



LATINO DONOR COLLABORATIVE
DONOR CIRCULAR & DISCLOSURE STATEMENT
JULY, 2017

Latino Donor Collaborative (“LDC”) is an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. LDC receives contributions from various donors which become subject to the control of LDC. LDC, in its discretion, may contribute property from time to time to Morgan Stanley Global Impact Funding Trust (“Morgan Stanley GIFT”) for the purposes of establishing “private label” donor-advised funds in the name of LDC’s own donors. LDC would be the “Sponsor” of each such fund. Morgan Stanley GIFT is an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and a donor-advised fund. Various divisions of Morgan Stanley Smith Barney, LLC provide investment management and administrative services to Morgan Stanley GIFT. As the donor of a private label donor-advised fund at Morgan Stanley GIFT, the Sponsor may name one or more persons, including its own donors, to serve as advisors, to the account. The Sponsor also may serve as a liaison to its own donors.

While we believe that a private label donor-advised fund provides a valuable philanthropic opportunity, contributions for such funds are not appropriate for everyone. **Other forms of charitable giving may be more appropriate depending on a person’s specific situation.** Of critical importance to any person considering making a donation to LDC or to Morgan Stanley GIFT is the fact that any such donation is an irrevocable contribution. Although Sponsors and those who make contributions to Sponsors will have certain rights to make recommendations to Morgan Stanley GIFT as described in this circular, contributions become the legal property of LDC when donated.

This Donor Circular & Disclosure Statement describes the risks, fees and expenses associated with participating in the LDC Donor Advised Fund Program and establishing and maintaining an MS GIFT account. Read it carefully before contributing.

If you have any questions or need assistance, please email info@latinocollaborative.org, or call us at (310) 279-5187.

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INTRODUCTION

General. Latino Donor Collaborative (sometimes “LDC” or “Sponsor”) is an organization described in Section 501(c)(3) of the Code and is exempt from federal income tax pursuant to Section 501(a) of the Code, and is treated as a public charity. LDC receives contributions from various donors which become subject to the control of LDC.

Morgan Stanley Global Impact Funding Trust, Inc. (“MS GIFT”) is an organization described in Section 501(c)(3) of the Code and is exempt from federal income tax pursuant to Section 501(a) of the Code, and is treated as a public charity established to support and increase philanthropy. Consistent with this mission, MS GIFT has established a donor advised fund, which is known as Morgan Stanley® Global Impact Funding Trust (sometimes referred to as “MS GIFT”, the “Donor Advised Fund Program” or the “Fund”). The Fund is composed of separately identifiable accounts (each an “Account”) funded by contributions from one or more donors.

LDC periodically receives contributions from donors (“Donors”) for whom, in its discretion, it may contribute property from time to time to MS GIFT for purposes of establishing donor-advised funds in the name of such Donors. Such Donors shall then have the right, among others, to make requests to make grants to specific Sponsor programs or activities and/or other charitable organizations specifically designated by LDC (each, an “LDC Designated Organization”). See Schedule C attached hereto for a list of the LDC Designated Organizations. based on the recommendations of such Donor; provided, however, in each case when a grant is made from MS GIFT attributable to such account to an LDC Designated Organization, a grant of an equal amount shall be made to LDC. If the Sponsor does transfer some or all of the funds it receives from a Donor to MS GIFT, a separate Account will be established in the name of each Donor of transferred funds at MS GIFT. The Sponsor and the applicable Donor will have the ability to recommend grants of funds in such Account to specific Sponsor programs or activities and/or an LDC Designated Organization. This Donor Circular & Disclosure Statement (“Donor Circular”) describes the policies, procedures and services in connection with participating in LDC’s Donor Advised Fund Program.

The rights and responsibilities of LDC and Donors who make contributions with an expectation of a donor advised fund account being established are set forth in this Donor Circular, but are also subject to, among other things, LDC’s and MS GIFT’s Articles of Incorporation, By-Laws, and the policies and guidelines of MS GIFT, including those described in this Donor Circular (collectively referred to herein as the “Governing Documents”). The Governing Documents may be modified, amended or revoked at any time without prior notice. LDC has final legal authority to accept or reject all or any portion of contributions to LDC and to dispose of such contributions. MS GIFT has final legal authority to accept or reject all or any portion of contributions to MS GIFT, invest MS GIFT assets and approve grants.

PARTICIPATING IN THE PRIVATE LABEL DONOR ADVISED FUND PROGRAM

LDC has decided to participate and become a Sponsor in the Donor Advised Fund Program. All contributions from a Donor are made to the Sponsor in the first instance and are not charitable gifts to MS GIFT. The Sponsor at all times will exercise control over and have full discretion as to the disposition of any funds received, i.e., the Sponsor is under no obligation to turn over all or any part of funds solicited from Donors to MS GIFT. The Sponsor may choose to contribute funds received from Donors to MS GIFT and in such event a separate Account will be established in the name of each Donor at MS GIFT. Both the Sponsor and the Donor will have the ability to recommend grants from funds in an Account to specific Sponsor programs or activities and/or an LDC Designated Organization as provided in this Donor Circular.

What Rights Will a Sponsor Have With Respect to Funds Received from Donors and Funds in a Donor Advised Fund Account?

The Sponsor is not an agent of MS GIFT. The Sponsor will at all times have full control over and complete discretion as to the disposition of any funds received from Donors. Sponsor may choose to contribute all or a portion of any funds received from Donors to MS GIFT and in such event a separate Account will be established in the name of each Donor at MS GIFT. Any funds contributed by the Sponsor to MS GIFT and all related future earnings, including any income and appreciation thereon, are no longer the Donor’s assets. In making a contribution, a Donor cannot impose any restriction or condition that prevents LDC from freely and effectively using the contribution. The Sponsor and the Donor will have the ability to recommend grants of funds in an Account to specific Sponsor programs and activities and/or an LDC Designated Organization and to make investment recommendations with regard to the funds in an Account; provided, however, in each case when a grant is made from MS GIFT attributable to such account to an LDC Designated Organization, a grant of an equal amount shall be made to LDC.

What Information Does the Sponsor Have Access to Regarding a Specific Account?

The Sponsor will have the ability to review Account activity, including the balance of funds in an Account, grants recommended by the Donor and actual grants made from the Account, including the recipients thereof. The Sponsor will receive copies of Account statements directly from the third-party administrator.

Can a Donor Recommend Grants to Organizations Other than the Sponsor?

Yes, a Donor may recommend grants from his/her/its Account to an LDC Designated Organization. However, for every grant made from an Account to an LDC Designated Organization, a grant of equivalent value shall be made to LDC. Grants to LDC may be used at a program or activity selected by LDC. For example, if a Donor recommends a grant in the amount of \$500

to an LDC Designated Organization, a qualified charity which is approved by MS GIFT, a corresponding \$500 grant will be made to a Sponsor program or activity selected by LDC.

ESTABLISHING AN ACCOUNT

Account Opening. If the Sponsor chooses to contribute part or all of the funds received from Donors to MS GIFT, a separate Account will be opened in the name of each Donor.

Account Opening Facts:

Subject to the Governing Documents:

- **Initial Contribution:** A Donor's initial contribution to LDC shall consist of cash or other assets that are acceptable to the LDC valued at no less than \$1,000.
- **Additions to the MS GIFT Account:** After an Account is established, additional contributions may be made at any time by completing the Additional Contribution Agreement. Any subsequent contribution to an Account shall be valued at no less than \$1,000.
- **Irrevocability:** All contributions are irrevocable and nonrefundable. Contributions and all related future earnings, including any income and appreciation thereon, are no longer the Donor's assets. In making a contribution, a Donor cannot impose any restriction or condition that prevents LDC from freely and effectively using the contribution.
- **Naming the Account:** When a donor advised fund account is to be established, Donors will be asked to name their accounts, subject to MS GIFT approval. Typically, Donors choose a name to recognize themselves or their family and/or to reflect their charitable goals (e.g., Barbara and Steven Family Foundation, Jones Family Fund, Robert Smith Educational Fund).
- **Naming Advisors:** The Sponsor and the Donor will have the right to designate one or more persons, each of whom is at least 18 years of age as advisors with respect to each Account (each an "Advisor"). The Donor and his or her family members and friends may be designated as Advisors. Advisors may recommend grants concurrently with the Sponsor.
- **Naming Successor Advisors:** Sponsors and Donors may also designate one or more persons, each of whom are least 18 years of age, as Advisors and/or successor Advisors to exercise the rights and privileges granted to the Donor with respect to the Donor's accounts after the death or disability of the Donor, subject to the Sponsor's right to remove an Advisor at any time in the Sponsor's sole discretion. Successor advisors may not designate their successors. Succession is limited to one generation after the Donor.
- **Ultimate Charitable Beneficiary:** If there are no successors available and willing to act or if no contributions are made to the Account and no grants are recommended for a

period of five or more years, one or more grants may be made to LDC from such Account.

FUNDING AN ACCOUNT

All gifts are subject to the Gift Acceptance Policy of the Sponsor, as amended from time to time.

Please allow sufficient time to complete all transfers. Note that some transfers can take two weeks or more.

LDC will consider for approval all contributions before accepting them and reserves the right to perform additional review as it deems necessary. If for any reason a contribution is not accepted, it will be returned to the Donor. LDC will retain a record of the return of such a contribution and the contribution shall be deemed to have been refused upon its return by LDC through the U.S. Mail or other comparable delivery service.

Upon accepting a contribution, LDC will issue a written confirmation to the Donor acknowledging receipt of the contribution as required by law. LDC may, in its sole and absolute discretion, condition its acceptance of any contribution upon the Donor completing such additional forms and complying with such procedures as it deems necessary.

INVESTMENT POOLS

Donors shall have no ownership interest in any Account or the investment pools in which an Account is invested, or in any of the investment pools' underlying investments. Accounts are subject to management fees and other expenses. (Please refer to Schedule B, entitled Investment and Administrative Expenses for more information on investment expenses.) *The investment pools are not mutual funds and are not available for investment by any individual or organization.*

The value of assets in the investment pools fluctuate with market conditions and may result in a loss of principal. Thus, the assets in the pools might be worth more or less than the original contribution.

MS GIFT's Board of Directors has the sole responsibility and authority for investing MS GIFT's assets. The Board of Directors may adjust the composition of its investment pools and may choose other investment vehicles from time to time. Sponsors and Advisors (which may include the Donor and his or her family members and friends) may recommend to the Board of Directors of MS GIFT the allocation of their contributions—original or additional—among the investment pools.

Allocating Assets Among Investment Pools. Upon accepting an initial contribution by MS GIFT from Sponsor, an Account will be created to track the value of donated assets and distributions of assets held in the Account. The MS GIFT Board of Directors has sole authority and responsibility for the investment of all Accounts but seeks the involvement of Donors and Sponsors in the allocation among the investment pools of each contribution to MS GIFT.

MS GIFT, Inc. has established eight MSSB Select UMA

Investment pools and a Money Market pool for all Accounts held by the Fund. Descriptions of these pools can be found in Schedule A, entitled MSSB Select UMA and Money Market Account Pools.

GRANT-MAKING

Even though a contribution is irrevocable and nonrefundable, the Sponsor and any Advisor continue to have a role in the administration of assets contributed to an Account. A Sponsor and/or an Advisor may recommend grants to specific Sponsor programs and activities as well as one or more LDC Designated Organization; provided that such LDC Designated Organization is one of the following: (1) domestic public charities, (2) domestic organizations, (3) private operating foundations, and (4) foreign organizations. Grants to private operating foundations may be subject to additional review and approval at the discretion of MS GIFT. Grants cannot be made to certain types of supporting organizations, to private non-operating foundations, or to individuals. For each grant made to a qualified domestic public charity, domestic organization or foreign organization, other than to Sponsor, a grant of equivalent value will be made automatically to the Sponsor, to be applied by it to programs or activities of its choosing. Sponsors and Advisors may recommend grants online.

All grant recommendations are reviewed, including those to an LDC Designated Organization. For a grant recommendation to a domestic public charity, this review includes confirmation of the organization's tax-exempt status as an organization described in Section 501(c)(3) of the Code, its status as a public charity as defined by Section 509 of the Code and that the grantee organization is described in Code section 170(b)(1)(A) (other than a disqualified supporting organization, as defined in the Code). For a grant recommendation to a domestic private operating foundation, this review includes confirmation of the organization's tax-exempt status as an organization described in Section 501(c)(3) of the Code, its status as a private operating foundation as defined by Section 4942(j)(3) of the Code and that the grantee organization is described in Code section 170(b)(1)(F)(i). For a grant recommendation to a domestic governmental body, review includes confirmation of the body's tax-exempt status as an entity described in Code section 170(c)(1) and confirmation that the grant is made exclusively for public purposes. Grant recommendations to other permitted domestic organizations and foreign organizations (collectively "Other Grantees") are subject to expenditure responsibility, as described below. Following review of the grantee, the recommendation must then receive Board approval. If a grant recommendation does not receive approval, MS GIFT will notify the Sponsor or Advisor and ask whether the Sponsor or Advisor wishes to make an alternative grant recommendation.

Grant Process. All grant recommendations will be reviewed as promptly as possible. Recommendations for grants to domestic public charities and domestic governmental bodies (e.g., public schools and parks) will be reviewed and, if approved, a check will be mailed to the grantee charity or governmental body within 10 business days, under normal circumstances. Grant checks may not be provided to Sponsors, Advisors or other parties for delivery to grantee organizations. On occasion, more time may be required. In cases where additional due diligence may be required (e.g., where the recommended organization is

not listed in the Internal Revenue Service's official Exempt Organizations Select Check application or in the Business Master File), reasonable steps will be taken to make grant disbursements to qualified domestic recipients within 30 days of receipt of the grant request.

Recommendations for grants to Other Grantees are subject to expenditure responsibility requirements, as described in Sections 4945 and 4966 of the Code and the regulations thereunder. Grant disbursements will be distributed to Other Grantees that are approved after the successful completion of pre-grant inquiries regarding the Other Grantees and after the Other Grantees execute grant agreements regarding their use of the grant funds. Reasonable steps will be taken to send a grant agreement for the grant to an Other Grantee within 30 days of receipt of all necessary documents from the Other Grantee to complete its pre-grant inquiry. Reasonable efforts will be made to make grant disbursements to an approved Other Grantee within 10 days after receipt of a duly executed grant agreement from that organization.

Grant checks are processed weekly and, because unit values of the investment pools fluctuate, the balance in an Account might change between the time a grant is recommended and the time it is approved and processed.

Grants to Other Grantees. Grant recommendations to Other Grantees will be considered but such grants are required, by federal law, to be subject to "expenditure responsibility." Expenditure responsibility requires MS GIFT to exert reasonable efforts and establish adequate procedures to see that the grant is spent solely for the purpose for which it was made. A pre-grant inquiry must be conducted in order to gain assurance that the Other Grantee will use the grant for proper purposes. The Other Grantee must sign a grant agreement that sets out the terms and conditions of the grant and describes how the grant funds will be used. Full and complete reports on how funds are spent must also be obtained and reviewed, and full detailed reports with respect to such expenditures must be made to the Internal Revenue Service. Any grant request may be rejected to an Other Grantee if it is determined that the grant would not be appropriate or if any expenditure responsibility requirement is unmet. It is the sole responsibility of the Other Grantee and of the Donor to gather, provide and, if necessary, translate all necessary documentation required to comply with federal expenditure responsibility requirements. A grant to an Other Grantee will not be distributed until its pre-grant inquiry is complete and the Other Grantee has executed and returned its grant agreement. An Other Grantee that does not complete and return a report on its use of grant funds will be ineligible to receive additional grants in the future. A fee of \$3,500 is charged to an Account for each grant made to Other Grantees from that Account. However, if a grant has been paid from an Account to an Other Grantee within the preceding year, the fee charged to that Account for a new grant to that same Other Grantee will be \$2,000. These fees are in addition to any other fees provided for in this Donor Circular.

Other Grant Guidelines. To expedite the review and processing of grant recommendations, the following guidelines may be helpful to Donors:

- Grants may be made only to domestic public charities and certain private operating foundations that qualify as tax-

exempt under Section 501(c)(3) of the Code, to domestic governmental bodies described in Section 170(c)(1) of the Code and to Other Grantees over which expenditure responsibility is exercised. Note: Some established religious and educational institutions are not listed as 501(c)(3) organizations in the Business Master File but are nevertheless tax-exempt charitable organizations which MS GIFT will consider qualified to receive grants from MS GIFT.

- For purposes of this Donor Circular, “domestic public charities” are domestic organizations that are public charities as defined by Section 509(a)(1) or (2) of the Code and certain domestic organizations that are public charities as defined by Section 509(a)(3) of the Code.
- **Grants will not be made to individuals, to certain types of supporting organizations, to charities that benefit a particular person, to private non-operating foundations, to political parties/candidates or to support terrorist activities in any way.**
- Recommended grantee organizations will be asked to represent that grant monies will not be used for illegal purposes, including drug trafficking, money laundering or supporting terrorism.
- Each grant must be at least \$250.
- Proposed grants (and any additional fees applicable to those grants) cannot exceed the balance in an Account. If the grant recommendation exceeds the amount in a given Account, the grant recommendation will not be approved and the Sponsor and the Advisor(s) will be notified.
- Grants are made pro rata from all the investment pools in an Account.
- Proposed grants cannot fulfill pledges or promises already made by an Advisor or others. For example, if an Advisor makes a pledge in his or her own name to support an organization, MS GIFT cannot fulfill that pledge for him or her.
- IRS regulations forbid grants that would benefit the Donor or any specific individual. This includes requests to pay for memberships or tickets to galleries, museums or public broadcasting stations, goods at a charitable auction, school tuition, or benefit dinners. This regulation ensures that the dollars contributed to MS GIFT will go directly and fully to support charitable programs.
- Grants cannot be made for lobbying purposes or to support political campaigns.

GRANT CHECK PROCEDURES

- Grant checks are made payable to the recipient organization’s legal name, which may be different from the organization’s commonly used name. Checks are mailed to the organization’s official address. Advisors may not serve as intermediaries.
- Grant recommendations are nonbinding and subject to review and approval. It normally takes approximately ten business days for review, approval and processing of the grant, other than a grant to an Other Grantee. The timeframe for grants to foreign organizations is described above.
- A Sponsor or Advisor may request recurring grants (e.g., quarterly, bi-annually or annually) that will continue to be made as long as the organization remains qualified to receive grants under the tax law and as long as there are funds available in the Account to cover the grant request amount.

Tax Treatment of Grants. The Donor is not eligible to receive additional charitable deductions for recommending grants. The Donor’s charitable deduction is available at the time of the contribution to the Sponsor.

To ensure that all grant funds are used exclusively for charitable purposes, an investigation will be conducted when there is reason to believe that grant funds are being used for the private benefit of a Donor or other individual. Sponsor reserves the right to take appropriate legal action if it determines that grant funds have been diverted for improper purposes.

Grant Acknowledgment. Upon approval of a grant request, units will be redeemed from the Account’s investment pool(s) and the proceeds will be sent to the recommended organization in the form of a check. An accompanying letter will acknowledge the Account from which the grant was paid (unless the Donor or Sponsor has requested anonymity). The Donor may confirm the redemption of units out of the Account by viewing account information online or in the quarterly account statement.

Minimum Grant Activity, Dormant Accounts. There is no minimum requirement for grant recommendations and distributions. However, to promote philanthropy it is expected that grant distributions will exceed or be equal to 5% of average net assets on a fiscal five-year rolling basis. If this level of grant activity is not attained, Accounts from which grants over the same five-year period totaled less than 5% of the Account’s average assets will be identified and Advisors to such Accounts will be requested to recommend grants of at least the difference between the amount actually distributed from the account and the 5% calculation described above. If an Advisor does not provide qualified grant recommendations within 60 days of such written request, assets may be transferred from the Account to LDC.

Accounts that have had no activity for five or more years may be distributed, after reasonable efforts to contact the Advisors, distributed to LDC.

ADVISORS AND SUCCESSION

Advisors. As discussed above, the Donor may name an Advisor or Advisors, which may include the Donor and/or his/her family members and friends, who have the authority to recommend grants from the Account. Advisors must have attained the age of 18 and reached adulthood in the jurisdiction(s) in which they will act.

If an Account is funded with joint or community property, both the named Donor and his or her spouse will have the authority to recommend grants. Similarly, two nonspouse contributors of joint property to a single account are each donors who may make grant recommendations. The Sponsor and Advisors may exercise their privileges either individually or in joint names, and MS GIFT may act upon recommendations received from the Sponsor or any Advisor.

Notwithstanding the privileges granted to each joint Donor to make recommendations regarding the Account individually, each such Donor understands and agrees that MS GIFT may, in its sole discretion, require that grant recommendations be signed and submitted by all Donors of a given Account.

The Sponsor may revoke the designation of an Advisor in writing.

If an Account is funded with contributions traceable to a group of individuals, or by contributions traceable to a corporation or other legal entity, two individuals may be designated to recommend grants from that Account. Only individuals currently designated as Advisors can recommend grants on behalf of a corporation or other legal entity.

Successors. The Sponsor and the Donor may at any time nominate (or remove) a spouse, child, other relative or any unrelated individual as successor Advisor upon the Donor's death, subject to the Sponsor's right to remove an Advisor at any time in the Sponsor's sole discretion. The successor Advisor must provide written notification and written proof of the Donor's death. Until such time as a minor attains the age of 18, MS GIFT may require that legal guardians make grant recommendations. Overall succession on Accounts may be limited to a specific number of generations and/or years.

Accounts established in the name of corporate Donors or other legal entities may be assigned to any successor or assignee of the corporation or other legal entities upon notification of the corporation's or other legal entities' termination.

Successors may not name additional successors. Succession is limited to one generation after the Donor.

OTHER INFORMATION

Conflict of Terms. In the event of an inconsistency between the terms of this document, any documents provided by the Sponsor and the Governing Documents, the terms of the Governing Documents shall govern the rights and obligations of all parties with respect to the Donor Advised Fund.

General Disclaimer. Each individual's tax situation is unique and is subject to specific facts and circumstances that are beyond the Sponsor's and MS GIFT's control or knowledge.

Additionally, tax laws and regulations change frequently, and their application to a particular taxpayer's circumstances can vary widely. Donors are strongly encouraged to consult with their own tax advisors. The Sponsor and MS GIFT specifically disclaim any responsibility for the accuracy or adequacy of any position taken by Donors in their own tax returns and any investment management decisions made.

Schedule A: MSSB Select UMA Program Investment Pools and Money Market Fund

The Select UMA Program is a unified managed account program in which MSSB acts as an investment advisor. The investment pools described below may be invested in a combination of mutual funds, exchange traded funds, and separately managed accounts managed by third party or affiliated portfolio managers. Multiple investment managers, asset type and asset classes can be used in one investment pool. Asset allocation may vary around the long-term target allocations described. The Money Market Fund investment pool is invested in a mutual fund.

Each investment pool is comprised of an Investment Account and a corresponding Cash (Operating) account which maintains approximately a 2% cash (money market) balance for daily operating activities.

- **Aggressive Pool Investment Account.** Seeks to provide growth of capital through a long-term target asset allocation of 100% Equities. As of the date of this Donor Circular & Disclosure Statement, the asset allocation targets are 44% US Equity, 40% International Equity, 16% Fixed Income.
- **Growth Pool Investment Account.** Seeks to provide growth of capital and modest current income through a long-term target asset allocation of 65% Equities and 35% Fixed Income. As of the date of this Donor Circular & Disclosure Statement, the asset allocation targets are: 36% US Equity, 32% International Equity, 32% Fixed Income.
- **Balanced Pool Investment Account.** Seeks to provide a combination of growth of capital and current income through a long-term target asset allocation of 50% Equities and 50% Fixed Income. As of the date of this Donor Circular & Disclosure Statement, the asset allocation targets are 28% US Equity, 25% International Equity, 47% Fixed Income.
- **Conservative Pool Investment Account.** Seeks to provide some growth of capital with a focus on current income through a long-term target asset allocation of 75% Fixed Income and 25% Equities. As of the date of this Donor Circular & Disclosure Statement, the asset allocation targets are 12% US Equity, 10% International Equity, 78% Fixed Income.
- **Investing with Impact Pool Aggressive Account.** Seeks to provide growth of capital through a long-term target asset allocation of 100% Equities. As available and prudent, this pool will seek investments which support and/or recognize the importance of environmental, social and governance factors through exclusionary screening, integrating environmental, social and governance criteria into the investment selection process and other approaches. As of the date of this Donor Circular & Disclosure Statement, the asset allocation targets are 44% US Equity and 40% International Equity, 16% Fixed Income.
- **Investing with Impact Balanced Pool Account.** Seeks to provide a combination of growth of capital and current income through a long-term target asset allocation of 50% Equities and 50% Fixed Income. As available and prudent, this pool will seek investments which support and/or recognize the importance of environmental, social and

governance factors through exclusionary screening, integrating environmental, social and governance criteria into the investment selection process and other approaches. As of the date of this Donor Circular & Disclosure Statement, the asset allocation targets are 28% US Equity, 25% International Equity, 47% Fixed Income.

- **Equity ETF Investment Account.** Seeks to provide growth of capital through a long-term target asset allocation of 100% Equities. As of the date of this Donor Circular & Disclosure Statement, the asset allocation targets are 54% US Equity and 46% International Equity.
- **Fixed Income ETF Investment Account.** Seeks to provide some growth of capital with a focus on current income through a long-term target asset allocation of 100% Fixed Income. As of the date of this Donor Circular & Disclosure Statement, the asset allocation targets are 100% Fixed Income.
- **Money Market.** Invested in the MS Active Assets Government Trust Money Market Fund.

The MSSB Select UMA investment pools are not mutual funds and are not available for investment by any individual or organization other than MS GIFT, Inc.

The value of assets in the investment pools fluctuate with market conditions and may result in a loss of principal. Thus, the assets in the pools might be worth more or less than the original contribution by donors at the time grants are made.

Sponsors and Advisors should consider investment pool selections in light of their plans, particularly in terms of timing, for recommending grants. MS GIFT, Inc. reserves the right to decline a Sponsor's and/or Advisor's recommendation of such a selection.

Unit Values in Investment Pool. A unit value will be calculated for each investment pool based on its aggregate value, after MS GIFT expenses, divided by the number of units outstanding. The unit value of each investment pool includes any unrealized gain or loss in the underlying investments, and any dividend and capital gains distributions paid by the underlying funds. The value of the Account will be the number of units of each investment pool assigned to that account multiplied by each investment pool's current unit value.

Schedule B: Investment and Administrative Expenses

Each investment pool described above has a corresponding investment account. Contributions from Sponsors are pooled together for cost efficiency in the investment pools, but the contributions, investment results and grants for each Account are tracked separately. Expenses for banking fees, filing fees, taxes, and other expenses are absorbed by the investment pools. Expenses attributed to creating and maintaining Accounts are absorbed by each Account as set forth below. This methodology may be modified in writing by MS GIFT, Inc. at any time. Existing and future Account balances at MSSB will not be aggregated with MS GIFT Accounts for the purpose of determining whether a Sponsor or Donor meets the breakpoints set forth below.

MS GIFT, Inc. has retained MSSB and a third-party administrator to provide various administrative and record-keeping services. MSSB advises MS GIFT, Inc. on asset allocation and investment management decisions. The third-party administrator, through use of a technology vendor, provides the online contribution and grant-making platform to assist donors who wish to make a contribution and recommend grants, process donor contributions and grant payments, and perform certain accounting and record-keeping functions.

Expenses. Each Account is subject to the following advisory fee and administration fee based on the following account balances. Please note that the below fees are as of November, 2016 and are subject to change at any time.

CG Select UMA Aggressive Pool

Assets	Morgan Stanley Advisory Fees *	Administration**	LDC Administration Fee	Total
First \$250,000	97 bps	59 bps	25 bps	181 bps
Next \$250,000	97 bps	54 bps	25 bps	176 bps
Next \$500,000	97 bps	49 bps	25 bps	171 bps
> \$1,000,000	97 bps	43 bps	25 bps	165 bps

CG Select UMA Growth Pool

Assets	Morgan Stanley Advisory Fees *	Administration**	LDC Administration Fee	Total
First \$250,000	98 bps	59 bps	25 bps	182 bps
Next \$250,000	98 bps	54 bps	25 bps	177 bps
Next \$500,000	98 bps	49 bps	25 bps	172 bps
> \$1,000,000	98 bps	43 bps	25 bps	166 bps

CG Select UMA Balanced Pool

Assets	Morgan Stanley Advisory Fees *	Administration**	LDC Administration Fee	Total
First \$250,000	98 bps	59 bps	25 bps	182 bps
Next \$250,000	98 bps	54 bps	25 bps	177 bps
Next \$500,000	98 bps	49 bps	25 bps	172 bps
> \$1,000,000	98 bps	43 bps	25 bps	166 bps

CG Select UMA Conservative Pool

Assets	Morgan Stanley Advisory Fees *	Administration**	LDC Administration Fee	Total
First \$250,000	100 bps	59 bps	25 bps	184 bps
Next \$250,000	100 bps	54 bps	25 bps	179 bps
Next \$500,000	100 bps	49 bps	25 bps	174 bps
> \$1,000,000	100 bps	43 bps	25 bps	168 bps

CG Select UMA Investing with Impact Aggressive Pool

Assets	Morgan Stanley Advisory Fees *	Administration**	LDC Administration Fee	Total
First \$250,000	124 bps	59 bps	25 bps	208 bps
Next \$250,000	124 bps	54 bps	25 bps	203 bps
Next \$500,000	124 bps	49 bps	25 bps	198 bps
> \$1,000,000	124 bps	43 bps	25 bps	192 bps

CG Select UMA Investing with Impact Balanced Pool

Assets	Morgan Stanley Advisory Fees *	Administration**	LDC Administration Fee	Total
First \$250,000	111 bps	59 bps	25 bps	195 bps
Next \$250,000	111 bps	54 bps	25 bps	190 bps
Next \$500,000	111 bps	49 bps	25 bps	185 bps
> \$1,000,000	111 bps	43 bps	25 bps	179 bps

CG Select UMA Equity ETF Pool

Assets	Morgan Stanley Advisory Fees *	Administration**	LDC Administration Fee	Total
First \$250,000	74 bps	59 bps	25 bps	158 bps
Next \$250,000	74 bps	54 bps	25 bps	153 bps
Next \$500,000	74 bps	49 bps	25 bps	148 bps
> \$1,000,000	74 bps	43 bps	25 bps	142 bps

CG Select UMA Fixed Income ETF Pool

Assets	Morgan Stanley Advisory Fees *	Administration**	LDC Administration Fee	Total
First \$250,000	78 bps	59 bps	25 bps	162 bps
Next \$250,000	78 bps	54 bps	25 bps	157 bps
Next \$500,000	78 bps	49 bps	25 bps	152 bps
> \$1,000,000	78 bps	43 bps	25 bps	146 bps

CG Select UMA Money Market Pool

Assets	Morgan Stanley Advisory Fees *	Administration**	LDC Administration Fee	Total
First \$250,000	60 bps	59 bps	25 bps	144 bps
Next \$250,000	60 bps	54 bps	25 bps	139 bps
Next \$500,000	60 bps	49 bps	25 bps	134 bps
> \$1,000,000	60 bps	43 bps	25 bps	128 bps

* Morgan Stanley Advisory Fees reflect expenses as of the date of this Donor Circular. Mutual Fund, ETF, and Separately Managed Account fees vary over time. As a result, Morgan Stanley Advisory Fees are updated annually.

** Includes fees paid to MSSB and to the third party administrator.

Grants to foreign organizations are subject to additional expenses, as described above.

Schedule C

LDC Designated Organizations (as of July, 2017)

- Generation 1st Degree (46-2663844):
10880 Wilshire Boulevard, Suite 2100, Los Angeles, CA 90024-4121
- Cisneros Hispanic Leadership Institute (53-0196584):
2114 G Street NW, 2nd Floor, Washington, DC 20052
- Jose M. Hernandez Reaching For The Stars Foundation (20-4481810):
P.O. Box 958, Stockton, CA 95201-0958
- The Dominguez Dreams (20-0774784):
P.O. Box 1737, Sacramento, CA 95812-1737
- Hispanic Scholarship Fund (52-1051044):
1411 W 190th Street, Suite 700, Gardena, CA 90248