Form **8937**
(December 2011)
Department of the Treasury
Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

▶ **See separate instructions.**

OMB No. 1545-2224

Part I Reporting Issuer

1 Issuer's name Bright Horizons Family Solutions Inc			**2 Issuer's employer identification number (EIN)** 80-0188269
3 Name of contact for additional information Bright Horizons Tax Department	**4** Telephone No. of contact 617-673-8000		**5** Email address of contact tax@brighthorizons.com
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 200 Talcott Ave			**7** City, town, or post office, state, and Zip code of contact Watertown, MA 02472
8 Date of action 11/7/2016	**9** Classification and description Debt agreement amendment		
10 CUSIP number	**11** Serial number(s)	**12** Ticker symbol BFAM	**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 ▶ See attached.

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.

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.

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 attached.**

18 Can any resulting loss be recognized? ▶ **See attached.**

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

Sign Here

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.

Signature ▶ Christine Ferrick Date ▶ 12/21/16

Print your name ▶ Christine Ferrick Title ▶ Director of Tax

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
	Firm's name ▶			Firm's EIN ▶	
	Firm's address ▶			Phone no.	

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

ATTACHMENT TO FORM 8937
DEBT AGREEMENT AMENDMENT

Part II Line 14 – On November 7, 2016, the Company modified its existing senior credit facilities by entering into an incremental and amendment and restatement agreement, which amended and restated the credit agreement and refinanced all of its outstanding term loans, (the "Existing Term Loans") into a new seven year term loan facility, of which $925.0 million was funded on November 7, 2016 and $150.0 million was funded on November 8, 2016, for general corporate purposes, including acquisitions (the "New Term Loans"). This event is referred to as the "amended agreement," "November 2016 Refinance" or the "refinance." (The "Transaction"). As a result of the Transaction, for U.S. federal income tax purposes, the Existing Term Loans were deemed to be retired and reissued for the New Term Loans.

Part II line 15 – The original credit agreement was amended. Holders of the Existing Term Loans either kept the same or increased/decreased the principal amount of the Existing Term Loans into a new seven year term loan facility.

The deemed receipt of the New Term Loans by prior holders qualifies as a tax-free recapitalization, which generally serves to defer the recognition of any gain or loss by lenders. Each holder's aggregate tax basis in the New Term Loan deemed to be issued as a result of the Transaction will generally equal such holder's aggregate adjusted tax basis in the Existing Term Loan immediately prior to the deemed exchange.

To the extent the Transaction is not a tax-free recapitalization for U.S. federal income tax purposes, each holder will recognize gain or loss upon the deemed receipt of a New Term Loan in exchange for the Existing Term Loan. In that event, each holder's tax basis in its Existing Term Loan will be extinguished and the Holder's tax basis in the New Term Loan will equal the issue price of such New Term Loan.

Holders of the Existing Term Loans should consult their tax advisors to determine the tax consequences of the Transaction to them.

Part II line 16 – Each holder's aggregate tax basis in the New Term Loan that was deemed to be issued as a result of the Transaction will generally equal such holder's aggregate adjusted tax basis in the Existing Term Loan immediately prior to the deemed exchange.

To the extent the Transaction is not a tax-free recapitalization for U.S. federal income tax purposes, each holder will recognize gain or loss upon the deemed receipt of a New Term Loan in exchange for the Existing Term Loan. In that event, each holder's tax basis in its Existing Term Loan will be extinguished and the Holder's tax basis in the New Term Loan will equal the issue price of such New Term Loan.

Holders of the Existing Term Loans should consult their tax advisors to determine the tax consequences of the Transaction to them.

Part II line 17 – Sections, 354, 358, 1001 and 1012

Part II line 18 – The Transaction generally should not result in a loss to holders of the Existing Term Loans to the extent the Transaction is a tax-free recapitalization.
The Transaction may result in a loss to a holder to the extent such holder's tax basis in the Existing Term Loan exceeds the fair market value of the New Term Loan.

Part II line 19 – The reportable taxable year is 2016.