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VIA ELECTRONIC DELIVERY

November 1, 2023

Mr. Chris Mattingly
Chief Financial Officer
PSS Holdings, LLC
10507 Ella Blvd, Suite 100
Houston, Texas 77038

Dear Chris:

Enclosed are the filing copies of the following federal returns prepared on behalf of PSS Holdings, LLC (collectively the "Company," or "Client") as follows:

Federal Form 8937 Report of Organizational Actions Affecting Basis of Securities

The original of each of the above-mentioned forms should be dated and signed by an authorized officer of the corporation in accordance with the filing instructions included with the copy of the form.

To document the timely filing of your returns, we suggest you obtain and retain proof of mailing. Proof of mailing can be accomplished by sending the returns by registered or certified mail (metered by the U.S. Postal Service) or through the use of an IRS approved delivery method provided by an IRS designated private delivery service.

These returns were prepared from information provided by you or your representative. The preparation of tax returns does not include the independent verification of information used. Therefore, we recommend you review the returns before signing to ensure there are no omissions or misstatements. If you note anything which may require a change to the returns, please contact us before filing them.

We sincerely appreciate the opportunity to serve you. Please contact us if you have any questions or if we may be of further assistance.

Very truly yours,

KPMG LLP

Ryan Kelly
Tax Principal



Form 8937

PSS Holdings LLC



PSS Holdings, LLC
Instructions for Filing
Form 8937
Report of Organizational Actions Affecting Basis

The original form should be signed (using full name and title) and dated by an authorized officer of the corporation.

Form 8937 must be either filed with the IRS (Option 1) or publicly reported (Option 2).

Option 1: Filing with the IRS:

File Form 8937 using certified mail, return receipt requested, to:

Department of the Treasury
Internal Revenue Service
Ogden, UT 84201-0054

and provide a copy of executed Form 8937 to each security holder of record as of the date of the organizational action and all subsequent holders of record up to the date you give the copy of Form 8937.

Option 2: Public Reporting:

Post a completed and signed Form 8937 in a readily accessible format in an area of your primary public website dedicated to this purpose. The Executed Form 8937 must stay accessible to the public on this website, or the primary website of any successor organization, for 10 years. You may electronically sign Form 8937 that is posted to your website as long as you identify the individual who is signing the penalties of perjury declaration.

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

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name PSS Holdings, LLC		2 Issuer's employer identification number (EIN) 35-2755465	
3 Name of contact for additional information Chris Mattingly	4 Telephone No. of contact 713-275-1564	5 Email address of contact chris.mattingly@pssigroup.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 10507 Ella Blvd, Suite 100		7 City, town, or post office, state, and ZIP code of contact Houston, Texas 77038	
8 Date of action September 28, 2023		9 Classification and description Class A and B membership units	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)

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 ▶ On September 28, 2023, PSS Holdings, LLC made a pro rata distribution of property (cash) in the amount of \$70,000,000 to its Class A and Class B membership unit holders.

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 ▶ Based on information available at the time of the distribution, no amount of the distribution is anticipated to be characterized as a dividend within the meaning of Section 316(a). As a result, a membership unit holder's receipt of the distribution is anticipated to be: (i) first, applied against and reduce such membership unit holder's adjusted basis in their membership units of PSS Holdings, LLC (but not below zero); and (ii) thereafter, be viewed as gain from the sale or exchange of property under Section 301(c).

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 ▶ PSS Holdings, LLC engaged a third-party tax advisor, KPMG LLP, to determine the estimated current and accumulated earnings and profits of PSS Holdings, LLC as of the date of the distribution, based on available information at the time of the earnings and profits estimation. The estimation anticipated that PSS Holdings, LLC would have an accumulated E&P deficit entering the year of the distribution, and that PSS Holdings would not have positive current E&P in the year of the distribution.

The aforementioned E&P estimations were based on available information at the time of the distribution and will need to be updated once further information becomes available (i.e., after PSS Holdings, LLC's 2023 tax year ends).

Part II Organizational Action *(continued)*


17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ IRC Sections 316 and 301

18 Can any resulting loss be recognized? ▶ No loss is anticipated to be recognized in connection with the distribution.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ Taxpayer's Reportable Tax Year: 2023

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

Sign Here
Signature ▶ _____ Date ▶ _____

Paid Preparer Use Only	Print your name ▶ <u>Chris Mattingly</u>		Title ▶ <u>CFO, PSS Holdings LLC</u>	
	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed
	<u>Ryan Kelly</u>		<u>11/1/2023</u>	PTIN <u>P01261357</u>
	Firm's name ▶ <u>KPMG LLP</u>	Firm's EIN ▶ <u>13-5565207</u>		Phone no. <u>267-256-7000</u>
Firm's address ▶ <u>1601 Market Street Philadelphia, PA 19103-2499</u>				