



Integrated Brokerage Solutions®

Important Notice

NOTICE NUMBER: 09-003

DISTRIBUTION DATE: January 13, 2009

EFFECTIVE DATE: Various

CUSTOMER MAILING: Yes

ACTION REQUIRED: N/A

- SYSTEMS/OPERATIONAL**
- REGULATORY**
- PRODUCTS/SERVICES**

QUESTIONS: CONTACT NFS TAX AT 1-800-877-2410, SELECT OPTION THREE, THEN SELECT OPTION FOUR, AND THEN SELECT OPTION 1.

2008 TAX FORM MAILING REMINDER

National Financial Services LLC (NFS) is in the process of creating Tax Reporting Statements for all non-retirement customers with reportable income. Additionally, we are in the process of creating Form 5498 for all Premiere Select® IRA¹ and Private Label IRA owners and Form 1099-R for all Premiere Select IRA, Private Label IRA, and Premiere Select Retirement Plan account owners (includes Premiere Select Retirement Plan and Retirement Plan Beneficiary Distribution Accounts) who have taken a distribution in 2008. We would like to remind you of a few important details.

1099 Tax Reporting Statement Mailings

As detailed in Important Notice 08-123, the Internal Revenue Service (IRS) has changed the yearly 1099 Tax Reporting Statement mailing deadline from January 31 to February 15, as mandated under the Emergency Economic Stabilization Act, signed into law October 3, 2008. NFS will mail most 2008 tax forms in late January through mid-February 2009. Customers were notified of this change via a December customer statement message.

In addition, similar to last year, NFS has requested a mailing extension from the IRS that will allow it to mail selected tax statements by March 2, 2009. This is part of our effort to reduce the number of corrected tax forms a customer may receive. For a limited number of accounts holding certain mutual funds or certain complex securities, including unit investment trusts and real estate investment trusts, 1099 tax statements will be mailed by March 2, 2009, if the extension is approved.

¹ Premiere Select IRA includes Premiere Select Traditional, Roth, Rollover, SEP and SIMPLE IRA, IRA Beneficiary Distribution Account and Roth IRA Beneficiary Distribution Account.



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In the last week of January, NFS will provide correspondents with a list of customer accounts whose tax forms will be mailed during the month of February.

Supplemental Information

The following message will be printed on customer tax forms to direct them to the NFS Web site, www.mybrokerageinfo.com, for more information on their tax statement:

To see an interactive guide to your National Financial Tax Statement visit mybrokerageinfo.com.

The site describes the details of the Tax Reporting Statement and provides some answers to some frequently asked questions—all geared toward helping customers understand their Form 1099.

5498 Mailing

By the end of January 2009, NFS, as agent for Fidelity Management Trust Company, will mail the 2008 Form 5498, which contains IRA contribution information, to all Premiere Select IRA and Private Label IRA owners. The following information will be included in the mailing:

- Form 5498
- Beneficiary Designation Reminder
- Notice of Withholding

Prior year IRA and Roth IRA contributions made between January 1, 2009, and April 15, 2009, will be reported on a new Form 5498 to be mailed to customers by May 31, 2009. Correspondents can request duplicates through the TMNU/TRS system. Customers should consult their tax advisor or the IRS regarding specific filing requirements.

Beneficiary Designation Reminder and Notice of Withholding Insert

The 2008 Form 5498 insert will include a **Beneficiary Designation Reminder** that reminds account owners to periodically review their beneficiaries and make changes as necessary. In addition, NFS will be including the **Notice of Withholding** that provides information on federal and state income tax withholding rules for distributions from retirement accounts.

Required Minimum Distribution (RMD) Information

Box 11 of Form 5498 provides notification to the account holder of whether or not he or she is required to take a distribution in 2009. As a result of the Worker, Retiree and Employer Recovery Act of 2008 (the Act) signed into law on December 23, 2008, retirement account holders are **not** required to take distributions in 2009 and this field will read “No” for all accounts. Refer to Important Notice 09-001 for additional details on the Act.

1099-R Mailing

By the end of January 2009, NFS, as agent for Fidelity Management Trust Company, will mail the 2008 Form 1099R, to report distributions taken from all Premiere Select IRA, Private Label IRA, and Premiere Select Retirement Plan accounts.

The 2008 Form 1099-R will reflect 2008 distributions made between January 1, 2008, and December 31, 2008. Correspondents can request duplicates through the TMNU/TRS system. Customers should consult their tax advisor or the IRS regarding specific filing requirements.

Tax Documents Available on Streetscape® and myStreetscape®

All tax documents for 2008 are scheduled to be available on Streetscape® and myStreetscape® by late February 2009. If a user requests a tax document for an account, but processing has not yet been completed, or for which no tax document exists, the user will see the following message:

We are unable to locate any tax forms for your account number for one or more of the following reasons:

- *The 2008 tax forms may not yet be available for viewing.*
- *The 2007 tax forms are no longer available for viewing.*
- *Our records show that there is no reportable activity to report on this account.*
- *You may have incorrectly entered the wrong account number.*

2008 Tax Guide

Each year the tax guide is produced in an effort to assist our correspondents with tax processing issues that may come up during the year. This year the guide will not be automatically mailed to correspondents, but will be posted to Streetscape in early February under:

Streetscape>Resources>Training>Reference Materials>Reference Materials by Type.

Correspondents can request hard copies of the Guide by completing the reference materials request form after February 9, 2008. It is located at:

Streetscape> Training >Highlights>Reference Materials Request Form

Supplemental Tax Form Inserts

For the 2008 tax year, NFS will again include a supplemental insert with the following tax forms:

- Corrected (1099) Consolidated Tax Statement
- Form 1099-Misc, line 3



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The supplemental inserts are intended to help clarify and answer frequently asked questions customers may have when they receive a corrected tax form or a Form 1099-Misc from NFS. Samples are available on Streetscape under Resources>Communications>Investor Communications.