

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

► See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name  Applied Micro Circuits Corp		<b>2</b> Issuer's employer identification number (EIN)  94-2586591	
<b>3</b> Name of contact for additional information  Stephen Ferranti	<b>4</b> Telephone No. of contact  (978) 656-2977	<b>5</b> Email address of contact  ir.macom.com	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact  100 Chelmsford Street		<b>7</b> City, town, or post office, state, and Zip code of contact  Lowell, MA 01851	
<b>8</b> Date of action  January 26, 2017		<b>9</b> Classification and description  Common Stock	
<b>10</b> CUSIP number  03822W406	<b>11</b> Serial number(s)	<b>12</b> Ticker symbol  AMCC	<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 ► **See Attached**

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**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**

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**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**

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**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 356(a), 358(a), 368(a), 302(b)

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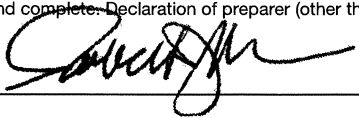
18 Can any resulting loss be recognized? ▶ No loss will be recognized as a result of the Offer or the First Merger, except for possible loss recognized in connection with the cash received in lieu of fractional MACOM Shares.

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19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The tax basis in the newly issued MACOM Shares will be taken into account in the tax year of the shareholder during which the Offer and the First Merger occurred (e.g., 2017 for calendar year taxpayers).

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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 ▶ 3/1/17

Print your name ▶ Robert McMullan Title ▶ Sr. Vice President & CFO

<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.

## Applied Micro Circuits Corporation

FEIN: 94-2586591

Attachment to Form 8937

### Part II

#### Line 14

On January 26, 2017, Montana Merger Sub I, Inc. (“Purchaser”), a wholly owned subsidiary of MACOM Technology Solutions Holdings, Inc. (“MACOM”) completed the acquisition of Applied Micro Circuits Corporation (“AMCC”) by means of an integrated exchange offer (the “Offer”) and merger as follows: (i) On January 26, 2017, Purchaser accepted 64,466,896 shares of common stock, par value \$0.01 per share, of AMCC stock (“AMCC Stock”), representing approximately 73.6% of the outstanding shares of AMCC, (ii) on January 26, 2017 and as part of the same plan, Purchaser merged with and into AMCC (the “First Merger”) with AMCC continuing as the surviving corporation, and (iii) immediately after the First Merger on January 26, 2017 and as part of the same plan, AMCC merged with and into MACOM Connectivity Solutions, LLC (f/k/a Montana Merger Sub II, LLC), a Delaware limited liability company and a wholly owned subsidiary of MACOM (“LLC Sub”), a Delaware limited liability company and direct wholly owned subsidiary (that is disregarded for U.S. federal income tax purposes) of MACOM (the “Second Merger” and together with the First Merger, the “Mergers”) (the Offer and the Mergers collectively, the “Transaction”). Pursuant to the Transaction each issued and outstanding share of AMCC Stock (each, an “AMCC Share” and together the “AMCC Shares”) was exchanged for \$3.25 in cash and 0.1089 shares of MACOM common stock (each, a “MACOM Share” and together the “MACOM Shares”) plus cash in lieu of any fractional shares.

#### Line 15

MACOM and AMCC intend, for U.S. federal income tax purposes, that the Offer and the Mergers, taken together, will qualify as a “reorganization” within the meaning of Section 368(a) of the Internal Revenue Code of 1986. Accordingly, a U.S. holder of AMCC Shares (an “AMCC shareholder”) who receives MACOM Shares and cash (other than cash received in lieu of fractional MACOM Shares) in exchange for AMCC Shares pursuant to the Offer and/or the First Merger generally will recognize gain (but not loss) in an amount equal to the lesser of (i) the amount by which the sum of the fair market value of the MACOM Shares and cash received by an AMCC shareholder exceeds such shareholder’s adjusted tax basis in the AMCC Shares surrendered and (ii) the amount of cash received by such shareholder (in each case excluding any cash received in lieu of fractional MACOM Shares, which shall be treated as discussed below). If AMCC Shares were acquired at different times or at different prices, any gain or loss will be determined separately with respect to each block of AMCC Shares.

The aggregate tax basis of the MACOM Shares received pursuant to the Offer and/or the First Merger (including fractional MACOM Shares deemed received and exchanged for cash, as discussed below) will be the same as the aggregate tax basis of the AMCC Shares surrendered in

exchange therefor, decreased by the amount of cash received (excluding any cash received instead of fractional MACOM Shares), and increased by the amount of gain recognized on the exchange (the “Adjusted Aggregate Tax Basis”), excluding any gain recognized with respect to fractional MACOM Shares for which cash is received, as discussed below.

Where one MACOM Share is received in exchange for more than one AMCC Share, the Adjusted Aggregate Tax Basis (described above on Line 15) must be allocated to the MACOM Shares (or allocable portions thereof) received in a manner that reflects, to the greatest extent possible, the basis in the AMCC Shares that were acquired on the same date and at the same price. To the extent it is not possible to allocate the Adjusted Aggregate Tax Basis in this manner, the aggregate tax basis in the AMCC Shares surrendered must be allocated to the MACOM Shares (or allocable portions thereof) received in a manner that minimizes the disparity in the holding periods of AMCC Shares whose basis is allocated to any particular MACOM Share received.

An AMCC shareholder who received cash instead of fractional MACOM Shares will generally be treated as having received the fractional MACOM Shares pursuant to the Offer and/or the First Merger, as applicable, and then as having sold such fractional MACOM Shares for cash. As a result, such holder will generally recognize gain or loss equal to the difference between the amount of cash received and the tax basis allocated to such fractional MACOM Shares.

All holders of AMCC Shares should consult their own tax advisors as to the specific tax consequences of the Offer and the First Merger to them, including the applicability and effect of any federal, state, local and non-U.S. tax laws.

Further discussion of the material U.S. federal income tax consequences of the Offer and First Merger may be found under the heading “Material U.S. Federal Income Tax Consequences” in MACOM’s 424B3 filed with the Securities and Exchange Commission on January 25, 2017 (available at the following internet address: <http://ir.macom.com/secfiling.cfm?filingID=1193125-17-17422&CIK=1493594>).

#### **Line 16**

Consult your tax advisors regarding the manner in which the MACOM Shares are valued for purposes of determining the potential gain described above on Line 15. Under generally applicable federal income tax rules, one reasonable approach to determine the fair market value of the MACOM Shares for calculating the potential gain on the AMCC Shares exchanged in the Offer or the First Merger on January 26, 2017 is to take the mean between the highest and lowest quoted selling prices of MACOM Shares on January 26, 2017, which is \$47.66.