

DONOR ADVISED FUNDS: *Investment Options*

1. Guaranteed Earnings Account

The Federation has designed this option for those individuals who do not want to incur any fluctuation in the Donor Advised Fund balance, while obtaining a competitive rate of return. The GEA will pay an above average current yield to Donor Advised Funds, as compared to money market type funds, while guaranteeing the fair market value of fund assets invested in the GEA. The Jewish Federation of Metropolitan Chicago guarantees both the rate of return and the principal of the Donor Advised Fund's assets invested in the GEA. The rate of return will be adjusted on the first of each month and will be one percentage point more than the current yield on 30-day Treasury bills. Most money market fund yields are roughly equal to the 30-day Treasury bill rate, and one percent over this rate is an extremely attractive rate in comparison to money market accounts available in the commercial markets.

2. Domini Social Equity Fund (*DSEFX*)

The objective of this fund is to seek long-term total return that corresponds with the performance of the Domini Social Index, which consists of approximately 400 companies that meet certain social criteria. The fund invests substantially all assets in stocks in the Index. To construct the index, the advisor selects companies in the S&P 500 based on social responsibility and on its requirements for industry diversification, financial solvency, market capitalization and minimal portfolio turnover. The Index also includes companies not included in the S&P 500. Donor Advised Funds invested in this vehicle can and probably will experience gains and losses from changes in the market value of the underlying securities.

3. Fidelity Intermediate Bond Fund (*FTHR*X)

The major objective of this fund is to produce above average income with safety of principal. Donor Advised Funds invested in this vehicle may experience a gain or loss from changes in market value, as the underlying value of the bonds owned by this fund will fluctuate from time-to-time in the open market. The fund purchases investment grade bonds with maturities ranging from 5 to 10 years. Donor Advised Funds invested in this fund can and probably will experience gains and losses from changes in the market value of the underlying securities.

4. Federation Pooled Endowment Portfolio

This program is limited to those Funds that have a balance of \$100,000 or more. Funds invested in the Federation Pooled Endowment Portfolio are available quarterly only. The primary objectives of the Federation Pooled Endowment Portfolio are (a) maximum diversification of asset categories specifically structured to reduce volatility, combined with (b) maximum long-term total return, regardless if from capital appreciation or from income. The fund is broadly diversified with over 20 investment advisors, each specializing in specific, separate asset categories. Assets include domestic and international stocks, domestic and international bonds, and alternative assets such as hedge Funds and private equity. The Federation finance committee monitors performance. The fund maintains a very long-term perspective.

5. Fidelity Asset Manager 50% (*FASMX*)

The major objective of this fund is to obtain high total return with reduced risk over the long-term by allocating its assets around a neutral mix of 50% stock, 40% bonds and 10% short-term/money market investments. Donor Advised Funds invested into this fund can and probably will experience gains and losses from fluctuation in share prices.

6. Fidelity Asset Manager 70%—Growth (*FASGX*)

The objective of this fund is to maximize total return over the long term by allocating assets among stocks, bonds, short-term instruments and other investments. The fund allocates its assets among domestic and foreign stocks, bonds, and short-term and money market investments. The fund's investments will normally fluctuate around a neutral mix of 70% stocks, 25% bonds, and 5% short-term/money market. Donor Advised Funds invested into this fund can and probably will experience gains and losses from fluctuation in share price.

7. Fidelity Asset Manager 85%—Aggressive (FAMRX)

The objective of this fund is to maximize total return over the long term by allocating its assets among stocks, bonds, short-term instruments, and other investments. The fund allocates its assets among stocks, bonds, and short-term and money markets instruments of domestic and foreign issuers while generally maintaining a neutral mix over time of 85% of assets in stocks and 15% of assets in bonds and short-term and money market instruments. Donor Advised Funds invested in this fund can and probably will experience gains and losses from fluctuation in share price.

8. Fidelity Equity Income Fund (FEQIX)

The objective of this fund is to provide balanced growth and income through investment in high-yielding equity securities. The fund concentrates on securities which not only have a current higher than average dividend, but which also have a long-term history of steadily increasing dividends. Donor Advised Funds invested in this vehicle can and probably will experience gains and losses from changes in the market value of the underlying securities.

9. Fidelity Growth and Income Fund (FGRIX)

The objective of this fund is to seek long-term capital growth with current income and growth of income consistent with reasonable investment risks. The fund will invest in equity securities of companies that offer growth of earnings potential while paying current dividends. Donor Advised Funds invested in this vehicle can and probably will experience gains and losses from changes in the market value of the underlying securities.

10. Fidelity Blue Chip Growth Fund (FBGRX)

The objective of this fund is to provide growth of capital over the long term. The fund normally invests primarily in common stocks of well-known and established domestic and foreign companies. Normally the fund invests at least 65% of total assets in blue chip companies (those with market capitalization of at least \$200 million, if the company's stock is included in the S&P 500 or the Dow Jones Industrial Average, or \$1 billion if not included in either index). The fund invests in companies that FMR believes have above average growth potential. Donor Advised Funds invested into this fund can and probably will experience gains and losses from fluctuation in share prices.

11. Fidelity Mid-Cap Stock Fund (FMCSX)

The objective of this fund is to provide long-term growth of capital. The fund normally invests at least 65% of total assets in common stocks of companies with medium market capitalization (those with market capitalization similar to companies in the S&P MidCap 400), and potentially invests in companies with smaller or larger market capitalization. Donor Advised Funds invested in this fund can and probably will experience gains and losses from fluctuation in share prices.

12. Fidelity Diversified International Fund (FDIVX)

The objective of this fund is to seek capital growth. The fund normally invests at least 65% of total assets in foreign securities; and normally invests primarily in common stocks of these companies. This fund allocates investments across countries and regions considering the size of the market in each country and region relative to size of the international market as a whole. Donor Advised Funds invested in this fund can and probably will experience gains and losses from fluctuation in share prices.

13. State of Israel Bonds

State of Israel Bonds are widely recognized as one of Israel's most valued and reliable economic resources. Israel enjoys an exceptional reputation for debt repayment and has never defaulted or missed a single payment of principal or interest. Donor Advised Funds invested in this vehicle will receive the rate of interest offered by the Israel Bond office at the time the bond is issued.

