

# INVESTMENT ALLIANCE POLICY

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## INTRODUCTION

The Bradley Impact Fund (the “Fund”) has established its Investment Alliance Program to allow an investment advisor (the “Advisor”) and their firm the opportunity to provide investment advisory and management services with respect to a Personal Giving Account (“Account”) or Funds of the Fund. In order for a donor to receive the full tax benefits of a contribution to an Account, all gifts to an Account are irrevocable and the Fund has exclusive legal control of contributed assets.

## ELIGIBILITY

The founding donors to an Account with at least \$1,000,000 in assets may recommend to the Fund that a specific advisor provide investment management services for the assets of the Account. Such recommendations are solely advisory and the Fund is in no way bound by them. At its discretion, the Fund may invest funds in an Investment Alliance at the recommendation of two or more donors who advise Account with assets of at least \$1,000,000 in aggregate. In no case will the Fund establish an Investment Alliance with an advisor who is:

- A donor to a recommending Account or a related party to such a donor,
- An entity of which any donor and/or his or her related parties collectively own more than 35% of the total outstanding interests, or,
- An Advisor with advisory capacity in relation to the Account.

## APPLICATION AND APPROVAL PROCESS

Advisors interested in establishing an Investment Alliance should submit to the Fund an Investment Alliance Letter of Inquiry (“LOI”). The LOI should include the following items:

- Profile and history of the advisor, their firm, and other key members of their investment team. Include total assets under management as well as the percentage of those assets which are charitable. (DAFs, charitable trusts, private foundations, etc.)
- An investment strategy describing the proposed asset allocation and benchmark for the proposed portfolio.
- Historical performance consistent with GPS for assets managed by the advisor in the proposed asset allocation.
- Fees and expenses to be charged for investment management of the portfolio.

The proposed investment strategy must align with the time horizon, risk tolerance, and philanthropic goals of the recommending donor(s). The Fund will review proposed Alliances at its quarterly meetings of the Investment Committee of the Board of Trustees. Advisors may choose to submit an LOI in advance of the creation of a Fund.

## COMMUNICATION AND REPORTING

Investment Alliance Partners will provide detail of their target asset allocations and acceptable ranges to The Bradley Impact Fund upon opening an account and for review at least annually thereafter. Any changes to an investment strategy or management fees must be approved in advance.

Investment performance will be reported net of fees, along with an agreed upon composite benchmark. Performance reporting will include the quarter, calendar year to date, annualized periods and inception to date. The Fund will also be provided with quarterly statements documenting all assets held in all related accounts, transaction activity, and fee and expense ratios.

Alliance Partners will respond to the Fund’s annual due diligence reporting requests and meet with Fund staff if requested, and will report to the Fund any changes to personnel, ownership, custodian, or any other change relevant to the Investment Alliance relationship in a timely fashion.

## **INVESTMENT ALLIANCE POLICY** *continued*

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### **INVESTMENT GUIDELINES**

- Advisors in an Investment Alliance have discretion to select assets in which to invest within the parameters of their approved investment strategy.
- All investments shall be in assets which are marketable and have a readily ascertainable daily market value unless otherwise approved by the BIF Investment Committee.
- Under no circumstances may an advisor borrow funds on behalf of the Foundation or pledge any assets on margin or otherwise.
- Advisors may not invest any assets in general or limited partnerships and may not make investments that could distribute Unrelated Business Taxable Income (UBTI) unless such investments are specifically approved by the Investment Committee.

Restrictions and Termination Advisors in the Investment Alliance program are accountable to the Fund and may not make investment decisions that are favorable to a donor to the detriment of the Fund. Advisors shall take instructions only from Fund and may not accept instructions from a donor regarding the management of assets held in an Investment Alliance.

The Fund may terminate an Investment Alliance at any time for any reason and without cause.