



# Important Information about Foreign Transaction Taxes and Stamp Duties

Baird has prepared this document to help you understand the potential fees and taxes that may be assessed on your transaction when you purchase or sell certain securities connected with countries assessing a transaction tax or stamp duty/tax. These foreign transaction taxes and stamp duties are imposed on investors and/or financial services firms, without regard to where they are located, for transactions in foreign securities identified by foreign governments. These taxes may apply as well to U.S.-issued American Depository Receipts (“ADRs”) for such foreign securities.

Each country adopting transaction taxes and/or stamp duties separately determines the applicable tax rate or amount and identifies which securities and transactions are subject to the tax or duty. Numerous countries have a foreign transaction tax, including Brazil, Finland, France, India, Italy, South Africa, South Korea, Spain and Taiwan, among others. Various countries impose a stamp duty as well, such as the Hong Kong, Ireland, Malaysia, Singapore, Switzerland and the United Kingdom. These are imposed on securities traded in local foreign markets. Baird anticipates that additional foreign countries will adopt similar foreign transaction taxes and stamp duties in the future.

Applicable foreign transaction taxes and/or stamp duties may be applied to your transaction in one of two ways:

- The applicable foreign transaction tax may be separately collected by Baird and remitted to the appropriate foreign tax authority, which is generally the case when the transaction is executed on a U.S. exchange (such as an ADR); or
- The applicable foreign transaction tax or stamp duty may be embedded in the execution price, which is generally the case when the transaction is executed in the local foreign market/exchange.

For more information, please contact your Baird Financial Advisor.