lien Term Loans (*i.e.*, the cash funding will be ignored) in a significant modification within the meaning of Treasury Regulation section 1.1001-3.

The U.S. federal income tax treatment of the Holders will depend, in part, on whether the receipt of New First Lien Term Loans pursuant to the Transactions qualifies as an exchange of “stock or securities” pursuant to a tax-free reorganization or if, instead, the receipt of the New First Lien Term Loans pursuant to the Transactions is treated as a fully taxable disposition. Such determination will depend on, among other things, whether the New First Lien Term Loans and the Existing Term Loans subject to repurchase each constitute a “security” within the meaning of U.S. federal income tax law.

- a. Envision is taking the position that the New First Lien Term Loans do not qualify as a security for U.S. federal income tax purposes.
- b. Envision is taking the position that Envision’s using the proceeds from the New First Lien Term Loans to repurchase the Existing Term Loans would not qualify as a recapitalization under Section 368(a)(1)(E) of the Code and would instead be treated as a taxable disposition pursuant to Section 1001 of the Code.
- c. Accordingly, a Holder should receive an aggregate tax basis in the New First Lien Term Loans received equal to their issue price, and the holding period for the New First Lien Term Loans received should begin on January 23, 2023.

- d. Envision does not have any information on any Holder's tax basis or holding period in the Existing Term Loans held by it.

See below for additional information on the quantitative effect of the Transactions for the Holders.

### **Form 8937, Part II, Line 16**

The tax basis consequences described above will apply to the New First Lien Term Loans received.

In addition, the Regulation requires the issuer of a debt instrument to determine whether the debt instrument is "traded on an established market" within the meaning of the Regulation and, if so, the fair market value of the debt instrument. Envision has determined that the New First Lien Term Loans are issued for property (i.e., the Existing Term Loans) that is "traded on an established market" within the meaning of the Regulation and that the issue price of the New First Lien Term Loans is 26.25% (expressed as a percentage of the face amounts of the New First Lien Term Loans).

This information is provided for informational purposes only and does not constitute tax advice. Envision urges each Holder to obtain professional tax advice to determine the implications of this notification on the determination of the Holder's income tax liabilities. The information provided herein is provided solely for U.S. federal income tax purposes.

### **Form 8937, Part II, Line 17**

The tax treatment described above is based on the following Code sections and subsections:

Sections 1001, 1012, 1273, 1274, 1275, 368(a)(1)(E), 354(a), 358

### **Form 8937, Part II, Line 18**

If the receipt of New First Lien Term Loans under the Transactions qualifies as an exchange of stock or securities pursuant to a tax-free reorganization for U.S. federal income tax purposes, no loss can be recognized.

If the receipt of New First Lien Term Loans under the Transactions does not qualify as an exchange of stock or securities pursuant to a tax-free reorganization for U.S. federal income tax purposes, the receipt may result in a loss to a Holder in an amount generally equal to the excess (if any) of the Holder's adjusted tax basis in its Existing Term Loans over the issue price of the New First Lien Term Loans received in the Transactions.

### **Form 8937, Part II, Line 19**

The Transactions occurred on January 23, 2023. The information contained in Form 8937 and this attachment does not constitute tax advice. Holders should consult their tax advisor regarding the application of the Code to a particular circumstance. The reportable tax year is 2023 with respect to calendar year taxpayers.