

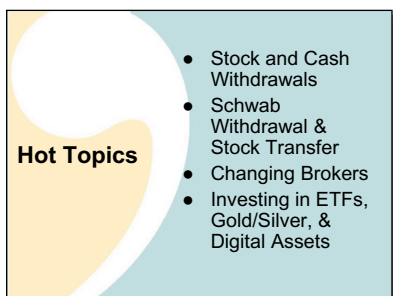
Slide 1



This presentation is designed to give you an overview of the tax preparation process so you'll have a good understanding of what is coming and what you might want to take care of before the end of this calendar year. If you've prepared your club taxes in the past, you'll find most things will be the same as last year including electronically filing your federal taxes using the bivio tax program, with some new additions!

First, we'll review a few of the things clubs have been talking about this year. You'll learn about some of the partnership reporting changes in 2025 and we'll highlight a few favorite bivio features.

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We'll start with the hot topics clubs have been talking about this year.

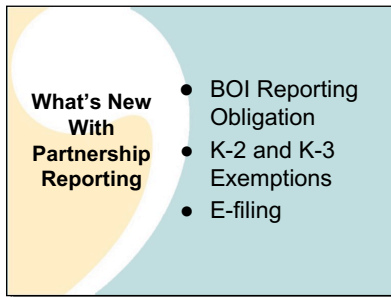
Since stock prices have been generally high, many clubs are taking advantage of capital gains tax deferment when they pay members' withdrawals with a combination of transferred shares and cash. This has generated many questions to bivio support from investment clubs and also prompted discussions on Club Cafe. Here's a tip – always remember to make member withdrawal entries first in bivio to calculate the correct amount to pay the member and to determine the value of the transferred shares.

Quite a few clubs report challenges working with Charles Schwab, especially when processing club member withdrawals. Stock transfers to withdrawing club members have posed the most problems. Even cash payments have caused some difficulty. Be sure to inquire with your broker (especially if your broker is Charles Schwab) about the process of transferring shares and cash to pay withdrawing members. Several clubs inquired and still could not process the stock withdrawal transactions when they needed to.

Since then, many clubs have moved away from Charles Schwab and opened accounts at Fidelity or E*Trade or Edward Jones or another broker. Each of these broker changes required re-linking AccountSync with the new account, reconciling your accounts, and making some manual entries in bivio to record account balance transfers. If your club will be changing brokers, check the bivio "Changing Brokers" Help page for guidance and contact us with questions.

Clubs have asked about investing in ETFs that hold commodities, about investing in digital assets, and wondering what accounting and tax issues they will face if they own them. We'll address these later in the presentation.

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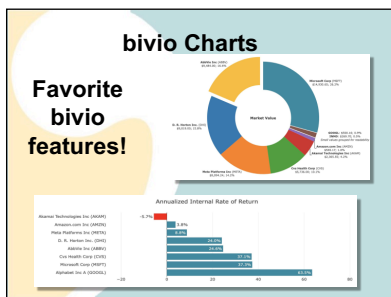
We also want to tell you about some of the changes affecting your partnership reporting requirements:

A big item last year, the BOI reporting requirements, is no longer a current issue. Changes in regulation involving the Corporate Transparency Act - BOI (Business Ownership Information) removed the BOI reporting obligations for all US-based investment club partnerships.

The IRS has changed the rules governing which partnerships must issue K-2 and K-3 documents to their partners. The IRS is now exempting more investment clubs from having to distribute K-2 and K-3 documents to their members with expanded Domestic Filing Exceptions and a new Small Partnership Filing Exception.

E-filing of the club's return is mandated by the IRS for all clubs with 100 or more partners. Several states have their own requirements. For instance, New Jersey requires e-filing for clubs with 10 or more members. We recommend all clubs e-file their IRS returns. The bivio tax program makes it quick and easy and E-filing is the most secure. It also removes the guesswork involving the timeliness and accuracy of the US mail or other delivery service.

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We'd also like to highlight several popular bivio features that your club might not know about or may not be taking full advantage of.

The bivio charting feature has been popular.

The charts can be printed, downloaded or saved in a pdf format and the settings are user-specific to show/hide the charts.

If you haven't looked at it in a little while, check out the Charts bivio Help page for additional ways to use them.

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We just reviewed the bivio charts feature.

Another popular feature is the bivio Ticker Research pages. We have many requests for specific ticker additions to the bivio Ticker Research pages. They are great resources to help clubs find and research stocks. Have you checked them out?

Many of you use the bivio Club Cafe message board to ask questions and get suggestions from other investment clubs. It is easy to sign up for Club Cafe and you can view prior email posts on many helpful topics.

Find the discussion on bivio's Club Cafe email discussion board about ways to organize your club's files in your club's bivio Files area. The Files feature provides online file storage. You can upload your club's documents, notes, minutes and other files and everyone in your club can access them. Occasionally bivio sends Bivio Bulletin email updates to all club members who have opted in. Make sure you receive them by modifying your bivio roster email entry and checking the "Receive updates on bivio features and services" box.

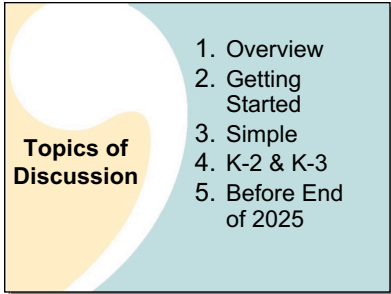
Does your club use bivio email? You can send messages instantly to every member of your club from your email software by addressing your message to *yourclubname@bivio.com*. Want to send emails only to the people with officer privileges in your club's roster? Address it to *admin*yourclubname@bivio.com*. All of these club messages are stored on your club's bivio Mail Message Board under Communications for later reference.

Now just a quick reminder that we offer the bivio Bucks referral program. bivio bucks are available to investment clubs that refer new investment clubs to bivio. Clubs are able to discount their bivio subscription prices by making referrals. For every referral you earn \$100 credit when they subscribe to Bivio. Please read the program details in the bivio help topics to make sure you get proper credit.

And hopefully your club won't require it, but you can e-file superseding and amended tax returns using bivio. It makes correcting and re-filing club returns easy.

You'll find details about using each of these features on the bivio Help pages.

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Now, on to preparing for tax season!

We're going to discuss five types of information:

First, we're going to go through a brief overview of investment club taxes. What is required and a little bit about the preparation process. We'll show you the forms you need to file, the steps you'll be going through to prepare your taxes and important dates you'll need to know.

Then we're going to discuss what you can do right now to get started. You can get most of the work out of the way so that your tax preparation will go very quickly once you receive tax documents from your broker and the tax program from us.

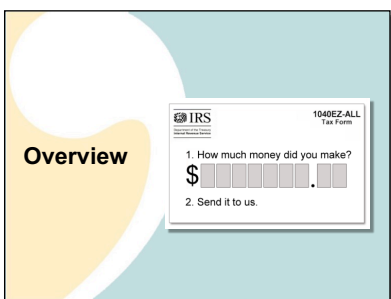
We're going to reiterate some of the things you can do in your club to keep your club accounting simple and avoid any tax time issues.

We're going to talk about K-2 & K-3 foreign tax reporting.

And finally, we're going to touch on a list of things you may need to address prior to the end of the current calendar year.

This presentation is only designed to give you an overview. Early next year, we'll be having more in-depth webinars which will get into the details of actually getting your tax forms filled out. We'll be touching on a lot of topics tonight. Don't worry that you have to get it all down today. Within a few days after this webinar concludes you will find the webinar handouts and a video (if it turns out) on our [bivio help page](#).

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Let's start with an overview of the process.

What are your tax filing requirements?

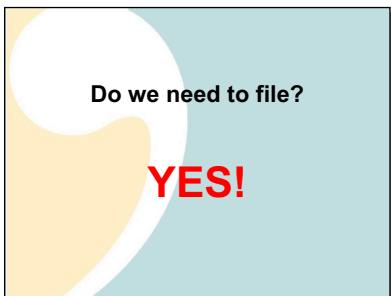
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Just so you know, the late filing penalty for a partnership return is \$245 for each month or part of a month (up to 12 months) the return is late (or incomplete) multiplied by the total number of persons who were partners in the partnership during any part of the partnership's tax year. In addition, if you distribute K-1 forms to your members late or fail to include all required, correct information on them by the due date, there is an additional penalty of \$330 per K-1 that is a problem. If the requirement to report correct information is intentionally disregarded, each \$330 penalty is increased to \$660 or, if greater, 10% of the aggregate amount of items required to be reported.

This isn't a joke. We have had clubs contact us because they have received notices that they owed amounts in the tens of thousands of dollars for not filing a return. The fact that they had only had a minimal amount of income was not important. It's easy to prepare your taxes using bivio. Make sure you do it.

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One of the first questions investment clubs have, especially new clubs, is whether they have to file.

The answer to this question is "Yes". If you have an EIN number you need to file club taxes. It does not matter how long your club has been in existence or how much income you have had. Your EIN number is your IRS business identification number. It's similar to a personal Social Security number. You will have needed it when you opened your club brokerage account. You get the EIN number from the IRS. Their computers will be looking for a return to be filed that matches that number. If they don't find one, the computer will generate an automatic note to you telling you that you owe them a hefty late penalty.

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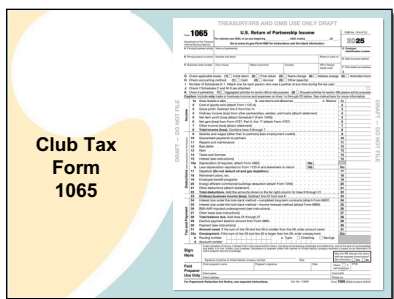
The good news is there are only a few easy steps to follow in bivio to prepare your taxes.

Bivio will guide you through the tax preparation process and makes it simple to quickly electronically file your Federal taxes with the IRS.

E-filing the federal tax return is easy

and it's included with your bivio subscription.

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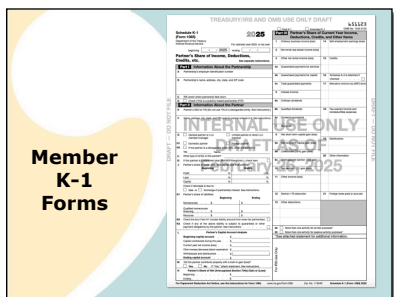
So, what forms do you need to file?

Your investment club is a type of business called a partnership. Each year your club needs to file what is called an informational tax return. For a partnership, this is IRS form 1065. It reports the total income and expenses your club has had for the year. It also reports each member's share of the income and expenses. The 1065 is called an informational return because your club does not pay taxes directly. Each member pays taxes on their portion of the club income on their own personal tax forms.

Your club's bivio subscription includes the tax software you can use to prepare your club tax forms from information you have entered and confirmed as correct in bivio.

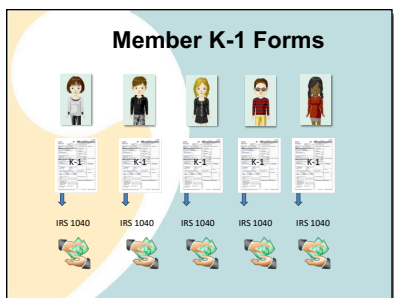
As you can see, this example is just a draft tax form. The IRS has not released final versions of the form yet.

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Each member knows what to report because your 1065 includes a form called a K-1 for each partner. Your club sends in copies of all the K-1s when you file your club tax return and you also give each member his or her personal copy.

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Each member will transfer the information

From the K-1 to

their personal tax forms to

pay taxes on. Your club members will not be able to complete their personal taxes until you've provided them with their information from the club.

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Member Tax Allocation Report

Da Demo Club
Member Tax Allocations
*Using a time-based allocation method

| Name | Qualified Dividend | Short-Term Capital Gain | Misc. Income | Net Profit |
|-----------------------|--------------------|-------------------------|----------------|-----------------|
| Anderson, Christopher | 41.12 | (50.35) | (7.96) | (17.19) |
| Chang, Jessica | 49.87 | (61.24) | (8.72) | (20.09) |
| Chastain, Brittany | 39.54 | (48.59) | (7.64) | (16.69) |
| Green, Andrew | 41.03 | (50.24) | (7.93) | (17.14) |
| Kilke, Rachel | 5.33 | (10.87) | (0.41) | (6.16) |
| Martinez, Justin | 43.25 | (53.02) | (8.41) | (18.18) |
| Washington, Ryan | 28.76 | (36.37) | (5.51) | (13.12) |
| Wilson, Megan | 39.49 | (48.41) | (7.60) | (16.52) |
| Total | 288.38 | (258.69) | (55.61) | (125.92) |

If you'd like to get an idea of what will be reported on each member's K-1, there is a report in bivio called the Member Tax Allocation report. It looks like this.

A member of a stock investment club will have these types of income to report.

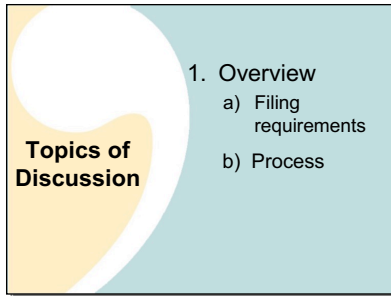
First, you may have dividend and interest income. Your club amounts will be added to any other dividend and interest income you report on your personal Schedule B.

You may have both short and long-term Capital Gains and Losses which will be combined with other capital gains and losses on your personal Schedule D and

You may have expenses which will be shown for your information only. These are not deductible on your personal federal taxes, but some members might still be able to deduct them on a state return.

You may want to show a preliminary copy of this report to your club members at the end of the year. If they have to pay estimated taxes, and if your club has had significant income, they may want to include the club income in their income estimate. Just make sure that they understand that all information on the report is preliminary and subject to change as you do your final records verifications.

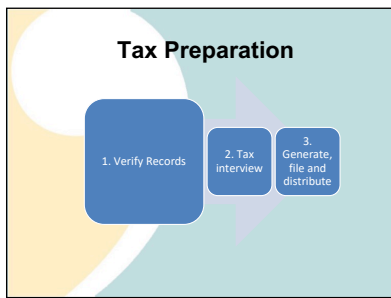
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Now you know what you need to file,

let's discuss briefly the process you'll be using to prepare and file your tax forms.

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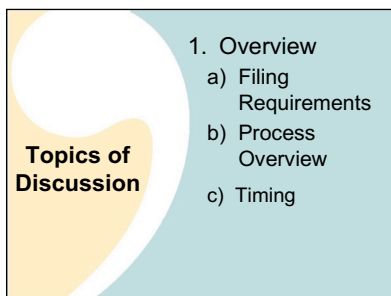
There are really only a few steps to doing your taxes.

First, since your bivio records will be used as the source of information to fill in your tax forms, you need to make sure that what is in bivio is correct. This is the most important step and potentially the one that will take the most time, depending on the state of your bivio records. But it is also one you can begin right now.

Once you verify your records, things will go much more quickly. You'll answer a few simple questions and bivio will finish filling in your club tax forms.

You can then review and electronically file them with the IRS and distribute information to your members. We will be going through a more extended description of how you complete each step during tax prep webinars we will hold during tax season. The intent of today's presentation is just to give you an idea of how things are going to work.

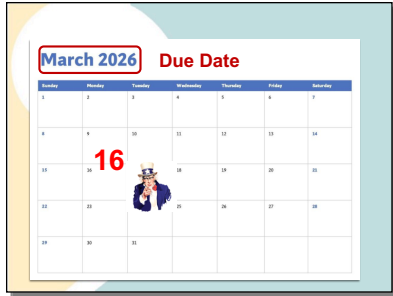
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You do need to be aware of

Different timing deadlines you are going to be working with as you move through tax season.

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The due date for filing your club 2025 tax forms is

Monday, March 16, 2026, since March 15th is a Sunday this year. If you can't get them in by that date, you'll need to file for an extension or be subject to significant late filing penalties. Your members need the information you'll give them on K-1s to file their own personal taxes. This way they'll have their club information at least a month before those are due.

We recommend that all clubs file for an extension with the IRS each year. bivio provides an easy way to e-file the tax extension request and it is included in your bivio subscription. While you might not need the extra time to file, it will make it much easier if your club receives late or corrected information about your investments and has to file a superseding or amended return.

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To get ready to do your club taxes,

you need to do a records audit in January to confirm your bivio records are in good shape. Your taxes are prepared from the information you have entered in bivio. You need to confirm it is all correct, or your taxes will not be correct. This may be the most time-consuming step of getting your taxes done. By scheduling to address it in January, you'll have lots of time to handle any issues you need to get corrected.

Your taxes will also need to agree with 1099 forms which are sent by your broker to the IRS to report your income. Brokers are only supposed to have until February 15, 2026 to get these to you, but make sure to check with them. Some brokers receive extensions to send them later than this. You cannot finalize your club's taxes until you have them.

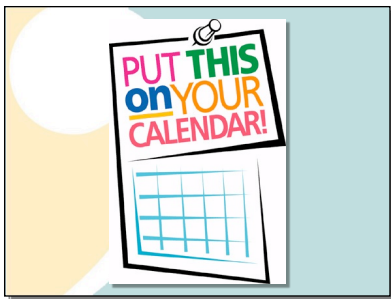
Bivio makes the tax program available in mid February for you to use to prepare your taxes. There is nothing extra to purchase. The ability to prepare club Federal taxes and e-file your club Federal taxes is part of your bivio subscription. Your members cannot complete their own personal taxes until you have given them

their K-1s. Because you can't finalize anything until you have the 1099s,

a reasonable date to tell them they'll have their forms is March 1.

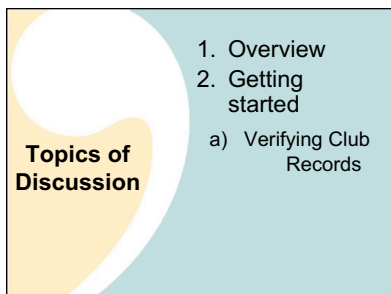
This will also mean you'll have them ready to file before this year's March 16 deadline.

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We suggest that before the end of the year that you let your club members know the date they can expect their K-1s. This lets them schedule any appointments they need with personal tax preparers. If a member needs club tax information before you can get the K-1s done, they should be able to make an estimate of what will be coming using the bivio Member Tax Allocations report. However, don't give them that report unless you have done an audit and have a reasonable expectation that your club records are accurate. Make sure they understand the information on it is subject to change.

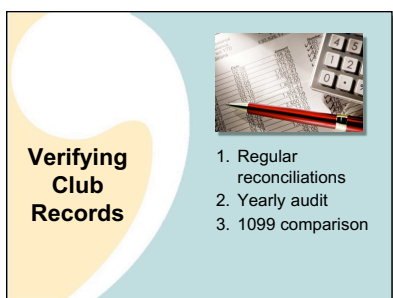
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Now you have an idea of what you're getting into,

Let's talk about what you can start on right away so you can breeze through the tax preparation process when the tax program becomes available. This first step in the process is the most involved. But it is one you can start at any time and you should be keeping on top of each month when you have your club meetings

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You need to keep your bivio records correct. Verifying your records is critical. It is not something bivio does automatically for you. If your records are not correct, your taxes will not be correct. There are three things your club should make a part of your regular operations to make sure the information which will be reported on your taxes is accurate. Each one checks different information.

First, your club treasurer should be reconciling your bivio records with your financial institution statements monthly. If there are any disagreements, this means there is only a single month's worth of transactions to go through to find the mistake and make the correction in bivio. Some clubs assume AccountSync is their club treasurer. While it is a good assistant, it is not perfect. It is still up to you to ensure all information has been added correctly. Sometimes brokers make mistakes in the data file it reads. Other times, there is information missing from the AccountSync data that you need to make manual adjustments for. Usually, a quick check each month will bring any issues to light and they can be easily addressed to keep your records correct. Your club treasurer should be able to demonstrate that bivio agrees with your brokerage statement each month.

Second, club members, other than your treasurer, should perform a records audit each year. This will re-confirm that all the information that will be used for preparing your tax returns is correct and that your club accounting is correct. The audit confirms additional information that the regular reconciliations may not pick up.

And third, when you receive the 1099 forms which report your income to the government, you need to do a final check to make sure they agree with the information recorded in bivio. There are sometimes a few last-minute things such as distributions from mutual funds, ETFs and REITs which may need to be adjusted based on the 1099 information. These are not known until you get the 1099 form. And they may require additional accounting adjustments because what shows on your tax forms needs to agree with what is reported to the IRS on your 1099 forms. There are comparison pages provided in bivio as you do your taxes that allow you to check this and make the necessary adjustments. They are not made for you automatically by AccountSync.

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I can't stress this enough. It is crucial that your bivio accounting records are accurate before you prepare your tax forms.

If they aren't, your taxes will not be correct. If you're not a club treasurer, please don't close your ears and say:

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"I'm glad I don't have to worry about that."

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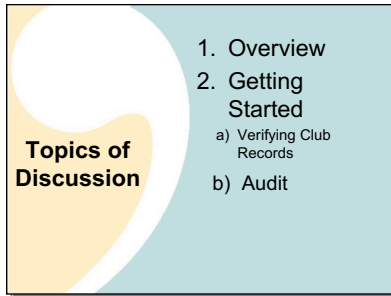
Making sure your club taxes are correct is everyone's responsibility. If there is a problem with your taxes, all current and even future members may be on the hook to get it resolved. Though all members may not actually keep the club's records or prepare the clubs taxes, they should all be asking the right questions so they know taxes have been done correctly.

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Here's a very important point. IRS issues should not be something your club has to worry about. If you follow our guidelines for keeping your accounting simple and stay on top of keeping your records reconciled each month, you'll be able to sail through tax season quickly and easily!

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Now that you're ready to pitch in, let's talk briefly about the second type of verification I mentioned,

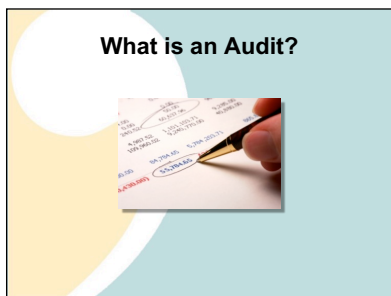
That is doing an audit. A good time to do one is in January while you are waiting for your 1099s. It's often a less busy month and your end-of-year brokerage statements will be available.

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If you need to motivate your club members, there's nothing wrong with making it a party. At bivio, we're declaring Saturday, January 10, 2026 bivio's annual audit party. On that day we will be giving a detailed webinar on the steps you need to go through to do your club's audit and we'll be available to answer any questions you have as you work through the process. Put this date on your calendar and make sure you actually undertake this important club task.

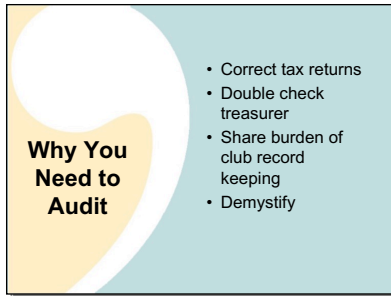
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So what is an audit?

An audit is an independent comparison of your club records to your financial institution records. It is conducted by club members other than the treasurer. Any discrepancies are noted and then, at the end of the audit, discussed with the treasurer to make any necessary corrections.

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It is not difficult to do an audit but it is important for these reasons.

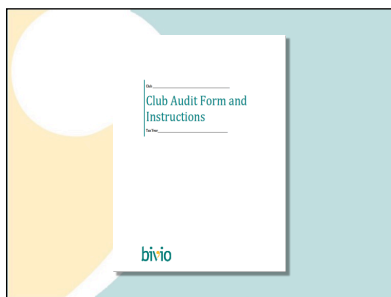
First, to make sure your taxes are being prepared correctly. As we just mentioned, this is something all club members should be concerned about.

Second, you should all feel comfortable that your treasurer is doing what you think they're doing with your club finances.

Third, it allows everyone in the club to share the burden of ensuring your club is doing correct record keeping. It should not be something only your treasurer has responsibility for.

Fourth, to demystify the whole process. Working through the steps of the audit will help everyone in the club become more familiar with club finances. They are not difficult, but they are a little bit different than some might expect. If everyone has a basic understanding of what is important, the club treasurer does not have to waste time and energy explaining why they are required to do certain things a certain way and why certain investments will cause accounting problems for your club.

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bivio provides you with a checklist you should use to work through the steps of your audit. You'll find a link to it on our help page. It's very straightforward and very important to work through. There are things you need to check that will impact your tax returns that are in addition to the regular cash balance and number of shares checks you should do each month. If you do not follow our guidelines, you may miss some important checks. This audit is even more important if your club experienced a broker change during 2025. You need to compare your bivio records with what each broker shows.

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How do you do an audit?

First, pick a date in January to do the audit. It will probably take you around 2 to 3 hours.

Pick 2-4 people, other than the club treasurer, to conduct the audit.

Prior to the audit day, the treasurer should gather records that will be needed for comparison from your financial institutions and from bivio.

On the audit day the auditors will work through the audit steps, making the records comparisons.

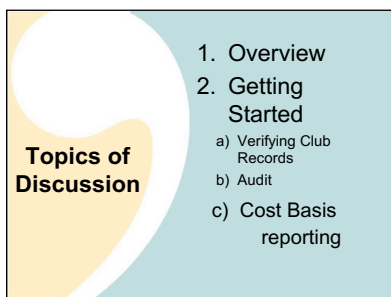
If they find any discrepancies, they will note them on the audit checklist. Auditors do not make corrections themselves.

When all the steps are completed, the Auditors and the treasurer will meet to discuss anything that was found.

The treasurer will determine what action is needed, make corrections, and record the action taken.

Then the treasurer and the auditors will give the final report to your club. It all goes quickly. Once you've finished, you'll have done most of the work needed to get your records ready to prepare your club taxes. All you'll need to do is wait for your 1099s to arrive so your treasurer can do a final quick records check.

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Along with an annual audit, it's important to keep your records correct during the year. Routine checks help you avoid having to address any time-consuming issues during tax time.

You need to check whether bivio is reporting your Capital gains and losses like your broker will, as soon as you have a sale. The sooner you check, the more time you have to address any discrepancies before they show up on your 1099 form.

Let's talk now about how you can do this. It is one of the most important tasks your treasurer should be doing.

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Cost Basis Reporting

Realized Gain/Loss Report

• Broker

Capital Gains and Losses Report

• bivio

Brokers are required to report your cost basis and capital gains to the IRS on a form called a 1099. You also get a copy of this form. Your club tax return prepared in bivio needs to agree with the information the 1099 shows, and you need to check that it does. Fortunately, you don't have to wait until you get your 1099 to do most of these checks.

You can get a report anytime during the year from your broker

called a "Realized Gain/Loss Report"

You can compare it to the Capital Gains and Losses Report

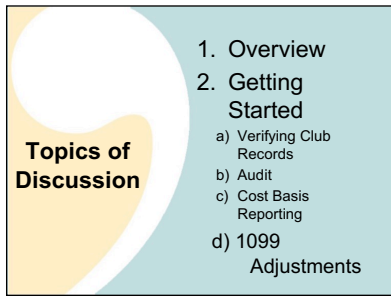
in bivio.
The information on both reports should agree.

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| Capital Gains and Losses from 01/01/2013 to 12/31/2013 | | | | | | | | | |
|--|------------------|------------|-------------|------------|-----------|--|--|--|--|
| Short-Term Capital Gains | | | | | | | | | |
| Description | Acquisition Date | Sale Date | Sales Price | Cost Basis | Gain/Loss | | | | |
| 0.00000 Apple Inc (AAPL) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Google Inc (GOOGL) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Microsoft Corp (MSFT) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Amazon.com Inc (AMZN) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Facebook Inc (FB) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Twitter Inc (TWTR) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 LinkedIn Corp (LNKD) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 eBay Inc (EBAY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 PayPal Holdings Inc (PYPL) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Visa U.S.A. Inc (V) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Mastercard Inc (MAST) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 American Express Co (AXP) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 JPMorgan Chase & Co (JPM) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Bank of America Corp (BAC) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Wells Fargo & Co (WFC) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Citigroup Inc (C) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Goldman Sachs Group Inc (GS) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Morgan Stanley (MS) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 BlackRock Inc (BLK) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Vanguard Group (VIG) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Fidelity Investments (FID) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 T. Rowe Price (TRP) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 PIMCO (PIM) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 iShares (ISH) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 First Trust (FTS) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 WisdomTree (WIS) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 iMGP (IMP) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 Invesco (IVV) | 01/01/2013 | 01/01/2013 | 100.00 | 100.00 | 0.00 | | | | |
| 0.00000 SPDR (SPY) | 01/01/2013 | 01/01/20 | | | | | | | |

the more time you have to get the help you need to get them straightened out. This is especially important if you have subsequent transactions for the same stock. One issue can quickly compound into many more if you don't get it fixed in a timely manner. Double checking capital gains and losses right when you sell stocks can also help you get your taxes done more quickly. If you need help from us resolving an issue, it will take much longer to get it in the height of tax season than it will at other times of the year.

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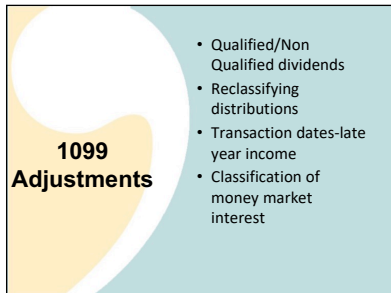


Along with cost basis which you should be able to address prior to receiving your 1099s,

there may be other records changes you'll need to make that you won't know about until you do get them.

They will not be automatically made for you in bivio. You will need to make them manually before you can generate correct taxes.

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Here are some of the most common ones:

Check to make sure Qualified dividends are being correctly reported, especially if you own mutual funds. Some mutual fund dividends are qualified. Others are not.

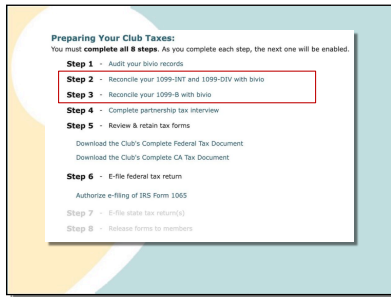
If you had distributions from mutual funds and REITs and even from some stocks, some of the distribution amounts may need to be reclassified. If their distributions are not really dividends, but are a return of capital or a long-term capital gain, you'll have to go back and manually split up each dividend distribution you've received during the year. You won't know what changes to make until the information is reported to you on the 1099. There is a step during the tax prep process where you will compare the bivio amounts to your 1099 and where you can make changes if they are needed. These changes are very important so your taxes are reported correctly. Some of them will also adjust the cost basis of your stocks. If those reclassifications are not made,

then the capital gains and losses when you eventually sell those stocks won't be calculated correctly.

You may need to change the dates on interest or dividend income, originally recorded as received early in the new year, back to a date late in the prior year. It will depend on the year your broker has reported the income received.

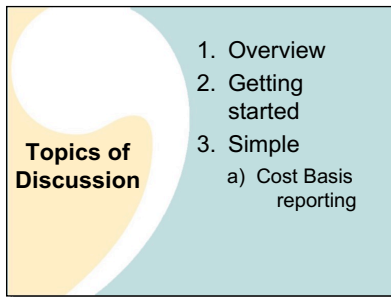
If you have been keeping your club cash in a money market fund at your broker, they may have classified those earnings as dividends rather than interest. This is OK, you just need to make sure that your bivio records record the income in the same manner. If you've recorded the earnings as interest, you will have to edit the transactions and call them dividends.

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There are steps when you prepare your taxes that guide you through comparing what is in bivio to what is on your 1099. You'll also be able to make any final manual adjustments to dividends at that time. Note that corrections to cost basis and capital gains are done by correcting your bivio entries, not by making adjusting entries when you prepare your taxes. That is why it is good to go through the steps outlined earlier to find and get those corrected ahead of getting your 1099.

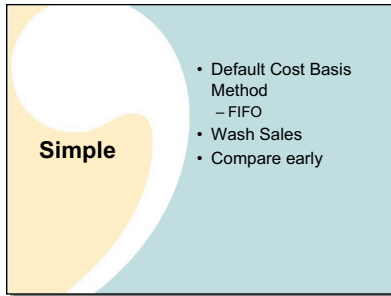
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This all sounds like a lot, but there are many things you can do to keep your club record keeping as simple as possible. The more closely you follow these recommendations, the less you'll need to deal with any of the adjustments or corrections that were just discussed. There is no reason to be a club treasurer with a big or complicated job unless you make it that way.

To keep things simple and avoid having issues with cost basis reporting, here are some suggestions.

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First. Make sure you know what Default Cost Basis Method your broker will be applying when your club sells shares. This is important if you own more than one lot of a particular stock or mutual fund. If you have a sale and you don't sell all of the stock at one time, you (and your broker) will need to identify which lots were sold. You can tell your broker to select certain lots at the time of the sale, but if you don't, your broker will apply a default method.

The IRS assumes and bivio uses FIFO – first in, first out – as the default method. To keep things simple, make sure your broker is also using this both for your stocks AND for any mutual funds and ETFs. You should check on this as soon as possible. It cannot be changed once a sale has happened and if your broker uses something other than FIFO, you will have to make manual adjustments in your bivio records to bring them into agreement.

Make sure you avoid wash sales. Do not make investment purchases of the same stock within 30 days before or after a sale where you had a loss. Wash sales affect cost basis. They will show up on the broker's realized gain/loss reports as soon as you have a wash sale. You want to catch them quickly and get them addressed during the year to avoid delays at tax time or cascading problems with subsequent sales. Contact us at support@bivio.com as soon as you see a wash sale and we can help you address it.

Please spend some time now comparing the information your broker has for cost basis with your bivio records. That way if there are issues that need to be investigated, you'll have time to get them straightened out. They sometimes are not simple or quick to work through, and, if you will need our help, we are probably going to be very busy during tax season helping clubs address questions. The earlier you can get the questions to us, the quicker we can help you get an answer. As we showed you earlier, you can do these comparisons each time during the year that you have a sale. There is no reason you need to wait until tax time.

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Topics of Discussion

1. Overview

2. Getting Started


3. Simple

a) Cost Basis Reporting

b) Dividend Reinvesting

While we’re talking about keeping things simple and making comparisons between bivio and your broker, let’s talk about the impact of automatic dividend reinvesting on keeping your club records.

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DRIPs

Dividend Reinvesting

Automatic dividend reinvesting (also called DRIP investing) means you tell your broker to automatically purchase new shares of a stock when you receive a dividend. We highly recommend AGAINST this practice.

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| Capital Gains and Losses from 01/01/2013 to 12/31/2013 | | | | | | |
|--|------------------|------------|-------------|------------|----------------------|------------|
| Short-Term Capital Gains | | | | | | |
| Description | Acquisition Date | Date Sold | Sales Price | Cost Basis | Wash Sale Adjustment | Gain/Loss |
| 10 Microsoft System Inc (MSFT) | 10/11/2012 | 03/11/2013 | \$22.40 | \$20.89 | | \$1.51 |
| | | | \$22.40 | \$20.89 | \$0.00 | (\$1.50) |
| Long-Term Capital Gains | | | | | | |
| Description | Acquisition Date | Date Sold | Sales Price | Cost Basis | Wash Sale Adjustment | Gain/Loss |
| 0.00171 Harley Davidson Inc (HOG) | 11/11/2011 | 01/02/2013 | \$62.87 | \$62.19 | | \$0.68 |
| 0.00051 Harley Davidson Inc (HOG) | 11/11/2011 | 01/02/2013 | \$6.27 | \$6.30 | | (\$0.03) |
| 0.00001 Harley Davidson Inc (HOG) | 02/11/2012 | 01/02/2013 | \$49.89 | \$50.15 | | (\$0.26) |
| 0.00001 Harley Davidson Inc (HOG) | 02/11/2012 | 01/02/2013 | \$6.27 | \$6.30 | | (\$0.03) |
| 0.00101 Harley Davidson Inc (HOG) | 06/04/2012 | 01/02/2013 | \$6.70 | \$6.70 | | \$0.00 |
| 0.00101 Harley Davidson Inc (HOG) | 10/11/2012 | 01/02/2013 | \$6.70 | \$6.70 | | \$0.00 |
| 0.00101 Harley Davidson Inc (HOG) | 11/11/2012 | 01/02/2013 | \$6.70 | \$6.70 | | \$0.00 |
| 0.00101 Harley Davidson Inc (HOG) | 02/11/2013 | 01/02/2013 | \$6.89 | \$6.70 | | \$0.19 |
| 0.00101 Harley Davidson Inc (HOG) | 06/22/2013 | 01/02/2013 | \$6.96 | \$6.80 | | \$0.16 |
| 0.00101 Harley Davidson Inc (HOG) | 10/11/2013 | 01/02/2013 | \$6.81 | \$6.80 | | \$0.01 |
| 0.00101 Harley Davidson Inc (HOG) | 12/10/2013 | 01/02/2013 | \$6.69 | \$6.61 | | \$0.08 |
| 0.00101 Harley Davidson Inc (HOG) | 04/11/2014 | 01/02/2013 | \$,499.87 | \$,499.89 | | (\$0.02) |
| 0.00101 Harley Davidson Inc (HOG) | 06/09/2014 | 01/02/2013 | \$,499.87 | \$,729.89 | | (\$230.02) |
| 0.00101 Harley Davidson Inc (HOG) | 07/11/2014 | 01/02/2013 | \$97.96 | \$,010.89 | | (\$912.93) |
| 0.00001 Harley Davidson Inc (HOG) | 11/01/2010 | 01/11/2013 | \$71.19 | \$69.89 | | \$1.30 |
| 0.00001 Harley Davidson Inc (HOG) | 10/18/2010 | 01/11/2013 | \$,499.29 | \$,410.89 | | \$88.40 |
| 0.00001 Harley Davidson Inc (HOG) | 11/01/2010 | 01/11/2013 | \$20.19 | \$20.89 | | (\$6.70) |
| 0.00001 Harley Davidson Inc (HOG) | 01/06/2012 | 01/11/2013 | \$80.10 | \$,499.82 | | (\$419.72) |
| 0.00001 Harley Davidson Inc (HOG) | 04/04/2014 | 01/11/2013 | \$6.70 | \$6.89 | | (\$18.19) |
| 0.00001 Harley Davidson Inc (HOG) | 05/01/2014 | 01/11/2013 | \$6.20 | \$6.14 | | \$0.06 |

Why? Because each dividend that you reinvest is a new lot of stock with its own cost basis, separate purchase date, and number of shares. You could end up having to verify a lot of transactions.

Here is a capital gains list from a real club that was doing dividend reinvestment. But this is only page 1. The list goes on.. and on.. and on.. for a total of five pages of transactions that needs to be reviewed.

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The image shows a detailed spreadsheet with numerous rows and columns of numerical data. A red arrow points from the top right towards the bottom right, highlighting a specific transaction. A red box is located in the bottom right corner, containing the value 345.62. The spreadsheet appears to be a record of dividend reinvesting for a club, with various columns for dates, amounts, and possibly shares.

(and the year wasn't even over yet)
Comparing each one of these transactions with the broker's information is an awful lot of work for a club treasurer

for only \$345.62 in gains for this club. If your club is doing DRIP investing, you will need to do this comparison. We can tell you from experience in working with many clubs, that the work involved in keeping the records correct for these is not worth the time it takes. By far, the majority of clubs that have problems at tax time are those doing automatic dividend reinvesting.

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Topics of Discussion

1. Overview
2. Getting Started
3. Simple
 - a) Cost Basis Reporting
 - b) Dividend Reinvesting
 - c) Scope

It's all about keeping things simple. We want you to be able to have a club and to spend your time and energy learning about investing, not partnership accounting. If you follow our guidelines you can do this. Here is another important thing I want to remind you of – because, despite our treasurer training, we still have clubs every year that have issues with this.

That is the kinds of investments you can account for using bivio. If you own any of these, unfortunately you are going to have the issues described for your 2025 taxes. But at least 2025 isn't over yet. If you sell them before the end of the year, you won't have the problems again for next year.

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Scope of bivio Tax Program

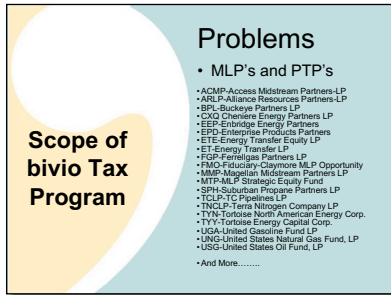
- Stocks
- Stock mutual funds and stock ETFs
- Options trading- (Active Partnership)

It is important to understand that different types of investments have different types of tax reporting requirements. bivio is designed to let you have a simple way to have an investment club and easily comply with tax requirements. Because of this, the types of investments you can own in your club are limited. bivio is only designed to do the accounting and tax preparation for clubs holding certain types of investments.

Basically, these are publicly traded stocks and

stock mutual funds and stock ETFs (Exchange Traded Funds)

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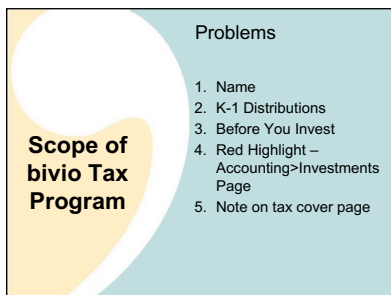
And, in addition, if you have an Active Partnership subscription, you can account for options trading. Our Preferred level subscription also lets you account for up to 10 options transactions.

If your club holds any of the investments we're going to discuss next, you will, at a minimum, have a lot of extra accounting and tax preparation work to do. In some cases, you will not even be able to use bivio to prepare your taxes.

Let's start with the big no-no:

These are MLP's and PTP's. They are Master Limited Partnerships and Publicly Traded Partnerships such as Energy Transfer, LP – ticker ET. Their distributions bring many special tax reporting issues which are not addressed as part of the bivio tax software. If you own any of these, you'll need to find an accountant to help get your club taxes correct before they are filed. You'll also need to use our Concierge service to adjust your bivio accounting records based on information your accountant will need to provide so your records will be correct going forward.

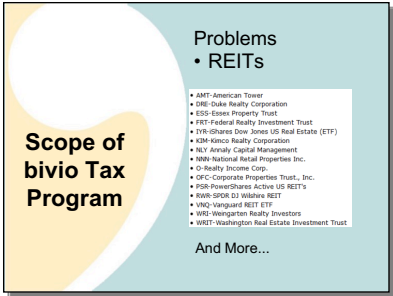
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How will you know if you own any of these?

- It may have the word Partnership, LP or Partners in its name.
- It will pay distributions that are reported to you on a K-1 form rather than a 1099.
- We have a help page called “Before You Invest” that will take you to a comprehensive list of tickers of these investments.
- We try and highlight them in Red on the Accounting>Investments page in bivio.
- When you generate your tax forms, you will find a note on the cover page telling you that the forms prepared in bivio are not correct and should not be filed as prepared. You'll need to work with an outside accountant to prepare your club taxes correctly.

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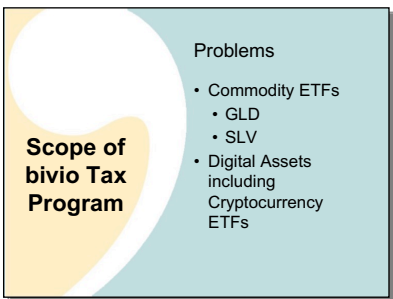


Investments in REITs which are Real Estate Investment Trusts are also problematic.

There are many of these. You'll also find a link to a list of them on the "Before you invest" page.

Here are just a few examples. You can account for them in vivo, but they will require extra adjustments to your records during tax preparation. You won't know what adjustments are needed until you get your 1099 forms. You also may get late adjustments you need to handle. If you do not feel comfortable making manual accounting changes in your records, you'll probably want to steer clear of investing in REITs. We've had experience with many treasurers working through the end-of-year REIT adjustments who tell us they are going to tell their clubs to "Sell the REIT asap" and not buy any more in the future.

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Other problem investments

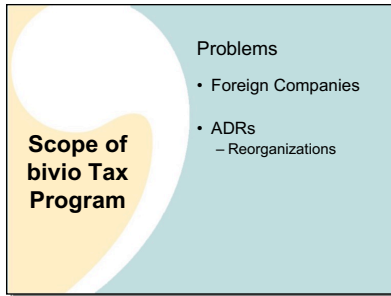
include Commodity ETFs. All ETFs are not the same. ETFs that own US corporate stocks are usually fine. ETFs that hold actual commodities such as

GLD and

SLV bring extra tax issues with them. Addressing them requires many manual calculations for each month you owned them. You then need to make many changes to your bivio records and to your tax forms. They are not easy, and they are not made automatically for you. We do not support accounting or tax preparation for investments that hold commodities. You probably want to stay away from investing in them. If your club wants to invest in this space, you might explore investing in things like mining or gold royalty companies or other investments which do not actually own the commodity.

You will have the same issues with direct investments in Bitcoin and other Cryptocurrency digital assets. We don't provide the tax forms and accounting needed for direct investments in these digital assets. And we don't support ETFs that actually hold digital assets or cryptocurrencies, like the Cryptocurrency Trust ETFs. Don't hesitate to check with us first before investing to see if it is an investment that can be accounted for in bivio.

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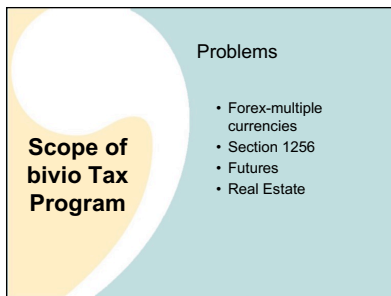
Let's talk about investments in

Foreign Companies.

You can often invest in the stock of foreign companies by purchasing what are called ADR's on the US exchanges. These are not usually an issue for your club accounting.

Problems sometimes come up however if the companies you have invested in go through any sort of reorganization such as splits, spinoffs and mergers. These can have tax implications you need to address. While we try and help you work through what you need to do, we find that there is a wide variation in the completeness of information that is provided by these companies for handling US tax issues. This can create delays or uncertainty in handling your taxes.

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Other investments which you are not able to handle with bivio include:

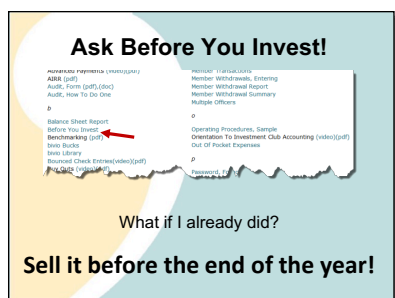
Forex trading-Foreign currency exchange trading

Section 1256 Contracts

Futures

And investments in real estate

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If you have any questions about something your club is about to invest in, please ask us before you buy it. We will be glad to research it for you and let you know if it will cause you any problems in your accounting or your taxes.

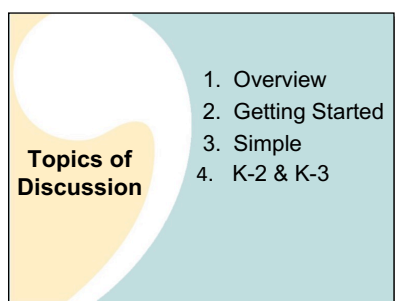
As I've been discussing, you can find a specific list of some of the investments we know cause trouble

at this link on our help page labeled "Before You Invest"

There are always clubs that find out the hard way that they have purchased an investment that will create problems. And, they often do not have enough of it to make dealing with the tax implications worth it. Unfortunately, once you have purchased it you're stuck with the problems for the current tax year. The problems will compound the longer you hold on to it, so make sure to sell it as soon as you find out about it to minimize the problems for the current year.

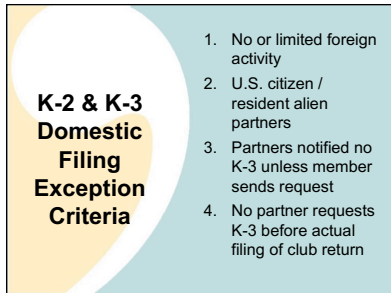
If you'd like to be able to use bivio for your taxes next year, you should sell problem investments prior to the end of this calendar year.

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Most clubs will not need to file Schedule K-2 and Schedule K-3s to report investments in foreign company stocks. bivio's tax software will step you through this process to see if your club qualifies for the expanded K-2 & K-3 Domestic Filing Exception or the new Small Partnership Filing Exception.

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The Domestic Filing Exception is one way for many clubs to omit the Schedules K-2 and K-3 from your 2025 tax filing. Not all clubs will qualify.

Here are the 4 exception criteria:

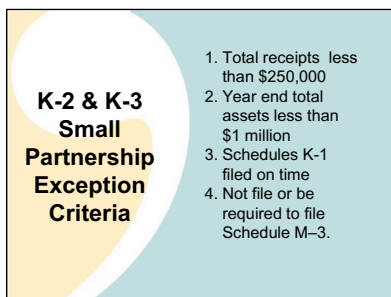
The first criteria is that the partnership has no foreign activity or limited foreign passive activity, defined as generating \$300 or less of foreign tax.

The second criteria is that all partners are US citizens or resident aliens, domestic decedent estates, or certain domestic grantor trusts, including revocable living trusts. New in 2025 partners can be certain domestic non-grantor trusts, S-Corporations, single member LLCs and other domestic partnerships. There can not be any corporate partners.

Third criteria is that the partnership must send a specific written notification to all partners that a K-3 won't be provided unless the partner requests it. This notification is provided by the bivio tax program as an attachment to Schedule K-1.

Fourth criteria is no partner specifically requests Schedule K-3 from the partnership before the actual timely filing date of the partnership return. If a partner requests a K-3 contact us at support@bivio.com for more guidance. If you meet all four criteria and no partner requests a Schedule K-3, then your club does not need to file Schedule K-2 or K-3 with the IRS.

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In addition, there is a new Small Partnership Filing Exception that will exempt most clubs from filing Schedules K-2 & K-3. The bivio tax program will check to see if your club qualifies for this exception. To qualify for this small partnership exception, a partnership must again meet four conditions.

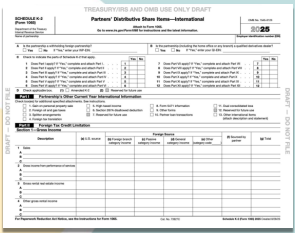
The club's total receipts for the tax year must be less than \$250,000.

The club's total assets at year-end must be less than \$1 million

All K-1s must be filed & given to partners on time

And the partnership must not file or be required to file Schedule M-3 (Net Income/Loss Reconciliation for Certain Partnerships) . If you meet all four criteria and no partner requests a Schedule K-3, then your club does not need to file Schedule K-2 or K-3 with the IRS.

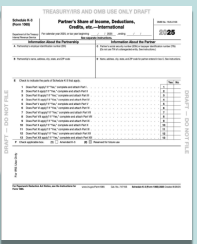
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The image shows the top portion of Form K-2, titled "Partnership's Other Tax-Exempt Income Information". It includes instructions for reporting income from sources such as foreign governments, international organizations, and other tax-exempt entities. The form is labeled "Form K-2" at the bottom.

If your club doesn't meet the Domestic Filing Exception or Small Partnership Filing Exception criteria, your club will have a Schedule K-2 to file as part of your club's tax return. It may be 7-8 pages long.

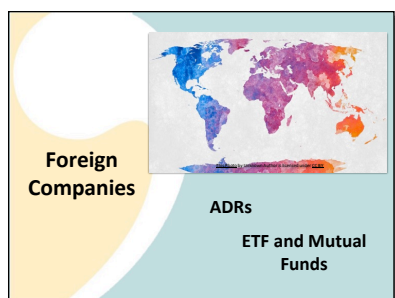
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The image shows the top portion of Form K-3, titled "Partner's Share of Income, Deductions, Credits, etc.". It includes instructions for reporting the partner's share of the partnership's income, deductions, and credits. The form is labeled "K-3 Form" on the left side.

Also, if your club doesn't meet the Domestic Filing Exception or Small Partnership Exception criteria, then some or all of your club members will receive a Schedule K-3 form in addition to their K-1 form. This is the first of several pages they will receive. A copy of all of these will also be included in your total club tax filing. The K-2 & K-3 forms provide information needed for foreign tax reporting, not only for your club, but also for each of your individual members' personal taxes. As I mentioned before, bivio's tax software will walk you through this process and most clubs can omit filing Schedule K-2 and Schedule K-3s.

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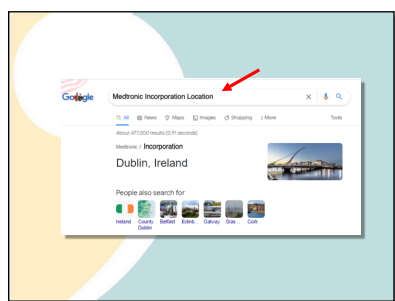


Another important early tax preparation step is related to foreign companies. A foreign company is one that is incorporated or domiciled outside of the United States, even though the headquarters may be in the United States. The key word is “incorporated”. Does your club own any foreign stocks?

For example, you might own foreign companies that are traded on the US exchanges as ADR’s

or, you may own ETFs or mutual funds that invest in foreign companies.

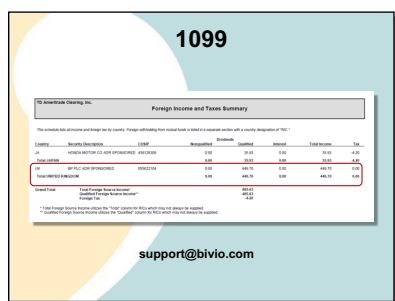
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In order for the bivio tax program to fill in your tax forms correctly, you need to identify the country where each of your stocks are incorporated. To find the place of incorporation you may need to try several sources.

Do a simple Google search using the company name and “place of incorporation” or “place of domicile”. Or check the company’s prospectus online and search the document for “Incorporation”. Or go to the SEC’s Edgar website and check one of the company’s filing documents for place of incorporation.

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You may also find this information on a 1099 form from a prior year or on a new 1099 that you will receive in early 2026.

If you still have a question, email us at support@bivio.com and we can help you find the information.

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Foreign Companies

Report Date: 11/1/2021

☒ Valuation (NAV)
☐ Member Status
☐ Transaction History
☐ Performance Benchmark

Report Year: 2021

☐ Investment Performance
☐ Member Performance
☐ Investment Issues
☐ Investment LIT Cost Basis

☐ Balance Sheet
☐ Income Statement
☐ Transaction Ledger
☐ Member Tax Allocation
☐ 1999-2020 Dividend Revenue

☐ Capital Gains and Losses
☐ Income and Expense History
☐ Member Contributions and Withdrawals

☐ Withholdal Reports

When you have identified the country where the company is incorporated, you need to enter this country code in bivio

on the 1099-INT/DIV Review report, found here on the Accounting>Reports page.

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Foreign Companies

On that form,

you will find a column which indicates Country.

Here is an example where US is listed for the company BP. If you do research, you will find that BP is incorporated in the United Kingdom..

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Foreign Companies

ESB Investment Info for BIP Pte (BIP)
Use this form to update your investment information and notes.

Country: If this investment receives foreign income, select the country of origin.

Country:

Investment in a foreign company that is not a corporation or partnership may be considered qualified if dividends from most domestic corporations and some foreign ones meet this criteria. Dividends from mutual funds, ETFs and REITs may not.

☐ Yes ☐ No

Stock Type:

☒ Common ☐ Preferred

Notes. Enter any notes associated with this security.

NOTE:

To adjust what is shown, you click on the 2-letter country designation and this form will open

Select the country in which the company is incorporated or domiciled from the drop-down list.

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Foreign Companies

Edit Investment Info for BP PLC (BPF)

Use this form to update your investment information and notes.

Country: **United Kingdom**

Qualified Dividend: ☐ Yes ☒ No

Notes: Enter any notes associated with this investment.

Stock Type: ☐ Common ☐ Preferred ☐ Convertible ☐ Warrant ☐ Other

Notes: Enter any notes associated with this investment.

United Kingdom

In this case it is United Kingdom.

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Foreign Companies

| Symbol | Company | Country | Dividend | Dividend Type | Dividend Date | Dividend Amount | Dividend Yield | Dividend Payout Ratio | Dividend Growth Rate | Dividend Payout Ratio | Dividend Growth Rate |
|--------|---------|----------------|----------|---------------|---------------|-----------------|----------------|-----------------------|----------------------|-----------------------|----------------------|
| BP PLC | BP PLC | United Kingdom | Yes | Common | 2019-05-15 | 0.15 | 4.5% | 40% | 5% | 40% | 5% |
| BP PLC | BP PLC | United Kingdom | Yes | Common | 2019-05-15 | 0.15 | 4.5% | 40% | 5% | 40% | 5% |
| BP PLC | BP PLC | United Kingdom | Yes | Common | 2019-05-15 | 0.15 | 4.5% | 40% | 5% | 40% | 5% |
| BP PLC | BP PLC | United Kingdom | Yes | Common | 2019-05-15 | 0.15 | 4.5% | 40% | 5% | 40% | 5% |
| BP PLC | BP PLC | United Kingdom | Yes | Common | 2019-05-15 | 0.15 | 4.5% | 40% | 5% | 40% | 5% |
| BP PLC | BP PLC | United Kingdom | Yes | Common | 2019-05-15 | 0.15 | 4.5% | 40% | 5% | 40% | 5% |
| BP PLC | BP PLC | United Kingdom | Yes | Common | 2019-05-15 | 0.15 | 4.5% | 40% | 5% | 40% | 5% |
| BP PLC | BP PLC | United Kingdom | Yes | Common | 2019-05-15 | 0.15 | 4.5% | 40% | 5% | 40% | 5% |
| BP PLC | BP PLC | United Kingdom | Yes | Common | 2019-05-15 | 0.15 | 4.5% | 40% | 5% | 40% | 5% |
| BP PLC | BP PLC | United Kingdom | Yes | Common | 2019-05-15 | 0.15 | 4.5% | 40% | 5% | 40% | 5% |

After you accept the selection, you'll be taken back to the form. You'll see the symbol for the United Kingdom has been filled in.

It is UK.

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Foreign Companies

Accounting Administration Communications Test

Research your stocks here: Ticker Research pages

Edit Investment Info for iShares Core MSCI Total Intl Stock ETF (IXUS)

Use this form to update your investment information and notes.

Foreign Country: **United Kingdom**

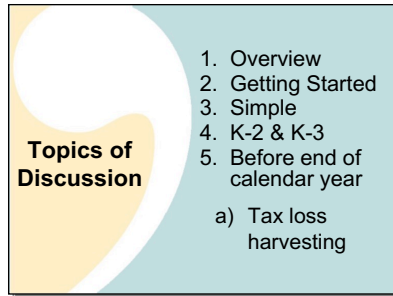
Qualified Dividend: ☐ Yes ☒ No

Notes: Enter any notes associated with this investment.

United Kingdom

If you own any mutual funds or ETFs that hold foreign companies, you will need to select “RIC - Regulated Investment Company” from the list of country choices. You just continue this process until you’ve correctly identified the country for each stock your club owns. It’s best to do this now to avoid any delays at tax time. This information will be used to see if your club can eliminate the K-2 and K-3 forms and if necessary, it will be used to prepare the K-2 and K-3 forms when you do your club taxes.

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The final things we want to talk about tonight are a few things that should be addressed prior to the end of this calendar year if they apply to your club.

One of them some clubs consider is called tax loss harvesting.

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Tax loss harvesting is when you sell stocks in which you are showing a loss in order to offset capital gains you've had on other stocks you've sold. You only pay taxes on your

net gains,

Net gains are the difference between any gains you had and any losses.

In addition, on your personal taxes, up to \$3000 in losses can be used to offset income you've earned in other ways, such as your regular salary income from your regular job.

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So what does this mean for you?

If your club has stocks which are showing a loss

AND

Your club has already sold stocks this year (or plans to) and your club has a net gain on these sales,

your club might want to sell some of the losers so you can lower the amount of gain your members will be taxed on.

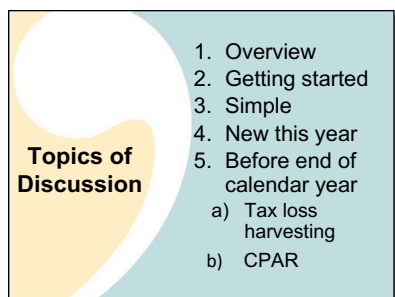
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Just a caveat about doing this, however:

Make sure you have not purchased any shares of the same stock less than 30 days before the sale. And, if you want to re-purchase that stock, do not do so within 30 days after the sale. If you don't leave these 30-day buffers between your purchases and your loss sales, you will trigger the wash sale rule and your loss will be disallowed. That means you won't be able to use it to offset your gains. This is another reason not to do automatic dividend reinvesting. It is not unusual to receive dividends after sales. If they are automatically reinvested, it is a purchase. If any of the shares you sold produced a loss, you'll end up with a wash sale you'll have to account for and that isn't easy when you are DRIP investing.

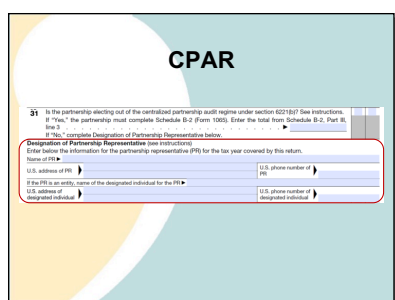
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Another issue you may need to address with your entire club prior to the end of the calendar year is related to something called CPAR.

CPAR stands for Centralized Partnership Audit Regime. It is the rules on the process that will be used if your club is ever audited by the IRS. These IRS rules make it easier for them to audit partnerships such as your investment club.

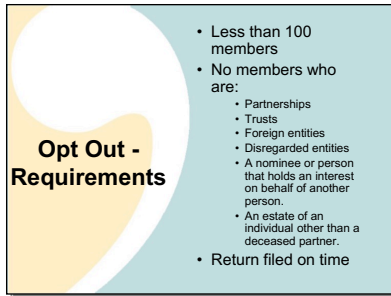
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If you meet certain requirements, you'll be able to opt out of being covered by these rules. Why do you want to do this? Because, who wants to make it easier for the IRS to audit them?

When you prepare your taxes you will be asked to designate if you want to opt out of these rules. If you cannot opt out, you will need to designate a "partnership representative". In the event of an audit of your 2025 taxes, they will be the single person the IRS will work with and make agreements with in the event of an audit. If any issues are found, any taxes, interest and penalties due are assessed to the club during the year the audit is conducted.

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The requirements you need to meet to be eligible to opt out are these.

Less than 100 members

You can only have certain types of members.

No members who are:

Partnerships

Trusts

Foreign entities

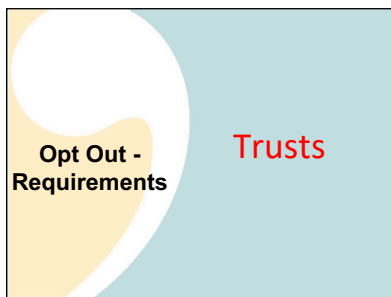
Disregarded entities such as IRAs

A nominee or person that holds an interest on behalf of another person such as a Uniform Gift to Minors Account

An estate of an individual other than a deceased partner.

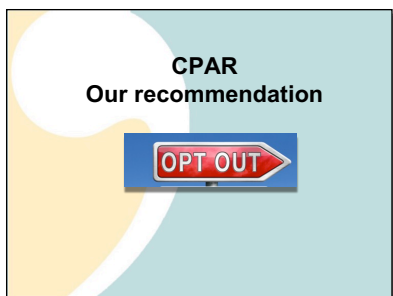
Your return also has to be filed by March 15 (this year March 16th) or, if you properly file an extension, the extended due date of your return.

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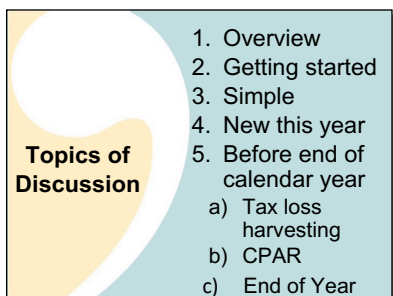
If any of your members hold their club ownership in a trust, your club will not be able to opt out. You'll be required to designate a partnership representative for the tax year and if your club was audited, it would be conducted under the CPAR procedures.

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We recommend that if your club qualifies to opt out, you do so. If you opt out, it doesn't mean your club can't get audited. It just means that if it does, the IRS will have more work to do to conduct the audit and collect back taxes, interest and penalties from members of your group. If you opt out, you don't have to designate a partnership representative. In addition, if you opt out and later have to file an amended return for some reason, the process will be simpler and something you should be able to handle yourselves in bivio. If you have not opted out, you will need to work with an accountant to file an amended tax return.

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In addition to these things,

there are some other things you can do now to minimize or prevent an impact on future years taxes.

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First,

sell any problem investments such as MLPs, REITs and commodity ETFs prior to year end to avoid tax headaches next year. You will probably find that the amount of income you have received from them this year does not justify the extra expense you will have to incur to get your club taxes prepared correctly by an outside source. If you own them now, you'll be stuck with the headaches for this tax season. But if you sell them before the end of the year you will be able to avoid having the same problems next year.

Consider selling DRIP's and/or discontinuing automatic dividend reinvestments. As you saw, it gives you a lot more work to do to keep your club records correctly. You'll also have more chances of triggering a wash sale (and the accounting complications that come along with it) if you sell any of your holdings. With brokerage commissions low or nonexistent, simplify your club accounting and improve your portfolio management by accumulating dividends. Invest regularly by consciously making a decision for each purchase rather than doing it automatically in extremely small amounts.

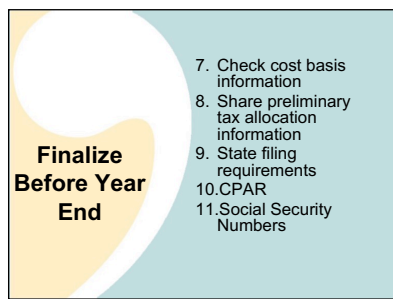
Complete and pay out pending member withdrawals now. Enter them in bivio with transaction dates before the end of the year. Otherwise the withdrawing members will have tax consequences on next year's taxes as well as this year's.

If you are going to disband you must make sure you can complete all of your transactions before the end of the calendar year. If you will receive income or have expenses in the new year, you will be dealing with taxes for both this year and next year. You need to check the ex-dividend dates for all your stocks. If your club owns them on the date they go ex-dividend, you will be receiving the dividends. They will need to be reported in the tax year you actually receive them.

Make sure your broker is using FIFO as your default cost basis method for not only stocks, but also mutual funds and ETFs.

Put your audit on your schedule for January. And have your members plan to attend the January 10, 2026 bivio audit webinar.

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Just to reiterate, check your cost basis information. The sooner you check it, the less chance any issues you find will delay your tax filing.

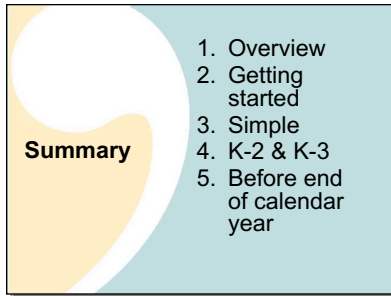
Share preliminary tax allocation information with members. This may be needed by those that have to file estimated taxes or fill in things like financial aid applications or Farm tax returns. Make sure to make it clear that amounts are preliminary and subject to final records verification.

Make sure you know what kind of state tax filing requirements you might have. Bivio provides some state tax forms and offers you a very cost-effective approach for handling club taxes for states we don't provide.

Discuss the CPAR requirements with your club. Determine if you can make the election to "opt out". If not, determine who you will be designating as your partnership representative.

You will need Social Security numbers for each of your members to be able to prepare your taxes. Make sure you work on getting them if you don't have them already.

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To summarize, we've touched on a lot of information tonight.

We've given you an overview of the tax forms you need to file and how you'll use bivio to prepare them.

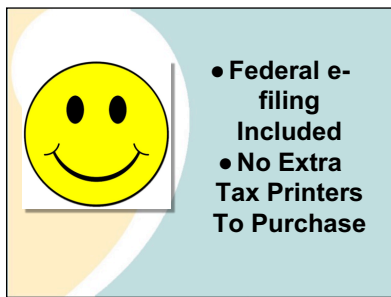
We've covered the importance of making sure your bivio records are correct and steps you can take right now to ensure that.

We've touched on things you should do to make sure your club record keeping is kept as simple as possible to help you avoid tax headaches.

We've discussed the K-2 & K-3 foreign reporting requirements as well as the domestic and small partnership filing exceptions.

And we've highlighted some things you should make sure you get done before the end of this calendar year.

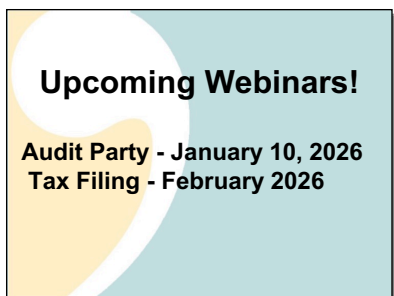
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Don't forget! Federal tax preparation and e-filing software is already included in your annual bivio subscription.

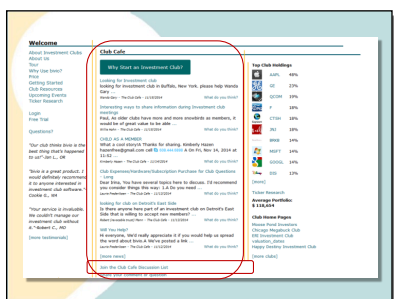
As long as you have an active bivio subscription at tax time, you do not need to worry about purchasing a separate "tax printer" program to do your club taxes.

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To make your tax filing go quickly and easily, join us for the two upcoming bivio audit and tax webinars on Saturday, January 10th and again in mid February.. These are in-depth webinars which will get into the details of making sure your club records are accurate and will walk you through the details of actually getting your tax forms filled out and e-filed! Registration information will be available soon.

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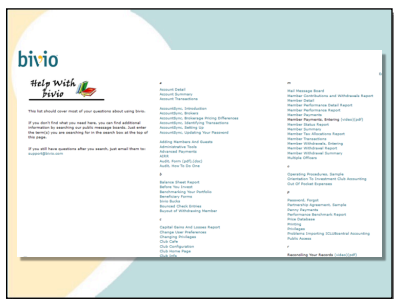


Finally, just a reminder that bivio is committed to providing you information about a variety of opportunities to learn about both club operations and investing.

We encourage you to join our Club Café discussion list. We send out information about running your club, preparing your taxes and important announcements. If you'd like to discuss an issue your club has with other clubs, you can post your question here to get some feedback.

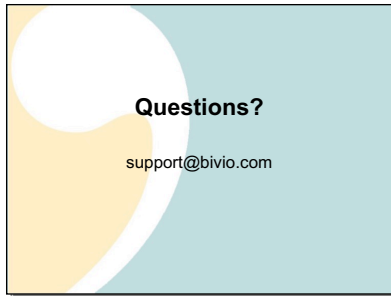
You'll need to join the list to participate, but it's easy to do by going to the link you'll find here on our homepage.

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We are here to support you during tax season. The quickest way to get answers to many questions is to go to our help page. You'll find a link to it at the bottom of your screen when you are logged in to your club. Many answers to your tax questions and a link to this webinar are found on the Help page under Taxes.

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If you can't find an answer there, email your question to:

support@bivio.com

Just a note. Cost basis issues can take us a while to help you work through. The sooner you ask them, the quicker you'll have an answer. We may need you to send us documents like broker's statements to help resolve your issue. If you sent in any questions and we haven't answered them tonight, send them to support@bivio.com and we'll help you with your club-specific questions.

You've done the right thing to spend a little time with us today getting oriented about what is involved with getting your records ready and preparing your club taxes.

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If prior to the end of the calendar year, you take a little time taking care of anything we mentioned, then you'll be able to relax and spend your time enjoying the holiday season!