

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name		<b>2</b> Issuer's employer identification number (EIN)	
APX, Inc.		77-0442270	
<b>3</b> Name of contact for additional information	<b>4</b> Telephone No. of contact	<b>5</b> Email address of contact	
Russell Wong	(408) 517-2113	rwong@nyseblue.com	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact		<b>7</b> City, town, or post office, state, and Zip code of contact	
224 Airport Parkway, Suite 600		San Jose, CA 95110	
<b>8</b> Date of action		<b>9</b> Classification and description	
February 18, 2011		Series B-1 Preferred Stock of APX, Inc.	
<b>10</b> CUSIP number	<b>11</b> Serial number(s)	<b>12</b> Ticker symbol	<b>13</b> 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 ▶ After giving effect to the conversion occurring on the same date, each outstanding share of APX, Inc. Series B-1 Preferred Stock was converted into 0.2 shares of NYSE Blue Common Stock.

**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 ▶

The basis of a share of NYSE Blue Common Stock received as a result of the merger is equal to five times (5x) the pre-merger basis of a share of APX, Inc. Series B-1 Preferred Stock.

**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 ▶

The exchange ratio between a share of APX, Inc. Series B-1 Preferred Stock and a share of NYSE Blue Common Stock was 5:1.

**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶  
Secs. 351, 358, 368(a) and 354

18 Can any resulting loss be recognized? ▶ No.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶  
The merger occurred in the 2011 tax year.

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 ▶ 1/17/12

Print your name ▶ Russell Wong Title ▶ Head of Finance

<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.	