
2008 Form 1099-DIV Supplementary Tax Information

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Tax Information

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Notice:

This supplementary information and accompanying Form 1099-DIV are intended to assist you in accumulating the data to prepare your income tax returns and are not to be construed as tax advice. We suggest that you consult your tax adviser to discuss the appropriate treatment of your transactions.

If you have any questions pertaining to the data contained on the enclosed Form 1099-DIV or your First Eagle account(s), please contact a First Eagle Service Associate at 800-334-2143, Monday through Friday, 9:00 a.m. to 6:00 p.m. Eastern Time or write to:

First Eagle Funds, P.O. Box 219324, Kansas City, MO 64121-9324



Foreign Source Income and Foreign Withholding Taxes:

For the 2008 tax year, First Eagle Global Fund (“Global”) and First Eagle Overseas Fund (“Overseas”) were eligible and have elected to pass through income and foreign withholding taxes to its shareholders. Your share of foreign withholding taxes incurred by the Global and Overseas Funds have been reported to you and the Internal Revenue Service in Box 6 of your 2008 Form 1099-DIV. Box 6 reports foreign income taxes paid on interest and dividend income derived from Fund investments in foreign securities during the 2008 tax year. Federal tax rules generally permit U.S. taxpayers to either deduct or take a credit against their U.S. tax liability for taxes paid to foreign governments.

The receipt of Qualified Dividend Income (“QDI”) may result in special rules in determining a shareholder’s foreign tax credit limitation computation as prescribed in Section 904 of the Internal Revenue Code. Federal tax rules no longer require this information be provided to you on a country-by-country basis.

To calculate your total foreign source income percentage, multiply the total ordinary income dividend reported in Box 1a on your 1099-DIV by 48.83% for the Global Fund and 70.67% for the Overseas Fund.

Please direct any further questions regarding this matter to your tax adviser.

Supplementary Qualified Dividend Income Tax Information:

Total ordinary dividends received from your Fund during 2008 are reported in Box 1a of your 2008 Form 1099-DIV. Ordinary dividends that may be eligible to be taxed at reduced federal personal income tax rates are reported as qualified dividends in Box 1b of your 2008 Form 1099-DIV. Ordinary dividends that are not reported as qualified dividends may be subject to federal personal income tax at your marginal federal income tax rate.

Please note that if you acquired or disposed of your Fund shares during 2008, not all potential qualified dividends reported in Box 1b of your 2008 Form 1099-DIV will be taxable at the reduced federal personal income tax rates. In order for the amount of the potential qualified dividends reported by your Fund to be taxable at one of the lower federal personal income tax rates, you need to have held your Fund shares for more than 60 days out of a 121-day period that began more than 60 days before the Fund’s ex-dividend date. Generally speaking, the ex-dividend date is the first date following the declaration of a dividend in which the buyer of an equity security will not receive the next dividend payment from that equity security. If you did not hold your Fund shares for the requisite period of time, such dividends would **not** be considered qualified dividends, and may be subject to tax at your marginal federal personal income tax rate. To determine your holding period, begin counting on the day after you acquired your Fund shares, and count the number of days held including (if applicable) the date the Fund shares were disposed.

Individuals should report the total amount of ordinary dividends received from your Fund and reported in Box 1a of your 2008 Form 1099-DIV on Line 9a of your 2008 Form 1040, or Line 5 of Schedule B of your 2008 Form 1040, as appropriate. Individuals also should report their eligible

qualified dividends received from your Fund and included in Box 1b on your 2008 Form 1099-DIV on Line 9b of your 2008 Form 1040. For further details, please consult the IRS form instructions or your tax adviser.

Supplementary Capital Gain Dividend Tax Information:

Dividends paid from capital gains generated by your Fund during the fiscal year ended October 31, 2008 could be subject to federal personal income tax at various rates. As in previous years, short-term capital gains passed through to Fund shareholders are taxable as ordinary income and are included in Box 1a of your 2008 Form 1099-DIV. Total capital gain dividends paid by your Fund are reported in Box 2a of your 2008 Form 1099-DIV.

Individuals should generally report the amount of capital gain dividends reported in Box 2a of your 2008 Form 1099-DIV in Column (f) of Line 13 of Part II of 2008 Form 1040, Schedule D. If you are required to file a 2008 Form 1040 and your only long-term capital gains are from mutual fund distributions reported on Forms 1099-DIV, Box 2a or substitute statements where no portion of these distributions reported on Forms 1099-DIV or substitute statements have an amount reported on Box 2b (Unrecaptured section 1250 gain), Box 2c (Section 1202 gain), or Box 2d (Collectibles (28%) gain), please check the applicable box on your 2008 Form 1040, Line 13 and report the amounts shown on 2008 Form 1099-DIV, Box 2a, on your 2008 Form 1040, Line 13. For further details, please consult the IRS form instructions or your tax adviser.

Income Derived From U.S. Treasury Obligations:

The percentage of Fund dividends declared and paid during 2008 (the amount reported in Box 1a of Form 1099-DIV) derived from interest on U.S. Treasury obligations for each Fund was as follows:

<i>First Eagle Global Fund</i>	4.11%
<i>First Eagle Overseas Fund</i>	0.00%
<i>First Eagle U.S. Value Fund</i>	0.91%
<i>First Eagle Gold Fund</i>	0.00%
<i>First Eagle Fund of America</i>	0.00%

Please note that at all times during 2008, less than 50% of the gross assets of each of the Funds was invested in U.S. Treasury obligations. The percentage of gross assets at December 31, 2008 invested in U.S. Treasury obligations for each fund was as follows:

<i>First Eagle Global Fund</i>	1.95%
<i>First Eagle Overseas Fund</i>	0.00%
<i>First Eagle U.S. Value Fund</i>	4.96%
<i>First Eagle Gold Fund</i>	0.00%
<i>First Eagle Fund of America</i>	0.00%

In some states, mutual fund dividends derived from U.S. Treasury obligations may be exempt from state and local income taxes. Additionally, in some states which impose an intangible tax or a personal property tax, the value of your assets attributable to U.S. Treasury obligations may be exempt from these taxes. Such laws vary between jurisdictions; therefore, please consult your tax adviser for further information.