

## Important Information about your Report

Please contact your Baird Financial Advisor if there have been any changes in your financial situation or investment objectives, or if you wish to impose any reasonable restrictions and/or modify existing restrictions to the management of your accounts. This report is provided for informational purposes and as a courtesy to you. It may include assets that the firm does not hold on your behalf and that are not included on the firm's books and records. The information contained in this report is not guaranteed to be accurate or current. The information contained herein should not supersede the information on your statements.

The valuation methods used to compute the market price of assets may not be the same method used on other reports issued by Robert W. Baird & Co. Incorporated or by unaffiliated custodians. Valuation differences may be due to using different sources for the market price of a security. Under unusual market conditions, liquidity and valuations for many securities, including variable rate securities, auction-rate securities and cash alternatives may be adversely impacted. These securities may not be suitable for every investor, and like other investments, are subject to credit, market, interest rate and liquidity risk. Not all such investments, whether held here or away, may be covered by SIPC or otherwise federally guaranteed. There is no assurance that you could obtain the valuations or pricing shown in this report or statement in an actual sale. The method of valuation for fund of hedge funds accounts is based solely upon an estimate of the value as reported by the Hedge Fund with no independent confirmation.

Additionally, the value of positions held away from Baird may not be current as of the date this report was generated. The values represented in this report may not reflect the true original cost of your initial investment. Calculations and data provided should not be relied upon for tax purposes—use original confirmations and 1099s instead. Please review the report for the use of appropriate benchmarks and speak to your Financial Advisor if you have any questions or concerns about any of the information in this report.

For securities that are listed on an exchange (such as the NYSE or NASDAQ) or otherwise actively traded, the prices reflect market quotations at the close of the most recent market close unless noted otherwise. For corporate, municipal and other fixed income securities, as well as other securities that are not actively traded, we rely on third party pricing services, or a computerized pricing model, which may consider numerous factors and employ evaluation methodologies (which may include recent trade information or price quotations) to provide a price, which may reflect market values that differ from prices obtained from other sources. Similarly, some annuity and insurance market values provided by outside sources are estimates. For current price quotes, please contact your Financial Advisor.



## Important Information about your Report, *continued.*

### Performance

In the event that performance is noted, figures may or may not reflect the deduction of commissions or investment advisory fees. In the case of the latter, if the investments are being managed through a fee-based account or agreement, the returns may be reduced by those applicable advisory fees. Refer to your Financial Advisor's Form ADV, Part 2.

Performance data quoted represents past performance and does not guarantee future results. The investment return and principal of an investment will fluctuate so that the investment may be worth more or less than the original cost when redeemed. Calculations are not audited and to the extent positions held away were included, the performance stated may be materially wrong. As such, the data provided should not be relied upon for tax purposes—use original confirmations, statements and 1099's instead. Please review the report for the use of appropriate benchmarks, and speak to your Financial Advisor if you have any questions or concerns about any of the information in this report.

### Income Estimates

Income estimates are typically calculated by taking the most recent periodic payment, such as a common dividend, and annualizing it for the next 12 months (projected). While this methodology is common, there are other calculation methodologies—such as taking the accumulated payments over the previous 12 months and using that information (historical). Perhaps more important than understanding what methodology is used, investors should be aware that payments such as dividends or distributions can be reduced, suspended or eliminated altogether, and an investment should not be made based solely off of historical or assumed future payments. Additionally, distributions from investments including, but not limited to, master limited partnerships (MLPs), real estate investment trusts (REITs) and closed-end funds are sometimes mischaracterized as dividends. As opposed to dividends, which are generally comprised of a company's earnings, distributions may be comprised of earnings, borrowed funds and/or a return of principal.

### Asset Classes/Categories

While grouping investments into asset classes or categories according to common characteristics such as relative liquidity, tax status and income or growth potential is a relatively straightforward process, there can be variations between how different firms treat investments. It is especially true when the investment is comprised of different underlying investments, such as a separately managed account or a mutual fund. For this reason, it is important that you are familiar with the classification/categorization methodology used in this report.



## Important Information about your Report, *continued.*

### Options Positions/Activity

Prior to buying or selling an option, investors must have been provided a copy of the [Characteristics & Risks of Standardized Options](#), also known as the options disclosure document (ODD). It explains the characteristics and risks of exchange traded options. Copies of this document may be obtained from your Financial Advisor, from any exchange on which options are traded or by contacting The Options Clearing Corporation. This report merely indicates the premiums received or paid for the options listed and an investor should not infer from this report that any options strategy will be profitable.

### Information for Tax Purposes – such as Cost Basis

IRS CIRCULAR 230 NOTICE: To the extent that this report concerns tax matters, it is not intended to be used and cannot be used by a taxpayer for the purpose of avoiding penalties that may be imposed by law.

This information is provided to you as a service, is not guaranteed to be accurate, and clients and their tax advisors should not rely on this information. In the event of a discrepancy, official client confirms, statements and tax documents such as 1099s supersede this information.

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