



**Part II** Organizational Action *(continued)*

**17** List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ [See Attachment](#)

Blank lines for listing applicable Internal Revenue Code sections.

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

Blank lines for providing information on resulting loss recognition.

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

Blank lines for providing other necessary information for the adjustment.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**  
Signature ▶ Matthew B. Sicinski Date ▶ September 11, 2024

Print your name ▶ Matthew B. Sicinski Title ▶ SVP and Chief Accounting Officer

<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.

**Summit Midstream Corporation**  
**EIN: 99-3056990**  
**Attachment to Form 8937**  
**Report of Organizational Action Affecting Basis of Securities**

Summit Midstream Corporation (“**New Summit**”) is providing the information contained herein pursuant to the requirements of section 6045B of the Internal Revenue Code of 1986, as amended (the “**Code**”), and includes a general summary regarding the application of certain U.S. federal income tax laws and regulations to the exchange described below and the potential effects on a shareholder’s adjusted U.S. tax basis resulting from such transactions.

The information contained herein does not constitute tax advice and does not purport to be complete or to describe the consequences that may apply to particular categories of shareholders. Shareholders are urged to consult their own tax advisors regarding the particular U.S., state, local and non-U.S. tax consequences of the transaction described herein and the impact to tax basis resulting from such transaction.

**Part I:**

**Line 9. Classification and description.**

Common stock, par value \$0.01 per share, of New Summit (“**Common Stock**”) and Series A Floating Rate Cumulative Redeemable Perpetual Preferred Stock, par value \$0.01 per share, of New Summit (“**Series A Preferred Stock**”).

**Part II:**

**Line 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.**

On August 1, 2024, SMC NewCo, LLC (“**Merger Sub**”), a wholly-owned subsidiary of New Summit, merged with and into Summit Midstream Partners, LP (the “**Partnership**” and together, the “**Merger**”), with the Partnership continuing as the surviving entity and a wholly-owned subsidiary of New Summit. Pursuant to the Merger all of the common units representing limited partner interests in the Partnership (“**Common Units**”) were converted into the right to receive shares of Common Stock and all of the 9.50% Series A Fixed-to-Floating Rate Cumulative Redeemable Perpetual Preferred Units representing limited partner interests in the Partnership (“**Series A Preferred Units**” and, together with the Common Units, the “**Units**”) were converted into the right to receive shares of Series A Preferred Stock.

**Line 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.**

For purposes of this discussion, a holder of Common Units (even if such holder also owns Series A Preferred Units) is a Common Holder (“**Common Holder**”), and a holder of Series A Preferred Units that is not also a beneficial owner of Common Units is a Preferred Holder (“**Preferred Holder**”). The quantitative effect of the Merger on the basis of the Common Stock and Series A Preferred Stock are different and will be discussed in turn.

## **Consequences of the Merger to Common Holders**

New Summit intends to treat the Merger as an exchange described in Section 351 of the Code with respect to Common Holders, with any Series A Preferred Stock received by a Common Holder in the Merger treated as “nonqualified preferred stock” within the meaning of Section 351(g) of the Code. Even if the Merger qualifies as a transaction described in Section 351 of the Code, a Common Holder will also recognize gain as a result of the Merger under Section 357(c) of the Code to the extent that the aggregate amount of Partnership liabilities allocable to such Common Holder under Section 752 of the Code immediately prior to the Merger exceeds the Common Holder’s aggregate tax basis in the Units exchanged by such Common Holder.

Accordingly, Common Holders would not recognize loss, and the amount of any gain required to be recognized by a Common Holder generally will be equal to (a) the lesser of (i) the fair market value of any Series A Preferred Stock received, and (ii) the amount of gain realized on the exchange plus (b) the amount by which the aggregate amount of Partnership liabilities allocable to such Common Holder immediately prior to the Merger exceeds the Common Holder’s aggregate tax basis in the Units exchanged by such Common Holder.

The amount of any gain realized on the exchange will generally be the excess of (i) the sum of the fair market value of the Common Stock and any Series A Preferred Stock received in the Merger plus the aggregate amount of Partnership liabilities allocable to such Common Holder immediately prior to the Merger, over (ii) such Common Holder’s adjusted tax basis in the Units exchanged in the Merger.

Each Common Holder’s aggregate tax basis in the shares of Common Stock received in the Merger will generally be the same as the Common Holder’s aggregate tax basis in the Units surrendered in exchange therefor, increased by the amount of any gain recognized in the Merger, including any gain recognized under Section 357(c) of the Code, and reduced by (i) the fair market value of any Series A Preferred Stock received in the Merger and (ii) the aggregate amount of Partnership liabilities allocable to such Common Holder immediately prior to the Merger. Each Common Holder’s aggregate tax basis in the shares of any Series A Preferred Stock received in the Merger will be the fair market value of such Series A Preferred Stock at the time of the Merger.

## **Consequences of the Merger to Preferred Holders**

New Summit intends to treat the Series A Preferred Stock as “nonqualified preferred stock” within the meaning of Section 351(g) of the Code, so a Preferred Holder will not be treated as having engaged in a transaction qualifying as an exchange under Section 351 of the Code. Accordingly, a Preferred Holder will be treated as having sold its Series A Preferred Units in a taxable sale, so such Preferred Holder generally would recognize gain or loss equal to the difference between (i) the fair market value of the Series A Preferred Stock received in the Merger plus the aggregate amount of Partnership liabilities allocable to such Preferred Holder immediately prior to the Merger and (ii) such Preferred Holder’s tax basis in its Series A Preferred Units.

Each Preferred Holder’s aggregate tax basis in the shares of Series A Preferred Stock received in the Merger will be the fair market value of such Series A Preferred Stock at the time of the Merger.

**Line 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.**

For purposes of calculating the basis adjustments in Line 15, each holder of Common Stock and Series A Preferred Stock received in the Merger should consult its own tax advisor to determine the fair market value of any Common Stock and Series A Preferred Stock received in the exchange. Under applicable federal income tax rules, one reasonable approach to determine the fair market value of any Common Stock received in the Merger for this purpose is to take the mean between the highest and lowest quoted selling prices of Common Stock on August 1, 2024. The highest and lowest quoted selling prices on the NYSE on August 1, 2024, for the Common Stock were \$40.75 and \$38.61, respectively, and the mean was \$39.68. One reasonable approach to determine the fair market value of any Series A Preferred Stock received in the Merger for this purpose is to take the mean between the bid price and ask price of the Series A Preferred Stock on August 1, 2024. The bid price and ask price for the Series A Preferred Stock on August 1, 2024, were \$147.41 and \$147.96, respectively, and the mean was \$147.68. Holders will also receive a final K-1 from the Partnership, which should indicate the amount of liabilities allocable to such holder immediately prior to the Merger.

**Line 17. List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.**

Sections 351(a), 351(b), 351(g), 357(c), 358(a), 358(b), 358(g), 368(c), 1001(a), 1001(b), 752(a) and 752(b) of the Code.

**Line 18. Can any resulting loss be recognized?**

Because a Preferred Holder should not be treated as having engaged in a transaction qualifying as an exchange under Section 351 of the Code, the Preferred Holder should recognize any loss equal to the excess, if any, of such Preferred Holder's tax basis in its Series A Preferred Units, over its amount realized in the exchange. Common Holders may not recognize any loss as a result of the Merger.

**Line 19. Provide any other information necessary to implement the adjustment, such as the reportable tax year.**

The stock basis adjustments are taken into account in the tax year of the shareholder during which the Merger occurred (i.e., 2024 for calendar year taxpayers).