

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

Blank lined area for listing applicable Internal Revenue Code sections and subsections.

18 Can any resulting loss be recognized? ▶ SEE ATTACHMENT

Blank lined area for providing information regarding loss recognition.

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

Blank lined area for providing other necessary information for the adjustment.

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 ▶ [Handwritten Signature] Date ▶ 9/26/2022

Print your name ▶ Matt Musso Title ▶ SVP, Tax Services

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.	

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 Fourth Out Tranche (the “ <u>Existing Term Loans</u> ”)	29373UAD3 or 29373UAC5	N/A	N/A	N/A
New First Lien Term Loans (the “ <u>New First Lien Term Loans</u> ”)	03233AAB6	N/A	N/A	N/A

Form 8937, Part II, Line 14

On August 15, 2022, certain subsidiaries of Envision Healthcare Corporation, a Delaware corporation (“Envision”) issued approximately \$3.0 million of new first lien term loans (the “New First Lien Term Loans”) and used the proceeds to consummate negotiated open market repurchases of approximately \$7.5 million in principal amount of outstanding term loans issued by Envision (the “Existing Term Loans”) from participating term lenders (the “Transaction”). The parties that funded the New First Lien Term Loans pursuant to the Transaction are the same parties that held the Existing Term Loans that were subject to repurchase (the “Holders”).

The anticipated U.S. federal income tax consequences of the Transaction are described below for the Holders.

Form 8937, Part II, Line 15

Because the proceeds of the New First Lien Term Loans were used by Envision to repurchase the Existing Term Loans from the same parties that funded the New First Lien Term Loans, for U.S. federal income tax purposes, Envision expects to take the position that the New First Lien Term Loans were exchanged for the Existing 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 repurchase payments pursuant to the Transaction qualifies as an exchange of “stock or securities” pursuant to a tax-free reorganization or if, instead, the receipt of the repurchase payments pursuant to the Transaction is treated as a fully taxable disposition. Such determination will depend on, among other things, whether the Existing Term Loans and New First Lien Term Loans each constitutes a “security” within the meaning of U.S. federal income tax law.

- a. Envision expects to take the position that the receipt by the Holders of the New First Lien Term Loans will qualify as a recapitalization under Section 368(a)(1)(E) of the Internal Revenue Code of 1986, as amended (the “Code”).
- b. Accordingly, a Holder should receive an aggregate tax basis in the New First Lien Term Loans held by it equal to its aggregate tax basis in its Existing Term Loans transferred, *plus* the portion of New First Lien Term Loans treated as received in satisfaction of accrued but unpaid interest (or OID) on the Existing Term Loans. The holding period for the New First Lien Term Loans should include the holding period for the Existing Term Loans transferred, except to the extent treated as received for accrued but unpaid interest.
- c. Envision does not have any information on any Holder’s tax basis or holding period in the Existing Term Loans held by it.

- d. Envision is taking the position that each of the Existing Term Loans and the New First Lien Term Loans qualifies as a security for U.S. federal income tax purposes.

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

Form 8937, Part II, Line 16

Because Envision expects to take the position that the Transaction constitutes a recapitalization under Section 368(a)(1)(E) of the Code, the tax basis consequences described above will apply to the New First Lien Term Loans received.

In addition, Envision has determined that the New First Lien Term Loans are expected to be fungible for U.S. federal income tax purposes with the original issuance of the New First Lien Term Loans on April 29, 2022. The issue price of the original issuance was 99.25% (expressed as a percentage of the face amount).

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 is based on the following Code sections and subsections:

Sections 1001, 1012, 1273, 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 Transaction 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 Transaction 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 Term Loan over the fair market value of its pro rata share of New First Lien Term Loans received under the Transaction.

Form 8937, Part II, Line 19

The Transaction occurred on August 15, 2022. 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 2022 with respect to calendar year taxpayers.