



**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](#)

Blank lines for listing applicable Internal Revenue Code sections.

18 Can any resulting loss be recognized? ▶ [see attached](#)

Blank lines for indicating if a resulting loss can be recognized.

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

Blank lines for providing other information necessary 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 ▶ Ramona DeSantis Date ▶ 6/3/2024  
Print your name ▶ Ramona DeSantis Title ▶ VP Treasury

<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.

**Astra Acquisition Corp.**  
**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. Holders are urged to consult their own tax advisors regarding U.S. tax consequences of the transactions described herein and the impact to tax basis resulting from such transactions.

**Form 8937, Part I, Line 9-10**

<b>Classification and Description (Line 9)</b>	<b>CUSIP Number (Line 10)</b>	<b>Serial Number (Line 11)</b>	<b>Ticker Symbol (Line 12)</b>	<b>Account Number (Line 13)</b>
Existing Revolver	04629UAJ5			
Term Loan B 1L	04629UAH9			
Second Lien Term Loan	04629UAL0			
First Out Exchange Revolver	04629UAP1			
New Money TLA	04629UAN6			
First Out 1L Exchange Debt	Currently 04629UAQ9 <sup>1</sup> (but see footnote below for upcoming change to 04629UAN6)			
Second Out TL Exchange Debt	04629UAR7			
Third Out TL Exchange Debt	LX230451 <sup>2</sup>			

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

Astra Acquisition Corp. (“Issuer”) is a member of a consolidated group that files U.S. federal income tax consolidated returns. Prior to the Conversions (as defined herein), Issuer owned, among other equity interests, 100% of the stock of Blackboard Super Holdco, Inc., Blackboard Super Holdco, Inc. owned 100% of the stock of Blackboard Holdings, Inc., and Blackboard Holdings, Inc. owned 100% of the stock of Blackboard Inc. Prior to the Conversions, each of Blackboard Inc. and Issuer was for U.S. federal income tax purposes treated as an obligor on a portion of the Term Loan B 1L and the Second Lien Term Loan, the two debt instruments that are the subject of this IRS Form 8937.

On 4/16/2024, Blackboard Inc. converted to Blackboard LLC, a Delaware limited liability company that, for U.S. federal income tax purposes, is a disregarded entity. On 4/17/2024, Blackboard Holdings, Inc.

<sup>1</sup> As further discussed herein, it is our position that New Money TLA and First Out 1L Exchange Debt are fungible for U.S. federal income tax purposes. Separate CUSIPs were inadvertently issued for New Money TLA and First Out 1L Exchange Debt. We have been informed that on 6/28/2024 the CUSIP for First Out 1L Exchange Debt will be changed to 04629UAN6.

<sup>2</sup> This is an LXID rather than a CUSIP. A CUSIP for the Third Out TL Exchange Debt is not currently available.

converted to Blackboard Holdings, LLC, a Delaware limited liability company that, for U.S. federal income tax purposes, is a disregarded entity. On 4/18/2024, Blackboard Super Holdco, Inc. converted to Blackboard Super Holdco, LLC, a Delaware limited liability company that, for U.S. federal income tax purposes, is a disregarded entity (such conversion, together with the other two conversions described in this paragraph, the “Conversions”).

On 4/19/2024, the following occurred: (a) the Issuer incurred the New Money TLA from a fronting lender (and the Issuer paid to an ad hoc group of lenders (i.e., not the fronting lender) who had agreed to purchase a portion of such New Money TLA from the fronting lender an additional amount in the form of additional New Money TLA (i.e., the ad hoc group received in-kind debt instruments) (the “Ad Hoc Group Amount”), and the Issuer then used a portion of the proceeds from the New Money TLA to satisfy in full the Existing Revolver; (b) certain Term Loan B 1L debt was exchanged for First Out 1L Exchange Debt and Second Out TL Exchange Debt; (c) certain Second Lien Term Loan Debt was exchanged for Third Out TL Exchange Debt; and (d) for completeness, though not the subject of this IRS Form 8937, the Issuer also entered into the First Out Exchange Revolver. On 5/1/2024, certain Term Loan B 1L debt was exchanged for First Out 1L Exchange Debt and Second Out TL Exchange Debt.

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

The basis of the non-cash consideration received by Holders of Term Loan B 1L debt and Second Lien Term Loan Debt will depend, in part, on whether the exchange of the Term Loan B 1L debt or Second Lien Term Loan Debt is treated as a “significant modification” of such debt instrument for U.S. federal income tax purposes. Under applicable U.S. Treasury regulations, the modification of a debt instrument (including any exchange of debt instruments) generally is a significant modification if, based on the facts and circumstances and taking into account all modifications of the debt instrument collectively, the legal rights or obligations are altered and the degree to which they are altered are “economically significant.” In addition to the general rule, the U.S. Treasury regulations provide that a modification that results in an increase in the yield of a debt instrument (taking into account payments contemporaneous with such modification) that is greater than a specified threshold is a significant modification. The Issuer expects that under these rules, exchanged Term Loan B 1L debt and Second Lien Term Loan Debt will be treated as significantly modified, and thus deemed exchanged, for the property issued in exchanged therefor. That said, and for the avoidance of doubt, the foregoing characterization of the exchanges is not binding upon the IRS, and if either were not treated as a significant modification, then the consequences would be materially different than the ones described herein.

### *Term Loan B 1L Exchange*

The basis of the consideration received by Holders of Term Loan B 1L debt will depend, in part, on whether, (a) such debt exchanged constitutes a “security” of the Issuer, and (b) any of the consideration received constitutes a “security” of the Issuer.

Neither the Internal Revenue Code of 1986, as amended (the “Code”) 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.

Certain authorities suggest that, for purposes of determining whether a debt instrument issued pursuant to a significant modification qualifies as a security, the term to maturity of such newly issued debt instrument may be determined by reference to the issue date of the exchanged debt (rather than the issue date of the newly issued debt) as long as such newly issued debt has substantially the same terms as the exchanged debt (which may not be the case here).

The Term Loan B 1L debt has a seven-year maturity, with a maturity date of October 25, 2028. The maturity date of the First Out 1L Exchange Debt is February 25, 2028. The maturity date of the Second Out TL Exchange Debt is October 25, 2028. The Issuer expects to take the position, to the extent relevant, that the Term Loan B 1L debt is a “security,” and the following discussion assumes as much. The Issuer has not determined whether it intends to take the position (to the extent relevant) that either the First Out 1L Exchange Debt or the Second Out TL Exchange Debt is a “security,” but, purely for purposes of the following explanatory discussion, the Issuer assumes that the First Out 1L Exchange Debt would not be treated as a “security” under the authorities mentioned in the immediately preceding paragraph because of its shorter maturity date as compared to the Term Loan B 1L debt. The Issuer urges holders to consult their tax advisors with respect to the determination of whether any such instrument is a “security” for U.S. federal income tax purposes.

If the Second Out TL Exchange Debt is a “security,” then, with respect to a holder: (i) the basis of the Second Out TL Exchange Debt received in the exchange by such holder should be equal to such holder’s adjusted tax basis in the Term Loan B 1L debt surrendered (excluding any amounts attributable to accrued but unpaid interest), increased by the amount of any gain recognized pursuant to such exchange and decreased by the issue price of the First Out 1L Exchange Debt received, and (ii) the basis of the First Out 1L Exchange Debt received should be its issue price (as discussed below). A holder should not recognize loss, but should recognize gain to the extent of the lesser of (a) the issue price of the First Out 1L Exchange Debt received, and (b) (i) the sum of (1) the issue price of the First Out 1L Exchange Debt received and (2) the issue price of the Second Out TL Exchange Debt received, minus (ii) the holder’s adjusted tax basis in its Term Loan B 1L debt.

If the Second Out TL Exchange Debt is not a “security,” then the basis of the First Out 1L Exchange Debt received and the basis of the Second Out TL Exchange Debt received should, in each case, be equal to such debt instrument’s issue price.

As a general matter, and subject to the “investment unit” rules discussed below, in determining the “issue price” of a debt instrument, if a substantial amount of the debt instruments in an issue is issued for money, the issue price of each debt instrument in the issue is the first price at which a substantial amount of the debt instruments is sold for money. Where a debt instrument is not issued for money, but is “publicly traded,” then the trading value of such debt instrument determines its issue price. Where a debt instrument is not issued for money and is not publicly traded but was issued in exchange for another debt instrument that was publicly traded, then the trading value of the other debt instrument determines its issue price (unless such trading values represent mere indicative quotes and a position is established that demonstrates that such indicative quote materially misrepresented the fair market value of such property). If debt is not issued for money, is not publicly traded, and was not issued for property that is publicly traded, then, generally, the issue price of such debt would be its stated principal amount. Under a special rule, a debt instrument will not be treated as publicly traded if the outstanding stated principal amount of the issue that includes the debt instrument does not exceed \$100 million.

Property is treated as “publicly traded” for such purposes if, at any time during the 31-day period ending 15 days after the issue date, there is a sales price for the property (in which case such sales price generally determines the fair market value), there are one or more “firm quotes” for the property, or there are one or more “indicative quotes” for the property.

Here, because the First Out 1L Exchange Debt and New Money TLA have identical terms, the Issuer intends to take the position that such debt instruments are fungible with one another (at least to the extent of all of the New Money TLA and First Out 1L Exchange Debt issued on 4/19/2024 and 5/1/2024, given that all such debt was issued within a period of thirteen days beginning with the date on which the first debt instrument that would be part of the issue was issued ), and as a result such debt instruments should have the same issue price. A substantial amount of the New Money TLA was issued for cash, though the Issuer has not yet determined how it will treat the Ad Hoc Group Amount for purposes of determining the issue price of the New Money TLA (and thus the issue price of the First Out 1L Exchange Debt). Furthermore, based upon information available on pricing services, the Issuer expects to take the position that the Second Out TL Exchange Debt is publicly traded.

Because a holder is for U.S. federal income tax purposes treated as receiving two debt instruments (First Out 1L Exchange Debt and the Second Out TL Exchange Debt) in exchange for one debt instrument (Term Loan B 1L), it is possible that the “investment unit” rules could technically apply to the determination of the issue price of the property received in exchange for the Term Loan B 1L. In general, if all of the components of an “investment unit” are issued for cash and/or are traded on an established market, then the issue price of the investment unit, as a whole, is determined as the aggregate of the fair market value of each of the components of the investment unit; the issue price of the investment unit is then allocated to each of the investment unit’s components on the basis of each component’s fair market value. Because in this case all of the components of the potential investment unit (namely, the First Out 1L Exchange Debt and the Second Out TL Exchange Debt) are either deemed issued for cash or publicly traded, the application of the investment unit rules should result in the same issue prices being assigned to the First Out 1L Exchange Debt and the Second Out TL Exchange Debt as if the investment unit rules had not applied.

Finally, it is possible that a holder who purchases New Money TLA and also exchanges its Term Loan B 1L could for U.S. federal income tax purposes be treated as exchanging (x) cash and Term Loan B 1L, for (y) New Money TLA, First Out 1L Exchange Debt and the Second Out TL Exchange Debt, with the Term Loan B 1L being significantly modified as discussed above. Holders are urged to consult their own tax advisors regarding the consequences of such potential characterization, though the Issuer believes it would be reasonable to take the position that all of the cash exchanged in such a scenario is attributable to the New Money TLA, such that the analysis as to a holder’s basis in its First Out 1L Exchange Debt and Second Out TL Exchange Debt is the same as above.

The Issuer will, in accordance with Treasury Regulations section 1.1273-2(f)(9), make its official determination of the issue price of the First Out 1L Exchange Debt and the Second Out TL Exchange 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.

#### *Second Lien Term Loan Debt Exchange*

The basis of the Third Out TL Exchange Debt received by Holders of Second Lien Term Loan Debt will depend, in part, on whether, (a) such debt exchanged constitutes a “security” of the Issuer, and (b) the Third Out TL Exchange Debt received constitutes a “security” of the Issuer. The Second Lien Term Loan Debt has an eight-year maturity, with a maturity date of October 25, 2029. The maturity date of the Third Out TL Exchange Debt is October 25, 2029.

The Issuer expects to take the position, to the extent relevant, that the Second Lien Term Loan Debt is a “security,” and the following discussion assumes as much. The Issuer has not determined whether it intends to take the position (to the extent relevant) that the Third Out TL Exchange Debt is a “security.” The Issuer urges holders to consult their tax advisors with respect to the determination of whether any such instrument is a “security” for U.S. federal income tax purposes.

If the Third Out TL Exchange Debt is a “security,” then, with respect to a holder, the basis of the Third Out TL Exchange Debt received in the exchange by such holder should be equal to such holder’s adjusted tax basis in the Second Lien Term Loan Debt surrendered (excluding any amounts attributable to accrued but unpaid interest). If the Third Out TL Exchange Debt is not a “security,” then the basis of the Third Out TL Exchange Debt received should be equal to such debt instrument’s issue price.

For purposes of determining its issue price, the Third Out TL Exchange Debt will not be treated as publicly traded because the outstanding stated principal amount of Third Out TL Exchange Debt does not exceed \$100 million. However, the Issuer expects to take the position that Second Lien Term Loan Debt (the debt for which the Third Out TL Exchange Debt was exchanged) is publicly traded for these purposes, and as a result the Issuer expects to take the position that the Third Out TL Exchange Debt’s issue price will be determined by reference to the applicable trading values of the Second Lien Term Loan Debt, as described above.

The Issuer will, in accordance with Treasury Regulations section 1.1273-2(f)(9), make its official determination of the issue price of the Third Out TL Exchange 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.

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

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

Sections 354(a), 356(a), 358(a)–(b), 368(a)(1)(E), 1001, 1273(b), 1273(c)(2)

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

If the receipt of consideration by a holder qualifies as an exchange of securities pursuant to a recapitalization for U.S. federal income tax purposes, no loss can be recognized.

If the receipt of consideration does not qualify as a recapitalization 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 exchanged over the issue price of the consideration received (in each case, excluding any amounts attributable to accrued but unpaid interest).

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

The reportable tax year is 2024 with respect to calendar year taxpayers.