



Cost Basis: What you need to know

Turn here®



Welcome

Today's Agenda

- Cost basis reporting – Overview and 2014 requirements
- Review: Bifurcation of securities eligible for average cost
- Locating cost basis information on Fidelity.com
- Review Fidelity's 2012 Tax Reporting Statement
- Q&A



Today's panelists

Fidelity specialists

- Ellen Bocina, Vice President, Product Development
- Jeff Brown, Vice President, Product Development
- Carlos Cartaya, Vice President, Tax Services



Turn here®



Cost basis reporting

Overview and 2014 requirements



Turn here*



Recap of the reporting requirements

Broker-dealers, including mutual fund companies, must:

- Report adjusted cost basis on the IRS Form 1099-B for the sale of covered securities and indicate whether the holding period for these securities was long- or short-term
- Provide cost basis on the transfer of positions to another broker

Covered securities and cost basis implementation schedule*

2011

**Stock in a corporation,
purchased on or after
January 1, 2011**

2012

**Securities eligible for
average cost (mutual
funds and DRIP),
purchased on or after
January 1, 2012**

2014 & beyond

**Options, fixed income, and
other securities as
determined by the IRS,
purchased on or after
January 1, 2014**

* Based on final regulations issued in October 2010

Cost basis for corporate accounts

Cost information for S Corp accounts is now reported to the IRS.

This includes:

- Gross proceeds for sales of all securities
- Cost basis reporting for sales of covered securities

Call to Action:

- All corporate account owners should have certified their tax status with Fidelity by 12/31/2011
- Especially important for account owners who are C Corporations and LLCs to complete certification process in order to avoid misclassification
- Contact a Fidelity Representative at 1-800-544-6666 if you have accounts requiring certification



Bifurcation of securities eligible for average cost

What does it mean?



Turn here®



Understanding bifurcation

What is bifurcation?

- Separate average cost calculations for noncovered and covered shares

What types of average cost positions are bifurcated?

- Positions that include both noncovered and covered shares
 - Shares acquired prior to January 1, 2012
 - Additional share purchases that occur on or after January 1, 2012 of the same mutual fund

What happens when a position is bifurcated?

- Fidelity is required to track the holding as two sub-positions based on noncovered and covered shares
- Each of these sub-positions will maintain its own calculated average cost
- Cost basis for covered lots is reported to the IRS
- Cost basis for noncovered lots is not reported to the IRS



Turn here®



Example: How a position becomes bifurcated

Shares of ABC mutual fund: Transaction history

Tax lot	Acquisition Date	Quantity	Cost per share	Average cost per share
1	3/30/2009	100	\$10.00	\$12.00
2	10/25/2009	100	\$12.00	
3	5/10/2011	100	\$14.00	

Average cost based on 300 shares purchased BEFORE 1/1/2012

For illustrative purposes only.



Noncovered



Covered

Turn here*



Example: How a position becomes bifurcated

Shares of ABC mutual fund: Transaction history

Tax lot	Acquisition Date	Quantity	Cost per share	Average cost per share
1	3/30/2009	100	\$10.00	\$12.00
2	10/25/2009	100	\$12.00	
3	5/10/2011	100	\$14.00	
4	2/10/2012	100	\$16.00	
5	6/15/2012	100	\$18.00	
6	12/15/2012	100	\$19.00	
7	5/30/2013	100	\$20.00	

Average cost based on 300 shares purchased BEFORE 1/1/2012

Average cost based on additional 400 shares purchased AFTER 1/1/2012

For illustrative purposes only.

 Noncovered  Covered

Example: What happens if a client sells 100 shares?

Shares of ABC mutual fund: Remaining tax lots

Tax lot	Acquisition Date	Quantity	Cost per share	Average cost per share
1	3/30/2009	100	\$10.00	\$12.00
2	10/25/2009	100	\$12.00	
3	5/10/2011	100	\$14.00	
4	2/10/2012	100	\$16.00	
5	6/15/2012	100	\$18.00	
6	12/15/2012	100	\$19.00	
7	5/30/2013	100	\$20.00	

No change in average cost, even though 200 shares remain

No change in average cost on the additional 400 shares

For illustrative purposes only.

Noncovered Covered

Fidelity.com

Locating cost basis information



Turn here*



Viewing a bifurcated position on Fidelity.com

Noncovered and covered shares will be tracked and reported separately.

Symbol ▲	Description	Quantity	Most Recent			Change Since Close		Change Since Purchase		Cost Basis		
			Price	Change	Value	Dollar	Percent	Dollar	Percent	Per Share	Total	Action
FCASH **	Cash	100.360	\$1.00	\$0.00	\$100.36	n/a	n/a					
FBALX	FIDELITY BALANCED	14,489	\$19.88	\$0.01	\$288.04	\$0.14	0.05%	\$25.32	9.64%	\$18.13	\$262.72a	▼
	Reported ⓘ	1,885	\$19.88	\$0.01	\$37.47	\$0.00	0.00%	+\$0.69	+1.88%	\$19.51	\$36.78	
Term Short	Acquired 10/12/2012	0.063										
Short	07/06/2012	0.960	\$19.88									
Short	04/04/2012	0.862	\$19.88									
	Unreported ⓘ	12,604	\$19.88									
Long	Acquired 12/16/2011	2,451	\$19.88									
Long	07/08/2011	4.176	\$19.88	\$0.01	\$83.01	\$0.04	0.05%	+\$8.16	+10.90%	\$17.93	\$74.86	
Long	04/06/2011	2,493	\$19.88	\$0.01		\$0.02	0.05%	+\$4.87	+10.90%	\$17.93	\$44.69	
Long	02/07/2011	3,478	\$19.88									
FIGRX	FIDELITY INT'L DISCOVERY	2,427	\$31.71									
OAKBX	OAKMARK EQUITY & INCOME FD I	1.727	\$28.86									
		Totals:			\$515.20	\$0.14		\$35.15				
11.61%												

For illustrative purposes only.

Cost basis for covered subposition will be reported to the IRS

Cost basis for noncovered subposition will NOT be reported to the IRS

Converting from average to actual cost

1. Select **Accounts & Trade**, then **Update Accounts/Features**
2. Choose **Cost Basis Information Tracking**
3. Find the Mutual Fund position, and click **Convert**

Fidelity.com

Accounts & Trade | News & Insights |

Accounts & Trade >

Update Accounts/Features

Account Features

- Account Access Rights (Power of Attorney and Trading Authorization)
- Account Ownership
- ATM and Credit Cards
- Annuity Asset Management
- Automatic Investments
- Automatic Withdrawals
- Bank Information to Transfer Money
- Bill Payment
- Checkwriting and Deposit Slips (including Reorders)
- Cost Basis Information Tracking**
- Direct Deposit
- Dividends and Capital Gains
- Financial Profile
- Full view® Maintenance
- International Trading
- Margin and Options
- Real-Time Quotes

558345.5.0

JOINT TBE (xxxxxxxxxx)

Description	Symbol	Cost Basis Information	
FIDELITY CONTRAFUND	FCNTX	Average Cost Single Category	Convert

JOINT TIC (xxxxxxxxxx)

Description	Symbol	Cost Basis Information	
FIDELITY FREEDOM 2040	FFFFFX	Average Cost Single Category	Convert

JOINT CP (xxxxxxxxxx)

Description	Symbol	Cost Basis Information	
FIDELITY VALUE	FDVLX	Average Cost Single Category	Convert

For illustrative purposes only.

How to sell specific shares

Choose Specific Shares:

- A trading feature that allows you to override your default disposal method at the time of sale

As of 01/25/2013 6:16pm ET [Refresh](#)

Total Account Value	\$30,723.83
Cash Buying Power	\$2,370.66
Non-Margin Buying Power	\$13,727.81
Committed to Open Orders	\$0.00
Settled Cash	\$2,370.66

Select the mutual fund symbol you want to sell.

Action **Sell**

Fund [Symbol Lookup](#)

Quantity Shares
 Sell all Shares
 Dollar Amount \$

Trade Type Cash Margin
 Choose Specific Shares

[Continue](#)

For illustrative purposes only.

How to sell specific shares, continued

If you have not converted to Specific Shares cost basis method, you will be prompted to do so.

Fidelity.com Search Quotes [Customer Service](#) [Open an Account](#) [Log Out](#)

[Accounts & Trade](#) [News & Insights](#) [Research](#) [Guidance & Retirement](#) [Investment Products](#)

Thursday, January 17, 2013

Accounts & Trade > Portfolio >

JOINT TBE (2EA039713)

View

- Balances
- Positions
- Closed Positions
- Orders
- History
- Tax Info (Year-to-Date)
- Statements/Records

Act

- Trade Mutual Funds
- Transfer Money/Shares
- Withdraw Money
- Update Accounts/Features

Analyze

- Portfolio Analysis
- Fixed Income Analysis

Current Cost Basis Tracking Method

Fidelity is currently tracking the cost basis information for this mutual fund based on the [average cost single category](#) method and will use this method when reporting a gain or loss associated with a sale within a taxable account. You are solely responsible for the accuracy of cost basis and gain/loss information reported to federal, state, and other taxing authorities.

- To request that Fidelity convert the manner in which it tracks and reports cost basis information from the [average cost single category](#) method to the [specific shares](#) method, click Convert Basis.
- If you wish to proceed with your order, without specifying specific shares, click Proceed with Order. Fidelity will continue to track your cost basis information using the average cost single category (ACSC) method. Gains or losses are defined as short-term or long-term based on the assumption that the oldest shares are sold first, even though the average cost is the same for all shares.

[Convert Basis](#) [Proceed with Order](#)

For illustrative purposes only.

How to sell specific shares, continued

Once you've converted to Specific Shares, you may specify which lots to sell, including both covered and noncovered lots.

Specify Shares from Open Tax Lots As of 01/24/2013 at 4:00 PM ET

Account: 7 open tax lots of FIDELITY BALANCED (FBALX)
Sorted by: No Preference / Pre-filled by: No Preference

	<u>Shares Specified</u>	<u>Shares Available</u>	<u>Date Acquired</u>	<u>Cost Basis/Share</u>	<u>Lot Basis</u>	<u>Unrealized Gain/(Loss)</u>	<u>Holding Period</u>	<u>Cost Basis Source</u>
1	30	130.4120	07/08/2011	\$19.17	\$2,500.00	\$202.14	Long	Fidelity
2		0.6580	10/14/2011	\$18.04	\$11.87	\$1.76	Long	Fidelity
3		0.7130	12/16/2011	\$17.83	\$12.71	\$2.06	Long	Fidelity
4	.529	0.5290	04/04/2012	\$19.68	\$10.41	\$0.55	Short	Fidelity
5		0.5890	07/06/2012	\$19.32	\$11.38	\$0.82	Short	Fidelity
6		0.5750	10/12/2012	\$20.10	\$11.56	\$0.35	Short	Fidelity
7	.633	0.6330	12/14/2012	\$20.03	\$12.68	\$0.44	Short	Fidelity

31.162 Shares Specified
+ 68.838 Unspecified Unrestricted Shares to be sold as first in/first out (FIFO)
100.0000 Total Shares Estimated to fill this Order

< Previous Preview Order >

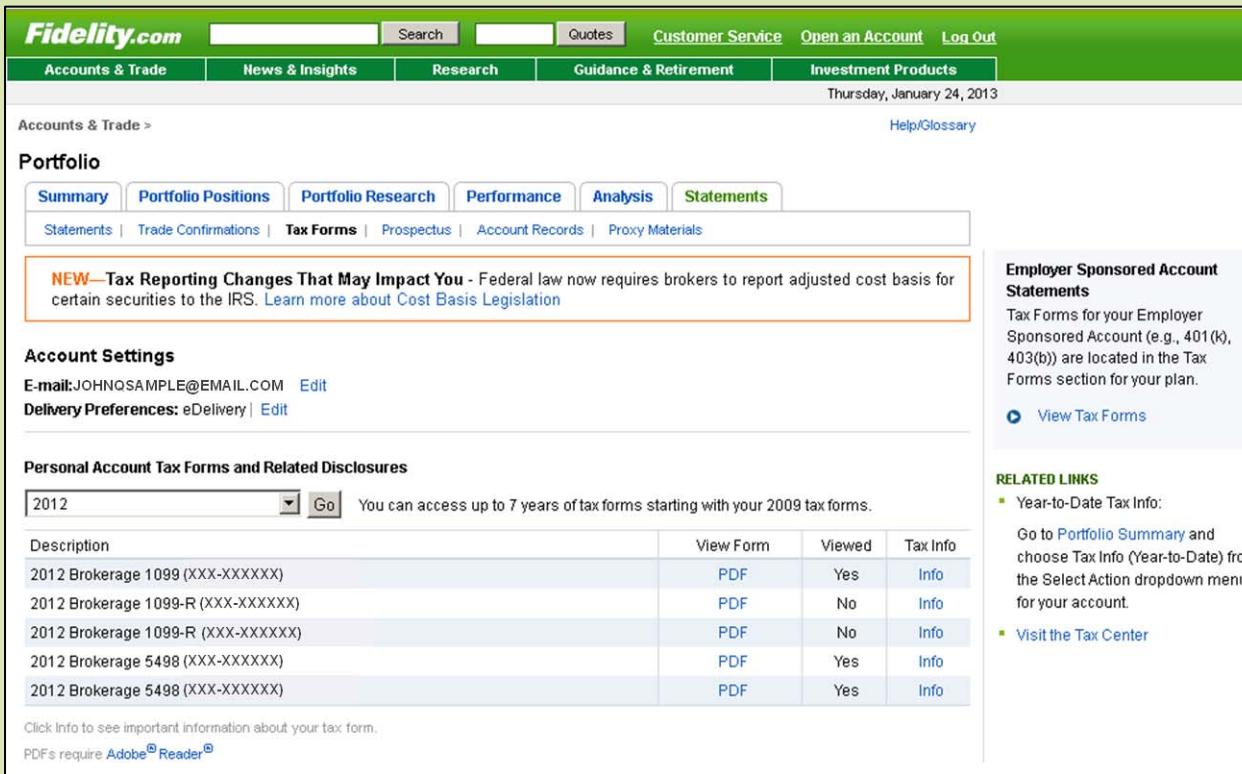
For illustrative purposes only.

Turn here*



Accessing your Fidelity tax forms

1. Select **Accounts & Trade**, then **Portfolio**
2. Choose **Statements** from the Select Action menu
3. Select the **Tax Forms** tab



The screenshot shows the Fidelity.com website interface. The top navigation bar includes links for Search, Quotes, Customer Service, Open an Account, and Log Out. Below the navigation is a menu bar with Accounts & Trade, News & Insights, Research, Guidance & Retirement, and Investment Products. The date Thursday, January 24, 2013 is displayed. The main content area shows the 'Portfolio' section with tabs for Summary, Portfolio Positions, Portfolio Research, Performance, Analysis, and Statements. The 'Statements' tab is selected, and within it, the 'Tax Forms' tab is also selected. A banner message at the top of the statements section reads: "NEW—Tax Reporting Changes That May Impact You - Federal law now requires brokers to report adjusted cost basis for certain securities to the IRS. Learn more about Cost Basis Legislation". Below this, the 'Account Settings' section shows an e-mail address (E-mail: JOHNQSAMPLE@EMAIL.COM) and delivery preferences (eDelivery). The 'Personal Account Tax Forms and Related Disclosures' section displays a table of tax forms for the year 2012, including 1099s and 5498s, with columns for Description, View Form, Viewed, and Tax Info. A note at the bottom of this section says: "Click Info to see important information about your tax form. PDFs require Adobe® Reader®". To the right of the main content, there is a sidebar titled "Employer Sponsored Account Statements" with a link to "View Tax Forms". Below this is a "RELATED LINKS" section with links to "Year-to-Date Tax Info" and the "Tax Center".

For illustrative purposes only.



2012 Tax Reporting Statements

Enhancements to statement format for Form 1099-B



Turn here*



Fidelity's 2012 Tax Reporting Statement

Changes to expect			
	Yes	No	Key change
Form 1099-DIV	✓		Inclusion of tax-exempt interest dividend and specified private activity bond interest dividend amounts
Form 1099- INT	✓		Shifting of tax-exempt interest dividend and specified private activity bond interest dividend amounts to Form 1099-DIV
Form 1099-MISC		✓	
Form 1099-B	✓		Enhanced layout to facilitate easier completion Schedule D and Form 8949; Includes separate pages for short- and long-term covered and noncovered securities, plus a page displaying transactions with unknown basis
Form 1099-OID		✓	
Supplemental pages	✓		Minor layout changes to improve readability

Fidelity will deliver the 2012 Tax Reporting Statement to your clients no later than February 15, 2013.



Sample page: 2012 Tax Reporting Statement

Fidelity
INVESTMENTS

FIDELITY BROKERAGE SERVICES LLC
PO Box 673000
Dallas, TX 75267-3000

Envelop Number or eDelivered
JOHN Q PUBLIC
JULLIANNE Q THIRUVENGADAM-PUBLIC
123 MAIN ST
APT 3F
NEW YORK, NY 102

2012 TAX REPORTING STATEMENT

John Q Public
Account No: 123-456789 Customer Service: 888-888-8888
Recipient's ID No: ***-**-6789 Payer's Fed ID Number: 04-3523567

Payer's Name and Address:
NATIONAL FINANCIAL SERVICES LLC
499 Washington Blvd
Jersey City, NJ 07310

Form 1099-DIV* 2012 Dividends and Distributions

Copy B for Recipient
(OMB No. 1545-0110)

1a Total Ordinary Dividends	105.00
1b Qualified Dividends	5.00
2a Total Capital Gain Distributions (Includes 2b – 2d)	450.00
2b Unrecap. Sec. 1250 Gain	0.00
2c Section 1202 Gain	0.00
2d Collectibles (28%) Gain	150.00
3 Nondividend Distributions	60.00
4 Federal Income Tax Withheld	30.00
5 Investment Expenses	15.00
6 Foreign Tax Paid	5.00
7 Foreign Country or U.S. Possession	various
8 Cash Liquidation Distributions	15.00
9 Non-Cash Liquidation Distributions	0.00
10 Exempt Interest Dividends	55.00
11 Specified Private Activity Bond Interest Dividends	7.50
12 State CA	80491681
13 State Identification No	
14 State Tax Withheld	5.00

Form 1099-MISC*

2 Royalties	55.00
4 Federal Income Tax Withheld	15.00
8 Substitute Payments in Lieu of Dividends or Interest	50.00
16 State Tax Withheld	5.00
17 State/Payer's State No.	80491681
18 State Income	99.00

Total Original Issue Discount
 40.73 |

Total Original Issue Discount on U.S. Treas. Obligations
 117.17 |

Original Issue Discount (OID) amounts are reported individually to the IRS. Refer to the Form 1099-OID pages in this statement, if applicable.

***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.**

**Tax-exempt interest
dividend and specified
private activity bond
interest dividend
amounts (line 11)**

Sample page: For illustrative purposes only

Turn here*



Sample page: Supplemental section

Fidelity
INVESTMENTS

2012 SUPPLEMENTAL INFORMATION

John Q Public Account No: 123-456789 Customer Service: 888-888-8888
 Recipient's ID No: **-**-6789 Payer's Fed ID Number: 04-3523567

Note: This information is not reported to the IRS. It may assist you in tax return preparation.

Dividends and other distributions sometimes must be reclassified by the issuer. As a result, we may be required to send you a corrected Tax Reporting Statement that may affect the information you report on your tax return.

To see an interactive guide to your Fidelity Tax Statement visit Fidelity.com/taxstatementguides.

Details of 1099-DIV Transactions

Total Ordinary Dividends and Distributions Detail

Description, Symbol, CUSIP	Date	1a Total Ordinary Dividends (includes 1b)	Dividend Distributions	Short-Term Capital Gain	1b Qualified Dividends	10 Exempt Interest Dividends	11 Specified Private Activity Bond Interest Dividends	6 Foreign Tax Paid
FIDELITY MONEY MARKET, SPRXX, 31617H201	10/31/11	25.00	25.00					
	11/30/11	25.00	25.00					
	12/31/11	25.00	25.00					
Subtotals		75.00	75.00					
LOOMIS SAYLES BOND INSTL, SIAC, 543487607	04/10/11	30.00	20.00	5.00	5.00			
TWEEDY BROWNE GLOBAL, TBGVX, 901165100	03/15/11					55.00	7.50	5.00
TOTALS		105.00	95.00	5.00	5.00	55.00	7.50	5.00

Short-term capital gain distributions reported on monthly/quarterly account statements are included in 1 Total Ordinary Dividends on Form 1099-DIV.

To see the 2012 State Percentages of Tax-Exempt Income for Fidelity Federal Tax-Exempt Funds or the Percentage of Income from U.S. Government Securities for applicable Fidelity Funds, visit Fidelity.com/fundtaxinfo. We are no longer inserting this information with your tax statement.

Total Capital Gains Distributions Detail

Description, Symbol, CUSIP	Date	2a Total Capital Gain Distr. (I)	Capital Gain Distributions Subject to 15% Rate Gain (I)	2b Unrecaptured Section 1250 Gain	2c Section 1202 Gain	2d Collectibles (28%) Gain
FIDELITY MONEY MARKET, PMBP, 31617H201	10/30/11	150.00	100.00			50.00
	11/30/11	150.00	100.00			50.00
	12/31/11	150.00	100.00			50.00
Subtotals		450.00	300.00			150.00
TOTALS		450.00	300.00			150.00

(I) 2a Total Capital Gain includes 2b, 2c, and 2d. The portion of Capital Gain Distributions subject to 15% Rate Gain is equal to 2a less amounts shown on 2b-2d.

Includes any tax-exempt interest dividends and specified private activity bond interest dividend amounts, instead of supplemental details of 1099-INT

Sample page: For illustrative purposes only.

Turn here*



Sample page: Form 1099-B (Short-term covered securities)

2012 TAX REPORTING STATEMENT

John Q Public Account No: 123-456789 Customer Service: 888-888-8888
 Recipient's ID No: ***-**-6789 Payer's Fed ID Number: 04-3523567

FORM 1099-B* 2012 Proceeds from Broker and Barter Exchange Transactions Copy B for Recipient OMB No. 1545-07

Short-term transactions for which basis is reported to the IRS—report on Form 8949 with Box A checked and/or Schedule D, Part I (i)

8 Description, 1d Stock or Other Symbol, CUSIP

Action	1a Date of Sale or Exchange	1b Date of Acquisition	1e Quantity Sold	2a Sales Price of Stocks, Bonds, etc. (a)	3 Cost or Other Basis (b)	Gain/Loss (-)
COACH INC, COH, 189754104						
Sale	03/15/2012	02/12/2012	153.259	30,452.25	28,452.25 (k)	2,000.00
2b - Loss based on above amount in 2a is not allowed						
Sale	03/15/2012	03/12/2012	22.223	6,258.29	6250.25 (e)	8.04
Subtotals			36,710.54	34,702.50		
FIDELITY ASSET MANAGER 20%, FASIX, 316069400						
FIDELITY ASSET MANAGER 20%, FASIX, 316069400						
Sale	03/13/2012	Various	200.000	2,125.23	2,000.00	125.23
Sale	04/15/2012	03/12/2012	22.223	6,258.29	6,250.25	8.04
Subtotals			36,710.54	34,702.50		
ZHONGPIN INC COM, HOGS, 98952K107						
Sale	05/05/2012	04/13/2012	43.225	147.83	153.44 (f)	-5.61
TOTALS			75,694.14	71,558.44		60.00
Box A Short-Term Realized Gain 4,141.31						
Box A Short-Term Realized Loss -5.61						
Box A Wash Sale Loss Disallowed 2.23						

*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.

Example: bifurcated position; 200 shares purchased after 1/1/2012 and sold on 3/13/2012 as part of a 800 share sales transaction

Sample page: For illustrative purposes only.

Turn here®



Sample page: Form 1099-B (Short-term noncovered securities)

2012 TAX REPORTING STATEMENT

John Q Public Account No: 123-456789 Customer Service: 888-888-8888
 Recipient's ID No: ***-**-6789 Payer's Fed ID Number: 04-3523567

FORM 1099-B* 2012 Proceeds from Broker and Barter Exchange Transactions Copy B for Recipient OMB No. 1545-0715

Short-term transactions for which basis is not reported to the IRS—report on Form 8949 with Box B checked and/or Schedule D, Part I (i)

8 Description, 1d Stock or Other Symbol, CUSIP						
Action	1a Date of Sale or Exchange	1b Date of Acquisition	1e Quantity Sold	2a Sales Price of Stocks, Bonds, etc. (a)	3 Cost or Other Basis (b)	Gain/Loss (-)
COACH INC, COH, 189754104						
Sale	03/15/2012	02/12/2012	153.259	30,452.25	28,452.25	2,000.00
Sale	03/15/2012	03/12/2012	22.223	6,258.29	6,250.25	8.04
Subtotals			36,710.54	34702.50 (c)		
FIDELITY ASSET MANAGFR 20% FASIX, 316069400						
FIDELITY ASSET MANAGER 20%, FASIX, 316069400						
Sale	03/13/2012	Various	100.000	1,060.20	940.00	120.20
Sale	04/15/2012	03/12/2012	22.223	6,250.29	6,250.25	0.04
Subtotals			36,710.54	34702.5 (c)		
ZHONGPIN INC COM, HOGS, 98952K107						
Sale	05/05/2012	04/13/2012	43.225	147.83	153.44 (h)	-5.61
TOTALS			74,629.11	70,498.44 (c)		
				4,136.28		
				-5.61		
				2.23		
*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.						

Example: bifurcated position – noncovered portion of sale; these 100 were shares purchased between 3/14/2011 and 12/31/2011 and part of the 800 share sale on 3/13/2012

Sample page: For illustrative purposes only.

Sample page: Form 1099-B (Long-term covered securities)

Fidelity
INVESTMENTS

2012 TAX REPORTING STATEMENT

John Q Public Account No: 123-456789
Recipient's ID No: ***- **- 6789

Customer Service: 888-888-8888
Payer's Fed ID Number: 04-3523567

FORM 1099-B* 2012 Proceeds from Broker and Barter Exchange Transactions Copy B for Recipient OMB No. 1545-0715

Long-term transactions for which basis is reported to the IRS--report on Form 8949 with Box A checked and/or Schedule D, Part II (i)
(This Label is a Substitute for Boxes 1c & 6)

(IRS Form 1099-B box numbers are shown below in bold type)

8 Description, 1d Stock or Other Symbol, CUSIP										
Action	1a Date of Sale or Exchange	1b Date of Acquisition	1e Quantity Sold	2a Sales Price of Stocks, Bonds, etc. (a)	3 Cost or Other Basis (b)	Gain/Loss (-)	5 Wash Sale Loss Disallowed	4 Federal Income Tax Withheld	13 State	15 State Tax Withheld
COACH INC, COH, 189754104										
Sale	03/15/2012	03/15/2011	153.259	30,452.25	28452.25 (g)(h)	2,000.00				
Sale	03/15/2012	03/15/2011	22.223	6,258.29	6250.25 (h)	8.04				
Subtotals			36,710.54		34,702.50					
UNITED STATES TREAS NTS 4.25000% 11/15/2014, 912828DC1										
Sale	03/15/2012	03/15/2011	153.259	30,452.25	28,452.25	2,000.00				
Sale	04/15/2012	03/15/2011	22.223	6,258.29	6,250.25	8.04		60.00	CA	5.00
Subtotals			36,710.54		34,702.50					
ZHONGPIN INC COM, HOGS, 98952K107										
Sale	05/05/2012	03/15/2011	43.225	147.83	153.44	-5.61	2.23			
TOTALS			73,568.91		69,558.44		60.00			
					Box A Long-Term Realized Gain	4,016.08				
					Box A Long-Term Realized Loss	-5.61				
					Box A Wash Sale Loss Disallowed		2.23			

*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 other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.

Page 4 of 18

Sample page: For illustrative purposes only.

Turn here*

Fidelity
INVESTMENTS

Sample page: Form 1099-B (Long-term noncovered securities)

2012 TAX REPORTING STATEMENT

John Q Public Account No: 123-456789 Customer Service: 888-888-8888
 Recipient's ID No: ***-**-6789 Payer's Fed ID Number: 04-3523567

FORM 1099-B* 2012 Proceeds from Broker and Barter Exchange Transactions Copy B for Recipient OMB No. 1545-0715

Long-term transactions for which basis is not reported to the IRS—report on Form 8949 with Box B checked and/or Schedule D, Part II (i)

8 Description, 1d Stock or Other Symbol, CUSIP						
Action	1a Date of Sale or Exchange	1b Date of Acquisition	1e Quantity Sold	2a Sales Price of Stocks, Bonds, etc. (a)	3 Cost or Other Basis (b)	Gain/Loss (-)
COACH INC, COH, 189754104						
Sale	03/15/2012	02/12/2010	153.259	30,452.25	28,452.25	2,000.00
Sale	03/15/2012	03/12/2010	22.223	6,258.29	6,250.25	8.04
Subtotals			36,710.54	34702.50 (c)		
FIDELITY ASSET MANAGER 20%, FASIX, 316069400						
FIDELITY ASSET MANAGER 20%, FASIX, 316069400						
Sale	03/13/2012	Various	300.000	3,180.00	2,460.00	720.00
Sale	04/15/2012	03/12/2010	22.223	6,258.29	6,250.25	8.04
Subtotals			36,710.54	34702.5 (c)		
ZHONGPIN INC COM, HOGS, 98952K107						
Sale	05/05/2012	04/13/2010	43.225	147.83	153.44	-5.61
TOTALS			76,748.91	72,018.44 (c)		60.00
Box B Long-Term Realized Gain 4,736.08						
Box B Long-Term Realized Loss -5.61						
Box B Wash Sale Loss Disallowed 2.23						

***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 other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.**

Example:
noncovered portion
of bifurcated
position; these 300
shares were
purchased prior to
3/31/2011 and part of
the 800 share sale

Sample page: For illustrative purposes only.

Turn here*



Sample page: Form 1099-B (Transactions with unknown basis and terms)

2012 TAX REPORTING STATEMENT

John Q Public Account No: 123-456789 Customer Service: 888-888-8888
 Recipient's ID No: **-**-6789 Payer's Fed ID Number: 04-3523567

FORM 1099-B* 2012 Proceeds from Broker and Barter Exchange Transactions Copy B for Recipient OMB No. 1545-0715

Transactions for which basis is not reported to the IRS and Term is Unknown—report on Form 8949 with Box B checked and/or Schedule D.

Action	1a Date of Sale or Exchange	1b Date of Acquisition	1e Quantity Sold	2a Sales Price of Stocks, Bonds, etc. (a)	3 Cost or Other Basis (b)	Gain/Loss (-)	15 State Tax Withheld
COACH INC, COH, 189754104							
Sale 03/15/2012 Unknown			153.259	30,452.25	Unknown		
Sale 03/15/2012 Unknown			22.223	6,258.29	Unknown		
Subtotals			36,710.54		Unknown (c)		
FIDELITY ASSET MANAGER 20%, FASIX, 316069400							
FIDELITY ASSET MANAGER 20%, FASIX, 316069400							
Sale 03/13/2012 Unknown			200.000	2,125.23	Unknown		
Sale 04/15/2012 Unknown			22.223	6,258.29	Unknown	60.00 CA	5.00
Subtotals			36,710.54		Unknown (c)		
ZHONGPIN INC COM, HOGS, 98952K107							
Sale 05/05/2012 Unknown			43.225	147.83	Unknown		
TOTALS			75,694.14		Unknown (c)	60.00	

13 State - CA, 14 State Identification No. 80491681
 Total CA Tax Withheld 25.00. Total Federal Income Tax Withheld 300.00

1. For any transaction listed on Form 1099-B in a section indicating that "basis is reported to the IRS", we are reporting to the IRS: 1c type of gain or loss (i.e. short-term or long-term), 6 basis reported to IRS, 8 Description, 1d Stock or other symbol, the CUSIP number, and columns 1a, 1b, 1e, 2a and 2b, 3, 4, 5, 13, 14 and 15. We are not reporting to the IRS: the Action, the Gain / Loss, and all subtotals and totals.
 2. For any transaction listed on Form 1099-B in a section indicating that "basis is not reported to the IRS", we are reporting to the IRS: 6 Noncovered security 8 Description, 1d Stock or other symbol, the CUSIP number, and columns 1a, 1e, 2a and 2b, 4, 13, 14 and 15. We are not reporting to the IRS: 1c type of gain or loss (i.e. short-term or long-term), the Action, the Gain / Loss, columns 1b, 3, 5, and all subtotals and totals.
 3. Although Fidelity makes every effort to provide accurate information, please bear in mind that you, the taxpayer, are ultimately responsible for the accuracy of your tax returns.

***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 other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.**

Sales of positions with unknown term and basis. These 200 shares part of an 800 share sale and cost basis is not reported to the IRS.

Sample page: For illustrative purposes only.

Turn here*



Fidelity resources

Helping you prepare for the cost basis reporting requirements



Turn here®



Fidelity's Tax Center

Use Fidelity's Tax Center to:

- Find answers to your top tax questions
- Review educational tools
- Locate resources for filing your taxes

Tax Center



It's always tax time.
Start filing your taxes, find ways to save, and plan for your future.

Tax forms & resources for filing

Find your personal 1099 and 5498 tax forms, Fidelity fund distributions, mailing dates, and other fund-specific tax information.

- Tax forms
- Resources for filing
- Save up to \$20 on TurboTax® for preparing federal and state tax returns.
- You can also download your 1099 and W-2 forms and import them into H&R Block At Home™ Tax Software.

Top tax questions and answers

Where is my 1099? What forms does Fidelity mail when—and why? How do I update my cost basis? What is the IRA contribution limit and deadline?

- How might changes in cost basis reporting affect you? (PDF)
- Answers to other top tax questions

Tax education & tools

Learn about ways to reduce and estimate your taxes.

- Tax education & tools
- Attend a seminar

Fidelity Viewpoints®

Navigate the changing tax landscape and its impact with our special tax report.

See more *Fidelity Viewpoints*:

- To sell or not to sell
- Ways to reduce taxes on investments

Tax-smart investing opportunities

Consider our products and services as part of a tax-savings strategy.

- Help manage taxes with IRAs, college savings plans, charitable donations, municipal bonds, and more.

For illustrative purposes only.



Turn here*

 **Fidelity**
INVESTMENTS

When will I receive my tax forms?

Tax Form	Type of Account	Estimated Date (subject to change)
5498 and 1099-R	Mutual fund retirement accounts Brokerage retirement accounts	January 11-14, 2013 January 14, 2013
Tax Reporting Statements	1. Fidelity Mutual Fund accounts Brokerage accounts holding: <ul style="list-style-type: none">• Fidelity Funds, Equities If no adjustments to tax lot data are anticipated.	January 18-23, 2013
(1099-DIV, 1099-INT, 1099-OID, 1099-B, 1099-Misc)	2. Brokerage accounts holding: <ul style="list-style-type: none">• Non Fidelity mutual funds, Equities, Fixed income securities, Real estate investment trusts (REITs) If no adjustments to tax lot data are still anticipated.	February 1-5, 2013
	3. All remaining Brokerage accounts –holdings may include: <ul style="list-style-type: none">• Non Fidelity mutual funds, Foreign and domestic Equities, Fixed income securities, Real estate investment trusts, Unit investment trusts (UITs), Original issue discounts (OIDs), Widely held fixed investment trusts	February 15, 2013



Turn here*



Take the next steps

Click

Fidelity.com
to get more information and insight on Taxes

Call

800.544.6666
to speak to one of our knowledgeable
representatives.

Visit

Fidelity Investor Center
for a consultation with one of our investment
professionals.



Turn here®



Q & A



Turn here*



Important Legal Information

The tax information contained herein is general in nature, is provided for informational purposes only, and should not be construed as legal or tax advice. Fidelity does not provide legal or tax advice. Fidelity cannot guarantee that such information is accurate, complete, or timely. Laws of a particular state or laws which may be applicable to a particular situation may have an impact on the applicability, accuracy, or completeness of such information. Federal and state laws and regulations are complex and are subject to change. Changes in such laws and regulations may have a material impact on pre- and/or after-tax investment results. Fidelity makes no warranties with regard to such information or results obtained by its use. Fidelity disclaims any liability arising out of your use of, or any tax position taken in reliance on, such information. Always consult an attorney or tax professional regarding your specific legal or tax situation.

Any screenshots, charts, or company trading symbols mentioned, are provided for illustrative purposes only and should not be considered an offer to sell, a solicitation of an offer to buy, or a recommendation for the security.