



How Are Your Investments Taxed?

The type of investment you hold can have a big impact on your tax bill — and taxes can have an even bigger impact on total return.

What are some key considerations when looking at mutual funds, Exchange-Traded Funds (ETFs) and Separately Managed Accounts (SMAs) for your portfolio? Because what you own can be just as important as how you own it.

Mutual Funds vs. ETFs vs. SMAs

Although there are benefits to each investment vehicle, there are some distinct differences between mutual funds, ETFs and SMAs. Here are some important distinctions.

	Mutual Fund	ETFs	SMAs
Customization Can you make it your own?	No	No	Yes – exclusions and adjustments allowed. Can customize to individual investor preferences.
Funding Where can the money come from?	Cash	Cash	Cash or in-kind
Pricing How often are the holdings valued?	Daily, at end of day	Constant	Daily or monthly
Liquidity When can I sell my investment?	Daily, at end of day	Instant – trades on an exchange	
Tax Treatment How are taxes treated for investors?	Tax Efficiency Gains may be paid once per year	Tax Efficient Structure enables mitigation of capital gain realization caused by trading, rebalancing and redemptions	Tax Managed Investors own individual securities and can use techniques such as tax-loss harvesting to minimize potential gains
Accounts to Consider Where should you hold this investment?	Tax-deferred and tax-exempt accounts	Tax-deferred, tax-exempt or taxable accounts	Taxable accounts





To determine if this Fund is an appropriate investment for you, carefully consider the Fund's investment objectives, risk factors, and charges and expenses before investing. This and other information can be found in the Fund's prospectus, which may be obtained by calling 800.994.0755. Please read the prospectus carefully before investing.

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There is no guarantee that any investment strategy will achieve its objectives, generate profits or avoid losses. Investing involves risk, including loss of principal.

Mutual Funds may also be held in taxable accounts and SMAs may also be held in tax-deferred accounts. Additionally, Mutual Funds and ETFs may also transfer to an account in-kind. This investment may not be suitable for all investors and ETFs are subject to loss of principal.

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04/2024

