

# SHAREHOLDER INFORMATION GUIDE

## 2019 TAX YEAR

### ADDITIONAL TAX INFORMATION FOR THE OAKMARK FUNDS

TO BE USED WITH FORMS 1099-DIV AND 1099-B

	Oakmark Fund	Oakmark Select Fund	Oakmark Equity and Income Fund	Oakmark Global Fund	Oakmark Global Select Fund	Oakmark International Fund	Oakmark International Small Cap Fund
<b>To assist you with federal income tax returns:</b>							
Income from tax-exempt securities	None	None	None	None	None	None	None
For corporate shareholders: Percent of ordinary dividends eligible for the dividends received deduction	100.0%	100.0%	63.0%	36.1%	37.0%	N/A	N/A
Qualified Dividend Income	100.0%	100.0%	82.0%	100.0%	100.0%	100.0%	100.0%
Foreign Source Income	N/A	N/A	N/A	79.6%	80.2%	85.6%	94.9%
<b>To assist you with state income tax returns:</b>							
Percent of ordinary dividends from U.S. government obligations	None	None	12.8%	None	None	None	None

**Oakmark Units Financial Square Treasury Solutions Fund (Money Market Fund)**

Percent of ordinary dividends from U.S. government obligations: 87.8%

The following information may be helpful to you for reporting transactions in your mutual funds on your tax return. The tax forms we send to you include details that are reported to the IRS. This brochure describes how to use these forms when you file your tax return.

*As always, the information contained in this guide should not be considered tax advice. Please consult your accountant, tax advisor or tax professional for detailed information applicable to your unique situation.*

*You may also find IRS Publication 550, "Investment Income and Expenses," helpful in your tax planning. It can be found at [www.irs.gov](http://www.irs.gov).*

## FORM 1099-DIV QUESTIONS AND ANSWERS

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IRS Tax Form 1099-DIV reports taxable dividends and short-term and long-term capital gains distributed by each mutual fund you own. Short-term capital gains distributions, when paid, are reported as ordinary dividends on this form. Form 1099-DIV may also include federal income tax withheld and foreign taxes paid. More information about foreign taxes is included on page three.

What information is reported on Form 1099-DIV?

Form 1099-DIV reports ordinary dividends and capital gains distributions of \$10 or more (unless there was backup withholding). The form includes:

- >> The names of funds that paid dividend or capital gains distributions
- >> The funds' federal identification numbers
- >> Total ordinary dividends
- >> Qualified dividends
- >> Total capital gains distributions
- >> Nontaxable distributions
- >> Federal income tax withheld
- >> Foreign tax paid

If I reinvest distributions to purchase more shares of my fund, do I owe taxes on those distributions?

Yes. You must pay taxes on mutual fund distributions regardless of whether you receive them in cash or reinvest them in additional shares of your fund. Reinvested distributions are included on Form 1099-DIV.

Why aren't short- and long-term capital gains distributions listed separately on the 1099-DIV?

Short-term capital gains are required to be reported to shareholders as ordinary income. Short-term capital gains distributions, along with ordinary dividends, are reported in Box 1a. Long-term capital gains distributions are reported in Box 2a.

What are qualified dividends?

Mutual fund distributions that are attributable to dividends received on qualified stock (therefore "qualified dividends") are taxed at the long-term capital gains rates instead of the higher ordinary income tax rates. Box 1b on Form 1099-DIV shows the portion of the amount in Box 1a that qualifies for the reduced rate. Please refer to the instructions in your IRS Form 1040 for information about reporting qualified dividends, including holding period requirements.

What is foreign tax paid?

When dividends include income from non-U.S. securities, the fund may pass the foreign tax paid on these investments through to its shareholders in Box 7 on Form 1099-DIV. Shareholders may either claim a foreign tax credit on their returns or take an itemized deduction. This amount has been added to your ordinary dividends. More information about foreign tax paid can be found on page three.

OTHER TAX FORMS YOU MAY RECEIVE REGARDING YOUR MUTUAL FUND INVESTMENTS

### Form 1099-Q

IRS Form 1099-Q reports the gross distributions, including asset transfers, from Education Savings Accounts (ESAs) and qualified education programs. Please see IRS Publication 970, "Tax Benefits for Education," for information about how to calculate the earnings portion of the gross distribution.

### Form 1099-R

IRS Form 1099-R reports all distributions from retirement accounts, such as IRAs, 401(k) plans and annuities. It lists gross distributions, taxable amounts, and any federal and state taxes withheld.

### Form 5498

IRS Form 5498 reports contribution information and fair-market values for traditional IRAs, Roth IRAs, Education Savings Accounts (ESAs), Simplified Employee Pension (SEP) IRAs and Savings Incentive Match Plan for Employees (SIMPLE) IRAs. *This form will be sent in May 2020 after the close of the April 15, 2020 contribution deadline for 2019 contributions. It is for your records only and does not need to be filed with your tax return.*

## FORM 1099-B QUESTIONS AND ANSWERS

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IRS Tax Form 1099-B reports all sales and/or exchanges of mutual fund shares. If you realize capital gains or losses from the sale (including an exchange of mutual fund shares), you must report them on your tax return.

What information is reported on Form 1099-B?

Form 1099-B reports the gross proceeds of sales (redemptions) of mutual fund shares, excluding retirement accounts. In addition, 1099-B reports exchanges between funds and transfers from non-retirement accounts to retirement accounts. The form includes the name of the fund sold, date of acquisition, date of the sale, share price, number of shares sold, cost basis, gross proceeds, and any federal and state income taxes withheld.

Do I need to report a gain or loss if I simply exchange from one fund to another?

Any sale of a mutual fund, including an exchange between two different mutual funds, will be reported on Form 1099-B. In most circumstances, this exchange will be treated as a taxable gain or loss. Generally, an exchange of one share class of a fund for a different share class of the same fund is non-taxable and you will not receive Form 1099-B.

How is my cost basis calculated when I sell or exchange shares?

For shares purchased prior to January 1, 2012 that have cost basis information available (generally referred to as non-covered shares), Form 1099-B will show any gain or loss from the sale using the average cost method.

For shares purchased on or after January 1, 2012 that have cost basis information available (generally referred to as covered shares), Oakmark is required to report to the Internal Revenue Service the cost basis information for sale transactions of shares.

Shareholders may elect to have one of several cost basis methods applied to their account and shown on their Form 1099-B, including average cost, FIFO (First In, First Out), or some other specific identification method. Average cost will be used as the default cost basis method unless otherwise instructed by you.

Average cost for these shares are calculated separately from the average cost of shares purchased prior to January 1, 2012 even though they may appear on the same Form 1099-B.

Cost basis information may not be available for all accounts. To determine your cost basis, you may need your transaction information. Please see your account statements and consult your tax advisor.

Don't forget to include reinvested distributions in your calculations as these are purchases of additional shares and, therefore, part of your cost basis.

To learn more about the available cost basis reporting methods, please visit [Oakmark.com](http://Oakmark.com). Go to Resources and select Taxes and Distributions on the FAQs page.

## FOREIGN TAX CREDIT FOREIGN INCOME AND TAXES PAID

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Mutual funds can elect to pass through to their shareholders the opportunity to claim foreign taxes paid by the funds as either a credit or a deduction. As a result of this election, your share of foreign taxes paid has been reported in Box 7 on your Form 1099-DIV ("Foreign tax paid") as well as included in your gross income in Box 1a and 1b on your Form 1099-DIV.

To claim the amounts shown in Box 7 as a foreign tax credit, please refer to the IRS instructions for Form 1116, Foreign Tax

Credit (Individual, Estate, or Trust). Individuals who would prefer to take the amounts shown in Box 7 as an itemized deduction, please refer to the IRS instructions for Schedule A (Form 1040). Note that for most taxpayers a credit is generally more advantageous than a deduction.

Generally, country-by-country foreign source income information is not required for taxpayers to claim the foreign tax credit.

View your tax forms online through our secure account access system. Visit Oakmark.com, log into your account using the Account Access link and click on Statements & Tax Forms. Visit the Tax Center and FAQs pages at Oakmark.com for more information about your tax forms.

Make your tax preparation easier by downloading your Oakmark tax information directly into TurboTax® or H&R Block At Home.™ It's easy to use, whether you prepare your taxes online or use tax preparation software.

**Too much paper?** Log in to your account to sign up for e-delivery and receive email notification when documents are available online.

**Have you made your 2019 IRA Contribution?** The deadline to contribute is April 15, 2020, and the annual contribution limit is \$6,000 (\$7,000 if age 50 or older). Go to Oakmark.com or call 1-800-OAKMARK (625-6275) for more information.

The information in this Shareholder Information Guide is not intended to be a complete discussion covering all of your income tax requirements and it should not be relied upon as a source of professional advice. If you require specific information concerning your individual tax situation or require assistance in determining which cost basis reporting method is appropriate for you, please consult with your tax advisor.

*Before investing in any Oakmark Fund, you should carefully consider the Fund's investment objectives, risks, management fees and other expenses. This and other important information is contained in a Fund's prospectus and summary prospectus. Please read the prospectus and summary prospectus carefully before investing. For more information, please call 1-800-OAKMARK (625-6275).*

Investing in value stocks presents the risk that value stocks may fall out of favor with investors and underperform growth stocks during given periods.

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