

[Date]

[Client Name]

[Client Address]

[City, State, Zip Code]

Re: Fiduciary Tax-Loss Harvesting Strategy for [Account Number]

Dear [Client Name],

As part of our ongoing fiduciary commitment to managing your investment portfolio, we have conducted a review of your taxable accounts to identify opportunities for tax-loss harvesting.

The Strategy

Tax-loss harvesting involves selling investments that are currently trading at a loss to offset capital gains realized elsewhere in your portfolio. This strategy aims to reduce your current year's tax liability while maintaining your long-term investment objectives.

Proposed Actions

Based on our analysis, we recommend the following actions:

- Identify specific securities with unrealized losses.
- Sell these positions to realize the loss for tax purposes.
- Reinvest the proceeds into similar, but not substantially identical, securities to maintain your market exposure and target asset allocation.

Important Considerations

We will execute these trades while strictly adhering to the IRS "Wash Sale" rule, which prohibits claiming a loss if a substantially identical security is purchased within 30 days before or after the sale.

Next Steps

We intend to proceed with these transactions by [Date]. If you have any questions regarding how this strategy impacts your overall financial plan, or if there have been significant changes to your tax bracket, please contact us immediately.

Thank you for the continued trust you place in our firm.

Sincerely,

[Advisor Name]
[Title]
[Firm Name]