



**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 Statement](#)

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

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

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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 ▶ Jikun Kim Date ▶ 9/11/24  
Signed: 9/11/2024  
Print your name ▶ Jikun Kim Title ▶ Treasurer & CFO

<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. <u>2-12</u>

**CalAmp Corp**  
**FEIN: 95-3647070**  
**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 holder's specific circumstances. Shareholders and debt 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.

**CalAmp Corp**  
**FEIN: 95-3647070**  
**Attachment to Form 8937**  
**Report of Organizational Actions Affecting Basis of Securities**

**Form 8937, Part I, Lines 9 and 10**

<b>Debt Instruments Exchanged on July 31, 2024</b>	<b>CUSIP</b>
\$230 million 2% convertible senior secured notes, due August 2025	128126AD11
\$45 million secured term loan, due December 15, 2027	N/A

<b>CAMP Equity cancelled without any distribution on July 31, 2024</b>	<b>CUSIP</b>
CalAmp Existing Equity Interest	128126208

**Form 8937, Part II, Line 14**

On June 3, 2024 (the “Petition Date”), CalAmp Corp (“CalAmp”) and certain of its U.S. subsidiaries (collectively, the “Debtors”) filed voluntary petitions for relief under Chapter 11 of the United States Bankruptcy Code. Also on June 3, 2024, the Debtors filed the Disclosure Statement for the Joint Prepackaged Chapter 11 Plan of Reorganization of CalAmp Corp. and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code [Docket No. 17] (the “Disclosure Statement”) with the Court. On July 9, 2024, the Debtors filed the Amended Joint Prepackaged Chapter 11 Plan of Reorganization of CalAmp and Its Debtor.

On July 11, 2024, The Bankruptcy Court entered an order (the “Confirmation Order”) confirming the Plan and approving the Disclosure Statement. On July 31, 2024 (the “Effective Date”), the Plan became effective in accordance with its terms, and CalAmp Corp satisfied the conditions of the Plan and emerged from Chapter 11.

On the Effective Date, as part of the transactions undertaken pursuant to the Plan, (i) all of the shares of common stock, par value \$0.01 per share, of CalAmp, together with any shares of restricted stock, restricted stock units, or any other right to receive equity (the Existing Equity Interests”) in CalAmp, in each case, outstanding immediately prior to the Effective Date, were cancelled, discharged and of no further force and effect and (ii) CalAmp became a privately held company.

On the Effective Date, all \$229,139,000 aggregate principal amount of Secured Notes held by Lynrock were cancelled and Lynrock received 100% of the New Equity Interests of

CalAmp on account of its Secured Notes Claims. On the Effective Date, all classes of equity securities issued by CalAmp were cancelled, CalAmp filed a Form 15 to deregister its common stock that was registered under Section 12(g) of the Securities Exchange Act of 1934, as amended, and CalAmp ceased to be a publicly traded company.

These events happened on the Effective Date pursuant to the Plan are cumulatively referred to herein as the “Transaction.” The following describes the exchange of consideration between CalAmp and the following holders of certain claims of CalAmp in the Transaction:

- Holders of the Term Loan Claims
- Holders of the Secured Note Claims; and
- Holders of Existing Equity Interests

### **Treatment of Holders of Secured Term Loan Claims**

Pursuant to the Plan, the Secured Term Loan Claim comprises indebtedness under that certain Credit Agreement among CalAmp and Lynrock Lake Master Fund LP (the “Term Loan Lender” or “Lynrock”), dated as of December 15, 2023, (as amended, supplemented, amended and restated, or otherwise modified from time to time, the “Term Loan Credit Facility”), consisting of claims in an aggregate principal amount of \$45,000,000 (together with all interest, fees, premiums, expenses, costs, reimbursement obligations, hedging obligations and other charges arising thereunder or related thereto, the “Secured Term Loan Claims”). On the Plan Effective Date, the Secured Term Loan Credit Agreement was amended and restated pursuant to the terms of the Amended and Restated Secured Term Loan Credit Agreement to (i) reduce the Applicable Margin from 6.75% per annum to 5.00% per annum; and (ii) extend the Maturity Date from four (4) years after the Secured Term Loan Closing Date to seven (7) years after the Secured Term Loan Closing Date.

### **Treatment of Holders of the Secured Note Claims**

Pursuant to the Plan, the Secured Note Claims comprise indebtedness issued under that certain Indenture, dated as of July 20, 2018 (as amended and supplemented by that certain Supplemental Indenture, dated as of December 15, 2023, the First Supplemental Indenture, dated as of February 28, 2024, and as further amended, restated, amended and restated, supplemented, restructured or otherwise modified, renewed or replaced from time to time, the “Indenture”, by and among CalAmp Corp. (the “Notes Issuer”), BNYM, as trustee and U.S. Collateral Agent and The Bank of New York Mellon, as the UK Collateral Agent (the “Secured Notes”), consisting of claims in a principal amount of \$230,000,000 (together with all interest, fees, premiums, expenses, costs, reimbursement obligations, hedging obligations, and other charges arising thereunder or related thereto, the “Secured

Note Claims”). On the Effective Date, each Holder of an Allowed Secured Note Claim received payment in full in Cash on account of such Allowed Secured Note Claim; provided, however, that the Consenting Noteholders have agreed to accept lesser treatment under the Plan and received 100% of the New Equity Interests on account of their Secured Note Claims.

### **Treatment of Holders of Existing Equity Interests**

Pursuant to the Plan, Existing Equity Interests comprise the outstanding Interests in CalAmp (the “Existing Equity Interests”). On the Plan Effective Date, all Equity Interests and all Section 510(b) Claims were cancelled without any distribution on account of such Equity Interests or Section 510(b) Claims.

### **Form 8937, Part II, Line 15**

#### **Effect on Basis to U.S. Holders**

As a result of the organizational action, each holder of the Secured Notes or Term Loan exchanged its Claim for the right to receive consideration discussed on Line 14 of this Form 8937.

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. All holders of Claims and Interests are urged to consult their tax advisor for the U.S. federal, state, local, and other tax consequences applicable under the Plan.

#### **Effect on Basis to U.S. Holders of Claims**

The U.S. federal income tax consequences to a U.S. Holder of a Claim will depend, in part, on whether the (a) Claims surrendered constitute “securities” of a Debtor for U.S. federal income tax purposes, and (b) the consideration received constitutes stock or a “security” of the same entity against which the Claim is asserted (or, an entity that is a “party to a reorganization” with such entity). Neither the IRC nor the Treasury 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 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, U.S. Holders are urged to consult their tax advisors regarding the status of their Claims as “securities” for U.S. federal income tax purposes.

#### Consequences to U.S. Holders of Secured Term Loan Claims

Pursuant to the Plan, the Secured Term Loan Credit Agreement shall be amended and restated pursuant to the terms of the Amended and Restated Secured Term Loan Credit Documents to (i) reduce the Applicable Margin from 6.75% per annum to 5.00% per annum; and (ii) extend the Maturity Date from four (4) years after the Secured Term Loan Closing Date to seven (7) years after the Secured Term Loan Closing Date. The treatment of U.S. Holders of Claims with respect to the Secured Term Loan Claims depends on whether the amendments to the Secured Term Loan Credit Agreement result in a “significant modification” of the Secured Term Loan. A “significant modification” of a debt instrument will result in a deemed exchange of the instrument and a taxable event to the U.S. Holder. Under applicable Treasury Regulations, the modification of the terms of a debt instrument (including pursuant to an exchange of a new debt instrument for the existing debt instrument) generally is a significant modification if, based on all of the facts and circumstances and taking into account all modifications of the debt instrument, the legal rights or obligations that are altered and the degree to which they are altered is “economically significant.” A modification that adds, deletes, or alters customary accounting or financial covenants is not a significant modification. A modification that releases or otherwise alters the collateral for, a guarantee on, or other form of credit enhancement for a recourse debt instrument is a significant modification if the modification results in a “change in payment expectations.” In general, a release of a guarantee or collateral results in a change in payment expectations if the modification (i) gives rise to a substantial impairment of the issuer’s capacity to meet its payment obligations and (ii) such capacity was adequate prior to the modification and is primarily speculative thereafter. A modification that changes the timing of payments due under a debt instrument is a significant modification if it results in a material deferral of scheduled

payments. However, a deferral of one or more scheduled payments is not a material deferral if it is within a safe-harbor period beginning on the original due date of the first scheduled payment that is deferred and extending for a period equal to the lesser of five years or 50% of the original term of the instrument. A change in the yield of a debt instrument is a significant modification if the yield of the modified instrument (as computed under the applicable Treasury Regulations and taking into account any payments made as consideration for the modification, such as any consent fees) varies from the annual yield of the unmodified instrument (determined as of the date of the modification) by more than the greater of 0.25% or 5% of the annual yield of the unmodified instrument.

As described above, the significant modification of a debt instrument will result in a deemed exchange of the instrument and a taxable event to the holder. Pursuant to the Plan, the terms of the Secured Term Loan will be altered or otherwise modified as set forth in the Amended and Restated Secured Term Loan Credit Documents. The Debtors intends to take the position that the alterations to the Secured Term Loan Credit Agreement should result in a significant modification of the Secured Term Loans for U.S. federal income tax purposes. If, however, the proposed alterations do not result, for U.S. federal income tax purposes, in a deemed exchange, a U.S. Holder would generally not recognize any income, gain, or loss with respect to the Secured Term Loan Claims as a result of the proposed alterations. In addition, a U.S. Holder would generally have the same adjusted tax basis and holding period in the Secured Term Loans as it had before the adoption of the proposed alterations.

If the proposed alterations do constitute a significant modification of the Secured Term Loan Credit Agreement, the U.S. federal income tax consequences of the resulting deemed exchange would generally depend on whether the unmodified Secured Term Loan and the amended Secured Term Loans are treated as “securities” for purposes of the reorganization provisions of the IRC.

(1) Treatment if Secured Term Loan Claims and Secured Term Loan are Treated as Securities

If the Secured Term Loan Claims and Secured Term Loan are treated as securities, then the exchange of such Claims should be treated as a “recapitalization” within the meaning of section 368(a)(1)(E) of the Code. Other than with respect to any amounts received that are attributable to accrued but untaxed interest (or OID), and subject to the rules relating to market discount, a U.S. Holder of such a Claim should not recognize gain or loss. The U.S. Holder should obtain a tax basis in the Secured Term Loans deemed received, other than such amounts treated as received in satisfaction of accrued but untaxed interest, equal to



the tax basis of the Secured Term Loan Claims deemed surrendered. The tax basis of any Secured Term Loan treated as received in satisfaction of accrued but untaxed interest should equal the amount of such accrued but untaxed interest. Subject to amounts treated as received in satisfaction of accrued but untaxed interest, the holding period for the Secured Term Loan deemed received should include the holding period for the exchanged Secured Term Loan Claims. The holding period for the Secured Term Loans treated as received in satisfaction of accrued but untaxed interest should begin on the day following the receipt of such property. For the treatment of the exchange to the extent a portion of the consideration received is allocable to accrued but unpaid interest, OID or market discount.

## (2) Treatment if Secured Term Loan Claims are not Treated as Securities

To the extent that a U.S. Holder's Secured Term Loan or the amended Secured Term Loan is not treated as a security, such U.S. Holder would be treated as exchanging its Secured Term Loan Claims for a new Secured Term Loan in a fully taxable exchange under section 1001 of the Code. A U.S. Holder of a Secured Term Loan Claim who is subject to this treatment should recognize gain or loss equal to the difference between (i) the issue price of the Secured Term Loan (calculated as described under "—Issue Price") in exchange for its Secured Term Loan Claims and (ii) the U.S. Holder's adjusted tax basis in its Secured Term Loan Claims. The character of such gain or loss as capital gain or loss or as ordinary income or loss will be determined by a number of factors, including the tax status of the U.S. Holder, the nature of the Claim in such U.S. Holder's hands, whether the Claim was purchased at a discount, and whether and to what extent the U.S. Holder previously has claimed a bad debt deduction with respect to its Claim. If recognized gain is capital gain, it generally would be long-term capital gain if the U.S. Holder held its Secured Term Loan Claims for more than one year at the time of the exchange. The deductibility of capital losses is subject to certain limitations, as discussed below. To the extent that a portion of the consideration received in exchange for its Secured Term Loan Claims is allocable to accrued but untaxed interest, the U.S. Holder may recognize ordinary income. A U.S. Holder's tax basis in the Secured Term Loan should be equal to the issue price of the Secured Term Loan. A U.S. Holder's holding period for the Secured Term Loan deemed received on the Effective Date should begin on the day following the Effective Date.

## **Effect on Basis to U.S. Holders of Secured Notes Claims**

Pursuant to the Plan, in exchange for full and final satisfaction, compromise, settlement, release, and discharge of their Claims, each Holder of an Allowed Secured Note Claim shall receive payment in full in Cash on account of such Allowed Secured Note Claim; provided, however, that the Consenting Noteholders have agreed to accept lesser

treatment under the Plan and shall receive 100% of the New Equity Interests on account of their Secured Notes Claims.

(a) Treatment of Holders of Secured Notes Claims that Receive Cash

To the extent that a U.S. Holder receives Cash in respect of its Secured Notes Claims, such U.S. Holder would be treated as exchanging its Secured Notes Claims for such Cash in a fully taxable exchange under section 1001 of the Code. A U.S. Holder of a Secured Notes Claim who is subject to this treatment should recognize gain or loss equal to the difference between (i) the amount of Cash received and (ii) the U.S. Holder's adjusted tax basis in its Secured Notes Claims. The character of such gain or loss as capital gain or loss or as ordinary income or loss will be determined by a number of factors, including the tax status of the U.S. Holder, the nature of the Claim in such U.S. Holder's hands, whether the Claim was purchased at a discount, and whether and to what extent the U.S. Holder previously has claimed a bad debt deduction with respect to its Claim. If recognized gain is capital gain, it generally would be long-term capital gain if the U.S. Holder held its Secured Notes Claims for more than one year at the time of the exchange. The deductibility of capital losses is subject to certain limitations, as discussed below. To the extent that a portion of the consideration received in exchange for its Secured Notes Claims is allocable to accrued but untaxed interest, the U.S. Holder may recognize ordinary income.

(b) Treatment if Secured Notes are Treated as Securities

To the extent that a U.S. Holder receives New Equity Interests in respect of its Secured Notes Claims and the Secured Notes Claims are treated as securities, then the exchange of such Claims should be treated as a "recapitalization" within the meaning of section 368(a)(1)(E) of the Code. Other than with respect to any amounts received that are attributable to accrued but untaxed interest (or OID), and subject to the rules relating to market discount, a U.S. Holder of such a Claim should not recognize gain or loss. The U.S. Holder should obtain a tax basis in the New Equity Interests received, other than such amounts treated as received in satisfaction of accrued but untaxed interest, equal to the tax basis of the Secured Notes Claims surrendered. The tax basis of any New Equity Interests treated as received in satisfaction of accrued but untaxed interest should equal the amount of such accrued but untaxed interest. Subject to amounts treated as received in satisfaction of accrued but untaxed interest, the holding period for the New Equity Interests received should include the holding period for the exchanged Secured Notes Claims. The holding period for the New Equity Interests treated as received in satisfaction of accrued but untaxed interest should begin on the day following the receipt of such property. For the treatment of the exchange to the extent a portion of the consideration received is allocable to accrued but unpaid interest, OID or market discount.

(c) Treatment if Secured Notes are not Treated as Securities

To the extent that a U.S. Holder receives New Equity Interests in respect of its Secured Notes Claims and a U.S. Holder's Secured Notes Claims is not treated as a security or the, such U.S. Holder would be treated as exchanging its Secured Notes Claims for New Equity Interests in a fully taxable exchange under section 1001 of the Code. A U.S. Holder of a Secured Notes Claim who is subject to this treatment should recognize gain or loss equal to the difference between (i) the fair market value of the New Equity Interests received in exchange for its Secured Notes Claims and (ii) the U.S. Holder's adjusted tax basis in its Secured Notes Claims. The character of such gain or loss as capital gain or loss or as ordinary income or loss will be determined by a number of factors, including the tax status of the U.S. Holder, the nature of the Claim in such U.S. Holder's hands, whether the Claim was purchased at a discount, and whether and to what extent the U.S. Holder previously has claimed a bad debt deduction with respect to its Claim. If recognized gain is capital gain, it generally would be long-term capital gain if the U.S. Holder held its Secured Notes Claims for more than one year at the time of the exchange. The deductibility of capital losses is subject to certain limitations, as discussed below. To the extent that a portion of the consideration received in exchange for its Secured Notes Claims is allocable to accrued but untaxed interest, the U.S. Holder may recognize ordinary income. A U.S. Holder's tax basis in the New Equity Interests should be equal to the fair market value of the New Equity Interests. A U.S. Holder's holding period for the New Equity Interests received on the Effective Date should begin on the day following the Effective Date.

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

As discussed above, in the case of an exchange that constitutes a recapitalization for U.S. federal income tax purposes, the holder will have an aggregate tax basis in the New Securities received equal to such holder's adjusted tax basis in the Notes surrendered.

In the case of an exchange that constitutes a taxable exchange under Section 1001 of the Code, the holder will have an aggregate tax basis in the New Securities received equal to the fair market value of the New Securities as of the date such New Securities were distributed to such holder.

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

Sections 354, 356, 358, 361, 368(a)(1)(E), 1001, 1012 of the Code and the corresponding Treasury regulations promulgated on the Code.

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

To the extent the exchange in the Transaction is treated as a recapitalization for U.S. federal income tax purposes, generally no loss may be recognized with respect to Secured Note Claims.

To the extent the exchanges are taxable, loss is recognizable in an amount generally equal to the excess of the holder's adjusted tax basis in the Claim relinquished over the aggregate fair market value of the Term Loan Claims and Secured Note Claims.

The Existing Equity Holders of CAMP shares generally may recognize a loss.

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

The reportable tax year is the taxable year of the holder that includes the Effective Date (July 31, 2024).

*This information is being provided pursuant to section 6045B of the Internal Revenue Code. The tax information contained herein is provided for informational purposes only and should not be construed as legal or tax advice. The Company does not provide legal or tax advice to shareholders. This material and any tax-related statements are not intended or written to be used, and cannot be used or relied upon, by any shareholder for the purpose of avoiding tax penalties. Please consult an attorney or tax professional for assistance as to how this information will impact your specific tax situation.*

## Record of Signing

For  
Name  
Title

Jikun Kim

**Signed on 2024-09-11 20:58:47 GMT**

Secured by Concord™  
DocumentID: 02xf4m1jqbQwOzfArKMISB  
SigningID: 02xf4m1jkYii8qc4qWmLLf  
Signing date: 9/11/2024  
IP Address: 163.116.248.56  
Email: jkim@calamp.com



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