

FPA FUNDS

NOTICE ACCOMPANYING IRS FORM 1099-DIV CALENDAR 2015

The enclosed Form 1099-DIV shows the federal tax status of dividends and distributions paid to you which are taxable in 2015. Below is additional information for each Fund.

Ordinary Income:

Income derived from U.S. Treasury Securities can be determined by multiplying the amount shown in Box 1a of your Form 1099-DIV by the percentage in Column (1) below.

Corporate shareholders can determine the amount which qualifies for the 70% corporate dividends received deduction by multiplying the amount shown in Box 1a of your Form 1099-DIV by the percentage in Column (2) below.

Foreign Taxes Paid:

You are allowed to claim a tax credit or an itemized deduction on your federal income tax return for your share of foreign taxes paid by a mutual fund. The amount reported in Box 6 of Form 1099-DIV represents the amount of creditable foreign taxes paid by each Fund during 2015. The information in Column (3) below will assist you in calculating the information necessary to claim either a credit or itemized deduction.

To calculate your total foreign source income passed through from the Fund, multiply the amount shown in Box 1a of Form 1099-DIV by the percentage in Column (3) below.

| | (1) Income from U.S. Treasury Securities | (2) Corporate Dividend Received Deduction | (3) Total Foreign Source Income Factor |
|------------------------------|---|--|---|
| FPA CAPITAL FUND, INC. | 6.48% | 100.00% | — |
| FPA CRESCENT FUND | 27.13% | 65.11% | — |
| FPA INTERNATIONAL VALUE FUND | 4.30% | 1.33% | 94.29% |
| FPA NEW INCOME, INC. | 2.03% | — | — |
| FPA PARAMOUNT FUND, INC. | — | 63.57% | 78.28% |

FPA U.S. Value Fund, Inc. did not pay any distributions from ordinary income in 2015.