



For help with this form, please call us 9 a.m. to 4:45 p.m. Eastern Time at 1-800-225-6704.

New IRS regulations require that Northeast Investors Trust track and report cost basis to you and the IRS for shares purchased on or after January 1, 2012 ("covered shares"). Northeast Investors Trust will utilize the Average Cost Method for your covered shares unless you select another method. Please complete this form if you would like to elect a cost basis method other than the Average Cost method. **If the Average Cost Method is your preferred cost basis election, you do not need to complete this form.** If unsure which method is best for you, please consult a qualified tax professional to determine which cost basis method is appropriate for your specific tax situation. Northeast Investors Trust personnel are not licensed tax advisors and are unable to give tax advice.

Please note: The reporting at cost basis information does not apply to Northeast Investors Trust retirement accounts, Education Savings accounts, or for shares acquired before January 1, 2012.

1 Account Information

Account Number

Account Name

Social Security Number/Tax Identification Number

Address

2 Cost Basis Method

If you sell your Northeast Investors Trust shares, there are several methods of determining what shares are treated as sold and the cost basis associated with those shares. Currently, Northeast Investors Trust's default cost basis election for shares purchased after January 1, 2012, is the Average Cost Method. This method calculates gains and losses on shares redeemed based on the average purchase price of all shares you own in the account. The Average Cost Method is the most utilized by mutual fund investors and requires the least amount of record keeping by you and your tax advisor. If you would like to select a different method, please choose from the choices below:

- First In First Out (FIFO)** – Shares acquired first will be treated as sold first.
- Last In First Out (LIFO)** – Shares acquired last will be treated as sold first.
- High Cost** – Shares with the highest cost will be treated as sold first.
- Specific Identification** – Shares you select at the time of sale will be treated as sold, and the cost basis is calculation based on the purchase price of those specific share lots.

3 Important

You may revoke the default Average Cost Method and select a different method at any time until the first sale of covered shares (shares acquired on or after January 1, 2012). The method you select will be applied to all future redemptions. The method cannot be changed for prior redemptions of covered shares as IRS regulations do not permit the change of cost basis election on executed trades. It is also important to note that you will still be responsible to calculate and report gains and losses on sales of "uncovered shares" (shares acquired prior to January 1, 2012).

4 Authorized Signature(s) (owner, custodian, trustee)

Authorized Signature

Additional Authorized Signature

Northeast Investors Trust is authorized to act upon the instructions provided above. The authorized signer(s) understand(s) that the elections above will be applied as of the date this form is received and processed in good order.