GOLDPOINT SYSTEMS

Client Year-end Tax Reporting Setup Form for Tax Year 2020 (Loans and A/P)

PLEASE FILL OUT, SIGN, AND RETURN TO GOLDPOINT SYSTEMS BY OCTOBER 30, 2020

This form is required each year by GOLDPoint Systems to provide year-end tax information to the IRS concerning any accounts or vendors that qualify for year-end tax reporting. Even if you do not anticipate having any qualifying accounts/vendors or you do not use GOLDPoint Systems to process your year-end taxes on behalf of your account owners, we need your institution to complete this information for our records.

If you are not using us to report information to the IRS on behalf of your account owners and vendors, still fill in the Contact Person information below, sign the form, and submit it back to us by October 30, 2020.

This document is divided into the following sections:

IMPORTANT

See the accompanying Year-end Booklet if you need help filling out this form. If you have any further questions after reading the booklet, please contact Kimball Poulson via email:

kimballp@goldpointsystems.com

Contact Person for Loans

Enter your institution's contact person for loans. This is your institution's point-of-contact should GOLDPoint Systems need any further clarifications during year-end processing. If you only have one main person to contact, leave the other entries blank.

* Indicates field is required.

Contact Person #1

* **Institution Name:** ____________________ **Institution #:** ______
* **Contact Person:** ____________________
* **Cell Phone:** ____________________
* **Work Phone:** ____________________
* **Email Address:** ____________________

Contact Person #2

Contact Person: ____________________

Cell Phone: ____________________

Work Phone: ____________________

Email Address: ____________________

Contact Person for Accounts Payable

Enter your institution's contact person for Accounts Payable. This includes 1099-NEC (new in 2020) and 1099-MISC processing. This is your institution's point-of-contact should GOLDPoint Systems need any further clarifications during year-end processing. If you only have one main person to contact, leave the other entries blank.

* Indicates field is required.

Contact Person #1

* **Institution Name:** ______________________ **Institution #:** ______

* **Contact Person:** ______________________

* **Cell Phone:** ______________________

* **Work Phone:** ______________________

* **Email Address:** ______________________

Contact Person #2

Contact Person: ______________________

Cell Phone: ______________________

Work Phone: ______________________

Email Address: ______________________

Loan Reporting Forms

☐ Check this box if your institution will not be using GOLDPoint Systems to transmit account holders' loan year-end information to the IRS. If you are not using GOLDPoint Systems to report loan year-end information, you can skip to the next section.

General Loan Questions

Indicate below if any of these incidents occurred this year for your institution. These questions will help us know how to better handle your year-end needs.

Did you convert onto GOLDPoint Systems this year?	**Yes** ☐	**No** ☐
Converted or purchased any mortgage loans this year?	**Yes** ☐	**No** ☐
Does your institution service any mortgage loans and want GPS to report year-end tax information to the IRS?	**Yes** ☐	**No** ☐
Have you written off any loans or cancelled loan debt for borrowers? (Form 1099-C)	**Yes** ☐	**No** ☐
If you answered "Yes" to cancelling debt above, do you want GPS to transmit 1099-C information to the IRS for your institution?	**Yes** ☐	**No** ☐
Were any mortgage loans assumed by a buyer/seller agreement, and the interest and late charges need to be reported as interest to the IRS?	**Yes** ☐	**No** ☐
Does your state require interest paid on reserves be reported to the IRS (1099-INT)?	**Yes** ☐	**No** ☐
Do you pay fees to brokers and require 1099-MISC forms to those brokers?	**Yes** ☐	**No** ☐

1098 Statement Options

☐ Check this box if your institution does *not* service mortgage loans or do not use GOLDPoint Systems to send 1098 mortgage interest statements.

This section only needs to be completed if your institution services loan accounts with 1098 mortgage interest to be reported to the IRS. If you are not using GOLDPoint Systems to report loan year-end information, you can skip to the next section.

This section includes options for 1098 Annual Mortgage Interest Statements for your account holders, which are generated at year-end and available in GOLDView Plus to be printed and sent to your borrowers. Mortgage interest is only available for mortgage loans, such as conventional loans (payment method 0) and ARM loans (payment method 7) backed by collateral codes. See Annual Loan Statement (FPSRP382) in DocsOnWeb for more information.

We offer two types of statements (choose only one type):

1 A condensed 1098 Mailer that is printed on one side of one piece of paper and resembles a 1098 IRS form.

- GPS strongly suggests using this type of statement.
  - It doesn't include yearly history on the account, which helps eliminate unnecessary calls from account holders.
  - Payment and account history can then be viewed online using their monthly statements.
  - Shows only the important IRS filing information.
  - Easier to read for the customer.

Example:

☐ CORRECTED (if checked)

RECIPIENT'S/LENDER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.

GOLDPoint First Bank of Provo
1525 W. 820 N.
Provo, UT 84601

*Caution: The amount shown may not be fully deductible by you. Limits based on the loan amount and the cost and value of the secured property may apply. Also, you may only deduct interest to the extent it was incurred by you, actually paid by you, and not reimbursed by another person.

OMB No. 1545-0901

2020

Form 1098

Mortgage Interest Statement

1 Mortgage interest received from payer(s)/borrower(s)*
$ 2,998.22

Copy B For Payer/ Borrower

RECIPIENT'S/LENDER'S TIN	PAYER'S/BORROWER'S TIN	2 Outstanding mortgage principal as of 1/1/2018	3 Mortgage origination date
12-22334455	***-**-4567	$ 46,421.25	07-25-2008

4 Refund of overpaid interest
$

5 Mortgage insurance premiums
$

PAYER'S/BORROWER'S name
PETER JACKSON

6 Points paid on purchase of principal residence
$

Street address (including apt. no.)
123 Mordor Lane

7 ☐ If address of property securing mortgage is the same as PAYER'S/BORROWER'S address, the box is checked, or the address or description is entered in box 8.

City or town, state or province, country, and ZIP or foreign postal code
JACKSON TN 38305

8 Address or description of property securing mortgage (see instructions)
1ST MORTGAGE REAL ESTATE LOCAT

9 Number of properties securing the mortgage
2

10 Other

Account number (see instructions)
12 010203

The information in boxes 1through 9 is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if the IRS determines that an underpayment of tax results because you overstated a deduction for this mortgage interest or for these points, reported in boxes 1 and 6; or because you didn't report the refund of interest (box 4); or because you claimed a nondeductible item.

Form **1098** (Keep for your records) www.irs.gov/Form1098 Department of the Treasury - Internal Revenue Service

☐ Yes, this is the statement version we want to send to our loan borrowers who qualify for a 1098. See 1098 Mailer Options below for additional options.

(GPS strongly suggests using this mailer.)

2 A complete Annual Loan Statement that includes account history for the year. This includes many additional options you can select, as will be discussed below.

Example:

GOLDPOINT BANK OF PROVO
1525 W. 820 N.
PROVO, UT 84601

Annual Loan Statement

OMB No 1545-0901
2020
Form 1098

Loan Number	01 001122 01
Statement Date	12-31-20
Tax ID Number	***-**-1234

Page 1 of 2

BOB BORROWER
1234 CHERRY TREE LANE
PROVO, UT 84601

Period Covered 01-01-20 through 12-31-20		
Current Principal Balance		23,328.86
Next Due Date and Loan Payment	01-05-21	435.76
Year-to-Date Interest Paid		821.18
Year-to-Date Late Charges Paid		45.80

Information for 2020

Box 1 Mortgage interest received from payer(s)/borrower(s)*	866.98	Box 2 Outstanding mortgage principal as of 1/1/2018	30,442.49
Box 3 Mortgage origination date	09-01-2003	Box 4 Refund of overpaid interest	0.00
Box 5 Mortgage insurance premiums	0.00	Box 6 Points paid on purchase of principal residence	0.00
Box 7 ☐ If address of property securing mortgage is the same as PAYER'S/BORROWER'S address, the box is checked, or the address or description is entered in box 8.			
Box 8 Address or description of property securing mortgage (see instructions)		1234 Cherry Tree Lane, Provo, UT 84601	
Box 9 Number of properties securing the mortgage		Box 10 Other	

GOLDPOINT BANK OF PROVO

Federal ID Number 55-1123301

Copy B for Payer/Borrower **Mortgage Interest Statement**

The information in boxes 1 through 9 is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if the IRS determines that an underpayment of tax results because you overstated a deduction for this mortgage interest or for these points, reported in boxes 1 and 6; or because you didn't report the refund of interest (box 4); or because you claimed a nondeductible item.

*Caution:
The amount shown may not be fully deductible by you. Limits based on the loan amount and the cost and value of the secured property may apply. Also, you may only deduct interest to the extent it was incurred by you, actually paid by you, and not reimbursed by another person.

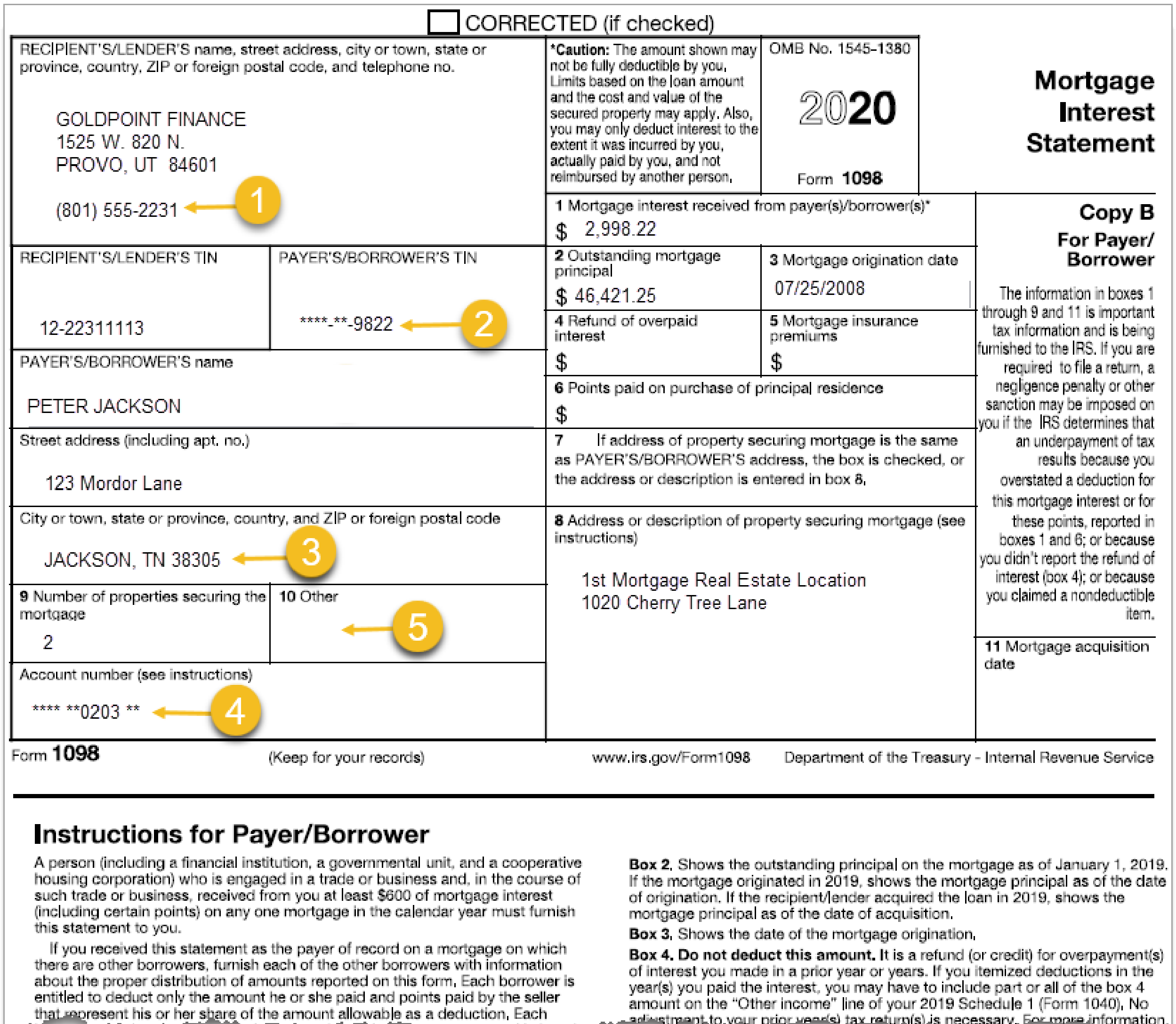
If this loan has been assumed during the year, interest and taxes should be allocated between the parties involved in preparing income tax returns.

☐ Yes, this is the statement version we want to send to our loan borrowers who qualify for a 1098. See 1098 Statement Options below for more options.

1098 Mailer Options

If you want the 1098 Mailer, choose any of the following additional options. (These options are set up by your GPS account manager in the FPSRP382 report setup.)

The following is an example of the 1098 Mailer highlighting the available options, followed by descriptions of those options.



☐ CORRECTED (if checked)

RECIPIENT'S/LENDER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.

GOLDPOINT FINANCE
1525 W. 820 N.
PROVO, UT 84601

(801) 555-2231 ← 1

*Caution: The amount shown may not be fully deductible by you. Limits based on the loan amount and the cost and value of the secured property may apply. Also, you may only deduct interest to the extent it was incurred by you, actually paid by you, and not reimbursed by another person.

OMB No. 1545-1380

2020

Form **1098**

Mortgage Interest Statement

1 Mortgage interest received from payer(s)/borrower(s)*
$ 2,998.22

Copy B For Payer/ Borrower

RECIPIENT'S/LENDER'S TIN
12-22311113

PAYER'S/BORROWER'S TIN
****-**-9822 ← 2

2 Outstanding mortgage principal
$ 46,421.25

3 Mortgage origination date
07/25/2008

4 Refund of overpaid interest
$

5 Mortgage insurance premiums
$

The information in boxes 1 through 9 and 11 is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if the IRS determines that an underpayment of tax results because you overstated a deduction for this mortgage interest or for these points, reported in boxes 1 and 6; or because you didn't report the refund of interest (box 4); or because you claimed a nondeductible item.

PAYER'S/BORROWER'S name
PETER JACKSON

6 Points paid on purchase of principal residence
$

Street address (including apt. no.)
123 Mordor Lane

7 ☐ If address of property securing mortgage is the same as PAYER'S/BORROWER'S address, the box is checked, or the address or description is entered in box 8.

City or town, state or province, country, and ZIP or foreign postal code
JACKSON, TN 38305 ← 3

8 Address or description of property securing mortgage (see instructions)
1st Mortgage Real Estate Location
1020 Cherry Tree Lane

9 Number of properties securing the mortgage
2

10 Other ← 5

11 Mortgage acquisition date

Account number (see instructions)
**** **0203 ** ← 4

Form **1098** (Keep for your records) www.irs.gov/Form1098 Department of the Treasury - Internal Revenue Service

Instructions for Payer/Borrower

A person (including a financial institution, a governmental unit, and a cooperative housing corporation) who is engaged in a trade or business and, in the course of such trade or business, received from you at least $600 of mortgage interest (including certain points) on any one mortgage in the calendar year must furnish this statement to you.

If you received this statement as the payer of record on a mortgage on which there are other borrowers, furnish each of the other borrowers with information about the proper distribution of amounts reported on this form. Each borrower is entitled to deduct only the amount he or she paid and points paid by the seller that represent his or her share of the amount allowable as a deduction. Each

Box 2. Shows the outstanding principal on the mortgage as of January 1, 2019. If the mortgage originated in 2019, shows the mortgage principal as of the date of origination. If the recipient/lender acquired the loan in 2019, shows the mortgage principal as of the date of acquisition.

Box 3. Shows the date of the mortgage origination.

Box 4. Do not deduct this amount. It is a refund (or credit) for overpayment(s) of interest you made in a prior year or years. If you itemized deductions in the year(s) you paid the interest, you may have to include part or all of the box 4 amount on the "Other income" line of your 2019 Schedule 1 (Form 1040). No adjustment to your prior year(s) tax return(s) is necessary. For more information,

		Yes	No
1	**Place branch phone number instead of Home office? (Report Option)**	☐	☐
2	**Mask all but the last 4 digits of the borrower's tax ID number (SSN or EIN)? (Report Option)**	☐	☐
3	**Do you want to sort mailers by mailing address zip code? (Report Option)**	☐	☐
4	**Mask all but the last 4 digits of the account number? (Report Option)**	☐	☐
5	**Display the LIP Disbursed Balance, not the Principal Balance, on mailer? (Report Option)**	☐	☐

1098 Statement Options

If you selected you want the 1098 Mortgage Interest Statement above, these additional options are available. (These options are set up by your GPS account manager in the FPSRP382 report setup.) The following is an example of the 1098 Loan Statement that can be printed from GOLDView Plus and sent to your customers. The options you can choose are highlighted in the example, then described below:

Annual Loan Statement

OMB No 1545-0901
2020
Form 1098

GOLDPoint Finance
1525 W 820 N.
Provo, UT 84601
(801) 453-9400 3

Loan Number 1 XX XX1204 XX

Statement Date 12-31-20

Tax ID Number 2 ***-**-6990

John Doe
100 E. 100 N.
Provo, UT 84601 4

Period Covered 1-01-20 through 12-31-20		
5 Previous Principal Balance		33,114.99
Current Principal Balance		27,125.09
Previous Escrow Balance		892.00
Current Escrow Balance		1,670.24
Next Due Date and Loan Payment	10-01-20	1,011.00
Year-to-Date Interest Paid		1,221.19
Property Taxes Paid		2,935.74

6 Property Address: 100 E. 100 N. Orem, UT 84057

Information for 2020				
Box 1 Mortgage interest received from payer(s)/borrower(s)*	1,221.19	Box 2 Outstanding mortgage principal as of 1/1/2020		33,114.99
Box 3 Mortgage origination date	10-26-1992	Box 4 Refund of overpaid interest		0.00
Box 5 Mortgage insurance premiums	0.00	Box 6 Points paid on purchase of principal residence		0.00
Box 7 ☒ If address of property securing mortgage is the same as PAYER'S/BORROWER'S address, the box is checked, or the address or description is entered in box 8.				
Box 8 Address or description of property securing mortgage (see instructions)				
Box 9 Number of properties securing the mortgage		Box 10 Other	PRINCIPAL BL	27,125.09
			PROPERTY TAX	1,484.16
Box 11 Mortgage acquisition date				

GOLDPoint Finance Federal ID Number 11-0011011

Copy B for Payer/Borrower Mortgage Interest Statement
The information in boxes 1 through 9 and 11 is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if the IRS determines that an underpayment of tax results because you overstated a deduction for this mortgage interest or for these points, reported in boxes 1 and 6; or because you didn't report the refund of interest (box 4); or because you claimed a nondeductible item.

DATE	TRANSACTION DESCRIPTION	AMOUNT	PRINCIPAL	INTEREST	RESERVES	LATE CHARGES
	BEGINNING BALANCES 7		35,779.06		0.00	9
01-27-20	REGULAR PAYMENT	271.37	155.83-	115.54		
01-27-20	CREDIT FIELD	50.00	50.00-			
02-27-20	REGULAR PAYMENT	271.37	156.50-	114.87		
02-27-20	CREDIT FIELD	25.00	25.00-			
03-26-20	REGULAR PAYMENT	271.37	157.08-	114.29		

CONTINUED ON NEXT PAGE 8

54 YEND 171 861

		Yes	No
1	**Mask all but the last 4 digits of the account number? (Report Option)**	☐	☐
2	**Mask all but the last 4 digits of the borrower's tax ID number (SSN or EIN)? (Report Option)**	☐	☐
3	**Place branch phone number instead of Home office? (Report Option)**	☐	☐
4	**Do you want to sort statements by mailing address zip code? (Report Option)**	☐	☐
5	**Display the previous year-end balance on the statement? (Report Option)**	☐	☐
6	**Display the property address on the statement, instead of the account's mailing address? (Report Option)**	☐	☐
7	**Display transaction history on the statement? (Report Option)**	☐	☐
8	**Display transaction history on the second page of the statement? (Report Option)**	☐	☐
9	**Display late charge history on statement? (Report Option)**	☐	☐

Institution Options

Please indicate if you want any institution options listed below. These options will affect all 1098 statements (and condensed mailers), as indicated below.

Institution Options		
Include late charges paid with YTD interest paid on 1098 Annual Mortgage Statement?	**Yes** ☐	**No** ☐
Are you reporting interest paid less than $600?	**Yes** ☐	**No** ☐
Add deferment interest to amount reported to IRS?	**Yes** ☐	**No** ☐
Pay interest on reserves at year-end?	**Yes** ☐	**No** ☐

Additional Options

Select any of these additional options to help us with year-end processing.

Additional Options		
Include service released loans?	**Yes** ☐	**No** ☐
Are insurance finance charges reported to IRS?	**Yes** ☐	**No** ☐

Shipping

Note: Shipping is only available for loan year-end statements (condensed mailer or annual loan statement). It is not for year-end loan reports or 1099-C forms.

Choose one of the following choices:

1	**In-house printing**	Some institutions print the statements/mailers in-house. They do this by going to GOLDView Plus after the loan year-end has run (usually after December 31) and print the statements/mailers/forms within your institution and mail them to borrowers. If your institution prefers this method, select the radio button	☐
2	**Mailing Service**	If you want GPS to print your statements/mailers, box them, and mail them to your institution, choose how you want us to ship them to you. This requires an additional fee. Once we send the statements/mailers to your institution, you will be responsible for sending the statements/mailers to your borrowers. **How do you want us to send you the box of statements/mailers?** U.S. P.S. Regular Mail	☐
3	**GPS Prints and Mails Forms**	GOLDPoint Systems offers a mailing service for the distribution of statements/mailers to your account holders. Choose this method if you would like to use our services for an additional per statement/mailer fee. You will also need a contract with GOLDPoint Systems for mailing services. If you choose to have GOLDPoint Systems mail your year-end documents and do not have a contract, one will be provided to ensure timely delivery of your forms. *Reminder:* GPS does not print 1099-MISC, 1099-NEC, or 1099-C forms. Your institution will need to print those in-house (from IRS GOLD) and mail these forms prior to associated deadlines).	☐
4	**3rd Party**	If you do have 1098 mortgage interest accounts and use a third party to process and send year-end forms, statements, and documents to your customers, select this option.	☐

Reports

The following year-end reports are available that show which accounts are included in the transmittal to the IRS. Please indicate which reports your institution wants to set up to view in GOLDView Plus.

Report	Description		
FPSRP382	**1098 Mortgage Interest Statement Report (Report 1)**	**Yes** ☐	**No** ☐
FPSRP382	**Yearend Loan Statement Report (Report 2)**	**Yes** ☐	**No** ☐
FPSRP382	**Yearend Loan Statement Exception Report (Report 3)**	**Yes** ☐	**No** ☐
FPSRP116	**Brokers/Contractors Report**	**Yes** ☐	**No** ☐
FPSRP129	**Loan Assumption Report**	**Yes** ☐	**No** ☐

1099-MISC and 1099-NEC For Vendors

☐ Check this box if your institution will not be using GOLDPoint Systems to transmit Accounts Payable vendor 1099-MISC/1099-NEC year-end information to the IRS.

Qualifying vendor information is compiled and sent to the IRS during year-end processing. Review Section 4 - Accounts Payable 1099-MISC Year-end in the Loan Year-end Processing manual in DocsOnWeb for detailed information on how vendors qualify for 1099-MISC or 1099-NEC statements and important filing dates.

IMPORTANT

We do *not* print the forms and send them to your account holders. You are responsible for printing and mailing the forms to your account holders by the IRS deadlines. Refer to the IRS 1099-MISC and 1099-NEC forms on the IRS website for more information.

Forms are available to be printed from IRS GOLD starting mid-January.

1099-MISC

	Transmit to IRS?	
	Yes ☐	No ☐

Miscellaneous Income

1099-MISC forms are required for any business or person you have paid during the year that qualify according to IRS regulations. See the About Form 1099-MISC documentation on the IRS.gov website, as well as Section 4 - Accounts Payable 1099-MISC Year-end in the Loan Year-end Processing manual in DocsOnWeb for important filing dates.

GOLDPoint Systems will have the 1099-MISC forms available for qualifying vendors in IRS GOLD. You will need to print those forms and send them to your vendors by the IRS deadline. GOLDPoint Systems will transmit the information to the IRS *on or before March 31st*.

1099-NEC

Transmit to IRS?	
Yes ☐	No ☐

Information for 1099-NEC, Nonemployee Compensation, is new this year (2020). You may need to review how vendors are set up in the Accounts Payable system to ensure you are reporting information correctly. To use the 1099-NEC properly, you need to understand what is considered nonemployee compensation. Previously reported on Box 7 of the 1099-MISC, the new 1099-NEC will capture any payments to nonemployee service providers, such as independent contractors, freelancers, vendors, consultants, and other self-employed individuals (commonly referred to as 1099 workers).

According to the IRS, a combination of these four conditions distinguishes a reportable payment:

- It is made to someone who is not your employee.
- It is made for services in the course of your trade or business.
- It was made to an individual, partnership, estate, or, in some cases, a corporation.
- Payments were $600 or more for the calendar year.

GOLDPoint Systems will have the 1099-NEC forms available for qualifying vendors in IRS GOLD. You will need to print those forms and send them to your vendors by the February 1st IRS deadline. GOLDPoint Systems will transmit the information to the IRS *on or before February 1st, 2021*.

Any additional requests?

Yes **No**

○ ○

If yes, include work order numbers below.

Optional Comments:

Final Signature

I verify on behalf of my institution that I have read the requirements contained in this document for IRS year-end processing. I have also filled in this form as necessitated.

Name: ______________________________

Signature: ______________________________ **Date:** ______________

IMPORTANT

It is your institution's responsibility to ensure account information is correct and up to date before GOLDPoint Systems sends the year-end transmission to the IRS. We do not take responsibility if information sent was incorrect. You are also responsible for making any changes to accounts or creating corrected IRS forms in IRS GOLD before we send follow-up transmissions at designated times throughout the year for corrected or voided forms.

GOLDPoint Systems is not responsible for changes implemented by the IRS. Please confirm with IRS guidelines (www.irs.gov) to ensure your institution complies.