



**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 Attached](#)

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18 Can any resulting loss be recognized? ▶ [See Attached](#)

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19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ [See Attached](#)

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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 ▶ October 3, 2024  
Print your name ▶ James R. Lamb Title ▶ Assistant Treasurer

<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.			

**SIRVA Worldwide, Inc.**  
**EIN 20-0428715**  
**Attachment to Form 8937**

The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended (the “**Code**”), and includes a general summary regarding the application of certain U.S. federal income tax laws and regulations related to the effects of the Restructuring Transactions (as defined below) on certain securities. The information contained in Form 8937 and this attachment does not constitute tax advice and does not purport to take into account any shareholder’s or debt holder’s specific circumstances (including holders that may be subject to special tax rules or that held the relevant claims or equity interests as other than a capital asset). Shareholders and debt holders are urged to consult their own tax advisors regarding the U.S. federal income tax consequences of the Restructuring Transactions and the impact to tax basis resulting from such transactions. Any capitalized terms herein that are not otherwise defined shall have the meaning ascribed to such terms in the Restructuring Term Sheet and Restructuring Support Agreement (such documents, the “**Restructuring Agreements**”).

**Form 8937, Lines 9-10**

Term Loan B Facility (CUSIP 82968EAB3)

Secured Revolver Facility (CUSIP 82968EAC1)

Secured Notes (CUSIP 82968WAA5; CUSIP U8277WAA3)

Second Lien Term Loans (CUSIP 82968EAE7)

**Form 8937, Line 14**

SIRVA Worldwide, Inc. (“**Issuer**”) is a member of an affiliated group that files a consolidated U.S. federal income tax return. Issuer, along with certain affiliates, was, for U.S. federal income tax purposes, treated as an obligor on the Term Loan B Facility, Secured Revolver Facility, Secured Notes, and Second Lien Term Loans (*i.e.*, the debt instruments that are the subject of this IRS Form 8937).

On August 20, 2024 (the “**Effective Date**”), SIRVA-BGRS Holdings, Inc. (“**Holdings**”) and certain of its subsidiaries, including Issuer, consummated a series of restructuring transactions (the “**Restructuring Transactions**”) pursuant to the Restructuring Agreements as follows:

- (a) Holdings issued each of the New Class A Preferred, New Class B Preferred, New Class A Common, and New Class B Common (each as defined below) and contributed, and caused its applicable subsidiaries to contribute, all such newly issued shares to Issuer;

- (b) holders of First Lien Claims<sup>1</sup> exchanged such claims with Issuer for (i) newly issued Class A Preferred Stock of Holdings (“**New Class A Preferred**”), (ii), newly issued Class A Common Stock of Holdings (“**New Class A Common**”), and (iii) First Lien Take-Back Loans (“**Take-Back Debt**”) issued by Issuer;
- (c) holders of Second Lien Claims<sup>2</sup> exchanged such claims with Issuer for (i) newly issued Class B Preferred Stock of Holdings (“**New Class B Preferred**”), (ii), newly issued Class B Common Stock of Holdings (“**New Class B Common**”), and (iii) 9-month call options to purchase 100% of New Class A Preferred and New Class A Common (“**Options**”);
- (d) the Securitization Facility and Bridge Facility were amended;
- (e) the Relo Revolver Facility and Relo Shareholder Loans were cancelled; and
- (f) existing Holdings Equity Interests were repurchased from Consenting Stakeholders for zero dollars.<sup>3</sup>

On August 21, 2024, one day following the Effective Date: (1) Holdings (A) converted into a Delaware limited liability company, and (B) changed its name to ‘SIRVA Holdings, LLC’; and (2) the New Class A Preferred, New Class A Common, New Class B Preferred, and New Class B Common were, in each case, converted into Equity Interests in SIRVA Holdings, LLC reflecting the same rights as were previously embodied in the New Class A Preferred, New Class A Common, New Class B Preferred, and New Class B Common, respectively. SIRVA Holdings, LLC intends to file a Form 8832 electing to be treated as an association taxable as a corporation for U.S. federal income tax purposes, with an effective date as of August 21, 2024.

### **Form 8937, Lines 15 and 16**

#### Holders of First Lien Claims

The basis of the New Class A Preferred, New Class A Common, and Take-Back Debt received by holders of a First Lien Claim will depend, in part, on whether each of the First Lien Claim and the Take-Back Debt constitutes a “security” of the Issuer.

Neither the Code nor the regulations promulgated thereunder define the term “security.” Whether a debt instrument constitutes a “security” is determined based on all relevant facts and circumstances, but most authorities have held that the length of the term of a debt instrument at initial issuance is an important factor in determining whether such instrument is a security for U.S. federal income tax purposes. These authorities have indicated that a term of less than five years is evidence that the instrument is not a security, whereas a term of ten years or more is evidence that the instrument is a security. There are numerous other

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<sup>1</sup> This term includes claims with respect to the Term Loan B Facility, the Secured Revolver Facility, and the Secured Notes.

<sup>2</sup> This term includes claims with respect to the Second Lien Term Loans.

<sup>3</sup> The transactions described in clauses (d)-(f) are beyond the scope of this IRS Form 8937.

factors that could be taken into account in determining whether a debt instrument is a security, including the security for payment, the creditworthiness of the obligor, the subordination or lack thereof with respect to other creditors, the right to vote or otherwise participate in the management of the obligor, the convertibility of the instrument into an equity interest of the obligor, whether payments of interest are fixed, variable, or contingent, and whether such payments are made on a current basis or accrued. Due to the inherently factual nature of the determination, holders are urged to consult their tax advisors regarding the status of the First Lien Claim as “securities” for U.S. federal income tax purposes.

If the surrendered First Lien Claim and Take-Back Debt each qualifies as a “security” of Issuer, then a holder of such claim is expected to be treated as receiving its New Class A Preferred, New Class A Common, and Take-Back Debt in a “recapitalization” under Section 368(a)(1)(E) of the U.S. Internal Revenue Code of 1986, as amended (the “Code”), for U.S. federal income tax purposes. Subject to the rules regarding accrued but untaxed interest, a holder of such claims is expected to recognize gain, but not loss, with the amount of recognized gain equal to the lesser of (a) the fair market value of its New Class A Preferred and New Class A Common<sup>4</sup> and (b) the difference between (i) the fair market value of the New Class A Preferred and New Class A Common and the issue price of the Take-Back Debt and (ii) such holder’s adjusted basis, if any, in its First Lien Claim. The holder is expected to generally obtain a tax basis, apart from amounts allocable to accrued but untaxed interest, in the New Class A Preferred, New Class A Common, and Take-Back Debt equal to (a) the tax basis of the First Lien Claim surrendered by such holder, increased by (b) gain recognized (if any) by such holder, decreased by (c) the fair market value of the New Class A Preferred and New Class A Common and the issue price of the Take-Back Debt, allocated between the New Class A Preferred, New Class A Common, and Take-Back Debt in accordance with their respective fair market values and, in the case of the Take-Back Debt, the issue price.

If either the surrendered First Lien Claim or the Take-Back Debt does not qualify as a “security” of the Issuer, then a holder of such claim is expected to be treated as receiving its New Class A Preferred, New Class A Common, and Take-Back Debt in a taxable exchange under Section 1001 of the Code. Other than with respect to any amounts received that are attributable to accrued but untaxed interest, the holder is expected to recognize gain or loss in an amount equal to the difference, if any, between (a) the fair market value of its New Class A Preferred and New Class A Common, and the issue price of its Take-Back Debt and (b) the holder’s adjusted tax basis in its First Lien Claim. Subject to the rules regarding accrued but untaxed interest, the holder should obtain a tax basis in the New Class A Preferred and the New Class B Common equal to the respective fair market values and, in the case of the Take-Back Debt, equal to the issue price.

Where, as here, holders of First Lien Claims receiving debt instruments are also receiving other property in exchange for their claims (*i.e.*, New Class A Preferred and New Class A

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<sup>4</sup> The New Class A Preferred and New Class A Common will constitute “boot” because such instruments are issued by a different entity (*i.e.*, Holdings) as compared to the entity that is the obligor on the First Lien Claims (*i.e.*, Issuer).

Common), the “investment unit” rules may apply to the determination of the “issue price” for any debt instrument received in exchange for their First Lien Claims. Holders of First Lien Claims should consult their tax advisor regarding the application of the “investment unit” rules and the consequences thereof.

The Issuer will, in accordance with Treasury Regulations section 1.1273-2(f)(9), make its official determination of the issue price of the Take-Back Debt available to holders thereof within 90 days of the issuance date of such debt. The Issuer’s determination of the issue price will be binding on holders thereof unless the holder explicitly discloses that its determination is different from the Issuer’s determination.

*Holders of First Lien Claims are urged to consult their own tax advisors regarding the possible classification of the Take-Back Debt and the surrendered First Lien Claim as a “security” for U.S. federal income tax purposes, the tax basis in the consideration received, and the corresponding tax consequences of the exchange in the Restructuring Transactions.*

#### Holders of Second Lien Claims

A holder of a Second Lien Claim is expected to be treated as receiving New Class B Preferred, New Class B Common, and Options in a taxable exchange under Section 1001 of the Code. Other than with respect to any amounts received that are attributable to accrued but untaxed interest, the holder is expected to recognize gain or loss in an amount equal to the difference, if any, between (a) the fair market value of its New Class B Preferred, New Class B Common, and Options, and (b) the holder’s adjusted tax basis in its Second Lien Claim. Subject to the rules regarding accrued but untaxed interest, the holder is expected to obtain a tax basis in the New Class B Preferred, New Class B Common, the Options equal to the fair market value of such property.

*Holders of Second Lien Claims are urged consult their own tax advisors regarding tax consequences of the exchange in the Restructuring Transactions.*

#### **Form 8937, Line 17**

Code Sections 354, 358, 368, 1001, 1012, 1273, and 1274.

#### **Form 8937, Line 18**

If the receipt of consideration by a holder qualifies as an exchange of securities pursuant to a “recapitalization” under Section 368(a)(1)(E) of the Code for U.S. federal income tax purposes, no loss may be recognized by such holder.

If the receipt of consideration does not qualify as a “recapitalization” under Section 368(a)(1)(E) of the Code for U.S. federal income tax purposes, it 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 debt claims exchanged over the fair market value and, in the case of debt instruments, issue price of the consideration received (in each case, excluding any amounts attributable to accrued but unpaid interest).

SIRVA Worldwide, Inc.  
Attachment to Form 8937

**Form 8937, Line 19**

The Restructuring Transactions occurred on the Effective Date. The reportable tax year is 2024 with respect to calendar year taxpayers.