

## Elements Portfolios

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Enclosed is the 2018 Tax Form for your account with the Elements Portfolios. This form provides information on any applicable 2018 distributions and proceeds from redemptions. In addition to the tax information provided on your 1099-DIV statement, below is supplemental information to assist you with the preparation of your 2018 income tax returns. Please consult your tax advisor for the specific application of any items below relating to the preparation of your tax returns.

### **Income from Foreign Sources Subject to Foreign Tax Credit:**

For the year ended December 31, 2018, the following Elements Portfolios earned foreign source income and paid foreign taxes which they intend to pass through to their shareholders pursuant to Section 853 of the Internal Revenue Code of 1986, as amended.

See below to determine the foreign taxes paid and the foreign source income.

- 1) The shareholder's portion of foreign taxes paid (see Box 6 of your enclosed Tax Form for this information).
- 2) The shareholder's amount of foreign source gross income. This amount can be calculated as a percentage of your ordinary dividend shown in Box 1 of your 2018 Tax Form. Please see the information below for your foreign source gross income amount.

| <b>Fund Name</b>                           | <b>Foreign Source Gross<br/>Income (Use % listed<br/>below and apply to<br/>Ordinary Income as<br/>shown in Box 1 to compute)</b> |
|--|---|
| Elements International Portfolio           | 82.62%  |
| Elements International Small Cap Portfolio | 85.54%  |

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### **Dividends Received Deduction:**

For corporate shareholders, the percent of ordinary income distributions qualifying for the corporate dividends received deduction for the calendar year 2018 was as follows:

| <b>Fund Name</b>                  | <b>Dividends Received Deduction %</b> |
|-----------------------------------|---------------------------------------|
| Elements International Portfolio  | 7.01%                                 |
| Elements U.S. Portfolio           | 95.84%                                |
| Elements U.S. Small Cap Portfolio | 94.89%                                |