

Newport Education Foundation 30 W. 8th Street Newport, KY 41071

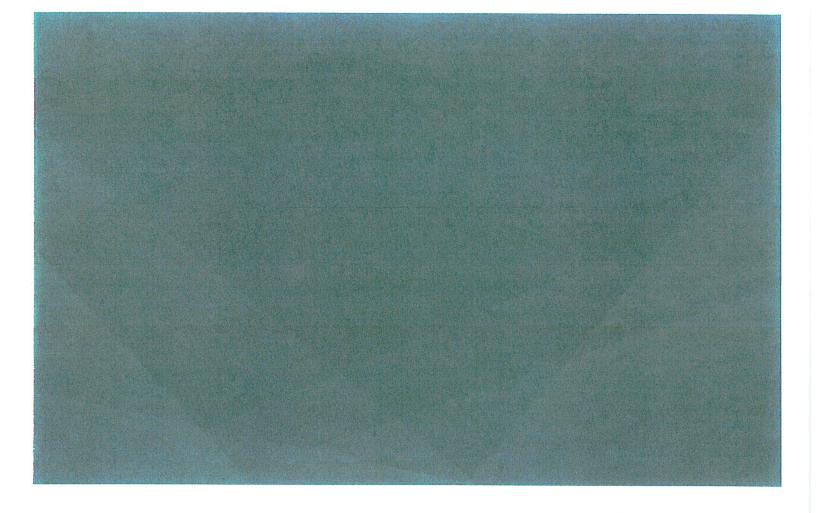


Fidelity® Investments

YOUR INVESTMENT PROPOSAL
See how we will manage your assets.

ACCOUNT OPENING PAPERWORK IS ENCLOSED





Fidelity® Wealth Services

Newport Education Foundation, here's how we'll work to help you reach your investing goal.

Connect with a Fidelity Associate

Susan Stone Financial Consultant 513-351-4888, ext. 58736





Jennifer Hoover Newport Education Foundation 30 W. 8th Street Newport, KY 41071

Dear Jennifer Hoover:

On behalf of Fidelity[®] Wealth Services, I would like you to know how much we appreciate this opportunity to help you achieve your financial goals.

I look forward to reviewing this proposal and detailed investment strategy together, where I'll explain the details of our approach to building and managing your account.

To open a Fidelity managed account, simply complete the account opening section at the back of this document. If you need any help, please do not hesitate to call me at **513-351-4888**, ext. **58736**.

Thank you for your interest in having your organization's assets professionally managed by Fidelity. We hope to welcome you as a client, and work with you to help you meet your goals.

Sincerely,

Susan Stone Financial Consultant 513-351-4888, ext. 58736

Keep in mind that investing involves risk. The value of your investment will fluctuate over time, and you may gain or lose money.

Let's start by revisiting the big picture

This proposal is based on information you provided in your Investor Profile Questionnaire, which is included at the end of this proposal for your reference.

Newport Education Foundation

AS OF 02/10/2021



Account

Account type: Corporate Initial deposit: \$931,000



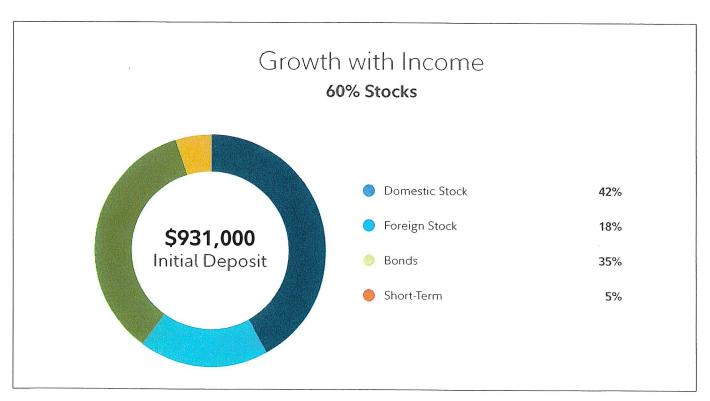
Investment Preferences

Investment Approach: Total Return
Types of Investments: Fidelity-Focused

Here's how we'll invest your money

We're proposing a Growth with Income strategy for your organization's account, which seeks moderate asset growth and income with some protection against inflation by investing primarily in stocks, combined with secondary components in bonds and short-term money market investments.

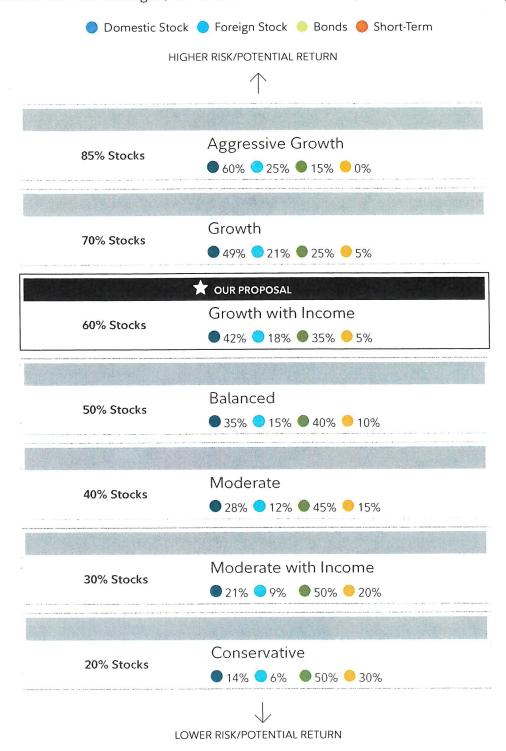
Your account will seek to enhance total return for a given level of risk by diversifying across asset classes. It will be constructed using mutual funds and/or exchange-traded products from Fidelity where available and appropriate.



The asset allocation in this strategy represents a long-term target. The actual equity exposure in your account will likely be somewhat higher or lower than this amount. Your investment strategy has a corresponding model portfolio ("portfolio") that is made up of a variety of investments. Your account's investment mix will generally match that of the appropriate portfolio, depending on the securities you may use to fund your account and any investment restrictions you may request.

How our proposed strategy compares to other strategies

We believe that the strategy we're proposing for you has an asset allocation that's appropriate for your time horizon, profile, and risk tolerance. Our other strategies, as well as their asset allocation, are shown here for comparison purposes.



The percentage of exposure to various asset classes in these strategies represents long-term targets. The actual exposures in your account can vary. Based on your investment approach, not all strategies may be available.

The long-term asset allocation strategies listed above are not available in all investment preferences.

Why diversification is so important

Good investments can easily be combined into poor portfolios by ignoring issues such as diversification. For example, an nvestor who buys only the top-performing funds or asset classes over any given period might end up with a portfolio that's coo heavily weighted in investment styles, sectors, or stocks that have recently led the markets and may be vulnerable to a correction. Although it cannot ensure a profit or guarantee against loss, broad diversification serves as a powerful means by which an investor can seek to control portfolio risk.

As shown below, different types of investments move in and out of favor over time in an unpredictable fashion. To try to enhance risk-adjusted performance, we maintain exposure across all asset classes (stocks, bonds, and short-term securities) and within investment styles (growth, value, large cap, etc.) that make sense for our clients. This enables us to participate in a variety of market opportunities as they arise, while helping to reduce the risk of overexposure to any single market segment.

A diversified portfolio can help to avoid the extreme highs and lows by investing across many asset classes*

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
39.8%	5.2%	79.0%	27.6%	7.8%	20.1%	38.8%	27.1%	5.1%	21.3%	37.8%	0.0%	35.8%	Domestic Growth Stocks
16.2%	-26.1%	58.1%	26.9%	7.3%	18.6%	34.2%	13.7%	2.3%	18.4%	29.6%	-2.1%	31.5%	Domestic Large Cap Stocks
11.4%	-33.8%	37.0%	19.2%	4.4%	17.5%	32.7%	12.7%	1.4%	17.5%	25.3%	-2.3%	28.1%	Real Estate Income Stocks
11.4%	-35.6%	32.0%	17.6%	2.2%	17.5%	32.4%	12.4%	0.5%	12.0%	21.8%	-4.1%	26.3%	Domestic Value Stocks
7.0%	-36.3%	27.4%	16.8%	2.1%	16.3%	22.9%	6.0%	-0.7%	11.8%	14.6%	-4.4%	25.5%	Domestic Small Cap Stocks
5.5%	-37.0%	27.2%	16.2%	-0.1%	16.0%	7.4%	4.9%	-4.1%	11.6%	13.2%	-8.6%	22.3%	International Developed Stocks
2.5%	-37.3%	26.5%	15.1%	-4.2%	15.5%	3.2%	2.5%	-4.4%	9.3%	9.3%	-11.0%	18.9%	Emerging Market Stocks
-1.0%	-38.4%	19.8%	15.1%	-12.0%	15.2%	-2.0%	-1.8%	-4.6%	7.4%	7.5%	-11.2%	14.4%	High Yield Bonds
-1.6%	-43.3%	18.9%	7.9%	-13.3%	4.2%	-2.3%	-4.8%	-14.6%	2.6%	3.5%	-13.6%	8.7%	Investment Grade Bonds
-17.8%	-53.2%	5.9%	6.5%	-18.2%	-1.1%	-9.5%	-17.0%	-24.7%	1.2%	1.7%	-14.2%	7.7%	Commodities

Past performance is no guarantee of future results. Diversification/asset allocation does not ensure a profit or guarantee against loss. It is not possible to invest directly in an index. All indexes are unmanaged. Please see the disclosures at the end of this brochure for index definitions. Diversified Portfolio—42% Dow Jones U.S. Total Stock Market Index, 18% MSCI EAFE Index, 35% Bloomberg Barclays US Aggregate Bond Index[™], 5% Bloomberg Barclays 3-Month Treasury Bill Index; is rebalanced monthly. Domestic Large Cap Stocks—S&P 500 ® Index. Domestic Small Cap Stocks—Russell 2000 Index. Domestic Growth Stocks—Russell 3000 Growth Index. Domestic Value Stocks—Russell 3000 Value Index. International Developed Stocks—MSCI EAFE Index Net MA. Emerging Market Stocks—MSCI Emerging Markets Index (G). High Yield Bonds—BofA Merrill Lynch US High Yield Constrained Index. Investment Grade Bonds—Bloomberg Barclays US Aggregate Bond Index. Real Estate Income Stocks—FTSE NAREIT Equity-Only Index. Commodities—Bloomberg Commodity Index Total Return. Source: Fidelity Investments, as of 12/31/2019.

It all starts with a relationship

Fidelity® Wealth Services is about more than your account, it's an in-depth partnership with a Fidelity advisor and a team dedicated to helping you reach your financial goals. Here's some of what you'll receive as part of this partnership:



- Access to ongoing planning sessions around your full financial picture
- Help defining and prioritizing your goals, as well as investment solutions designed to help you to meet these goals
- Connections with specialists who can provide tailored guidance on topics like estate planning and insurance
- If you don't have a Fidelity advisor, we can help connect you with one



Your Portfolio Specialist

- Serves as your conduit to the investment team
- Keeps you informed as to how your account is being managed
- Explains any decisions the investment team is making on your behalf
- A member of the team will initiate an annual review to help ensure that your account remains aligned with your financial goals and investment preferences



Fidelity Personal and Workplace Advisors LLC (FPWA), the sponsor of Fidelity Wealth Services, has engaged Strategic Advisers LLC, a registered investment adviser and a Fidelity Investments company, to provide the day-to-day management of your account.

Strategic Advisers LLC

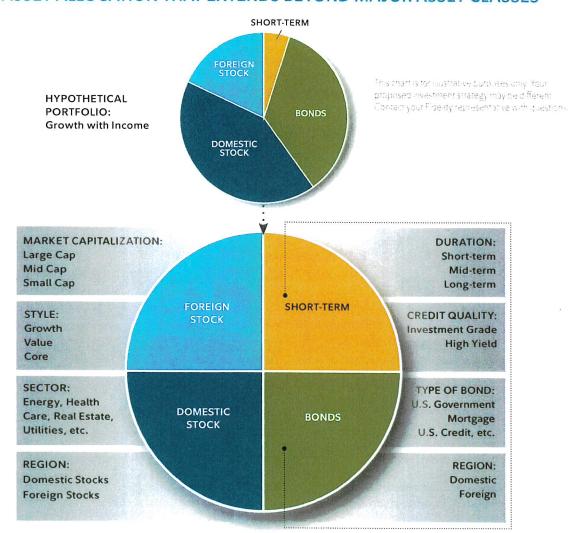
- Responsible for the day-to-day management of your account, under the supervision of FPWA
- Works closely with your client services team in an effort to ensure your money is being managed in line with your priorities and preferences.
- 30 years of experience helping clients reach their goals
- Leverages the experience of over 100 analysts and portfolio managers
- Deep fundamental and quantitative research focused on evaluating hundreds of managers and funds, analyzing both risk and return potential
- Portfolio managers with specialized areas of focus in asset allocation and specific asset classes, who drive investmen selection and risk management decisions

Our proposed strategy is made up of a variety of investments

Your portfolio will include exposure to a mix of asset classes, including stocks, bonds, and short-term investments such as money market funds, as illustrated in the chart below. Major and extended asset classes are then further broken down into smaller investable pieces.

This means we'll invest in "extended" asset classes, which may include real estate, high-yield bonds, and non-U.S. bonds, as well as alternative investments, if deemed appropriate. These types of investments are designed to help improve portfolio diversification, in order to minimize overall volatility.

ASSET ALLOCATION THAT EXTENDS BEYOND MAJOR ASSET CLASSES

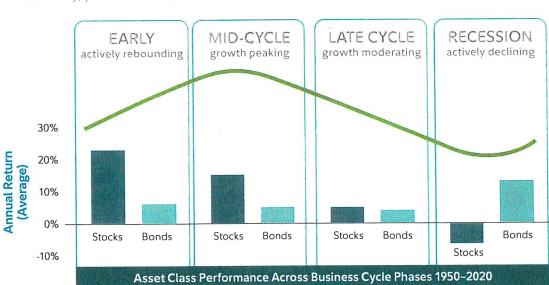


How the business cycle factors into our recommendation

We believe your long-term asset allocation is the greatest factor in determining the long-term outcome of your investments. We may make modest shifts to that asset allocation over time, based on research and our views on the business cycle.

As you can see in the chart below, the U.S. business cycle consists of four distinct phases—early, mid, late, and recession. The business cycle follows the natural stages of the economy as it recovers and strengthens and then weakens when economic conditions are deteriorating.

We believe there is a strong connection between an economy's current position in the business cycle and its investment opportunities. For example, earlier in the cycle, the Portfolio Manager may favor asset classes that are more sensitive to the economy—like stocks and high-yield bonds—but may hold more defensive asset classes, such as investment-grade bonds and cash, during a recession.



Historically, performance for stocks and bonds has been heavily influenced by the business cycle.*

Past performance is no guarantee of future results. Asset class total returns are represented by indexes from the following sources: Stocks based upon the S&P 500 [®] Index as provided by Ibbotson, Morningstar Direct. Bonds represented by the Bloomberg Barclays US Aggregate Bond Index[™] since 1976; prior performance is represented by Fidelity Investments' proprietary index composed of investment-grade bonds. Ibbotson Associates, Morningstar Direct, and Bloomberg Barclays, as of March 31, 2020. Source: Fidelity Investments' proprietary analysis of historical asset class performance and assignment of historical business-cycle periods, which is not indicative of future performance.

- *The Typical Business Cycle depicts the general pattern of economic cycles throughout history, though each cycle is different. In general, the typical business cycle demonstrates the following:
- •During the typical early-cycle phase (or activity rebounding), the economy bottoms and picks up steam until it exits recession and then begins the recovery as activity accelerates. Inflationary pressures are typically low, monetary policy is accommodative, and the yield curve is steep. Economically sensitive asset classes such as stocks tend to experience their best performance during the early-cycle phase.
- •During the typical mid-cycle phase (or growth peaking), the economy exits recovery and enters into expansion, characterized by broader and more self-sustaining economic momentum but a more moderate pace of growth. Inflationary pressures typically begin to rise, monetary policy becomes tighter, and the yield curve experiences some flattening. Economically sensitive asset classes tend to continue benefiting from a growing economy, but their relative advantage narrows.
- •During the typical late-cycle phase (or growth moderating), the economic expansion matures, inflationary pressures continue to rise, and the yield curve may eventually become flat or inverted.
- •Eventually, the economy contracts and enters recession (or activity failing), with monetary policy shifting from tightening to easing. Less economically sensitive asset categories tend to hold up better, particularly right before and upon entering recession.

Please note that there is no uniformity of time among phases, nor is there always a chronological progression in this order. For example, business cycles have varied between one and 10 years in the U.S., and there have been examples when the economy has skipped a phase or retraced an earlier one.

What your organization will pay for this service

Estimated Net Annual Advisory Fee[§]

0.819%

Based on an estimated \$931,000 in eligible account balance(s) managed through Fidelity® Wealth Services.*



You can request a withdrawal from your account at any time, with no fees or penalties charged by Fidelity.



Your advisory fee, which is based on your account balance, will be deducted from your account quarterly.



You pay no commissions[†] when we make trades on your behalf.



What's not included are the expenses for the funds in your account. Those are paid by all shareholders.

The estimated net annual advisory fee shown is based on the applicable gross annual advisory fee, less an estimated credit amount. The credit amount is intended to address the potential conflicts of interest that arise in selecting investments that generate revenue for Fidelity by reducing the advisory fees paid to FPWA by the amount of compensation, if any, Fidelity retains that is derived as a direct result of the investments made in your account. The credit amount is intended to ensure that Fidelity does not retain more revenue as a result of the particular investments chosen for your account; however, an account that invests in Fidelity funds will increase the aggregate assets under management in Fidelity's funds, which may benefit Fidelity as a whole.

The estimated credit amount used in calculating your estimated net advisory fee is based on assumptions that may or may not be appropriate for your situation. Our estimate assumes that your account will be invested according to the model portfolio associated with your proposed strategy, that your account will remain invested according to that model portfolio for one full year, and that the expenses associated with the funds included in the model portfolio will not change. However, the investments purchased for your account may differ from those held in the model portfolio, and the investments and their associated expenses will vary over time. The investments in your account may vary from the model portfolio depending on the date you fund your account, any investment restrictions you may request, and the characteristics of the securities you fund your account with (including tax-smart investing techniques). Please note that your advisory fee will vary over time based on a variety of factors, including your asset allocation and underlying account holdings, and may be higher or lower than this estimate.

Please note that the estimated net annual advisory fee is based on the aggregate balance of certain eligible accounts managed through Fidelity® Wealth Services. As assets held in your eligible Portfolio Advisory Services accounts increase and pass certain thresholds, the advisory fee rate you pay may decrease. However, only assets held in eligible accounts may be consolidated for fee calculation purposes and the fee rate quoted here assumes accounts are eligible. If you have additional eligible accounts with Fidelity® Wealth Services that were not considered in this estimate, the fee shown above may be overstated. To learn more about how fees are calculated and how accounts may be aggregated, please review the <u>Program Fundamentals</u>. All fees are subject to change.

The estimated net annual advisory fee quoted does not include (1) additional fees applicable to any separately managed account sleeves that are present in your account, (2) underlying fund fees that are charged and billed at the fund level, or (3) if applicable, the trust administration fee. Please refer to the Schedule of Fees provided by Fidelity Personal Trust Company, FSB for further details.

Fidelity Personal and Workplace Advisors offers a <u>range of advisory programs</u> that may be appropriate for you. For more details, please refer to the Services, Fees and Compensation section of your Program Fundamentals.

Clients pay no commissions on trades only when those trades are made through a Fidelity affiliate.

Please reference the Brochure Supplement regarding the individual(s) who deliver advice and their supervision, which must be provided to clients.

<eep in mind that investing involves risk. The value of your investment will fluctuate over time, and you may gain or lose money.</p>

All indexes are unmanaged, and performance of the indexes includes reinvestment of dividends and interest income, unless otherwise noted. Indexes are not illustrative of any particular investment, and it is not possible to invest directly in an index.

Generally, among asset classes, stocks are more volatile than bonds or short-term instruments and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Although the bond market is also volatile, lower-quality debt securities, including leveraged loans, generally offer higher yields compared with investment-grade securities, but also involve greater risk of default or price changes. Foreign markets can be more rolatile than U.S. markets due to increased risks of adverse issuer, political, market, or economic developments, all of which are magnified in emerging markets.

Diversification and/or asset allocation do not ensure a profit or protect against loss.

Past performance is no guarantee of future results.

Generally, among asset classes, stocks are more volatile than bonds or short-term instruments and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Although the bond market is also volatile, lower-quality debt securities, including leveraged loans, generally offer higher yields compared with investment-grade securities, but also involve greater risk of default or price changes. Foreign markets can be more volatile than U.S. markets due to increased risks of adverse issuer, political, market, or economic developments, all of which are magnified in emerging markets

Bloomberg Barclays Capital U.S. 3-Month Treasury Bellwether Index is an unmanaged, market value—weighted index of investment-grade fixed-rate public obligations of the U.S. Treasury, with maturities of three months. It includes zero-coupon strips.

Bloomberg Barclays US Aggregate Bond Index is a market value-weighted index of investment-grade fixed-rate debt issues, including government, corporate, asset-backed, and mortgage-backed securities, with maturities of one year or more.

Bloomberg Commodity Index Total Return measures the performance of the commodities market. The index consists of exchange-traded futures contracts on physical commodities, and these contracts are weighted to account for the economic significance and market liquidity of each commodity.

BofA Merrill Lynch US High Yield Constrained Index is a market value—weighted index of all domestic and Yankee high-yield bonds, including deferred-interest bonds and payment-in-kind securities. Issues included in the index have maturities of one year or more and have a credit rating lower than BBB—Baa3 but are not in default. The BofA Merrill Lynch US High Yield Constrained Index limits any individual issuer to a maximum of 2% benchmark exposure.

CG Treasury 10+ yr is an unmanaged, market capitalization-weighted index of U.S. Treasury securities with fixed-rate coupons and weighted average lives of at least 10 years.

MSCI EAFE (Europe, Australasia, Far East) Index (net MA tax) is a market capitalization–weighted index that is designed to measure the investable equity market performance for global investors in developed markets, excluding the U.S. & Canada. The index performance includes the reinvestment of dividends and interest income. Securities indices are not subject to fees and expenses typically associated with managed accounts or investment funds.

MSCI Emerging Markets Index is a market capitalization-weighted index that is designed to measure the investable equity market performance for global investors in emerging markets.

NAREIT Equity-Only Index is the unmanaged National Association of Real Estate Investment Trusts (NAREIT) Equity Index, a market value-weighted index based upon the last closing price of the month for tax-qualified REITs listed on the NYSE.

Russell 2000 Index is a market capitalization-weighted index designed to measure the performance of the small-cap segment of the U.S. equity market. It includes approximately 2,000 of the smallest securities in the Russell 3000 Index.

Russell 3000 Growth Index is a market capitalization-weighted index designed to measure the performance of the broad growth segment of the U.S. equity market. It includes those Russell 3000 Index companies with higher price-to-book ratios and higher forecasted growth rates.

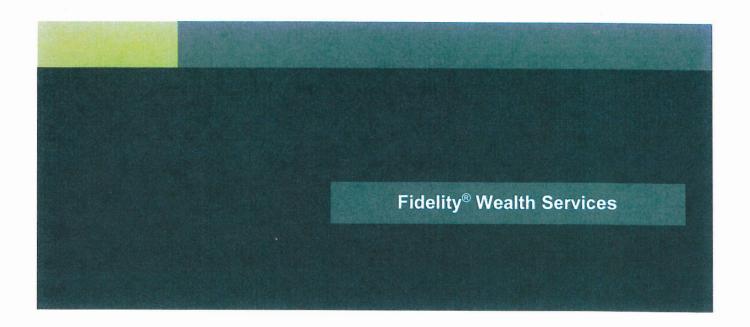
Russell 3000 Value Index is a market capitalization-weighted index designed to measure the performance of the broad value segment of the U.S. equity market. It includes those Russell 3000 Index companies with lower price-to-book ratios and lower forecasted growth rates.

S&P 500 Index is a market capitalization-weighted index of 500 common stocks chosen for market size, liquidity, and industry group representation to represent U.S. equity performance.

The scope of our investment advisory relationship is defined in the Fidelity Wealth Services Client Agreement and begins when we enter into the Client Agreement with you, which occurs at the time we accept your Client Agreement. Preliminary discussions or recommendations before we enter into an agreement with you are not intended as investment advice under the Investment Advisers Act of 1940 and should not be relied on as such.

Fidelity® Wealth Services provides non-discretionary financial planning and discretionary investment management through one or more Portfolio Advisory Services accounts for a fee. Advisory services offered by Fidelity Personal and Workplace Advisors LLC (FPWA), a registered investment adviser, and Fidelity Personal Trust Company, FSB (FPTC), a federal savings bank. Nondeposit investment products and trust services offered through FPTC and its affiliates are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency, are not obligations of any bank, and are subject to risk, including possible loss of principal. Discretionary portfolio management services provided by Strategic Advisers LLC (Strategic Advisers), a registered investment adviser. Brokerage services provided by Fidelity Brokerage Services LLC (FBS), and custodial and related services provided by National Financial Services LLC (NFS), each a member NYSE and SIPC. FPWA, Strategic Advisers, FPTC, FBS, and NFS are Fidelity Investments companies.





Your Responses to the Foundation Endowment Investor Profile Questionnaire

Prepared for:

Newport Education Foundation

February 10, 2021

The following pages contain your responses to our Investor Profile Questionnaire, which we used to determine your investment proposal.

Please take a moment to review this information and notify us immediately if any changes need to be made.

Fidelity® Wealth Services

ACCOUNT INFORMATION

Account Name: Newport Education Foundation

Account Number: XXXXX167

Investment Objective: None

CIRCUMSTANCE OF FOUNDATION-ENDOWMENT

▶ Time Horizon for Foundation/Endowment <Greater than 50 Years>

How long would you expect the foundation/endowment to last?

Organization's Financial Situation

How would you describe your organization's overall financial situation?

ORGANIZATION'S RISK TOLERANCE

Investment Knowledge <Novice>

Which of the following best describes your organization's level of investment knowledge and experience with stock investments or stock mutual funds?

▶ Risk Tolerance Level <5>

Keeping in mind your tolerance level for short-term fluctuations in your investment values, as well as your investment goals, where would you be most comfortable placing your organization on the risk tolerance scale of 1 – 10?

"Avoiding short-term losses is more important than higher total return."

1 2 3 4 5 6 7 8 9 10

"Higher total return is more important than avoiding short-term losses."

Stock Market Decline <Sell less than 25%>

Most investments fluctuate over the short term. If the investment that you made was performing in line with the world financial markets and the investment lost value during the first year, which best states what you would do? This information is used to gauge your risk tolerance and will not be used to actually execute a sell order for your account.

Balance between Short-Term Needs and Long-Term Growth <Long-term growth is as important as short-term needs. Willing to reduce spending to maintain purchasing power of the foundation/endowment.>

Foundation/endowment's focus – weighting the importance of satisfying current spending and long term growth potential.

ORGANIZATION'S LIQUIDITY NEEDS

When will withdrawals begin?	How frequently will withdrawals be made?	Annual percentage of assets withdrawn.	Any additional total withdrawals expected over the next 5 years?
Within 5 years	Regularly (every month, quarter, year)	0.1-4.5%	0%

Does the foundation/endowment have specific spending rule?
 <No, no specific spending rule, withdrawal totally depends on operating budget>

ORGANIZATION'S CONTRIBUTION

▶ Expected organization contribution

<Unknown>

Estimate the percentage in terms of current account balance that you intend to contribute annually to your Fidelity® Wealth Services account.

MANAGEMENT OF YOUR ACCOUNT

- ▶ Are you interested in a diversified, multi-asset class investment portfolio or would you prefer a single asset class strategy? Diversified, Multi-Asset Class Investment Portfolio
- ▶ How would you like your portfolio manager to choose investments for your portfolio?

Your portfolio manager will use active investment selection across active and index-based investments when choosing investment products primarily from Fidelity for your account.

We appreciate your time and attention to this important matter. If you feel your information has been captured accurately, you do not need to take any action. If you feel that your information has not been captured accurately or if you have additional changes, please contact your Fidelity representative as soon as possible.

For clients interested in the index-focused preference, while the investment selection process will be focused on index-based investments, other types of investments may be selected for the Portfolio.

Keep in mind that investing involves risk. The value of your investment will fluctuate over time, and you may gain or lose money.

Fidelity® Wealth Services provides non-discretionary financial planning and discretionary investment management through one or more Portfolio Advisory Services accounts for a fee. Advisory services offered by Fidelity Personal and Workplace Advisors LLC (FPWA), a registered investment adviser, and Fidelity Personal Trust Company, FSB (FPTC), a federal savings bank. Nondeposit investment products and trust services offered through FPTC and its affiliates are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency, are not obligations of any bank, and are subject to risk, including possible loss of principal. Discretionary portfolio management services provided by Strategic Advisers LLC (Strategic Advisers), a registered investment adviser. Brokerage services provided by Fidelity Brokerage Services LLC (FBS), and custodial and related services provided by National Financial Services LLC (NFS), each a member NYSE and SIPC. FPWA, Strategic Advisers, FPTC, FBS, and NFS are Fidelity Investments companies.

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