

Charitable DonorFlex ProgramSM Overview

The Charitable DonorFlex ProgramSM (“DonorFlex”) at Fidelity Charitable[®] allows donors to recommend specific investments with respect to the assets in their Giving Account[®].

DonorFlex provides for flexibility in investment allocation beyond the Fidelity Charitable[®] investment pools. Donors with a Giving Account[®] enrolled in DonorFlex may recommend investments in liquid, publicly traded mutual funds (interval funds do not qualify) and exchange-traded funds (ETFs) free of significant purchase and redemption fees; U.S. Treasury bonds; certain approved separately managed accounts; and certain approved alternative investments. All investment recommendations are subject to Fidelity Charitable approval.

Participation in DonorFlex requires a minimum \$5 million initial allocation to the program.

DonorFlex investment recommendations are executed by Fidelity Charitable.

DonorFlex Asset Class Restrictions¹

Equity

- Emerging markets are limited to **25%** of the portfolio’s market value
- Options are limited to covered call and long put exchange-traded/listed equity options for hedging a long equity position only. Total notional exposure to combined call and put options may not exceed the long equity position.

Fixed Income

- Bank loan vehicles and high-yield (below investment grade) combined limited to **50%** of the portfolio’s market value
- Convertible and municipal combined limited to **50%** of the portfolio’s market value
- Emerging markets combined limited to **25%** of the portfolio’s market value

Liquid Alternative Investments

- Limited to **50%** of the portfolio’s market value

Alternative Investments

- Considered on a case-by-case basis; please contact us at 800-874-7940 for additional information

Cash and Equivalents

- Cash equivalents include the core sweep account option², U.S. government Treasury bills, brokered certificates of deposit, and other money market instruments with original maturities of twelve months or less
- Money Market funds limited to institutional or government products

Giving Accounts enrolled in DonorFlex may be subject to additional fees.

¹ Giving Accounts must be appropriately diversified at all times and Fidelity Charitable reserves the right to require further diversification. Please refer to the [Charitable DonorFlex Investment Policies and Guidelines](#) for additional information.

² The core sweep account option is utilized to hold customer balances awaiting reinvestment or grantmaking, including cash proceeds from contributions and income from investments.

Allocation Limits

Individual Securities

- Generally prohibited unless managed on a discretionary basis by certain approved investment managers in a separately managed account
- Applies to common stocks, preferred stocks, corporate bonds, ADRs, publicly traded pass-through entities, REITs
- May hold an individual security up to **25%** of the Giving Account
- Additional individual securities will be limited to **10%** of the Giving Account

Non-Diversified Mutual Funds

- Each non-diversified mutual fund and non-diversified ETF will be limited to 25% of the Giving Account

Interval Funds

- May hold interval funds up to 10% of the Giving Account.

Cryptocurrencies

- May hold publicly traded products that track the price of cryptocurrencies up to 10% of the Giving Account
- Cryptocurrency assets, other than what is described above, cannot be held in a DonorFlex account. Contributions of cryptocurrency assets will be considered by the Complex Asset Group on a case-by-case basis; please contact 800-262-6935 for additional information

Prohibited Investments and Transactions

The following investments and transactions are generally prohibited for DonorFlex assets:

- Contributions of securities with trading restrictions
- Any entity with respect to which the donor, Account Holder, or any other disqualified Person on a Giving Account is a director, officer, or principal stockholder, as described in Section 16(a)(1) of the Securities Exchange Act of 1934
- Real estate, except as held in a diversified REIT, ETF, or mutual fund position
- Any entity in which the donor, Account Holder, and any other Disqualified Persons with respect to a Giving Account collectively own more than 35% of the total outstanding interests

The following investments and transactions are generally prohibited for program assets unless within a fund structure:

- Short sales, or any transaction on margin
- Non-negotiable securities
- Investments in companies for the purpose of exercising control or management
- Commodities
- Structured products
- 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
- Publicly traded, pass-through entities (including Master Limited Partnerships and Publicly Traded Partnerships) that generate Unrelated Business Income Tax (UBIT) for tax-exempt investors (generally indicated by the issuance of Form K-1); pass-through entities that provide 1099 reporting are usually acceptable

DonorFlex donors are required to obtain prior approval from Fidelity Charitable prior to investing DonorFlex assets in any security in which a donor or Account Holder on a Giving Account (or any other Disqualified Person on the Giving Account) maintains a beneficial ownership interest or receives any material financial compensation for recommending.

In addition to the guidelines above, DonorFlex donors are required to obtain approval from Fidelity Charitable before purchasing any investments that may generate UBIT. To the extent any UBIT is generated, Fidelity Charitable will generally assess the liability to the Giving Account invested in the UBIT-generating asset.

A participating DonorFlex donor may not invest DonorFlex assets in any one Giving Account participating in the program in any corporation, partnership, trust, or other unincorporated business enterprise if that Giving Account, together with any other Giving Account at Fidelity Charitable 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 profit interest of a partnership, or (c) more than 2% of the outstanding beneficial interest of a trust or other unincorporated business enterprise. This policy also applies to investments in hedge funds or private equity funds. If a participating DonorFlex donor would like to invest in any one passive alternative investment vehicle such that the individual Giving Account would represent ownership of more than 2% of the vehicle, the DonorFlex donor must first receive Fidelity Charitable's approval; please contact us at 800-262-6039 for additional information.

A participating DonorFlex donor may not engage in transactions with any party that are not expressly in the best interest of Fidelity Charitable, and may not engage in transactions, investments, or activities that are prohibited by applicable law.

For more information about DonorFlex please call 800-262-6039. If you are a member of the Private Donor Group, please contact your Philanthropic Strategist or the Premium Service Team at [800-874-7940](tel:800-874-7940).