

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

Multiple horizontal lines for listing applicable Internal Revenue Code sections and subsections.

18 Can any resulting loss be recognized? ▶ See Attachment


Multiple horizontal lines for providing information regarding resulting loss recognition.

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

Multiple horizontal lines for providing other information necessary to implement 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 ▶  Date ▶ 7/19/2024
Print your name ▶ MICHAEL STANTON Title ▶

Paid Preparer Use Only	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.			

Peloton Interactive, Inc.
FEIN: 47-3533761
Attachment to Form 8937
Report of Organizational Actions Affecting Basis of Securities

Peloton Interactive, Inc. (the “**Company**”) is providing the information contained herein pursuant to the requirements of section 6045B of the Internal Revenue Code of 1986, as amended (the “**Code**”). The discussion herein includes a general summary regarding the application of certain U.S. federal income tax laws and regulations to the debt exchanges described below and the potential effects on a holder’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 holders. Holders are urged to consult their own tax advisors regarding the particular U.S. tax consequences of the transactions described herein and the impact to tax basis resulting from such transactions.

Unless otherwise specified herein, “section” references are to the Code or Treasury regulations promulgated thereunder, each in effect as of the date hereof.

Part I:

Line 9. Classification and description.

- Approximately \$736,875,000 in aggregate principal amount of term loans due May 25, 2027 (the “**Existing Term Loans**”).
- Approximately \$1,000,000,000 in aggregate principal amount of term loans due May 30, 2029 (the “**New Term Loans**”).

Line 10. CUSIP number.

- Existing Term Loans CUSIP – 70614EAD2
- New Term Loans CUSIP – 70614EAG5

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 May 30, 2024, the Company entered into an Amendment and Restatement Agreement, which modified the terms of its existing credit agreement, dated May 25, 2022 (the “**Second Amended Credit Agreement**”) (the “**May 2024 Amendment**”). The Second Amended Credit Agreement governed the Existing Term Loans. As a result of the May 2024 Amendment, the Second Amended Credit Agreement was replaced with the Third Amended and Restated Credit Agreement (the “**Third Amended Credit Agreement**”), with each of the lenders and issuing banks party thereto, JPMorgan Chase Bank, N.A., as Administrative Agent and JPMorgan Chase Bank, N.A. and

Goldman Sachs Lending Partners LLC as Joint Bookrunners and Joint Lead Arrangers. The Third Amended Credit Agreement provides for a \$1.0 billion term loan facility (i.e., the New Term Loans) that matures on May 30, 2029.

Certain holders of the Existing Term Loans that were parties to the Second Amended Credit Agreement became holders of the New Term Loans and parties to the Third Amended Credit Agreement (each a “**Carryover Holder**” and collectively, the “**Carryover Holders**”). Specifically, Carryover Holders, which in the aggregate held approximately \$581,394,375 of principal of Existing Term Loans (1) received cash for their allocable portion of accrued and unpaid interest on the Existing Term Loans and (2) were deemed to exchange (as discussed further below), the Existing Term Loans for New Term Loans with an aggregate principal amount of approximately \$451,827,500.¹

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.

Under U.S. federal income tax law, an exchange of property is typically expected to result in gain or loss being realized under section 1001 by the person engaging in the exchange, with such realized gain or loss being recognized in income unless an exception to recognition applies.

The Company believes, and the remainder of this discussion assumes, that the May 2024 Amendment resulted in significant modifications of the Existing Term Loans under Treas. Reg. section 1.1001-3. As a result, pursuant to section 1001, the Carryover Holders are expected to be treated as receiving New Term Loans in exchange for their Existing Term Loans (in each instance a “**Deemed Exchange**” and collectively, the “**Deemed Exchanges**”), and the Carryover Holders are expected to realize - but, subject to the recapitalization rules discussed below, not necessarily recognize - gain or loss (if any) as a result of the May 2024 Amendment.

The tax treatment of the May 2024 Amendment depends on whether it constitutes a recapitalization under section 368(a)(1)(E) (a “**Section 368(a)(1)(E) Recapitalization**”). Whether the May 2024 Amendment constitutes a Section 368(a)(1)(E) Recapitalization depends, *inter alia*, on whether the Existing Term Loans deemed surrendered, and the New Term Loans deemed received therefor, constitute “securities” for purposes of section 354.

Neither the Code nor the Treasury regulations define the term security. Whether a debt instrument is a security is based on all of the facts and circumstances, but most authorities have held that the term to maturity of the debt instrument is one of the most significant factors. In

¹ For simplicity, in certain instances this Form 8937 may make reference to facts, assumptions, and analysis that is relevant only to the Carryover Holders. For example, certain Carryover Holders also acquired New Term Loans for cash (in addition to exchanging their Existing Term Loans for New Term Loans), and certain new lenders who did not hold Existing Term Loans acquired New Term Loans for cash. The U.S. federal income tax consequences related to the acquisition of New Term Loans for cash by Carryover Holders and non-Carryover Holders are not discussed herein.

this regard, debt instruments with a term of ten years or more generally have qualified as securities, whereas debt instruments with a term of less than five years generally have not qualified as securities. Here, the Existing Term Loans had a term to maturity of five years, subject to acceleration pursuant to a springing maturity date provision, and the New Term Loans have a term to maturity of five years.

If the Existing Term Loans and New Term Loans are determined to constitute securities for purposes of section 354, and the deemed exchanges of Existing Term Loans for New Term Loans otherwise qualify as Section 368(a)(1)(E) Recapitalizations, the Carryover Holders generally are expected not to recognize gain or loss with respect to the Deemed Exchanges, except to the extent of cash (other than cash for accrued and unpaid interest) and other "boot" received by the Carryover Holders as part of the Deemed Exchanges. Because the Carryover Holders did not receive cash (other than cash for accrued and unpaid interest) or other boot, it is not expected that gain would be recognized in the instant case.

If cash or other boot was received, a Carryover Holder is expected to be required to recognize gain on the Deemed Exchange of their Existing Term Loans for New Term Loans, in an amount equal to the lesser of (1) the total gain realized by the Carryover Holder on the Deemed Exchange, and (2) the amount of cash (other than for accrued and unpaid interest) and boot received (if any).

Here, the total gain realized by a Carryover Holder in connection with a Deemed Exchange is expected to equal the excess, if any, of (1) the sum of (a) the issue price of a New Term Loan, and (b) the fair market value of any boot received (none expected in this case) over (2) the Carryover Holder's adjusted tax basis in an Existing Term Loan. A Carryover Holder's adjusted tax basis in a New Term Loan is expected to be equal to the Carryover Holder's adjusted tax basis in an Existing Term Loan, increased by the amount of any gain recognized on the Deemed Exchanges.

To the extent a Deemed Exchange does not qualify as a Section 368(a)(1)(E) Recapitalization, a Carryover Holder's aggregate initial tax basis in a New Term Loan generally is expected to be equal to its issue price.

Carryover Holders participating in a Deemed Exchange should consult their tax advisors to determine the U.S. federal income tax consequences to them of participating in such Deemed Exchange.

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.

See response to Line 15 above.

If a Deemed Exchange is a Section 368(a)(1)(E) Recapitalization, a Carryover Holder's aggregate initial tax basis in a New Term Loan is expected to equal its aggregate adjusted tax basis in the

Existing Term Loan exchanged, less the amount of any cash received (other than for accrued and unpaid interest), plus the amount of any gain recognized.

If a Deemed Exchange is an exchange that does not qualify as a Section 368(a)(1)(E) Recapitalization, a Carryover Holder's aggregate initial tax basis in a New Term Loans is expected to equal its issue price.

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

Sections 354, 356, 358, 368, 1001, 1012, and 1273.

Line 18. Can any resulting loss be recognized?

A Deemed Exchange generally should not result in loss being recognized by a Carryover Holder to the extent the Deemed Exchange is a Section 368(a)(1)(E) Recapitalization.

A Deemed Exchange may result in an Carryover Holder recognizing a loss to the extent the Deemed Exchange is an exchange that is not a Section 368(a)(1)(E) Recapitalization and such Carryover Holder's tax basis in an Existing Term Loan exceeds the aggregate of the issue price of the New Term Loan received, plus the amount of any cash received (other than cash for accrued and unpaid interest) and boot received (none expected in this case), subject to generally applicable Code rules that may impact the ability of particular Carryover Holders to recognize losses.

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

The organizational actions occurred on or about May 30, 2024. The reportable tax year is 2024 for calendar-year taxpayers.