



Fidelity® Charitable Gift Fund Advice & Giving Survey Executive Summary

Introduction

The Advice and Giving survey was conducted online by Harris Interactive for Fidelity Investments on behalf of the Fidelity® Charitable Gift Fund between May 21 and 26, 2010 among 503 financial advisors. The advisors are part of the Harris Interactive Financial Advisor Intermediary Panel and represent advisors from a variety of channels, including national wirehouses, regional brokerages, independent, insurance and bank broker-dealer firms and registered investment advisory firms. The results of this survey may not be representative of all financial advisors meeting the same criteria as those surveyed for this poll.

Respondent Profile

- Median number of clients: 150
- Median typical client household income: \$200,000
- Median typical client assets: \$500,000
- Average number of years offering financial planning services: 15 years

Advisors Expect Income Tax Increases to Impact Charitable Giving

The majority of financial advisors (87%) expect income taxes to increase for most of their clients in the next 12-18 months.

- One quarter of these financial advisors (26%) believe their clients will increase charitable giving in order to offset tax hikes.
- 48% of advisors expect their clients to maintain their level of giving, despite ongoing market uncertainty and an overall decline in U.S. charitable giving in 2009.¹

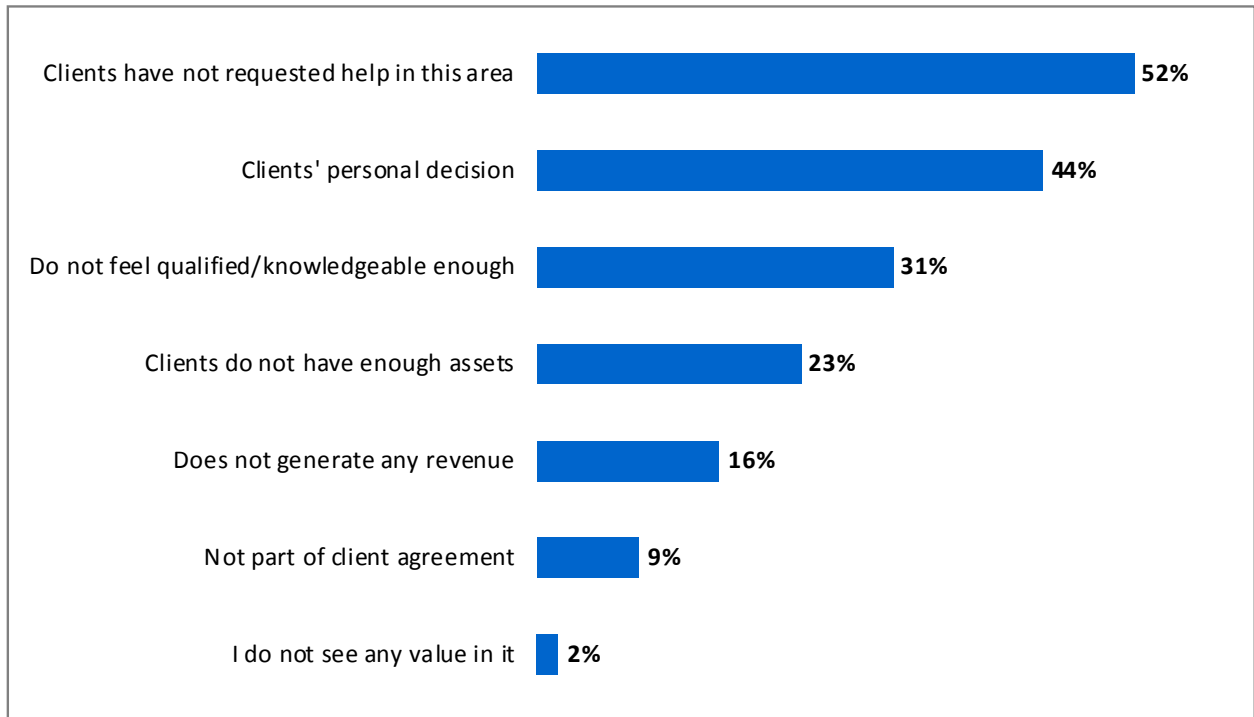
Only Half of Advisors Proactively Offer Charitable Planning Advice

Although 63% of advisors believe that their clients are interested in having them provide charitable planning advice, only 52% find themselves proactively offering such services to their clients.

Advisors appear to be reluctant to broach what they consider to be a personal subject: the No. 1 reason advisors give for not proactively providing advice is that clients have not requested their help in this area.

- Also, 44% of advisors said they felt it was their clients' personal decision and nearly a third (31%) indicated that they do not feel qualified/knowledgeable enough.
- Still, nearly half of advisors (40%) indicated that they would proactively offer charitable planning to their clients if they better understood how to introduce the topic.

Reasons Why Advisors Do Not Proactively Offer Charitable Planning Services

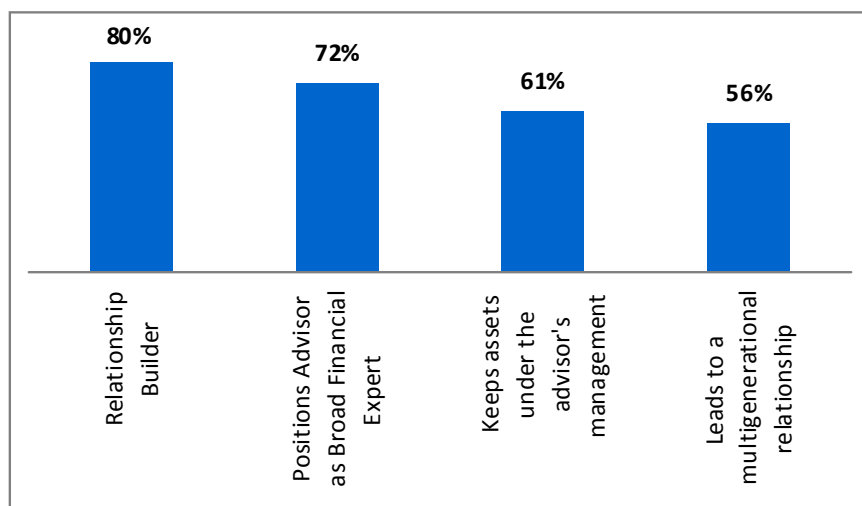


Charitable Planning – an Important Aspect of Client Relationships

About two-thirds (65%) of advisors who incorporate charitable planning advice into their practices say it is an important aspect of their client relationships. Furthermore, it strengthens their bond with clients:

- The biggest benefit of offering charitable planning advice to their clients is that it is a relationship-builder, say 80% of advisors.
- Other benefits cited include positioning the advisor as a broad financial expert (72%), keeping assets under the advisor's management (61%) and leading to a multigenerational relationship (56%).

Biggest Benefits of Offering Charitable Planning Advice



So under what circumstances do advisors offer charitable planning advice? A majority – 77% - say once clients express an interest in it. Other triggers for offering advice include:

- For estate planning purposes (68%), when client assets reach a certain level (40%) and when the advisor needs to find tax deductions (33%).

The majority of respondents (74%) coordinate or communicate with either in-house or external financial specialists or experts when offering advice on charitable planning.

Also noteworthy, two-thirds (67%) of advisors educate themselves and keep up to date on charitable planning trends.

- The ways in which advisors educate themselves on charitable planning trends include magazines (73%), newsletters (67%) and by attending events (59%).

Two of the giving trends advisors have noticed in 2010 are:

- Clients giving more to local causes (49% of advisors), and
- Recent natural disasters are spurring charitable giving (24% of advisors).

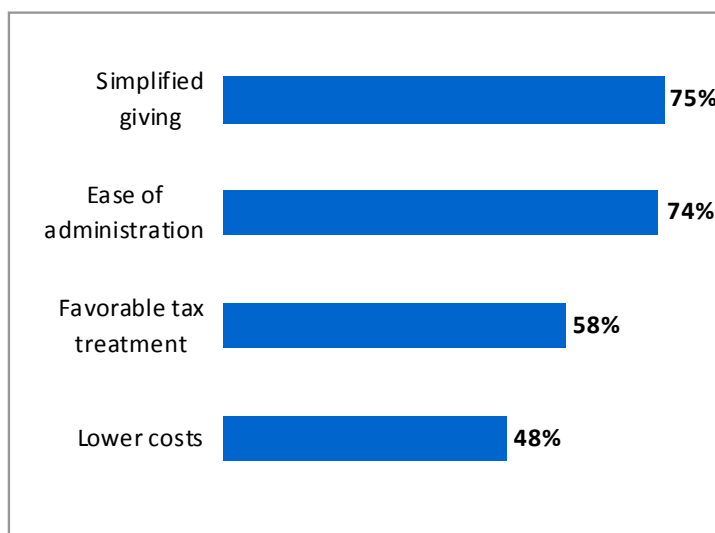
Donor-Advised Funds Usage is on the Rise

The majority of respondents (82%) feel that donor-advised funds are a valuable option for clients. Specifically, those advisors who are knowledgeable about donor-advised funds said they are suitable for clients who seek an immediate tax deduction and time to decide where to disburse grants (65%).

Furthermore, when asked which giving vehicle they expect to see increase in use over the next five years, twice the number of advisors said donor-advised funds (39 percent) compared to private foundations (20 percent).

The chief reasons noted for the expected increase include the ability to help simplify giving (75%) and ease of administration (74%).

Reasons for Expected Donor-Advised Fund Usage Increase



Advisors as Charitable Givers

More than three quarters (78%) of advisors consider themselves active charitable givers, with those that contribute to charitable causes donating, on average, \$13,000 per year. Yet, the majority give primarily through checkbook giving (78%).

- 68% of advisors noted that personal charitable planning habits influence how comfortable they are giving charitable planning advice to clients.

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¹ According to the Giving USA Foundation™, estimated total charitable contributions from American individuals, corporations and foundations fell to \$303.75 billion in 2009, down from a revised total of \$315.08 billion for 2008. The 2009 drop represents a fall of 3.6 percent in current dollars. In 2009 the overall economy saw slight price deflation, which makes the adjusted change in giving year-over-year a decline of 3.2 percent.