

# Charitable Investment Advisor Program

## Investment Guidelines

The Charitable Investment Advisor Program (CIAP) at Fidelity Charitable<sup>®</sup> allows independent investment advisors to actively manage the Fidelity Charitable<sup>®</sup> assets contributed by their clients. With this program, advisors may assess a fee for their services and gain increased investment flexibility and reporting capabilities. The following investment guidelines are referenced from our Charitable Investment Advisor Program [Investment Policies and Guidelines](#).

**In order to ensure that Charitable Investment Advisor Program assets are invested in a prudent manner, the Trustees of Fidelity Charitable have set forth the following investment guidelines:**

- CIAP assets must be appropriately diversified at all times (e.g., across securities, issuers, sectors, or countries).
- Fidelity Charitable reserves the right to determine whether a Giving Account<sup>®</sup> should be further diversified.
- Permissible investments include U.S. cash and cash equivalents; money market funds; liquid, publicly traded stocks, bonds, mutual funds, and exchange-traded funds (ETFs) free of significant purchase and redemption fees and expenses; and certain approved alternative investments.
- All CIAP accounts are subject to the allocation limits and asset class restrictions for the permissible investments listed below.

Asset Class	Asset Class Restrictions
<b>Equity</b>	<ul style="list-style-type: none"> <li>• Emerging markets are limited to <b>25%</b> of the Giving Account<sup>®</sup>.</li> <li>• Options are limited to covered call and long put exchange-traded and 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.</li> </ul>
<b>Fixed Income</b>	<ul style="list-style-type: none"> <li>• Fixed income securities with split credit ratings will use the lower credit rating.</li> <li>• Bank loan and high-yield securities (below investment grade) combined are limited to <b>50%</b> of the Giving Account.</li> <li>• Convertible and municipal bonds combined are limited to <b>50%</b> of the Giving Account.</li> <li>• Emerging markets are limited to <b>25%</b> of the Giving Account.</li> </ul>
<b>Alternative Investments</b>	<ul style="list-style-type: none"> <li>• Considered on a case-by-case basis; please contact us at <a href="mailto:fcalts@fmr.com">fcalts@fmr.com</a> additional information.</li> <li>• For additional requirements when investing in alternative investments, reference the full Charitable Investment Advisor Program Investment Policies and Guidelines.</li> </ul>
<b>Liquid Alternative Investments</b>	<ul style="list-style-type: none"> <li>• Limited to <b>50%</b> of the Giving Account.</li> </ul>
<b>Cash &amp; Equivalents</b>	<ul style="list-style-type: none"> <li>• Cash equivalents include U.S. government Treasury bills, brokered certificates of deposit, and other money market instruments with original maturities of 12 months or less.</li> <li>• Money market instruments must be institutional prime, institutional municipal, government, or U.S. Treasury.</li> <li>• CIAP advisors may not change fees on uninvested cash.</li> </ul>

Asset Class	Allocation Limits
<b>Individual Securities</b>	<ul style="list-style-type: none"> <li>• Applies to common stocks, preferred stocks, corporate bonds, ADRs, publicly traded pass-through entities, REITs.</li> <li>• May hold an individual security up to <b>25%</b> of the Giving Account.</li> <li>• Additional individual securities will be limited to <b>10%</b> of the Giving Account.</li> </ul>
<b>Non-Diversified Mutual Funds</b>	<ul style="list-style-type: none"> <li>• Each non-diversified mutual fund and non-diversified ETF will be limited to <b>25%</b> of the Giving Account.</li> </ul>
<b>Interval Funds</b>	<ul style="list-style-type: none"> <li>• May hold interval funds up to <b>10%</b> of the Giving Account.</li> </ul>
<b>Cryptocurrencies</b>	<ul style="list-style-type: none"> <li>• May hold publicly traded products that track the price of cryptocurrencies up to <b>10%</b> of the Giving Account.</li> <li>• Cryptocurrency assets, other than what is described above, cannot be held in a CIAP portfolio. 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.</li> </ul>

## Prohibited Investments and Transactions

### The following investments and transactions are generally prohibited for CIAP 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

**CIAP advisors are required to obtain prior approval from Fidelity Charitable prior to investing CIAP assets in any security in which the CIAP advisor or 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, CIAP advisors 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 CIAP advisor may not invest CIAP 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 CIAP advisor 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 CIAP advisor must first receive Fidelity Charitable's approval; please contact us at 800-262-6935 for additional information.

A participating CIAP advisor 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.

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If you have any questions about these guidelines or would like to learn more about the Charitable Investment Advisor Program, please contact a Charitable Planning Expert at **800-262-6039** or visit [FidelityCharitable.org](https://www.FidelityCharitable.org).