

Letter of Understanding

FIDELITY® CHARITABLE GIFT FUND
REQUIREMENTS FOR CONSIDERATION AND ACCEPTANCE
of Special Asset Contributions

Name of Donor:

(hereinafter the "Donor")

Detailed Description of Proposed Contribution:

(hereinafter the "Asset")

The Donor certifies and/or by signing below understands and agrees to the following terms and conditions applicable to the Donor and his/her contribution of the Asset listed above to the Fidelity Investments Charitable Gift Fund (the "Gift Fund"):

- The Donor has received, reviewed and agrees to the terms and conditions applicable to the Gift Fund, the Giving Account® and all contributions, including Special Asset contributions, as set forth in the (i) Gift Fund's Policy Guidelines – Program Circular, (ii) the Gift Fund's Special Asset Contributions Hard Card, and (iii) this Letter of Understanding.
- The Trustees of the Gift Fund must review and approve all contributions to the Gift Fund. No contribution is complete until formally accepted by the Gift Fund. The Gift Fund reserves the right to require the Donor to agree to additional terms of acceptance, if necessary.
- Once the Gift Fund accepts a contribution, it is irrevocable and not refundable.
- The Donor is the legal owner of the Asset, has the authority to transfer the Asset and/or if applicable, has obtained the requisite consents to transfer the Asset.
- The Donor is not under any legal obligation to sell the Asset.
- Once the Donor transfers the asset, the Gift Fund acquires the entire economic interest in the Asset and the Asset is exclusively owned and controlled by the Gift Fund.
- The Gift Fund, as sole owner of the Asset, maintains full discretion over all conditions of any subsequent sale of the Asset.
- As holder of the Asset, the Gift Fund is not and will be under no obligation to redeem, sell or otherwise transfer the Asset.
- In connection with the Gift Fund's sale of the Asset, the Gift Fund, as the seller, will generally not agree to make any representations, warranties or covenants, and will generally not agree to provide any indemnities, to any buyer other than representations related to the Gift Fund's (i) organizational status as a public charity in good standing with the IRS; (ii) status as an authorized holder of the Asset; (iii) authority to enter into the contemplated transactions with respect to the Asset; (iv) authority to sell the Asset; and (v) proper authorization to do so.
- The Gift Fund, as seller of the Asset, generally will not join in any covenants or warranties that extend post closing, including escrows, post-closing price adjustments or "earn-outs." If the Gift Fund has post-closing obligations, it may require that a portion of the proceeds be escrowed.
- The Gift Fund will recover all costs and accrued administrative fees¹ incurred by the Gift Fund in connection with accepting the contribution including (i) actual costs related to acceptance; (ii) carrying costs between the time of the donation and the sale of the Asset; and (iii) sale of the Asset costs. Costs include, but are not limited to, legal, tax and other professional fees, the Gift Fund's valuation costs, if any, taxes, insurance and other costs in connection with the acceptance, carrying and subsequent sale of the Asset. Costs may include reasonable reserves in connection with liabilities and other deferred costs. The Gift Fund may require the Donor to make additional contributions to cover costs.

- When the sale of the Asset is complete and the Gift Fund has received the gross sales proceeds, the Gift Fund will deduct all applicable costs and accrued administrative fees, as described above. The Gift Fund will fund the Donor's Giving Account with the proceeds remaining after all applicable costs and accrued administrative fees are deducted ("Net Sales Proceeds"). Additional proceeds received after the initial funding of the Giving Account will be, after the initial funding of the Account, allocated to the Giving Account. If, after the initial funding of the Giving Account with the Net Sales Proceeds, the Gift Fund incurs additional costs in connection with the carrying or subsequent sale of the Asset, the Gift Fund reserves the right to recover those costs from the Giving Account and/or require the Donor to make additional contributions.
- The Donor's Giving Account will be funded by the Gift Fund with the Net Sales Proceeds received from the sale of the Asset. As a result (i) these amounts will not be invested in the Gift Fund's investment pool programs until the Giving Account is funded and, therefore, there will be no investment returns until that time; and (ii) the Gift Fund will only make grants from amounts allocated to that Giving Account (funds may not be borrowed against future proceeds to make grant recommendations).
- The Donor's tax deduction is generally determined under applicable law as the fair market value of the Asset at the time the contribution is considered complete (capital gain property held by the Donor for more than one year²), and does not generally depend on the Gift Fund's subsequent sale of the Asset, the amount of or determination of the gross or Net Sales Proceeds from the Gift Fund's sale of the Asset, or the amount of the funding of the Donor's Giving Account.
- The gross sales proceeds received by the Gift Fund and/or the Giving Account funding amount/Net Sales Proceeds may be different (higher or lower) from the appraised value, fair market value, or other measure of the value of the Asset at the time of the contribution.
- The IRS requires, in connection with certain contributions, that the Donor (i) obtain an independent "qualified appraisal" within a specified time period, and (ii) file IRS Form 8283 including appraisal information with his or her income tax return. The Donor is responsible for obtaining any required appraisal (fees may apply).
- The Donor agrees that any tax deduction taken with respect to the donated Asset will not exceed the qualified appraised amount.
- The Gift Fund will acknowledge receipt of the Asset, but will not agree to any valuation of the Asset. If the Gift Fund disposes of the Asset within three (3) years of receipt, it will report the amount of the gross proceeds received on IRS Form 8282, which is submitted to the IRS with a copy to the Donor.
- If the Gift Fund's acceptance of the Asset, the sale of the Asset, or both, results in the Gift Fund being subject to unrelated business income tax ("UBIT") (i.e., generally limited partnership interests, S-Corp shares, certain real estate with debt, etc.), the Gift Fund will escrow a portion of the gross sales proceeds (20%) to pay, in addition to the actual Federal and, if applicable, State UBIT liabilities, all of the Gift Fund's costs associated with the contribution (defined herein) including tax consultancy fees incurred to research and calculate the Federal and State UBIT owed by the Gift Fund. Since the IRS can challenge the Gift Fund's tax filing for the applicable statute of limitations period (generally 3 years from the date the Gift Fund or the entity files their tax return, including extensions), the Gift Fund will escrow the monies in an "Escrow Giving Account" which the Donor will be able to view, until the statute of limitations expires.
- Monies in the Escrow Giving Account will be allocated to the Gift Fund's Money Market Pool and will be credited to the Donor's Giving Account (with interest earned in the Money Market Pool) at the expiration of the applicable statute of limitations period.
- The Donor is advised to consult his/her legal/tax advisor regarding the contribution, deductibility and appraisal requirements. Neither the Gift Fund nor Fidelity provides legal or tax advice.

Accepted and Agreed:

Donor:

Date:

¹ The Gift Fund's minimum annual administrative fee will be accrued and ultimately charged to the Giving Account even though the Asset held in the Giving Account is not invested in one or more of the Gift Fund's investment pools. The fee structure, minimums and annual credits are the same, with the fee generally being calculated in accordance with the applicable Gift Fund program.

² Deductions for capital gain property held for one year or less are usually limited to cost basis.

Information provided is general and educational in nature. It is not intended to be, and should not be construed as, legal or tax advice. Fidelity does not provide legal or tax advice. Content provided relates to taxation at the federal level only. The availability and size of charitable and other deductions may be limited by such factors as whether a deduction is itemized or not, adjusted gross income, liability for alternative minimum taxes, and timing of transfer. Rules and regulations regarding tax deductions for charitable giving vary at the state level, and laws of a specific state or laws relevant to a particular situation may affect the applicability, accuracy, or completeness of the information provided. Charitable contributions of capital gain property held for more than one year are usually deductible at fair market value. Consult an attorney or tax advisor regarding your specific legal or tax situation.

The Fidelity® Charitable Gift Fund ("Gift Fund") is an independent public charity with a donor-advised fund program. Various Fidelity companies provide investment management and administrative services to the Fund. The Charitable Gift Fund logo is a service mark, and "Giving Account" is a registered service mark, of the Trustees of the Fidelity Investments Charitable Gift Fund.