

PENDRELL CORPORATION

FAO - Reverse Stock Split – 7/31/2018

1. When will Pendrell’s reverse stock split become effective?

The reverse stock split will be effective at 5:00 p.m. Pacific time on July 31, 2018 (the “Effective Time”).

2. What happens to my shares of common stock as a result of the reverse stock split?

The ratio of the reverse stock split is 1-for-250. Therefore, for every two hundred and fifty (250) shares that you owned prior to the Effective Time, you will own one share after the Effective Time.

3. Why is Pendrell effecting a reverse stock split?

Pendrell is effecting the reverse stock split to reduce the Company’s number of beneficial owners to not more than 100, and therefore claim exemption from registration under the Investment Company Act. A more complete discussion of the business reasons for the reverse stock split can be found in the Notice of Annual Meeting of Shareholders.

4. How many shares will I own after the reverse stock split?

To calculate the number of shares you own after the reverse stock split, divide the number of shares that you owned immediately before the Effective Time by two hundred and fifty (250) and round down to the nearest whole share. No fractional shares will be issued as a result of the reverse stock split. See below for an explanation of the treatment of fractional shares in the reverse stock split.

5. Does the reverse stock split affect my percentage ownership of the Company?

The reverse stock split will not affect any shareholder’s percentage ownership interest in the Company, except to the extent that the reverse stock split results in fractional shares. Except for the shift caused by fractional shares, you will own the same percentage of the Company that you owned prior to the reverse stock split.

6. How do I receive my new shares?

The Company’s transfer agent, Computershare, will act as exchange agent for the reverse stock split. Computershare will notify shareholders via “Letter of Transmittal” that the reverse stock split has been effected as soon as practicable after the Effective Time. If you hold physical stock certificates representing your pre-split shares, the Letter of Transmittal will ask you to surrender those certificates to Computershare in exchange for certificates representing post-split shares. No new certificates will be issued to you until you have surrendered your outstanding certificate(s) with the properly completed and executed Letter of Transmittal. If your shares are held by a broker, you do not need to submit old share certificates for exchange. These shares will automatically reflect your new share count.

7. What if I want to register my new shares under a different name?

Any request for new shares or new certificates to be issued under a name different from that of the registered holder will be subject to normal stock transfer requirements and fees, including proper endorsement and signature guarantee, if required.

8. How are fractional shares of stock treated in the reverse stock split?

In lieu of any fractional share to which you would otherwise be entitled as a result of the reverse stock split, Pendrell will pay cash equal to your remaining fraction multiplied by the product of (i) 250 and (ii) \$689.19.

- If you are a registered shareholder of Pendrell:
 - If you hold physical stock certificate(s) for Pendrell common stock and you are entitled to receive a cash payment for your fractional share of Pendrell common stock, you will receive the cash payment after you complete and return to Computershare the Letter of Transmittal, together with your stock certificate(s). Once you send your completed Letter of Transmittal and your stock certificate(s) to Computershare, Computershare will process the exchange and then mail you a check for the fractional share payment, together with your statement of holding.
 - If you hold Pendrell common stock in book-entry form and you are entitled to receive a cash payment for your fractional share of Pendrell common stock, Computershare will mail you a check for the payment, together with your book-entry statement of holding.
- If you are a beneficial Pendrell shareholder but not a recordholder (in other words, you hold your shares through a broker, bank, or nominee), and you were entitled to receive a cash payment for your fractional share of Pendrell common stock, payment for the fractional share will be made to the recordholder that holds your shares on your behalf. That recordholder will then invoke its own processes for making payment to you for your fractional share. If you have questions, you should contact your recordholder for more information.

9. What happens if I do not receive a Letter of Transmittal?

If you do not receive a Letter of Transmittal from Computershare within 30 days after the Effective Time, you should contact Computershare to confirm that Computershare and Pendrell possess correct contact information. You can contact Computershare for this purpose by calling (855) 396-2084, or by sending an email message using the online contact form at www.computershare.com. Shareholders outside the United States and Canada may call (781) 575-2765. You can contact the Company by email at the contact information listed at the bottom of these FAQs.

10. What if I cannot find my Pendrell stock certificate(s)?

If, after trying to locate your stock certificate(s), you determine that some or all of your stock certificates have been lost, stolen or destroyed, you should contact Computershare by calling (855) 396-2084.

11. Did the CUSIP number for Pendrell's stock change?

Yes. Following the Effective Time, the new CUSIP number for the Class A Common Stock is 70686R708.

12. What are the tax consequences of the reverse stock split?

Generally, you should not recognize gain or loss for U.S. federal income tax purposes other than with respect to any cash received for fractional shares. In general, your aggregate tax basis in the shares you hold post-split will be the same as the aggregate tax basis of your pre-split shares, and the holding period for the shares you hold post-split should include the holding period for the shares you held prior to the reverse split. This is a general overview and we encourage you to consult your tax advisor to answer any tax-related questions.

13. Who can I contact if I have a question that is not answered in this FAQ?

Investors may contact Investor Relations at Pendrell by email at the contact information listed below.

Email: info@pendrell.com