

## Report of Organizational Actions Affecting Basis of Securities

OMB No. 1545-0123

► See separate instructions.

### Part I Reporting Issuer

1 Issuer's name <b>Park Aerospace Holdings Limited</b>		2 Issuer's employer identification number (EIN) <b>98-1327060</b>	
3 Name of contact for additional information <b>Liam Hickey</b>	4 Telephone No. of contact <b>+353 (0)1 231 5800</b>	5 Email address of contact <b>ir@avglon.aero</b>	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact <b>Number One Ballsbridge Building 1, Shelbourne Road</b>		7 City, town, or post office, state, and ZIP code of contact <b>Ballsbridge Dublin 4, Dublin, Ireland</b>	
8 Date of action <b>August 18, 2021</b>	9 Classification and description <b>Debt for Debt Exchange</b>		
10 CUSIP number <b>See Attached</b>	11 Serial number(s) <b>N/A</b>	12 Ticker symbol	13 Account number(s) <b>N/A</b>

### Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ► **See Attached**

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ► **See Attached**

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ► **See Attached**

**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**

**18** Can any resulting loss be recognized? ► **See Attached**

**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ► **See Attached**

**Sign  
Here**

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.

Signature ►

*Andy Cronin*

Date ► 9/29/2021

Print your name ► Andy Cronin

Title ► Director

**Paid  
Preparer  
Use Only**

Print/Type preparer's name

Michelle Paquette

Preparer's signature

*Michelle Paquette*

Date

9/28/2021

Check ☐ if  
self-employed

PTIN

P01243447

Firm's name ► KPMG LLP

Firm's EIN ► 13-5565207

Firm's address ► One Financial Plaza, Hartford, CT 06103-2608

Phone no. 860-522-3200

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

**Park Aerospace Holdings Limited**

**EIN: 98-1327060**

**Date of Action: August 18, 2021**

**Attachment to Internal Revenue Service Form 8937**

The information herein is provided pursuant to Section 6045B of the Internal Revenue Code of 1986, as amended (the "Code"). The information herein does not constitute tax advice. Note holders are strongly urged to consult their own tax advisors regarding the U.S. federal income tax consequences of the exchanges described herein and the tax basis resulting from the exchanges.

**Part I, Box 10.**

IP Numbers of Old Notes	IP Numbers of New Notes
CUSIP: 70014LAA8 Regulation S: G6935LAA1	2.528% Senior Notes due 2027

**Part II, Box 14.**

On August 18, 2021, certain holders of the old notes listed in Part I, Box 10 (such notes, collectively or individually, as the context requires, "Old Notes") exchanged Old Notes for newly-issued notes (such newly-issued notes, "New Notes") due November 18, 2027.

**Part II, Box 15.**

Park Aerospace Holdings Limited (the "Company") will treat the exchange of Old Notes for New Notes pursuant to the exchange offer as a significant modification for U.S. federal income tax purposes, so the exchange of Old Notes for New Notes is expected to constitute a disposition of Old Notes for U.S. federal income tax purposes.

The U.S. federal income tax consequences of that disposition depend upon whether such exchange qualifies as a recapitalization for U.S. federal income tax purposes. An exchange of old securities for new securities by the same corporate issuer generally qualifies as a tax-free recapitalization for U.S. federal income tax purposes. The Company believes that the Old Notes should be treated as "securities" for U.S. federal income tax purposes, however the Old Notes and the New Notes are not issued by the same corporate issuer. Therefore, the exchange of Old Notes for a New Notes should not qualify as a recapitalization and should be treated as a taxable exchange. A holder will recognize gain (or, subject to possible application of the wash sale rules of Section 1091 of the Code, loss) on the exchange equal to the difference between (i) the sum of the issue price (which is described below under the "Part II, Box 19" heading) of the New Notes (other than any portion of the New Note allocable to accrued and unpaid interest on the Old Note exchanged therefor), and any cash (other than any cash received for accrued and unpaid interest) received in the exchange and (ii) the holder's adjusted tax basis in the Old Note.

**Part II, Box 16.**

For New Notes received in an exchange treated as a taxable exchange for U.S. federal income tax purposes, as described above in the "Part II, Box 15" discussion, a holder's initial tax basis in New Notes is equal to the issue price of such New Note (which is described below under the "Part II, Box 19" heading).

**Part II, Box 17.**

Sections 354, 356, 358, 368, 1001, 1012, and 1273 of the Code. Treasury Regulations Section 1.1001-3 addresses deemed exchanges resulting from modifications of debt instruments.

**Part II, Box 18.**

Subject to possible application of the wash sale rules of Section 1091 of the Code, a holder that exchanges Old Notes for New Notes in an exchange treated as a taxable exchange for U.S. federal income tax purposes may generally recognize loss in an amount equal to the difference between (i) the sum of the issue price (which is described below under the "Part II, Box 19" heading) of the New Notes (other than any portion of the New Note allocable to accrued and unpaid interest on the Old Note exchanged therefor), and any cash (other than any cash received for accrued and unpaid interest) received in the exchange and (ii) the holder's adjusted tax basis in the Old Note.

**Part II, Box 19.**

The reportable taxable year is the taxable year that includes August 18, 2021.

Pursuant to U.S. Treasury Regulation Section 1.1273-2(f)(9), the Company has determined that (a) New Notes are "traded on an established market" and (b) the issue price of New Notes is \$1,042.25 per \$1,000 face amount of such New Notes of which \$180 reflects the fractional amount for which a holder received in cash.

## Report of Organizational Actions Affecting Basis of Securities

OMB No. 1545-0123

► See separate instructions.

### Part I Reporting Issuer

1 Issuer's name <b>Avolon Holdings Funding Limited</b>		2 Issuer's employer identification number (EIN) <b>98-1194819</b>	
3 Name of contact for additional information <b>Liam Hickey</b>	4 Telephone No. of contact <b>+353 (0)1 231 5800</b>	5 Email address of contact <b>ir@avolon.aero</b>	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact <b>Number One Ballsbridge Building 1, Shelbourne Road</b>		7 City, town, or post office, state, and ZIP code of contact <b>Ballsbridge Dublin 4, Dublin, Ireland</b>	
8 Date of action <b>August 18, 2021</b>		9 Classification and description <b>Debt for Debt Exchange</b>	
10 CUSIP number <b>See Attached</b>	11 Serial number(s) <b>N/A</b>	12 Ticker symbol	13 Account number(s) <b>N/A</b>

### Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

- 14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ► **See Attached**

- 15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ► **See Attached**

- 16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ► **See Attached**

**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**

**18** Can any resulting loss be recognized? ► **See Attached**

**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ► **See Attached**

<b>Sign Here</b>	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.			
	Signature ► <i>Andy Cronin</i>		Date ► <i>9/29/2021</i>	
<b>Paid Preparer Use Only</b>	Print your name ► <i>Andy Cronin</i>		Title ► <i>Director</i>	
	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed PTIN
	<b>Michelle Paquette</b>	<i>Michelle Paquette</i>	<b>9/28/2021</b>	<b>P01243447</b>
	Firm's name ► <b>KPMG LLP</b>	Firm's EIN ► <b>13-5565207</b>		Phone no. <b>860-522-3200</b>
Firm's address ► <b>One Financial Plaza, Hartford, CT 06103-2608</b>				

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

**Avolon Holdings Funding Limited**

**EIN: 98-1194819**

**Date of Action: August 18, 2021**

**Attachment to Internal Revenue Service Form 8937**

The information herein is provided pursuant to Section 6045B of the Internal Revenue Code of 1986, as amended (the "Code"). The information herein does not constitute tax advice. Note holders are strongly urged to consult their own tax advisors regarding the U.S. federal income tax consequences of the exchanges described herein and the tax basis resulting from the exchanges.

**Part I, Box 10.**

<b>IP Numbers of Old Notes</b>	<b>IP Numbers of New Notes</b>
CUSIP: 05401AAA9 Regulation S: 0686BAA7	2.528% Senior Notes due 2027

**Part II, Box 14.**

On August 18, 2021, certain holders of the old notes listed in Part I, Box 10 (such notes, collectively or individually, as the context requires, "Old Notes") exchanged Old Notes for newly-issued notes (such newly-issued notes, "New Notes") due November 18, 2027.

**Part II, Box 15.**

Avolon Holdings Funding Limited (the "Company") will treat the exchange of Old Notes for New Notes pursuant to the exchange offer as a significant modification for U.S. federal income tax purposes, so the exchange of Old Notes for New Notes is expected to constitute a disposition of Old Notes for U.S. federal income tax purposes.

The U.S. federal income tax consequences of that disposition depend upon whether such exchange qualifies as a recapitalization for U.S. federal income tax purposes. In order for an exchange to qualify as a recapitalization, each of the Old Notes and New Notes must be treated as "securities" under the relevant provisions of the Code. The Company believes that the Old Notes should not be treated as "securities" for U.S. federal income tax purposes and the exchange of Old Notes for a New Notes should be treated as a taxable exchange and a holder will recognize gain (or, subject to possible application of the wash sale rules of Section 1091 of the Code, loss) on the exchange equal to the difference between (i) the sum of the issue price (which is described below under the "Part II, Box 19" heading) of the New Notes (other than any portion of the New Note allocable to accrued and unpaid interest on the Old Note exchanged therefor), and any cash (other than any cash received for accrued and unpaid interest) received in the exchange and (ii) the holder's adjusted tax basis in the Old Note.

**Part II, Box 16.**

For New Notes received in an exchange treated as a taxable exchange for U.S. federal income tax purposes, as described above in the "Part II, Box 15" discussion, a holder's initial tax basis in New Notes is equal to the issue price of such New Note (which is described below under the "Part II, Box 19" heading).

**Part II, Box 17.**

Sections 354, 356, 358, 368, 1001, 1012, and 1273 of the Code. Treasury Regulations Section 1.1001-3 addresses deemed exchanges resulting from modifications of debt instruments.

**Part II, Box 18.**

Subject to possible application of the wash sale rules of Section 1091 of the Code, a holder that exchanges Old Notes for New Notes in an exchange treated as a taxable exchange for U.S. federal income tax purposes may generally recognize loss in an amount equal to the difference between (i) the sum of the issue price (which is described below under the "Part II, Box 19" heading) of the New Notes (other than any portion of the New Note allocable to accrued and unpaid interest on the Old Note exchanged therefor), and any cash (other than any cash received for accrued and unpaid interest) received in the exchange and (ii) the holder's adjusted tax basis in the Old Note.

**Part II, Box 19.**

The reportable taxable year is the taxable year that includes August 18, 2021.

Pursuant to U.S. Treasury Regulation Section 1.1273-2(f)(9), the Company has determined that (a) New Notes are "traded on an established market" and (b) the issue price of New Notes is \$1,062.00 per \$1,000 face amount of such New Notes of which \$120 reflects the fractional amount for which a holder received in cash.



**Report of Organizational Actions  
Affecting Basis of Securities**

OMB No. 1545-0123

► See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name  <b>Avolon Holdings Funding Limited</b>		<b>2</b> Issuer's employer identification number (EIN)  <b>98-1194819</b>	
<b>3</b> Name of contact for additional information  <b>Liam Hickey</b>	<b>4</b> Telephone No. of contact  <b>+353 (0)1 231 5800</b>	<b>5</b> Email address of contact  <b>lr@avolon.aero</b>	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact  <b>Number One Ballsbridge Building 1, Shelbourne Road</b>		<b>7</b> City, town, or post office, state, and ZIP code of contact  <b>Ballsbridge Dublin 4, Dublin, Ireland</b>	
<b>8</b> Date of action  <b>August 18, 2021</b>		<b>9</b> Classification and description  <b>Debt for Debt Exchange</b>	
<b>10</b> CUSIP number  <b>See Attached</b>	<b>11</b> Serial number(s)  <b>N/A</b>	<b>12</b> Ticker symbol	<b>13</b> Account number(s)  <b>N/A</b>

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

- 14** Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ► **See Attached**

- 15** Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ► **See Attached**

- 16** Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ► **See Attached**

**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**

**18** Can any resulting loss be recognized? ► **See Attached**

**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ► **See Attached**

**Sign  
Here**

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.

Signature ►

Date ►

Print your name ►

Title ►

**Paid  
Preparer  
Use Only**

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if  
self-employed

PTIN

**Michelle Paquette**

**9/28/2021**

**P01243447**

Firm's name ► **KPMG LLP**

Firm's EIN ► **13-5565207**

Firm's address ► **One Financial Plaza, Hartford, CT 06103-2608**

Phone no. **860-522-3200**

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

**Avolon Holdings Funding Limited**

**EIN: 98-1194819**

**Date of Action: August 18, 2021**

**Attachment to Internal Revenue Service Form 8937**

The information herein is provided pursuant to Section 6045B of the Internal Revenue Code of 1986, as amended (the "Code"). The information herein does not constitute tax advice. Note holders are strongly urged to consult their own tax advisors regarding the U.S. federal income tax consequences of the exchanges described herein and the tax basis resulting from the exchanges.

**Part I, Box 10.**

<b>IP Numbers of Old Notes</b>	<b>IP Numbers of New Notes</b>
CUSIP: 05401AAB Regulation S: G0686BAB5	2.528% Senior Notes due 2027

**Part II, Box 14.**

On August 18, 2021, certain holders of the old notes listed in Part I, Box 10 (such notes, collectively or individually, as the context requires, "Old Notes") exchanged Old Notes for newly-issued notes (such newly-issued notes, "New Notes") due November 18, 2027.

**Part II, Box 15.**

Avolon Holdings Funding Limited (the "Company") will treat the exchange of Old Notes for New Notes pursuant to the exchange offer as a significant modification for U.S. federal income tax purposes, so the exchange of Old Notes for New Notes is expected to constitute a disposition of Old Notes for U.S. federal income tax purposes.

The U.S. federal income tax consequences of that disposition depend upon whether such exchange qualifies as a recapitalization for U.S. federal income tax purposes. In order for an exchange to qualify as a recapitalization, each of Old Notes and New Notes must be treated as "securities" under the relevant provisions of the Code. The Company believes that the Old Notes should be treated as "securities" for U.S. federal income tax purposes, and the exchange of the Old Notes for New Notes should constitute a ~~recapitalization~~ nontaxable exchange. Each holder should consult its tax advisors to determine whether an exchange of Old Notes should be treated as a recapitalization or a taxable exchange.

*Recapitalization*

This section describes the consequences if the exchange of the Old Notes for New Notes is a recapitalization for U.S. federal income tax purposes.

In a recapitalization, a holder would recognize gain (but not loss) on the exchange of the Old Notes for New Notes in an amount equal to the lesser of (a) the excess, if any, of (i) the sum of (A) the issue price of New Notes (including any fractional amounts for which a holder receives cash) that a holder receives in the exchange (which is described below under the "Part II, Box 19" heading) plus (B) any cash (other than cash in respect of accrued but unpaid interest or cash in lieu of fractional amounts of New Notes) that a holder receives in the exchange over (ii) a holder's

adjusted tax basis in the Old Notes, as applicable, and (b) the sum of (i) any cash (other than cash in respect of accrued but unpaid interest and cash in lieu of fractional amounts of New Notes) that a holder receives in the exchange and (ii) the fair market value of (A) the excess, if any, of the principal amount of New Notes (including any fractional amounts for which a holder receives cash) that a holder receives in the exchange over (B) the principal amount of the Old Notes that a holder surrenders in the exchange.

If the exchange of Old Notes for New Notes is a recapitalization, a holder's initial tax basis in New Notes is equal to such holder's adjusted tax basis in Old Notes exchanged, increased by any gain that the holder recognized on the exchange, and decreased by any cash that the holder receive in the exchange (including cash the holder received in lieu of fractional amounts of New Notes).

**Part II, Box 16.**

For New Notes received in an exchange treated as a recapitalization for U.S. federal income tax purposes, as described above in the *"Recapitalization"* section of the "Part II, Box 15" discussion, a holder's initial tax basis in New Notes is equal to such holder's adjusted tax basis in Old Notes exchanged, increased by any gain that the holder recognized on the exchange, and decreased by any cash that the holder received in the exchange (including cash the holder received in lieu of fractional amounts of New Notes).

**Part II, Box 17.**

Sections 354, 356, 358, 368, 1001, 1012, and 1273 of the Code. Treasury Regulations Section 1.1001-3 addresses deemed exchanges resulting from modifications of debt instruments.

**Part II, Box 18.**

A holder that exchanges Old Notes for New Notes in an exchange treated as a recapitalization generally will not be permitted to recognize any loss on the exchange.

**Part II, Box 19.**

The reportable taxable year is the taxable year that includes August 18, 2021.

Pursuant to U.S. Treasury Regulation Section 1.1273-2(f)(9), the Company has determined that (a) New Notes are "traded on an established market" and (b) the issue price of New Notes is \$1,084.27 per \$1,000 face amount of such New Notes of which \$0 reflects the fractional amount for which a holder received in cash.

► See separate instructions.

Part I	Reporting Issuer
--------	------------------

1 Issuer's name		2 Issuer's employer identification number (EIN)	
Park Aerospace Holdings Limited		98-1327060	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
Liam Hickey	+353 (0)1 231 5800	ir@avglon.aero	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and ZIP code of contact	
Number One Ballsbridge Building 1, Shelbourne Road		Ballsbridge Dublin 4, Dublin, Ireland	
8 Date of action		9 Classification and description	
August 18, 2021		Debt for Debt Exchange	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
See Attached	N/A		N/A

<b>Part II</b>	<b>Organizational Action</b> Attach additional statements if needed. See back of form for additional questions.	N/A
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**Part II Organizational Action** (continued)

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Signature ►

*Andy Cronin*

Date ►

*9/29/2021*

Print your name ►

*Andy Cronin*

Title ►

*Director*

**Paid  
Preparer  
Use Only**

Print/Type preparer's name

**Michelle Paquette**

Preparer's signature

*Michelle Paquette*

Date

**9/28/2021**

Check ☐ if  
self-employed

PTIN

**P01243447**

Firm's name ► **KPMG LLP**

Firm's EIN ►

**13-5565207**

Firm's address ► **One Financial Plaza, Hartford, CT 06103-2608**

Phone no.

**860-522-3200**

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**Part I, Box 10.**

<b>IP Numbers of Old Notes</b>	<b>IP Numbers of New Notes</b>
CUSIP: 70014LAB6 Regulation S: G6935LAB9	2.528% Senior Notes due 2027

**Part II, Box 14.**

On August 18, 2021, certain holders of the old notes listed in Part I, Box 10 (such notes, collectively or individually, as the context requires, "Old Notes") exchanged Old Notes for newly-issued notes (such newly-issued notes, "New Notes") due November 18, 2027.

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**Part II, Box 19.**

The reportable taxable year is the taxable year that includes August 18, 2021.

Pursuant to U.S. Treasury Regulation Section 1.1273-2(f)(9), the Company has determined that (a) New Notes are “traded on an established market” and (b) the issue price of New Notes is \$1,106.91 per \$1,000 face amount of such New Notes of which \$0 reflects the fractional amount for which a holder received in cash.



## Report of Organizational Actions Affecting Basis of Securities

OMB No. 1545-0123

► See separate instructions.

### Part I Reporting Issuer

1 Issuer's name <b>Park Aerospace Holdings Limited</b>		2 Issuer's employer identification number (EIN) <b>98-1327060</b>	
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8 Date of action <b>August 18, 2021</b>		9 Classification and description <b>Debt for Debt Exchange</b>	
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**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ► **See Attached**

**Sign  
Here**

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.

Signature ►

Date ►

Print your name ►

Title ►

**Paid  
Preparer  
Use Only**

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if  
self-employed

PTIN

**Michelle Paquette**

**9/28/2021**

**P01243447**

Firm's name ► **KPMG LLP**

Firm's EIN ► **13-5565207**

Firm's address ► **One Financial Plaza, Hartford, CT 06103-2608**

Phone no. **860-522-3200**

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

**Park Aerospace Holdings Limited**

**EIN: 98-1327060**

**Date of Action: August 18, 2021**

**Attachment to Internal Revenue Service Form 8937**

The information herein is provided pursuant to Section 6045B of the Internal Revenue Code of 1986, as amended (the "Code"). The information herein does not constitute tax advice. Note holders are strongly urged to consult their own tax advisors regarding the U.S. federal income tax consequences of the exchanges described herein and the tax basis resulting from the exchanges.

**Part I, Box 10.**

IP Numbers of Old Notes	IP Numbers of New Notes
CUSIP: 70014LAC4 Regulation S: G6935LAC7	2.528% Senior Notes due 2027

**Part II, Box 14.**

On August 18, 2021, certain holders of the old notes listed in Part I, Box 10 (such notes, collectively or individually, as the context requires, "Old Notes") exchanged Old Notes for newly-issued notes (such newly-issued notes, "New Notes") due November 18, 2027.

**Part II, Box 15.**

Park Aerospace Holdings Limited (the "Company") will treat the exchange of Old Notes for New Notes pursuant to the exchange offer as a significant modification for U.S. federal income tax purposes, so the exchange of Old Notes for New Notes is expected to constitute a disposition of Old Notes for U.S. federal income tax purposes.

The U.S. federal income tax consequences of that disposition depend upon whether such exchange qualifies as a recapitalization for U.S. federal income tax purposes. An exchange of old securities for new securities by the same corporate issuer generally qualifies as a tax-free recapitalization for U.S. federal income tax purposes. The Company believes that the Old Notes should be treated as "securities" for U.S. federal income tax purposes, however the Old Notes and the New Notes are not issued by the same corporate issuer. Therefore, the exchange of Old Notes for a New Notes should not qualify as a recapitalization and should be treated as a taxable exchange. A holder will recognize gain (or, subject to possible application of the wash sale rules of Section 1091 of the Code, loss) on the exchange equal to the difference between (i) the sum of the issue price (which is described below under the "Part II, Box 19" heading) of the New Notes (other than any portion of the New Note allocable to accrued and unpaid interest on the Old Note exchanged therefor), and any cash (other than any cash received for accrued and unpaid interest) received in the exchange and (ii) the holder's adjusted tax basis in the Old Note.

**Part II, Box 16.**

For New Notes received in an exchange treated as a taxable exchange for U.S. federal income tax purposes, as described above in the "Part II, Box 15" discussion, a holder's initial tax basis in New Notes is equal to the issue price of such New Note (which is described below under the "Part II, Box 19" heading).

**Part II, Box 17.**

Sections 354, 356, 358, 368, 1001, 1012, and 1273 of the Code. Treasury Regulations Section 1.1001-3 addresses deemed exchanges resulting from modifications of debt instruments.

**Part II, Box 18.**

Subject to possible application of the wash sale rules of Section 1091 of the Code, a holder that exchanges Old Notes for New Notes in an exchange treated as a taxable exchange for U.S. federal income tax purposes may generally recognize loss in an amount equal to the difference between (i) the sum of the issue price (which is described below under the "Part II, Box 19" heading) of the New Notes (other than any portion of the New Note allocable to accrued and unpaid interest on the Old Note exchanged therefor), and any cash (other than any cash received for accrued and unpaid interest) received in the exchange and (ii) the holder's adjusted tax basis in the Old Note.

**Part II, Box 19.**

The reportable taxable year is the taxable year that includes August 18, 2021.

Pursuant to U.S. Treasury Regulation Section 1.1273-2(f)(9), the Company has determined that (a) New Notes are "traded on an established market" and (b) the issue price of New Notes is \$1,053.88 per \$1,000 face amount of such New Notes of which \$0 reflects the fractional amount for which a holder received in cash.

**Report of Organizational Actions  
Affecting Basis of Securities**

OMB No. 1545-0123

► See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name  <b>Avolon Holdings Funding Limited</b>		<b>2</b> Issuer's employer identification number (EIN)  <b>98-1194819</b>	
<b>3</b> Name of contact for additional information  <b>Liam Hickey</b>	<b>4</b> Telephone No. of contact  <b>+353 (0)1 231 5800</b>	<b>5</b> Email address of contact  <b>ir@avolon.aero</b>	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact  <b>Number One Ballsbridge Building 1, Shelbourne Road</b>		<b>7</b> City, town, or post office, state, and ZIP code of contact  <b>Ballsbridge Dublin 4, Dublin, Ireland</b>	
<b>8</b> Date of action  <b>August 18, 2021</b>		<b>9</b> Classification and description  <b>Debt for Debt Exchange</b>	
<b>10</b> CUSIP number  <b>See Attached</b>	<b>11</b> Serial number(s)  <b>N/A</b>	<b>12</b> Ticker symbol	<b>13</b> Account number(s)  <b>N/A</b>

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

- 14** Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ► **See Attached**

- 15** Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ► **See Attached**

- 16** Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ► **See Attached**

**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**

**18** Can any resulting loss be recognized? ▶ **See Attached**

**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ **See Attached**

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 ▶

*Andy Cronin*

Date ▶

*9/29/2021*

Print your name ▶

*Andy Cronin*

Title ▶

*Director*

**Paid Preparer Use Only**

Print/Type preparer's name

**Michelle Paquette**

Preparer's signature

*Michelle Paquette*

Date

**9/28/2021**

Check ☐ if self-employed

PTIN

**P01243447**

Firm's name ▶ **KPMG LLP**

Firm's EIN ▶

**13-5565207**

Firm's address ▶ **One Financial Plaza, Hartford, CT 06103-2608**

Phone no.

**860-522-3200**

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

**Avolon Holdings Funding Limited**

**EIN: 98-1194819**

**Date of Action: August 18, 2021**

**Attachment to Internal Revenue Service Form 8937**

The information herein is provided pursuant to Section 6045B of the Internal Revenue Code of 1986, as amended (the "Code"). The information herein does not constitute tax advice. Note holders are strongly urged to consult their own tax advisors regarding the U.S. federal income tax consequences of the exchanges described herein and the tax basis resulting from the exchanges.

**Part I, Box 10.**

IP Numbers of Old Notes	IP Numbers of New Notes
CUSIP: 05401AAD3 Regulation S: G0686BAC3	2.528% Senior Notes due 2027

**Part II, Box 14.**

On August 18, 2021, certain holders of the old notes listed in Part I, Box 10 (such notes, collectively or individually, as the context requires, "Old Notes") exchanged Old Notes for newly-issued notes (such newly-issued notes, "New Notes") due November 18, 2027.

**Part II, Box 15.**

Avolon Holdings Funding Limited (the "Company") will treat the exchange of Old Notes for New Notes pursuant to the exchange offer as a significant modification for U.S. federal income tax purposes, so the exchange of Old Notes for New Notes is expected to constitute a disposition of Old Notes for U.S. federal income tax purposes.

The U.S. federal income tax consequences of that disposition depend upon whether such exchange qualifies as a recapitalization for U.S. federal income tax purposes. In order for an exchange to qualify as a recapitalization, each of Old Notes and New Notes must be treated as "securities" under the relevant provisions of the Code. The Company believes that the Old Notes should be treated as "securities" for U.S. federal income tax purposes, and the exchange of the Old Notes for New Notes should constitute a recapitalization nontaxable exchange. Each holder should consult its tax advisors to determine whether an exchange of Old Notes should be treated as a recapitalization or a taxable exchange.

*Recapitalization*

This section describes the consequences if the exchange of the Old Notes for New Notes is a recapitalization for U.S. federal income tax purposes.

In a recapitalization, a holder would recognize gain (but not loss) on the exchange of the Old Notes for New Notes in an amount equal to the lesser of (a) the excess, if any, of (i) the sum of (A) the issue price of New Notes (including any fractional amounts for which a holder receives cash) that a holder receives in the exchange (which is described below under the "Part II, Box 19" heading) plus (B) any cash (other than cash in respect of accrued but unpaid interest or cash in lieu of fractional amounts of New Notes) that a holder receives in the exchange over (ii) a holder's

adjusted tax basis in the Old Notes, as applicable, and (b) the sum of (i) any cash (other than cash in respect of accrued but unpaid interest and cash in lieu of fractional amounts of New Notes) that a holder receives in the exchange and (ii) the fair market value of (A) the excess, if any, of the principal amount of New Notes (including any fractional amounts for which a holder receives cash) that a holder receives in the exchange over (B) the principal amount of the Old Notes that a holder surrenders in the exchange.

If the exchange of Old Notes for New Notes is a recapitalization, a holder's initial tax basis in New Notes is equal to such holder's adjusted tax basis in Old Notes exchanged, increased by any gain that the holder recognized on the exchange, and decreased by any cash that the holder receive in the exchange (including cash the holder received in lieu of fractional amounts of New Notes).

**Part II, Box 16.**

For New Notes received in an exchange treated as a recapitalization for U.S. federal income tax purposes, as described above in the "*Recapitalization*" section of the "Part II, Box 15" discussion, a holder's initial tax basis in New Notes is equal to such holder's adjusted tax basis in Old Notes exchanged, increased by any gain that the holder recognized on the exchange, and decreased by any cash that the holder received in the exchange (including cash the holder received in lieu of fractional amounts of New Notes).

**Part II, Box 17.**

Sections 354, 356, 358, 368, 1001, 1012, and 1273 of the Code. Treasury Regulations Section 1.1001-3 addresses deemed exchanges resulting from modifications of debt instruments.

**Part II, Box 18.**

A holder that exchanges Old Notes for New Notes in an exchange treated as a recapitalization generally will not be permitted to recognize any loss on the exchange.

**Part II, Box 19.**

The reportable taxable year is the taxable year that includes August 18, 2021.

Pursuant to U.S. Treasury Regulation Section 1.1273-2(f)(9), the Company has determined that (a) New Notes are "traded on an established market" and (b) the issue price of New Notes is \$1,106.03 per \$1,000 face amount of such New Notes of which \$0 reflects the fractional amount for which a holder received in cash.



## Report of Organizational Actions Affecting Basis of Securities

OMB No. 1545-0123

► See separate instructions.

### Part I Reporting Issuer

1 Issuer's name <b>Avolon Holdings Funding Limited</b>		2 Issuer's employer identification number (EIN) <b>98-1194819</b>	
3 Name of contact for additional information <b>Liam Hickey</b>	4 Telephone No. of contact <b>+353 (0)1 231 5800</b>	5 Email address of contact <b>ir@avolon.aero</b>	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact <b>Number One Ballsbridge Building 1, Shelbourne Road</b>		7 City, town, or post office, state, and ZIP code of contact <b>Ballsbridge Dublin 4, Dublin, Ireland</b>	
8 Date of action <b>August 18, 2021</b>		9 Classification and description <b>Debt for Debt Exchange</b>	
10 CUSIP number <b>See Attached</b>	11 Serial number(s) <b>N/A</b>	12 Ticker symbol	13 Account number(s) <b>N/A</b>

### Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ► **See Attached**

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ► **See Attached**

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ► **See Attached**

**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**

**18** Can any resulting loss be recognized? ► **See Attached**

**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ► **See Attached**

**Sign  
Here**

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.

Signature ►

*Andy Cronin*

Date ►

*9/29/2021*

Print your name ►

*Andy Cronin*

Title ►

*Director*

**Paid  
Preparer  
Use Only**

Print/Type preparer's name

**Michelle Paquette**

Preparer's signature

*Michelle Paquette*

Date

**9/28/2021**

Check ☐ if  
self-employed

PTIN

**P01243447**

Firm's name ► **KPMG LLP**

Firm's EIN ►

**13-5565207**

Firm's address ► **One Financial Plaza, Hartford, CT 06103-2608**

Phone no.

**860-522-3200**

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

**Avolon Holdings Funding Limited**

**EIN: 98-1194819**

**Date of Action: August 18, 2021**

**Attachment to Internal Revenue Service Form 8937**

The information herein is provided pursuant to Section 6045B of the Internal Revenue Code of 1986, as amended (the "Code"). The information herein does not constitute tax advice. Note holders are strongly urged to consult their own tax advisors regarding the U.S. federal income tax consequences of the exchanges described herein and the tax basis resulting from the exchanges.

**Part I, Box 10.**

IP Numbers of Old Notes	IP Numbers of New Notes
CUSIP: 05401AAF8 Regulation S: G0686BAE9	2.528% Senior Notes due 2027

**Part II, Box 14.**

On August 18, 2021, certain holders of the old notes listed in Part I, Box 10 (such notes, collectively or individually, as the context requires, "Old Notes") exchanged Old Notes for newly-issued notes (such newly-issued notes, "New Notes") due November 18, 2027.

**Part II, Box 15.**

Avolon Holdings Funding Limited (the "Company") will treat the exchange of Old Notes for New Notes pursuant to the exchange offer as a significant modification for U.S. federal income tax purposes, so the exchange of Old Notes for New Notes is expected to constitute a disposition of Old Notes for U.S. federal income tax purposes.

The U.S. federal income tax consequences of that disposition depend upon whether such exchange qualifies as a recapitalization for U.S. federal income tax purposes. In order for an exchange to qualify as a recapitalization, each of Old Notes and New Notes must be treated as "securities" under the relevant provisions of the Code. The Company believes that the Old Notes should be treated as "securities" for U.S. federal income tax purposes, and the exchange of the Old Notes for New Notes should constitute a recapitalization nontaxable exchange. Each holder should consult its tax advisors to determine whether an exchange of Old Notes should be treated as a recapitalization or a taxable exchange.

*Recapitalization*

This section describes the consequences if the exchange of the Old Notes for New Notes is a recapitalization for U.S. federal income tax purposes.

In a recapitalization, a holder would recognize gain (but not loss) on the exchange of the Old Notes for New Notes in an amount equal to the lesser of (a) the excess, if any, of (i) the sum of (A) the issue price of New Notes (including any fractional amounts for which a holder receives cash) that a holder receives in the exchange (which is described below under the "Part II, Box 19" heading) plus (B) any cash (other than cash in respect of accrued but unpaid interest or cash in lieu of fractional amounts of New Notes) that a holder receives in the exchange over (ii) a holder's

adjusted tax basis in the Old Notes, as applicable, and (b) the sum of (i) any cash (other than cash in respect of accrued but unpaid interest and cash in lieu of fractional amounts of New Notes) that a holder receives in the exchange and (ii) the fair market value of (A) the excess, if any, of the principal amount of New Notes (including any fractional amounts for which a holder receives cash) that a holder receives in the exchange over (B) the principal amount of the Old Notes that a holder surrenders in the exchange.

If the exchange of Old Notes for New Notes is a recapitalization, a holder's initial tax basis in New Notes is equal to such holder's adjusted tax basis in Old Notes exchanged, increased by any gain that the holder recognized on the exchange, and decreased by any cash that the holder receive in the exchange (including cash the holder received in lieu of fractional amounts of New Notes).

**Part II, Box 16.**

For New Notes received in an exchange treated as a recapitalization for U.S. federal income tax purposes, as described above in the "*Recapitalization*" section of the "Part II, Box 15" discussion, a holder's initial tax basis in New Notes is equal to such holder's adjusted tax basis in Old Notes exchanged, increased by any gain that the holder recognized on the exchange, and decreased by any cash that the holder received in the exchange (including cash the holder received in lieu of fractional amounts of New Notes).

**Part II, Box 17.**

Sections 354, 356, 358, 368, 1001, 1012, and 1273 of the Code. Treasury Regulations Section 1.1001-3 addresses deemed exchanges resulting from modifications of debt instruments.

**Part II, Box 18.**

A holder that exchanges Old Notes for New Notes in an exchange treated as a recapitalization generally will not be permitted to recognize any loss on the exchange.

**Part II, Box 19.**

The reportable taxable year is the taxable year that includes August 18, 2021.

Pursuant to U.S. Treasury Regulation Section 1.1273-2(f)(9), the Company has determined that (a) New Notes are "traded on an established market" and (b) the issue price of New Notes is \$1,075.53 per \$1,000 face amount of such New Notes of which \$0 reflects the fractional amount for which a holder received in cash.

## Report of Organizational Actions Affecting Basis of Securities

OMB No. 1545-0123

► See separate instructions.

<b>Part I</b>	<b>Reporting Issuer</b>
---------------	-------------------------

1 Issuer's name

2 Issuer's employer identification number (EIN)

**Avolon Holdings Funding Limited**

**98-1194819**

3 Name of contact for additional information

4 Telephone No. of contact

5 Email address of contact

## Liam Hickey

**+353 (0)1 231 5800**

**ir@avolon.aero**

6 Number and street (or P.O. box if mail is not delivered to street address) of contact

7 City, town, or post office, state, and ZIP code of contact

**Number One Ballsbridge Building 1, Shelbourne Road**

**Ballsbridge Dublin 4, Dublin, Ireland**

8 Date of action

## 9 Classification and description

**August 18, 2021**

## Debt for Debt Exchange

10 CUSIP number

**11** Serial number(s)

12 Ticker symbol

<b>13</b>	<b>Account number(s)</b>
-----------	--------------------------

**See Attached**

N/A

N/A

See Attached	N/A	N/A
<b>Part II</b>	<b>Organizational Action</b> Attach additional statements if needed. See back of form for additional questions.	

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ► **See Attached**

**15** Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ► **See Attached**

**16** Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ► **See Attached**

**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**

**18** Can any resulting loss be recognized? ► **See Attached**

**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ► **See Attached**

**Sign  
Here**

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.

Signature ►

*Andy Cronin*

Date ► 9/29/2021

Print your name ► Andy Cronin

Title ► Director

**Paid  
Preparer  
Use Only**

Print/Type preparer's name

Michelle Paquette

Preparer's signature

*Michelle Paquette*

Date

9/28/2021

Check ☐ if  
self-employed

PTIN

P01243447

Firm's name ► KPMG LLP

Firm's EIN ► 13-5565207

Firm's address ► One Financial Plaza, Hartford, CT 06103-2608

Phone no. 860-522-3200

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

**Avolon Holdings Funding Limited**

**EIN: 98-1194819**

**Date of Action: August 18, 2021**

**Attachment to Internal Revenue Service Form 8937**

The information herein is provided pursuant to Section 6045B of the Internal Revenue Code of 1986, as amended (the "Code"). The information herein does not constitute tax advice. Note holders are strongly urged to consult their own tax advisors regarding the U.S. federal income tax consequences of the exchanges described herein and the tax basis resulting from the exchanges.

**Part I, Box 10.**

IP Numbers of Old Notes	IP Numbers of New Notes
CUSIP: 05401AAK7 Regulation S: G0686BAJ8	2.528% Senior Notes due 2027

**Part II, Box 14.**

On August 18, 2021, certain holders of the old notes listed in Part I, Box 10 (such notes, collectively or individually, as the context requires, "Old Notes") exchanged Old Notes for newly-issued notes (such newly-issued notes, "New Notes") due November 18, 2027.

**Part II, Box 15.**

Avolon Holdings Funding Limited (the "Company") will treat the exchange of Old Notes for New Notes pursuant to the exchange offer as a significant modification for U.S. federal income tax purposes, so the exchange of Old Notes for New Notes is expected to constitute a disposition of Old Notes for U.S. federal income tax purposes.

The U.S. federal income tax consequences of that disposition depend upon whether such exchange qualifies as a recapitalization for U.S. federal income tax purposes. In order for an exchange to qualify as a recapitalization, each of Old Notes and New Notes must be treated as "securities" under the relevant provisions of the Code. The Company believes that the Old Notes should be treated as "securities" for U.S. federal income tax purposes, and the exchange of the Old Notes for New Notes should constitute a recapitalization nontaxable exchange. Each holder should consult its tax advisors to determine whether an exchange of Old Notes should be treated as a recapitalization or a taxable exchange.

*Recapitalization*

This section describes the consequences if the exchange of the Old Notes for New Notes is a recapitalization for U.S. federal income tax purposes.

In a recapitalization, a holder would recognize gain (but not loss) on the exchange of the Old Notes for New Notes in an amount equal to the lesser of (a) the excess, if any, of (i) the sum of (A) the issue price of New Notes (including any fractional amounts for which a holder receives cash) that a holder receives in the exchange (which is described below under the "Part II, Box 19" heading) plus (B) any cash (other than cash in respect of accrued but unpaid interest or cash in lieu of fractional amounts of New Notes) that a holder receives in the exchange over (ii) a holder's

adjusted tax basis in the Old Notes, as applicable, and (b) the sum of (i) any cash (other than cash in respect of accrued but unpaid interest and cash in lieu of fractional amounts of New Notes) that a holder receives in the exchange and (ii) the fair market value of (A) the excess, if any, of the principal amount of New Notes (including any fractional amounts for which a holder receives cash) that a holder receives in the exchange over (B) the principal amount of the Old Notes that a holder surrenders in the exchange.

If the exchange of Old Notes for New Notes is a recapitalization, a holder's initial tax basis in New Notes is equal to such holder's adjusted tax basis in Old Notes exchanged, increased by any gain that the holder recognized on the exchange, and decreased by any cash that the holder receive in the exchange (including cash the holder received in lieu of fractional amounts of New Notes).

**Part II, Box 16.**

For New Notes received in an exchange treated as a recapitalization for U.S. federal income tax purposes, as described above in the "*Recapitalization*" section of the "Part II, Box 15" discussion, a holder's initial tax basis in New Notes is equal to such holder's adjusted tax basis in Old Notes exchanged, increased by any gain that the holder recognized on the exchange, and decreased by any cash that the holder received in the exchange (including cash the holder received in lieu of fractional amounts of New Notes).

**Part II, Box 17.**

Sections 354, 356, 358, 368, 1001, 1012, and 1273 of the Code. Treasury Regulations Section 1.1001-3 addresses deemed exchanges resulting from modifications of debt instruments.

**Part II, Box 18.**

A holder that exchanges Old Notes for New Notes in an exchange treated as a recapitalization generally will not be permitted to recognize any loss on the exchange.

**Part II, Box 19.**

The reportable taxable year is the taxable year that includes August 18, 2021.

Pursuant to U.S. Treasury Regulation Section 1.1273-2(f)(9), the Company has determined that (a) New Notes are "traded on an established market" and (b) the issue price of New Notes is \$1,147.54 per \$1,000 face amount of such New Notes of which \$0 reflects the fractional amount for which a holder received in cash.