

Report of Organizational Actions Affecting Basis of Securities

► See separate instructions.

Part I Reporting Issuer

1 Issuer's name Sphere 3D Corporation		2 Issuer's employer identification number (EIN) 98-1220792	
3 Name of contact for additional information Kurt Kalbfleisch	4 Telephone No. of contact (858) 495-4211	5 Email address of contact kkalbfleisch@overlandstorage.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 240 Matheson Blvd. East		7 City, town, or post office, state, and Zip code of contact Mississauga, Ontario, Canada L4Z 1X1	
8 Date of action December 1, 2014	9 Classification and description Common Stock		
10 CUSIP number 84841Q109	11 Serial number(s)	12 Ticker symbol ANY	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 ▶ See attached.

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 ▶ /s/ Kurt Kalbfleisch Date ▶ 1/15/2015

Print your name ▶ Kurt Kalbfleisch Title ▶ Chief Financial Officer

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 ▶		Phone no.	
Firm's address ▶				

Sphere 3D Corporation
EIN 98-1220792
Attachment to Form 8937

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 December 1, 2014 (the "Closing Date"), S3D Acquisition Company, a California corporation ("Merger Sub") and a wholly owned subsidiary of Sphere 3D Corporation, an Ontario corporation ("Parent"), merged with and into Overland Storage, Inc., a California corporation ("Overland"), with Overland as the surviving corporation (the "Surviving Corporation"). Immediately thereafter, the Surviving Corporation merged with and into S3D Acquisition II Company, a California corporation and a wholly owned subsidiary of Parent ("Merger Sub II"), with Merger Sub II as the surviving corporation.

Each holder of common stock of Overland received 0.46385 shares of the common stock of Parent in exchange for each of such holder's shares of Overland common stock, with any fractional shares of Parent common stock owed to such holder paid in an amount of cash equal to the product of: (i) such fraction, multiplied by (ii) the closing trading price of Parent's common stock on the NASDAQ Global Market on November 26, 2014, which was \$8.02.

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

Parent has determined that the series of transactions described in Line 14 (the "Merger") will be treated as a single integrated transaction for U.S. federal income tax purposes. The Merger is intended to constitute a "reorganization" within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code"), and the Agreement and Plan of Merger dated as of May 15, 2014 by and among Parent, Overland and Merger Sub, as amended on October 13, 2014, together with the terms of the side letter from Overland to Parent dated October 13, 2014 (collectively, the "Merger Agreement"), constitute a "plan of reorganization" within the meaning of U.S. Treasury Regulations Sections 1.368-2(g) and 1.368-3(a). No holder of the common stock of Overland (other than any "five-percent shareholders" within the meaning of U.S. Treasury Regulations Section 1.367(a)-3(c)(5)(ii)) will recognize gain upon receipt of shares of Parent (including any fractional shares deemed received by such holder pursuant to the treatment discussed below under "Cash Paid in Lieu of Fractional Shares") in the Merger.

In general, a former holder of the common stock of Overland (the "New Shareholders") will have an aggregate basis in their shares of Parent (including any fractional shares deemed received by such holder pursuant to the treatment discussed below under "Cash Paid in Lieu of Fractional Shares") equal to their aggregate basis in such holder's Overland shares surrendered in the Merger, plus the amount of any gain recognized by such shareholder in the Merger but

decreased by the amount of any cash received as a result of the Merger (other than any cash received in lieu of fractional shares of common stock of Parent).

Cash Paid in Lieu of Fractional Shares. A holder who receives cash in lieu of a fractional share of Parent common stock will be treated as having received the fractional share of Parent common stock pursuant to the Merger and then as having exchanged the fractional share of Parent common stock for cash in a redemption by Parent. In general, this deemed redemption will be treated as a sale or exchange and a holder will recognize gain or loss equal to the difference between (i) the amount of cash received by such holder and (ii) the portion of the basis of the shares of Overland common stock allocable to such fractional interest.

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

The exchange ratio as defined in the Merger Agreement and calculated as of the Closing Date was 0.46385, so that, for each share of Overland common stock that is exchanged for Parent common stock, an Overland shareholder would be entitled to receive 0.46385 shares of Parent common stock. The fractional shares of Parent common stock received in exchange for a single share of Overland common stock would be paid in \$3.72 cash (i.e., 0.46385 multiplied by the closing trading price of Parent's common stock on the NASDAQ Global Market on November 26, 2014, \$8.02).

To calculate the basis of the Parent common stock received, divide the aggregate basis in the Overland shares given up in the exchange by the exchange ratio of 0.46385. For example, if a holder owned ten shares of Overland with an aggregate basis of \$30, the basis in each share of Parent common stock received would be rounded to \$6.47:

Aggregate basis in Overland stock:	\$30.00
Basis in each share of Overland Stock:	\$3.00
Divided by exchange ratio:	0.46385
Basis per share of Parent stock received:	\$6.47
Number of shares of Parent stock received:	4.6385
Total basis in share of Parent stock received:	\$25.87
Basis allocated to fractional share deemed sold:	\$4.13

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

As discussed above, Parent has determined that the Merger constitutes a reorganization within the meaning of Section 368(a) of the Code and the New Shareholders basis in their shares of Parent will be determined under Sections 354, 356, 358 and 1221 of the Code.

Line 18: Can any resulting loss be recognized?

In general, shareholders cannot recognize any loss as a result of their receipt of shares of Parent common stock (including any fractional shares deemed received by such holder as discussed above) in the Merger.

Cash Paid in Lieu of Fractional Shares. A holder who receives cash in lieu of a fractional share of Parent common stock will be treated as having received the fractional share of Parent common stock pursuant to the Merger and then as having exchanged the fractional share of Parent common stock for cash in a redemption by Parent. In general, this deemed redemption will be treated as a sale or exchange and a holder will recognize gain or loss equal to the difference between (i) the amount of cash received by such holder and (ii) the portion of the basis of the shares of Overland common stock allocable to such fractional interest. Such gain or loss generally will constitute capital gain or loss and will be long-term capital gain or loss if the holder's holding period for Overland common stock exchanged by such holder is greater than one year as of December 1, 2014. The deductibility of capital losses is subject to limitations.

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

Any adjustment to basis would be taken into account in the taxable year of the relevant shareholder in the year during which the Merger was effective (e.g., 2014 for calendar year taxpayers).

All former shareholders of Overland are urged to consult their own tax advisors with respect to their individual tax consequences of the Merger.