



GiveClear FOUNDATION ("GiveClear")

INVESTMENT POLICY STATEMENT for The ENTITY Donor Advised Fund Program

POLICY OVERVIEW:

The purpose of this Investment Policy Statement ("IPS") is to establish the investment philosophy of The ENTITY Donor Advised Fund Program and to provide guidelines for the management and oversight of The GiveClear Foundation's investment assets in accordance with the Prudent Expert Act. The Investment Policy shall always be administered in accordance with such general policies and procedures as may be adopted or amended by The GiveClear Foundation board and the approved ENTITY Donor Advised Fund Program Guidelines.

The GiveClear Foundation is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, that is a public charity described in Section 509(a)(1) of the Code that operates Donor Advised Funds, referred to as "Giving Funds".

I. GLOSSARY OF TERMS

- a. Donor Advised Fund: or DAF, is a giving vehicle established at a public charity. It allows donors to make charitable contributions, receive immediate tax deductions and then recommend grants from the fund over time. Donors can contribute to the fund as frequently as they like, and then recommend grants to their favorite charities whenever they choose.
- b. Giving Fund: An individual, numbered, notional DAF that represents the donated capital of an individual Donor ("Giving Fund Holder"). Each Giving Fund's capital is owned by GiveClear but affords the Giving Fund Holder the ability to recommend investments and grants out from the Giving Fund.
- c. GiveClear Investment Committee: a standing committee established by the Board of Directors (the Board) of GiveClear Foundation. The purpose of the Committee is to assist and advise the Board and GiveClear staff in fulfilling the financial investment oversight responsibilities of the Board
- d. Professionally Managed Portfolio: a separately managed account unique to an individual Giving Fund
- e. Investment Management Firm: an investment management firm used to provide investment management services for Professionally Managed Portfolios
- f. Investment Advisor (IA): an individual investment advisor employed by the Investment Managed Firm
- g. Giving Wallet: liquid, risk-averse cash or cash equivalent balances for immediate grant recommendation purposes

II. GOVERNANCE

The Committee shall exercise prudence and appropriate care with regard to the management of assets to be invested. In overseeing the assets of GiveClear, each member of the Committee shall act in good faith, in a manner such member believes to be in the best interests of GiveClear and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. Committee members shall be selected based on their expertise in the management of investments and should function in a manner in keeping with the Prudent Investor Standard. Members should also have no prevailing Conflict of Interest ("COI"), and there shall be a call for contextual COI at the beginning of each meeting based on the agenda items for that meeting.

Each GiveClear Giving Fund is composed of contributions made by individual donors. Once the donor makes the contribution, GiveClear has ownership and legal control over it. The donor, or the donor's representative, will be invited to provide advice with respect to the distribution of the funds and the investment of assets in each Giving Fund subject to

adherence to the IPS. These advisory privileges are suggestive in nature, and GiveClear has the legal right and obligation to ensure that charitable law and the IPS are complied with at all times.

Investment performance shall be reviewed quarterly by GiveClear.

III. INVESTMENT PHILOSOPHY OF THE ENTITY DONOR ADVISED FUND PROGRAM

The ENTITY Donor Advised Fund Program provides clients the ability to open separately managed Donor Advised Funds with GiveClear Foundation. Each Professionally Managed Portfolio will have investment management provided by an ENTITY, LLC registered and affiliated Investment Advisor. GiveClear's return objective for DAF investments is to ensure that GiveClear is able to meet its minimum requirement of making aggregate grants equal to at least 5% yearly of its net asset value, and that GiveClear is at all times able to fulfill the granting recommendations of the Giving Fund Holders. In pursuing these objectives, GiveClear endeavors to achieve risk-adjusted total returns that, over time, are commensurate with broad-based market averages.

IV. PROFESSIONALLY MANAGED PORTFOLIO INVESTMENT GUIDELINES

The investment objectives of the Professionally Managed Portfolio shall be consistent with GiveClear's investment objectives as established and overseen by the Committee. A primary Investment Advisor ("Advisor" or "IA") and its Board-approved delegated sub-advisor(s) may advise each Portfolio Account or an aggregate of the Accounts of a particular Giving Fund.

The Advisor will work with the Giving Fund Holder to establish the recommended investment objectives and strategy for the portfolio, considering the projected timing of grants, target returns, risk tolerance, and other unique considerations, consistent with the Giving Fund Holder's regular investment practices.

1. Investment Guidelines - The IA shall manage the Portfolio's investments in compliance with these guidelines, in a manner that provides sufficient liquidity to support the Giving Fund Holder's recommended grants and to cover account expenses. It is highly recommended that all accounts reserve 10% of Giving Fund balance remain in Giving Wallet. This section does not apply to contributions of assets. For further details related to contributions, please reference the Gift Acceptance and Valuation Policy.

2. Criteria for Professionally Managed Portfolios

- a. Minimum account balance is \$XX,XXX and must be on the delegate's trading platform for custody.
- b. Investment Management Firms must be approved in advance by GiveClear's CFO or the person acting in that role. In approving Investment Management Firms, GiveClear will consider, among other factors, the length of time the firm has been in existence, its track record, fees, assets under management, related party compliance, the familiarity with and amount of charitable assets managed by the Investment Management Firm.
- c. The IA will manage the assets on a discretionary basis adhering to the agreed upon IPS and to any specific guidelines established for individual accounts.
- d. The Donor will not have direct market access – each investment and trade must go through GiveClear and the IA.
- e. Giving Fund holders may not receive payments outside of industry standards for any services, including Investment Advisory services.
- f. GiveClear gives the IA authority to vote proxies and respond to legal and corporate actions in a manner that is in the best interest of GiveClear and consistent with GiveClear's investment objectives stated.
- g. Should the asset level in the Account fall below \$XX,XXX the Account will no longer be eligible for professional portfolio management.
- h. No deviation from this policy is permitted without the prior written approval of GiveClear.

3. Diversification

Investments will be managed taking into consideration the Giving Fund Holder's time horizon and planned

giving strategy. While it is recommended that the investments be diversified among various asset classes, sectors and securities within the portfolio, the agreed upon IPS will ultimately govern the investment decisions.

4. Permitted Investments and Transactions

The following investments and transactions are permitted. Preapproval from GiveClear is required for any investments and transactions not listed below:

- a. Cash and cash equivalents
- b. Publicly traded stocks and bonds
- c. Publicly traded mutual funds, publicly traded REITs, ETFs
- d. Other investments and transactions may be permitted on a case-by-case basis as approved by GiveClear

5. Restricted Investments and Transactions

The following are prohibited unless approved by GiveClear with a specific IPS pertaining to each professionally managed account. GiveClear recognizes the importance of non-traditional asset classes and desires to work with the donor and/or IA to responsibly evaluate on a case-by-case basis.

- a. A participating Investment Advisor's (or affiliate's) own stock or debt
- b. Contributions of securities with trading restrictions
- c. Real estate, except as held in a diversified REIT, ETF, or mutual fund position
- d. Illiquid shares of a privately held company
- e. Private Equity
- f. Short sales, or any transaction on margin
- g. Non-negotiable securities
- h. Investments in companies for the purpose of exercising control or management
- i. Commodities
- j. Futures, options, warrants, or other leveraged investment strategies that employ derivatives, synthetics, or forward contracts
- k. Oil, gas, or other mineral exploration or development programs or mineral leases
- l. Investments that charge a fee upon redemption (e.g., "back-end load" or "deferred sales charge"), exception may be granted by GiveClear for a donation of a pre-existing vehicle with such structure
- m. Non-publicly traded structured products
- n. Investments that charge a front-end load, unless the Investment Advisor deems it as a lower-fee share class, or if the Investment Advisor obtains a waiver of any front-end load offered for charitable accounts

6. Benchmarking

GiveClear's investment committee will determine appropriate benchmarking in coordination with the Investment Management Firm. Benchmarks are intended to offer some consistency to the investment strategy and should not be changed unless the long-term investment strategy has changed significantly. The investment performance will be reviewed quarterly by Investment Committee.

Specific Default Benchmarks to be considered as examples include:

- a. USA Equity: S&P500 Index
- b. Global Equity: MSCI World Index
- c. USA Fixed Income: Bloomberg Barclays US AGG Bond Index
- d. Global Fixed Income: JPM Global Gov't Bond Index
- e. Russell 3000

VI. INVESTMENT POLICY STATEMENT REVIEW

1. Annual Review and Acknowledgment

The Board shall be responsible to ensure that all Investment Committee members and Investment Advisors retained by the Foundation review the IP annually.

2. Amendments

This Investment Policy may be amended by the recommendation and approval of the Foundation's Board of Directors.