



HilltopSecurities
A Hilltop Holdings CompanySM

**A Comprehensive Guide to
Your Tax Statement
Tax Year 2025**

Hilltop Securities does not provide tax advice.

This material is presented for informational purposes only.

You should consult your tax advisor on all issues and questions concerning your tax situation.

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Hilltop's Obligation to Report to You and the IRS

Federal tax law requires financial institutions to report certain tax information to their customers using a series of forms published by the Internal Revenue Service ("IRS"). Regulations permit us to roll up those forms into one consolidated substitute document—provided the information presented conforms to the requirements specified in IRS Publication 1179. Our Composite Substitute 1099 Tax Statement (the "Tax Statement") includes reporting on payments consisting of the proceeds of brokerage and barter transactions, dividends, substitute payments in lieu of dividends and interest, interest, original issue discount, and royalties. Some of our customers will also receive Form 1042-S, Foreign Person's U.S. Source Income Subject to Withholding, the retirement related Forms 1099-R and 5498, and Puerto Rico informative statements (the Form 480.6 series).

Most of the information reported to you is also reported to the IRS and, in the case of Puerto Rican forms, to the Puerto Rico Department of Treasury (the "Hacienda"). These tax authorities rely on this information when processing tax returns, matching what taxpayers recognize on their returns with what financial institutions have reported.

Prior to utilizing the tax information provided by Hilltop, please review the section "Tax Information - Terms and Rules" at the end of this guide, as it contains helpful information for tax return preparation.

What's New?

On Form 1099-MISC Box 14 on has been untitled and it is now reserved for future use. In the past, it was used for "Excess golden parachute payments." Correspondingly, "Excess golden parachute payments" are now captured in Box 3 of Form 1099-NEC which was previously untitled.

There are also changes on Form 1099-Q. The newly added checkbox, 4b, is used to note the transfer of a qualified tuition program ("QTP") to a Roth IRA. Box 5 of this form, used for characterizing distributions, now assigns sequential labels to the various choices as follows: a. Private QTP, b. State QTP and c. Coverdell ESA (education savings accounts).

A checkbox, designated as 7d, has been added to Form 1042-S. This box indicates whether the form's issuer is a qualified intermediary, withholding foreign partnership, or withholding foreign trust revising its reporting on Form 1042-S to report to a specific recipient.

About the Composite Substitute 1099 Tax Statement We Prepare for You

As mentioned, the Tax Statement is the primary document that account holders will receive from Hilltop, providing summary and detail of income, proceeds, distributions and adjustments to income. Among the forms included within the Tax Statement are:

- Form 1099-B (this form is presented in two areas: Section 1256 Contracts and Proceeds from Broker and Barter Exchange Transactions)
- Form 1099-DIV
- Form 1099-INT
- Form 1099-MISC (for royalties, other income and substitute payments in lieu of dividends or interest only)
- Form 1099-OID

The supplemental information provided in your Tax Statement is designed to facilitate your tax return preparation. We provide schedules of supplemental information that include:

- Non-Reported Income, Fees, Expenses and Expenditures
- Detail of Miscellaneous Income
- Detail of Taxable and Tax-Exempt Interest
- Detail of Dividends and Exempt Interest Dividends
- Fees & Payments Received
- Schedule of Management Fees (not currently deductible for tax purposes)
- Detail of Regulated Futures Contracts and Section 1256 Contract transaction
- Sources of Mutual Fund income (tax-exempt income by State, US Treasury components, etc.)

On sales of noncovered securities reported on Form 1099-B, we may include basis if it is available in our records. We are not required to, and do not report such information to the IRS. We also provide explanatory remarks on basis adjustments for covered lots and descriptions of transaction types (buy to close, redemptions, etc.).

Each individual form is subject to a de minimis reporting threshold except for Form 1099-B. De minimis amounts of income will not be reported to you, however you still have the obligation to include such amounts in your tax filings. A de minimis threshold of \$10 is applicable to payments of interest (1099-INT), original issue discount (1099-OID), dividends (1099-DIV), and substitute dividend payments (1099-MISC). All transactions subject to reporting on Form 1099-B must be reported regardless of amount. These threshold amounts are not applicable to statement corrections (see Revised (Corrected) Tax Information Statements below).

Non-resident Alien (NRA) Reporting

For our account holders who are not US residents and receive Form 1042-S rather than a Tax Statement, we would like to draw your attention to a few important matters to consider when you review the Forms 1042-S we send to you. We are required to report a single income type per form, rather than providing you with one Form 1042-S covering several categories of income. As a result, you may receive several Forms 1042-S.

If you are claiming a reduced treaty rate or an exemption from tax, it is mandatory that you provide Hilltop with your Foreign Taxpayer Identification Number (FTIN) and we place it on Form 1042-S. As a means of protecting your personal identification information, Hilltop truncates NRA account holders' FTINs. We will only display the last 4 digits with all other digits represented by an X. There are exceptions to this mandatory FTIN disclosure requirement for individuals living in the British Virgin Islands, the Cayman Islands, Bermuda, Australia and Japan. Though this list has remained the same as last year, it may increase or decrease in future years. We want to remind you that the "Limitation on Benefit" code in Box 13j is no longer used for individuals. Therefore, NRA accounts for individuals at Hilltop do not have any entry in box 13j. All non-individual entity accounts continue to have their Limitation on Benefit code reflected in box 13j.

In general, the rate of withholding on most payments, including dividends and interest is 30% unless an exemption or reduced rate applies. Please note that the rate of withholding on a publicly traded partnership distribution of income effectively connected to a U.S. trade or business is 21% for corporate partners and 37% for all other partners. Should you believe that you are entitled to a refund of money withheld as part of the Non-resident Alien Withholding Tax, you should obtain a Form 1040-NR or 1120-F and file a return with the IRS making such a claim. With regard to Section 1446(f), which imposes withholding on certain proceeds of sales of publicly traded partnerships (PTPs) and certain distributions made by those PTPs, the rate of withholding on those transactions is 10%. A PTP's quarterly Qualified Notice indicates when such withholding is required.

One final point of interest is the possibility of Hilltop having to issue two Forms 1042-S for one single distribution. It is possible that a payment of Effectively Connected Income (ECI) may also contain a portion that is treated as taxable under Section 1446(f). If so, this would require two Forms 1042-S to be sent to you. For individuals, one form would reflect 37% ECI withholding and the other would reflect the 10% ECNI withholding. Thus, the total withholding on a single distribution could be 47%.

Puerto Rico Informative Statements

If you are a Puerto Rico resident or purchase securities issued in Puerto Rico, you may be subject to Puerto Rico tax information reporting on forms designated by Hacienda. Rather than using the official forms, Hilltop has created its own substitute versions which have been approved by Hacienda.

Generally, Puerto Rico forms report the same types of income as the 1099 series required by the IRS. However, the organization of the forms differs in several ways. First, the forms are not organized by the type of income. Rather, the guiding principles are residency and tax withholding. Second, withholding tax is shown separately for each type of income instead of as an aggregate amount on each form. It should be noted that a US citizen can receive a Form 1099 for a specific transaction (i.e. 1099-INT or 1099-DIV) and a Form 480.6C reflecting Puerto Rico withholding if the source of the income is Puerto Rican. Additionally, a Puerto Rico resident may receive a Form 1099-B and a Form 480.6A for the same Puerto Rico-sourced investment proceeds. However, if you are a bona fide Puerto Rico resident in accordance with the 3-part test under IRC 937, you will not receive a Form 1099-B from us for proceeds transactions. Such proceeds are only taxable in Puerto Rico. There are four Puerto Rican informative statements that Hilltop may issue. They are:

Form 480.6A - for residents of Puerto Rico. It covers gross proceeds and investment income that is not subject to withholding.

Form 480.6B - for residents of Puerto Rico. It covers investment income that has been subjected to Puerto Rico source withholding.

Form 480.6C - for non-residents of Puerto Rico. It covers investment income that has been subject to Puerto Rico source withholding.

Form 480.6D - for residents of Puerto Rico. It covers exempt income and income subject to the Puerto Rico Alternate Basic Tax (ABT). Non-residents may also receive this form for certain fund investments, payments from which are not subject to withholding, but the Puerto Rican authorities monitor total payments from those funds, whether subject to withholding or not.

Puerto Rico requires disclosure of cost basis of a security sold and reported as proceeds on form 480.6A. Brokers must include, along with that form, detail that includes the cost of sales related to the gross proceeds reported to the payee. We believe we are only required to provide cost basis on covered securities, so to meet this requirement, Hilltop has developed a gain/loss page with cost basis information, which is delivered as an addendum to Form 480.6A. However, its detailed content is not provided to Hacienda.

Exempt Accounts and Non-Reportable Transactions

We are not required to report information for certain accounts which are exempt from most IRS Form 1099 income, adjustments and proceeds reporting and backup withholding requirements. Among the account types this exemption extends to are "C" corporations, "S" corporations (partially), individual retirement accounts (IRAs), charitable organizations, foreign accounts, certain WHFITs, and most federal, state, and local government accounts. In certain instances where tax has been withheld in these accounts, such information is considered reportable, resulting in creation of a Tax Statement. If you maintain an exempt account with us and receive a tax statement reflecting income, adjustments or proceeds information but do not understand why, please contact your Financial Advisor here at Hilltop. This may be because your account has been set up for delivery of non-reportable statements. Under this service, we provide the account holder with information similar in form to an individual Form 1099 or a Tax Statement. However, we do not report this information to the IRS.

Retirement Accounts

Retirement account information reporting occurs through Form 5498 (IRA contributions) and Form 1099-R (distributions from pensions, IRAs, etc.). IRS regulations do not permit us to include these forms in your Tax Statement. You will receive these documents separately in accordance with the "Important Dates" timeline below. Form 1099-R reports on monies distributed from a retirement account and any associated Federal tax withheld. It does not report on transactions (i.e. interest or dividend income) or proceeds of sale in the account. Form 5498 reports contributions made into a retirement account, information related to valuation of assets in the account, and important information about Required Minimum Distributions (RMDs).

The RMD is reported on Form 5498 for the year the form is received, not the tax year date on the form. The 5498 form has 3 boxes related to the RMD: Box 11 is checked if the account holder must take an RMD distribution in the year the Form 5498 is being delivered. All account holders who receive a tax

year 2025 Form 5498 that has box 11 checked must take an RMD distribution in tax year 2026. Box 12a is the date by which the RMD must be entirely distributed. Typically, this is December 31st of the RMD distribution year. However, if this is the first year an RMD is required to be taken, it will be April 1st of the following year. Box 12b presents the amount required to be distributed.

The new law also changes the catch-up contributions and indexes for inflation. Effective for taxable years beginning after December 31, 2024, the limit on catch-up contributions to a retirement plan increases to \$10,000 (or 50% more than the regular catch-up amount) for certain individuals. The increased amounts are indexed for inflation after 2025. There are many other changes that are becoming effective. We suggest reviewing the impact of SECURE 2.0 on your personal status with your tax advisor.

Revised (Corrected) Tax Statements

If we receive corrected or updated information, we will report it to you and to the IRS, if required, on a revised Tax Statement. Corrected transactions will show a “C” in the ‘Notes’ column of the revised Tax Statement.

Generally, we are required to correct a Form 1099 statement within three years after issuing the original form. Additionally, a broker that transfers an account must furnish corrected information for a transferred tax lot up to 18 months after the original transfer. This could also lead to a corrected 1099 statement being sent to you for the current or prior years. Corrections are usually the result of income reallocation transactions, corporate action adjustments and revisions resulting from changes to wash sale transactions. (See “Tax Information - Terms and Rules” below.)

In recent years, amendments to the tax reporting laws established thresholds for correction reporting. Currently, we process corrections for all dollar amounts through March 15th of the year subsequent to the tax reporting statement year. Thereafter, if we discover a need to correct a Tax Statement, we will apply the threshold amount of greater than \$100 to generate the correction as this is considered the “material amount” threshold for our company. Likewise, we apply the \$25 threshold for tax withholding amounts.

Account Transfers and Their Statement Impacts

Understanding your Tax Statement requires an understanding of how account and security transfers are processed. Our year-end tax information reporting is limited to sales we have effected on your behalf. If your account was transferred to Hilltop this year, you will receive Forms 1099 and other tax documents for transactions executed and income earned in your previous account from your former broker. When your account transferred in, your open security positions were transferred to us. In the case of covered securities, we should have also received the basis for individual tax lots. If your broker failed to provide basis for covered securities and did not respond adequately to our notification of such failure, we treat those securities as noncovered, and basis reporting is not required. If you transferred an open short position, and subsequently closed it through Hilltop, we will issue a 1099-B, reporting both the cost and original proceeds you received when you opened the transaction in your prior account before the transfer.

Important Dates

For the following tax forms, a mailing date on or before February 2, 2026, is specified. However, where such forms are part of the consolidated Tax Statement as produced by Hilltop, a later mailing date, February 17, 2026, applies.

- Form 1099-INT
- Form 1099-OID
- Form 1099-DIV
- Form 1099-R
- Form 1099-SA
- Form 1099-Q
- 1099-MISC (for payments in only Lines 8 or 10) must be furnished by February 2, 2026
- Form 1099-NEC
- Form 1099-C
- Form 5498 (Fair Market Value assessment)

On or before February 17, 2026, we will be mailing single Forms 1099-B and the consolidated Tax Statements. When you get one of these statements will depend on the holdings in your account. Most accounts with mutual funds, unit investment trusts, real estate investment trusts, and other securities subject to income reclassification will be mailed by February 17, 2026, but accounts pending final reclassifications will be mailed after February 17 and on or before March 19, 2026. We will obtain an IRS authorized extension to delay mailing these accounts. By awaiting the delivery of statements with late reclassifications to file your tax return, you may avoid having to amend your tax return to reflect the se changes, which typically impact income and basis of securities held. Hilltop works closely with industry experts to obtain reclassification information as soon as it is available to expedite the delivery of any delayed statements.

We will be mailing our 1042-S Non-resident Alien tax statements on or before March 16, 2026. On or before June 1, 2026, we will mail Form 5498, IRA Contribution Information.

Important Information to Know When Preparing Your Tax Return

Before preparing your tax return, you should familiarize yourself with the following important information. Familiarity with some or all these topics will help you understand the fundamentals of the information being reported to you in your Tax Statement(s) and how to use it when preparing your tax return. Your tax professional can provide further information regarding specific reporting and/or return preparation requirements. Note that further information helpful to your tax return preparation is furnished in the Tax Information – Terms and Rules section below.

Payer

The “payer” for all transactions on your Tax Statement is Hilltop Securities (Taxpayer Identification Number 75-1382137). This name and TIN are listed wherever the payer’s name is requested on an IRS form with respect to amounts reported on the Tax Statement.

Taxpayer Identification Number

Please use this opportunity to verify that your name and Taxpayer Identification Number (or truncated number) as displayed on your Tax Statement are correct. If there is an error, please provide an executed IRS Form W-9 (Request for Taxpayer Identification Number and Certification) to your Hilltop Financial Advisor reflecting the correct information. If more than one name is shown, please ensure that the TIN on the Tax Statement belongs to the individual whose name is listed first. Again, please contact your Financial Advisor if there is an issue here. If your name and/or Taxpayer Identification Number are incorrect, there is a process we must follow which may ultimately result in 24% backup withholding on certain transactions including interest, dividends and proceeds of sale.

IRS Publications

You can get IRS publications from your local IRS office, by calling the IRS Forms Distribution Center at (800) TAX-FORM or visiting the IRS website at www.irs.gov. The following IRS publications provide useful tax information related to reporting securities transactions:

- **Pub 550** – Investment Income and Expense
- **Pub 590** – Individual Retirement Accounts (590-A Contributions 590-B Distributions)
- **Pub 938** – Real Estate Mortgage Investment Conduits (REMICs) Reporting Information; (and Other Collateralized Debt Obligations (CDOs))
- **Pub 1212** – Guide to Original Issue Discount (OID) Instruments
- **Pub 515** – Withholding of Tax on Non-resident Aliens and Foreign Entities

Separate Accounts

We are required to deliver a separate tax statement for each of your accounts maintained with us. However, the fact that securities are held in different accounts does not change your obligation to consider the entirety of your investments in accordance with tax regulations. Whether you have a second account with us or an account at another brokerage firm, tax regulations may require netting or matching transactions and positions across accounts (i.e. wash sales). Purchasing options and short positions can require holding period adjustments to other stock positions. We recommend that you consult with your tax advisor in these and other situations in which multiple accounts are involved.

Timing Differences

You may encounter timing differences between your Tax Statement and your Hilltop Brokerage Account Statement. Dividends and interest declared and made payable by mutual funds and REITs in October, November, or December of 2025 should be reported on this year's Tax Statement, despite their being paid in January of 2026. This is similar for dividends and interest paid on widely held fixed investment trusts ("WHFITs") and widely held mortgage trusts ("WHMTs"), which may be declared in 2025 but actually paid in January or February of 2026. These distributions are commonly referred to as "spillover dividends." There may also be a timing difference when reporting the closing of profitable short sales. If the transaction occurs over year-end, your Tax Statement will not reflect the closing transaction until the subsequent year, but you must report and recognize the income in your current year's tax filing. Again, we recommend consulting your tax advisor.

Margin Accounts- Substitute Payments / Tax-Exempt Bonds

If securities you own are held in a margin account, you must keep the following in mind. If the securities are lent out by Hilltop and a dividend is paid on them, you may receive a substitute payment instead of a dividend payment. Substitute payments are reported on Form 1099-MISC, not Form 1099-DIV, and they are taxed as ordinary income. Note that the substitute payment is not eligible to be treated as a “qualified dividend” payment, making the tax benefit of such treatment is not applicable. Additionally, if you have borrowed funds to buy a tax-exempt bond, the interest expense is not deductible. Borrowed funds used for and directly traceable to the purchase of tax-exempt instruments are not a deductible investment expense. You should discuss with your tax advisor how to track and make certain your borrowing for investment purposes does not open the door to possible IRS interpretation that such borrowing should be allocated to tax-exempt instruments, rather than those subject to tax, and therefore, non-deductible.

Federal Income Tax Withheld (Backup Withholding)

If an account holder fails to furnish a valid TIN or other appropriate certification, we may be required to withhold 24% federal income tax from all reportable dividends, interest, and gross proceeds paid to the account. This is called “backup withholding.” Exempt recipient accounts (such as a Qualified Retirement Plan or charity), are not subject to backup withholding, and neither are non US persons if they have furnished an appropriate withholding certificate (Form W-8). Amounts withheld as backup withholding are reported separately on the 1099-B, 1099-DIV, 1099-INT, and 1099-OID sections of your Tax Statement. When filing your tax return, you must combine these amounts and report them in the aggregate on IRS Form 1040, Line 25b.

Form 8949 and Schedule D

Our Tax Statement is designed to facilitate use of Form 8949 when reporting sales and exchanges of capital assets. The form allows you and the IRS to reconcile amounts that were reported on Form 1099-B with the amounts reported on your Form 1040, Schedule D. Information on Form 8949 is presented in various short-term and long-term categories which, when aggregated into category totals, can be transferred to Schedule D. The portion of our Tax Statement that presents Form 1099-B information indicates what information should be placed on Form 8949 and under which categories it should appear.

TurboTax® and H&R Block®

You can download your Hilltop tax information to your TurboTax® or H&R Block® software. You will need to know your account number and the document ID displayed on the top of the Tax Statement. Please follow the instructions for importing information presented with the software you are using.

Your 1099 Tax Statement¹

The 1099 Tax Statement that we deliver to you contains information reported to the IRS and supplemental information for your use which has not been reported to the IRS. The categories of supplemental information may or may not be applicable to your tax information. Therefore, some supplemental schedules may not appear on your Tax Statement. Summary displays are provided which you may find helpful in preparing your tax returns. Certain summary displays also include information not provided to the IRS.

The First and Second Pages

The First Page of your Tax Statement (see next page below) contains account and payer required information in the top section. Immediately below that information the “Summary Information” section begins. In that portion, the following sections are presented and serve as substitute Forms 1099.

- Dividends and Distributions 2025 1099-DIV
- Miscellaneous Information 2025 1099-MISC
- Section 1256 Contracts 2025 1099-B (Lines 8 through 11)

The above referenced statements are presented in the aggregate and are not required to be presented on a transactional or position basis. As we include all five principal 1099 statements (the 1099-B, -INT, -DIV, -OID and -MISC) in our Tax Statement, if you have not had any transactions in one of these, the amounts will be shown as zero. The information reported to the IRS as it appears on this section of the statement satisfies Hilltop’s 1099 reporting requirement for these statements or categories on a statement.

The bottom third of the page displays a single section called the Summary of Proceeds, Gains & Losses, Adjustments and Withholding. This summarizes all Form 1099-B transactions (other than Section 1256 and regulated futures contracts). This summary is not provided to the IRS. It is for your use. Please note the Column “Form 8949 type” which indicates where on Form 8949 the line of summary information should be presented. This can also be used as a check when reconciling your Form 8949 details to added totals.

¹ This information is for the limited purpose of displaying how a Tax Statement appears. Numbers on the statement are solely for presentation purposes and may not foot or add up correctly. Note that zero amounts may also have been used. Further, the original IRS forms reference numbered “Boxes” which our Tax Statement may specify as “Lines” or “Columns.” As a result, we may sometimes use the terms Box, Line and Column interchangeably when referring to items on the Tax Statement. The numbering, however, remains consistent.

HILLTOP SECURITIES INC. 717 N. HARWOOD STREET, SUITE 3400 DALLAS, TX 75201-7520 Customer Service: 734-649-6719 PAYER'S TIN: 75-1382137	Tax Information Account 10659087	Statement Date: 02/03/2026 Document ID: 64C1 M0F 7Z53	2025
	TONY MAURO - TEST 1 TEST ACCOUNT 717 NORTH HARWOOD ST DALLAS, TX 75201-7520 RECIPIENT'S TIN: XX-XXX9922		

11 - [] FATCA filing requirement (see instructions)		Summary Information		13 - [] FATCA filing requirement (see instructions)	
DIVIDENDS AND DISTRIBUTIONS		2025 1099-DIV*	OMB No. 1545-0110	MISCELLANEOUS INFORMATION	
2025 1099-MISC*		OMB No. 1545-0115			
1a- Total ordinary dividends (includes lines 1b, 5, 2e)	447,857.60	2- Royalties	302.00		
1b- Qualified dividends	2,835.33	3- Other income	2,047.00		
2a- Total capital gain distributions (includes lines 2b, 2c, 2d, 2f)	2,777.79	4- Federal income tax withheld	300.00		
2b- Unrecaptured Section 1250 gain	444.14	8- Substitute payments in lieu of dividends or interest	304.00		
2c- Section 1202 gain	444.74	SECTION 1256 CONTRACTS			
2d- Collectibles (28%) gain	1,444.44	2025 1099-B*		OMB No. 1545-0715	
2e- Section 897 ordinary dividends	0.01	8- Profit or (loss) realized in 2025 on closed contracts	1,311.09		
2f- Section 897 capital gain	0.03	9- Unrealized profit or (loss) on open contracts-12/31/2024	2,000.00		
3- Nondividend distributions	111.11	10- Unrealized profit or (loss) on open contracts-12/31/2025	2,311.09		
4- Federal income tax withheld	443.33	11- Aggregate profit or (loss) on contracts	1,622.18		
5- Section 199A dividends	33.33	<i>If applicable, proceeds from sale transactions appear summarized below and are detailed in subsequent sections of this document.</i>			
6- Investment expenses	444.94	* This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.			
8- Foreign country or US possession: See detail	66.66				
9- Cash liquidation distributions	444.41				
10- Noncash liquidation distributions	2,444.44				
12- Exempt-interest dividends (includes line 13)	888,888.88				
13- Specified private activity bond interest dividends (AMT)	333,333.33				

SUMMARY OF PROCEEDS, GAINS & LOSSES, ADJUSTMENTS AND WITHHOLDING

Refer to the 1099-B and Proceeds not reported to the IRS pages to ensure that you consider all relevant items and to determine the correct gains and losses. The amounts shown below are for informational purposes.

Term	Form 8949 type	Proceeds	Cost basis	Market discount	Wash sale loss disallowed	Net gain or loss(-)
Short	A (basis reported to the IRS)	53,971.49	48,799.99	1,000.00	0.00	4,171.50
Short	B (basis not reported to the IRS)	16,072.65	16,787.00	0.00	54.35	-660.00
Short	C (Form 1099-B not received)	5,000.00	4,950.00	0.00	0.00	50.00
	Total Short-term	75,044.14	70,536.99	1,000.00	54.35	3,561.50
Long	D (basis reported to the IRS)	28,000.00	21,555.55	0.00	0.00	6,555.55
Long	E (basis not reported to the IRS)	101,393.00	18,000.00	0.00	0.00	84,393.00
Long	F (Form 1099-B not received)	5,000.00	6,050.00	0.00	0.00	-1,050.00
	Total Long-term	134,393.00	45,605.55	0.00	0.00	89,898.55
Undetermined	B or E (basis not reported to the IRS)	1,912.56	0.00	0.00	0.00	0.00
Undetermined	C or F (Form 1099-B not received)	0.00	0.00	0.00	0.00	0.00
	Total Undetermined-term	1,912.56	0.00	0.00	0.00	0.00
	Grand total	211,349.70	116,142.54	1,000.00	54.35	93,460.05
Withholding		Amount				
Federal income tax withheld		1,313.13				

Changes to dividend tax classifications processed after your original tax form is issued for 2025 may require an amended tax form.

The Second Page of the Tax Statement is the substitute Form 1099-INT (see next page below). The information in the upper left-hand quadrant is reported to the IRS as it is presented here. The remaining four information summaries on this page are not reported to the IRS. The summary on the upper righthand side labeled, Original Issue Discount and Adjustments is a summary of information presented on Forms 1099-OID in this Tax Statement. Similar to Form 1099-B, Form 1099-OID requires presentation of individual tax positions/lots. The other three Information Summaries on this page are presented to support your tax return preparation. Reconciliations, Fees, Expenses and Expenditures and State Tax Withheld are self-explanatory, while the summary immediately below the Form 1099-INT is described in the Interest Income (Form 1099-INT) section below.

Note that tax-exempt OID summaries appear in the Original Issue Discount and Adjustments summary. All corresponding acquisition premium and market discount is summarized here as well. However, all instances of bond premium are presented on Form 1099-INT, including bond premium on any OID instrument purchased above its redemption price. This treatment aligns these amounts with the cash distributions (interest) that they offset.

HILLTOP SECURITIES INC.		Account 10659087	
2025 Summary Information (continued) 02/03/2026			
INTEREST INCOME 2025 1099-INT		OMB No. 1545-0112	
This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.			
1- Interest income (not included in line 3)	3,561.10	Original issue discount for the year	7,333.00
2- Early withdrawal penalty	500.00	Acquisition premium (covered lots)	117.00
3- Interest on US Savings Bonds & Treasury obligations	5,000.00	Acquisition premium (noncovered lots)	0.00
4- Federal income tax withheld	1,500.00	Original issue discount on Treasury obligations	211.00
5- Investment expenses	11.11	Acquisition premium, Treasury obligations (covered lots)	0.00
7- Foreign country or U.S. territory: See detail		Acquisition premium, Treasury obligations (noncovered lots)	44.00
6- Foreign tax paid:	1.11	Tax-exempt OID	900.00
8- Tax-exempt interest (includes line 9)	2,400.00	Tax-exempt OID (lots not reported)	1,425.00
9- Specified private activity bond interest (AMT)	1,200.00	Acquisition premium (covered)	40.00
10- Market discount (covered lots)	23.23	Acquisition premium (lots not reported)	40.00
11- Bond premium (covered lots)	4.99	Tax-exempt OID on private activity bonds	120.00
12- Bond premium on Treasury obligations (covered lots)	750.00	Tax-exempt OID on private activity bonds (lots not reported)	120.00
13- Bond premium on tax-exempt bonds (categorized below)	398.00	Acquisition premium (AMT, covered)	50.00
Tax-exempt obligations (covered lots)	201.00	Acquisition premium (AMT, lots not reported)	10.00
Tax-exempt private activity obligations (AMT, covered lots)	197.00	Market discount (all lots)	140.00
14- Tax-exempt and tax credit bond CUSIP number	See detail	Early withdrawal penalty	0.00
FATCA filing requirement []		Investment expenses	0.00
<i>The following amounts are not reported to the IRS. They are presented here for your reference when preparing your tax return(s).</i>		RECONCILIATIONS, FEES, EXPENSES AND EXPENDITURES	
Taxable accrued interest paid	0.00	<i>The amounts in this section are not reported to the IRS. They are presented here for your reference when preparing your income tax return(s).</i>	
Taxable accrued Treasury interest paid	0.00	Other Receipts & Reconciliations- Partnership distributions	0.00
Tax-exempt accrued interest paid	0.00	Other Receipts & Reconciliations- Foreign tax paid- partnership	0.00
Tax-exempt accrued interest paid (AMT)	0.00	Other Receipts & Reconciliations- Return of principal	0.00
Taxable accrued nonqualified interest paid	0.00	Other Receipts & Reconciliations- Deferred income payment	0.00
Tax-exempt accrued nonqualified interest paid	0.00	Other Receipts & Reconciliations- Deemed premium	0.00
Tax-exempt accrued nonqualified interest paid (AMT)	0.00	Other Receipts & Reconciliations- Income accrual- UJT	0.00
Nonqualified interest	0.00	Other Receipts & Reconciliations- Basis adjustments	0.00
Tax-exempt nonqualified interest	0.00	Other Receipts & Reconciliations- Foreign tax pd beyond treaty	0.00
Tax-exempt nonqualified interest (AMT)	0.00	Fees & Expenses- Margin interest	1,111.11
Interest shortfall on contingent payment debt	0.00	Fees & Expenses- Dividends paid on short position	0.00
Bond premium- Non Treasury obligations (noncovered lots)	5.97	Fees & Expenses- Interest paid on short position	0.00
Bond premium- Treasury obligations (noncovered lots)	33.17	Fees & Expenses- Non reportable distribution expense	0.00
Bond premium- Tax-exempt obligations (noncovered lots)	199.00	Fees & Expenses- Other expenses	0.00
Bond premium- Tax-exempt obligations (AMT, noncovered lots)	17.17	Fees & Expenses- Severance tax	0.00
Market discount (noncovered lots)	23.23	Fees & Expenses- Organizational expense	0.00
STATE TAX WITHHELD		Fees & Expenses- Miscellaneous fees	0.00
<i>Use the details of the State Tax Withholding page(s) to determine the appropriate amounts for your income tax return(s). The amounts shown in this section are for your reference.</i>		Fees & Expenses- Tax-exempt investment expense	0.00
1099-DIV total withheld	765.95	Foreign Exchange Gains & Losses- Foreign currency gain/loss	0.00
1099-INT total withheld	77.00		
1099-OID total withheld	0.00		
1099-MISC total withheld	0.00		
1099-B total withheld	489.97		

Original Issue Discount (Form 1099-OID)

OID is the difference between a debt instrument's stated redemption price at maturity and its (adjusted) issue price. A debt instrument, such as a bond or note, generally has OID when it is issued for a price less than its stated redemption price. OID is a form of interest. Owners of taxable OID instruments are required to include a portion of the OID in gross income each year they hold the obligation, even if they do not receive any cash payments.

In complying with the requirement to report the OID income on a per security or per lot basis Hilltop utilizes the Form 1099-OID presented below. We segment the form into four parts:

- Non-treasury Original Issue Discount
- Treasury Original Issue Discount
- Tax-exempt Original Issue Discount
- Tax-exempt Original Issue Discount on Private Activity Bonds

Taxpayers are also required to report each debt instrument’s OID separately on their tax returns as well. The amounts should be reported exactly as they appear on your Tax Statement as the IRS may attempt to match these items to your tax return.

The following is a brief description of the line items which appear on the Non-treasury Original Issue Discount section.

OID (Column 1) – Amounts in this column reflect the OID on each obligation for the part of the year in which it was owned.

Early Withdrawal Penalty (Column 3) – Shows interest or principal forfeited if you withdrew before maturity. See instructions on Form 1040 for guidance on where this amount may be deducted.

Market Discount (Column 5) – Shows the discount accretion for the year if the debt instrument was purchased at a market discount and you chose to recognize this interest income currently.

Acquisition Premium (Column 6) – Shows the amount of acquisition premium amortization for the year. This amount is generally considered a reduction of OID reported to you. See the instructions for Form 1040, Schedule B, for where this amount may be deducted.

Investment Expenses (Column 9) – This represents your share of investment expenses for a single-class REMIC. Your share of unit investment trust (“UIT”), WHFIT, and WHMT expenses are also reported on this line. You should consult your tax advisor as to the deductibility of these expenses when preparing your tax return(s).

HILLTOP SECURITIES INC.		Original Issue Discount		Account 10659087				
2025	1099-OID* OMB No. 1545-0117			02/03/2026				
<p><i>Original Issue Discount (OID) income is organized into sections for Non Treasury, Treasury, Tax-exempt and Tax-exempt Private Activity Bonds (subject to AMT). Tax lots are grouped under the security description headings which include the CUSIP numbers. Where information is available, tax lots are identified by the original cost and date of purchase and/or a unique tax lot ID number. Subtotals are provided for each bond and for each section. These amounts may not be the correct figures to report on your tax return(s). See the instructions.</i></p> <p><i>If tax-exempt OID was reported to you for purchases made prior to tax year 2017, the amounts were included in the tax-exempt interest totals. Although this income is presented on these pages along with taxable OID, current regulations do not require that all tax-exempt OID be reported to the Internal Revenue Service (IRS). Only tax-exempt OID from covered securities acquired on or after January 1, 2017 must be reported. For your convenience, however, any amounts not reported to the IRS are shown in the column titled "Tax-exempt OID Not Reported to IRS."</i></p> <p><i>Columns are also included for market discount and acquisition premium. Market discount is displayed, however, only if you have elected to recognize it currently rather than at the time of sale or maturity. Wherever the letter "N" appears next to an amount of market discount or acquisition premium it has not been reported to the IRS due either to the tax lot's noncovered status or its date of purchase.</i></p> <p><i>Totals for OID income and related acquisition premium or market discount for the above referenced sections are found in Original Issue Discount and Adjustments. For securities presented in this section, detail of all interest transactions and bond premium amortization are found in either Detail for Interest Income or Detail for Tax-exempt Interest.</i></p> <p><i>Income and adjustment totals at the end of the tax-exempt sections are categorized by your state of residence, US possessions and other states.</i></p>								
FATCA filing requirement []								
NON TREASURY ORIGINAL ISSUE DISCOUNT								
7- Description:								
Tax lot identifier or Cost and date acquired	Quantity	Begin date	1-Original issue discount for the year	3- Early withdrawal penalty	5- Market discount	6- Acquisition premium	9- Investment expenses	Notes
FITC2ACA9 Non Treasury w OID 0.060%/ CUSIP: FITC2ACA9	0.00	06/03/25	1,333.00	0.00	0.00	117.00	0.00	
			1,333.00	0.00	0.00	117.00	0.00	
FITC2MCA3 Taxable Corp/ CUSIP: FITC2MCA3	0.00	06/03/25	6,000.00	0.00	0.00	0.00	0.00	
			6,000.00	0.00	0.00	0.00	0.00	
Non Treasury Totals								
			Original issue discount		7,333.00			
			Acquisition premium covered			117.00		

The Treasury Original Issue Discount section features Column 8, Original Issue Discount on US Treasury Obligations. The amount here is the OID on a US Treasury obligation for that part of the year you held the instrument.

TREASURY ORIGINAL ISSUE DISCOUNT								
7- Description:								
Tax lot identifier or Cost and date acquired	Quantity	Begin date	8-Original issue discount on US Treasury obligations	3- Early withdrawal penalty	5- Market discount	6- Acquisition premium	9- Investment expenses	Notes
Treasury OID/ CUSIP: TREASOID2	15.00	10/15/25	211.00	0.00	0.00	44.00	0.00	
Tax lot totals:			211.00	0.00	0.00	44.00	0.00	
Treasury Totals								
OID on US Treasury obligations					211.00			
Acquisition premium noncovered					44.00			

The Tax-Exempt Original Issue Discount section features Column 11, Tax-exempt OID. The amount reported here is all tax-exempt OID earned for the year on the specific instrument.

TAX-EXEMPT ORIGINAL ISSUE DISCOUNT							
7- Description:							
Tax lot identifier or Cost and date acquired	Quantity	Begin date	11- Tax-exempt OID	Tax-exempt OID not reported to IRS	5- Market discount	6- Acquisition premium	Notes
TEOID2222 TREASOID2 0.000%/ CUSIP: TEOID2222	100.00	12/18/25	0.00	575.00	0.00	15.00	
	100.00	12/19/25	550.00	0.00	0.00	15.00	
	100.00	12/20/25	0.00	475.00	0.00	25.00	
	100.00	12/21/25	0.00	0.00	15.00	0.00	
	100.00	12/22/25	0.00	0.00	15.00	0.00	
	100.00	12/25/25	350.00	375.00	50.00	25.00	
Tax lot totals:			900.00	1,425.00	80.00	80.00	
Other states				Reported to IRS	Not reported to IRS		
Original issue discount				900.00	1,425.00		
Acquisition premium noncovered				15.00	15.00		
Acquisition premium covered				25.00	25.00		
Market discount				40.00	40.00		

The final portion of your Form 1099-OID is for Tax-Exempt OID on Private Activity Bonds. This amount is also included in the Tax-Exempt OID section and is useful for calculating your Alternative Minimum Tax.

TAX-EXEMPT ORIGINAL ISSUE DISCOUNT ON PRIVATE ACTIVITY BONDS							
7- Description:							
Tax lot identifier or Cost and date acquired	Quantity	Begin date	11- Tax-exempt OID	Tax-exempt OID not reported to IRS	5- Market discount	6- Acquisition premium	Notes
TEOIDAMT9 TEOIDAMT9/ CUSIP: TEOIDAMT9							
	20,000.00	12/25/25	0.00	0.00	20.00	0.00	
	10,000.00	12/25/25	120.00	120.00	40.00	60.00	
	Tax lot totals:		120.00	120.00	60.00	60.00	N
		Other states		Reported to IRS		Not reported to IRS	
		Original issue discount		120.00		120.00	
		Acquisition premium noncovered		10.00		10.00	
		Acquisition premium covered		40.00		0.00	
		Market discount		40.00		20.00	

Because the amounts of OID we report on your Tax Statement may not be the amount on which you should pay tax, you should calculate your OID adjustment. See IRS Publication 1212, Guide to Original Issue Discount, for details. Report OID on IRS Form 1040, Schedule B, Part 1 Interest, and report acquisition premium as an adjustment thereto. If there is a difference between your calculation and our form 1099-OID, you should footnote this on your tax return.

Proceeds from Broker and Barter Exchange Transactions (Form 1099-B)

Below, we provide a sample Summary of Form 1099-B information that appears on the first page of your Tax Statement. The summary is very useful when filling out Form 8949 for Schedule D purposes. Note that the second column of information has alphabetic indicators that align the category totals of Form 1099-B transactions to Form 8949.

SUMMARY OF PROCEEDS, GAINS & LOSSES, ADJUSTMENTS AND WITHHOLDING						
<i>Refer to the 1099-B and Proceeds not reported to the IRS pages to ensure that you consider all relevant items and to determine the correct gains and losses. The amounts shown below are for informational purposes.</i>						
Term	Form 8949 type	Proceeds	Cost basis	Market discount	Wash sale loss disallowed	Net gain or loss(-)
Short	A (basis reported to the IRS)	53,971.49	48,799.99	1,000.00	0.00	4,171.50
Short	B (basis not reported to the IRS)	16,072.65	16,787.00	0.00	54.35	-660.00
Short	C (Form 1099-B not received)	5,000.00	4,950.00	0.00	0.00	50.00
	Total Short-term	75,044.14	70,536.99	1,000.00	54.35	3,561.50
Long	D (basis reported to the IRS)	28,000.00	21,555.55	0.00	0.00	6,555.55
Long	E (basis not reported to the IRS)	101,393.00	18,000.00	0.00	0.00	84,393.00
Long	F (Form 1099-B not received)	5,000.00	6,050.00	0.00	0.00	-1,050.00
	Total Long-term	134,393.00	45,605.55	0.00	0.00	89,898.55
Undetermined	B or E (basis not reported to the IRS)	1,912.56	0.00	0.00	0.00	0.00
Undetermined	C or F (Form 1099-B not received)	0.00	0.00	0.00	0.00	0.00
	Total Undetermined-term	1,912.56	0.00	0.00	0.00	0.00
	Grand total	211,349.70	116,142.54	1,000.00	54.35	93,460.05
	Withholding		Amount			
	Federal income tax withheld		1,313.13			

Changes to dividend tax classifications processed after your original tax form is issued for 2025 may require an amended tax form.

The following is a table that matches 1099-B transactions with Form 8949:

Form 1099-B Section

- Short-Term transactions - basis reported to IRS
- Short-Term transactions - basis not reported to IRS
- Short-Term transactions - no Form 1099-B received
- Long-Term transactions - basis reported to IRS
- Long-Term transactions - basis not reported to IRS
- Long-Term transactions - no Form 1099-B received
- Undetermined Term - basis not reported to the IRS
- Undetermined Term - 1099-B not received

Form 8949 Part and Box

- A – Basis reported to the IRS
- B – Basis not reported to the IRS
- C – Form 1099-B not received
- D – Basis reported to the IRS
- E – Basis not reported to the IRS
- F – Form 1099-B not received
- B or E – Basis not reported to the IRS
- C or F – Form 1099-B not received

The individual Forms 1099-B are provided in listings in the Tax Statement grouped by the same categories above. Long-term and short-term transactions are segregated both on the Summary and the individual Forms 1099-B. Sales of those securities covered by basis reporting regulations are separated from noncovered securities transactions. This 1099-B format simplifies your process of recording or transcribing each transaction from the 1099-B to Form 8949.

The following table matches boxes from Form 1099-B, which report information for covered securities transactions, and the corresponding columns on IRS Form 8949. Note that although the Form 1099-B designates a separate box for wash sales and market discount, the Form 8949 reports those amounts using Column (f) for a code and Column (g) for the dollar amount.

Form 1099-B column

- Item 1a – Description of property
- Item 1b – Date acquired
- Item 1c – Date sold or disposed
- Item 1d – Proceeds
- Item 1e – Cost or other basis
- Item 1f – Accrued market discount, if any
- Item 1g – Wash sale loss disallowed, if any

Corresponding Form 8949 column

- (a) Description of Property
- (b) Date acquired
- (c) Date sold or disposed of
- (d) Proceeds (sales price)
- (e) Cost or other basis
- (f) Codes from instructions
- (g) Amount of adjustment

The following is the first page of Form 1099-B. It includes required information, annotations updating you about the statement and a section on Income Tax Withheld (backup withholding) if such was the case. The Income Tax Withheld section appears on this sample statement. Immediately beneath the withholding section (if present), the statement presents Short Term Transactions for Covered Tax Lots.

HILLTOP SECURITIES INC.	Account 10659087			
Proceeds from Broker and Barter Exchange Transactions				
2025 1099-B* OMB No. 1545-0715	02/03/2026			
<p>Sales transactions are organized into sections according to term (long, short or undetermined) and covered status (covered or noncovered). For tax lots whose term is undetermined, use your historical documents to establish the cost basis and date of purchase. The Box 12, Check if basis reported to IRS checkmark, is reflected as being checked in the title of the covered securities pages of Forms 1099-B, short-term and long-term. The title pages of the noncovered securities pages for Forms 1099-B reflect that Box 12 is not being checked, as these securities are not being reported to the IRS.</p> <p>Several columns include both an amount and a qualifying notation to its right. Where proceeds are the result of an option exercise or assignment, there is indication of whether the amount is N (net of option premium) or G (Gross). Accrued market discount and wash sale loss disallowed appear in the same column, identified by the letters D or W, respectively. Where you are not permitted to recognize a loss, an indication of X (change in control or capital structure) or Z (other corporate action) is used. The change in control condition is reported to the IRS for covered lots. Neither the disallowance of loss due to a corporate action nor the amount of gain or loss is reported to the IRS in any instance.</p> <p>Some tax lots may have notations in the column of Additional Information because they require special treatment on your tax returns. Sales of securities such as Contingent Payment Debt Instruments (CPDI) are marked as "Ordinary" because gains and losses on these instruments generally do not qualify as short- or long-term capital transactions. Similarly, lots noted as "3 - [X] Collectible" are handled distinctly under the tax code. These conditions are reported to the IRS. You may wish to consult with your tax advisor, the IRS or your state tax authority regarding the proper treatment for these scenarios. With further regard to Box 3, there is also a checkmark to indicate the proceeds of sale are from a Qualified Opportunity Zone Fund investment - a QOF. If the proceeds are from a QOF the Additional Information column will reflect the following - "3 - [X] Proceeds from QOF." The tax treatment for QOF investments can be complex and you may wish to consult your tax advisor about such sales.</p> <p>Closing of written options is presented in a distinct manner in accordance with IRS regulations. For these transactions the Cost or other basis (column 1e) is always presented as \$0.00 and the Proceeds (column 1d) is the net of the amount received when the option was written and the cost to close the position.</p>				
FATCA filing requirement <input type="checkbox"/>				
INCOME TAX WITHHELD				
1a- Description of property/CUSIP/Symbol				
1c- Date sold or disposed	Federal Tax Withheld	State Tax Withheld	14- State Name	15- State ID Number
APPLE INC. COMMON STOCK / CUSIP: 037833100 / Symbol:				
04/02/25		250.00	NY	
Security total:	0.00	250.00		
JOHNSON & JOHNSON / CUSIP: 478160104 / Symbol:				
04/02/25		230.00	NY	
12/28/25	1,313.13			
12/29/25		9.97	NY	
Security total:	1,313.13	239.97		
4- Total Federal income tax withheld	1,313.13	16- Total State tax withheld	489.97	

The following is a brief description of the line items which appear on this form.

Description of Property (Column 1a) – Name and/or CUSIP of security sold.

Quantity (part of Column 1a) – The number of shares displayed under the quantity column is considered a part of the description of property included in 1a. If fractional shares are included, the fractional amount will be shown.

Short-Term Transactions for Covered Lots (Lines 2 & 5) – This caption addresses the information requirement in Lines 2 and 5 on the Form 1099-B. It indicates all transactions appearing in this section are covered and short-term.

Proceeds (Column 1d) & Reported Gross / Net (Column 6) – This is the amount of proceeds received from the sale with an indication of whether an option premium was netted in the sale.

Date acquired (Column 1b) – For covered short sales, the date shown is the acquisition date of the security delivered to close the short sale. The word “VARIOUS” will display in this column if the securities sold were acquired on a variety of dates.

Cost or other basis (Column 1e) – The cost or other basis for disposition transactions is shown here.

Accrued Market Discount (Column 1f) & Wash Sale Loss Disallowed (Column 1g) – For transactions that resulted in a wash sale, the nondeductible amount of the loss is displayed with code (W) alongside. For securities with recognition of market discount, the amount of market discount would be displayed with a (D) alongside.

Gain or loss (Column 7) – The amount of gain or loss on the transaction is shown here but not reported to the IRS. However, if the loss is not allowed as a result of a reportable change in control or structure, that condition (not the amount) will be indicated here with an X and reported to the IRS. A value of Z also indicates that the loss is disallowed, but in this case, that circumstance is not reported to the IRS.

SHORT TERM TRANSACTIONS FOR COVERED TAX LOTS [Ordinary gains or losses are identified in the Additional information column] (Lines 2 & 5)							
Report on Form 8949, Part I with Box A checked. Basis is provided to the IRS. (Line 12)							
*Gain or loss (-) is NOT reported to the IRS.							
1a- Description of property/CUSIP/Symbol							
1c- Date sold or disposed	Quantity	1d- Proceeds & 6- Reported (G)ross or (N)et	1b- Date acquired	1e- Cost or other basis	1f- Accrued mkt disc (D) & 1g- Wash sale loss disallowed (W)	Gain or loss(-) & 7- Loss not allowed (X) also not reported (Z)	Additional information
APPLE INC AAPL MAR 17 2024 190.0 CALL / CUSIP: / Symbol:							
03/14/25	3.000	-28.51	03/14/25	0.00	...	-28.51	Short sale closed- option Option written: 03/10/25
APPLE INC. COMMON STOCK / CUSIP: 037833100 / Symbol:							
04/02/25	25.000	5,000.00	12/28/24	1,000.00	...	4,000.00	Sale Original basis: \$1,000.00

After Short Term Transactions For Covered Securities are displayed, the statement presents Short Term Transactions for Noncovered Securities. Note that Line 2 is not mentioned because duration is not reportable for noncovered securities, and the title indicates Box 5 is checked as a noncovered security. The information here is generally the same. However, since basis is not required to be captured or reported on noncovered securities, this section may not include cost, and even if it does, this value will not be reported to the IRS. As the phase-in of covered securities concluded in 2016, it is unlikely that there will be many short-term noncovered security transactions in the future. But there may be some, as not all security types are subject to the basis reporting regulations yet, and this could change.

SHORT TERM TRANSACTIONS FOR NONCOVERED TAX LOTS [Ordinary gains or losses are identified in the Additional information column] (Line 5)

Report on Form 8949, Part I with Box B checked. Basis is NOT provided to the IRS. (Line 12)

"Date acquired," "Cost or other basis," "Accrued market discount," "Wash sale loss disallowed" and "Gain or loss (-)" are NOT reported to the IRS.

1a- Description of property/CUSIP/Symbol

1c- Date sold or disposed	Quantity	1d- Proceeds & 6- Reported (G)ross or (N)et	Date acquired	Cost or other basis	Accrued mkt disc (D) & Wash sale loss disallowed (W)	Gain or loss(-) & 7- Loss not allowed (X) also not reported (Z)	Additional information
Bitcoin USD / CUSIP: BTCUSD / Symbol:							
02/18/25	0.002	40.00	12/13/24	25.00	...	15.00	Sale
02/19/25	0.00211	50.00	12/13/24	25.00	...	25.00	Sale
	Security total:	90.00		50.00	...	40.00	
LAZARD LTD CL A MLP / CUSIP: G54050102 / Symbol: LAZ							
12/15/25	400.000	15,982.65	02/22/25	16,737.00	54.35 W	-700.00	Sale
Totals :		16,072.65		16,787.00	54.35 W	-660.00	

The next Forms 1099-B presented are those for Long Term Transactions for Covered Tax Lots. Note that other than the description for Line 2, which is now Long Term, all columns and Lines 3 (Basis Reported to IRS) and 5 (Covered Lots) are the same as for Short Term covered transactions.

LONG TERM TRANSACTIONS FOR COVERED TAX LOTS [Ordinary gains or losses are identified in the Additional information column] (Lines 2 & 5)

Report on Form 8949, Part II with Box D checked. Basis is provided to the IRS. (Line 12)

"Gain or loss (-)" is NOT reported to the IRS.

1a- Description of property/CUSIP/Symbol

1c- Date sold or disposed	Quantity	1d- Proceeds & 6- Reported (G)ross or (N)et	1b- Date acquired	1e- Cost or other basis	1f- Accrued mkt disc (D) & 1g- Wash sale loss disallowed (W)	Gain or loss(-) & 7- Loss not allowed (Z)	Additional information
HARRIS NATL ASSN CHICAGO ILL CD INDEX LNKD 10.000% 01/31/2035 / CUSIP: 41456TMC0 / Symbol:							
01/31/25	10,000.000	10,000.00	07/04/17	10,555.55	...	-444.45	Redemption Ordinary gain/loss
JOHNSON & JOHNSON / CUSIP: 478160104 / Symbol:							
04/02/25	25.000	4,000.00	07/05/20	2,000.00	...	2,000.00	Sale
12/29/25	100.000	14,000.00	02/02/20	9,000.00	...	5,000.00	Sale
	Security total:	18,000.00		11,000.00	...	7,000.00	
Totals :		28,000.00		21,555.55		6,555.55	

Long Term Transactions for Noncovered Tax Lots are then presented. Note that Box 2 is not mentioned because duration is not reportable for noncovered securities, and the title indicates Box 5 is checked as a noncovered security. The possibility of indicating that this long-term transaction also contains some "Ordinary" loss can be accomplished by indicating so in the Additional Information column.

LONG TERM TRANSACTIONS FOR NONCOVERED TAX LOTS [Ordinary gains or losses are identified in the Additional information column] (Line 5)

Report on Form 8949, Part II with Box E checked. Basis is NOT provided to the IRS. (Line 12)

"Date acquired," "Cost or other basis," "Accrued market discount," "Wash sale loss disallowed" and "Gain or loss (-)" are NOT reported to the IRS.

1a- Description of property/CUSIP/Symbol

1c- Date sold or disposed	Quantity	1d- Proceeds & 6- Reported (G)ross or (N)et	Date acquired	Cost or other basis	Accrued mkt disc (D) & Wash sale loss disallowed (W)	Gain or loss(-) & 7- Loss not allowed (X) also not reported (Z)	Additional information
JOHNSON & JOHNSON / CUSIP: 478160104 / Symbol:							
12/29/25	100.000	13,000.00	01/03/00	8,000.00	...	6,000.00	Sale
Bitcoin USD / CUSIP: BTCUSD / Symbol:							
12/19/25	1.000	88,393.00	Various	10,000.00	...	78,393.00	Sale
Totals :		101,393.00		18,000.00		84,393.00	

After covered and noncovered tax lot transactions are presented, the Tax Statement may include transactions for which the term of a transaction is undetermined. There is also a section on proceeds

not reported to the IRS. With similar columns and information these sections present securities that may not require reporting (i.e. short-term instruments).

UNDETERMINED TERM TRANSACTIONS FOR NONCOVERED TAX LOTS [Ordinary gains or losses are identified in the Additional information column] (Line 5)							
Report on Form 8949, Part I with Box B checked or Part II with Box E checked. Basis is NOT provided to the IRS. (Line 12)							
"Date acquired," "Cost or other basis," "Accrued market discount," "Wash sale loss disallowed" and "Gain or loss (-)" are NOT reported to the IRS.							
1a- Description of property/CUSIP/Symbol							
1c- Date sold or disposed	Quantity	1d- Proceeds & 6- Reported (G)ross or (N)et	Date acquired	Cost or other basis	Accrued mkt disc (D) & Wash sale loss disallowed (W)	Gain or loss(-) & 7- Loss not allowed (X) also not reported (Z)	Additional information
THE ADT CORPORATION / CUSIP: 00101J106 / Symbol: ADT							
04/14/25	50.000	1,912.56	N/A	Sale ³¹
Totals :		1,912.56		

Dividends and Distributions (Form 1099-DIV)

On page 1 of the Tax Statement Form 1099-DIV is presented as appears below.

DIVIDENDS AND DISTRIBUTIONS		2025 1099-DIV*	OMB No. 1545-0110
1a- Total ordinary dividends (includes lines 1b, 5, 2e)		447,857.60	
1b- Qualified dividends		2,835.33	
2a- Total capital gain distributions (includes lines 2b, 2c, 2d, 2f)		2,777.79	
2b- Unrecaptured Section 1250 gain		444.14	
2c- Section 1202 gain		444.74	
2d- Collectibles (28%) gain		1,444.44	
2e- Section 897 ordinary dividends		0.01	
2f- Section 897 capital gain		0.03	
3- Nondividend distributions		111.11	
4- Federal income tax withheld		443.33	
5- Section 199A dividends		33.33	
6- Investment expenses		444.94	
8- Foreign country or US possession: See detail	7- Foreign tax paid:	66.66	
9- Cash liquidation distributions		444.41	
10- Noncash liquidation distributions		2,444.44	
12- Exempt-interest dividends (includes line 13)		888,888.88	
13- Specified private activity bond interest dividends (AMT)		333,333.33	

The following describes the many types of information conveyed on Form 1099-DIV.

Total Ordinary Dividends (Line 1a) – Ordinary dividends including net short-term capital gains from a mutual fund are fully taxable. Exempt-interest dividends from a mutual fund or other regulated investment company (RIC) are reported on Form 1099-DIV, Line 10. They are not reported on Form 1099-INT, Interest Income.

Qualified Dividends (Line 1b) – A portion of your dividends may be eligible for taxation at capital gains rates. This is the amount that appears as Qualified Dividends on Line 1b. You should report the eligible amount on IRS Form 1040, Line 3a. For information on Qualified Dividends, see Tax Information – Terms and Rules below. For guidance on determining whether your dividends qualify for taxation at the Long-Term Capital Gains rate, see IRS Publication 550 or the instructions to IRS Form 1040.

Total Capital Gain Distributions (Line 2a) – Total capital gain distributions (long-term) from a mutual fund or REIT are included in this section of your Tax Statement. If your capital gain distributions contain additional classifications, the Tax Statement will include separate Capital Gain Distributions lines 2b, 2c and 2d.

Unrecaptured Section 1250 Gain (Line 2b), Section 1202 Gain (Line 2c), Collectibles (28%) Gain (Line 2d) – If your Tax Information Statement contains amounts on any of these lines, see the Instructions for IRS Form 1040, Schedule D (Capital Gains and Losses) for information on how to report this income.

Section 897 Ordinary / Capital Gain Dividends (Lines 2e/2f) – These dividends, which are also included in boxes 1a and 2a, are only reported here to certain “pass-thru” entities and are not reported to our US individual clients.

Non-dividend Distributions (Line 3) – Certain payments represent non-dividend distributions because they are a return of capital. You must reduce your cost (or other basis) by the amount of the non-dividend distribution for the purposes of calculating the gain or loss when the security is sold. If your security is a covered security, Hilltop will adjust the basis in our cost basis system for you. Once you have received an amount equal to your cost (or other basis) for the security, further distributions are taxable as a capital gain. You should review distributions on noncovered securities carefully to determine if any represent a return of capital. Hilltop does not track basis on such securities.

Federal Income Tax Withheld (Line 4) – This is the amount of federal income tax withheld (backup withholding) and is reported as a payment by you on Form 1040, line 25b. Federal income tax withheld is 24% of the dividend amount.

Section 199A Dividends (Line 5) - The Tax Cuts and Jobs Act created a “Deduction for Qualified Business Income of Pass-thru Entities” which applies to “qualified REIT dividends.” This is a category for reporting purposes known as Section 199A dividends and they are reported on Line 5. The regulations currently also permit RICs to pass-thru the REIT character of dividends to their shareholders as well. As a point of interest, twenty percent of the reported amount of Section 199A dividends generally is a tax deduction not subject to the itemized deduction limitation and can be claimed by taxpayers in addition to the standard deduction. To benefit from this deduction, share holders must hold their RIC or REIT shares for more than 45 days during the 91-day period that begins 45 days prior to the dividend ex-date.

Investment Expenses (Line 6) – Your share of investment expenses as reported by the issuer.

Foreign Tax Paid (Line 7) – Your Tax Statement includes foreign tax paid (withheld) from foreign-source dividends credited to your account. (Line 8 names the foreign country to which the tax is paid.)

Cash and Noncash Liquidation Distributions (Lines 9 and 10) – Generally, liquidation distributions are treated as amounts received from the sale or exchange of a capital asset and should be reported on IRS Form 8949 and Form 1040, Schedule D.

Exempt-Interest Dividends (Line 12) – Exempt-interest dividends from mutual funds or other RICs are presented here. They include specified private activity bond interest dividends as presented in Line 13.

Specified Private Activity Bond Interest Dividends (Line 13)– Exempt-interest dividends paid by a RIC on specified private activity bonds are presented here to the extent that the dividends are attributable to interest on the bonds received by the RIC minus an allocable share of the expenses. As noted above these dividends are also included on Line 12.

Detail for Dividends and Distributions

This 1099-DIV form is supplemented with the Detail for Dividends and Distributions which is presented after the Form 1099-B information. The example immediately below shows that the information is captured by security issue with sufficient detail to facilitate a determination of whether the dividend is eligible to be ‘qualified.’ Notice that in this example we display different descriptions for dividend types in the Transaction Type field that correlate to the summary line totals described above.

HILLTOP SECURITIES INC.				Account 10659087			
		Detail for Dividends and Distributions		2025			
				02/03/2026			
Security description	CUSIP and/or symbol	State	Date	Amount	Transaction type	Notes	Ex-Date
APPLE INC. COMMON STOCK	037833100		02/15/25	73.00	Qualified dividend		
			05/17/25	73.00	Qualified dividend		
			07/19/25	1,000.00	Qualified dividend		
			07/19/25	1,000.00	Qualified dividend		
			08/16/25	73.00	Qualified dividend		
			11/15/25	73.00	Qualified dividend		
					2,292.00	Total Dividends & distributions	
COLUMBIA ACORN EMERGING MARKETS FD CL Z	197199581 CEFZX		12/07/25	222.22	Qualified dividend		
			12/07/25	-66.66	Foreign tax paid-Variou		
				222.22	Total Dividends & distributions		
				-66.66	Total Foreign tax withheld		
GLADSTONE LD CORP REIT	376549101 LAND		02/02/25	111.11	Nondividend distribution		
			02/02/25	100.00	Nonqualified dividend		
			02/02/25	33.33	Section 199A dividend		
			02/02/25	0.03	Section 897 capital gain		
			02/02/25	0.01	Section 897 ordinary dividends		
					244.48	Total Dividends & distributions	
HINES REAL ESTATE INVT TR INC	433264108		07/03/25	2,444.44	Noncash liquidation distribution		
			07/03/25	1,444.44	Collectibles 28% gain		
			07/03/25	444.74	Section 1202 gain		
			07/03/25	444.49	Nonqualified dividend		
			07/03/25	444.44	Long-term capital gain		
			07/03/25	444.41	Cash liquidation		
			07/03/25	444.14	Unrecaptured section 1250 gain		

Security description	CUSIP and/or symbol	State	Date	Amount	Transaction type	Notes	Ex-Date
HINES REAL ESTATE INVT TR INC (cont'd)			07/03/25	-443.33	Federal tax withheld		
			07/03/25	-444.84	State tax withheld-NY		
			07/03/25	-444.94	Non-deductible Investment Expense		
				6,111.10	Total Dividends & distributions		
				-444.94	Total Investment expense		
				-443.33	Total Federal tax withheld		
				-444.84	Total State tax withheld		
VANECK VECTORS ETF TR HIGH YLD MUN ETF	92189F361	HYD	12/29/25	555,555.55	Tax-exempt dividend	Z6	
			12/29/25	444,444.44	Nonqualified dividend		
			12/29/25	333,333.33	Tax-exempt dividend AMT	Z6	
				444,444.44	Total Dividends & distributions		
				888,888.88	Total Tax-exempt dividends		
VECTOR GROUP LTD	92240M108	VGR	12/25/25	321.11	Qualified dividend		
			12/25/25	-321.11	State tax withheld-CA		
				321.11	Total Dividends & distributions		
				-321.11	Total State tax withheld		
				453,635.35	Total Dividends & distributions		
				888,888.88	Total Tax-exempt dividends		
				-444.94	Total Investment expense		
				-66.66	Total Foreign tax withheld		
				-443.33	Total Federal tax withheld		
				-765.95	Total State tax withheld		

Interest Income (Form 1099-INT)

The amounts reported in this section of your Tax Statement reflect interest income credited to your account. The summary section represents four totals for interest income: Interest Income, Interest on U.S. Savings Bonds and Treasury Obligations, Tax-Exempt Interest, and Specified Private Activity Bond Interest. We report these totals separately to the IRS.

INTEREST INCOME		2025 1099-INT	OMB No. 1545-0112
This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.			
1- Interest income (not included in line 3)		3,561.10	
2- Early withdrawal penalty		500.00	
3- Interest on US Savings Bonds & Treasury obligations		5,000.00	
4- Federal income tax withheld		1,500.00	
5- Investment expenses		11.11	
7- Foreign country or U.S. territory: See detail	6- Foreign tax paid:	1.11	
8- Tax-exempt interest (includes line 9)		2,400.00	
9- Specified private activity bond interest (AMT)		1,200.00	
10- Market discount (covered lots)		23.23	
11- Bond premium (covered lots)		4.99	
12- Bond premium on Treasury obligations (covered lots)		750.00	
13- Bond premium on tax-exempt bonds (categorized below)		398.00	
<i>Tax-exempt obligations (covered lots)</i>		201.00	
<i>Tax-exempt private activity obligations (AMT, covered lots)</i>		197.00	
14- Tax-exempt and tax credit bond CUSIP number		See detail	
FATCA filing requirement []			

The descriptions below correspond to the line items in the 1099-INT above.

Interest Income (Line 1) – Interest income reported on this line was paid by corporations (U.S. and foreign) and U.S. government agencies, and may include interest on your credit balances.

Interest on U.S. Savings Bonds and Treasury Obligations (Line 3) – Interest Income on this line was paid on U.S. Treasury notes, bonds, and bills. This interest income is not included in Interest Income (line 1), Tax-Exempt Interest (Line 8), or Specified Private Activity Bond Interest (Line 9).

Federal Income Tax Withheld (Line 4) – This is the amount of federal income tax withheld (backup withholding) and is reported as a payment by you on Form 1040, Line 25b. Federal income tax withheld is 24% of the interest amount.

Investment Expenses (Line 5) – The amount reported on this line represents your allocable share of investment expenses and may be attributed to direct investments such as UITs, WHFITs and WHMTs.

Foreign Tax Paid (Line 6) – This amount represents taxes paid to foreign governments on interest from foreign sourced assets. You may be able to claim these taxes as a credit or as an itemized deduction on your federal income tax return. (Line 7 requests the foreign country to which the tax is paid.)

Tax-Exempt Interest (Line 8) – Interest income reported on this line represents interest paid on bonds issued by U.S. states, the District of Columbia, a U.S. possession, an Indian tribal government or a political subdivision.

Specified Private Activity Bond Interest (AMT) (Line 9) – Interest income reported in this line was paid from specified private activity bonds. This interest may be considered in your alternative minimum tax (AMT) calculation and is included in the Tax-Exempt Interest (Line 8). You may be required to report this total on IRS Form 6251, Alternative Minimum Tax – Individuals.

Market Discount (Line 10) – If purchased at a market discount and the taxpayer has elected to recognize market discount income currently this box captures the annual reportable amount.

Bond Premium Amounts (Lines 11, 12, 13) – These lines capture specific types of bond premium that can offset interest income and reduce basis. Tax-exempt bond premium is a reduction in basis only. Although Line 13 on the IRS Form 1099-INT, is a total of tax-exempt interest bond premium including that of Private Activity Bonds, we have broken that number down between the two categories for your convenience when preparing your tax return. For reporting purposes, the IRS permits reporting interest net of premium amortization on the interest line or gross with the premium displayed in Lines 11 through 13. Hilltop will show your interest in gross amounts with the corresponding premium reflected on the appropriate premium line. Note that the reporting of premium amortization is only required for covered securities.

Detail of Interest Income

The supporting Detail for Interest Income shows payments, indicating a amount and other details. It includes Transaction Type which adds further clarity for tax preparation.

HILLTOP SECURITIES INC.		Detail for Interest Income			Account 10659087
2025					02/03/2026
Security description	CUSIP and/or symbol	Date	Amount	Transaction type	Notes
UNTS CLAYMORE INVESTMENT GRADE CORPORATE SERIES 3	183845429	01/02/25	111.11	Interest	
		01/02/25	-1.11	Foreign tax paid -Various	
		01/02/25	-11.11	Non-deductible Investment Expense	
			111.11	Total Interest	
			-11.11	Total Investment expense	
			-1.11	Total Foreign tax withheld	
GOLDMAN SACHS BK USA NY CD VAR 0.000% 12/27/2035	38147JF72	12/31/25	2,500.00	Deposit interest	
		12/31/25	-500.00	Early withdrawal penalty	
			2,500.00	Total Interest	
			-500.00	Total Early withdrawal penalty	
FITC2ACA9 Non Treasury w OID 0.060%	FITC2ACA9	03/01/25	250.00	Interest	
		03/01/25	23.23	Mkt disc covered	
		03/01/25	23.23	Mkt disc noncovered	
		03/01/25	-4.99	Bd prem covered	
		03/01/25	-5.97	Bd prem noncovered	
		03/01/25	-77.00	State tax withheld-NY	
		09/01/25	250.00	Interest	
		09/01/25	250.00	Interest	
			750.00	Total Interest	
			46.46	Total Market discount	
	-5.97	Total Bd premium- noncovered lots			
	-4.99	Total Bd premium- covered lots			
	-77.00	Total State tax withheld			
FITC2YNY3 Corp Bond 0.050%	FITC2YNY3	12/04/25	199.99	Interest	
FITT2BCA0 Taxable Treasury 0.040%	FITT2BCA0	06/02/25	5,000.00	Treasury interest	
		06/02/25	-33.17	Bd prem noncovered	
		06/02/25	-750.00	Bd prem covered	
		06/02/25	-1,500.00	Federal tax withheld	
			5,000.00	Total Interest	
	-33.17	Total Bd premium- noncovered lots			
	-750.00	Total Bd premium- covered lots			
	-1,500.00	Total Federal tax withheld			

Also presented on the Second Page of the Tax Statement immediately below the Form 1099-INT is a listing of informational items related to your form 1099-INT. This information is not furnished to the IRS but is meant for your use when preparing your tax return(s). Note we highlight various types of interest you may have paid during the year which may offset interest income. We also provide information on bond premium and discount on noncovered securities. You should consult your tax advisor as to the applicability of any of these amounts to your tax situation.

The following amounts are not reported to the IRS. They are presented here for your reference when preparing your tax return(s).

Taxable accrued interest paid	0.00
Taxable accrued Treasury interest paid	0.00
Tax-exempt accrued interest paid	0.00
Tax-exempt accrued interest paid (AMT)	0.00
Taxable accrued nonqualified interest paid	0.00
Tax-exempt accrued nonqualified interest paid	0.00
Tax-exempt accrued nonqualified interest paid (AMT)	0.00
Nonqualified interest	0.00
Tax-exempt nonqualified interest	0.00
Tax-exempt nonqualified interest (AMT)	0.00
Interest shortfall on contingent payment debt	0.00
Bond premium- Non Treasury obligations (noncovered lots)	5.97
Bond premium- Treasury obligations (noncovered lots)	33.17
Bond premium- Tax-exempt obligations (noncovered lots)	199.00
Bond premium- Tax-exempt obligations (AMT, noncovered lots)	17.17
Market discount (noncovered lots)	23.23

Excess Bond Premium

If a bond you were holding was called this past year, there is a possibility that you have “excess bond premium.” This is the situation where bond premium has offset all interest previously earned on the bond and a portion of the premium remains unamortized. In these situations, Treas. Reg. Section 1.171-2(a)(4)(i)(C) provides taxpayers the ability to deduct this “excess bond premium” as an itemized deduction not subject to the IRC Code Section 67 two percent floor on miscellaneous deductions. This often occurs in an environment of declining rates when many instruments are called early.

Amortization for taxable instruments is calculated using a yield to best call formula, which is usually calculated to redemption date, thus when an earlier call occurs there will generally be unamortized premium. The amount of such premium that is in excess of the redemption price, is excess bond premium subject to deduction on a tax return. We provide a breakdown of such premium in total for bonds that have been called. Please see the example below from a prior year. We display the redemption of the bond lots. This particular group of bonds appear in the 1099-B section, noncovered, long-term tax lots.

LONG TERM TRANSACTIONS [Ordinary gains or losses are identified in the Additional information column]							
Report on Form 8949, Part II, with Box F checked.							
Description of property							
Date sold or disposed	Quantity	Proceeds & Reported (G)ross or (N)et	Date acquired	Cost or other basis	Accrued mkt disc (D) & Wash sale loss disallowed (W)	Gain or loss(-) & Loss not allowed (X) also not reported (Z)	Additional information
GALVESTON CNTY TEX, GENL OBL BUILD AMERICA BONDS DIRECT PAY / CUSIP: 364195BN6 / Symbol:							
3 transactions for 02/01/22							
	65,000.000	65,000.00	08/04/10	65,000.00	0.00	0.00	Redemption
	400,000.000	400,000.00	07/25/13	400,000.00	0.00	0.00	Redemption
	185,000.000	185,000.00	08/06/13	185,000.00	0.00	0.00	Redemption
02/01/24	650,000.000	650,000.00	Various	650,000.00	0.00	0.00	Total of 3 transactions

The Detail of Interest section is where we provide a breakdown of the interest earned on the bond lots and also the amount of premium applied to the interest earned. In this example there is a total of \$20,166.25 of interest and a total of \$22,410.04 of bond premium. The difference between these amounts, \$2,243.79, is the excess bond premium to be deducted on the tax return.

Security description	CUSIP and/or symbol	Date	Amount	Transaction type	Notes
GALVESTON CNTY TEX, GENL OBL BUILD	364195BN6	02/01/24	20,166.25	Interest	
AMERICA BONDS DIRECT PAY			-1,430.81	Bd prem noncovered	
			-6,514.61	Bd prem noncovered	
			-14,464.62	Bd prem noncovered	
			20,166.25	Total Interest	
			-22,410.04	Total Bd premium- noncovered lots	

Excess bond premium is often misapplied as basis by taxpayers, thereby reducing what should be a deduction at ordinary rates to capital loss rates. To be certain you get the benefit of this deduction to its fullest, we suggest you scan your Schedule B details for any redemptions of bonds. If you have had any you should then go to the Detail of Interest section to determine if there is excess bond premium available for a tax deduction. We suggest you speak with your tax advisor for further specifics on this topic as every taxpayer has a unique situation and the information provided here is general in nature and should not be regarded as tax advice.

Miscellaneous Information (Form 1099-MISC)

The Form 1099-MISC has limited application when it comes to reporting securities tax information. We report substitute payments made instead of dividends and interest (as discussed previously) when margin account securities are lent out. This amount is reported on Line 8 – Substitute payments in lieu of dividends or interest. It is always treated as ordinary income by taxpayers. Additionally, Royalties (Line 2) and Other income (Line 3) are reported here.

MISCELLANEOUS INFORMATION		2025 1099-MISC*	OMB No. 1545-0115
2- Royalties		302.00	
3- Other income		2,047.00	
4- Federal income tax withheld		300.00	
8- Substitute payments in lieu of dividends or interest		304.00	

Detail of Miscellaneous Income

This information in the 1099-MISC form is detailed further in the statement as presented here below.

HILLTOP SECURITIES INC.		Detail for Miscellaneous Information			Account 10659087
2025					02/03/2026
Security description	CUSIP and/or symbol	Date	Amount	Transaction type	Notes
CONTEST AWARD		06/30/25	1,000.00	Other income	
BP PRUDHOE BAY ROYALTY TRUST UBI	055630107 BPT Note: BP	10/02/25	333.00	Make whole payment	
		10/02/25	305.00	Contract fee	
		10/02/25	304.00	Substitute payment	
		10/02/25	303.00	Other income	
		10/02/25	302.00	Royalty distribution	
		10/02/25	106.00	Swap deal interest	
		10/02/25	-300.00	Federal tax withheld	
			1,653.00	Total Miscellaneous income	
			-300.00	Total Federal tax withheld	
			2,653.00	Total Miscellaneous income	
			-300.00	Total Federal tax withheld	

Section 1256, Regulated Futures Contracts and Foreign Currency Contracts, and

Section 1256 and other financial contracts are reported on the first page of your Tax Statement on Form 1099-B in Lines 8 through 11. This information is presented in the aggregate for all gains and losses arising from financial contract transactions. Line 8 presents the net realized aggregate gain or loss on your 2025 transactions. Line 9 displays the unrealized aggregate gain or loss from your holdings at the prior year end (12/31/2024). Line 10 reflects the unrealized aggregate gain or loss in your account as of the current year end (12/31/2025). Line 11 combines these numbers to arrive at your taxable aggregate gain or loss for 2025. See **Non-equity options** in **Tax Information - Terms and Rules** below for further information on tax reporting on financial contracts.

SECTION 1256 CONTRACTS	2025 1099-B*	OMB No. 1545-0715
8- Profit or (loss) realized in 2025 on closed contracts		1,311.09
9- Unrealized profit or (loss) on open contracts-12/31/2024		2,000.00
10- Unrealized profit or (loss) on open contracts-12/31/2025		2,311.09
11- Aggregate profit or (loss) on contracts		1,622.18
<i>If applicable, proceeds from sale transactions appear summarized below and are detailed in subsequent sections of this document.</i>		

Although not required for tax reporting, Hilltop provides the following detail of your Section 1256 and other contract transactions in a supplemental section of the Tax Statement.

HILLTOP SECURITIES INC.		Section 1256 Contracts - Regulated Futures and Nonequity Options				Account 10659087
2025						02/10/2026 AMENDED
<i>This section of your tax information statement provides contract-by-contract detail of regulated futures and section 1256 contracts. The contracts are placed in a sorting order of CUSIP - Security Description - Trade Date - Amount (ascending order). The total for each contract is the sum of the current year's realized and unrealized profit or loss minus the prior year unrealized profit or loss. The contract amounts from this section are then aggregated by Form 1099-B reporting categories of Realized Profit/Loss, Unrealized Profit/Loss Prior Year, Unrealized Profit/Loss Current Year and totaled in Aggregate Profit or (Loss) on Contracts. These annual totals for your account are reported in Regulated Futures Contracts 1099-B in the Summary Information at the beginning of this statement.</i>						
Security description	CUSIP and/or symbol	Date	Quantity	Amount	Transaction type	Notes
FX Forwards			10.00	2,311.09	Unrealized profit/loss current year	C
			10.00	2,000.00	Unrealized profit/loss prior year	C
				2,000.00	Total Unrealized profit/loss prior year	
				2,311.09	Total Unrealized profit/loss current year	
FX Forwards	NDX KHAD3WK	12/01/25	10.00	311.09	Realized profit/loss	C
		12/11/25	20.00	1,000.00	Realized profit/loss	C
				1,311.09	Total Realized profit/loss	
				1,311.09	Total Realized profit/loss	
				2,000.00	Total Unrealized profit/loss prior year	
				2,311.09	Total Unrealized profit/loss current year	
				1,622.18	Total Aggregate profit or (loss) on contracts	

Other Statement Schedules

The Tax Statement also includes additional written statements for Real Estate Mortgage Investment Conduits (“REMIC”) and Widely Held Fixed Investment Trusts (“WHFITs”). There are information schedules that present mutual fund and UIT Supplemental Tax Detail, Tax-Exempt Interest Detail, and other miscellaneous schedules. If you receive any of these and are in need of explanation beyond what appears on the Tax Statement, please consult your tax advisor.

Near the end of the Tax Statement is our 2025 End Notes page. This page enables us to communicate the tax character of specific transactions or securities by CUSIP. The numbers noted (03, 25, etc.) will appear in the Notes column on the right-hand side of certain detail pages. The alphabetic notes (BP, CL, etc.) will appear alongside a security description preceded by the word “Note:” (Note: BP). These notations provide further information to assist in the preparation of your tax return(s). Generally, a CUSIP level message will highlight a condition about a type of security, whereas a transaction level message will address the transaction of a specific date such as a corporate action.

HILLTOP SECURITIES INC.		2025 End Notes for Account 10659087	
31	This tax lot was acquired through an inheritance.		
BP	BP Prudhoe Bay Royalty Trust is a widely held fixed investment trust (WHFIT). Items of income, deduction, and credit, and any other information shown on this statement must be taken into account in computing taxable income and credits on your income tax return(s). You may be entitled to a depletion allowance which can be determined by referencing the additional information published by the trustee at bpt.q4web.com . If you can not access the information electronically and do not receive it from the trustee, you may request a hardcopy.		
Z6	For California Residents - Under California law, we are required to inform you that we are reporting to the California Franchise Tax Board the information contained in this statement that presents payments of exempt-interest dividends, as described in Section 852(b)(5) of the Internal Revenue Code, that may not be exempt-interest dividends as described in Section 17145 of the California Revenue and Taxation Code, and any interest that is exempt from tax under Section 103(a) of the Internal Revenue Code or if the interest is exempt from tax, without regard to the identity of the holder.		

Tax Information - Terms and Rules

This section provides information to help you better understand some of the complex tax treatments of securities and transactions that appear on your Tax Statement. We urge you to consult your tax advisor for further explanations on its contents.

Changing Ownership of Securities

Gifted Securities— Gifted securities present an unusual twist for basis and duration tracking. If you receive a gift of securities the basis attached to it will either be the basis that the donor had in the security or the fair market value (FMV) on the date of the gift. The holding period will either be that of the donor or it will begin on the date of the gift. The applicable basis amount and holding period may not be determinable until you sell the securities.

If the FMV of the securities is equal to or greater than the donor's adjusted basis at the time of the gift, we will always use the donor's adjusted basis at the time you received the gift for calculating gain or loss. However, if the FMV of the security at the time of the gift was less than the donor's adjusted basis, your basis will depend on whether you have a gain or a loss when you sell the securities. Your basis for figuring gain is the same as the donor's adjusted basis plus or minus any required adjustment to basis while you held the security. Your basis for figuring loss is the FMV when you received the gift plus or minus any required adjustments to basis while you held the security. But, if you use the donor's adjusted basis for figuring a gain and compute a loss, and then use the FMV for figuring a loss and have a gain, we will report neither gain nor loss on the sale of the securities. While our basis tracking system does make this determination, this can be confusing, so we urge you to consult with your tax advisor at the time of sale of any gifted security that you hold.

Inherited Securities— If you received securities from an estate and they were transferred into Hilltop, generally they will be valued for basis tracking purposes as of the date of death or six months after under certain conditions. Regardless of whether these securities were covered or noncovered, their valuation is adjusted under tax rules to either of the dates mentioned above. Additionally, a security that is inherited automatically becomes a long-term holding for the beneficiary.

Covered Securities

Covered securities are those securities you acquired on or after a certain date (the "effective date") established by the cost basis reporting legislation. Generally, a security can only be a covered security if it is bought or acquired after the effective date. A security does not mature into covered status by being held through the effective date for that security. In general, equities (including foreign equities) became covered securities beginning in 2011, mutual funds and equities acquired in connection with a dividend reinvestment plan (DRP) became covered in 2012, options and less complex fixed income instruments became covered in 2014 and in 2016 complex debt instruments became covered securities.

Debt Instruments

"Complex" Debt— This is the term the IRS attributed to many fixed income instruments for which cost basis reporting is now required. The tracking of basis on these securities may be complicated by their unique structures and payment terms which are generally singled out for special treatment under the tax code. The regulations specific to some of these instruments, address the interaction of the securities with other fixed income regulations (premium, discount and OID rules, currency conversion, etc.). The

result is a series of tax rules that can vary significantly on treatment of premium and discount, the manner in which OID may accrue, the treatment for foreign denominated securities, the calculation of yield which may be modified or subject to revision during the instrument's life, and many other bond features requiring unique tax treatment. If you have purchased a complex debt instrument you should consult your tax advisor when reviewing our Tax Statement reporting of income, sales or credits resulting from these investments to help you gain a better understanding of the tax implications of your investment.

Fixed Income Elections— Cost basis rules require that we amortize premium for both your taxable and nontaxable bonds. You can elect not to recognize such amortization on your taxable bonds, and we will not report it. You can also elect to accrete market discount on your bonds. Such an election would lead to more taxable interest each year but a smaller capital gain (or greater loss) when sold or redeemed. We default to not accreting discount, so if you have not made an election to accrete market discount, we will not report it.

Premium on a taxable bond – Premium is amortized based upon a “yield-to-best” calculation. This means our amortization schedule (the time over which we will allocate the premium you paid to acquire the bond) will go to the point where your return on the investment would be the highest percentage rate. When premium is amortized annually, the amount for the year is used to offset your interest income on the bond. If the amount is greater than the interest income, tax rules permit rolling the amount forward or taking a deduction on your income tax return.

Premium on a tax-exempt bond – Premium must be amortized annually and be used to reduce your basis in the bond. The amortization schedule is the “yield-to-worst,” meaning it will go to the call or redemption point that provides the lowest return on investment. Amortizing and reducing basis will ultimately increase your capital gain or reduce your capital loss. From a tax perspective, the premium is deemed to have been paid to generate the tax-free income stream and not the bond itself, which is why it is amortized as the interest is earned.

Options

Stock Options – The sale of a Stock Option (Section 1234 option), both puts and calls, is reported on a Form 1099-B. However, the manner of reporting depends upon which side of the option you are on. If you buy a put or call, then the cost to purchase the option is your cost basis and is reported on the Form 1099-B, Column 1e “Cost or other basis.” But if you sell a put or a call to open a position, (write the option), the amount you pay to close out the position (the money paid to buy back the option) is treated as negative proceeds – not basis.

When we report a purchase and then sale of an option to you, it will have “Proceeds” in Line 1d and “Cost or other basis” in Column 1e. When we report your closing of a written option, we will report the net amount of your proceeds from the original sale with the cost to close it in Column 1d “Proceeds.” If you bought the option to close and paid more than your original proceeds from the sale, we will report a netted, negative proceeds amount to you in Column 1d. If the option you wrote expires, we will report to you only proceeds with no associated cost.

When you exercise an option or get assigned, we must fold in the premium you received or paid on the option into the basis of the underlying stock or proceeds of sale from the underlying shares. When the transaction is reported, Column 6 will indicate “Net proceeds.”

Non-equity Options – A non-equity option (Section 1256 option) is treated very differently from Stock Options. In general, a non-equity option must be listed on an exchange and not be on a single stock. For example, an option on a bond would be a Section 1256 option, but an option on IBM stock would not. If the option is on an index of stocks, it may also be a Section 1256 option if it meets certain criteria. Otherwise, it will be treated as a Section 1234 option. Our cost basis system will determine that distinction.

A Section 1256 option is marked to market over year end, and it can be netted together with all your other Section 1256 options on a single Form 1099-B for reporting purposes. There is no tracking of duration because any gain or loss is allocated 60/40 Long-term/Short-term. This does present a unique situation when a Section 1256 option is exercised or assigned. Because of the 60/40 concept, the underlying premium related to the option is never folded into the security involved in the exercise or assignment. Instead, we must report the transaction in two segments. The option is treated as if it expired and a Form 1099-B is issued for it. Note the 60/40 allocation will apply to the gain or loss on the “expired” option. The underlying security is purchased or sold according to the option price but not with the premium folded in. When that transaction is eventually closed, a Form 1099-B will be issued solely related to the security’s proceeds and cost, with duration being determined by the holding period of that specific security.

Qualified Dividends

On Form 1099-DIV for tax year 2025, Line 1a – Total Ordinary Dividends reflects dividend payments made by Hilltop to you. Of that total amount, a portion may also be reported on Line 1b – Qualified Dividends. These “qualified” dividends may be eligible for favorable tax treatment at long-term capital gains rates if certain criteria are satisfied. These criteria are layered, with two tests – the first test is at the security level and the second test is at the investor level to meet a holding period.

Security level criteria of a Qualified Dividend payment:

- The payment must be from a US or qualified foreign corporation.

Holder level criteria of a Qualified Dividend payment:

- The common stock of a company must be held by the taxpayer for more than 60 days during the 121-day period that begins 60 days before the ex-dividend date of the dividend.
- If the holder maintains a position that reduces the risk in the shares (i.e. an option to sell them, a short stock position, etc.), the days while such position is held are not counted for determining the holding period.
- The holding period need not be in consecutive days.

Short Sales

A short sale occurs when an investor sells securities that the investor does not own and then arranges to borrow securities to settle the transaction. The short sale remains open until the investor purchases

shares to close it out by delivering those shares to the firm that lent them to the investor at the time of the sale.

Reporting a short sale can sometimes create confusion. The date information placed into Lines 1b and 1c on Form 1099-B can be different from the information placed on the same lines when reporting the sale of a long position. For Short Sale reporting, Column 1b "Date acquired" (purchase date) reports the acquisition date of the securities delivered to close the Short Sale. Column 1c "Dates sold or disposed" reports the date the acquired shares were delivered to close the short sale. Although the Form 1099-B is reporting a sale, neither date reflects the actual date of the original short sale.

In general, duration tracking is not necessary for a short sale as it is almost always short-term. If the shares delivered to cover the short sale (Column 1b) were acquired more than a year before the short sale was entered into, then the transaction would be long-term.

The potential confusion surrounding the appropriate dates to report can be compounded by the divergence of our reporting obligation and your tax liability for a particular year-end sales scenario in which the dates straddle two years. Consider a purchase on December 31 to close an open short position. This transaction would settle in January of the following year. The January settlement date would be the "date of sale or exchange" for the short sale, requiring us to report in the following year. But for you as the taxpayer, the situation is different if the trade is profitable. For a short sale that is profitable over year end, taxpayers must treat the trade date of the purchase to close (occurring in the first year) as the short sale's closing date, even though the Form 1099-B we issue must indicate the settlement date (occurring in year 2) as the purchase date. We must issue this Form 1099-B in the second year even though you are required to include the transaction in your prior year's tax filing. If the tax lot is closed for a loss, then normal recognition would be required in the second year, coinciding with our issuance of the Form 1099-B. If you engage in short-selling we urge you to consult your tax advisor as to its implications on your tax return filings.

Wash Sales

If you sold a security at a loss and repurchased it within a 61-day period, you cannot recognize the loss. It is considered a disallowed loss, and we must fold it into the basis of your replacement shares. Conceptually, this is to avoid the recognition of a loss while the taxpayer continues to maintain the security position. The timeframe during which you cannot purchase replacement shares spans the 30 days before the date of sale that generated the disallowed loss through the 30 days after the sale. The duration of a security position with a disallowed loss includes the number of days the original position that created the disallowed loss was open. So, if you have a position that was open for 120 days and you fold the loss into replacement shares, the date of acquisition is set to 120 days earlier than the date you acquired the replacement shares. Note: you do not carry the security acquisition date using the date you purchased the original shares; instead, you add the number of days that position was open to the replacement shares date.

We are not required to track wash sales for anything but the same security, which is generally defined as the same CUSIP number or other identifier. But the wash sale regulations require that you, as the taxpayer, track wash sales for "substantially similar" securities. This means you may have to treat options and stocks as the same security for wash sale purposes, and some other securities as well (i.e.,

certain bonds, convertible stocks). We are also not required to “wash” your securities across accounts. Accordingly, if you maintain more than one account at Hilltop, we will not match IBM, for example, held in one account with IBM held in another. You will have to do this when you prepare your tax return.

The consideration of multiple accounts with regard to wash sale rules apply to retirement accounts as well. As such, if you sell a security in your taxable account at a loss but within the 61-day window re-establish the position in your tax-free account, you cannot take the disallowed loss. Instead, you must increase the basis in the shares held in your tax-free account, which is of no value to you. This is a risk if you are not familiar with the wash sale rules. Note: the application of the wash sale rule for transactions occurring entirely within the tax free account is not required since the account is tax free.

Important Wash Sale Terms

61-Day Window – That period of 30 days before and 30 days after a transaction, plus the transaction day itself, that gives rise to a disallowed loss. Any acquisition that reestablishes part or all of that disposed-of position during the 61-day window will be considered a wash sale and its basis will be adjusted to incorporate the disallowed loss.

Broker Wash Sale Reporting Obligation – The broker wash sale reporting obligation is limited to reporting on identical (the same CUSIP number) shares of covered stock bought and sold in the same account. The taxpayer’s obligation cuts across all accounts.

Disallowed Loss – The loss on a transaction that is disallowed for tax deductibility purposes because it is part of a wash sale string. The loss is used to adjust the basis (added to it) of the replacement shares and will be recognized upon sale of the replacement shares.

Duration – The length of time a security is held by a taxpayer. The duration of a holding period can be long-term or short-term. For most security transactions duration is calculated from the date of acquisition. For wash sale transactions it is equal to the number of days the transactions in the wash sale string are open.

Identical and Substantially Identical Securities – Under the Cost Basis Reporting regulations which require brokers to track wash sales, Identical Securities for wash sale purposes are those securities with the same CUSIP number. However, the taxpayer must apply a “substantially identical” test. A substantially identical security is so similar to another that the IRS does not recognize a difference between them. Substantially identical securities are economically equivalent and can include both new and old securities issued by a corporation that has undergone reorganization, convertible securities and common stock of the same corporation, and options on stock and the underlying shares.

Replacement Shares – Shares bought that replace the original shares that were sold within the 61-day wash sale window, or shares sold to replace an original short position that was closed within the 61-day window.

Taxpayer Wash Sale Reporting Obligation – The taxpayer has the obligation to calculate wash sales for Schedule D reporting. The obligation requires matching identical and substantially identical securities across all of the taxpayer’s accounts, including IRA and Roth accounts.

Wash Sale – A wash sale occurs when a security is sold at a loss and, within a period of 30 days before or 30 days after the sale, the identical or “substantially identical” security is reestablished.

Under these circumstances, that loss will be disallowed and may not be considered in calculating a taxpayer's losses for income tax purposes.

Wash Sale String – Three or more transactions that, when linked together within the 61-day window, create a wash sale.