

1099 TAX INFORMATION STATEMENT

2020 Tax Form User Manual

 LPL Financial

INTRODUCTION

The purpose of this guide is to assist you and/or your tax advisor in preparing your 2020 Federal Income Tax Return. It contains illustrated examples and explanations of statements you may receive, depending on the type of reportable income you have in your account(s).

This guide is compiled from reliable sources and is provided for general guidance purposes only. We do not provide tax advisory services. We recommend that you consult with your tax advisor or accountant about your specific tax situations before using this guide for tax reporting purposes. Standard IRS instructions for each form are available on the last pages of your tax statement. Forms and publications referenced in this guide may be obtained from the IRS website (www.irs.gov) or by phone 1-800-TAX FORM (1-800-829-3676)

LPL Financial is the “Payer” responsible to the Internal Revenue Service (IRS) for reporting federal income and any tax withholding that appears on your 1099 Tax Information Statement. When reporting information on your tax return, be sure to use the LPL Financial name and Payer ID number shown on your 1099 Tax Information Statement documents, not the individual companies that paid the dividends or interest.

Please note: Your Tax Information Statement includes important tax information designated as being reported to the IRS, as well as courtesy information designated as not being reported to the IRS. While using this information to prepare your tax return, please keep in mind that the IRS uses a matching system in which it matches items we report on your 1099 Tax Information Statement with items you report on your tax return. If you are required to file a tax return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported by you on your tax return. In general, you should report all amounts shown on your 1099 Tax Information Statement and then make any necessary adjustments.

How to Use This Guide

Skim the Table of Contents to quickly and easily navigate to specific sections of this guide. For example, if you need to know about our mailing schedule, clicking the 2021 Mailing Schedule for 2020 1099 Tax Information Statements link within the Table of Contents will take you directly to that section to find more information.

CONTENTS

Getting Started

4	2021 Mailing Schedule for 2020 1099 Tax Information Statements
5	Online Access to Tax Information Statements
6	Delayed Reporting
7	Preliminary Tax Statement
8	Corrected 1099 Tax Information Statements
9	General Information About Your 2020 Tax Information Statement
11	Reporting of Foreign Financial Assets
12	Cost Basis Reporting Overview
13	Cost Basis Elections
13	Cost Basis Reporting on Your 1099-B
19	Tax Information Statement
20	1099-DIV – Dividends and Distributions
21	1099-MISC – Miscellaneous Income
22	1099-B Section 1256 Contracts – Regulated Futures and Nonequity Options
23	1099-B – Proceeds from Broker and Barter Exchange Transactions
27	1099-INT – Interest Income
29	1099-OID – Original Issue Discount
32	Reconciliations, Fees, Expenses, and Expenditures
34	State Tax Withheld
34	Tax Year 2020 WHFIT, REMIC, and WHFT Reporting
37	Supplemental Information for REMICs and Widely Held Fixed Investment
38	Supplemental Information for Widely Held Mortgage Trusts
38	Mutual Fund and UIT Supplemental Information
39	Tax Year 2020 End Notes
40	Glossary of Terms
42	Frequently Asked Questions

2021 Mailing Schedule for 2020 1099 Tax Information Statements

Mail Date	IRS Tax Form
January 22 & 29, 2021 <ul style="list-style-type: none"> Accounts not subject to income reclassification 	1099 Consolidated
February 5, 12, 19, & 26, 2021 <ul style="list-style-type: none"> Accounts subject to income reclassification Corrected 1099 issued (if applicable) 	<ul style="list-style-type: none"> 1099-DIV 1099-INT 1099-B 1099-MISC 1099-OID
March 5 & 12, 2021 <ul style="list-style-type: none"> Accounts holding OID or WHMT/WHFIT/REMIC securities* Accounts subject to income reclassification Corrected 1099 issued (if applicable) 	
April 2021 – October 2021 <ul style="list-style-type: none"> Corrected 1099 issued (if applicable) 	
January 29, 2021 February 2021 – July 2021 <ul style="list-style-type: none"> Corrected 1099s issued (if applicable) 	1099-R 1099-Q
January 29, 2021 <ul style="list-style-type: none"> Beneficiaries only 	5498 The fair market value (FMV) of your account is shown on your December 2020 monthly statement. Form 5498 is provided to beneficiaries who may not be the recipient of the year-end statement.
March 15, 2021	1042-S
March 30, 2021	2439
April 15, 2021	990-T
April 30, 2021	5498-ESA
May 31, 2021	5498-IRA

*OID: original issue discount; WHMT: widely held mortgage trust; WHFIT: widely held fixed investment trust, REMIC: real estate mortgage investment conduit

Mailing Schedule for 1099 Consolidated Forms

The IRS mailing deadline for 1099 Consolidated Forms is February 16, 2021. Like many broker-dealer firms, in order to provide the most up-to-date and complete information, we request a 30-day extension from the IRS to mail your 1099 consolidated form.

For accounts not subject to income reclassification, we'll begin mailing statements prior to the IRS mailing deadline on January 22, 2021. For accounts subject to income reallocation, we'll begin mailing statements on February 5, 2021. For accounts holding original issue discount (OID), widely held mortgage trust (WHMT), widely held fixed investment trust (WHFIT), or real estate mortgage investment conduit (REMIC) securities, we'll begin mailing statements on March 5, 2021.

Mailing Schedule for Corrected Forms

To reduce or eliminate the need for corrected forms, statements are created and mailed only after receiving income reclassification information and other similar adjustments from all securities held in your account. The IRS requires that we send a corrected Form 1099 to you for any changes to information that was previously provided on your original statement. When applicable, we'll begin mailing corrected statements on February 5, 2021.

Online Access to Tax Information Statements

TurboTax®

If you use TurboTax®, you may be able to import certain information shown on your original or corrected 1099 Tax Information Statement directly from LPL Financial into the software. Specific statement information available for download includes:

- 1099-DIV Dividends and Distributions
- 1099-INT Interest Income
- 1099-MISC Miscellaneous Income, except for Line 3 (Other income)
- 1099-B Proceeds from Broker and Barter Exchange Transactions
- 1099-OID Original Issue Discount
- 1099-R

To access your information, you will need a valid LPL Account View username and password. The download contains the latest information available from our system, including cost basis information for covered tax lots.

You can import your tax information from LPL Financial beginning January 22, 2021. It's important to wait until you have received your tax information statement before importing your information into TurboTax®. To ensure you have imported complete information for preparing your tax return, always compare downloaded information to your official forms and make any adjustments that may be necessary.

To find out when your 1099 Tax Information Statement will be available, refer to the mailing schedule.

Forms 1099-Q, 5498, and 5498-ESA are unavailable for download into TurboTax®. Please refer to the hard-copy statements you received in the mail.

Online Tax Statements

Providing you with Account View is one way we're committed to help you pursue your financial goals. Accessed from your computer, tablet, or smartphone, Account View provides secure, convenient, 24-hour online access to your investment account information. You can access Account View for a free download of your tax statements. If you're not sure if you have access to Account View, please contact your financial professional for more information.

Delayed Reporting

Income Reclassification Information

Income reclassification refers to adjustments made by security issuers to amounts previously reported as dividend income.

If you hold an investment that is subject to income reclassification, your original 1099 Tax Information Statement will be mailed to you, after we receive income reclassification information and other similar adjustments from all securities held in your account, on February 5, 12, 19 or 26, 2021, or on March 5 or 12, 2021.

You may want to delay filing your 2020 tax returns until late March or early April to avoid refiling as you may receive one or more corrected statements with amended information. Issuers of securities may provide updated or additional information after your original statement was mailed. Although we provide the most up-to-date information on your statement, when amended information is received, we'll send you a corrected 1099 Tax Information Statement.

Investment types most likely to reclassify include:

- A real estate investment trust (REIT)
- A unit investment trust (UIT)
- A registered investment company (RIC)
- A security organized as a grantor trust
- A foreign company
- A commodity trust
- A widely held fixed investment trust (WHFIT)
- A U.S. company that has a fiscal year ending after December 31
- A mutual fund that includes real estate investments trusts (REITs), foreign securities, or municipal bonds that might be subject to alternative minimum tax (AMT)

Collateralized Mortgage Obligations (CMOs), Collateralized Debt Obligations (CDOs), Real Estate, Mortgage Investment Conduits (REMICs), Widely Held Fixed Investment Trusts (WHFITs), and Widely Held Mortgage Trusts (WHMTs)

If you held a CMO, CDO, REMIC, WHFIT, or WHMT security in 2020, your original 1099 Tax Information Statement will be mailed to you on March 5 or 12, 2021.

You may want to delay filing your 2020 tax returns until late March or early April to avoid refileing as you may receive one or more corrected statements with amended information. Issuers of certain debt securities may not advise us of their final income status until late March or early April. Although we provide the most up-to-date information on your statement, when amended information is received, we'll send you a corrected 1099 Tax Information Statement.

Preliminary Tax Statement

For accounts that will not receive a final 1099 Consolidated Tax Statement until February 26, March 5 or March 12, you will have access to a Preliminary Tax Statement on February 19. This is a draft copy of your Tax Statement. Securities with incomplete or non-finalized tax information are listed on the Assets Awaiting Final Data page. You will not receive your preliminary tax statement in the mail and it will not be available in Turbo Tax®; the statement is available in Account View only.

While we know you'll find this document useful, the preliminary 1099 Consolidated Tax Statement should not be considered final. The preliminary form will be watermarked with the message "Preliminary-DO NOT use for tax return." You should use your FINAL 1099 Consolidated Tax Information statement to complete your 2020 tax return.

LPL is not responsible for reimbursement of refileing or any other fees associated with the preparation and filing of an amended tax return.

LPL Financial		Account
Assets Awaiting Final Data		
2020		
<small>Some securities have special tax reporting requirements that involve collection of data from outside sources. Most commonly, this applies to Real Estate Mortgage Investment Conduits (REMICs), Widely Held Fixed Investment Trusts (WHFITs), Widely Held Mortgage Trusts (WHMTs), Real Estate Investment Trusts (REITs), Unit Investment Trusts (UITs), mortgage pass through certificates and mutual funds. For the assets shown below, this information is not yet available. Where income or other distributions for these assets appear elsewhere in this statement, the amounts and tax classifications should be treated as preliminary and subject to change. Further, income such as Original Issue Discount (OID) that does not yet appear in this statement will be included when details are finalized. We will provide an official tax document to you according to the delivery method that is standard for your account once all the required information has been obtained.</small>		
Fixed Income		
CUSIP	Description	
3136A3MV0	FNMA 11-146EY 4.0 012542	
3136ABMB6	FNMA12-148JA 3.5 032542	
3136AP3R1	FNMA 15-65LD 3.5 012536	
3136AVW21	FNMA 17-22BG 3.5 072541	
3136AVYU7	FNMA 17-9GL 3.0 102542	

Corrected 1099 Tax Information Statements

You may receive one or more corrected statements with amended information. In the event that additional information or amended information becomes available after your original 1099 Tax Information Statement was mailed to you, we'll send you a corrected statement.

Summary of Changes from Previous to Current Statement

To easily identify a corrected statement, a page titled "Summary of Changes from Previous to Current Statement" is included. This page highlights how the amended statement differs from your previous statement. The word CORRECTED is also shown at the top of each page of the statement. Income amounts that have changed, as well as any transactions with additional information or amended information, are denoted by the letter "C."

LPL Financial		Account	
2020		12/21/2020	CORRECTED
Summary of Changes from Previous to Current Statement 2020			
Statement Date		12/10/2020	12/21/2020
Recipient's ID No.		XX-XXX6789	XX-XXX6789
			Change
DIVIDENDS AND DISTRIBUTIONS	2020	1099-DIV*	
3-Nondividend distributions		0.00	317.44

General Information About Your 2020 Tax Information Statement

Taxpayer Identification Number

For your protection, only the last four digits of your Taxpayer Identification Number are shown on your statement. However, your complete Social Security Number (SSN), Employer Identification Number (EIN), or other Taxpayer Identification Number (TIN) is used to report information to the IRS and, where applicable, to state tax agencies.

Separate Accounts

You'll receive a separate tax information statement for each of your accounts.

Transferred Accounts

Your Tax Information Statement reflects business conducted with your financial representative during the time that LPL acted as the clearing agent. If you transferred an account to LPL from another financial institution during 2020, your previous firm(s) may send you one or more Form 1099s summarizing any account activity that took place before the account transfer. If applicable, please be sure to include all Form 1099s when filing your tax returns.

Exempt Accounts

Certain accounts are exempt from IRS Form 1099 reporting and backup withholding requirements. These accounts generally include C corporations, qualified retirement plans (QRPs), individual retirement accounts (IRAs), charitable organizations, foreign accounts, and most federal, state, and local government accounts. Please refer to the "Instructions for IRS Form W-9" for a complete list of exemption criteria.

Nominees

If your form 1099 includes amounts belonging to another person, you are considered a nominee recipient. You must file as the "payer" the respective Form 1099 (DIV, INT, or OID) Copy A (with a Form 1096) to the IRS for each of the other owners as recipient(s) to show their allocable share of the income and you must furnish the respective Copy B Form(s) and amounts to each owner. A spouse is not required to file a nominee return to show amounts owned by the other spouse. Refer to the IRS publication 2020 General Instructions for Certain Information Returns.

De Minimis Threshold

If your reportable content is below the de minimis threshold of \$10 as established by regulation, we will not generate a Tax Information Statement for you, nor will such amounts be reported to the IRS.

Flexible Billing

Advisory fees charged to an IRA account and being paid through a brokerage account are shown on the Form 1099 issued for the brokerage account.

Important Note

Your 1099 Tax Information Statement (not your December statement) is the official document for tax reporting purposes. Various security issuers may provide additional information after the end of the year. Therefore, amounts shown on your monthly statement(s) may be different from amounts shown on your 1099 Tax Information Statement.

Federal and State Backup Withholding

We are required to withhold federal income tax and, when applicable, state income tax from all reportable dividends, interest, and gross proceeds paid to certain U.S. persons (including trusts, partnerships, etc.). These persons are those who:

- Fail to furnish a valid Taxpayer Identification Number (TIN) or appropriate certification (IRS Form W-9)
- Have been identified by the IRS as having an incorrect name or TIN
- Have an under-reporting of dividend or interest income

Federal income tax is generally reported in Box 4 of Forms 1099-DIV, 1099-INT, 1099-B, 1099-MISC, and 1099-OID sections. Any withheld state income tax is also reported on all 1099 forms. You should include these amounts on your income tax return as tax withheld.

Foreign Tax Withholding

The amount of any foreign withholding appears within various detail sections. The country code appears as a suffix to the transaction type description.

State Tax Withheld

The amount of any state backup withholding appears in the State Tax Withheld section of your summary pages. Details appear on the income detail and state tax withholding pages.

State Reporting

Certain states require brokers who withhold federal backup withholding tax from a resident of these states to additionally withhold state tax on certain reportable payments such as:

- Proceeds from broker and barter exchange transactions (1099-B Box 1d)
- Substitute payments in lieu of dividends or interest (1099-MISC Box 8)
- Capital gain distributions from RICs or REITs (1099-DIV Box 2a)

For tax year 2020, states that require backup withholding are California – 7%; Maine – 5%; and Vermont – 5.76%. Brokers are also required to remit backup withholding for accounts with a missing TIN or an invalid TIN, or who fail to certify exemption status with their state of residence. For example, California residents are subject to California backup withholding on payments from in-state and out-of-state sources. If California state backup withholding was applied to your account, the total tax payment will be reported to you on both your 1099s and on California Form 592-B. The individual state withholding transactions that make up the totals listed on Form 592-B are found

throughout the income detail pages of your Tax Information Statement, which show the sources of the withholding payments.

If state backup withholding was applied to your account, the total tax withheld is shown in the State Tax Withheld section on the second summary page of your 1099 Tax Information Statement. This section summarizes any state backup withholding that occurred on various types of income. These details appear in both the income detail schedules and on the state tax withholding schedule. The detailed state tax withholding section contains the originating form, jurisdiction, and state ID. Please include these amounts on your income tax return as tax withheld.

Combined Federal/State Filing Program

Please note that any original and corrected 1099 information transmitted to the IRS will continue to be forwarded by the IRS to states that participate in the Combined Federal/State Filing (CF/SF) Program. While New York no longer requires a 1099, other states do. These information returns include 1099-DIV, INT, MISC, OID, R, and 5498.

Reporting of Foreign Financial Assets

Foreign Tax Credit

The IRS has eliminated the requirement for mutual funds to report foreign source income and foreign tax on a country-by-country basis. You can choose whether to take the amount of any qualified foreign taxes paid or accrued during the year as a foreign tax credit or as an itemized deduction. This choice can be changed each year. In most cases, if you choose the foreign tax credit, you must complete Form 1116 and attach it to your U.S. tax return. However, you may qualify for the exception that allows you to claim the credit without using Form 1116. For additional information, refer to the IRS Publication 514 – Foreign Tax Credit for Individuals.

Foreign Account Tax Compliance Act (FATCA) FATCA filing requirement

If the FATCA filing requirement box is checked on Form 1099, we are reporting to satisfy the chapter 4 account reporting requirement. You also may have a filing requirement. Refer to the Instructions to Form 8938.

FATCA was enacted in 2010 by Congress to target non-compliance by U.S. taxpayers using foreign accounts. FATCA requires foreign financial institutions (FFIs) to report to the IRS information about financial accounts held by U.S. taxpayers, or by foreign entities in which U.S. taxpayers hold a substantial ownership interest. In addition, U.S. citizens, U.S. individual residents, and a very limited number of nonresident individuals who own certain foreign financial accounts or other offshore assets (specified foreign financial assets) must report those assets. If you held specified foreign financial assets or other offshore assets, such as foreign stock or other securities issued by a foreign source, that have an aggregate value exceeding \$50,000 in 2020, you'll need to report information about those assets on IRS Form 8938. This form must be attached to your 2020 income tax return. Higher reporting thresholds apply if you file a joint tax return or if you reside outside the United States.

This does not apply to any foreign securities you custody at LPL, but this information may be pertinent if you hold these specified securities outside of your account.

Filing Form 8938 will not relieve you of the requirement to file Form TD F 90-22.1 - Report of Foreign Bank and Financial Accounts (FBAR), if you are otherwise required to file it.

For more information, please contact your tax advisor.

Cost Basis Reporting Overview

Background

The Energy Improvement and Extension Act of 2008 amended the Internal Revenue Code Section 6045 to mandate that every broker additionally report a customer's adjusted cost basis and holding period when reporting a customer's sale of a covered security. A covered security is one that is subject to cost basis reporting requirements if it's acquired after its effective date. Using a phased-in approach since January 1, 2011, cost basis reporting is required for:

Covered Securities

Effective Date	Covered Securities
Phase 1: January 1, 2011	<ul style="list-style-type: none">▪ Stock in a corporation, including real estate investment trusts (REITs), American depository receipts (ADRs), some exchange-traded funds (ETFs), and exchange-traded notes (ETNs) acquired on or after January 1, 2011
Phase 2: January 1, 2012	<ul style="list-style-type: none">▪ Mutual fund shares acquired on or after January 1, 2012▪ Stock in a corporation purchased through a dividend reinvestment plan (DRPs) acquired on or after January 1, 2012▪ Remaining ETFs acquired on or after January 1, 2012
Phase 3: January 1, 2014	<ul style="list-style-type: none">▪ Less complex debt securities, including fixed-rate bonds, original issue discount(OID) bonds, and zero coupon bonds acquired on or after January 1, 2014▪ Options, rights, and warrants acquired on or after January 1, 2014
Phase 4: January 1, 2016	<ul style="list-style-type: none">▪ Complex debt securities, such as bonds with more than one rate, convertible bonds, stripped bonds or coupons, payment-in-kind bonds, some private issues, physical certificates, etc., acquired on or after January 1, 2016

Non-Covered Securities

- Securities acquired prior to the effective dates listed above
- Restricted stock granted by an employer
- Short-term debt instruments
- Debt instruments with principal subject to acceleration
- Mortgage-backed securities such as REMICs and FNMA, GNMA, FHLMC agency pass-through

Cost Basis Elections

Fixed Income Elections

If fixed income accounting method elections for the 2020 tax year were not provided to us on or before December 11, 2020, it is assumed you have made or intend to make the following default elections with the IRS:

1. Have elected to amortize bond premium on all taxable debt instruments (Code section 171 and regulation 1.171.4)
2. Have not elected to currently recognize market discount as income (Code section 1278(b))
3. Have elected to accrue market discount using a constant yield method (Code section 1276(b)(2))

Average Cost

If you have not elected the average cost accounting method, realized gains and losses are computed using the individual tax lot accounting method. We offer the average cost accounting method for covered mutual funds, as well as covered mutual funds, as well as covered equity positions that have been acquired in connection with a dividend reinvestment plan (DRP).

Tax Lot Relief Method

If a tax lot relief method has not been elected for your account and you have sold less than your entire position in a security, brokers must compute and report your adjusted basis using the default tax lot relief method of first-in, first-out (FIFO). We offer a total of eight tax lot relief methods.

Specific Identification

If you did not indicate specific shares to sell prior to the trade settlement date, shares have been deducted using the tax lot relief method established for your account. We offer clients the opportunity to identify or change specific tax lots to close through the trade settlement date.

Contact your financial professional to request a Fixed Income Elections form or an Average Cost Election form.

Cost Basis Reporting on Your 1099-B

Reporting Requirements

Upon the sale or redemption of a covered security, in addition to the requirement to report gross proceeds from the sale, brokers are also required to report to you and to the IRS on Form 1099-B, the adjusted cost basis of the security and whether any gain or loss from the transaction is short- or long-term.

Forms Filed by Brokers per Transaction

The IRS requires that each of the sales described below be reported on a separate Form 1099-B, even if all three types were sold in a single sale transaction:

- Covered securities with short-term gain or loss
- Covered securities with long-term gain or loss
- Noncovered securities

We will display your sale transactions in a rolled-up format using a five-category method, in which your sale trades will be broken out and sub-totaled by:

- Covered securities with short-term gain or loss for which the cost basis is reported to the IRS.
- Noncovered securities with short-term gain or loss for which the cost basis is not reported to the IRS.
- Covered securities with long-term gain or loss for which the cost basis is reported to the IRS.
- Noncovered securities with long-term gain or loss for which the cost basis is not reported to the IRS.
- Securities with an Undetermined Basis or Holding Period for which the cost basis is not reported to the IRS.

Each category listed above will be reported to you and to the IRS on a separate Form 1099-B. For a single sale transaction comprised of blocks of shares with multiple acquisition dates, the word "Various" will display in the Date Acquired column and the same information will be reported to the IRS.

Please note: When available, full disclosure of cost basis information for noncovered securities is shown on your Form 1099-B. Noncovered cost basis information is shown for informational purposes only and it is not furnished to the IRS. However for noncovered securities, we will continue to report only gross proceeds from the closing transaction to the IRS.

Average Cost

You may elect to average the cost basis of covered mutual fund shares and covered equity positions that have been acquired in connection with a dividend reinvestment plan (DRP). If so, the cost of shares, including reinvested dividends and capital gains distributions, divided by the number of shares held, is used to compute the average cost of each share. In addition, shares are disposed of based upon the tax lot relief method you've elected for your account. If a tax lot relief method has not been elected for your account, shares are disposed of using the default tax lot relief method of first-in, first-out (FIFO).

- If you elect to average the basis of mutual fund shares and equity dividend reinvestment plan shares, you're required to compute separate averages for shares held in different accounts.
- You're permitted to average the basis of mutual fund shares in one account, and not average them in another.
- Bifurcation: You're required to compute separate averages for account shares that are covered securities and those that are not covered securities.

Short Sales

The IRS requires brokers to report the sales of securities in the tax year in which the short sale is closed. Therefore, we will not report short sales opened in 2020 for the 2020 tax year if the short sale remains open on January 1, 2021. If the short sale was opened in a previous year and closed in 2020, we will report the short sale for 2020.

On your Form 1099-B, the following will be reported for each security sold to open the short sale:

- Box 1c: The settlement date of when the security was delivered to close the short sale
- Box 1b: The trade date of when the security was delivered to close the short sale
- Box 1e: The adjusted basis of the security delivered to close the short sale
- Whether the short sale is short- or long-term is based on the date listed in Box 1b

Each short sale will generally be reported as a single 1099-B transaction. However, if the short sale falls into any of the scenarios outlined below, we will follow the five-category method listed earlier and report up to three 1099-Bs to the IRS per short sale.

- There is both short- and long-term gain or loss reported for the short sale
- The securities delivered to close the short sale include both covered and non-covered securities

As a general rule, you determine whether you have short- or long-term gain or loss on a short sale by the amount of time you actually hold the security that is eventually purchased and delivered back to the broker to close it. For more information, please refer to the Short-Term or Long-Term Capital Gain or Loss section of IRS Publication 550 – Investment Income and Expenses.

In addition, if backup withholding was taken from the gross proceeds when a short sale was opened during a previous tax year, there will be a separation in the reporting of withholding and the reporting of proceeds. Withholding would have been reported to you and to the IRS in the previous tax year from which the short sale was opened. The capital gain or loss incurred from closing the short position would be reported to you and to the IRS in the tax year when the position is closed.

Compensatory Options (Employee Stock Options)

Brokers are not permitted to adjust basis by the amount of the compensation component to account for the exercise of a compensatory option that is granted or acquired on or after January 1, 2014. The cost basis value on Form 1099-B reflects only the strike price paid for the stock; the compensation component is not included. After the sales of shares, the broker reports your actual gain or loss on Form 1099-B, while the employer reports the excess of fair market value over option price as income on your employee income statement. To avoid double taxation on the compensation component, you must make the appropriate adjustment to your cost basis on IRS Form 8949.

Option Premium

Option premium information is shown directly on Form 1099-B in an adjacent column to help you reconcile to the gain or loss amounts shown on the form or adjust the gain or loss calculations in columns (f) and (g) of your IRS Form 8949.

Cash Settled Options

Cash settled options contracts are included on Form 1099-B. If the closing transaction, including expiration, is for a written option, the requirements for reporting are different than a traditional sale or even the closing of a short sale. For these transactions, the reported proceeds are the net of the proceeds received at opening and the cost to close. This is specified in §1.6045-1(m)(4)(ii): "...For a written option, a broker must report as proceeds the premium received decreased by any amounts paid on the option and report \$0 as the basis of the option..." This means the amount reported as proceeds can be negative and the 1099-B instructions address this by noting, "...Show a loss, such as one from a closing transaction on a written option or forward contract, as a negative amount by enclosing it in parentheses."

Wash Sales

When you sell stock or securities at a loss, the IRS allows you to deduct the loss from your taxable income or other capital gains you might have. The exception to this allowance is a wash sale, which occurs after you sell or trade stock or securities at a loss and, within 30 days prior to or after the date of sale, you:

- Buy substantially identical stock or securities
- Acquire substantially identical stock or securities in a fully taxable trade
- Acquire a contract or option to buy substantially identical stock or securities
- Acquire substantially identical stock within another account

When a wash sale occurs, the loss is disallowed. You cannot deduct losses from sales or trades of stock or securities in a wash sale. We will add the disallowed loss amount to your cost basis in the repurchased security. This adjustment postpones the loss deduction until you sell the repurchased security. Your holding period for the new securities includes the holding period of the security where loss was disallowed.

The IRS requires brokers to only monitor and report wash sales for identical security (the same CUSIP number) transactions that occur in a single account. We are not required to track replacement shares of substantially identical securities or security transactions purchased in another LPL account, or in an account held with another financial institution. Taxpayers are required to monitor wash sales across all accounts, including those across institutions or among spousal accounts (when filing jointly), and to comply with the requirements to compute wash sales under IRS regulations.

The IRS requires that we report any losses disallowed by wash sale on your Form 1099-B, only if both the sale and purchase transactions occur in the same account and under the same security CUSIP number. However, as the taxpayer, you must still adhere to the wash sale rules if the sale and purchase transactions occur in the same or different accounts.

Transferred Securities

For securities that were transferred into your LPL account, cost basis information may or may not be furnished by your former financial institution. Your former financial institution is obligated to furnish cost basis information only for covered securities acquired on or after the regulatory effective date for the security type. If no cost basis information is received, or if incomplete cost basis information is received, we will treat the security as non-covered. We will file a corrected 1099-B within 30 days

of receiving the complete cost basis information or amended cost basis information for covered securities. However, a corrected 1099-B will not be issued if complete cost basis information or amended cost basis information is received for non-covered securities, or if complete cost basis information or amended cost basis information is received by LPL more than three years after filing the original 1099-B.

Corporate Actions

A corporate action event generally results in a material change to the adjusted cost basis of a security. In order to complete adjustments to cost basis, a complete and final opinion of U.S. tax implications is required. This describes the quantitative effect on the security's cost basis. We are required to adjust the cost basis of covered securities based on the issuer's final opinion of U.S. tax implications. IRS regulations require issuing corporations to provide shareholders with the applicable U.S. tax implications necessary to adjust cost basis information or to post that information on their website within 45 days of the corporate action's effective date. Shares received in a corporate action event where the issuer did not provide a complete and final opinion of U.S. tax implications will result in tax lots without a cost basis. We will also adjust the cost basis of non-covered securities when the shareholder's original cost basis information is on file in the shareholder's account. After a security issue or corporate action event, cost basis information may temporarily display as N/A, pending systematic and/or manual updates to the security's cost basis information. After obtaining a complete and final opinion of U.S. tax implications, cost basis information is typically updated within 60 days from the effective date of the corporate action.

For partially taxable mergers where a loss cannot be recognized, if you received both cash (also known as "boot") and stock, the IRS requires us to report only the difference between the fair market value of your new shares and the original purchase cost of your old shares as your adjusted basis on Form 1099-B in Box 1e; only the cash boot will be reported in Box 1d.

Example: John buys 100 shares of covered stock in ABC Corporation for \$5,000 in February. ABC Corporation merges with DEF Corporation in December. The merger is taxable only to the extent of cash boot received. John receives 100 shares of DEF stock with a value of \$4,700 and \$800 cash boot in exchange for his ABC stock. John's resulting basis in the DEF stock is \$4,700. He reports the \$800 cash boot and reports \$300 in Box 1e to reflect the net reduction in basis from \$5,000 (for the ABC stock) to \$4,700 (for the DEF stock).

For a fully taxable merger, or one where you may recognize a gain or a loss, the reporting requirement has not changed. Your proceeds will include both the cash boot and the fair market value of the new shares you received.

Securities acquired through corporate actions—such as a stock dividend, stock split, reorganization, redemption, stock conversion, recapitalization, corporate division, or other similar action—are considered a covered security if the basis of the acquired security is determined from the basis of a covered security.

C and S Corporations

The cost basis reporting regulations require brokers to report sales of covered securities that were acquired by an S Corporation. This includes reporting the adjusted basis for corporate mergers, as well as any wash sales occurring when the purchase and sale transactions are in the same account. S corporations are also subject to backup withholding if they have not satisfied their W-9 requirement.

Since this rule only applies to S Corporations, if you have not done so already, you must notify us immediately if you are a C Corporation. You can do this by submitting an IRS Form W-9 indicating as such, or we will be required to classify you as an S Corporation by default.

If you are an LLC, you may need to check with your tax advisor whether you are filing as a partnership, a single-member LLC, an S Corporation, or C Corporation to determine whether this rule applies to you.

An account registered to a C or S Corporation can produce up to two statements:

1) A Tax Information Statement (reported to IRS) and 2) An Income Summary Statement (not reported to IRS).

A Tax Information Statement is produced when the account has federal, state, or foreign withholding. Transactions with withholding as well as the withholding itself are federally reportable. For S Corporation accounts, in addition to withholding, the sale of a covered security is also federally reportable.

An Income Summary Statement (also referred to as a Courtesy 1099) is produced by default for all S Corporation accounts. For C Corporation accounts that do not have withholding and for all other account types that do not produce a 1099, an Income Summary Statement is created only when the account is set up for courtesy reporting.

Fixed Income Elections

Per IRS regulations, upon the sale or redemption of a covered debt instrument, we're required to report cost basis for certain debt instruments purchased on or after January 1, 2014, to you and to the IRS on Form 1099-B.

These regulations include broker support for a taxpayer's fixed income accounting methods.


This elective accounting pertains to covered debt instruments acquired by a taxpayer with market discount, bond premium, or acquisition premium; and affects adjustments to the cost basis of covered debt instruments and taxable income amounts reported to the IRS on Forms 1099-INT and 1099-OID. For more information, refer to IRS T.D. 9616.

Tax Information Statement

The sample tax statements included in this Tax Form User Manual are examples. Certain categories of transactions in this manual may not pertain to your account. You'll receive 1099 statements only for those types of income received in your account during 2020.

Your Tax Information Statement begins with a two-page summary of important tax information. Certain categories of transactions included in the summary may not pertain to your account. Information furnished to the IRS is denoted with an asterisk (*). Other information included in the summary is not furnished to the IRS and may be helpful with preparing your tax return. The details of each transaction used for summary totals are displayed after the summary pages in their respective Details section of the 1099 Tax Information Statement.

Examples of these summaries are illustrated below.

 LPL Financial 1055 LPL Way Fort Mill, SC 29715		Tax Information Account	Statement Date: Document ID:	2020		
PAYER'S TIN:		RECIPIENT'S TIN: XX-XXY				
<div style="display: flex; justify-content: space-between;"> [] FATCA filing requirement (see instructions) Summary Information </div>						
DIVIDENDS AND DISTRIBUTIONS 2020 1099-DIV* OMB No. 1545-0110		MISCELLANEOUS INCOME 2020 1099-MISC* OMB No. 1545-0115				
1a- Total ordinary dividends (includes lines 1b, 5) 406.12 1b- Qualified dividends 6.82 2a- Total capital gain distributions (includes lines 2b, 2c, 2d) 584.88 2b- Unrecaptured Section 1250 gain 0.00 2c- Section 1202 gain 0.00 2d- Collectibles (28%) gain 0.00 3- Nondividend distributions 317.44 4- Federal income tax withheld 0.00 5- Section 199A dividends 399.30 6- Investment expenses 0.00 8- Foreign country or US possession: 0.00 7- Foreign tax paid: 0.00 9- Cash liquidation distributions 0.00 10- Noncash liquidation distributions 0.00 11- Exempt-interest dividends (includes line 12) 0.00 12- Specified private activity bond interest dividends (AMT) 0.00		2- Royalties 7,326.33 3- Other income 500.00 4- Federal income tax withheld 0.00 8- Substitute payments in lieu of dividends or interest 200.00 SECTION 1256 CONTRACTS 2020 1099-B* OMB No. 1545-0715 8- Profit or (loss) realized in 2020 on closed contracts -110.00 9- Unrealized profit or (loss) on open contracts-12/31/2019 -545.00 10- Unrealized profit or (loss) on open contracts-12/31/2020 545.00 11- Aggregate profit or (loss) on contracts 980.00 <i>If applicable, proceeds from sale transactions appear summarized below and are detailed in subsequent sections of this document.</i>				
<p>* This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.</p>						
SUMMARY OF PROCEEDS, GAINS & LOSSES, ADJUSTMENTS AND WITHHOLDING <i>Refer to the 1099-B and Proceeds not reported to the IRS pages to ensure that you consider all relevant items and to determine the correct gains and losses. The amounts shown below are for informational purposes.</i>						
Term	Form 8949 type	Proceeds	Cost basis	Market discount	Wash sale loss disallowed	Net gain or loss(-)
Short	A (basis reported to the IRS)	11,000.00	10,000.00	0.00	0.00	1,000.00
Short	B (basis not reported to the IRS)	11,000.00	10,000.00	0.00	0.00	1,000.00
Short	C (Form 1099-B not received)	0.00	0.00	0.00	0.00	0.00
	Total Short-term	22,000.00	20,000.00	0.00	0.00	2,000.00
Long	D (basis reported to the IRS)	11,000.00	10,000.00	0.00	0.00	1,000.00
Long	E (basis not reported to the IRS)	11,000.00	10,000.00	0.00	0.00	1,000.00
Long	F (Form 1099-B not received)	0.00	0.00	0.00	0.00	0.00
	Total Long-term	22,000.00	20,000.00	0.00	0.00	2,000.00
Undetermined	B or E (basis not reported to the IRS)	11,000.00	0.00	0.00	0.00	0.00
Undetermined	C or F (Form 1099-B not received)	0.00	0.00	0.00	0.00	0.00
	Total Undetermined-term	11,000.00	0.00	0.00	0.00	0.00
	Grand total	55,000.00	40,000.00	0.00	0.00	4,000.00
Withholding		Amount				
Federal income tax withheld		0.00				

Changes to dividend tax classifications processed after your original tax form is issued for 2020 may require an amended tax form.

LPL Financial		Summary Information		Account
2020		(continued)		
INTEREST INCOME		2020 1099-INT	OMB No. 1545-0112	ORIGINAL ISSUE DISCOUNT AND ADJUSTMENTS
This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.				Use bond-by-bond details from the Form 1099-OID page(s) to determine amounts of Original Issue Discount income for your income tax return(s). The amounts shown in this section are for your reference when preparing your income tax return(s).
1- Interest income (not included in line 3)	102,438.52			Original issue discount for the year 18,682.81
2- Early withdrawal penalty	0.00			Acquisition premium (covered lots) 101.13
3- Interest on US Savings Bonds & Treasury obligations	2,930.66			Acquisition premium (noncovered lots) 45.95
4- Federal income tax withheld	0.00			Original issue discount on Treasury obligations 2,616.70
5- Investment expenses	0.00			Acquisition premium, Treasury obligations (covered lots) 189.66
6- Foreign country or US possession:	0.00			Acquisition premium, Treasury obligations (noncovered lots) 132.32
7- Foreign tax paid:	2,133.00			Tax-exempt OID 6,811.06
8- Tax-exempt interest (includes line 9)	399.00			Tax-exempt OID (lots not reported) 12,500.00
9- Specified private activity bond interest (AMT)	9.44			Acquisition premium (covered) 1,743.00
10- Market discount (covered lots)	348.10			Acquisition premium (lots not reported) 18.91
11- Bond premium (covered lots)	353.46			Tax-exempt OID on private activity bonds 6,500.00
12- Bond premium on Treasury obligations (covered lots)	545.11			Tax-exempt OID on private activity bonds (lots not reported) 1,824.00
13- Bond premium on tax-exempt bonds (categorized below)	323.27			Acquisition premium (AMT, covered) 961.66
Tax-exempt obligations (covered lots)	221.84			Acquisition premium (AMT, lots not reported) 32.55
Tax-exempt private activity obligations (AMT, covered lots)	See detail			Market discount (all lots) 248.35
14- Tax-exempt and tax credit bond CUSIP number				Early withdrawal penalty 0.00
				Investment expenses 0.00
The following amounts are not reported to the IRS. They are presented here for your reference when preparing your tax return(s).		RECONCILIATIONS, FEES, EXPENSES AND EXPENDITURES		
Taxable accrued interest paid	-987.08	The amounts in this section are not reported to the IRS. They are presented here for your reference when preparing your income tax return(s).		
Taxable accrued Treasury interest paid	-44.76	Other Receipts & Reconciliations- Partnership distributions 0.00		
Tax-exempt accrued interest paid	-97.54	Other Receipts & Reconciliations- Foreign tax paid- partnership 0.00		
Tax-exempt accrued interest paid (AMT)	-99.98	Other Receipts & Reconciliations- Return of principal 0.00		
Taxable accrued nonqualified interest paid	-499.92	Other Receipts & Reconciliations- Deferred income payment 0.00		
Tax-exempt accrued nonqualified interest paid	128.00	Other Receipts & Reconciliations- Deemed premium 0.00		
Tax-exempt accrued nonqualified interest paid (AMT)	124.00	Other Receipts & Reconciliations- Income accrual- UIT 0.00		
Nonqualified interest	3,151.01	Other Receipts & Reconciliations- Basis adjustments 4.56		
Tax-exempt nonqualified interest	250.00	Other Receipts & Reconciliations- Foreign tax pd beyond treaty 0.00		
Tax-exempt nonqualified interest (AMT)	247.00	Fees & Expenses- Margin interest 239.00		
Interest shortfall on contingent payment debt	2,629.22	Fees & Expenses- Dividends paid on short position -50.00		
Bond premium- Non Treasury obligations (noncovered lots)	324.88	Fees & Expenses- Interest paid on short position 0.00		
Bond premium- Treasury obligations (noncovered lots)	387.61	Fees & Expenses- Non reportable distribution expense 0.00		
Bond premium- Tax-exempt obligations (noncovered lots)	403.66	Fees & Expenses- Other expenses 6,188.89		
Bond premium- Tax-exempt obligations (AMT, noncovered lots)	157.74	Fees & Expenses- Severance tax 0.00		
Market discount (noncovered lots)	8.98	Fees & Expenses- Organizational expense 0.00		
STATE TAX WITHHELD		Fees & Expenses- Miscellaneous fees 1,375.00		
Use the details of the State Tax Withholding page(s) to determine the appropriate amounts for your income tax return(s). The amounts shown in this section are for your reference.		Fees & Expenses- Tax-exempt investment expense 0.00		
1099-DIV total withheld	0.00	Foreign Exchange Gains & Losses- Foreign currency gain/loss 0.00		
1099-INT total withheld	0.00			
1099-MISC total withheld	0.00			
1099-B total withheld	0.00			

1099-DIV – Dividends and Distributions

We are required to report any dividends and other distributions credited to your account in 2020 to the IRS. Each transaction is listed separately to assist you in determining whether the payment qualifies for favorable tax treatment.

DIVIDENDS AND DISTRIBUTIONS	2020 1099-DIV*	OMB No. 1545-0110
1a- Total ordinary dividends (includes lines 1b, 5)		406.12
1b- Qualified dividends		6.82
2a- Total capital gain distributions (includes lines 2b, 2c, 2d)		584.88
2b- Unrecaptured Section 1250 gain		0.00
2c- Section 1202 gain		0.00
2d- Collectibles (28%) gain		0.00
3- Nondividend distributions		317.44
4- Federal income tax withheld		0.00
5- Section 199A dividends		399.30
6- Investment expenses		0.00
8- Foreign country or US possession:	7- Foreign tax paid:	0.00
9- Cash liquidation distributions		0.00
10- Noncash liquidation distributions		0.00
11- Exempt-interest dividends (includes line 12)		0.00
12- Specified private activity bond interest dividends (AMT)		0.00

LPL Financial	Account
Detail for Dividends and Distributions	
2020	

This section of your tax information statement contains the payment level detail of your taxable dividends, capital gains distributions, Section 199A dividends, exempt-interest dividends, nondividend distributions and liquidation distributions. Also shown are the fair market values of any taxable stock dividends or noncash liquidation distributions.

Federal, state and foreign tax withheld and investment expenses are presented as negative amounts but do not net against the reportable income totals. All amounts are grouped by security, with the transactions listed in chronological order. Subtotals for each security are provided. For situations in which the tax character of a distribution (or part thereof) is different than at the time it was paid, endnotes are provided for further explanation.

Note that a payment characterized as a "Qualified dividend" is only issuer-qualified.

Security description	CUSIP and/or symbol	State	Date	Amount	Transaction type	Notes
DWS RREEF GLB INFR A	25156A874 TOLLX		03/25/20	317.44	Nondividend distribution	03
FT REIT GRW INC 27 RE	30300T662		10/13/20	233.72	Long-term capital gain	11
			10/13/20	159.56	Section 199A dividend	11
			10/13/20	58.43	Long-term capital gain	11
			10/13/20	39.89	Section 199A dividend	11
			10/13/20	2.72	Qualified dividend	11
			10/13/20	0.68	Qualified dividend	11
			10/26/20	235.48	Long-term capital gain	11
			10/26/20	160.77	Section 199A dividend	11
			10/26/20	57.25	Long-term capital gain	11
			10/26/20	99.08	Section 199A dividend	11
			10/26/20	2.75	Qualified dividend	11
			10/26/20	0.67	Qualified dividend	11
				991.00	Total Dividends & distributions	
				1,308.44	Total Dividends & distributions	

1099-MISC – Miscellaneous Income

1099-MISC shows other reportable income, such as royalty payments from grantor trusts, other income, and substitute payments made in lieu of dividends.

MISCELLANEOUS INCOME	2020 1099-MISC*	OMB No. 1545-0115
2- Royalties		7,326.33
3- Other income		500.00
4- Federal income tax withheld		0.00
8- Substitute payments in lieu of dividends or interest		200.00

LPL Financial	Account
Detail for Miscellaneous Income	
2020	

Security description	CUSIP and/or symbol	Date	Amount	Transaction type	Notes
REMEDATION		12/07/20	500.00	Other income	
BP PRUDHOE BAY RTY TR	055630107 BPT Note: BP	01/23/20	816.01	Royalty distribution	
		04/21/20	2,535.75	Royalty distribution	
		07/21/20	1,619.29	Royalty distribution	
		10/21/20	2,355.28	Royalty distribution	
			7,326.33	Total Miscellaneous income	
BRCLY BK DEL 0.0 022820	06740A4E6	06/30/20	200.00	Substitute payment	
			8,026.33	Total Miscellaneous income	

- Line 2 - represents royalty payments made by royalty trusts before withholding reduction for severance and other taxes. Generally, the amount is based on information provided by the royalty trust. As royalty trusts fall under WHFIT regulations, adjustments may be included.
- Line 3 - may be payments received as the beneficiary of a deceased employee, prizes, awards, settlements, taxable damages, or other taxable income. Generally, you report this amount on the Other Income line of Form 1040 and identify the payment. If it is trade or business income, you report this amount on Schedule C, C-EZ, or F (Form 1040).
- Line 8 - shows substitute payments in lieu of dividends or tax-exempt interest received by your broker on your behalf as a result of a loan of your securities. Do not treat these substitute payments as dividends or interest. Report as Other Income on Form 1040. The reporting exemption for corporations does not apply to these substitute payments and therefore must be reported to the corporation and the IRS.

1099-B Section 1256 Contracts - Regulated Futures and Nonequity Options

SECTION 1256 CONTRACTS	2020 1099-B*	OMB No. 1545-0715
8- Profit or (loss) realized in 2020 on closed contracts		-110.00
9- Unrealized profit or (loss) on open contracts-12/31/2019		-545.00
10- Unrealized profit or (loss) on open contracts-12/31/2020		545.00
11- Aggregate profit or (loss) on contracts		980.00

If applicable, proceeds from sale transactions appear summarized below and are detailed in subsequent sections of this document.

LPL Financial	Account
Section 1256 Contracts - Regulated Futures and Nonequity Options	
2020	

This section of your tax information statement provides contract-by-contract detail of regulated futures and section 1256 contracts. The contracts are placed in a sorting order of CUSIP - Security Description - Trade Date - Amount (ascending order). The total for each contract is the sum of the current year's realized and unrealized profit or loss minus the prior year unrealized profit or loss. The contract amounts from this section are then aggregated by Form 1099-B reporting categories of Realized Profit/Loss, Unrealized Profit/Loss Prior Year, Unrealized Profit/Loss Current Year and totaled in Aggregate Profit or (Loss) on Contracts. These annual totals for your account are reported in Regulated Futures Contracts 1099-B in the Summary Information at the beginning of this statement.

Security description	CUSIP and/or symbol	Date	Quantity	Amount	Transaction type	Notes
P SPX 061518 1000		06/15/20	-10.00	-545.00	Unrealized profit/loss prior year	
P SPX 061518 1000 PUT CBOE S&P 500 INDES		06/15/20	-10.00	545.00	Unrealized profit/loss current year	
		06/15/20	-10.00	-110.00	Realized profit/loss	
				-110.00	Total Realized profit/loss	
				545.00	Total Unrealized profit/loss current year	
				-110.00	Total Realized profit/loss	
				-545.00	Total Unrealized profit/loss prior year	
				545.00	Total Unrealized profit/loss current year	
				980.00	Total Aggregate profit or (loss) on contracts	

Regulated Futures and Nonequity Options

While it's only necessary for you to report the aggregate profit or loss from regulated futures and Nonequity Options contracts, we are required to report aggregate profit or loss and its three components as follows:

- Line 8 – Shows the profit or (loss) realized on regulated features, foreign currency, or Section 1256 option contracts closed during 2020.
- Line 9 – Shows any year-end adjustment to the profit or (loss) shown in line 8 due to open contracts on December 31, 2019.
- Line 10 – Shows the unrealized profit or (loss) on open contracts held in your account on December 31, 2020. These are considered closed out as of that date. This will become an adjustment reported as unrealized profit or (loss) on open contracts-12/31/2020 in 2021.
- Line 11 – The aggregate profit or (loss) for the year from regulated futures, foreign currency, or Section 1256 option contracts. Lines 8, 9, and 10 are included in the amount shown in line 11. Include this amount on your 2020 Form 6781.

1099-B – Proceeds from Broker and Barter Exchange Transactions

Sales Transactions Summary

The amounts shown in this section are for informational purposes. Refer to the Proceeds from Broker and Barter Exchange Transactions pages to ensure you consider all relevant items and to determine the correct gains and losses.

SUMMARY OF PROCEEDS, GAINS & LOSSES, ADJUSTMENTS AND WITHHOLDING

Refer to the 1099-B and Proceeds not reported to the IRS pages to ensure that you consider all relevant items and to determine the correct gains and losses. The amounts shown below are for informational purposes.

Term	Form 8949 type	Proceeds	Cost basis	Market discount	Wash sale loss disallowed	Net gain or loss(-)
Short	A (basis reported to the IRS)	11,000.00	10,000.00	0.00	0.00	1,000.00
Short	B (basis not reported to the IRS)	11,000.00	10,000.00	0.00	0.00	1,000.00
Short	C (Form 1099-B not received)	0.00	0.00	0.00	0.00	0.00
	Total Short-term	22,000.00	20,000.00	0.00	0.00	2,000.00
Long	D (basis reported to the IRS)	11,000.00	10,000.00	0.00	0.00	1,000.00
Long	E (basis not reported to the IRS)	11,000.00	10,000.00	0.00	0.00	1,000.00
Long	F (Form 1099-B not received)	0.00	0.00	0.00	0.00	0.00
	Total Long-term	22,000.00	20,000.00	0.00	0.00	2,000.00
Undetermined	B or E (basis not reported to the IRS)	11,000.00	0.00	0.00	0.00	0.00
Undetermined	C or F (Form 1099-B not received)	0.00	0.00	0.00	0.00	0.00
	Total Undetermined-term	11,000.00	0.00	0.00	0.00	0.00
	Grand total	55,000.00	40,000.00	0.00	0.00	4,000.00
Withholding		Amount				
Federal income tax withheld		0.00				

Changes to dividend tax classifications processed after your original tax form is issued for 2020 may require an amended tax form.

Long- and Short-Term Transactions

Long- and short-term transactions are separated on your Form 1099-B in a format comparable to IRS Form 8949. Non-covered security transactions are displayed separately from covered security transactions. This 1099-B format simplifies recording or transcribing each transaction from the Form 1099-B onto the IRS Form 8949.

Form 1099-B Section	Form 8949 and Box
Short-Term Transactions – with Box A	Part I, Box A.
Covered Tax Lots - Cost Basis IS reported to the IRS	
Short-Term Transactions – with Box B	Part I, Box B
Noncovered Tax Lots - Cost Basis is NOT reported to the IRS	
Long-Term Transactions – with Box D	Part II, Box D
Covered Tax Lots - Cost Basis IS reported to the IRS	
Long-Term Transactions – with Box E	Part II, Box E
Noncovered Tax Lots - Cost Basis is NOT reported to the IRS	
Undetermined-Term Transactions	Part I, Box B or Part II, Box E
Noncovered Tax Lots - Cost Basis is NOT reported to the IRS	Consult your investment records for the cost basis and/or the date of acquisition to determine whether the transaction in this section is long- or short-term.

SHORT TERM TRANSACTIONS FOR COVERED TAX LOTS [Ordinary gains or losses are identified in the Additional information column] (Lines 2 & 5)

Report on Form 8949, Part I with Box A checked. Basis is provided to the IRS. (Line 12)

"Gain or loss (-)" is NOT reported to the IRS.

1a- Description of property/CUSIP/Symbol

1c- Date sold or disposed	Quantity	1d- Proceeds & 6- Reported (G)ross or (N)et	1b- Date acquired	1e- Cost or other basis	1f- Accrued mkt disc (D) & 1g- Wash sale loss disallowed (W)	7- Loss not allowed (X) also not reported (Z)	Gain or loss(-) & Additional information
BAC NOTE 3.875 080125 / CUSIP: 06051GFS3 / Symbol:							
11/20/20	10,000.000	11,000.00	07/18/19	10,000.00	...	1,000.00	Sale ^{AC} Original basis: \$10,500.00
Totals :		11,000.00		10,000.00		1,000.00	

SHORT TERM TRANSACTIONS FOR NONCOVERED TAX LOTS [Ordinary gains or losses are identified in the Additional information column] (Line 5)

Report on Form 8949, Part II with Box B checked. Basis is NOT provided to the IRS. (Line 12)

"Date acquired," "Cost or other basis," "Accrued market discount," "Wash sale loss disallowed" and "Gain or loss (-)" are NOT reported to the IRS.

1a- Description of property/CUSIP/Symbol

1c- Date sold or disposed	Quantity	1d- Proceeds & 6- Reported (G)ross or (N)et	Date acquired	Cost or other basis	Accrued mkt disc (D) & Wash sale loss disallowed (W)	7- Loss not allowed (X) also not reported (Z)	Gain or loss(-) & Additional information
BALL CORP 5.25 070125 / CUSIP: 058498AT3 / Symbol:							
11/20/20	10,000.000	11,000.00	07/18/19	10,000.00	...	1,000.00	Sale Original basis: \$10,500.00
Totals :		11,000.00		10,000.00		1,000.00	

LONG TERM TRANSACTIONS FOR COVERED TAX LOTS [Ordinary gains or losses are identified in the Additional information column] (Lines 2 & 5)

Report on Form 8949, Part II with Box D checked. Basis is provided to the IRS. (Line 12)

"Gain or loss (-)" is NOT reported to the IRS.

1a- Description of property/CUSIP/Symbol

1c- Date sold or disposed	Quantity	1d- Proceeds & 6- Reported (G)ross or (N)et	1b- Date acquired	1e- Cost or other basis	1f- Accrued mkt disc (D) & 1g- Wash sale loss disallowed (W)	7- Loss not allowed (X) also not reported (Z)	Gain or loss(-) & Additional information
ANHEUSERBUSCH 4.0 041328 / CUSIP: 035240AL4 / Symbol:							
11/20/20	10,000.000	11,000.00	07/18/18	10,000.00	...	1,000.00	Sale Original basis: \$10,500.00
Totals :		11,000.00		10,000.00		1,000.00	

LONG TERM TRANSACTIONS FOR NONCOVERED TAX LOTS [Ordinary gains or losses are identified in the Additional information column] (Line 5)

Report on Form 8949, Part II with Box E checked. Basis is NOT provided to the IRS. (Line 12)

"Date acquired," "Cost or other basis," "Accrued market discount," "Wash sale loss disallowed" and "Gain or loss (-)" are NOT reported to the IRS.

1a- Description of property/CUSIP/Symbol

1c- Date sold or disposed	Quantity	1d- Proceeds & 6- Reported (G)ross or (N)et	Date acquired	Cost or other basis	Accrued mkt disc (D) & Wash sale loss disallowed (W)	7- Loss not allowed (X) also not reported (Z)	Gain or loss(-) & Additional information
ADVANCED MICRO7.5 081522 / CUSIP: 007908AX6 / Symbol:							
11/20/20	10,000.000	11,000.00	07/18/10	10,000.00	...	1,000.00	Sale Original basis: \$10,500.00
Totals :		11,000.00		10,000.00		1,000.00	

UNDETERMINED TERM TRANSACTIONS FOR NONCOVERED TAX LOTS [Ordinary gains or losses are identified in the Additional information column] (Line 5)

Report on Form 8949, Part II with Box B checked or Part II with Box E checked. Basis is NOT provided to the IRS. (Line 12)

"Date acquired," "Cost or other basis," "Accrued market discount," "Wash sale loss disallowed" and "Gain or loss (-)" are NOT reported to the IRS.

1a- Description of property/CUSIP/Symbol

1c- Date sold or disposed	Quantity	1d- Proceeds & 6- Reported (G)ross or (N)et	Date acquired	Cost or other basis	Accrued mkt disc (D) & Wash sale loss disallowed (W)	7- Loss not allowed (X) also not reported (Z)	Gain or loss(-) & Additional information
INTL BUSINESS MACHS CORP / CUSIP: 459200101 / Symbol: IBM							
11/20/20	100.000	11,000.00	N/A	Sale
Totals :		11,000.00		

Mergers and Change in Capital Structure

Reporting is required when your broker knows or has reason to know that a corporation in which you own stock has had a reportable change in control or capital structure. You may be required to recognize gain from the receipt of cash, stock, or other property that was exchanged for the corporation's stock. If your broker reported this type of transaction to you, the corporation is identified on line 1a.

Option Premium

Option premium information is shown directly on the 1099-B in an adjacent column to help you reconcile to the gain or loss amounts shown on your Form 1099-B or adjust the gain or loss calculations in columns (f) and (g) of your IRS Form 8949.

Direct Business

We do not report sales of fund-controlled assets on Form 1099-B. The mutual fund sponsor is responsible for reporting mutual fund sales of assets that are held directly with a mutual fund sponsor but executed through a broker/dealer. Therefore, you should receive a 2020 1099-B directly from your mutual fund sponsor for direct business trades.

Reporting Return of Principal

We report your prorated share of sales proceeds as principal payment on your Form 1099-B for portfolios of unit investments trusts, securities derived from mortgage pools, or real estate investment conduits (REMICs). We report your share of return of principal, whether or not you actually received a payment, because we report gross return of principal before any expenses were deducted. The reported proceeds may not match any distributions that you may have received during the year.

Furthermore, due to receipt-based reporting rules for WHFIT securities, your trust is required to report your prorated share of expenses as of the date they were incurred by the trust, not the date on which any such sales proceeds are distributed to shareholders. This means you may receive a principal payment in January or February 2021, which is shown on your 2020 1099-B.

Generally, you must report return of principal on Form 8949 and/or Schedule D. In addition, you should generally reduce your security's basis by the amount of the principal payment. We include return of principal in our calculations of your adjusted cost basis; the original cost basis is reduced by the return of principal amount. However, if your adjusted cost basis is reduced to zero, any additional return of principal should also be reported as a short- or long-term capital gain, depending upon how long you have owned the security. It's recommended that you consult with your tax advisor or accountant to determine the appropriate amount cost or other basis and amount of gain or loss to show on your Form 8949 or Schedule D (Form 1040).

Grantor UITs with Underlying "Collectibles" Assets

Generally, a collectibles gain or loss comes from the sale or trade of a work of art, rug, antique, metal (such as gold, silver, and platinum bullion), gem, stamp, coin, or alcoholic beverage held more than one year. Collectibles gain includes gain from the sale of an interest in a partnership, S corporation, or trust due to unrealized appreciation of collectibles. Long-term capital gains generated from collectibles (such as commodity trusts) are taxed at a rate of 28% when units held over one

year are sold. When investors purchase or sell units of these grantor UITs, the investors must know the portion of the trust holdings that represent assets considered “collectibles” on the purchase date and sale date in order to properly recognize gain or loss.

Non-Mortgage Widely Held Fixed Investment Trusts (NMWHFITs)

Proceeds from each sale of an asset will be reported once the trust receives payments on the underlying assets, not when the payments are distributed to you. This is known as receipt-based reporting, which differs from the distribution-based reporting approach taken in previous years. In some cases, such as with commodity trusts, no distributions are paid to you, as the proceeds recognized from selling assets are used to pay the expenses of the trust. This receipt-based reporting is accompanied by a cost basis factor (CBF). If you were invested in an NMWHFIT, you will find these transactions shown on Form 1099-B in the undetermined-term section described as “Principal Payment.” The CBF is shown to assist you in determining your adjusted cost basis, and your amount of capital gain or loss. It’s recommended that you consult with your tax advisor or accountant to determine the appropriate amount cost or other basis and amount of gain or loss to show on your Form 8949 or Schedule D (Form 1040).

Cost Basis Factor (CBF)

The CBF is displayed in the Additional Information column of 1099-B for each applicable principal payment transaction. For commodity trusts, the CBF is always 100% or 1.00. The CBF varies for non-commodity grantor trusts that invest a portion of their portfolio in commodity trusts. Retain this information for future gain or loss reporting. The CBF represents the percentage of basis or proceeds associated with collectibles, and it’s used to determine which portion of your current basis in the trust to apply to the proceeds for gain or loss reporting.

1099-INT – Interest Income

We are required to report any interest income credited to your account during 2020. Interest income may be derived from U.S. or foreign corporations, U.S. government agencies, any credit balance with us, certificates of deposit, bonds, notes, savings bonds, treasury obligations, or other debt obligations. Credit allowable to holders of specific tax credit bonds are also reportable as interest and are included in Line 1. The reporting exemption for corporations does not apply to this credit, and therefore the interest must be reported to the corporation and to the IRS. Form 1099-INT reflects cost basis reporting requirements relating to fixed income and tax-exempt original issue discount securities.

INTEREST INCOME 2020 1099-INT OMB No. 1545-0112

This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.

1- Interest income (not included in line 3)	102,438.52
2- Early withdrawal penalty	0.00
3- Interest on US Savings Bonds & Treasury obligations	2,930.66
4- Federal income tax withheld	0.00
5- Investment expenses	0.00
7- Foreign country or US possession:	6- Foreign tax paid:
8- Tax-exempt interest (includes line 9)	2,133.00
9- Specified private activity bond interest (AMT)	399.00
10- Market discount (covered lots)	9.44
11- Bond premium (covered lots)	348.10
12- Bond premium on Treasury obligations (covered lots)	353.46
13- Bond premium on tax-exempt bonds (categorized below)	545.11
Tax-exempt obligations (covered lots)	323.27
Tax-exempt private activity obligations (AMT, covered lots)	221.84
14- Tax-exempt and tax credit bond CUSIP number	See detail

The following amounts are not reported to the IRS. They are presented here for your reference when preparing your tax return(s).

Taxable accrued interest paid	-987.08
Taxable accrued Treasury interest paid	-44.76
Tax-exempt accrued interest paid	-97.54
Tax-exempt accrued interest paid (AMT)	-99.98
Taxable accrued nonqualified interest paid	-499.92
Tax-exempt accrued nonqualified interest paid	-126.00
Tax-exempt accrued nonqualified interest paid (AMT)	-124.00
Nonqualified interest	3,151.01
Tax-exempt nonqualified interest	250.00
Tax-exempt nonqualified interest (AMT)	247.00
Interest shortfall on contingent payment debt	2,629.22
Bond premium- Non Treasury obligations (noncovered lots)	324.88
Bond premium- Treasury obligations (noncovered lots)	387.61
Bond premium- Tax-exempt obligations (noncovered lots)	403.66
Bond premium- Tax-exempt obligations (AMT, noncovered lots)	157.74
Market discount (noncovered lots)	8.98

Covered and Noncovered Securities

The information provided may be different for covered and noncovered securities. For a description of covered securities, refer to the Instructions for IRS Form 8949. For a taxable covered security acquired at a premium, unless you notified the payer in writing in accordance with Regulations section 1.6045-1(n)(5) that you did not want to amortize the premium under section 171, or for a tax-exempt covered security acquired at a premium, your payer may report either (1) a net amount of interest that reflects the offset of the amount of interest paid to you by the amount of premium amortization allocable to the payment(s), or (2) a gross amount for both the interest paid to you and the premium amortization allocable to the payment(s). If you did notify your payer that you did not want to amortize the premium on a taxable covered security, then your payer will only report the gross amount of interest paid to you. For a noncovered security acquired at a premium, your payer is only required to report the gross amount of interest paid to you.

Detail for Interest Income

Bond premium and market discount may occur for both covered and noncovered security tax lots. Transactions shown in the detail section will appear either on 1099-INT for covered security tax lots or within the summary section titled Original Issue Discount and Adjustments for noncovered security tax lots. The standard explanations found on these transactions indicate whether the transaction originates from a covered or noncovered security tax lot. These designations allow you to reconcile to summary totals.

Form 1099-OID is presented at the tax lot level. Cash-based transactions are shown on the detail pages for 1099-INT. These include accrued interest paid, nonqualified stated interest received, and shortfall of interest on contingent payment debt instruments. Similarly, any bond premium on OID bonds is shown on the detail pages for 1099-INT, as there is no corresponding box on Form 1099-OID and its recognition is paired with interest payment dates.

Adjustments to income, such as interest paid, are summarized individually and additional income in the form of market discount is totaled separately from interest.

LPL Financial

Account

2020

Detail for Interest Income

This section of your tax information statement contains the payment level detail of taxable interest and associated bond premium. Market discount will be shown here only if you have elected to recognize it currently rather than at the time of sale or maturity. Bond premium and market discount for covered tax lots are totaled on Form 1099-INT and reported to the IRS. For noncovered tax lots, they are totaled and presented beneath the 1099-INT for informational purposes and are not reported to the IRS.

To provide a complete picture of activity for each investment, we also include here nonreportable transactions such as accrued interest paid on purchases and payment or receipt of nonqualified interest. Other amounts, such as federal, state and foreign tax withheld and investment expenses are shown as negative amounts but do not net against the reportable income totals.

Security description	CUSIP and/or symbol	Date	Amount	Transaction type	Notes
AGENCY STRIP 0.0 081217	008452CJ1	12/31/20	599.34	Agency interest	
		12/31/20	397.46	Agency interest	
		12/31/20	-14.38	Bd prem covered	
		12/31/20	-22.19	Bd prem noncovered	
		12/31/20	-39.47	Bd prem covered	
		12/31/20	-47.38	Bd prem noncovered	
			996.80	Total Interest	
			-69.57	Total Bd premium- noncovered lots	
			-53.85	Total Bd premium- covered lots	

Detail for Tax-Exempt Interest

Detail for tax-exempt interest appears similar to the taxable interest shown above. Although this section is devoted to tax-exempt interest, market discount is included on this section to keep all income related to the same security in the same detail section. Market discount on tax-exempt issues is always taxable.

LPL Financial

Account

2020

Detail for Tax-Exempt Interest

This section of your tax information statement contains the payment level detail of tax-exempt interest and associated bond premium. Market discount will be shown here only if you have elected to recognize it currently rather than at the time of sale or maturity. Market discount income is NOT federally tax-exempt. Bond premium and market discount for covered tax lots are totaled on Form 1099-INT and reported to the IRS. Totals for the noncovered lots are displayed in the section following the Form 1099-INT.

To provide a complete picture of activity for each investment, we also include here nonreportable transactions such as accrued interest paid on purchases and payment or receipt of nonqualified interest. Other amounts, such as federal and state tax withheld and investment expenses are shown as negative amounts but do not net against the reportable income totals.

Income and adjustment totals at the end of this section are categorized by your state of residence, US possessions and other states.

Security description	CUSIP and/or symbol	State	Date	Amount	Transaction Type	Notes
ABILENE TX 4.5 021539	00344NJM7	TX	01/31/20	450.00	Tax-exempt interest	
			07/31/20	450.00	Tax-exempt interest	
			10/30/20	-17.84	Bd prem noncovered	
			10/30/20	-27.84	Bd prem covered	
			12/31/20	-8.99	Bd prem covered	
			12/31/20	-30.84	Bd prem noncovered	
				900.00	Total Tax-exempt interest	
				-36.83	Total Bond premium- covered lot	
				-48.68	Total Bond premium- noncovered lot	

1099-OID – Original Issue Discount

We are required to report any Original Issue Discount (OID) that is deemed to have been constructively received by your account in tax year 2020 to the IRS. OID is the excess of the obligation's stated redemption price at maturity over its issue price (acquisition price for a stripped bond or coupon). A discount of less than $\frac{1}{4}$ of 1% of the stated redemption price at maturity, multiplied by the number of full years from the date of issue to maturity, is considered to be de minimis OID and can be treated as zero. Obligations that may have OID include a bond, debenture, note, certificate of deposit, or other evidence of indebtedness having a term of more than one year. In addition, the OID rules apply to Treasury inflation-protected securities (TIPS). OID is classified as a type of interest income, and it's taxable as interest over the life of the obligation. Generally, if you're the holder of an OID obligation, you must include an amount of OID in your gross income each year you hold the obligation, even if you did not receive any cash payments. For more information, refer to the IRS Publication 550 – Investment Income and Expenses.

If you hold collateralized debt obligations (CDO), which include real estate mortgage investment conduits (REMIC) and collateralized mortgage obligations (CMO), this OID will be included on your original 1099 Tax Information Statement which will be mailed on March 5 or 12, 2021. You may need to make certain adjustments to this information. For more information, refer to the IRS Publication 1212 - Guide to Original Issue Discount (OID) Instruments, or consult with your tax advisor.

Original Issue Discount and Adjustments

This summary shows items such as taxable and tax-exempt original issue discount, acquisition premium, market discount, early withdrawal penalty, and investment expenses. These summarized amounts represent transactions found in the detail pages.

ORIGINAL ISSUE DISCOUNT AND ADJUSTMENTS

Use bond-by-bond details from the Form 1099-OID page(s) to determine amounts of Original Issue Discount income for your income tax return(s). The amounts shown in this section are for your reference when preparing your income tax return(s).

Original issue discount for the year	18,682.81
Acquisition premium (covered lots)	101.13
Acquisition premium (noncovered lots)	45.95
Original issue discount on Treasury obligations	2,616.70
Acquisition premium, Treasury obligations (covered lots)	189.66
Acquisition premium, Treasury obligations (noncovered lots)	132.32
Tax-exempt OID	6,811.06
Tax-exempt OID (lots not reported)	12,500.00
Acquisition premium (covered)	1,743.00
Acquisition premium (lots not reported)	18.91
Tax-exempt OID on private activity bonds	6,500.00
Tax-exempt OID on private activity bonds (lots not reported)	1,824.00
Acquisition premium (AMT, covered)	961.66
Acquisition premium (AMT, lots not reported)	32.55
Market discount (all lots)	248.35
Early withdrawal penalty	0.00
Investment expenses	0.00

Acquisition Premium

For taxable and tax-exempt securities, the amount of acquisition premium is shown for covered and noncovered tax lots, as there is no box on Form 1099-INT to show this type of income adjustment on tax-exempt obligations. These summarized amounts represent transactions found in the detail pages for OID and tax-exempt OID.

Market Discount

Market discount represents additional taxable income regardless of the type of instrument on which it's earned. This summarized amount represents transactions shown on the details of interest income, tax-exempt interest income, OID income, and tax-exempt OID income. For debt issued at par, market discount is the difference between the instrument's stated redemption price and the purchase price. There is a taxpayer election that allows you to choose whether you want to recognize the discount currently or recognize it upon sale or redemption. The default setting is to do so upon sale or redemption. If you have elected to include market discount in income currently, the market discount would appear on Form 1099-INT in Box 10.

LPL Financial			Original Issue Discount		Account
2020	1099-OID*	OMB No. 1545-0117			

NON TREASURY ORIGINAL ISSUE DISCOUNT

7- Description:

Tax lot identifier or Cost and date acquired	Quantity	Begin date	1-Original issue discount for the year	3- Early withdrawal penalty	5- Market discount	6- Acquisition premium	9- Investment expenses	Notes
MSDW MTN VAR 121519/ CUSIP: 61745EZ79	0.00	12/31/20	800.00	0.00	0.00	0.00	0.00	
		Tax lot totals:	800.00	0.00	0.00	0.00	0.00	
SUPERVALU NT 8.0 050116/ CUSIP: 868536AT0	0.00	12/31/20	65.11	0.00	47.95	3.69	0.00	
		Tax lot totals:	65.11	0.00	47.95 N	3.69 N	0.00	
UNION BK NA 0.0 122217/ CUSIP: 90521ADY1	0.00	12/31/20	11,177.84	0.00	0.00	0.00	0.00	
		Tax lot totals:	11,177.84	0.00	0.00	0.00	0.00	
Non Treasury Totals								
			Original issue discount		18,682.81			
			Market discount noncovered		47.95			
			Acquisition premium noncovered		147.08			

TREASURY ORIGINAL ISSUE DISCOUNT

7- Description:

Tax lot identifier or Cost and date acquired	Quantity	Begin date	8-Original issue discount on US Treasury obligations	3- Early withdrawal penalty	5- Market discount	6- Acquisition premium	9- Investment expenses	Notes
UST STRIP 0.0 021537/ CUSIP: 912803CZ4	0.00	12/31/20	1,801.48	0.00	0.00	0.00	0.00	
		Tax lot totals:	1,801.48	0.00	0.00	0.00	0.00	
UST STRIP 0.0 051518/ CUSIP: 912833KR0	0.00	07/13/20	0.00	0.00	0.00	99.00	0.00	
		Tax lot totals:	0.00	0.00	0.00	99.00 N	0.00	
UST STRIP 0.0 081524/ CUSIP: 912833LS7	0.00	01/06/20	0.00	0.00	0.00	123.66	0.00	
		0.00 09/01/20	0.00	0.00	0.00	99.32	0.00	
		Tax lot totals:	0.00	0.00	0.00	222.98 N	0.00	

* This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.

LPL Financial			Original Issue Discount		Account
2020	1099-OID*	OMB No. 1545-0117			

TAX-EXEMPT ORIGINAL ISSUE DISCOUNT

7- Description:

Tax lot identifier or Cost and date acquired	Quantity	Begin date	11- Tax-exempt OID	Tax-exempt OID not reported to IRS	5- Market discount	6- Acquisition premium	Notes
MUFG UN BK NA 0.0 092818/ CUSIP: 624786AF6 State: CA	0.00	12/31/20	1,444.38	0.00	0.00	0.00	
		Tax lot totals:	1,444.38	0.00	0.00	0.00	
OH ST HLTH 5.0 010125/ CUSIP: 67756AF31 State: OH	0.00	12/31/20	6.76	0.00	200.40	0.00	
		Tax lot totals:	6.76	0.00	200.40 N	0.00	
Other states							
			Reported to IRS	Not reported to IRS			
			Original issue discount	6,814.66	12,500.00		
			Acquisition premium noncovered	1,532.00	9.92		
			Acquisition premium covered	211.00	8.99		
			Market discount	0.00	200.40		

TAX-EXEMPT ORIGINAL ISSUE DISCOUNT ON PRIVATE ACTIVITY BONDS

7- Description:

Tax lot identifier or Cost and date acquired	Quantity	Begin date	11- Tax-exempt OID	Tax-exempt OID not reported to IRS	5- Market discount	6- Acquisition premium	Notes
ATLANTA GA A 4.0 010118/ CUSIP: 04780NDG9 State: GA	0.00	07/10/20	0.00	0.00	0.00	498.00	
	0.00	07/13/20	0.00	0.00	0.00	399.00	
		Tax lot totals:	0.00	0.00	0.00	897.00	
IA ST UNIV 3.0 070134/ CUSIP: 4625825B9 State: IA	0.00	07/13/20	0.00	0.00	0.00	32.55	
	0.00	09/22/20	0.00	0.00	0.00	64.66	
		Tax lot totals:	0.00	0.00	0.00	97.21	
MUFG UN BK NA 0.0 092818/ CUSIP: 624786AF6 State: CA	0.00	01/14/20	3,414.00	0.00	0.00	0.00	

* This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.

OID on a taxable obligation is taxable as interest over the life of the obligation. If you are the holder of a taxable OID obligation, generally you must include an amount of OID in your gross income each year you hold the obligation. Obligations that may have OID include a bond, debenture, note,

certificate, or other evidence of indebtedness having a term of more than 1 year. For example, the OID rules may apply to certificates of deposit (CDs), time deposits, bonus savings plans, and other deposit arrangements, especially if the payment of interest is deferred until maturity. In addition, the OID rules apply to Treasury inflation-protected securities. Refer to IRS Publication 550 for more information.

If, as the record holder, you receive Form 1099-OID showing amounts belonging to another person, you are considered a nominee recipient. Complete a Form 1099-OID for each of the other owners showing the amounts allocable to each. File Copy A of the form with the IRS. Furnish Copy B to each owner. List yourself as the "payer" and the other owner as the "recipient." File Form(s) 1099-OID with Form 1096, with the Internal Revenue Service Center for your area. On Form 1096, list yourself as the "filer." A spouse is not required to file a nominee return to show amounts owned by the other spouse. If you bought or sold an obligation during the year and you are not a nominee, you are not required to issue or file Form 1099-OID showing the OID or stated interest allocable to the seller/buyer of the obligation.

The information provided may be different for covered and noncovered securities. For a description of covered securities, refer to the IRS Instructions for Form 8949. For a taxable covered security acquired with acquisition premium, your payer may report either (1) a net amount of OID that reflects the offset of OID by the amount of acquisition premium amortization for the year or (2) a gross amount for both the OID and the acquisition premium amortization for the year. For a noncovered security acquired with acquisition premium, your payer is only required to report the gross amount of OID.

Reconciliations, Fees, Expenses, and Expenditures

This section of the 1099 Tax Information Statement displays courtesy information that is not reportable to the IRS, but still may assist you with adjusting income information on your federal and state tax returns. Each line's description connects it to the detail pages where the individual transactions are displayed.

RECONCILIATIONS, FEES, EXPENSES AND EXPENDITURES

The amounts in this section are not reported to the IRS. They are presented here for your reference when preparing your income tax return(s).

Other Receipts & Reconciliations- Partnership distributions	0.00
Other Receipts & Reconciliations- Foreign tax paid- partnership	0.00
Other Receipts & Reconciliations- Return of principal	0.00
Other Receipts & Reconciliations- Deferred income payment	0.00
Other Receipts & Reconciliations- Deemed premium	0.00
Other Receipts & Reconciliations- Income accrual- UIT	0.00
Other Receipts & Reconciliations- Basis adjustments	4.56
Other Receipts & Reconciliations- Foreign tax pd beyond treaty	0.00
Fees & Expenses- Margin interest	239.00
Fees & Expenses- Dividends paid on short position	-50.00
Fees & Expenses- Interest paid on short position	0.00
Fees & Expenses- Non reportable distribution expense	0.00
Fees & Expenses- Other expenses	6,188.89
Fees & Expenses- Severance tax	0.00
Fees & Expenses- Organizational expense	0.00
Fees & Expenses- Miscellaneous fees	1,375.00
Fees & Expenses- Tax-exempt investment expense	0.00
Foreign Exchange Gains & Losses- Foreign currency gain/loss	0.00

Limited Partnerships

While we display partnership distributions on the Reconciliation, Fees, Expenses, and Expenditures section as a reference, we do not report limited partnership distributions to the IRS. You will receive a Schedule K-1 (e.g., Form 1065, Partner's Share of Income, Credits, Deductions, etc.) directly from the general partner, which typically issue their forms in late March.

Margin Interest

If you are a cash method taxpayer, you can deduct interest on margin accounts to buy taxable securities as investment interest in the year you paid it. You are considered to have paid interest on these accounts only when you actually pay the broker or when payment becomes available to the broker through your account. Payment may become available to the broker through your account when the broker collects dividends or interest for your account, or sells securities held for you or received from you. You cannot deduct any interest on money borrowed for personal reasons.

The amount you can deduct for interest expense you paid or accrued during the year to buy or carry a market discount bond may be limited. This limit does not apply if you accrue the market discount and include it in your income currently. Under this limit, the interest is deductible only to the extent it is more than:

- The total interest and OID includible in gross income for the bond for the year, plus
- The market discount for the number of days you held the bond during the year.

Use IRS Form 4952 to figure the amount of margin interest expense you can deduct for 2020 and the amount you can carry forward to future years. Your investment interest expense deduction is limited to your net investment income. For more information, refer to IRS Publication 550, Investment Income and Expenses.

Managed Account Fees

The advisory fee is the management fee a client paid for investment advisory services on an advisory account. The fee is calculated based upon the annual account fee rate and quarter-end market value of the account, and is debited directly from accounts on a quarterly basis in advance of the quarter. You may wish to refer to IRS Publication 529 - Miscellaneous Deductions or consult with your tax advisor, the IRS or your state tax authority regarding the proper treatment of fees and investment expenses.

State Tax Withheld

This section summarizes any state backup withholding that was done on the various types of income. Totals by state and IRS Form are shown here. Refer to the Detail pages of the corresponding IRS form for transaction level information, including jurisdiction and state ID. Include these amounts on your income tax return as tax withheld.

STATE TAX WITHHELD

Use the details of the State Tax Withholding page(s) to determine the appropriate amounts for your income tax return(s). The amounts shown in this section are for your reference.

1099-DIV total withheld	0.00
1099-INT total withheld	0.00
1099-OID total withheld	0.00
1099-MISC total withheld	0.00
1099-B total withheld	0.00

Tax Year 2020 WHFIT, REMIC, and WHFT Reporting

If you were invested in any of the following types of securities listed below, your original tax information statement will be mailed on March 15 or 12, 2021.

- Unit investment trusts organized as grantor trusts
- Royalty trusts
- Commodity trusts
- Holding company depositary receipt (HOLDR) trusts
- Mortgage-backed pass-through pools

As defined by the IRS, these securities are structured as grantor trusts—portfolios where you hold the underlying assets, otherwise known as “direct ownership”—which, under the widely held fixed investment trust regulations, change the way you recognize income, expenses, and gains. In an effort to reduce gaps in income reporting, the IRS requires you to be liable for taxes on your share of income and proceeds received by grantor trusts, regardless of whether or not distributions were paid to you.

Widely Held Fixed Investment Trust (WHFIT)

A WHFIT is a trust that purchases a fixed portfolio of assets for the life of the trust and issues units in the trust to investors. WHFITs are divided into two major sub-categories: non-mortgage widely held fixed investment trusts (NMWHFITs) and widely held mortgage trusts (WHMTs). NMWHFITs include unit investment trusts organized as grantor trusts, royalty trusts, commodity trusts, and holding company depositary receipt (HOLDR) trusts. WHMTs include trusts with underlying assets consisting of, but not limited to, mortgages, regular interests in a real estate mortgage investment conduit (REMIC), and interests in other WHMTs. These include mortgage-backed pass-through pools issued by the Federal National Mortgage Association (FNMA), the Federal Home Loan Mortgage Corporation (FHLMC), and the Government National Mortgage Association (GNMA).

Grantor Trusts

Grantor trusts identified by the IRS as WHFITs are pass-through investments for tax purposes and involve three major stakeholders:

- Trustees (the institutions that manage the trust)
- Middlemen (the broker/dealers who hold the trust on your behalf)
- You, the beneficial owner, who is also known as a trust interest holder (TIH)

While income earned by the trust flows through to you, trustees appointed to maintain the trust are not in direct contact with you since your portfolio is held by LPL Financial. Therefore, information regarding any taxable income previously recognized by the trust could not be communicated to you and, as a result, could not be reported to the IRS. To account for this, the WHFIT regulations require trustees to share this tax information with broker/dealers such as LPL Financial, and for broker/dealers to report these tax liabilities to you and the IRS.

Non-Mortgage Widely Held Fixed Investment Trusts (NMWHFITs)

A unit investment trust (UIT) set up as a grantor trust represents interest in a trust that holds a specified group of stocks, bonds, U.S. government securities, currencies, foreign securities, options, or other assets. Some exchange-traded funds (ETFs) are structured as UITs. In general, a UIT is an unmanaged portfolio that employs a buy-and-hold strategy. The assets are not actively traded, but remain fixed until they mature or have reached the trust's termination date (the date when the UIT will terminate and dissolve) and investors recover their principal or proceeds. Some UITs may sell or replace a security under certain circumstances, such as if the issuer is undergoing litigation or if the issuer's financial viability or security's credit ratings are called into question.

Income and expenses of the trust are recognized when they are earned or incurred, and not when they are received or paid in cash. Therefore, UIT income is grossed up for these trust expenses. Investment expenses generally relate to the operation of the trust and include portfolio supervision, administration, evaluation, bookkeeping, and trustee fees. These can be used as a deduction on IRS Form 1040.

Organizational expenses are mainly related to expenses in setting up the trust. These include preparing registration statements, indentures, etc., and may be offset against reportable income. These should be added to the cost basis of your units to reduce capital gains at sale or redemption. Other UIT instruments accrue original issue discount (OID), which must also be calculated and reported to you.

Commodity Trusts

A commodity trust represents interest in a trust that holds precious metals such as gold, silver, etc. Commodity trusts do not pay cash distributions. However, assets of the trust are sold to cover expenses. We will report proceeds for these sales and offsetting expenses. Some common commodity trusts are SPDR Gold Trust ETF (Ticker: GLD) and iShares Silver Trust ETF (Ticker: SLV). An excerpt from GLD's prospectus states:

United States Federal Tax Consequences

When the Trust sells gold, for example to pay expenses, a Shareholder generally will recognize gain or loss in an amount equal to the difference between (1) the Shareholder's pro rata share of the amount realized by the Trust upon the sale and (2) the Shareholder's tax basis for its pro rata

share of the gold that was sold, which gain or loss will generally be long-term or short-term capital gain or loss, depending upon whether the Shareholder has held its Shares for more than one year. A Shareholder's tax basis for its share of any gold sold by the Trust generally will be determined by multiplying the Shareholder's total basis for its share of all of the gold held in the Trust immediately prior to the sale, by a fraction the numerator of which is the amount of gold sold, and the denominator of which is the total amount of the gold held in the Trust immediately prior to the sale. After any such sale, a Shareholder's tax basis for its pro rata share of the gold remaining in the Trust will be equal to its tax basis for its share of the total amount of the gold held in the Trust immediately prior to the sale, less the portion of such basis allocable to its share of the gold that was sold.

Holding Company Depositary Receipt (HOLDR) Trusts

A HOLDR trust represents interest in a trust that holds a specified group of stocks. Some common HOLDRs are Oil Service HOLDRs Trust Depositary Receipt (ticker: OIH) and Semiconductor HOLDRs Trust Depositary Receipt (ticker: SMH). An excerpt from OIH's prospectus states:

Taxation of the Trust: The trust will provide for flow through tax consequences as it will be treated as a grantor trust or custodial arrangement for U.S. federal income tax purposes.

Taxation of Oil Service HOLDRs: A U.S. receipt holder purchasing and owning Oil Service HOLDRs will be treated, for U.S. federal income tax purposes, as directly owning a proportionate share of the underlying securities represented by Oil Service HOLDRs. Consequently, if there is a taxable cash distribution on an underlying security, a U.S. receipt holder will recognize income with respect to the distribution at the time the distribution is received by the trustee, not at the time that the U.S. receipt holder receives the cash distribution from the trustee.

Royalty Trusts

A royalty trust represents interest in the profits from properties producing gas, oil, or minerals. Common royalty trusts are BP Prudhoe Bay Royalty Trust (BPT) and Hugoton Royalty Trust (HGT). An excerpt from BPT's prospectus states:

Taxation of Unit Holders: In computing his federal income tax liability, each unit holder is required to take into account his share of all items of trust income, gain, loss, deduction, credit and tax preference, based on the unit holder's method of accounting. Consequently, it is possible that in any year a unit holder's share of the taxable income of the trust may exceed the cash actually distributed to him in that year. For example, if the trustee should establish a reserve or borrow money to satisfy debts and liabilities of the trust income used to establish the reserve or to repay the loan must be reported by the unit holder, even though the income is not distributed to the unit holder.

The trust makes quarterly distributions to unit holders of record on each quarterly record date. The terms of the trust agreement seek to assure to the extent practicable that income, expenses and deductions attributable to each distribution are reportable by the unit holder who receives the distribution.

- If you hold a royalty trust that announced part of the distribution was Section 1231, this may need to be included on your return using IRS Form 4797 – Sales of Business Property.
- Qualified stated interest received by the trustee will be reported on Form 1099-INT. For transaction information, refer to statement pages titled Detail for Interest Income.
- Other assets within royalty trusts may be treated as indebtedness subject to Treasury regulations applicable to contingent payment debt instruments (CPDI). As a result, an actual

payment or OID shortfall may be recognized, which represents the difference between the projected contingent payment and actual contingent payment. If applicable, amounts are shown beneath the 1099-INT summary section of your tax-information statement.

For transaction information, refer to the similarly named detail pages of your tax information statement.

- Trust administrative expenses, severance tax, and basis adjustments associated with rental or royalty income generated by the trust will also be found in the Reconciliations, Fees, Expenses, and Expenditures section and may be deductible on your Schedule E – Supplemental Income and Loss. For transaction information, refer to the similarly named detail pages of your tax-information statement.

If you were invested in a royalty trust, supplemental tax information may be needed to complete your tax return. Please refer to the issuer's website to obtain supplemental tax information, which includes depletion schedules, historical information, state income tax deductions and credits, and state apportionments. The issuer's website address is shown in the End Notes section of your tax-information statement.

Supplemental Information for REMICs & Widely Held Fixed Investment Trusts

This section of your tax statement is provided for your reference pursuant to Treasury Regulation §1.6049-7. It provides additional detail for income earned on Real Estate Mortgage Investment Conduits (REMICs) and other structured mortgage back securities that was reported on Forms 1099-INT and 1099-OID. The accrual period information provided will enable you to re-figure (as required) the amount of OID and/or market discount that is includible in your taxable income.

LPL Financial								Account					
Detail for REMICs & Widely Held Fixed Investment Trusts													
2020													
FNMA 17-9GK 3.0 102542/ CUSIP: 3136AVXE4 / Security type: REMIC / Combo CUSIP: Yes / Parent CUSIP: 3136AVYU7 ⁴¹													
Begin date	Days held	Beginning redemption balance	Beginning adjusted issue price	Daily OID accrual rate	OID accrued	Qualified interest accrued	Expenses	Market discount fraction	Acquisition premium	Bond premium	Market discount		
Lot# 1 6,937.18 purchased for \$0.00													
01/01/19	24	1,000.00	957.54	0.0085004	1.42	13.87	0.00	0.0048158	0.00	0.00	0.00		
01/25/19	30	1,000.00	957.84	0.0084296	1.75	17.34	0.00	0.0059985	0.00	0.00	0.00		
02/25/19	30	1,000.00	958.09	0.0092851	1.93	17.34	0.00	0.0066472	0.00	0.00	0.00		
03/25/19	30	1,000.00	958.37	0.0106808	2.22	17.34	0.00	0.0076975	0.00	0.00	0.00		
04/25/19	30	1,000.00	958.69	0.0114280	2.38	17.34	0.00	0.0082999	0.00	0.00	0.00		
05/25/19	9	1,000.00	959.04	0.0172460	1.08	5.20	0.00	0.0018038	0.00	0.00	0.00		
Lot subtotal:					10.78	88.43	0.00		0.00	0.00	0.00		
Total:					10.78	88.43	0.00		0.00	0.00	0.00		
Information with respect to REMIC assets		Real property loans IRC Sec. 593(d)(1)				Building and loan IRC Sec. 7701(a)(19)				Real property assets defined in §1.856-3(b)			
		Q1- 95.0%	Q2- 95.0%	Q3- 95.0%	Q4- 95.0%	Q1- 95.0%	Q2- 95.0%	Q3- 95.0%	Q4- 95.0%	Q1- 95.0%	Q2- 95.0%	Q3- 95.0%	Q4- 95.0%

Supplemental Information for Widely Held Mortgage Trusts

This section of your tax statement is provided for your reference pursuant to Treasury Regulation §1.671-5. It provides additional detail for income earned on Widely Held Mortgage Trusts that was reported on Form 1099-INT. Please note that interest income is inclusive of the amount of expense in each period and will exceed the amount of cash received on each payment date. Amounts shown as "income adjustment" reflect bond premium (negative values) or market discount (positive values). Like interest income, these amounts are also shown as annual totals within the Detail of Interest Income.

Summary totals shown on the tax information statement include all gross income and proceeds collected by the trust and as allocated to you on a pro rata basis. The income is grossed up to account for expenses and/or fees. This includes, but is not limited to, interest, dividends, and miscellaneous income, such as rental and royalty payments shown on 1099-MISC.

LPL Financial	Account
Detail for Widely Held Mortgage Trusts	
2020	

Internal Revenue Service (IRS) regulations §1.671-5 require that we provide supplemental detail regarding your investment(s) in Widely Held Mortgage Trusts (WHMT). This income and associated adjustments shown in this section already appear in the portion of this statement devoted to interest income. The amounts of income adjustment shown represent bond premium (negative values) and market discount (positive values). They are for noncovered tax lots and are not reported to the IRS. Interest income shown is inclusive of expenses and will exceed actual cash receipts.

FHLMC G03432 5.5 110137/ CUSIP number: 3128M5ED8 / Security type: WHMT / Notes:

Record or trade date	Pay or settle date	Transaction	Principal balance	Quantity or position	Principal paid or proceeds	Cost	Interest	Expense	Market discount fraction	Income adjustment
01/31/19	02/15/19	Distr.	20.24	0.00	1.60	0.00	0.90	0.07	0.01496844	0.00
02/28/19	03/15/19	Distr.	20.06	0.00	1.96	0.00	0.90	0.07	0.01503665	0.00
03/31/19	04/15/19	Distr.	19.84	0.00	3.16	0.00	0.89	0.07	0.01517465	0.00
04/30/19	05/15/19	Distr.	19.49	0.00	3.18	0.00	0.87	0.07	0.01521599	0.00
05/31/19	06/15/19	Distr.	19.14	0.00	2.64	0.00	0.85	0.06	0.01521131	0.00
06/30/19	07/15/19	Distr.	18.84	0.00	2.31	0.00	0.84	0.06	0.01522105	0.00
07/31/19	08/15/19	Distr.	18.59	0.00	2.79	0.00	0.83	0.06	0.01530650	0.00
08/02/19	08/02/19	Sell/Del	18.28	-9,000.00	0.00	0.00	0.00	0.00	0.01530254	0.00
Lot subtotal:					17.64		6.08	0.46		0.00
Total:					17.64		6.08	0.46		0.00

Mutual Fund and UIT Supplemental Information

This section provides supplemental information to assist you with the preparation of your state and federal tax returns. Up to three detail sections are displayed for each security corresponding to state, US Government or foreign information. These sections will be printed only when relevant. Further, the state section will contain only states for which a particular fund had an allocation. This information is arranged in six sets of columns which pair the name of the state with the amount of income originated there.

LPL Financial	Account
Mutual Fund and UIT Supplemental Tax Detail	
2020	

CUSIP	Security description	Municipal income					
		Direct federal income*	Indirect federal income*	State of residence	Resident state amount	Other state amounts	Unavailable amounts
46138J304	INV BULLET 2019 CORP ETF	7.67	0.00		0.00	0.00	0.00
46138J403	INV BULLET H/Y CORP ETF	13.88	0.00		0.00	0.00	0.00
46434V571	ISHSD SEP 2020 TERM ETF	0.00	0.00	CA	4.61	43.20	0.00
46435G318	ISHS DEC 2023 MUN BD ETF	0.00	0.00	CA	4.28	55.06	0.00
46435G755	ISHSD DEC 2022 TERM ETF	0.00	0.00	CA	11.66	159.42	0.00
46435G789	ISHSD DEC 2021 TERM ETF	0.00	0.00	CA	10.82	153.59	0.00
922908201	VNGRD PRIME MMKT INVS	30.08	0.01		0.00	0.00	0.00
Total:		51.63	0.01		31.37	411.27	0.00

Tax Year 2020 End Notes

End Notes include information which may be helpful with preparing your tax return. The End Notes page displays notes that have been referenced throughout the tax-information statement. End note indicators may appear in different locations, such as next to column headers, adjacent to the security description, or in the Additional Information or Notes columns. A separate End Notes page is included for each account. There are numerous end notes for various statement and transaction types, and only those that pertain to your account activity will be listed on this page. To view the full text of these notes, refer to the 2020 End Notes detail schedule.

LPL Financial	2020 End Notes for Account
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- 03 The tax character of the distribution has been allocated based on information provided by the security issuer.
- 11 Unit Investment Trust income adjustment. Items of income, deduction, and credit, and any other information shown on this statement must be taken into account in computing taxable income and credits on your income tax return(s). Dividends reported as qualified must also meet the holding period requirements of section 1(h)(1)(B)(iii) of the Internal Revenue Code to treat the dividends as qualified dividends.
- AC The cost basis of this position has been adjusted.
- BP BP Prudhoe Bay Royalty Trust is a widely held fixed investment trust (WHFIT). Items of income, deduction, and credit, and any other information shown on this statement must be taken into account in computing taxable income and credits on your income tax return(s). You may be entitled to a depletion allowance which can be determined by referencing the additional information published by the trustee at bpt.q4web.com. If you can not access the information electronically and do not receive it from the trustee, you may request a hardcopy.

Glossary of Terms

Accretion: For debt instruments acquired at a discount, below par, accretion is the gradual increase in the cost basis of the instrument over time.

Accrual Period: The period between a bond's interest payment dates.

Adjusted Cost Basis: The net cost of the investment after applying adjustments for certain tax-related events, such as wash sale, non-dividend distribution, return of capital, return of principle, partnership distribution, bond premium amortization, market discount accretion, original issue discount (OID); and corporate action events, such as a stock split, merger, spin-off, etc.

Amortization: For debt instruments acquired at a premium, above par, amortization is the gradual decrease in the cost basis of the instrument over time.

Bond Premium: The amount paid above a debt instrument's par value.

Covered Security: A security that is subject to the IRS cost basis reporting rules if it is acquired after its regulatory effective date shown in the cost basis legislation. Covered securities include a security transferred to an account if the receiving broker/dealer receives a transfer statement that indicates the security as a covered security; and a security acquired due to a stock dividend, stock split, reorganization, redemption, stock conversion, recapitalization, corporate division, or other similar action, if the basis of the acquired security is determined from the basis of a covered security.

Initial (Original) Cost Basis: Generally, the cost shown on your purchase trade confirmation that represents the total amount paid by you or, in the case of a short sale, the total amount credited to your account, plus any fees and commissions, and minus any accrued interest charge included on the trade. The initial basis of a security that was transferred into your account is generally the adjusted basis reported to us by your former financial institution. If no such basis information was provided, the initial basis of the security, if available, may have been provided by you or by your financial professional. The initial basis of an inherited security is generally its fair market value from the date of the original owner's death. The initial basis of a security received by you as a gift is generally the donor's adjusted cost basis on the date of the gift or the fair market value of the security on the date of the gift.

For more information, refer to IRS Publication 551 – Basis of Assets.

Market Discount: The difference between the debt instrument's stated redemption price and the purchase price for debt issued at par.

Noncovered Security: Generally, a security that was acquired prior to its regulatory effective date shown in the cost basis legislation, or a security that is exempt from IRS cost basis reporting rules. In addition, a security is considered noncovered if it was transferred into your account and adjusted basis information was not reported to us by your former firm. Contact your financial professional to add basis information onto a noncovered security. Please note: Noncovered cost basis information is not furnished to the IRS; it is shown on your 1099 Tax Information Statement for informational purposes only.

Original Issue Discount (OID): A type of interest that is not payable as it accrues. It is the excess of a debt instrument's stated redemption price at maturity over its issue price. OID generally occurs when a debt instrument is issued at a discount. The bondholder does not actually receive this interest annually; the interest is received at bond maturity as the difference between the bond's face value and the bond's issue price at maturity. The amount of OID accrued annually is shown in Box 1 of IRS Form 1099-OID. OID accrues daily so that the bondholder's cost basis is increased by the amount of OID accrued during the period of time the bond is held. If the bond is held to maturity, typically no gain or loss is recognized. If the bond is sold prior to maturity, a capital gain is typically recognized.

Return of Capital (Nondividend Distribution): A nondividend distribution is a distribution that is not paid out of the earnings and profits of a corporation or a mutual fund. Nondividend distribution amounts are shown in Box 3 of IRS Form 1099-DIV, which you receive annually from us. A nondividend distribution is a return of your investment in the security and reduces your cost basis. Nondividend distributions are not taxed until your basis in the security is fully recovered. When the basis of your security has been reduced to zero, any additional nondividend distribution you receive is reported as capital gain on Form 1099-B.

Wash Sale: When you sell stock or securities at a loss, the IRS allows you to deduct the loss from your taxable income or other capital gains you might have. The exception to this allowance is a wash sale, which occurs after you sell or trade stock or securities at a loss and, within 30 days prior to or after the date of sale, you:

- Buy substantially identical stock or securities
- Acquire substantially identical stock or securities in a fully taxable trade
- Acquire a contract or option to buy substantially identical stock or securities
- Acquire substantially identical stock within another account

When a wash sale occurs, the loss is disallowed. You cannot deduct losses from sales or trades of stock or securities in a wash sale. We will add the disallowed loss amount to your cost basis in the re-purchased security. This adjustment postpones the loss deduction until you sell the re-purchased security. Your holding period for the new securities includes the holding period of the security where loss was disallowed.

The IRS requires brokers to only monitor and report wash sales for identical security (the same CUSIP) transactions that occur in a single account. We are not required to track replacement shares of substantially identical securities or security transactions purchased in another account at the firm, or in an account held with another financial institution. Taxpayers are required to monitor wash sales across all accounts, including those across institutions or among spousal accounts (when filing jointly), and to comply with the requirements to compute wash sales under IRS regulations.

The IRS requires us to report any losses disallowed by wash sale on your 1099-B, only if both the sale and purchase transactions occur in the same account and under the same security CUSIP number. However, you as the taxpayer must still adhere to the wash sale rules whether the sale and purchase transactions occur in the same or different accounts.

Frequently Asked Questions

Q: My 2020 Form 1099-DIV shows mutual fund distributions that my account statement shows were not paid until January 2021. Why is there a difference between my monthly statement and what's reported to the IRS on the 1099?

A: We must adhere to IRS requirements when reporting on Form 1099. This may result in differences between what's on your monthly statements and what's reported to the IRS. For example, mutual fund distributions declared as payable to shareholders of record in December 2020 and paid in January 2021 are taxable as 2021 distributions and are reported on Form 1099-DIV.

Q: Why did I receive a corrected 1099?

A: A corrected 1099 is sent to you when information previously reported to you and to the IRS is changed. The IRS requires us to send you a correction for changes over \$100. Corrections generally occur when we receive updated income reclassification information from securities included on your 1099; or, when we receive updated covered cost basis information. When necessary, we'll send you a corrected form.

Q: Why are dividends from foreign securities and foreign tax withheld shown on my 1099?

A: We are required by the IRS to report the gross amount of the dividend and the amount of foreign tax withheld at the source on your 1099-DIV. Dividends from a foreign corporation may not be considered qualified dividends. Consult your tax advisor or refer to IRS Publication 514 - Foreign Tax Credit for Individuals.

Q: How should I treat accrued interest on bond purchases?

A: The accrued interest you pay at the purchase date is not an adjustment of the bond premium and is not included in the amortization of premium or discount. The accrued interest is returned to you in full at the next coupon date that occurs after your purchase date. Your Form 1099-INT reports the full interest payment credited to your account.

Q: What tax forms will I receive on Direct Business Mutual Fund orders?

A: If the liquidation was placed through LPL, you'll receive IRS Form 1099-B directly from the mutual fund company. For any income distributions received, you will also receive an IRS Form 1099-DIV and/or 1099-INT directly from the mutual fund company. To verify where the liquidation occurred, please check your trade confirmation or consult with your financial representative.

Q: Do I use trade date or settlement date when determining my holding period for sales?

A: The IRS requires you to use the trade date to determine your holding period. The trade date from each sale, liquidation or redemption is shown in column 1-c on 1099-B.

Q: I requested that my units of my equity-based UIT be redeemed "in-kind." Various equity securities are now held in my account. How do I calculate my cost basis?

A: For a trust organized as a RIC, the cost basis of your new equity shares is the fair market value of those shares on the date the in-kind distribution was processed; and, your acquisition date is the date of the in-kind distribution. For a Grantor trust, the cost basis of your new equity shares is the price of the equities as of the date you originally purchased units in the trust; and, your acquisition date is the date you originally purchased units in the trust. Please note that corporate actions, such as stock splits, may have to be factored into your calculation.

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