



**HORIZON KINETICS LLC
TAX TRANSACTION POLICY**

Horizon Kinetics LLC will accommodate investor requests for tax loss selling or tax gain selling in accordance with the below terms.

To the extent you would like us to engage in tax related activities for your account, an authorized signatory for the account should email us prior to December 15th, at clientservices@horizonkinetics.com with the following information:

- (1) The account name;
- (2) The name of the individual making the request;
- (3) The maximum desired dollar amount of losses or gains you wish to realize; and
- (4) Whether the account intends to capture long term tax losses, short term tax losses, or both;
- (5) If your request is tax lot or term specific, you must include a report by the account's custodian that indicates the tax lots;

Important: All requests are subject to confirmation by us and will be processed on a best efforts basis only. While we accept tax related requests throughout the year, we cannot guarantee that requests received after December 15th will be fully processed. In all cases, we will use our discretion in an effort to prudently realize up to the desired amount.

Gifting: Please notify us before gifting securities so that proper operational measures can be taken. The investor should be aware that gifting may require rebalancing of the account and, as a result, there may be material differences between the account performance and performance of the composite.

Wash Sale Rule: Investors requesting recognition of tax losses should be advised of the *Wash Sale Rule*. Under Internal Revenue Service rules, an account cannot deduct losses from sales or trades of stock or securities in a "wash sale." A "wash sale" occurs when an account sells or trades stock or securities at a loss and within 30 calendar days before or after the sale, the account: (a) buys substantially identical stock or securities; (b) acquires substantially identical stock or securities in a fully taxable trade; or (c) acquires a contract or option to buy substantially identical stock or securities.

Proceeds: Unless otherwise directed, the proceeds of tax loss selling will generally remain in either cash or an appropriate exchange traded fund ("ETF"), based on our discretion, taking into account, among other things, the market conditions at the time of the tax loss sale. After at least 31 days (the 'wash sale period'), the account may be re-balanced in accordance with the investment strategy, or may continue to hold the cash or ETF, based on our discretion, unless specifically directed otherwise. Requests for tax loss selling will generally be processed within three business days of the confirmation day and re-balancing of an account after the wash sale period will generally be completed within three business days, if rebalancing is required.

IMPORTANT: Clients should carefully consider the timing of tax loss/gain selling requests vis-à-vis withdrawal requests as withdrawal requests may result in a rebalancing of the account and could create wash sale rule violations.

Disclaimers:

Horizon Kinetics LLC is parent company to registered investment advisers Horizon Asset Management LLC, Kinetics Asset Management LLC and Kinetics Advisers, LLC. The information presented herein should not be considered or relied up as tax or legal advice. Neither Horizon Kinetics LLC nor its subsidiaries provide tax or legal advice to their clients and all investors are strongly urged to consult with their tax or legal advisors regarding any potential tax matters. While Horizon Kinetics will act on specific, written instructions relating to tax activity, it does not bear responsibility for uncompleted instructions. In all instances, Horizon Kinetics must confirm receipt of written instructions for them to be considered valid. Opinions expressed herein may change at any time. This information should not be re-distributed without the express written consent of Horizon Kinetics LLC. © 2016 Horizon Kinetics LLC ®