



PO Box 8
Bisbee, ND 58317-0008

Phone 701-656-3263
Fax 701-656-3371

Toll Free 800-450-3263
legacy-cooperative.com

April 3, 2020

Dear Patron,

As a cooperative owner, you share in profits by receiving cash patronage and equity. Legacy Cooperative will distribute \$1,472,000 in cash patronage, \$1,742,000 in equity and \$847,000 in CHS non-qualified equity. Non-qualified equity will be included in the equity revolvment program and is generally not taxed until retired. Please consult your tax advisor for details.

Your patronage check will include 2019 allocations based on your purchases with Legacy Cooperative. If you did not receive a check, then your dividend was not large enough to create a \$50.00 check and your dividend has been posted as equity to your patronage account.

Your patronage check, based on your past purchases, also includes CHS Non-Qualified equity revolvment. Non-qualified equity is taxed when retired. Please consult your tax advisor for details.

In addition, the Legacy Board of Directors approved an equity retirement for the years 1984-1995. Based on your equity, a second check representing this revolvment may also be included with this letter. This is not reported on your 1099-PATR. Tax was paid when it was earned.

Please check your patron statement to make sure your **account name, social security number and mailing address** are correct. If any information needs to be corrected, please call Roxie Haberstroh at 701-266-5511 or email Roxie at roxie.haberstoh@legacy-cooperative.com

The information on your **PATRON STATEMENT** will be reported on your 2020 1099-PATR form.

Your **PATRON STATEMENT** may show four different **PATRON REFUNDS** as described below:

- 1.) Patron Refund based on Legacy Cooperative 2019 Local Savings – Reported on 1099-PATR BOX 1 & 7
- 2.) Patron Refund based on CHS Dividends received in 2019 – Reported on 1099-PATR BOX 1 & 7
- 3.) Patron Refund based on LOL Dividends received in 2019 – Reported on 1099-PATR BOX 1 & 7
- 4.) Patron Refund based on CHS Non-Qualified Dividend received in 2019–NOT REPORTED on 1099-PATR
(Reported when it is revolved)

EQUITY TRANSFER indicates North Dakota Farmers Union Dues of \$30.00 were deducted from your local equity credits and paid on your behalf to North Dakota Farmers Union.

PAYBACK refers to 1.) CHS Non-Qualified revolvment – Reported on 1099-PATR BOX 5 & 7

2.) Legacy Cooperative equity revolvment – NOT REPORTED ON 1099-PATR

(Tax was paid when it was earned)

CURRENT STOCK/EQUITY BALANCE reflects your TOTAL equity balance including your 2019 earned equity, less cash payout, less Farmers Union Dues and less any equity payback revolvment from Legacy Cooperative.

*** Please cash this check within thirty days. ***



PO Box 8
Bisbee, ND 58317-0008

Phone 701-656-3263
Fax 701-656-3371

Toll Free 800-450-3263
legacy-cooperative.com

**Legacy Cooperative
Patron Statement
03/01/20 – 03/31/20**

FAQ

1. Which refunds are taxable and which refunds are not?

See the following condensed version of your Patron Statement.

Patron Refund – 03/19/20 Legacy Local Credits

Commodities
Merchandise Sales

Refund Amount: \$10,000.00 -----**Reported on 1099 PATR FORM in Box 1 & 7**

35% Legacy Local Credits Equity \$3,500.00
65% Cash Refund – Voucher #VA0620 \$6,500.00

Equity Transfer – 03/19/20 Farmers Union Dues

03/19/20 Legacy Local Credits Equity Transfer -\$30.00 ----- **Farmers Union Dues deducted from your Local Equity**

Patron Refund – 03/19/20 CHS Credits

Commodities
Merchandise Sales

Refund Amount: \$1,000.00 -----**Reported on 1099 PATR FORM in Box 1 & 7**

80% Legacy CHS Credits Equity \$ 800.00
20% Cash Refund – Voucher #VA2526 \$200.00

Patron Refund – 03/19/20 CHS Non-Qualified Credits

Commodities
Merchandise Sales

Refund Amount: \$4000.00 -----**Not Reported on 1099-PATR FORM
(Tax is paid when it is revolved)**

100% Legacy **CHS Non-Qualified Equity** \$4,000.00
0% Cash Refund – Voucher VA#5600 \$0.00

Patron Refund – 03/19/20 Land O’LAKES Credits

Merchandise Sales

Refund Amount: \$1,000.00 -----**Reported on 1099 PATR FORM in Box 1 & 7**

40% Legacy Land O’Lakes Credits Equity \$ 400.00
60% Cash Refund – Voucher VA#1500 \$600.00

Payback 03/19/20

03/19/20 Legacy CHS Non-Qualified Equity

Total Cash Refund – Voucher #VA5678 \$200.00 - **Reported on 1099 PATR FORM in Box 5 & 7**

Payback 03/26/20

03/26/20 Legacy Local Credits and Legacy CHS Credits from years 1984-1995

Total Cash Refund – Voucher #VA6000 \$1,500.00—**Not Reported on 1099 PATR Form
(Tax was paid when it was earned)**



PO Box 8
Bisbee, ND 58317-0008

Phone 701-656-3263
Fax 701-656-3371

Toll Free 800-450-3263
legacy-cooperative.com

2. The Legacy Board of Directors sets the Local Cash Refund percentage. The other Cash Refunds are passed through at the same percentage as paid to Legacy Cooperative.
3. If you did not receive a revivement check for the years 1984 through 1995
 - a. You either did not earn patronage during that period or
 - b. You requested your stock credits when you became eligible by age and those years have been paid to you.
4. Patron Financial Statements will be handed out at the annual meeting. (A date is yet to be determined.) If you are unable to attend, copies of the condensed statement will be available at satellite locations, on the Legacy web page or you may ask to have the statement mailed/emailed to you.