

Investment Guidelines



In order to ensure that Charitable Investment Advisor Program (CIAP) assets are invested in a prudent manner, the Trustees set forth the following investment guidelines:

Asset Class Allocation

No limits or constraints shall be placed on the level of allocation to individual securities, funds, and exchange-traded funds (ETFs) invested in the following asset classes:

- U.S. stocks
- Developed Market non-U.S. stocks (as defined by the countries covered by the MSCI EAFE® Index)
- Cash and cash equivalents
- Short to Intermediate Term Investment Grade Bonds (defined as having a duration that is not more than 125% of that of the Barclays Capital Aggregate Bond Index)
- U.S. Treasury and Agency Bonds

Any combination of allocations to the five asset classes listed above is permissible.

Allocation to individual securities, mutual funds, and ETFs that invest exclusively in the following asset classes shall not comprise more than **25%** of the portfolio's market value per asset class, and any combination will not be more than **50% of the portfolio's market value in aggregate:**

- Long/Short, Arbitrage, Market Neutral, Bear Market, and other like funds
- Real Estate Investment Trusts or other real estate related securities
- Commodities funds and ETFs
- Currency funds and ETFs
- Bank Loan funds and High Yield (below investment grade) corporate bonds, funds, and ETFs
- Convertible and Municipal bonds, funds, and ETFs
- Emerging Market equities, funds and ETFs
- Emerging Markets debt, funds and ETFs
- Non-Dollar-Denominated Fixed income, funds and ETFs
- Long Duration Investment Grade Bonds, funds and ETFs (defined as having a duration of greater than 125% of that of the Barclays Capital Aggregate Bond Index), with the exception of bonds and bond funds that are limited specifically to U.S. Treasuries and agencies

Asset classes that are not explicitly discussed in these investment guidelines will be evaluated on a case by case basis to determine if their inclusion in the CIAP is appropriate.

Sector/Country Weightings

Equity Sector Weightings

- Equity sector weightings (as a percentage of the portfolio's equity allocation) of individual securities, sector-specific mutual funds, and sector-specific ETFs will be constrained to **2 times** the sector weighting of an appropriate index or **25% of market value**, whichever is greater. Sector weightings in diversified mutual funds and ETFs will not be counted toward this constraint.

Country Weightings

- Non-U.S. country weightings (as a percentage of the portfolio's equity allocation) of individual securities, country-specific mutual funds, and country-specific ETFs will be constrained to **2 times** the weighting of an appropriate index or **10% of market value**, whichever is greater, with a **maximum investment in any one non-U.S. country not to exceed 50% of market value**. Country weightings in diversified global and international funds and ETFs will not be counted toward this constraint.

Individual Security Limits

- Weightings in each individual security (including equities, and corporate bonds by issuer, not including mutual funds or ETFs) will be limited to not more than **10% of the current market value** of the portfolio.
- This limit does not apply to Treasury and agency fixed-income securities.

When managing CIAP assets, advisors are to avoid the following activities and circumstances:

Prohibited Investments and Transactions for CIAP Assets

The following investments and transactions are generally prohibited for CIAP Assets:

- Short sales, or any transaction on margin
- Venture capital or private placements
- Non-negotiable securities
- A CIAP Investment Advisor's (or affiliate's) own stock or debt
- Investments in companies for the purpose of exercising control or management
- Commodities (other than commodity-based mutual funds and ETFs)
- Options, futures, warrants or other leveraged investment strategies that employ derivatives, synthetics, or forward contracts
- Oil, gas or other mineral exploration or development programs or mineral leases
- Real estate, except as held in a diversified REIT, ETF or mutual fund position
- Investments that charge a fee upon redemption (i.e., "back-end load" or "deferred sales charge")

A CIAP Investment Advisor may not invest CIAP Assets in any one Giving Account® participating in the CIAP in any corporation, partnership, trust or other unincorporated business enterprise, if that Giving Account, together with any other Giving Account at the Gift Fund as to which the Account Holder, a family member of the Account Holder or a related entity of that Account Holder is also an Account Holder, would hold, as a result of such investment, in the aggregate (a) more than 2% of the outstanding voting stock of any corporation and not more than 2% in value of all outstanding shares of all classes of stock of that corporation; (b) more than 2% of the outstanding profits interest of a partnership; or (c) more than 2% of the outstanding beneficial interest of a trust or other unincorporated business enterprise.

CIAP Investment Advisors may not engage in transactions with any party that is not expressly in the best interest of the Gift Fund and may not engage in transactions, investments or activities that are prohibited by applicable law.

To learn more about the Charitable Investment Advisor Program, please contact a Charitable Planning Specialist at 800.682.4438.

For more information on the Fidelity Charitable Gift Fund's donor-advised fund program, please visit CharitableGift.org.